CONDOMINIUM OFFERING PLAN FOR

THE 42 CROSBY STREET CONDOMINIUM

42 CROSBY STREET
NEW YORK, NEW YORK 10012

TOTAL PURCHASE PRICE FOR 10 RESIDENTIAL UNITS:	**$107,950,000**
TOTAL PURCHASE PRICE FOR 10 PARKING SPACE LICENSES	**$ 10,000,000**

The Condominium will have ten (10) Residential Units and two (2) Commercial Units. Purchasers of the Residential Units will also have the opportunity to purchase Parking Space Licenses on a "first-come, first-served" basis. Included in the purchase of each Residential Unit is the right to exclusive use of one (1) Storage Bin. The Commercial Units are not being offered for sale at this time.

SPONSOR

BROOME STREET OWNER LLC
C/O ATLAS CAPITAL GROUP
505 FIFTH AVENUE, 28TH FLOOR
NEW YORK, NEW YORK 10017
(212) 554-2250

SELLING AGENT

CORE GROUP MARKETING LLC
104 FIFTH AVENUE, 17TH FLOOR
NEW YORK, NEW YORK 10003
(212) 726-0778

The term of the initial offering of this Plan commenced on September 5, 2014 and expires on September 4, 2015 unless said date is extended in a duly filed amendment.

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

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

SEE PAGE vi FOR SPECIAL RISKS TO PURCHASERS.

TABLE OF CONTENTS
PART I

Page

SPECIAL RISKS TO BE CONSIDERED BY PURCHASERS v
INTRODUCTION 1
The Condominium 2
Features of Condominium Ownership 4
Offering of Units for Sale 9
CERTAIN DEFINITIONS 12
DESCRIPTION OF PROPERTY AND IMPROVEMENTS 25
Construction of the Building 25
Residential Units 28
Resident Manager's Unit 29
Commercial Units 29
General Common Elements 30
Residential Common Elements 31
Residential Limited Common Elements 32
Terraces 32
Fireplaces 32
Commercial Common Elements 33
Commercial Limited Common Elements 33
Services, Facilities and Amenities 33
General 39
LOCATION AND AREA INFORMATION 41
Location 41
Transportation 41
Parks, Recreation and Cultural Activities 41
Educational Facilities 42
Medical Facilities 42
Religious Facilities 42
Municipal Services 42
Mailing Address and Neighborhood 42
Zoning and Use 42
SCHEDULE A – OFFERING PRICES AND RELATED INFORMATION 44
SCHEDULE B – PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION 50
SCHEDULE B - 1 ESTIMATED ENERGY COSTS 52
COMPLIANCE WITH REAL PROPERTY LAW §339-i 54
COMMERCIAL UNITS 56
CHANGES IN PRICES AND UNITS 59
INTERIM LEASES 61
PROCEDURE TO PURCHASE 62
Escrow and Trust Fund Requirements 68
EFFECTIVE DATE 73
TERMS OF SALE 75
CLOSING COSTS AND ADJUSTMENTS 80

RIGHTS AND OBLIGATIONS OF SPONSOR 87
Sponsor's Obligations with Respect to the Building 87
Leasing and Use of Unsold Units 94
CONTROL BY SPONSOR 96
BOARDS OF MANAGERS 98
RIGHTS AND OBLIGATIONS OF UNIT
OWNERS AND THE BOARDS OF MANAGERS 103
Sales and Leases of Units 103
Use of Units 107
Mortgage of Units by Unit Owners 109
Common Charges: Determination and Assessment 110
Common Charges: Collection and Lien for Non-Payment 113
RPL §339-jj-Borrowing by Condominium 115
RPL §339-kk-Payment of Rent Where Default in Payment of Common Charges 115
Decorating, Repairs to and Maintenance of Units and Common Elements 116
Alterations and Improvements of Units and Common Elements 118
Rights of Access 120
Compliance with Terms of Declaration, By-Laws and Rules and Regulations 121
Examination of Books and Records 121
Repair or Reconstruction after Fire or Other Casualty 121
Insurance 122
Liability of Boards of Managers and Unit Owners 124
Reports to Unit Owners 125
Termination of Condominium 125
Residential Units Acquired by Residential Board 125
Procedure to Review Real Estate Tax Assessments 126
Mechanics' Liens 126
Easements 127
Name of Condominium and the Building 128
The Declaration and By-Laws 128
REAL ESTATE TAXES 129
INCOME TAX DEDUCTIONS TO UNIT
OWNERS AND TAX STATUS OF THE CONDOMINIUM 132
Deductibility of Mortgage Interest and Real Estate Taxes 132
Taxation of the Condominium 133
ATTORNEY'S INCOME TAX OPINION OF
STROOCK & STROOCK & LAVAN LLP 135
339-i OPINION OF STROOCK & STROOCK & LAVAN LLP 137
REAL ESTATE TAX OPINION OF THE LEITNER GROUP 139
WORKING CAPITAL FUND AND APPORTIONMENTS 141
RESERVE FUND 143
MANAGEMENT AGREEMENT, CONTRACTS AND LEASES 144
IDENTITY OF PARTIES 150
Sponsor 150
Selling Agent 150
Managing Agent 151

Attorneys for Sponsor 151
Sponsor's Architects/Engineers 151
Sponsor's Energy Expert 152
Sponsor's Condominium Expert 152
Service of Process 152
REPORTS TO UNIT OWNERS 153
RECORDATION, INSPECTION AND DELIVERY OF DOCUMENTS 154
GENERAL 155
SPONSOR'S STATEMENT OF BUILDING CONDITION 157

TABLE OF CONTENTS
PART II

CAPTION	EXHIBIT
Exhibit 1	AGREEMENT
Exhibit 2	POWER OF ATTORNEY
Exhibit 3	UNIT DEED
Exhibit 4	DESCRIPTION OF PROPERTY
Exhibit 5	FLOOR PLANS
Exhibit 6	CONDOMINIUM DECLARATION
Exhibit 7	CONDOMINIUM BY-LAWS
Exhibit 8	CERTIFICATION OF SPONSOR AND PRINCIPALS
Exhibit 9	CERTIFICATION OF SPONSOR'S ARCHITECT
Exhibit 10	CERTIFICATION OF SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET
Exhibit 11	CERTIFICATION OF SPONSOR'S EXPERT CONCERNING ADEQUACY OF COMMON CHARGES PAYABLE BY COMMERCIAL UNIT OWNER
Exhibit 12	FORM W-9
Exhibit 13	FORM W-8BEN
Exhibit 14	RPL §339-kk
Exhibit 15	SPECIMEN TITLE POLICY
Exhibit 16	STORAGE BIN LICENSE
Exhibit 17	PARKING SPACE LICENSE
Exhibit 18	ALTERATION AGREEMENT
Exhibit 19	LIEN LAW
Exhibit 20	CONDOMINIUM NON-DISTURBANCE AGREEMENT

PART I

SPECIAL RISKS TO BE CONSIDERED BY PURCHASERS

(See the "Definitions" Section of this Plan for definitions of capitalized terms)

1. A. At the time an Agreement is executed, a Purchaser is required to make an Initial Deposit with an Additional Deposit due and payable no later than the earlier to occur of: (i) four months after the date of the Agreement or (ii) fifteen (15) days after Sponsor presents an amendment declaring the Plan effective, but in no event later than the Closing, subject to collection. If a Parking Unit Rider is entered into, a Purchaser shall be required to make an Parking Space Deposit for the Parking Space License under the same terms and conditions as those required upon executing an Agreement for a Residential Unit (including without limitation, paying an Additional Parking Deposit). (See the Section entitled "Procedure to Purchase," in Part I of the Plan for further details.)

B. The balance of the Purchase Price shall be paid by official bank check or an unendorsed certified check drawn on or issued by a New York bank or trust company which is a member of The New York Clearinghouse Association or, at Sponsor's election, upon not less than two (2) days' prior written notice, by wire as directed by Sponsor with instructions thereof provided by Sponsor to Purchaser. Funds drawn on out-of-state or foreign banks or New York bank or trust companies which are not a member of The New York Clearinghouse Association will not be accepted in payment of the Purchase Price, including the Deposit, for a Unit unless otherwise agreed by Sponsor. Sponsor makes no representations or guarantees that the foregoing will not be further modified. (See the Section entitled "Procedure to Purchase" under the subsection entitled "Escrow and Trust Fund Requirements" set forth in Part I of the Plan.)

C. Purchasers are further advised that (i) the risk of loss of any portion of the Deposit(s) deposited in accordance with the terms of the Plan and the Agreement shall be borne by Purchaser; (ii) if a Purchaser deposits Deposit(s) and/or Custom Work Deposits in excess of $250,000 for the purchase of a Unit, such Deposit(s) will not be federally insured in excess of $250,000; and (iii) if a Purchaser has any additional accounts in the Escrow Bank, the funds in said accounts will be added together with the Deposit(s) and Custom Work Deposit(s) held in escrow and the total will only be insured up to the $250,000 FDIC maximum coverage. The FDIC insurance coverage limit applies per depositor, per insured depository institution for each account ownership category. Purchasers are encouraged to visit http://www.fdic.gov. for further information and updates. (See the Section entitled "Procedure to Purchase" set forth in Part I of the Plan).

D. In the event a Purchaser defaults under the Agreement, **TIME BEING OF THE ESSENCE** with regard to the obligations of Purchaser thereunder, and Purchaser does not cure such default within thirty (30) days after Sponsor gives written notice to the Purchaser of such default, **TIME BEING OF THE ESSENCE** with regard to the obligation of purchaser to cure within such thirty (30) day period, Sponsor may, at its option, either (i) terminate the Agreement by notice of termination to Purchaser and retain the Deposit, Parking Space Deposit, the Custom Work Deposit, as applicable, and all other sums deposited by Purchaser under the Agreement,

together with interest earned thereon as liquidated damages, it being acknowledged and agreed that such sums may be in excess of ten percent (10%) of the Purchase Price and that it is extremely difficult and impracticable to ascertain the extent of detriment to Sponsor caused by the breach by Purchaser under the Agreement and the failure of the consummation of the transaction contemplated by the Agreement or the amount of compensation Sponsor should receive as a result of Purchaser's breach or default; or (ii) terminate the Agreement by notice of termination to Purchaser and bring an action for damages; or (iii) exercise all other remedies available to Sponsor at Law or in equity. Upon termination of the Agreement, Purchaser shall have no further rights thereunder, and Sponsor may sell the Unit to any third party as though the Agreement had never been made (without any obligation to account to Purchaser for any part of the proceeds of such sale). In addition, Sponsor shall be entitled to retain the Custom Work Deposit, or, if applicable, to commence an action against Purchaser to recover Custom Work Costs if no Custom Work Deposit shall have been made by Purchaser, or if, to the extent the Custom Work has already commenced, the Custom Work Deposit is insufficient to cover the Custom Work Cost. Sponsor shall also be entitled to commence an action against Purchaser to recover Restoration Costs to the extent that such Restoration Costs have or will be incurred by Sponsor. (See the Section entitled "Procedure to Purchase," in Part I of the Plan for further details.)

E. For purposes of this Plan and the Agreement, the term "**TIME BEING OF THE ESSENCE**" shall mean that a failure by Purchaser to do what is required at the time specified in the Agreement is a material breach of the Agreement and constitutes a default entitling Sponsor to the remedies set forth in this Plan and the Agreement. (See the Section entitled "Procedure to Purchase," in Part I of the Plan for further details.)

F. The Agreement provides that Purchaser shall be obligated to reimburse Sponsor (whether or not Sponsor prevails in defending or enforcing Sponsor's rights) for any legal fees and disbursements incurred by Sponsor or if Purchaser defaults under the Agreement beyond any applicable grace period, in canceling the Agreement or otherwise enforcing Purchaser's obligations thereunder. **THE AGREEMENT ALSO PROVIDES, IN CLEAR AND EXPLICIT TERMS, THAT, EXCEPT AS PROHIBITED BY LAW, THE PARTIES WAIVE TRIAL BY JURY IN ANY LITIGATION ARISING OUT OF, OR CONNECTED WITH, OR RELATING TO, THE PLAN, THE AGREEMENT OR THE RELATIONSHIP CREATED THEREBY.** (See the Agreement, in Part II of the Plan for further details.)

G. Upon submission of a signed Agreement and check for the Deposit (subject to collection) to the Sponsor or the Selling Agent, a prospective Purchaser will be notified within thirty (30) days after such submission as to whether the Agreement has been accepted or rejected. Such Agreement will not be binding on Sponsor until approved and executed by Sponsor, and delivered by Sponsor or Sponsor's Counsel to the prospective Purchaser or such Purchaser's attorney. Sponsor reserves the right to request and obtain information concerning any prospective Purchaser, subject to any limitations and requirements imposed by Law. Purchaser acknowledges and agrees that Sponsor may obtain certain information about Purchaser's (or Purchaser's principals or permitted assignees) character, general reputation, personal characteristics, credit history and mode of living prior to counter-executing an Agreement in order to permit Sponsor to comply with the requirements of the applicable federal

laws (including without limitation, the Fair Credit Reporting Act). Purchaser, upon execution of an Agreement thereby authorizes Sponsor, prior to Sponsor counter-executing the Agreement, to obtain such information from a credit reporting agency or elsewhere and agrees to execute any documentation necessary in this regard. If such Purchaser receives no response within the thirty (30) day period, the Agreement will be deemed rejected and canceled and all monies paid thereunder shall be refunded to Purchaser within five (5) business days thereafter. Upon such refund being made, neither party shall have any further rights or obligations hereunder with respect to the other. (See the Section of the Plan entitled "Procedure to Purchase" set forth in Part I of the Plan.)

H. If a Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing Date and Sponsor elects not to terminate the Agreement as a result of the same, (a) the closing apportionments to be made at the Closing Date will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing Date occurs, and (b) the Purchaser will be required to pay to Sponsor, in addition to the other payments to be made to Sponsor under the Agreement and the Plan, an amount equal to 0.05% of the Purchase Price of the Unit for each day starting from (and including) the originally scheduled Closing Date to and including the day before the actual Closing Date. (See the Sections entitled "Procedure to Purchase," and "Closing Costs and Adjustments," in Part I of the Plan for further details.)

2. Pursuant to the Declaration and By-Laws, Residential Units shall be used only for residential purposes only (except as described below). The Residential Board, may in its sole discretion, permit a Residential Unit to be used for other purposes provided such use is permitted by Law, does not violate the then existing Certificate of Occupancy and complies with all applicable governmental regulations. **Notwithstanding the foregoing, Sponsor may, without the permission of the Residential Board (a) use or grant permission for the use of any Unsold Residential Unit as a professional office or for any other purpose, including, without limitation, use as a long or short term rental, transient hotel, timeshare or other use, provided such use is permitted by Law, does not violate the then existing certificate of occupancy for such Residential Unit (subject to Sponsor's right to amend the certificate of occupancy to conform to use as provided in the By-Laws), and the occupant of such Unsold Residential Unit complies with all applicable governmental regulations with respect to such use, and (b) retain ownership of one or more Unsold Residential Units for use as models and sales, rental and/or promotion offices in connection with the sale or rental of other Residential Units in the Condominium or in buildings in the vicinity in which principals of Sponsor may have an interest** (See the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers" under the subsection entitled "Sales and Leases of Units" in Part I of the Plan for further details.)

3. At the closing of title to a Residential Unit, Sponsor will collect from each Purchaser, an amount equal to two (2) months' Residential Common Charges then applicable to such Residential Unit being purchased which will be deposited into the Working Capital Fund. The Working Capital Fund will be held and used for working capital, or for such other appropriate purposes as will be determined by the Residential Board and may be augmented by allocations from the monthly Residential Common Charges collected from each Residential Unit Owner. No representation or warranty can be made and no assurance can be given as to the

exact amount of funds available at any specific time. Notwithstanding the foregoing, while Sponsor controls the Residential Board (see the Section of the Plan entitled, "Control By Sponsor" set forth in Part I of the Plan), the Working Capital Fund will not be used to reduce Residential Common Charges. Purchasers are advised that if Sponsor enters into leases for Unsold Residential Units, the tenants thereunder will not be obligated to contribute to the Working Capital Fund and accordingly, the Working Capital Fund may be insufficient for the payment of unanticipated expenses, if any, and Residential Unit Owners may be subject to the imposition of a Special Assessment to pay for the costs of such unanticipated expenses, if any. (See the Sections of the Plan entitled "Working Capital Fund and Apportionments" and "Closing Costs and Adjustments" set forth in Part I of the Plan.)

4. Except as otherwise set forth herein, there are no limitations on who may purchase Units. Any Purchaser of a Unit which is a Governmental Entity may be required to deposit into escrow an amount equal to one (1) year of Common Charges then in effect to secure their obligations under the Condominium Declaration for the payment of Common Charges and/or Special Assessments and/or other charges. Sponsor will not knowingly accept an offer of purchase from an individual younger than eighteen (18) years of age or an incompetent under Law. Sponsor is not obligated to offer or sell any Units and may, if it chooses, withhold one or more Units for future sale. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without the consent of any 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, sex, disability, religion, marital status, age, ancestry, national origin or other ground proscribed by Law. No binding obligation will arise for the sale of a Unit unless and until an Agreement executed by both Purchaser and Sponsor has been exchanged and Sponsor has collected the funds constituting Purchaser's required Deposit thereunder (See the Sections entitled "Procedure to Purchase" and "Terms of Sale" set forth in Part I of the Plan).

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

6. Prior to the closing of title to a Unit, the Purchaser thereof shall not be permitted to conduct tests in such Unit for any reason, including, without limitation, making holes in the wall or ceiling and/or removing sheet rock, tiles, wood flooring, windows or window panes to test for mold, asbestos, lead paint, mildew, spores, fungi or other toxins or for any other purpose. (See the Sections entitled "Terms of Sale," and "Rights and Obligations of Sponsor," in Part I of the Plan for further details.)

7. A. Although a Purchaser may obtain financing from a lending institution or any other source, the obligation to purchase a Unit pursuant to the Agreement shall not be contingent on obtaining financing for such purchase. Neither Sponsor nor the Selling Agent make any representations as to the terms or availability of any mortgage financing. Prospective Purchasers are advised to consider financing arrangements before signing an Agreement.

However, prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be fixed, and could expire before the Closing Date. In addition, a lending institution could withdraw its commitment if it believes a Purchaser's financial condition has worsened or that the Unit's appraised value has decreased. If Purchaser chooses to finance Purchaser's purchase of a Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in a Purchaser's financial status or condition shall release or relieve such Purchaser of Purchaser's obligations pursuant to the Agreement. (See the Sections entitled "Procedure to Purchase," and "Closing Costs and Adjustments" in Part I of the Plan for further details.)

B. Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on loans. For instance, some lenders have required that a certain percentage (70% or more) of the units in a building be sold before the lender will consider making a loan. Even after the First Closing has occurred, lenders may still impose minimum sales requirements as a condition to making a loan for which commitments have been issued. It may be possible for a Purchaser to experience difficulty obtaining a loan in a building where the percentage of units purchased is lower than a lender's particular sales minimum. Moreover, lenders are imposing higher loan to value requirements, making it more difficult for Purchasers to obtain a loan to finance the purchase of their Unit. Purchasers may also find it difficult to resell units if prospective buyers are unable to obtain loans due to such minimum sales requirements or any other reason. Purchasers should further note that pursuant to existing Law, and except as otherwise set forth herein, Sponsor may declare the Plan effective upon selling a minimum of fifteen percent (15%) of the Units offered for sale in the Building. Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to submit the Property to a condominium regime and convey Units with fewer than the minimum number of sales if purchasers counted towards effectiveness do not ultimately purchase a Unit. (See the Section entitled "Effective Date," in Part I of the Plan for further details.)

C. If Purchaser obtains a mortgage loan for the purchase of the Unit, the Purchaser will pay to Sponsor a sum equal to the partial mortgage recording tax credit to which Purchaser may be entitled pursuant to §339-ee(2) of the Condominium Act, which sum will be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor in connection with any existing mortgage(s). Alternatively, Sponsor may require, in its sole discretion, that if Purchaser finances the purchase of the Unit with a mortgage loan, Purchaser must cause the lender making such mortgage loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to such mortgage loan as determined by Sponsor. Upon such assignment, that portion of the mortgage loan assigned by Sponsor, will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. In such event Purchaser will be obligated to pay any costs of fees incurred by either Purchaser or Sponsor, including without limitation, Sponsor's legal fees, in connection with such assignment. Sponsor shall be solely entitled to the benefits of the exemption and accordingly, Purchaser will pay to Sponsor an amount equal to the mortgage recording tax savings resulting from such exemption. (See the Section entitled "Closing Costs and Adjustments" in Part I of the Plan for further details).

8. A Purchaser may not be a Prohibited Person (defined hereinafter) at any time prior to closing. Each Purchaser must be in full compliance with all applicable orders, rules, regulations and recommendations of The Office of Foreign Assets Control ("OFAC") of the U.S. Department of the Treasury. The term "Prohibited Person" shall mean any person or entity: (a) listed in the Annex to, or otherwise subject to the provisions of, (i) the Executive Order No. 13224, "Blocking Property and Prohibiting Transactions with Persons who Commit, Threaten to Commit, or Support Terrorism" issued on September 23, 2001, and/or (ii) Executive Order 12947, "Prohibiting Transactions with Terrorists Who Threaten to Disrupt the Middle East Peace Process" issued on January 23, 1995 (both the "Executive Orders"); (b) that is owned or controlled by, or acting for or on behalf of, any person or entity that is listed to the Annex to, or is otherwise subject to the provisions of, the Executive Orders; (c) with whom Beneficiary is prohibited from dealing or otherwise engaging in any transaction by any terrorism or money laundering law, including the Executive Orders; (d) who commits, threatens or conspires to commit or supports "Terrorism" as defined in the Executive Orders; (e) that is named as a "Specially Designated National and Blocked Person" on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control at its official website, www.ustreas.gov/Offices/enforcement/ofac or at any replacement website or other replacement official publication of such list; or (f) who is an affiliate of or affiliated with a person or entity listed above. (See the Section of the Plan entitled "Introduction" under the subheading "Features of Condominium Ownership" and the form of Agreement set forth in Part II of the Plan.)

9. A. Included in the Purchase Price of each Residential Unit is the right to the exclusive use of one (1) Storage Bin, which use shall be licensed to Purchaser pursuant to the terms of a Storage Bin License. Each Purchaser will be allocated a specific Storage Bin at or prior to Closing. The Storage Bins shall be constructed similar to conventional rooms with drywall partitions and shall be accessed through metal doors. Each Residential Unit Owner shall be responsible for keeping its respective Storage Bin locked and shall provide the Sponsor or Residential Board with a duplicate key. The Storage Bins are more particularly shown on the Floor Plan set forth as an Exhibit in Part II of the Plan.

B. At the closing of title to the Residential Unit, the Purchaser must execute a Storage Bin License substantially in the form set forth as an Exhibit in Part II of the Plan.

C. The Storage Bins will be located on a portion of the Cellar level of the Building and accordingly, the Sponsor cannot make any representation as to whether the Storage Bins will remain dry. Neither the Sponsor nor any Board (nor their agents or employees) will be responsible for any damage to items placed in the Storage Bins. Residential Unit Owners who place items in the Storage Bins do so at their own risk and Purchasers are advised to consult with their insurance brokers regarding appropriate coverage for such stored items. The Storage Bins may only be used in accordance with Law and only for the storage of the personal effects of the Residential Unit Owner having exclusive access to such Storage Bin. Nothing can be stored in the Storage Bins which would constitute a threat to the health or safety of the Unit Owners or other occupants of the Building or otherwise create a nuisance in the Building. Residential Unit Owners will be responsible for all Maintenance to their respective Storage Bins; however the costs and expenses of any structural or extraordinary repairs or replacements shall be a Residential Common Expense charged to all Residential Unit Owners. The Residential Board

has the authority to promulgate such other rules regarding use of and access to the Storage Bins. Purchasers are advised to review the Storage Bin License in Part II of the Plan which sets forth the prohibited uses of the Storage Bins.

D. In the event that a Storage Bin is not available for use and/or occupancy on the Closing Date due to the status of completion of the construction of the Building, or a Temporary Certificate of Occupancy or Permanent Certificate of Occupancy (if required) is not obtained for such Storage Bin or for any other reason, Purchaser shall remain obligated to close title to its Residential Unit, pay the balance of the Purchase Price for such Residential Unit and shall remain obligated to pay Residential Common Charges in full.

E. The Storage Bin License may only be assigned or sublicensed by the Storage Bin Licensee to a person acquiring a Residential Unit or to another Residential Unit Owner in the Condominium. Upon conveyance of a Residential Unit, the Residential Board will enter into a new Storage Bin License with the transferee of such Residential Unit, in the form set forth as an Exhibit in Part II of the Plan or in such form then required by the Residential Board. In no event may a Residential Unit Owner retain usage or rights to a Storage Bin after conveyance or transfer of such Residential Unit Owner's Unit. In the event a Storage Bin Licensee elects to terminate a Storage Bin License or sells its Residential Unit and does not assign same to another Residential Unit Owner or to a person acquiring a Residential Unit, the rights to the Storage Bin in question will devolve to the Residential Board and the Residential Board shall have the right, in its sole discretion, to issue a new Storage Bin License to another Residential Unit Owner or a person acquiring a Residential Unit at the Condominium or to retain such Storage Bin for future sale or lease to a Residential Unit Owner or a party simultaneously acquiring a Residential Unit. In addition, Residential Unit Owners may only lease their respective Storage Bins to other Residential Unit Owners in the Building, the Boards or Sponsor, as the case may be. The foregoing restrictions shall not apply to Sponsor, who may license a Storage Bin to a Commercial Unit Owner or a non-occupant of the Building. (See Section entitled "Description of Property and Improvements" under the subsection entitled "Services, Facilities and Amenities" set forth in Part I of the Plan and a copy of the form of the Storage Bin License and the Floor Plan for the Storage Bins are set forth as separate Exhibits in Part II of the Plan.)

F. Electricity will be provided to each Storage Bin as more particularly described in the Description of Property in Part II of the Plan. Electricity to Storage Bins will not be separately metered and will be allocated to the Residential Unit Owners as a Residential Common Expense charged to each Residential Unit Owner in accordance with its respective Residential Common Interest.

10. A. Sponsor is hereby offering for sale ten (10) Parking Space Licenses for sale on a "first-come, first-served" basis to Purchasers of Residential Units at the Parking Space Price. Notwithstanding the foregoing, Sponsor reserves the right to license a Parking Space to a person that do not reside at the Condominium. If a Parking Unit Rider is entered into, a Purchaser shall be required to pay a Parking Space Deposit for the Parking Space License under the same terms as those required upon executing an Agreement for a Residential Unit. Each Parking Space Licensee will be allocated a specific Parking Space at or prior to Closing. Pursuant to the terms of the Parking Space License, each Parking Space Licensee may park only one (1) vehicle in the designated Parking Space and shall not store anything else in the Parking

Space other than one (1) vehicle. Each Parking Space is provided with a sub-metered receptacle for charging an electric vehicle and each Parking Space Licensee will be responsible for paying the utility company directly for charges and fees incurred. One (1) Parking Space is handicapped accessible and complies with the requirements for van parking.

B. Purchasers are advised that the Garage will not be attended and each Parking Space Licensee will be responsible for self-parking his or her vehicle by entering the Building at the Garage entrance located on Crosby Street, driving such Parking Space Licensee's vehicle onto the Parking Elevator (which will take the Parking Space Licensee's vehicle to the Cellar of the Building) and self-parking the vehicle on the Cellar level where the Parking Spaces are located. Each Parking Space Licensee will be responsible for parking its vehicle at its own risk. Neither the Sponsor nor any Board will be responsible for any damage caused to any Residential Unit Owner's vehicle. In addition, since the Parking Spaces are located on the Cellar level of the Building, Sponsor makes no representation as to flooding which could occur in a below grade space. Accordingly, Parking Space Licensees who park vehicles in the Parking Spaces do so at their own risk and Purchasers are advised to consult with their insurance brokers regarding appropriate coverage. Parking Space Licensees will be required to provide the Residential Board with a duplicate key for any vehicle parked in a Parking Space to be utilized solely in the case of an Emergency.

C. At the closing of title to the Residential Unit, the Purchaser of a Parking Space License must execute a Parking Space License substantially in the form set forth as an Exhibit in Part II of the Plan. The provisions of the Parking Space License and Condominium Declaration and By-Laws shall govern the use, access and Maintenance of the Garage and Parking Spaces. The Parking Spaces may only be used in accordance with Law and only for the parking of the one (1) vehicle of the Parking Space Licensee having exclusive use of such Parking Space. Parking Space Licensees will be responsible for all Maintenance to their respective Parking Spaces; however the costs and expenses of any structural or extraordinary repairs or replacements shall be a Residential Common Expense charged to all Residential Unit Owners (regardless of whether the Residential Unit Owner is a Parking Space Licensee). The Residential Board has the authority to promulgate such other rules regarding use of and access to the Parking Spaces.

D. In the event that a Parking Space is not available for use on the Closing Date due to the status of completion of the construction of the Building and Units, or a temporary certificate of occupancy or permanent certificate of occupancy (if required) is not obtained for such Parking Space or for any other reason, Purchaser shall remain obligated to close title to its Residential Unit and pay the balance of the Purchase Price for such Residential Unit and the Parking Space License and shall remain obligated to pay Residential Common Charges in full and any funds collected for the sale of the Parking Space License shall be retained by Escrow Agent and shall not be released to Sponsor until a temporary certificate of occupancy or permanent certificate of occupancy, if required, is obtained for such Parking Space

E. The Parking Space License may only be assigned or sublicensed by the Parking Space Licensee to a Permitted Transferee. Upon conveyance of a Residential Unit, the Residential Board will enter into a new Parking Space License with the Permitted Transferee in the form set forth as an Exhibit in Part II of the Plan or in such form then required by the

Residential Board. In no event may a Residential Unit Owner retain use or rights to a Parking Space after conveyance or transfer of such Residential Unit Owner's Unit. In the event a parking space licensee elects to terminate a Parking Space License or sells its Residential Unit and does not assign same to another Permitted Transferee, the rights to the Parking Space in question will devolve to the Residential Board and the Residential Board shall have the right, in its sole discretion, to issue a new Parking Space License to another Permitted Transferee. The foregoing restrictions shall not apply to Sponsor who may license a Parking Space to a Commercial Unit Owner or to someone that does not reside in the Condominium.

F. Electricity will be provided to each Parking Space as more particularly described in the Description of Property in Part II of the Plan. Each individual Parking Space will be separately metered and each Parking Space Licensee will be responsible for paying the utility company directly for such charges.

G. The passenger elevator serving the Residential Section of the Building will go down to the Cellar level so as to allow Residential Unit Owners that reside in the Condominium to go from the Parking Garage directly to their Residential Unit. Elevator access will require use of a key fob in order to maximize security.

H. The Residential Board will be responsible for ensuring that the Parking Garage shall be used in accordance with applicable Law, including without limitation applicable Laws relating to handicapped parking spaces.

I. Purchasers are advised to review the Section of the Plan entitled "Description of Property and Improvements" under the subsection entitled "Services, Facilities and Amenities" set forth in Part I of the Plan and a copy of the form of the Parking Space License and the Floor Plan for the Parking Spaces are set forth as separate Exhibits in Part II of the Plan.)

11. There is no Unit designated as a superintendent's apartment in the Building. In accordance with the New York City Housing Maintenance Code the Condominium Board will employ a twenty-four hour a day janitorial service.

12. Sponsor does not anticipate that it will submit an application to either Fannie Mae or FHA to apply to have the Condominium be added to a list of "approved" condominiums. In the event that sponsor does apply to either Fannie Mae or FHA to have the Condominium added to the "approved" Condominium list, there is no guaranty or assurance that such applications will satisfy the criteria for approvals, or in the event that either or both of the Fannie Mae and FHA requirements are satisfied, whether the Condominium will continue to satisfy such criteria. Purchasers should further be advised that if FHA approval is granted to the Condominium, no more than thirty (30%) percent of the total Residential Units may be encumbered by FHA securitized, guaranteed or insured loans. It shall not be a basis for a Purchaser to rescind an Agreement if for any reason, Sponsor's application to either or both of Fannie Mae and FHA, is not submitted or approved. In addition, in accordance with the requirements of Fannie Mae and FHA, at least ten (10%) percent of the total operating budget for the First Year of Condominium Operation is required to be placed in the Contingency Reserve. The Contingency Reserve for the First Year of Condominium Operation, as more particularly set forth in Schedule B set forth in Part I of the Plan, is for 3%. There is no guarantee or assurance that the Contingency Fund will

be provided as a line item in the operating budget after the First Year of Condominium Operation or that Purchasers will be able to obtain mortgages insured by Fannie Mae and/or FHA. The Condominium Board and Residential Board, as the case may be, reserves the right, in its sole discretion (including without limitation during the Sponsor Control Period) to use the Contingency Fund towards any capital expenditures it deems appropriate. Please refer to the Section entitled "Introduction" in Part I of the Plan. (See a copy of Schedule B set forth in Part I of the Plan.)

13. A. Purchasers are advised that the risk of loss to any Unit by fire or other casualty is assumed by Sponsor until the Closing for such Unit has occurred.

B. In the event that a Unit is damaged or destroyed as a result of a fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, and provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Unit, the Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price for the subject Unit. In such event Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Boards and other Unit Owners, belong entirely to Sponsor. In the event that a Unit is damaged or destroyed by fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, and Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion, provided that Sponsor shall notify Purchaser within 90 days from the date of the casualty as to whether Sponsor will elect to restore) to repair or restore the Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and Boards of Managers"), the Agreement shall be deemed canceled and of no further force or effect and Escrow Agent shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, whereupon the parties to the Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan. However, notwithstanding anything to the contrary herein, if there is a default by Purchaser under the Agreement (beyond any applicable grace period), Sponsor shall be entitled to retain the Deposit and Custom Work Deposit, or, if applicable, to commence an action against Purchaser to recover Custom Work Costs if no Custom Work Deposit shall have been made by Purchaser, or if, to the extent the Custom Work has already commenced, the Custom Work Deposit is insufficient to cover the Custom Work Cost. Sponsor shall also be entitled to commence an action against Purchaser to recover Restoration Costs to the extent that such Restoration Costs have or will be incurred by Sponsor.

C. In the event that Purchaser takes possession of a Unit pursuant to an Interim Lease prior the Closing, Purchaser shall be responsible for reimbursing Sponsor for the cost of obtaining insurance for such Unit as required under the By-Laws. Notwithstanding the foregoing, Sponsor's execution of an Interim Lease shall not obligate Sponsor to restore or repair the Unit prior to the Closing of the Unit. Purchasers that enter into Interim Leases for Units prior to Closing shall also assume the risk of loss to his or her personal property. (See the Section entitled "Procedure to Purchase," "Rights and Obligations of Sponsor," and "Repair or Reconstruction After Fire or Other Casualty," in Part I of the Plan for further details.).

14. In order to preclude any application of the Rule Against Perpetuities which might otherwise invalidate the Agreement, the Agreement provides that the Agreement shall expire, unless otherwise previously terminated, on the day which is the earlier to occur of (i) twenty-one (21) years after the date of the Agreement, or (ii) the time period legally permitted by the Rule Against Perpetuities in the State of New York, in which case the Deposit and all interest accrued thereon shall be returned to Purchaser. (See the Section entitled "Procedure to Purchase" set forth in Part I of the Plan and a copy of the Agreement set forth as an Exhibit in Part II of the Plan.)

15. 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, then Purchaser will be required to pay Sponsor's Counsel a fee in the amount of $1,000.00, in advance, for preparation of an assignment agreement. Any purported assignment by Purchaser in violation of the Agreement will constitute a default thereunder and will, in addition to Sponsor's other remedies on account of such default, be voidable by Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. (See the Section entitled "Escrow and Trust Fund Requirements," in Part I of the Plan for further details.)

16. Upon closing, Purchasers shall be obligated to pay the NYC RPT Tax and NYS Tax, which by Law are the primary obligation of a seller. For purposes of calculating the taxes payable, the consideration will be "grossed up" by the amounts of such taxes which would otherwise be a seller's obligation. Purchasers who acquire a Commercial Unit or two or more Residential Units that have not been combined into a single residence prior to the transfer will be obligated to pay the NYC Real Property Transfer Tax at the commercial rate if the Residential Unit exceeds $500,000 which commercial rate is currently 2.625%. If the Purchase Price of a Residential Unit (as "grossed up" as aforesaid) is $1,000,000 or more, Purchaser shall also be obligated to pay the Mansion Tax, which is currently one percent (1%) of the Purchase Price, which by Law is the primary obligation of the Purchaser. (See the Section entitled "Closing Costs and Adjustments" in Part I of the Plan for further details).

17. All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's Counsel in connection with the closing of title to Purchaser's Unit: (i) the sum of $3,500 for the preparation of closing documents and attendance at Closing, (ii) if the Purchaser requests the Closing to occur other than at the offices of Sponsor's Counsel or such other place as Sponsor may designate in its closing notice and Sponsor consents to such change, an attendance fee of $500 for each Closing held within Manhattan and $700 for each Closing held in any borough outside Manhattan, (iii) if the Closing is adjourned through no fault of Sponsor, an additional fee of $500 for each such adjournment to help defray the cost of preparing for and coordinating the new Closing; (iv) 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 (and if Sponsor consents to more than one assignment, a fee of $1000 shall be payable for each assignment) and (v) if Purchaser, Purchaser's attorney or Purchaser's lender is more than one (1) hour late to the Closing, Sponsor reserves the right to adjourn or delay the Closing and cause Purchaser to pay an adjournment fee

of $500. Purchaser may pay more than one fee pursuant to this paragraph with respect to a single Unit. Sponsor's Counsel shall also be entitled to an attendance fee if they attend a scheduled Closing but the Closing is adjourned due to Purchaser's failure to comply with its Closing obligations, the determination of which shall be within the sole discretion of Sponsor's Counsel. (See the Section entitled "Closing Costs and Adjustments," in Part I of the Plan for further details.)

18. Purchasers are entitled to select their own title company provided, however that each Purchaser's title underwriter must agree (i) to timely submit the Unit Deed, all Transfer Tax forms and checks for payment of such Transfer Taxes required to be submitted to the appropriate governmental authorities for recording and payment in connection with the conveyance of the Unit to Purchaser; and (ii) indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event the title underwriter (or its abstract company) fails to file such Unit Deed and Transfer Tax forms and remit payment of the Transfer Taxes required in connection therewith in a timely manner in accordance with law and the requirements of any governmental or quasi-governmental agency. If said title underwriter does not execute an indemnification substantially in the form set forth as Exhibit A to the Agreement in Part II of the Plan, Purchaser must, as more fully set forth in the Agreement, agree to: (a) indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) if its title underwriter (or such title underwriter's abstract company) fails to file such Unit Deed, transfer tax forms and remit payment of the Transfer Taxes required in connection therewith in a timely manner in accordance with law and the requirements of any governmental or quasi-governmental agency; and (b) deposit, at closing, the sum of $3,000 (the "Filing Deposit") with Sponsor's Counsel, which funds may be used by Sponsor (i) to pay legal fees, at Sponsor's Counsel's usual and customary rates, to monitor the recording of the Unit Deed and the filing of the Transfer Tax forms and payment of the Transfer Taxes, and represent Sponsor in connection with any failure to file the Unit Deed, Transfer Tax forms and payment of the required Transfer Taxes or take any action with respect to the failure to file and remit same; and (ii) pay any such taxes, fines or penalties assessed or charged by any governmental or quasi-governmental agency. Purchaser acknowledges, however, that the Filing Deposit is not a maximum amount which must be paid by Purchaser in the event the Unit Deed, Transfer Tax forms and Transfer Taxes are not filed or are not paid in a timely manner. (Please refer to the "Closing Costs and Adjustments" Section of Part I of the Plan and a copy of the Agreement set forth as an Exhibit in Part II of the Plan.)

19. Prior to the closing of title to a Residential Unit, the Agreement prohibits a Purchaser from advertising, listing, offering, promoting or publicizing the availability the Residential Unit for resale or rental with any broker or otherwise, without Sponsor's prior written consent. If any Purchaser engages in any of the foregoing activities, it shall be considered a default under the terms of the Agreement, thereby entitling Sponsor to any and all remedies under the terms of the Agreement. Purchasers are referred to the Agreement set forth in Part II of the Plan for further details. (See the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers" under the subsection entitled "Sales and Leases of Units" in Part I of the Plan for further details.)

20. The estimated First Year of Condominium Operation is set forth in Schedule B in Part I of the Plan. As in any newly constructed project, given the vagaries of the construction

process, as more particularly described herein, it is difficult to predict, with precision, the date Sponsor will first be able to close title to the Units. Accordingly, the First Closing may occur before, during or after the projected First Year of Condominium Operation and closings to certain Units may occur substantially before or after closings for other Units. In addition, Sponsor reserves the right, at any time, to change the anticipated First Year of Condominium Operation by amendment to the Plan. (See the Section entitled "Description of Property and Improvements" under the subsection "Construction of the Building," in Part I of the Plan for further details.)

21. A. Construction is a complicated process requiring the coordination of numerous tasks, contractors and suppliers and the balancing of complex mechanical and architectural systems. No assurance can be given with regard to the accuracy of any projected completion dates set forth herein. During the initial years of Condominium operations, construction workers and related personnel will be at the Property from time to time completing construction of the Building, making adjustments and corrections and performing various tasks related to the completion of construction, which may occur at all hours and could compromise the Building's security systems. During this period, various Building Systems, including but not limited to water supply, air conditioning, heating, cooling, security, ventilating and elevators, may need to be shut down temporarily. Sponsor will have the right to and may utilize elevators and other Building Systems and may install and retain scaffolding and other equipment on and in the Building to complete construction of the Building. Sponsor may not fully complete the decoration of portions of the Building, including, without limitation, the lobbies or corridors in the Building, the installation of light fixtures, the hanging of wall coverings or laying carpeting, until a particular portion of the Building is complete or a particular floor is fully occupied by Unit Owners. (See the Section entitled "Description of Property and Improvements," under the subsection "Construction of the Building," in Part I of the Plan for further details.)

B. The Condominium Board and/or Residential Board may refuse to permit a Unit Owner to perform Alterations in or to a Unit or modify the Tax Lot Drawings to reflect a further division or combination, until such time as the Building has been completed and a Permanent Certificate of Occupancy has been obtained therefor.

C. Any Alterations performed by Residential Unit Owners (other than Sponsor) must be performed in accordance with the provisions of the By-Laws and Residential Unit Owners shall be required to enter into an Alteration Agreement with: (i) the Condominium Board with respect to Structural Alterations and/or Alterations that affect the General Common Elements, and/or (ii) the Residential Board with respect to Non-Structural Alterations. As more particularly set forth in the Alteration Agreement, the Residential Unit Owner performing such Alterations shall be obligated (unless otherwise waived in writing by the applicable Board) to among other things: (i) provide a security deposit to the applicable Board, in such amount as determined by the Board, in its sole discretion, (ii) pay a processing fee to the Managing Agent for its review of the proposed plans as set forth in the Management Agreement, which processing fee is currently (i) $500.00 for Alterations costing less than $10,000.00 or (ii) two percent (2%) of the total cost of Alterations for those Alterations costing in excess of $10,000.00, (iii) pay any other review fees architect, engineer or consultant fees, or supervision fees required under the Alteration Agreement or as otherwise adopted by the applicable Board from time to time, (iv) provide plans and specifications to the applicable Board describing the Alteration, (v) obtain the

consent of the applicable Board as to contractors and suppliers that will be performing the Alterations, (vi) comply with requirements of the applicable Board regarding days and hours during which such Alterations maybe performed, (vii) comply with such other requirements the Board may adopt from time to time and (viii) for so long as Sponsor owns a Unit or until a Permanent Certificate of Occupancy has been obtained, whichever is later, utilize a filing representative or expediter designated by the Sponsor or the applicable Board, as the case may be, to file the proposed plans with Governmental Authorities (as such term is defined in the Alteration Agreement). In addition, the applicable Board will have the right, as a condition to approving a Unit Owner's request to renovate kitchens and bathrooms, to require such Unit Owner to replace plumbing, steam and gas risers running through or adjacent to the Unit or to contribute to the Condominium, the sum necessary to enable the Condominium to perform such replacements. The foregoing requirement in clause (viii) above shall not be subject to waiver by either Board. (See the Section entitled "Rights and Obligations of Sponsor," under the subsection "Construction of the Building," in Part I of the Plan for further details.)

D. Prior to the commencement of making or performing any Structural Alterations, a Commercial Unit Owner must provide to the Condominium Board the following: (i) certificates of insurance indicating that the insurance coverage then required by the Condominium Board to be carried during the performance of any Structural Alterations, and otherwise in compliance with Section 6.2 of the By-Laws, (ii) a certification of the architect or engineer for the Structural Alteration stating that such Structural Alteration will not adversely affect the structural integrity of the Building or the other Units or Common Elements, and/or the Building Systems, (iii) in the case of Structural Alterations involving noise, odor or vibrations, a certification of the architect or engineer for the Structural Alteration stating that such Structural Alteration will be performed in a commercially reasonable manner so as to minimize such noise, odor or vibrations (taking into account the fact that portions of the Building will be occupied by tenants), (iv) all necessary permits, authorizations, approvals and certificates required for the commencement of the Structural Alteration and (v) notice of the date that such Unit Owner intends to commence such Structural Alterations, which must be at least thirty (30) days prior to the commencement date, unless such shorter period is consented to by the Condominium Board.

E. Certain services, such as telecommunications, and other similar services may be provided by outside suppliers and delays in providing these services will not be the responsibility of Sponsor; provided however that Sponsor has the sole right to initially select such outside suppliers in its sole discretion. Such outside suppliers may not provide these services until occupancy has reached certain levels. Sponsor may not know whether or not there may be other outside suppliers who could possibly provide these services upon equal or better terms and conditions and makes no representations or guarantees with respect thereto.

F. Portions of the Building, and certain amenities and benefits anticipated to be available to some or all of the Residential Unit Owners, such as the Storage Bins and Parking Spaces may not be completed or available for use by the Residential Unit Owners until such other portions of the Building are completed and fully operational and the foregoing shall not be a basis for a Purchaser to refuse to close title to the Residential Unit and Residential Unit Owners shall remain obligated to pay Residential Common Charges in full.

G. The presence of hoists or construction elevator shafts or similar temporary construction facilities, may delay the closing of title to certain Units or lines of Units until such hoists, elevators or temporary construction facilities are no longer needed and are removed. Purchasers of such Units shall remain obligated to purchase the Unit and pay the balance of the Purchase Price notwithstanding any such delay.

H. During the period of time when Sponsor is completing construction of the Building, moves-ins to the Building may be restricted to certain periods when the elevators and other areas of access to the Building are not being utilized by the construction trades. The first Temporary Certificate of Occupancy may be issued for some but not all of the Units and Sponsor may complete construction of certain Units before others. Accordingly, Purchasers should be aware that they may be required to close title to their Units while construction in other Units is continuing, possibly, for extended periods of time, and that noise, dust, vibrations, odors and other objectionable conditions inherent in a construction site may inconvenience such Unit Owners after they have taken occupancy of their Units.

I. Unless caused by a failure of the Sponsor to comply with applicable Law and or construct the Building in accordance with the Plans and Specifications, Sponsor is not responsible for nor can it make any guarantees regarding the level of noise or vibrations or odors resulting from the operation of the Building or the Units.

22. As more fully set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor" Sponsor is obligated to construct the Building in accordance with all applicable Laws and the Plans and Specifications as well as the provisions of this Plan. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability of any Unit or Common Element. Unless caused by a violation of the sound transmission code, noise code or other applicable Law, there is no warranty as to sound transmission. Unless caused by a violation of Law, there is no warranty as to odors. Unless caused by a violation of Law, there is no warranty with respect to mold, mildew, spores, fungi or other toxins. There is no warranty as to air, views or light quality in any Unit, the Building or on any Terrace. The Sponsor's obligation, regardless of any limitations in the warranty, is to construct the premises in accordance with all applicable Laws and filed building plans and specifications, and any conflict between (a) the disclaimers and (b) the Sponsor's obligation to construct the premises in accordance with all applicable Laws and filed building plans and specifications, shall be resolved in favor of the latter. In no event will Sponsor be liable for incidental, special or consequential damages in connection with the items set forth in this paragraph (whether based on negligence, breach of contract, warranty, or otherwise). (See the Section entitled "Rights and Obligations of Sponsor" under the subsection entitled "Sponsor's Obligations with Respect to the Building," in Part I of the Plan for further discussion.)

23. Sponsor is unaware of any development in the geographic area and makes no representations or warranties regarding building construction in the geographic area of the Condominium or whether the existing structures in the area will remain. Purchasers are advised that adjacent parcels or buildings may be further developed and such development could adversely impact upon the views from a Unit or Terrace. In addition, Sponsor shall not be

responsible for obstructed and/or adversely impacted views from Units or Terraces due to trees, landscaping and/or lamp posts erected at the street level or mechanical equipment located on the Roof, if any, or mechanical equipment located on the roofs of other buildings in the neighborhood. Further, construction performed at neighboring properties may create noise, vibration, dust, traffic and other disturbances over which Unit Owners will have no control. (See the Section entitled "Description of Property and Improvements" under the subsection "Construction of the Building and Units" in Part I of the Plan.)

24. Purchasers are advised that in New York City it is common for newly constructed condominium projects, and newly renovated buildings being offered as condominiums, to be issued several successive Temporary Certificates of Occupancy for the building before a Permanent Certificate of Occupancy covering the entire building is issued. Certificates of Occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. A Temporary Certificate of Occupancy is intended to indicate that the property is safe for occupancy, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the DOB. All Temporary Certificates of Occupancy have an expiration date. A Temporary Certificate of Occupancy typically expires ninety (90) days after the date of issuance. If a Temporary Certificate of Occupancy expires and is not renewed, or lapses for reasons outside Sponsor's control, it will be unlawful to reside in or rent a Unit and it may be difficult or impossible to buy insurance, refinance, or sell Units. Sponsor anticipates Residential Unit closings will commence when some or all Units are covered by a Temporary Certificate of Occupancy rather than a Permanent Certificate of Occupancy. Sponsor and its principals will undertake the responsibility for extending each Temporary Certificate of Occupancy prior to expiration thereof, and ultimately for obtaining a Permanent Certificate of Occupancy covering the entire Building and shall use commercially reasonable efforts to obtain the Permanent Certificate of Occupancy within two (2) years from the date of the issuance of the first Temporary Certificate of Occupancy. However, Sponsor and its principals make no representation or guarantee that the DOB will issue a Permanent Certificate of Occupancy within such two (2) year period. Furthermore, because Sponsor and the By-Laws of the Condominium 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. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE PERMANENT CERTIFICATE OF OCCUPANCY FOR THE ENTIRE BUILDING, AND SHALL EXERCISE COMMERCIALLY REASONABLE EFFORTS TO OBTAIN THE PERMANENT CERTIFICATE OF OCCUPANCY WITHIN SUCH TWO YEAR PERIOD WHILE KEEPING THE TEMPORARY CERTIFICATE OF OCCUPANCY CURRENT. Unit Owners and the Condominium Board, if not in control by Sponsor, shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings. Unit Owners and the Boards, if not in control by Sponsor, shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings. Purchasers are advised to visit the DOB website for further recommendation when purchasing a Unit in in an building that does not have a Permanent Certificate of Occupancy. A Factsheet on Certificates of Occupancy is available on the DOB website at http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf (See the Section of the Plan entitled "Introduction").

25. The Building is located in the SoHo Cast Iron Historic District and is subject to the restricted use as provided in the New York City Charter (Charter Chapter 74 Sections 3020 and 3021) and the Administrative Code of the City of New York entitled "Landmarks Preservation and Historic Districts" pursuant to Notice of Designation recorded August 17, 1973 in Reel 288 page 1059. This designation imposes special restrictions upon the construction, alteration, demolition and reconstruction of the Building. In the event any such construction, alteration, demolition or reconstruction of the Building would affect the exterior of the Building, the Condominium will have to apply to the Landmarks Preservation Commission ("LPC") for permission to perform such work. LPC, before approving the work could impose additional requirements or conditions which could increase the cost and time required to complete the work. In addition, where proposed work in the Building requires a building permit, notwithstanding the fact that such work does not affect the protected exterior of the Building, the LPC requires that a "certificate of no effect on protected architectural features" be issued. (See the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers" under the subheading "Alterations and Improvements of Units and Common Elements in Part I of the Plan.)

26. Sponsor is not aware of any excess unused floor area development rights or air rights that will be available following completion of construction of the Building. Notwithstanding the foregoing, in the event that any development rights become available in the future due to a change in the Zoning Resolution, such additional development rights shall be retained by Sponsor and may be utilized by Sponsor or any development rights purchaser and merged into a zoning lot pursuant to the terms of a ZLDA. (See the Section entitled "Introduction" in Part I of the Plan.)

27. Sponsor has not yet procured a commitment for financing the construction of the Building. In the event Sponsor is unable to procure construction financing, Sponsor may not be able to complete construction of the Building. In the event that Sponsor does obtain construction financing the construction lender may impose requirements regarding sales by Sponsor and the Plan will be amended to disclose the relevant terms of the construction loan agreement when financing is obtained. Additional requirements imposed by the construction lender including without limitation, any presale requirements shall not give rise to a right of rescission on the part of any Purchaser under the Plan provided that no additional financial requirements are being imposed on such Purchasers. (See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan.)

28. Floor Plans depicting the layouts of Residential Units appear in Part II of the Plan. Purchasers should note that the square footage of each Residential Unit as reflected in Schedule A and the Floor Plans set forth in Part II of the Plan are approximate within reasonable tolerances and may change due to field conditions and construction variances and tolerances. Because dimensions listed are based on measurements from exterior walls, they do not accurately represent the interior space in the Residential Unit and may significantly exceed the finished floor area. Floor area may include columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits which may be incorporated behind protruding walls or may be separately enclosed as freestanding columns thereby reducing the available floor area. Ceiling heights are estimates only. Each Unit will be measured vertically from the top surface of the structural floor slab to the underside of the structural floor slab above and horizontally from the

outside face of framing of the window system to the centerline of the partition dividing Units and to the outside face of the exterior wall or wall partition dividing a Unit from a Common Element. The clearance between the top of the concrete floor slab and the bottom of the finish ceiling in the Units may vary among the Units and certain Units may have less clearance than others and all or portions of certain rooms within other Units may have a lesser clearance as the result of construction variances or the presence of beams, ducts and other and mechanical spaces in such Units. Since dimensions listed are based on measurements from floor slabs they may not accurately represent the interior space in the Unit and may significantly exceed the "finished" floor area. Ceiling heights within any given room may also vary. Kitchens, bathrooms, closets, foyers, hallways and entryways typically have dropped ceilings. Purchasers will not be able to determine actual floor to ceiling heights until their respective Units are completed and no right of rescission will arise as a result of variances in floor to ceiling dimensions. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit, as set forth in the Schedule A and on the Floor Plans, by five percent (5%) or less is not a material and/or adverse change. (See the Notes to Schedule A in the Description of Property in Part II of the Plan for further details.)

29. All references in the Plan and in marketing materials to "floors" are references to their "marketing" designations and may not correspond to the designation given to the floors on the plans submitted to the New York City Department of Buildings. (See the Section entitled "Description of Property," in Part II of the Plan for further details.)

30. Sponsor may agree, in its sole discretion, to perform Custom Work to a Unit. Unless otherwise agreed to by Sponsor, a Purchaser shall bear the cost of the Custom Work and shall deposit the Custom Work Deposit upon the execution of the Agreement for the Unit in an escrow account with Escrow Agent in accordance with the Plan. The Custom Work Deposit may be released from the Escrow Agent's escrow account upon the Escrow Agent's receipt of written notification from Sponsor's Architect to the Escrow Agent that all or any portion of the Custom Work has been or will be commenced or that materials for the Custom Work must be ordered. In the event the Agreement is terminated by Sponsor, for any reason, by notice of termination to Purchaser, the Sponsor shall also retain the entire Custom Work Deposit in order to reimburse Sponsor for performing the Custom Work. Alternatively, if not already paid, Sponsor shall be entitled to commence an action against Purchaser to recover the Custom Work Costs and Restoration Costs for performing the Custom Work and/or restoring the Unit to its original condition. Where the Custom Work Deposit shall be paid to one party or the other, it shall include interest paid thereon. (See the Section entitled "Procedure to Purchase" in Part I of the Plan for further details.)

31. The Residential Section of the Condominium shall be governed by a Residential Board comprised of five (5) members. The Residential Section and Commercial Section of the Condominium shall be governed by a Condominium Board shall be comprised of five (5) members, including three (3) members of the five (5) members of the Residential Board, one (1) member designated by the owner of Commercial Unit 1 and one (1) member designated by the owner of Commercial Unit 2. After the Initial Control Period, the Residential Board members may elect to reduce the Residential Board from five (5) members to three (3) members by a majority vote without an amendment to the By-Laws. During the Initial Control Period, any member of the Residential Board who is designated by Sponsor shall automatically be designated as one of the Residential Board members that is appointed to and serves on the

Condominium Board. There is no limit on the length of time that Sponsor may control the Residential Board or the Condominium Board. During the Initial Control Period, the Sponsor has the right to appoint a majority of the members of the Residential Board and the Condominium Board (and therefore control such Boards). Sponsor may control the Boards beyond the Initial Control Period if Sponsor's nominees receive a majority of votes cast at any election of the Residential Board (whether from Sponsor or other Residential Unit Owners). Therefore Sponsor will also control the Condominium Board. Sponsor reserves the right to relinquish and regain voting control of the Residential Board and/or the Condominium Board at any time. During the period that Sponsor controls the Condominium Board and/or the Residential Board, as the case may be, Sponsor will have control of Maintenance, facilities and services to be provided to Unit Owners and will determine the Common Charges payable by all Residential Unit Owners and Commercial Unit Owners. Since the Sponsor has reserved the unconditional right to rent rather than sell Units Sponsor could retain control of the Boards indefinitely. (See the Section of the Plan entitled "Control by Sponsor," in Part I of the Plan for further details.)

32. Except as otherwise provided in this Plan, Until Sponsor and/or the owner of any Unsold Units have conveyed title to all Units, but in no event later than five (5) years after the First Closing, no Board may take any of the following actions without Sponsor's prior written consent: (a) make any Alteration to the Common Elements or to any Unit, or (b) assess any Common Charges, for the creation of, addition to or replacement of all or part of a working capital reserve, contingency or surplus fund, (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, or (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the last budget in effect prior to the First Closing, except as is required to reflect normal annual increases in operating services, (e) borrow money, or (f) exercise a right of first refusal to lease or purchase a Residential Unit; provided, however, that Declarant's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary (and no other alternative is available) to enable the Condominium Board or the Residential Board (i) to comply with Laws of any governmental authority having jurisdiction over the Condominium; (ii) to remedy any notice of violation; or (iii) to remedy any work order by an insurer; or (iv) to ensure the health and safety of the occupants of the Building. Sponsor may exercise veto power over expenses other than those set forth in the foregoing sentence, but such veto power shall not extend to any period that is the sooner of five (5) years after the First Closing or whenever the Unsold Units constitute less than twenty-five percent (25%) of the Common Interest. (See Section entitled "Control by Sponsor" in Part I of the Plan and the Condominium By-Laws in Part II of the Plan.)

33. Subject to certain exceptions set forth in Article 8 of the By-Laws, any sale or lease of a Residential Unit together with its Common Interest by a Residential Unit Owner, will be subject to a right of first refusal by (x) Sponsor (during the Sponsor ROFR Period); and (y) the Residential Board on behalf of the Residential Unit Owners on the same terms and conditions as agreed to by the owner of such Residential Unit and the proposed transferee. Since Sponsor has reserved the unconditional right to rent rather than sell the Units, and therefore may control the Boards beyond the Initial Control Period, the Sponsor ROFR Period could continue indefinitely. The parties' respective right of first refusal shall be exercised as more particularly

set forth in Article 8 of the By-Laws, which is set forth as an Exhibit in Part II of the Plan. The Residential Board shall not exercise its right of first refusal to purchase or lease any Residential Unit without the prior approval of a Majority of all Residential Unit Owners. However, no such consent shall be required in the event a designee of the Residential Board purchases or leases a Residential Unit. The rights of Sponsor shall have priority to the extent both Sponsor and the Residential Board, either by designee or on behalf of all Residential Unit Owners, seek to purchase or lease such Residential Unit. If either the Residential Board, on behalf of Residential Unit Owners, or the Sponsor elect to exercise their respective right of first refusal to purchase a Residential Unit certain taxes and other monies, which may be the responsibility of the buyer, will be the responsibility of the seller. Notwithstanding anything to the contrary contained hereinabove, during the Sponsor ROFR Period, the Residential Board shall not have the right to appoint a designee to purchase or lease a Residential Unit without first obtaining the written approval of the Sponsor. Other than exercising their respective right of first refusal, neither Sponsor nor the Residential Board have a right to approve or disapprove prospective purchasers and the By-Laws contain no requirement that such Purchasers be owner-occupants of the Condominium. Notwithstanding anything to the contrary contained hereinabove, Sponsor and the Commercial Unit Owners may sell or lease all or any portion of their respective Units, without any restriction or limitation imposed pursuant to the Declaration or the By-Laws. (See the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers" under the subsection entitled "Sales and Leases of Units" set forth in Part I of the Plan and Article 8 of the By-Laws set forth as an Exhibit in Part II of the Plan.)

34. In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of prospective purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by Law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of any Board, Unit Owner or Permitted Mortgagee, to (a) change the layout of, or number of rooms in, any Unsold Unit, (b) change the size and/or number of Unsold Units by dividing one or more such Unsold Units into two or more separate Unsold Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering any boundary walls between one or more Unsold Units, or otherwise, including incorporating certain Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Unit into such Unsold Unit, (c) designate a Residential Common Element or Residential Limited Common Element, Commercial Common Element or Commercial Limited Common Element or General Common Element as part of a newly created or expanded Residential Unit, Commercial Unit, Commercial Common Element, Residential Common Element, Residential Limited Common Element or Commercial Limited Common Element or designate all or part of a Residential Unit as a newly created or expanded Commercial Unit, Residential Common Element, Residential Limited Common Element, Commercial Common Element or Commercial Limited Common Element and (d) if appropriate, reapportion among the Unsold Units affected by any such change, their aggregate Common Interests. In the event of any change pursuant to either (b), (c) or (d) above, such change shall be disclosed in a duly filed amendment to the Plan. No such change, including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Unit, will be made with respect to any Unit for which an Agreement is then in effect and the Purchaser: (i) consents to such change or (ii) such change is not a material change in the size, Common Interest, dimension, floor space or layout of such Unit. The Common Interest of a Unit may change if

there is a change in the floor space or the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. (See the Section entitled "Changes in Prices and Units" in Part I of the Plan for further details.)

35. There is no limit on the number of Purchasers who may purchase Residential Units for investment rather than personal occupancy. Accordingly, there may always be a substantial percentage of owners who are non-residents. Non-resident owners, including Sponsor, have different economic interests in their respective Residential Units and, therefore, do not share the same interests as Residential Unit Owners in the Maintenance and care of the Building's facilities and amenities. As a result, Residential Unit Owners who are residents of the Condominium and Residential Unit Owners who are non-residents of the Condominium, 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). In addition, the By-Laws do not include a provision that after the Initial Control Period, a majority of the Residential Board and/or Condominium Board must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals. **PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE RESIDENTIAL BOARD AND/OR CONDOMINIUM BOARD UNDER THE TERMS OF THIS PLAN** (See the Section entitled "Boards of Managers," in Part I of the Plan for further details).

36. Sponsor currently intends to sell the Units being offered for sale under the terms of the Plan. However, under the terms of the Plan, Sponsor has reserved the unconditional right to rent or lease any Unsold Unit prior to closing the sale thereof to the Purchaser thereof or any other party, to cease marketing Units for sale at any time, in Sponsor's sole discretion or to use or offer the Units for any lawful purpose. Certain Units may be occupied under short-term leases having a term in excess of thirty (30) days. Accordingly, residents of the Condominium may be comprised of both Unit Owners and tenants leasing from Sponsor or other Unit Owners. Therefore, it is possible that a significant portion of Unit Owners will not be residents of the Building and that a significant portion of occupants in the Building may not be Unit Owners. As a consequence of the foregoing, a Unit Owner seeking to resell or refinance a Residential Unit may experience difficulty. Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium. (See the Section entitled "Introduction" under the subsection entitled "Features of Condominium Ownership" under the in Part I of the Plan.)

37. Purchasers or any other persons entering into an Interim Lease for a Unit shall be required to pay the legal fees of Sponsor's Counsel in connection therewith upon execution of the lease or use and occupancy agreement. Such legal fees are estimated to be approximately $3,000.00 assuming that the Purchaser's counsel does not negotiate the terms of the lease. Any fees above $3,000.00 will be billed on an hourly basis at the customary rates of Sponsor's Counsel. In connection with the Closing of a Unit subject to an Interim Lease, all other charges or other fees due under an Interim Lease shall be adjusted as of as of midnight of the day preceding the Closing Date to the Unit. Notwithstanding any of the foregoing, Sponsor shall be

under no obligation to enter into any Interim Lease. (See the Sections entitled "Closing Costs and Adjustments and "Interim Leases" in Part I of the Plan for further details.)

38. Purchasers entering into Interim Leases shall only have such rights as are provided in their respective Interim Leases and Agreements. Any Interim Lease will provide among other things, that an uncured default by the Purchaser under the Agreement with respect to a Unit will constitute a default under the Interim Lease entitling Sponsor, at its sole option, to terminate such Interim Lease in accordance with applicable Law. In addition, each Agreement will provide that an uncured default by the Purchaser under any Interim Lease in the Building will constitute a default under the Agreement entitling Sponsor, at its sole discretion, to terminate such Agreement and to exercise any remedies therein provided. (See the Section entitled "Interim Leases" in Part I of the Plan for further details.)

39. Sponsor reserves the right to lease or otherwise permit occupancy of the Units by parties other than Purchasers prior to the Closing of such Units. Such parties shall have not have any special rights to purchase the Units being occupied. Accordingly, a Purchaser may be acquiring a Unit that has been previously occupied, but such Unit will be delivered at closing free and clear of all leases and tenancies except as may otherwise be agreed to in writing by the parties. (See the Section entitled "Interim Leases" in Part I of the Plan for further details.)

40. While Unsold Units are being constructed and offered for sale or lease by Sponsor, there will be a greater number of visitors to the Building than would otherwise be the case. No representation or warranty is made and no assurance is given as to when such construction, selling or leasing activity will terminate. No representation or warranty is made and no assurance is given that the security systems and procedures in place in the Condominium will prevent personal injury or damage to or loss of personal property. While Unsold Residential Units are being offered for sale or lease by Sponsor there will be a greater number of visitors to the Condominium than would otherwise be the case. No representation or warranty is made and no assurance is given as to when such selling or leasing activity will terminate. None of Sponsor, the Boards, and/or the Managing Agent shall not be liable or responsible for any personal injury or for any loss or damage to personal property which may result from the failure of the security systems and procedures in place at the Condominium, including, without limitation, those procedures with regard to any delivery of packages. (See the subsection entitled "General," under the Section entitled "Description of Property and Improvements," in Part I of the Plan for further details.)

41. A. Sponsor reserves the right, in its sole and absolute discretion, to waive the collection of Common Charges from Unit Owners during the Waiver Period, provided, however, that Sponsor shall be solely responsible for payment of all Waiver Period Expenses during the Waiver Period. The Waiver Period shall commence as of the date of the First Closing. Sponsor may, in its sole and absolute discretion, terminate the Waiver Period by providing at least thirty (30) days prior written notice to Unit Owners. If not sooner terminated or extended by Sponsor, the Waiver Period shall terminate on the date on which the third year of condominium operation commences. Purchasers should note that the Schedule B will not be in effect until the expiration of the Waiver Period. All 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. Notwithstanding anything to the contrary set forth above, the Waiver Period Expenses shall not

include real estate taxes regardless of whether the Unit was separately assessed and Unit Owners will be responsible for the payment of real estate taxes for their Unit after Closing. Purchasers should note that while Schedule B – Budget for the First Year of Condominium Operation will not be in effect until the expiration of the Waiver Period, Sponsor will nonetheless continue to update Schedule B to the extent required pursuant to Part 20 of Title 13 NYCRR and include a copy of same in a post-closing amendment to the Plan, which amendment shall also set forth the anticipated length of the Waiver Period. (See the subsection entitled "Common Charges: Determination and Assessment," under the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers," under the subsection entitled "Offering of Residential Units for Sale" under the Section entitled "Introduction," and the Section entitled "Procedure to Purchase," in Part I of the Plan for further details.)

B. All determinations with respect to the continuance of services provided to the Building, if initially made available, will be made by the Boards, which will be controlled by Sponsor during the Initial Control Period and Sponsor Control Period as described in the Section of the Plan entitled "Control by Sponsor." (See the "Description of Property and Improvements" set forth in its entirety in Part I of the Plan under the subsection entitled "Services, Facilities and Amenities" for further details regarding services and facilities at the Property.)

C. It is presently contemplated, and Schedule B provides, that after the First Closing the Building will be fully staffed with 1 part time non-resident Superintendent, 4 full time Doormen, 1 part time Porter. Notwithstanding the foregoing, at Sponsor's sole discretion, Sponsor may reduce staffing until at least 50% of Residential Units have been conveyed to Purchasers under the Plan, provided, however, that there will be at least one (1) doorman on duty at the Residential Lobby of the Building twenty four (24) hours a day, seven (7) days a week after the First Occupancy. (See Schedule B in Part I of the Plan for further details.)

42. Sponsor shall be responsible for the payment of Common Charges, Special Assessments and real estate taxes for all of the Unsold Units (including the Unsold Commercial Units) for so long as such Units are owned by Sponsor, except during the Waiver Period. No bond or other security has been posted by Sponsor to secure its obligation to pay Common Charges, Special Assessments and real estate taxes with respect to the Unsold Units or to complete construction of the Condominium. Sponsor represents that it has the financial resources to meet such obligations. (See the Section entitled "Rights and Obligations of Sponsor," in Part I of the Plan for further details.)

43. The Contingency Fund provided for in Schedule B is intended to provide a fund for unanticipated expenses not included in Schedule B and, for increases in operating expenses above the amounts projects. There is no provision for a specific reserve fund for the Condominium for the purpose of paying the cost of future capital repairs, replacements or improvements to the Premises (except that each Purchaser of a Residential Unit shall pay into the Working Capital Fund of the Condominium a sum of equal to two (2) months' of Common Charges for the Residential Unit being purchased). Therefore, Unit Owners shall be obligated to pay their share of the cost of repair, replacements and improvements to the Common Elements as the need for the same arises, unless there are sufficient funds in the Contingency Fund or other funds available. As the Building will be newly built, the Sponsor does not anticipate the imminent need for such capital repairs, replacements or improvements; however, no assurance or

guaranty is given that such needs shall not arise. The Contingency Fund is not intended and may not be sufficient to meet the cost of any major capital repairs or replacements which may be required. If funds are required to meet such costs, it may be necessary to increase monthly Common Charges or impose a Special Assessment. There are no limitations as to how the Contingency Fund may be employed during any period, including the period that Sponsor controls the Boards (see the Section entitled "Control By Sponsor"). However, in no event shall any portion of the Contingency Fund be used to pay any Common Charges including Common Charges attributable to Unsold Units. (See the Section entitled "Working Capital Fund and Apportionments".)

44. Sponsor reserves the right to engage in negotiations with neighboring property owners to join or create a BID to perform similar functions as those provided by public BIDS and enter into a BID Agreement. In the event such BID Agreement is entered into, the entities executing such BID Agreement would be responsible for the costs of such services agreed to. Unit Owners would be responsible for the Condominium's pro rata costs associated therewith, as such costs are estimated and more particularly set forth in Schedule B. The costs of such BID Agreement would be payable as a General Common Expense.

45. The real estate tax estimates for each Unit were calculated on the assumption that the assessed value for the residential portion of the Building for the First Year of Condominium Operation will be allocated to each Unit Owner in proportion to each Residential Unit's percentage interest in the Common Elements. The tax figures set forth on Schedule A are estimates only and actual real estate taxes for the First Year of Condominium Operation may be higher or lower than such estimates. Upon determination of individual tax lots and individual Residential Unit assessments, the New York City tax authorities may allocate taxes between the Residential Units in proportion to each Residential Unit's purchase price or imputed market value rather than its Common Interest, and, if so, Residential Units having the same or similar Common Interest, may pay higher real estate taxes than are reflected on Schedule A. Currently, the Property is assessed and taxed as a single tax lot. No representation is made as to the first assessment roll or tax bill for which the Units will be separately assessed or taxed. Upon separate assessment of the Units by the New York City tax authorities the taxes for each individual Unit will be determined separately and may no longer remain proportional to the Unit's Common Interest. After the Condominium is divided into individual tax lots, each Unit will be taxed as a separate tax lot for real estate tax purposes and a Unit Owner will not be responsible for the payment of, nor will the Unit be subject to, any lien arising from the non-payment of taxes for Units other than its respective Unit(s). SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY, THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL NOT BE CHANGED. PURCHASERS ARE ADVISED THAT THE NEW YORK CITY TAXING AUTHORITIES HAVE, IN PRIOR TAX YEARS, IMPLEMENTED SIGNIFICANT INCREASES IN THE TENTATIVE ASSESSED VALUATIONS FOR NEW CONSTRUCTION CONDOMINIUMS WHICH WERE NOT CONSISTENT WITH THEIR VALUATIONS IN PRIOR YEARS. SPONSOR MAKES NO REPRESENTATIONS REGARDING THE METHODOLOGY WHICH THE TAXING AUTHORITIES WILL USE IN FUTURE TAX YEARS.," in Part I of the Plan for further details.

46. Sponsor anticipates that it is likely that the Condominium will qualify as a homeowners association under Section 528 of the Internal Revenue Code. Assuming the Condominium does not qualify as a homeowners association, or if it does but chooses not to make the election to be a homeowners association, the present state of the Law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. As discussed in the Attorney's Income Tax Opinion prepared by Stroock & Stroock & Lavan LLP and set forth in Part I of the Plan, the tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of such income (including the nonmembership, and possibly membership, income described above less expenses related to such income) is subject to Federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax (depending on whether the Condominium is properly classified as a corporation or a partnership for federal income tax purposes). Schedule B in Part I of the Plan does not contemplate any substantial income which might be taxable and accordingly does not specifically budget any amounts for taxes for nonmembership or membership income (but does budget for certain minimum taxes that might be due). Alternatively, if the Condominium is not properly treated as a separate taxable entity, it is possible that some or all of such income might be reportable directly by the Unit Owners or otherwise treated. The tax treatment of the Condominium may be affected by certain United States Treasury Department regulations relating to entity classification. (See the Attorney's Income Tax Opinion and the Section entitled "Income Tax Deductions to Unit Owners and Tax Status of Condominium," in Part I of the Plan for further details).

47. Individual Unit Owners may qualify for a partial abatement of real estate taxes pursuant to the Condominium Abatement Program. The abatement is not available to Sponsor, to any party owning more than three units in the Condominium or to nonresidential units. Only Units owned by individuals will receive the abatement; Units owned by trusts, limited liability companies or corporations will not receive benefits. Further, the abatement will be restricted to Unit Owners who use at least one Unit in the Building as their primary residence. The Condominium Abatement Program is in place through the 2014/15 tax year, which ends June 30, 2015. Purchasers are advised that the Condominium Abatement Program expires prior to the First Year of Condominium Operation and there is no guarantee that the Condominium Abatement Program will be renewed beyond that date and, if renewed, that its requirements and benefits will be consistent with those of the current program. (see section of the Plan entitled "Real Estate Taxes" in Part I of the Plan.)

48. It is anticipated that electricity for the Building will be provided by Consolidated Edison Company of New York or such other utility company providing electricity to the Building. The electricity consumed by each Unit and electricity supplied to each individual Parking Space will be separately metered and paid for by the individual Unit Owners. Except for electricity supplied to the Parking Spaces which will be directly metered, all electricity supplied to the Common Elements of the Building will be separately metered and accounted as part of the Residential Common Charges payable by all Residential Unit Owners. Please refer to Schedule B- "Projected Budget for First Year Of Condominium Operation", Schedule B-1 – Projected Energy Costs" in Part I of the Plan and the "Description of Property" in Part II of the Plan for further details.)

49. Purchasers are advised that the Residential Section will contain an emergency generator, which will be located on the Bulkhead Roof of the Building. The emergency generator will also service the Building's fire protection system and exterior lighting of the Building, which both benefit the Commercial Units. Since the Commercial Unit's benefit of the emergency generator is anticipated to be de minimus, the Commercial Unit Owners will not be responsible for costs incurred in connection with the emergency generator. The emergency generator will be powered by natural gas and in the event that natural gas is unavailable at the time in question, the emergency generator will not function properly and power will not be provided to any portion of the Building. In addition, if the emergency generator is being over utilized, the emergency generator may not function as intended and power supply may be provided to some but not all portions of the Building, or may not be provided at all. Accordingly, Purchasers are advised that they should not rely on power from the emergency generator being supplied to its Unit or the Common Elements of the Building (See Schedule B in Part I of the Plan.)

50. Purchasers are advised that utility costs may increase dramatically during certain periods and there is no guaranty that the utility costs will be as estimated in the Plan given the current energy situation. (See Schedule B and Schedule B-1 entitled "Projected Energy Costs," in Part I of the Plan, and the "Description of Property" in Part II of the Plan for further details.)

51. The By-Laws provide that each Unit and all portions of the Common Elements will be kept in first-class condition (and with respect to the Roof, Terrace or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or appropriate Board, whichever is responsible for the maintenance thereof. In the event a Unit Owner fails to keep its Unit or a Limited Common Element appurtenant thereto in such condition, the appropriate Board may, at the expense of such Unit Owner, enter such Unit and perform such acts as are necessary to cure such failure. (See the subsection entitled "Rights of Access"). Each Unit Owner will be obligated to heat and cool its Unit so as to maintain the appropriate temperature and humidity in the Unit in order to avoid causing damage to the Common Elements or the Units, including, without limitation, freezing pipes. wood floors and moldings. Purchasers should note that, as with all wood products (including without limitation, wood furniture, cabinetry, floors and molding) wide variations of temperature and humidity can lead to shrinkage and expansion of the wood which in turn may cause damage to any such wood product. Moreover, certain individuals may experience an allergic reaction from wood sawdust, particularly rosewood and cedar, and Unit Owners should take appropriate measures when sanding or replacing wood flooring. (See the Condominium By-Laws in Part II of the Plan.)

52. Purchasers should note that, natural materials used as finishes have certain inherent risks associated with such use. All references in the Plan to wood products shall be deemed references to engineered wood products unless otherwise specified. Risks associated with all such wood products (including, without limitation, wood flooring, furniture, cabinetry (interior of cabinetry may or may not be the same material and/or color as the exterior) and molding) include but are not limited to the following: appearance of cracks between the floor boards, squeaks, variation in color, variation in wood grain, texture, occurrence of knots and cupping. Moreover, since wood is a product of nature it can have a great deal of variability in color, grain, texture and appearance. It is the Unit Owner's responsibility to maintain the humidity level in its Unit. Lack of or excessive humidity can cause wood floors to crack,

squeak, expand or shrink causing gaps, as well as cupping, which in turn may cause damage to any such wood product. Such expansion, contraction and cupping are more noticeable in dry seasons or periods, prolonged periods of high heat and/or humidity or extended periods of heat use. Cracks, occurrence of knots and grain variation are more noticeable in light colored wood flooring. Furthermore, wood flooring is affected by sunlight and often fades and changes with use and age. Some woods darken and some lighten when exposed to light. Wood flooring can also dent. Protective felt pads and protective sheeting such as plywood or masonite should always be used for furniture or appliances. A wet mop should not be used on the wood flooring because it can cause warping and cracking. (See the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board of Managers" under subsection entitled "Rights of Access" and "Decorating, Repairs to and Maintenance of Units and Common Elements" set forth in Part I of the Plan.)

53. Special care will be necessary in the Maintenance and cleaning of materials in the Residential Units. Natural stones such as marble or limestone have natural variations in colors and markings which require cleaning with neutral cleaners that are free of acidic or alkaline solutions, bleach, ammonia or abrasives that can break down sealers and damage the stone surface. The natural stone surfaces have been sealed so as to prevent absorption and staining. Such stone surfaces will require sealing and resealing at some point in the future. Such sealant will help with water absorption and staining which may alter coloration. Purchasers are advised that impregnating sealants, and daily stone cleaners, which have been especially developed, are recommended for proper maintenance. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners and Board of Managers" under the subheading "Decorating, Repairs to and Maintenance of Units and Common Elements" in Part I of the Plan.)

54. The exterior glass surfaces of all windows in the Building (including the Commercial Units) will be washed and cleaned (or caused to be cleaned) by the Condominium Board two (2) times per year and the cost and expense thereof shall be charged to all Unit Owners as a General Common Expense. The Commercial Unit Owners may clean the windows appurtenant to the Commercial Units more than two (2) times per year at their sole cost and expense. The interior glass surfaces of all windows located in any Unit shall be washed and cleaned by the Unit Owner or occupant thereof at such Unit Owner's sole cost and expense. Any replacement of glass windows in any Unit because of breakage or otherwise shall be made by (i) the Residential Board at the sole cost and expense of the owner of such Residential Unit Owner in the case of a broken window in the Residential Section and (ii) a Commercial Unit Owner at its sole cost and expense, in the case of a broken window in its Commercial Unit. No replacement, modification or alteration may be made to or of the windows (other than replacement of the window panes) without the consent of the Condominium Board. All window treatments must be white when viewed from the outside of the Building. (See the Section entitled "Rights and Obligations of Unit Owners and the Boards of Managers" under the subsection entitled "Decorations, Repairs to and Maintenance of Units and Common Elements," in Part I of the Plan for further details.)

55. New York City Local Law 7 of 2004 requires the installation of carbon monoxide detectors by owners of multiple dwellings, including owners of units in residential condominiums. Sponsor intends to provide carbon monoxide detectors in each Residential Unit in accordance with New York City Local Law 7 of 2004. Each Residential Unit Owner will be

responsible to keep and maintain the carbon monoxide detectors in good repair and to replace any carbon monoxide detectors which have been stolen, removed, found missing or rendered inoperable. Sponsor makes no representations whether Residential Unit Owners will comply with the foregoing obligations. (See the subsection entitled "Sponsor's Obligations with Respect to the Building" under the Section entitled "Rights and Obligations of Sponsor," and the Section entitled "Sponsor's Statement of Building Condition," in Part I of the Plan for further details.)

56. Mechanical equipment necessary for the maintenance and operation of the Building and the Units will be located on the Roof and Bulkhead Roof. The Condominium Board, with respect to the General Common Elements, the Residential Board, with respect to the Residential Common Elements and Residential Limited Common Elements, and the Commercial Unit Owner with respect to the Commercial Common Elements and Commercial Limited Common Elements, as the case may be, will be responsible for ensuring that the mechanical equipment located in the Building and at on the Roof and Bulkhead Roof is operated in accordance with Law. Sponsor makes no representation as to whether any mechanical or other equipment located on the Roof and Bulkhead Roof would adversely impact the views from any Unit or Terrace.

57. Sponsor shall have, and the Common Elements shall be subject to, an easement to access and use Reserved Spaces for any purpose permitted by Law, including without limitation, for the purpose of (a) (i) installing, operating and Maintaining Reserve Space Installations (which includes without limitation, satellite dishes, cellular equipment and other information systems), (ii) advertising and (iii) storage and (b) maintaining any encroachment on any Common Elements or elsewhere on the Property resulting from the operation, Maintenance or Alteration to any Reserved Space Installations; provided that (i) Sponsor its designee, assignee, tenant, licensee or other transferee (collectively the "Reserved Space Party") indemnify the Condominium Board for all losses, damages, or fines (including reasonable attorney fees) suffered by any of them as a result of a Sponsor's use of the Reserved Spaces, except that Sponsor shall not, in any case, be responsible for consequential damages (ii) access to any Common Element in furtherance of such easements shall be exercised in a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Section or with the use of the Residential Units for their permitted purposes. Such uses could include telecommunication upgrades, installation of art work, placement of television screens in elevators and in the lobby and other uses arising from future technology and developments. The Residential Board or Condominium Board, as applicable, shall be obligated to enter into such reasonable documentation with Sponsor at Sponsor's request, for Sponsor's use of the Reserved Spaces. The aforementioned easements shall remain in effect after the Initial Control Period and the Sponsor Control Period and after the Sponsor no longer owns any Units in the Building. The Condominium shall not be entitled to any portion of fees, compensation or other profits received by Sponsor in connection with the use of the Reserved Spaces. Reserved Space Installations shall be the exclusive property of Sponsor, its designee, assignee, tenant, licensee or other transferee and neither the Condominium nor any other Unit Owners shall have any rights with respect thereto. Purchasers should note that the aforementioned easements will not revert to the Condominium in the future and shall remain for the sole use and benefit of Sponsor for its own account or the account of any designee, assignee, tenant, licensee or other transferee of Sponsor or any purpose permitted by Law. (See the Section entitled "Rights and Obligations of Unit Owners and the Boards of Managers" under the

subsection entitled "Easements," in Part I of the Plan and the form of Alteration Agreement set forth in Part II of the Plan for further details.)

58. Certain Residential Unit Owners will have exclusive use of Terraces appurtenant to their Residential Units (subject to the rights of the Condominium Board and Sponsor to access and regulate the use of such Terrace and approve of any Terrace Installations and decorations being kept on the Terrace as more particularly described in the Declaration and By-Laws). Terraces appurtenant to Residential Units are shown on Schedule A included in Part I of the Plan and the Floor Plans included in Part II of the Plan. The Residential Unit Owner having exclusive use of a Terrace will be responsible for all Maintenance thereto (including without limitation, keeping such Terraces free of snow, ice and accumulation of water), however, Purchasers are advised that the Maintenance of any structural or extraordinary repairs or replacements to any Terrace (unless caused by a Residential Unit Owner or Terrace Installations located thereon) shall be charged to all Residential Unit Owners as a Residential Common Expense. Alterations to a Terrace and/or the installation of Terrace Installations must be performed pursuant to an Alteration Agreement that the Residential Unit Owner will be required to enter into with the Condominium Board prior to commencing any Alterations or Terrace Installations. To the extent that a Residential Unit Owner performs any Alteration to a Terrace or Terrace Installation, or installs any Terrace Installations to a Terrace or any portion thereof, the Residential Unit Owner and its successor-in-interest assumes full responsibility for the future Maintenance of same. No Terrace may be enclosed without the express written consent of the Condominium Board, which may be denied for no reason or any reason in its discretion. The Condominium Board may establish such other rules and regulations it deems necessary to protect the Building and the health and safety of the occupants and may require a Residential Unit Owner to remove Terrace Installations from a Terrace at such Residential Unit Owner's sole cost and expense. Sponsor makes no representations as to the degree of privacy that a Residential Unit Owner will have on its Terrace. Purchasers of Units with a Terrace will be required sign the Terrace Rider attached to the Agreement in Part II of the Plan. (See the subsection entitled "Features of Condominium Ownership" under the Section entitled "Introduction," in Part I of the Plan for further details).

59. Purchasers of the Residential Units are advised that the Property will include a Courtyard, which is intended for viewing purposes only and no Residential Unit Owner shall be permitted to access the Courtyard for any purpose whatsoever. Certain Residential Unit Owners will be able to view the Courtyard from the interior of their Residential Unit and from Terraces appurtenant to their Residential Units. The Courtyard shall be designated as a Residential Common Element and all costs incurred in connection therewith, including without limitation, landscaping and Maintaining the Courtyard shall be a Residential Common Expense charged to all Residential Unit Owners. (See Section of the Plan entitled "Introduction" under the subheading "Services, Facilities and Amenities".)

60. Certain Residential Units will contain functional natural gas-burning fireplaces and the Penthouse Unit will contain a functional wood-burning fireplace on the Terrace appurtenant thereto. The fireplaces will be part of each such Residential Unit. The shafts, flues and chimneys will be Limited Common Elements appurtenant to each such Residential Unit. Residential Unit Owners whose Residential Units contain fireplaces will be responsible for Maintenance and capital repairs of same together with their appurtenant Limited Common

Element shafts, flues and chimneys and must comply with all Laws applicable thereto, including inspections, and maintaining proper insurance. In accordance with applicable Law, the fireplace flues must be cleaned at least once annually at the Residential Unit Owner's cost and expense using contractors and servicepersons approved by the Residential Board, unless otherwise determined by the Residential Board. All fireplaces will comply with the then current New York City Department of Buildings requirements. Sponsor makes no representation that in the future, gas operated or wood-burning fireplaces will be permitted in the City of New York as a matter of Law. Purchasers are advised to review Subchapter 14 of Title 27 of the New York City Department of Building Code entitled "Heating and Combustion Equipment", and the "Description of Property" set forth as an Exhibit in Part II of the Plan.

61. All windows contained within Residential Units are floor to ceiling sliding windows. It is the responsibility of each Residential Unit Owner to notify the Managing Agent in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in a Residential Unit. There is a non-climbable glass guard rail 42" high immediately outside each sliding glass window/door panel except for those facing the Terraces. (See the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers," in Part I of the Plan for further details.)

62. Each Purchaser will be obligated to enter into a Power of Attorney at the closing of title to a Unit. The forms of Power of Attorney are set forth in Part II of the Plan, grants broad powers to the Condominium Board and the Residential Board to enter into agreements affecting the General Common Elements and Residential Common Elements, as the case may be. The Power of Attorney also grants to Sponsor certain rights, including the right to amend the Condominium Declaration with respect to Unsold Units. (Please see the forms of "Power of Attorney" set forth in its entirety in Part II of the Plan for further details.)

63. The proposed insurance coverage for the Common Elements during the First Year of Condominium Operation includes terrorism insurance. There is no assurance that such insurance will be available in the future or at a price that the Condominium Board would be prepared to spend. It can be reasonably anticipated that without terrorism insurance, in the event of a terrorist attack, the Property would not be insured or would have insufficient insurance to rebuild or repair any damage and Unit Owners could be assessed to cover the costs of restoration and failure to pay such assessment could lead to a foreclosure of the Unit. Sponsor makes no representations or guarantees that the terrorism insurance included in the insurance policy during the First Year of Condominium Operation will be sufficient to restore the Common Elements Condominium in the event that damage is sustained in connection with a terrorist attack. Notwithstanding the above, the proposed insurance coverage and pricing for the First Year of Condominium Operation set forth in Schedule B in Part I of the Plan is typical for this type of condominium project and is adequate given the size of the BuildingA. (See Schedule B set forth in Part I of this Plan for further details.)

64. Purchasers should note that the insurance coverage maintained on behalf of the Condominium does not cover the individual Units or any Unit or any property contained in a Unit (including without limitation, windows facing into each Unit which comprise part of the Unit). Pursuant to the By-Laws, each Unit Owner will, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) commercial personal liability insurance

against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any Limited Common Element appurtenant thereto or any part thereof, with minimum combined single limits of liability of $1,000,000 for bodily injury or death arising out of any one occurrence including $1,000,000 for damage to property plus at least $2,000,000 umbrella liability coverage and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage as well as personal property). The limits of liability and other requirements with respect to the Unit Owner's insurance may be modified by the Condominium Board from time to time.

65. No amendment, modification, addition or deletion of the Declaration, By-Laws or Rules and Regulations shall be effective in any way, (a) without the prior written consent of the affected Commercial Unit Owner(s) with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of any Commercial Unit or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to any Commercial Unit Owner or otherwise adversely affecting the Commercial Unit Owner or (b) without the prior written consent of Sponsor or the owner of any Unsold Unit, as the case may be, with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Sponsor or the owner of any Unsold Residential Unit, as the case may be, or otherwise adversely affecting Sponsor or the owner of any Unsold Unit, as the case may be. (See the Section entitled "Boards of Managers," in Part I of the Plan for further details.)

66. Sponsor and any subsequent owner of a Commercial Unit have the right to subdivide and combine portions of their respective Unit, subject to the provisions of the Declaration and By-Laws, except that no changes to the Exterior Façade may be made without the prior written consent of the Condominium Board which consent shall not be unreasonably withheld, delayed or conditioned. Except as otherwise prohibited under the By-Laws, the Commercial Units may be used for any purpose permitted by Law, a variety of which uses may generate noise, vibrations, traffic, fumes or other disturbances over which the Residential Board and Residential Unit Owners may have no control. (See the Section entitled "Commercial Unit," in Part I of the Plan for further details.)

67. Pursuant to the By-Laws, the Commercial Unit Owners shall not use the Commercial Units or any part thereof, and shall use commercially reasonable efforts to prevent the Commercial Units to be used (1) Odd Job" or "Odd Lot" type store or as a so-called "99 cent store" or "dollar store" type stores or as a "going out of business" type store (2); to sell, rent or display for sale or rent any pornographic, x-rated or obscene material, or as an "adult book store" or adult video store, or as a so-called "sex shop" or "massage parlor", or as an establishment which permits or presents obscene, nude or semi-nude performances or modeling (it being agreed that the sale of "adult" books and magazines in connection with the operation of an otherwise permitted retail operation (provided the sale of such "adult" books and magazines is less than one percent (1%) of the retailers selling area) and an "art gallery" are not prohibited under this clause (3); as a gambling or gaming establishment (such as, without limitation, an Off-

Track Betting, sport gambling, casino gambling or similar establishment), or otherwise for gambling or the sale of gambling-related items; (4) as a so-called "flea market" or thrift store, whether operated for profit or for a charitable purpose; (5) as a billiards or pool hall; (6) as an office, store, reading room, headquarters, center or other facility principally devoted or opposed to the promotion, advancement, representation, purpose or benefit of: (a) any political party, political movement or political candidate or (b) any religion, religious group or religious denomination; (6) as a funeral parlor; (7) as a facility for the sale of paraphernalia for use with illicit drugs; (8) as an arcade or amusement gallery; (9) as a pawn shop; (10) any domestic governmental or municipal offices or any use in connection with a governmental agency which is generally open to the public; (11) as the offices of any foreign governmental agency, consulate or embassy which is or could be immune from in personum or subject matter jurisdiction in the courts of the state of New York; (12) the rendition of any medical procedures that involve the selective terminations of pregnancies, abortions or similar procedures; (13) as a recording studio, cabaret, nightclub, disco, dance hall; (14) as an office or center for the treatment or counseling of drug or alcohol addiction; (15) as a bowling alley, skate park, miniature golf course, boxing studio or paintball center; (16) for the sale of alcohol; (17) as a full service restaurant and/or (18) as a "fast food" establishment, which shall be defined as having a limited menu of precooked meals that shall be wrapped in paper or boxes and sold to patrons in paper bags, disposable containers and/or on plastic trays (such as a "McDonald's", "Burger King", "Dunkin Donuts", "Wendy's" or "Ranch One Chicken"), it being agreed that a casual dining restaurant such as "Starbucks", "Pret A Manger", "Cosi," and other similar restaurants shall not be deemed to constitute "fast food" and shall, to the extent permitted by Law and/or pursuant to a special permit, be permitted uses in the Commercial Unit. (See the Section of the Plan entitled "Commercial Units" in Part I of the Plan and the Condominium By-Laws in Part II of the Plan.)

68. The Commercial Unit Owners will share the cost for General Common Expenses with the Residential Unit Owners based upon their respective Common Interest and will share other General Common Expenses based upon anticipated usage. (See the "Introduction" Section of the Plan under the subsection entitled, "Features of Condominium Ownership" and Schedule B for further details regarding the allocation of Common Expenses.)

69. The Condominium Board, at the request of Sponsor or a Commercial Unit Owner, shall enter into a Condominium Non-Disturbance Agreement, substantially in the form included as Exhibit 20 in Part II of the Plan, or such other form acceptable to the Condominium Board at the time in question, with any tenant with which Sponsor or a Commercial Unit Owner has entered into a lease for all or any portion of the Commercial Units, pursuant to which, among other things, the tenant will acknowledge that the lease is subject and subordinate to the Declaration and By-Laws and the Condominium Board will agree that the rights of the tenants under the lease(s) will not be disturbed in the event of a default by such Commercial Unit Owner. At the request of a Commercial Unit Owner, the Boards shall also be obligated to provide such Commercial Unit Owner with an estoppel certificate in form and substance reasonably requested by any lender or tenant thereof. (See the Section "Commercial Units," in Part I of the Plan for further details.)

70. Sponsor believes that the Condominium is not subject to the Interstate Land Sales Full Disclosure Act found at 15 U.S.C.A §1701, et seq ("ILSFDA"). Specifically, 15 U.S.C.A. §1702(b)(1) exempts from ILSFDA the sale or lease of lots in a subdivision containing fewer

than one hundred lots (Units). As more particularly set forth in this Plan, the Condominium contains a total of ten (10) Residential Units and two (2) Commercial Units. The New York State Attorney General has not verified or approved the content of the foregoing ILSFDA disclosure. (See the Section "Introduction," in Part I of the Plan.)

71. Purchasers are advised that the Managing Agent, with the consent of the applicable Board, may engage another company (which may result in an additional cost to the applicable Unit Owners in addition to those costs set forth on Schedule B) to hire, pay and supervise employees of the Condominium or a particular section of the Condominium, provided that any such service will be disclosed in an amendment to the Plan. (See Section of the Plan entitled "Management Agreement, Contracts and Leases" in Part I of the Plan.)

72. Consistent with a recent First Department decision, the principals of Sponsor expressly disclaim the existence of any private right of action for contract claims by individual Unit Owners (or a Board on their behalf) in connection with or arising solely from their execution of the Certification of Sponsor and Principals, absent liability under another statute or under an alter-ego or other veil-piercing theory. See Board of Mangers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC. et al, 2013 N.Y. Slip Op 03574 (1st Dept. May 16, 2013). (See the Section "Introduction," in Part I of the Plan.)

73. Sponsor has applied for a "special permit" in order to construct a new building with residential use (the "Special Permit"). Sponsor anticipates receiving approval for the Special Permit from the appropriate governmental agencies on or before August 15, 2014. (See Section of the Plan entitled "Rights and Obligations of Sponsor" in Part I of the Plan.)

74. Purchaser are advised that since the Building contains a storm water detention system in compliance with the DEP regulations and therefore Sponsor does not anticipate that there will be a backup in the city sewer system during severe rain falls. (See the Section of the Plan entitled "Description of Property and Improvements in Part I of the Plan.)

75. Purchasers are advised that refuse may not be placed on the sidewalk adjacent to the Condominium except on days of collection under penalty of fine. (See the Section of the Plan entitled "Services, Facilities and Amenities" in Part I of the Plan.)

76. Based upon the historic uses at the Property, including a retail gasoline service station and automotive repair, the Property was given an "e-designation" for hazardous materials and noise by the City of New York in conjunction with its rezoning. An e-designation means that no site redevelopment may go forward on the designated parcel until the New York City Office of Environmental Remediation (OER) reviews and approves the scope of a follow up site investigation addressing the RECs identified in a Phase I report and any proposed Remedial Action Plan to address site contamination, if any, identified in the site investigation. (See the Section of the Plan entitled "Description of Property and Improvements" in Part I of the Plan for further detail.)

77. The foregoing Special Risks are reasonably believed by Sponsor to involve significant risks to purchasers or be reasonably likely to affect disproportionately or unusually the Common Charges or obligations of Unit Owners in future years of Condominium operation.

However the foregoing does not reflect all of the material terms of the offering, which are set forth in detail in the Plan, certain of which may be deemed by some Purchasers and not others to involve significant risks. Therefore all Purchasers should carefully review the entire Plan for complete disclosure of the terms before deciding whether or not to purchase a Unit.

INTRODUCTION

A. Sponsor hereby presents this Plan for the conversion to condominium ownership of the Property containing ten (10) Residential Units and two (2) Commercial Units and the Common Elements. The Condominium will be known as "The 42 Crosby Street Condominium" and the Building may be known as "42 Crosby".

B. The purpose of the Plan is to set forth in detail all material facts relating to the offering by Sponsor of ten (10) Residential Units on the 2nd through 7th floor of the Building to Purchasers. The Commercial Units are not being offered for sale under this Plan. Sponsor reserves the right to subdivide and combine the Commercial Units without amendment to the Plan and to offer the Commercial Units for sale by amendment to the Plan and Sponsor will serve such amendment to "offerees" as such term is defined in Section 20.1(d) of Title 13 NYCRR.

C. Sponsor is not aware of any excess unused floor area development rights or air rights that will be available following completion of construction of the Building. Notwithstanding the foregoing, in the event that any development rights become available in the future due to a change in the Zoning Resolution, such additional development rights shall be retained by Sponsor and may be utilized by Sponsor or any development rights purchaser and merged into a zoning lot pursuant to the terms of a ZLDA.

D. The Plan is presented in two parts (in one volume) which together constitute the entire Plan. Part I sets forth a general description of the Plan and Part II contains the basic documents necessary to create the Condominium and to otherwise effectuate the provisions of the Plan. Also included in Part II is a detailed physical description of the Property, certifications of Sponsor and Sponsor's architect, certifications of an expert selected by Sponsor concerning the adequacy of the budget for the First Year of Condominium Operation and certain agreements to which the Condominium will be bound. In addition, Sponsor has filed exhibits to the Plan with the Department of Law, which are presented as Parts A (Certifications), B (General), C (Engineering) and D (Other Information). The Plan, including all Schedules set forth herein and Parts A, B, C and D of the exhibits, constitutes the entire offer of Sponsor.

E. Copies of the Plan and the exhibits will be available for inspection by prospective Purchasers without charge at Sponsor's office and for inspection and copying at reasonable fees at the offices of the Department of Law. A copy of the Plan may be obtained from Sponsor upon payment of a three hundred ($300) dollar deposit, which amount is fully refundable at Closing.

F. Prices of Units are not subject to approval by the Department of Law or any other government agency. All capitalized terms used in the Plan shall have the meanings ascribed thereto in the Section entitled "Certain Definitions," unless otherwise indicated.

G. All of these documents are important and should be carefully read by prospective purchasers. **PROSPECTIVE PURCHASERS ARE ALSO ADVISED TO CONSULT WITH THEIR OWN ATTORNEYS OR OTHER ADVISERS BEFORE AGREEING TO PURCHASE.**

The Condominium

A. On or about November 27, 2012 Sponsor acquired fee title to the Land and related structures thereon from 432 Broome Street, LLC. The Building being constructed on the Land will contain one (1) below-grade level (the "Cellar") and seven (7) stories above grade. The floors in the Building are named (from bottom to top): Cellar, First Floor, and Second through Seventh Floor, Roof and Bulkhead Roof. Purchasers are advised that all references in the Plan and in marketing materials to "floors" are references to their "marketing" designations and may not correspond to the construction floor designations given to the floors on the plans submitted to the New York City Department of Buildings.

B. As more particularly described herein, the Building will include (a) a Residential Section containing the Residential Units, the Residential Common Elements and the Residential Limited Common Elements, (b) a Commercial Section, which will contain the Commercial Unit, the Commercial Common Elements, and the Commercial Limited Common Elements, if any and (c) the General Common Elements.

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

D. There will be available to occupants of the Residential Section, certain luxury apartment type services and amenities, including, but not limited to, twenty-four (24) hour Residential Lobby doorman, automatic elevators, cable television service, security systems, communication facilities, storage and parking. Sponsor does not warrant or guarantee that all of the foregoing services and amenities will be available until the earlier to occur of the closings of title to fifty (50%) percent of the Residential Units have been conveyed to Purchasers under the Plan, provided, however, that there will be at least one (1) doorman on duty at the Residential Lobby of the Building twenty four (24) hours a day, seven (7) days a week after the First Occupancy.

E. Certain Residential Unit Owners will have exclusive use of Terraces appurtenant to their Residential Units (subject to the rights of the Condominium Board and Sponsor to access and regulate the use of such Terrace and approve of any Terrace Installations and decorations being kept on the Terrace as more particularly described in the Declaration and By-Laws). Terraces appurtenant to Residential Units are shown on Schedule A included in Part I of the Plan and the Floor Plans included in Part II of the Plan. The Residential Unit Owner having exclusive use of a Terrace will be responsible for all Maintenance thereto (including without limitation, keeping such Terraces free of snow, ice and accumulation of water), however, Purchasers are advised that the Maintenance of any structural or extraordinary repairs or replacements to any Terrace (unless caused by a Residential Unit Owner or Terrace Installations located thereon) shall be charged to all Residential Unit Owners as a Residential Common Expense. Alterations to a Terrace and/or the installation of Terrace Installations must be performed pursuant to an Alteration Agreement that the Residential Unit Owner will be required to enter into with the

Condominium Board prior to commencing any Alterations or Terrace Installations. To the extent that a Residential Unit Owner performs any Alteration to a Terrace or Terrace Installation, or installs any Terrace Installations to a Terrace or any portion thereof, the Residential Unit Owner and its successor-in-interest assumes full responsibility for the future Maintenance of same. No Terrace may be enclosed without the express written consent of the Condominium Board, which may be denied for no reason or any reason in its discretion. The Condominium Board may establish such other rules and regulations it deems necessary to protect the Building and the health and safety of the occupants and may require a Residential Unit Owner to remove Terrace Installations from a Terrace at such Residential Unit Owner's sole cost and expense. Sponsor makes no representations as to the degree of privacy that a Residential Unit Owner will have on its Terrace. Purchasers of Units with a Terrace will be required sign the Terrace Rider attached to the Agreement in Part II of the Plan. Please refer to the By-Laws and form of Alteration Agreement set forth in Part II of the Plan for further details.

F. Certain Residential Units will contain functional natural gas-burning fireplaces and the Penthouse Unit will contain a functional wood-burning fireplace on the Terrace appurtenant thereto. The fireplaces will be part of each such Residential Unit. The shafts, flues and chimneys will be Limited Common Elements appurtenant to each such Residential Unit. Residential Unit Owners whose Residential Units contain fireplaces will be responsible for routine Maintenance of same together with their appurtenant Limited Common Element shafts, flues and chimneys and must comply with all Laws applicable thereto, including inspections, and maintaining proper insurance. In accordance with applicable Law, the fireplace flues must be cleaned at least once annually at the Residential Unit Owner's cost and expense using contractors and servicepersons approved by the Residential Board, unless otherwise determined by the Residential Board. All fireplaces will comply with the then current New York City Department of Buildings requirements. Sponsor makes no representation that in the future, gas operated or wood-burning fireplaces will be permitted in the City of New York as a matter of Law. Purchasers are advised to review Subchapter 14 of Title 27 of the New York City Department of Building Code entitled "Heating and Combustion Equipment" and the "Description of Property" each set forth as an Exhibit in Part II of the Plan.)

G. The Commercial Section will initially consist of two (2) Commercial Units to be known as Commercial Unit 1 and Commercial Unit 2 (as more particularly delineated on the Floor Plans), the Commercial Common Elements and Commercial Limited Common Elements, if any. Except as otherwise prohibited under the By-Laws, the Commercial Units may be used for any purpose permitted by Law, including, without limitation, use as retail stores, banks, and commercial and professional offices. No representation is made with respect to the continued ownership by Sponsor of all or any portion of the Commercial Units or as to who the Commercial Unit Owners, tenants or occupants of any portion of the Commercial Units may be at any time or the uses to which any portion of the Commercial Units may be put at any time. No assurance is given that such Commercial Unit Owners, tenants, occupants or uses will not be objectionable to Residential Unit Owners. The use of the Commercial Units may generate noise, traffic fumes, vibrations or other disturbances over which the Condominium Board, Residential Board and Residential Unit Owners will have no control. Please refer to the Section of the Plan entitled Commercial Units for further details.

H. Sponsor believes that the Condominium is not subject to the Interstate Land Sales Full Disclosure Act found at 15 U.S.C.A §1701, et seq ("ILSFDA"). Specifically, 15 U.S.C.A. §1702(b)(1) exempts from ILSFDA the sale or lease of lots in a subdivision containing fewer than one hundred lots (Units). As more particularly set forth in this Plan, the Condominium contains a total of ten (10) Residential Units and two (2) Commercial Units. The New York State Attorney General has not verified or approved the content of the foregoing ILSFDA disclosure.

I. Consistent with a recent First Department decision, the principals of Sponsor expressly disclaim the existence of any private right of action for contract claims by individual Unit Owners (or a Board on their behalf) in connection with or arising solely from their execution of the Certification of Sponsor and Principals, absent liability under another statute or under an alter-ego or other veil-piercing theory. See Board of Mangers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC. et al, 2013 N.Y. Slip Op 03574 (1st Dept. May 16, 2013).

Features of Condominium Ownership

A. The ownership of a Unit is similar in many respects to the ownership of a private home. Each Unit Owner owns fee title to such Unit Owner's Unit and is entitled to the exclusive possession thereof and the exclusive use of the Limited Common Elements (for example, Terraces), if any, appurtenant to such Unit Owner's Unit subject to certain limitations more particularly described below. A Residential Unit Owner also owns, in common with all other Residential Unit Owners, an undivided interest in (and right to use) the Residential Common Elements, and, in common with all other Unit Owners, an undivided interest in (and right to use) the General Common Elements for their intended purposes. A Commercial Unit Owner also owns, in common with all other Commercial Unit Owners, an undivided interest in (and right to use) the Commercial Common Elements, and, in common with all other Unit Owners, an undivided interest in (and right to use) the General Common Elements for their intended purposes.

B. Subject to certain conditions contained in the By-Laws, each Residential Unit Owner may mortgage such Residential Unit Owner's Residential Unit(s) with such lender and in such amount as the Residential Unit Owner chooses. However, Sponsor makes no representations about a Purchaser's ability to finance any Residential Unit. Each Residential Unit is separate and is not subject to the lien of any mortgage placed by other Residential Unit Owners on their respective Residential Units. There are no limitations or restrictions upon the rights of the Commercial Unit Owners to mortgage the Commercial Units.

C. Except as otherwise provided herein and subject to compliance with the Declaration and By-Laws, the Rules and Regulations and Law, a Residential Unit Owner may decorate the interior of its Residential Unit Owner's Residential Unit in any way desired, and such Residential Unit Owner will be solely responsible for the cost of Maintenance to such Residential Unit Owner's Residential Unit after Closing. Neither the Condominium Board nor the Residential Board may not limit or restrict the rights of the Commercial Unit Owners to decorate the Commercial Units, except that the Commercial Unit Owners will be required to comply with the provisions of the By-Laws.

D. After the Units are separately assessed by the New York City Department of Finance, each Unit will be taxed as a separate tax lot for real estate tax purposes, and after the Units have been separately assessed for taxes, no Unit Owner will be responsible for the payment of, nor will such Unit Owner's Unit be subjected to any lien arising from the non-payment of real estate taxes on other Units. As more particularly set forth in the By-Laws, until the Units are separately assessed for real estate tax purposes, Unit Owners shall pay their respective pro rata share of all real estate taxes with respect to the Property (based upon their Unit's allocable Common Interest) to the Condominium Board as General Common Charges and the Condominium Board will pay such taxes to the proper authorities of The City of New York. In the case of the Unsold Units, Sponsor shall pay to the Condominium Board its allocable share of real estate taxes as Common Charges within two (2) business days of such real estate taxes being due and payable to the property taxing authorities. In the event that the payments made by Unit Owners are less than or more than the amount of taxes paid for the period in question, Unit Owners will be reimbursed for any overpayment of taxes or assessed for an underpayment. If any Unit Owner fails to pay such Unit Owner's pro rata share as set forth above, the Condominium Board will have a lien on such Unit for non-payment of Common Charges. (See the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers" under the subsection entitled –"Common Charges: Collection and Lien for Non-Payment, Attachment of Rent" for further discussion.) At such time as a Unit is separately assessed and separately billed, its Unit Owner will pay real estate taxes directly to the taxing authority. Purchasers are further advised that in addition to making a real estate tax payment to the Condominium Board as aforesaid, a Purchaser's lender may also require that funds be placed in escrow with such lender for such real estate tax payments. Please refer to Schedule A for an estimate of real estate taxes payable during the First Year of Condominium Operation and please also refer to the opinion of Stroock & Stroock & Lavan LLP, counsel to Sponsor, set forth in full in Part I of the Plan, for a discussion regarding the deductibility for federal, New York State and New York City income tax purposes, of real estate taxes and the interest paid on a mortgage, if any, on a Residential Unit.

E. With certain exceptions (which are more particularly described in the By-Laws), any sale or lease of a Residential Unit, will be subject to a right by the Residential Board to acquire or lease such Residential Unit or to produce a third party to acquire or lease such Residential Unit on the same terms as agreed to by the Residential Unit Owner and the proposed transferee. Other than exercising its right of first refusal, the Residential Board has no right to approve or disapprove purchasers and the By-Laws contain no requirement that such Purchasers be owner occupants of the Condominium. There is no limit on the number of purchasers who may purchase Residential Units for investment rather than personal occupancy. Accordingly, there may always be a substantial percentage of owners who are non-residents. The Commercial Unit Owners may sell or lease all or any portion of the Commercial Units, without any restriction or limitation imposed pursuant to the Declaration or the By-Laws. For a more complete discussion of the foregoing, see the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers" under the subsection entitled "Sales and Leases of Units" and the By-Laws.

F. As more particularly set forth in the By-Laws, the Boards will have the authority to manage the Condominium, and the Unit Owners will have the right to vote for (or designate in the case of the Commercial Unit Owners) the members of the Boards. As more particularly set

forth in the By-Laws and in accordance with the Condominium Act, Real Property Law Sections 339-i and 339-m, the cost of operating and Maintaining the Residential Common Elements will be a Residential Common Expense borne entirely by the Residential Unit Owners, the cost of operating and Maintaining the Commercial Common Elements, if any, will be a Commercial Common Expense borne entirely by the Commercial Unit Owners and the costs of operating and Maintaining the General Common Elements will be a General Common Expense borne by all of the Unit Owners. Premiums for insurance coverage of the Common Elements is a General Common Expense borne by all Unit Owners. Residential Common Charges shall also be deemed to include any Special Assessment imposed by the Residential Board. The Boards will assess the Common Expenses and the Unit Owner's allocable share of the General Common Expenses to the Unit Owners in proportion to their respective Common Interests except as otherwise provided in the By-Laws and Schedule B-operating budget. The Condominium Board may not increase or decrease the number of building employees servicing the Commercial Units or categories of services, utilities or supplies provided to the Commercial Units in such a manner as would increase or decrease the General Common Charges otherwise payable by the Commercial Unit Owners, without the consent of the Commercial Unit Owners. Please refer to Schedule B and Schedule B-1 "Estimated Energy Costs", Purchasers should note that the amounts budgeted for projected energy usage are based upon estimates made by Sponsor's consulting engineer. However, in view of the current energy situation, and the fact that energy costs have fluctuated greatly, it is not possible to predict whether the budgeted amount will be sufficient to pay for the actual costs incurred in the First Year of Condominium Operation and actual utility costs and Common Charges may be higher than projected in Schedule B.

G. The Residential Board will be responsible for deciding all matters solely concerning the Residential Section. Residential Unit Owners will have the right to elect members of the Residential Board. The Commercial Unit Owners will be responsible for deciding all matters solely concerning the Commercial Section. Matters affecting all Units or affecting the General Common Elements will be decided by the Condominium Board, which will be comprised of representatives of the Residential Board and designees of the Commercial Unit Owners. Sponsor will control the Boards during the Initial Control Period and may control the Boards after the expiration of the Initial Control Period under certain circumstances. Please refer to the Sections of the Plan entitled "Control by Sponsor" and "Boards of Managers" in Part I of the Plan for further details.

H. Sponsor currently intends to sell the Units being offered for sale under the terms of the Plan. However, under the terms of this Plan, Sponsor has reserved the unconditional right to rent or lease any Unsold Unit prior to the sale thereof to the Purchaser thereof or any other party, to cease marketing Units for sale at any time, in Sponsor's sole discretion, or to use or offer the Unsold Residential Units for purpose permitted by Laws except as prohibited under the By-Laws. Except where otherwise prohibited by Law, certain Residential Units may be occupied under short-term leases. As such, residents of the Condominium may include both Residential Unit Owners and tenants leasing from Sponsor or other Residential Unit Owners. Accordingly, it is possible that a significant portion of Residential Unit Owners will not be residents of the Building and that a significant number of occupants in the Building may not be Residential Unit Owners. As a consequence of the foregoing, a Residential Unit Owner seeking to resell or refinance a Residential Unit may experience difficulty. In addition, residents of the Condominium who are not Residential Unit Owners have different economic interests in their

Residential Units and, therefore, do not share the same economic interests as Residential Unit Owners in the maintenance and care of the Building's facilities and amenities. Owner-occupants and non-resident Residential Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e., purchase as a home as opposed to as an investment). Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium.

I. Sponsor has not yet procured a commitment for financing the construction of the Building. In the event Sponsor is unable to procure construction financing, Sponsor may not be able to complete construction of the Building. In the event that Sponsor does obtain construction financing the construction lender may impose requirements regarding sales by Sponsor and the Plan will be amended to disclose the relevant terms of the construction loan agreement when financing is obtained. Additional requirements imposed by the construction lender including without limitation any presale requirements shall not give rise to a right of rescission on the part of any Purchaser under the Plan provided that no additional financial requirements are being imposed on such Purchasers.

J. If Sponsor makes a bulk sale of all or some of the Unsold Units, the transferee successor Sponsor is bound by Sponsor's representations regarding its commitment to sell Units. However, Sponsor has not made any commitment to continue to sell the Units offered. (Please refer to the section titled "Rights and Obligations Of Sponsor" for more details).

K. As more particularly set forth in the By-Laws and in accordance with the Condominium Act, Real Property Law Sections 339-i and 339-m, the cost of Maintenance and Alterations to the Residential Section, which are Residential Common Expenses, will be determined by the Residential Board and assessed against all Residential Unit Owners in proportion to their respective Residential Common Interests. The estimated Residential Common Charges for each Residential Unit for the First Year of Condominium Operation are set forth in Schedule A. The cost of Maintenance and Alterations to the Commercial Section, which are Commercial Common Expenses, will be determined by the members of the Condominium Board designated by the Commercial Unit Owners. The estimated Commercial Common Charges for each Commercial Unit for the First Year of Condominium Operation are set forth in Schedule A. The Condominium Board will be responsible for collecting all sums necessary to meet the obligations of the Commercial Section including, without limitation, payment of its pro rata share of General Common Charges.

L. After the closing of title to a Unit, a Unit Owner will be solely responsible for maintaining casualty insurance with respect to the Unit, including its fixtures, flooring, wall coverings, appliances, equipment and personal property and improvements and betterments situated within such Unit Owner's and constituting a part of such Unit, as well as liability insurance with respect to occurrences in or about such Unit Owner's Unit. The By-Laws require that each Unit Owner maintain such insurance coverage. The Condominium Board will be solely responsible for maintaining casualty and liability insurance with respect to the Common Elements, in accordance with the provisions of the By-Laws. All Unit Owners must comply with the terms of the Declaration, By-Laws, Rules and Regulations, Alteration Agreement, and

any other requirement of the Condominium Board and Residential Board, as the case may be. See the Section entitled "Rights and Obligations of Unit Owners and the Boards of Managers" for a more complete discussion of the foregoing.

M. Except as otherwise set forth herein, there are no limitations on who may purchase Units. Sponsor will not knowingly accept an offer of purchase from an individual younger than eighteen (18) years of age or an incompetent under Law. Any Purchaser of a Unit which is a Governmental Entity may be required to deposit into escrow an amount equal to one (1) year of Common Charges then in effect to secure their obligations under the Declaration for the payment of Common Charges and/or Special Assessments and/or other charges. Sponsor is not obligated to offer or sell any Units and may, if it chooses, withhold one or more Units for future sale. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without the consent of any of the Boards, 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, sex, disability, religion, marital status, age, ancestry, national origin or other ground proscribed by Law. No binding obligation will arise for the sale of a Unit unless and until an Agreement executed by both Purchaser and Sponsor has been exchanged and Sponsor has collected the funds constituting Purchaser's required Deposit thereunder. (See the Section entitled "Procedure to Purchase" for more details).

N. A Purchaser may not be a Prohibited Person (defined hereinafter) at any time prior to closing. Each Purchaser must be in full compliance with all applicable orders, rules, regulations and recommendations of OFAC of the U.S. Department of the Treasury. The term "Prohibited Person" shall mean any person or entity: (a) listed in the Annex to, or otherwise subject to the provisions of, (i) the Executive Order No. 13224, "Blocking Property and Prohibiting Transactions with Persons who Commit, Threaten to Commit, or Support Terrorism" issued on September 23, 2001, and/or (ii) Executive Order 12947, "Prohibiting Transactions with Terrorists Who Threaten to Disrupt the Middle East Peace Process" issued on January 23, 1995 (both the "Executive Orders"); (b) that is owned or controlled by, or acting for or on behalf of, any person or entity that is listed to the Annex to, or is otherwise subject to the provisions of, the Executive Orders; (c) with whom Beneficiary is prohibited from dealing or otherwise engaging in any transaction by any terrorism or money laundering law, including the Executive Orders; (d) who commits, threatens or conspires to commit or supports "Terrorism" as defined in the Executive Orders; (e) that is named as a "Specially Designated National and Blocked Person" on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control at its official website, www.ustreas.gov/Offices/enforcement/ofac or at any replacement website or other replacement official publication of such list; or (f) who is an affiliate of or affiliated with a person or entity listed above.

O. **THE PURCHASE OF A CONDOMINIUM HAS MANY SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES AND MAY BE ONE OF THE MOST IMPORTANT FINANCIAL TRANSACTIONS OF YOUR LIFE. THE DEPARTMENT OF LAW 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.**

Offering of Units for Sale

A. Sponsor hereby offers ten (10) Residential Units to Purchasers for sale under the Plan. The Purchase Prices for each of the Units offered under the Plan are listed in Schedule A, "Offering Prices and Related Information for the Projected First Year of Condominium Operation." **THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY ANY GOVERNMENTAL AGENCY.**

B. Sponsor hereby offers ten (10) Parking Space Licenses to Purchasers on a "first come, first-served basis" at the Parking Space Price. Each Parking Space Licensee will be allocated a specific Parking Space at or prior to Closing. The Parking Spaces are more particularly shown on the Floor Plans set forth as an Exhibit In Part II of the Plan.

C. Included in the Purchase Price of each Residential Unit is the right to the exclusive use of one (1) Storage Bin, which use shall be licensed to Purchaser pursuant to the terms of a Storage Bin License. Each Purchaser will be allocated a specific Storage Bin at or prior to Closing. The Storage Bins are more particularly shown on the Floor Plans set forth as an Exhibit in Part II of the Plan.

D. Sponsor reserves the right, in its sole and absolute discretion, to waive the collection of Common Charges from Unit Owners during the Waiver Period, provided, however, that Sponsor shall be solely responsible for payment of all Waiver Period Expenses during the Waiver Period. The Waiver Period shall commence as of the date of the First Closing. Sponsor may, in its sole and absolute discretion, terminate the Waiver Period by providing at least thirty (30) days prior written notice to Unit Owners. If not sooner terminated or extended by Sponsor, the Waiver Period shall terminate on the date on which the third year of condominium operation commences. Purchasers should note that the Schedule B will not be in effect until the expiration of the Waiver Period. All 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. Notwithstanding anything to the contrary set forth above, the Waiver Period Expenses shall not include real estate taxes regardless of whether the Unit was separately assessed and Unit Owners will be responsible for the payment of real estate taxes for their Unit after Closing. Purchasers should note that while Schedule B – Budget for the First Year of Condominium Operation will not be in effect until the expiration of the Waiver Period, Sponsor will nonetheless continue to update Schedule B to the extent required pursuant to Part 20 of Title 13 NYCRR and include a copy of same in a post-closing amendment to the Plan, which amendment shall also set forth the anticipated length of the Waiver Period..

E. Sponsor shall have, and the Common Elements shall be subject to, an easement to access and use Reserved Spaces for any purpose permitted by Law, including without limitation, for the purpose of (a) (i) installing, operating and Maintaining Reserve Space Installations (which includes without limitation, satellite dishes, cellular equipment and other information systems), (ii) advertising and (iii) storage and (b) maintaining any encroachment on any Common Elements or elsewhere on the Property resulting from the operation, Maintenance or Alteration to any Reserved Space Installations; provided that (i) the Reserved Space Party indemnify the Condominium Board for all losses, damages, or fines (including reasonable attorney fees) suffered by any of them as a result of Sponsor's use of the Reserved Spaces,

except that Sponsor shall not, in any case, be responsible for consequential damages (ii) access to any Common Element in furtherance of such easements shall be exercised in a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Section or with the use of the Residential Units for their permitted purposes. Such uses could include telecommunication upgrades, installation of art work, placement of television screens in elevators and in the lobby and other uses arising from future technology and developments. The Residential Board or Condominium Board, as applicable, shall be obligated to enter into such reasonable documentation with Sponsor at Sponsor's request, for Sponsor's use of the Reserved Spaces. The aforementioned easements shall remain in effect after the Initial Control Period and the Sponsor Control Period and after the Sponsor no longer owns any Units in the Building. The Condominium shall not be entitled to any portion of fees, compensation or other profits received by Sponsor in connection with the use of the Reserved Spaces. Reserved Space Installations shall be the exclusive property of Sponsor, its designee, assignee, tenant, licensee or other transferee and neither the Condominium nor any other Unit Owners shall have any rights with respect thereto. Purchasers should note that the aforementioned easements will not revert to the Condominium in the future and shall remain for the sole use and benefit of Sponsor for its own account or the account of any designee, assignee, tenant, licensee or other transferee of Sponsor or any purpose permitted by Law.

F. At the closing of title to a Residential Unit, Sponsor will collect from each Purchaser, an amount equal to two (2) months' Residential Common Charges then applicable to such Residential Unit being purchased which will be deposited into the Working Capital Fund. The Working Capital Fund will be held and used for working capital, or for such other appropriate purposes as will be determined by the Residential Board and may be augmented by allocations from the monthly Residential Common Charges collected from each Residential Unit. No representation or warranty can be made and no assurance can be given as to the exact amount of funds available at any specific time. Notwithstanding the foregoing, while Sponsor controls the Residential Board (see the Section of the Plan entitled, "Control By Sponsor" set forth in Part I of the Plan), the Working Capital Fund will not be used to reduce Residential Common Charges. Purchasers are advised that if Sponsor enters into leases for Unsold Residential Units, the tenants thereunder will not be obligated to contribute to the Working Capital Fund and accordingly, the Working Capital Fund may be insufficient for the payment of unanticipated expenses, if any, and Residential Unit Owners may be subject to a Special Assessment to pay for the costs of such unanticipated expenses, if any.

G. In addition to the payment of Residential Common Charges, each Residential Unit Owner will be responsible for the payment of real estate taxes; interest and amortization payments on the mortgage, if any, which such Purchaser may, at such Purchaser's option obtain. The charges for electricity consumed by each Residential Unit Owner individually will be separately metered and billed directly to such Residential Unit Owner by the utility provider. Domestic Water charges assessed by The City of New York, will be billed to the Residential Section as a Residential Common Expense. Domestic water serving the Commercial Units will be separately sub-metered. There are 12 gas meters for the Building: one for each Residential Unit, one for the Residential Section for common water heating and one for the emergency generator. Domestic water heating is provided by instantaneous water heater. Gas service for the Residential Units is for cooking and dryers. The cost of gas usage for individual Residential Units will be borne by the individual Residential Unit Owners. The cost of all gas usage for

Common Elements will be borne by the Residential Unit Owners as a Residential Common Expense. The costs for sewer service provided to the Building (including the Units and Common Elements) will be levied on the basis of a master city meter and borne by all of the Unit Owners as a General Common Expense.

CERTAIN DEFINITIONS

Definitions of certain of the terms used in the Plan are set forth below, which definitions are subject in most cases to the more particular definitions of such terms set forth in the Declaration and the By-Laws:

"Additional Deposit" refers to an additional deposit in an amount of ten (10%) percent of the Purchase Price required to be made by Purchaser under the Agreement.

"Additional Parking Deposit" refers to an additional deposit in an amount of ten (10%) percent of the Parking Space Price required to be made by Purchaser under the Parking Space Rider, which shall be maintained by Escrow Agent in the Master Escrow Account in the same manner as the Deposit for the purchase of the Unit.

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

"Alteration Agreement" refers to the Alteration Agreement included as an Exhibit in Part II of the Plan, or such other form of alteration agreement approved by the Residential Board or Condominium Board at the time in question.

"Alterations" refers collectively to the Non-Structural Alterations and the Structural Alterations.

"BID" refers to business improvement district, which is a partnership between property and business owners who elect to deliver supplemental services such as sanitation and maintenance, public safety and visitor services, marketing and promotional programs, capital improvements and beautification in a designated area.

"BID Agreement" refers to an agreement entered into between neighboring property owners and Sponsor to create a BID.

"Board" or "Boards" refers to either or both of the Residential Board and the Condominium Board, as the case may be.

"Building" refers to the structure and improvements including above and below grade segments, known as 42 Crosby Street, New York, New York 10012 in which the Units and Common Elements of the Condominium are located and may be referred to as "42 Crosby".

"Building Systems" refers to the architectural, mechanical, electrical and plumbing systems of the Building.

"Bulkhead Roof" which will be delineated as Residential Common Elements on the Tax Lot Drawings which shall include, without limitation, the underlayment, membranes, flashings, gutters, fasteners, pipes, vents, coatings and other roofing material necessary to construct the bulkhead roof.

"By-Laws" refers to the By-Laws governing the operations of the Condominium, which are set forth as Exhibit D to the Declaration and contained in Part II of the Plan, as same may be amended from time to time.

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

"Closing" or "closing of title" or "closing" refers to the time, place and procedure by which fee title to a Unit is conveyed from Sponsor to Purchaser by, among other things, the delivery to Purchaser of a Unit Deed upon payment by Purchaser to Sponsor of the balance of the Purchase Price for such Unit pursuant to a fully executed Agreement.

"Closing Date" refers to the date on which a Closing or a closing of title to a Unit occurs.

"Commercial Common Charges" refers to amounts payable to the Condominium Board by the Commercial Unit Owners for the purpose of meeting (a) Commercial Common Expenses and (b) each Commercial Unit Owner's pro rata share of General Common Expenses.

"Commercial Common Elements" refers to those Common Elements which serve or benefit exclusively the Commercial Units and/or the Commercial Unit Owners, as more particularly described in the Declaration and/or identified on the Tax Lot Drawings.

"Commercial Common Expenses" refers to (i) all costs and expenses attributable to the Maintenance and operation of, and any Alteration to, the Commercial Common Elements or Commercial Limited Common Element (if applicable) (ii) all costs and expenses attributable to the provision of services and Facilities for all Commercial Unit Owners, (iii) all such other items provided for in the Declaration or these By Laws to be Commercial Common Expenses and (iv) such amounts as the members of the Condominium Board designated by the Commercial Unit Owners may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Commercial Common Elements or Commercial Limited Common Elements (if applicable).

"Commercial Common Interest" refers to the proportionate undivided interest, expressed as a numerical percentage in the Commercial Common Elements appertaining to each Commercial Unit determined in accordance with the Declaration. The Commercial Common Interest is the basis of determining a Unit Owner's responsibility for its share of the Commercial Common Expenses.

"Commercial Limited Common Elements" refers to those Common Elements, if any, which serve or benefit one or more but not all of the Commercial Units and/or the Commercial Unit Owners, as more particularly described in the Declaration and identified on the Tax Lot Drawings.

"Commercial Section" refers to all Commercial Units, the Commercial Common Elements and the Commercial Limited Common Elements, if any.

"Commercial Unit" refers to any Unit designated as a Commercial Unit in the Declaration and identified on the Tax Lot Drawings, and all such Commercial Units, are collectively, referred to as the "Commercial Units."

"Commercial Unit 1" refers to the Unit designated as Commercial Unit 1 in the Declaration and on the Tax Lot Drawings.

"Commercial Unit 2" refers to the Unit designated as Commercial Unit 2 in the Declaration and on the Tax Lot Drawings.

"Commercial Unit 1 Owner" refers to the owner of Commercial Unit 1 at the time in question.

"Commercial Unit 2 Owner" refers to the owner of Commercial Unit 2 at the time in question.

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

"Common Charges" refers to the aggregate of the General Common Charges, Commercial Common Charges and Residential Common Charges.

"Common Elements" refers to the General Common Elements and the Limited Common Elements.

"Common Expenses" refers to the General Common Expenses, the Residential Common Expenses and the Commercial Common Expenses.

"Common Interest" refers to the proportionate, undivided interest expressed as a numerical percentage, in the General Common Elements appertaining to each Unit determined in accordance with the Declaration.

"Condominium" refers to The 42 Crosby Street Condominium.

"Condominium Abatement Program" refers to a partial abatement of real estate taxes for residential condominiums through Tax Year 2014/15, pursuant to recently enacted revisions to Section 467-a of the New York State Real Property Tax Law.

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

"Condominium Board" refers to the overall board of managers of the Condominium and comprises representatives of the Residential Board and a designee of the Commercial Unit Owners.

"Condominium Documents" refers to the Declaration, By-Laws, Tax Lot Drawings and the Plan and all other related documentation.

"Condominium Non-Disturbance Agreement" refers to a recognition or non-disturbance agreement.

"Construction Loan" refers to mortgages, loans or other security agreements made that may be procured by Sponsor in order to finance construction of the Building.

"Construction Lender" refers to the holder of a Construction Loan.

"Contingency Fund" refers to a fund for unanticipated expenses included in Schedule B or any future budget and, for increases in operating expenses above the amounts projected in any budget.

"Controlling Party" refers to the individual controlling a Purchaser which is an entity.

"Courtyard" refers to the exterior courtyard located on the Second Floor that is more particularly identified on the Floor Plans.

"Custom Work" refers to work that Sponsor may agree to perform, in its sole discretion, including modification of Floor Plans and finishes of certain Residential Units or provide extras to the Residential Units if requested by individual Purchasers.

"Custom Work Costs" refers to the cost of the Custom Work, including materials and supplies ordered by Sponsor.

"Custom Work Deposit" refers to a deposit amount which shall be determined by Sponsor on a case by case basis, to be held by Escrow Agent in accordance with the terms of the Plan and the Agreement.

"Declaration" refers to the instrument creating the Condominium to be recorded in the City Register's Office, together with all schedules and exhibits thereto, as the same may be amended from time to time, the form of which is set forth in Part II of the Plan.

"DEP" refers to the New York City Department of Environmental Protection.

"Department of Law" refers to the New York State Department of Law (a/k/a the Office of the Attorney General).

"Deposit" shall collectively refer to the Initial Deposit and the Additional Deposit.

"Designees of Sponsor" refers to a party designated by Sponsor who is acquiring Unsold Units.

"DOB" refers to the New York City Department of Buildings"

"Emergency" refers to any situation where the party taking the action, in its reasonable judgment, concludes that a particular action (including, without limitation, the expenditure of funds) is immediately necessary (i) to avoid material damage to all or any material portion of the Building or Property, (ii) to protect any person from harm, or (iii) to avoid the unanticipated

and/or unforeseeable suspension of any necessary service in or to the Building or the Property, the failure of which service would have a material and adverse effect on the Building, the Property, the Unit or Unit Owners.

"Escrow Agent" refers to Stroock & Stroock & Lavan LLP, 180 Maiden Lane, New York, New York 10038, any Escrow Agent designated by Sponsor or any successor Escrow Agent at the time in question.

"Estoppel Letter" shall mean a statement from a Board requested by any seller or purchaser of a Residential Unit setting forth the amount of any unpaid Common Charges accrued against the Residential Unit and that neither seller nor purchaser shall be liable for, nor shall the Residential Unit be conveyed subject to a lien for any unpaid Common Charges against such Residential Unit accrued prior to such conveyance in excess of the amount set forth in such statement.

"Exterior Facade" refers to the outer portion of the Building above grade, including but not limited to, the exterior of all doors, masonry, aluminum or other skin materials, walls, or parapets, whether or not visible from street level.

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

"FDIC" refers to the Federal Deposit Insurance Company.

"FHA" refers to the Federal Housing Authority.

"Filing Deposit" shall have the meaning ascribed thereto in Special Risk Number 17.

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

"First Occupancy" refers to the first date, subsequent to the First Closing, that a Residential Unit Owner moves into and occupies a Residential Unit.

"First Year of Condominium Operation" refers to the period set forth herein in Schedule B – Projected Budget for First Year of Condominium Operation, in Part I of the Plan, which period may be amended from time to time by Sponsor, pursuant to a duly filed amendment to the Plan.

"Floor Plans" refers to the floor plans set forth as an Exhibit in Part II of the Plan.

"General Common Charges" refers to amounts payable to the Condominium Board by the Residential Unit Owners and the Commercial Unit Owners for the purpose of meeting General Common Expenses, as more particularly defined in the Declaration.

"General Common Elements" refers to those portions of the Land and Building, designated for the common use of all Units as more particularly described in the Declaration and/or identified on the Tax Lot Drawings.

"General Common Expenses" refers to: (i) all costs and expenses attributable to the Maintenance and operation of, and any Alteration to the General Common Elements, (ii) all costs and expenses attributable to the provision of services and facilities for all Unit Owners, (iii) all such other items provided for in the Declaration or these By Laws to be General Common Expenses and (iv) such amounts as the Condominium Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the General Common Elements.

"Government Entity" and "Government Entities" refers to a government or governmental mission, or a department, agency or consulate of a government, or any other party who or which may be entitled under applicable laws, conventions or treaties (including, without limitation, the United States Foreign Sovereign Immunities Act as same may be amended) to any present or future claim to any immunity, whether characterized as sovereign immunity or otherwise (or diplomatic or consular immunity, if applicable), from any legal or equitable proceedings in the United States of America.

"Initial Control Period" refers to the period ending on the later of (i) the date that is three (3) years from the First Closing and (ii) the date that the permanent certificate of occupancy for the Building is issued.

"Initial Deposit" refers to the initial deposit in an amount equal to ten (10%) percent of the Purchase Price required to be made by Purchaser under the Agreement.

"Initial Parking Deposit" refers to the initial deposit in an amount equal to ten (10%) percent of the Parking Space Price required to be made by Purchaser under the Parking Space Rider.

"Interim Lease" refers to any lease or use and occupancy agreement entered into by Purchaser or any other persons for a Residential Unit in accordance with the terms of the Plan.

"Land" refers to the parcel of land described in Exhibit A to the Declaration.

"Law" or "Laws" refers to laws and ordinances of any or all of the federal, state, city, county and borough governments; rules, regulations, orders, codes and directives of any or all departments, subdivisions, bureaus, agencies or offices thereof, or of any other governmental, public or quasi-public authorities having jurisdiction over the Property, the Land, the Building, the Units or any portion of any of the foregoing; any requirements or conditions of any licenses, permits, approvals or certificates issued by any of the foregoing; the direction of any public officer pursuant to law; and the requirements and conditions of any easement, covenant, restriction, condition or other encumbrance that is binding upon the Property or the applicable portion thereof.

"Limited Common Elements" refers to the Residential \ Common Elements, Residential Limited Common Elements, Commercial Common Elements and Commercial Limited Common

Elements, if any, as more particularly described in the Declaration and/or identified on the Tax Lot Drawings.

"Maintenance" or "Maintain" or "Maintaining" refers to the maintenance, repair, reconditioning, refurbishing, reconfiguration, inspection, testing, cleaning, improvement, decorating, servicing, painting, installation, alteration, addition, reconstruction, construction, demolition, or replacement as and when necessary or desirable of any portion of the Building.

"Majority of Unit Owners" shall have the meaning ascribed to it in Section 3.10 of the By-Laws set forth as an Exhibit in Part II of the Plan.

"Managing Agent" refers to the managing agent or manager of the Building at the time in question.

"Management Agreement" refer to that certain management agreement effective as of the First Closing with the Managing Agent or that certain management agreement in effect at the time in question.

"Mansion Tax" refers to the New York State Additional Tax, pursuant to Article 31 of the Tax Law, which is currently one percent (1%) of the Purchase Price to be computed as set forth in the Plan.

"Master Escrow Account" refers to the master escrow account Escrow Agent has established at Valley National Bank at its branch located at 275 Madison Avenue, 40th Floor, New York, New York entitled Stroock & Stroock & Lavan LLP, Escrow Account No. [redacted].

"Non-Structural Alteration" refers to any alteration, addition, installation or improvement that is not a Structural Alteration, including without limitation: (i) the installation of decorations, fixtures and coverings, wallpaper, 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 to a depth of one inch behind the surface for purposes of installing nails, screws, bolds and the like and (ii) painting and similar finishing.

"NYC DOF" means the New York City Department of Finance.

"NYC RPT Tax" refers to the New York City Real Property Transfer Tax to be computed as set forth in the Plan.

"NYS Tax" refers to the New York State Real Estate Transfer Tax to be computed as set forth in the Plan.

"Offeree" refers to (a) each Purchaser who has executed and delivered an Agreement for a Residential Unit and who is not in default thereunder, (b) each Unit Owner, and (c) any other person or entity who, pursuant to Law, is an offeree of the Plan.

"Parking Space" refers to any Parking Space located below-grade, on a portion of the Cellar level of the Building, as more particularly shown on the Floor Plans set forth as an Exhibit

in Part II of the Plan. Each Parking Space shall be deemed a Residential Common Element of the Condominium.

"Parking Space Deposit" refers collectively to the Initial Parking Deposit and Additional Parking Deposit.

"Parking Space License" refers to the license to be granted to a Residential Unit Owner evidencing the Residential Unit Owner's right to use a Parking Space.

"Parking Space Licensee" refers to the holder of a Parking Space License.

"Parking Space Price" refers to the amount of $1,000,000.00.

"Permanent Certificate of Occupancy" refers to a final certificate of occupancy issued by the New York City Department of Buildings approving the legal use and/or occupancy of the Building which may be issued when the completed work in the Building complies with the filed plans and specifications submitted to the New York City Department of Buildings and applicable Laws, all necessary approvals have been obtained from other City agencies, all fees owed to the Department of Buildings are paid and all relevant violations, if any, are resolved.

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

"Permitted Mortgage" means any first mortgage covering a Unit or Units, the initial holder of which is (i) Sponsor or its designee (ii) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust, investment or finance company, mortgage trust or other entity which is in the business of providing loans secured by condominium units, or (iii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system.

"Permitted Mortgagee" refers to the holder of any Permitted Mortgage.

"Permitted Transferee" refers to another Residential Unit Owner, the Residential Board, the Condominium Board or Sponsor.

"Plan" refers to this offering plan for the establishment of condominium ownership for the Property, as filed with the Department of Law, as the same may be amended from time to time.

"Plans and Specifications" refers to the plans for the Building which (to the extent required by Law) are filed with, and approved by, the New York City Department of Buildings and other municipal agencies or authorities having jurisdiction, and any specifications prepared in connection therewith, as same may be amended from time to time.

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

"Purchase Price" refers to purchase prices provided in Schedule A for each Unit, as same may be amended from time to time by Sponsor.

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

"Required Documentation" refers to such applications, permits, certifications, affidavits, forms, agreements, acknowledgments or other documents as may be required to enable the Sponsor to exercise its rights or obligations under the Declaration and the By-Laws, including, without limitation, Sponsor's rights to deal with the excess development rights, if any and to undertake, perform and complete such work to the Unsold Units, Commercial Units and Common Elements.

"Reserved Space Installations" refers to, among other things, signage, satellite dishes, cellular equipment, computer and other information systems, furniture; wall and floor coverings and other any other furnishings or Facilities to be installed on or in the Reserved Spaces.

"Reserved Space Party" shall have the meaning ascribed to it in Special Risk Number 57.

"Reserved Spaces" refers to the portions of the Common Elements which are not expressly reserved for specific purposes and include, without limitation, the Roof, Bulkhead Roof and Exterior Façade of the Building, passages, hallways, conduits, utility lines (provided that use of the Reserved Spaces does not block light and air to any Residential Unit), and such other areas in the Condominium which have been designated as Common Elements which are either not being utilized (e.g., the elevator lobby and the elevator cabs) or which have a use which can be relocated elsewhere in the Building (e.g. Storage Bins).

"Residential Board" refers to the board of managers representing the Residential Unit Owners.

"Residential Common Charges" refers to amounts payable to the Residential Board by Residential Unit Owners for the purpose of meeting (a) the cost of the Residential Common Expenses and (b) each Residential Unit Owners' pro rata share of the General Common Expenses.

"Residential Common Elements" refers to those Common Elements which serve or benefit exclusively the Residential Units and/or the Residential Unit Owners, as more particularly described in the Declaration and/or identified on the Tax Lot Drawings.

"Residential Common Expenses" refers to (i) all costs and expenses attributable to the Maintenance and operation of, and any Alteration to, the Residential Common Elements or Residential Limited Common Element (if applicable) (ii) all costs and expenses attributable to the provision of services and Facilities for all Residential Unit Owners, (iii) all such other items provided for in the Declaration or these By Laws to be Residential Common Expenses and (iv) such amounts as the Condominium Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Residential Common Elements or Residential Limited Common Elements (if applicable).

"Residential Common Interest" refers to the proportionate undivided interest, expressed as a numerical percentage in the Residential Common Elements appertaining to each Residential Unit determined in accordance with the Declaration.

"Residential Limited Common Elements" refers to those Common Elements which serve or benefit exclusively one or more but not all the Residential Units and/or the Residential Unit Owners including, but not limited to the Terraces appurtenant to certain Residential Units, as more particularly described in the Declaration and/or identified on the Tax Lot Drawings.

"Residential Lobby" refers to the lobby serving the Residential Section of the Building identified as "Lobby" on the Floor Plans for the First Floor of Building.

"Residential Mortgage Representatives" shall have the meaning set forth in Section 7.5 of the By-Laws.

"Residential Permitted Mortgagees" refers to the holders of Permitted Mortgages secured by Residential Units.

"Residential Section" refers to the Residential Units, the Residential Common Elements and the Residential Limited Common Elements.

"Residential Unit" refers to any Unit designated as a Residential Unit in the Declaration and Tax Lot Drawings, and all such Residential Units, are collectively, referred to as the "Residential Units."

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

"Restoration Costs" refers to the reasonable cost to restore a Unit to the condition it was in prior to performance of any Custom Work.

"Roof" refers to the main roof, which will be delineated as General Common Elements on the Tax Lot Drawings which shall include, without limitation, the underlayment, membranes, flashings, gutters, fasteners, pipes, vents, coatings and other roofing material necessary to construct the main roof.

"RPL" refers to the New York Real Property Law.

"Rule Against Perpetuities" shall have the meaning ascribed thereto in Section 9.1 of the New York State Estates, Powers and Trusts Law.

"Rules and Regulations" refers to the rules and regulations made in accordance with the By-Laws and attached thereto, as same may be amended by the Board(s).

"Schedule A" refers to Schedule A, Offering Prices and Related Information for the Projected First Year of Condominium Operation, set forth in Part I of the Plan.

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

"Schedule B-1" refers to Schedule B-1 Estimated Energy Costs, set forth in Part I of the Plan.

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

"Signs" refer to any signs, awnings, marquees, canopies, banners, flags, pennants, aerials, or the like permitted by Law which may be placed on the Property.

"Special Assessments" shall have the meaning ascribed thereto in Section 6.1.7 of the By-Laws.

"Sponsor" refers to Broome Street Owner LLC, a Delaware limited liability company, and its successors, assigns or Designees of Sponsor.

"Sponsor Control Period" refers to any period after the Initial Control Period during which Sponsor holds a majority of seats on the Condominium Board or the Residential Board, as the case may be.

"Sponsor's Counsel" refers to Stroock & Stroock & Lavan LLP and/or such other legal counsel as Sponsor may retain.

"Sponsor ROFR Period" refers to the later of (a) the date on which Sponsor has sold all Unsold Units; or (b) the date which is five (5) years from the date of the First Closing.

"Storage Bins" shall mean any Storage Bin located below-grade, on a portion of the Cellar level of the Building, as more particularly shown on the Floor Plan set forth as an Exhibit in Part II of the Plan, and shall include the structural framework and materials out of which the Storage Bin is constructed. Each Storage Bin shall be deemed a Residential Common Element of the Condominium.

"Storage Bin License" refers to the license to be granted to a Residential Unit Owner evidencing the Residential Unit Owner's right to use a Storage Bin.

"Storage Bin Licensee" refers to the holder of a Storage Bin License.

"Structural Alteration" shall refer to alterations, additions, installations and improvements to the foundations, columns, girders, beams, supports, concrete slabs, footings, bracings, Exterior Façade, Building Systems and all other structural members of the Building or which otherwise affect the structural integrity of the Building.

"Substantial Completion Date" is estimated to be on or about November 1, 2016.

"Tax Lot Drawings" refers to the floor plans of the Building, as the same may be amended from time to time, which are approved by the New York City Department of Finance, Tax Map Unit, filed in the Division of Land Records, and recorded in the City Register's Office.

"Temporary Certificate of Occupancy" refers to a certificate of occupancy issued by the New York City Department of Buildings which (i) approves the legal use and/or occupancy of the Building or any of the Units or portion of the Building and/or Units thereof and (ii) is temporary and subject to expiration.

"TCO Date" is estimated to be in the month of October, 2016.

"Terrace(s)" refers to terraces appurtenant to certain Residential Units.

"Terrace Installations" refers to any decking material or other surface coverings, fencing, lighting, landscaping, trees, shrubbery, planters and other plantings, and other furniture, equipment and installations on a Terrace.

"Transfer Taxes" means and includes the NYC RPT Tax, the NYS Tax, and if applicable, the Mansion Tax.

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

"Unit" or "Condominium Unit" refers to either a Residential Unit or a Commercial Unit as more particularly designated in the Declaration and/or identified on the Tax Lot Drawing and all such Units are collectively referred to as "Units."

"Unit Deed" refers to the form of deed set forth in Part II of the Plan (or such other form substantially similar) to be delivered by Sponsor to Purchaser at Closing.

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

"Unit Owner Expenses" shall be defined as those expenses set forth as "Unit Owner Expenses" under the terms of the By-Laws and which shall be the sole obligation of the Unit Owner on whose behalf the expenses are incurred.

"Unsold Commercial Unit" refers to any Commercial Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by (i) Sponsor, (ii) any party designated by Sponsor as a "sponsor" under the Plan (iii) any party

designated by Sponsor as the owner of an Unsold Commercial Unit, (iv) the holder of a Permitted Mortgage given by a Sponsor or (v) the designee of a holder of such a Permitted Mortgage.

"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 (i) Sponsor, (ii) any party designated by Sponsor as a "sponsor" under the Plan (iii) any party designated by Sponsor as the owner of an Unsold Residential Unit, (iv) a Construction Lender or (v) the designee of a holder of a Construction Loan.

"Unsold Unit" or "Unsold Units" refers to any Unit or Units owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by (i) Sponsor, (ii) any party designated by Sponsor as a "sponsor" under the Plan, (iii) any party designated by Sponsor as the owner of an Unsold Unit, (iv) the holder of a Permitted Mortgage given by a Sponsor or (v) the designee of a holder of such a Permitted Mortgage.

"Waiver Period" refers to the period of time prior to full occupancy of the Building during which the Sponsor, at its sole option, may elect to pay the Waiver Period Expenses.

"Waiver Period Expenses" refer to the actual costs and expenses required to actually operate the Building during the Waiver Period. Waiver Period Expenses will not be based on the estimates set forth in Schedule B. The Waiver Period Expenses shall not include real estate taxes which shall be separately assessed to each Unit Owner by the Condominium Board based upon the Common Interest of such Unit, as more particularly set forth in Schedule A and Exhibit B to the Declaration.

"Working Capital Fund" refers to the fund which will be held and used for working capital, or for such other appropriate purposes as will be determined by the Residential Board and may be augmented by allocations from the monthly Residential Common Charges collected from each Residential Unit Owner. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for further information).

All other capitalized terms used in Part I of the Plan that 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.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

Construction of the Building

A. The Land is located on the corner of the North side of Crosby Street and the East side of Broome Street in the Borough of Manhattan. It is anticipated that there will be no roads constructed by Sponsor with respect to the Building and/or Condominium. Access to the Residential Lobby of the Condominium is available from Crosby Street.

B. The Building contains a Commercial Section, consisting of two (2) Commercial Units, the Commercial Common Elements and the Commercial Limited Common Elements and a Residential Section consisting of ten (10) Residential Units, the Residential Common Elements and Residential Limited Common Elements and the General Common Elements.

C. The Building, including the individual Units therein, will be substantially completed in accordance with the Plans and Specifications and all applicable zoning and building Laws and other government requirements.

D. Construction is a complicated process requiring the coordination of numerous tasks, contractors and suppliers and the balancing of complex mechanical and architectural systems. No assurance can be given with regard to the accuracy of any projected completion dates set forth herein. During the initial years of Condominium operations, construction workers and related personnel will be at the Property from time to time completing construction of the Building, making adjustments and corrections and performing various tasks related to the completion of construction, which may occur at all hours and could compromise the Building's security systems. During this period, various Building Systems, including but not limited to water supply, air conditioning, heating, cooling, ventilating and elevators, may need to be shut down temporarily. Sponsor will have the right to and may utilize elevators and other Building Systems and may install and retain scaffolding and other equipment on and in the Building to complete construction of the Building. Sponsor may not fully complete the decoration of portions of the Building, including, without limitation, the lobbies or corridors in the Building, the installation of light fixtures, the hanging of wall coverings or laying carpeting, until a particular portion of the Building is complete or a particular floor is fully occupied by Residential Unit Owners. Accordingly, Purchasers should be aware that they may be required to close title to their Units while construction in other Units is continuing, possibly, for extended periods of time and that noise, dust, vibrations, odors and other objectionable conditions inherent in a construction site may inconvenience Unit Owners after they have taken occupancy of their Units.

E. Under the present construction schedule it is anticipated that, except for finishing work to stairways, hallways and other areas of the Building, which are not intended for the exclusive use of any particular Unit Owner, and Custom Work, if any, the Residential Units will be substantially completed by the Substantial Completion Date and a first Temporary Certificate of Occupancy with respect to portions of the Building will be obtained on or about the TCO Date, both subject to Unavoidable Delays. Sponsor does not, however, warrant or guarantee the foregoing completion or occupancy dates for the Building. The first Temporary Certificate of

Occupancy may be issued for some, but not all, of the Units and Sponsor may complete construction of certain Units before others.

F. Purchasers are advised that Sponsor shall perform all work to complete the Common Elements in accordance with Description of Property in Part II of the Plan. In order for a Permanent Certificate of Occupancy to be issued for the Building, it will be necessary for Sponsor to complete the Common Elements. In the event that all work to complete the Common Element is not completed by the time the Temporary Certificates of Occupancy expires, Sponsor will endeavor to renew same and in the event the Temporary Certificate of Occupancy expires, the Building and all Unit Owners may become subject to violations, which may result in fines or even eviction from the Building. Please refer to the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details

G. As more fully set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor" Sponsor is obligated to construct the Building in accordance with all applicable Laws and Plans and Specifications as well as the provisions of the Plan. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability of any Residential Unit or Common Element. Unless caused by a violation of the sound transmission code, noise code or other applicable Law, there is no warranty as to sound transmission. Unless caused by a violation of Law, there is no warranty as to odors. Unless caused by a violation of Law, there is no warranty with respect to mold, mildew, spores, fungi or other toxins. There is no warranty as to air, views or light quality in any Unit or the Building. The Sponsor's obligation, regardless of any limitations in the warranty, is to construct the premises in accordance with all applicable Laws and the Plans and Specifications, and any conflict between (a) the disclaimers and (b) the Sponsor's obligation to construct the premises in accordance with all applicable Laws and Plans and Specifications, shall be resolved in favor of the latter. In no event will Sponsor be liable for incidental, special or consequential damages in connection with the items set forth in this paragraph (whether based on negligence, breach of contract, warranty, or otherwise).

H. Purchasers are advised that in New York City it is common for newly constructed condominium projects, and newly renovated buildings being offered as condominiums, to be issued several successive Temporary Certificates of Occupancy for the building before a Permanent Certificate of Occupancy covering the entire building is issued. Certificates of Occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. A Temporary Certificate of Occupancy is intended to indicate that the property is safe for occupancy, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the DOB. All Temporary Certificates of Occupancy have an expiration date. A Temporary Certificate of Occupancy typically expires ninety (90) days after the date of issuance. If a Temporary Certificate of Occupancy expires and is not renewed, or lapses for reasons outside Sponsor's control, it will be unlawful to reside in or rent a Unit and it may be difficult or impossible to buy insurance, refinance, or sell Units. Sponsor anticipates Residential Unit closings will commence when some or all Units are covered by a Temporary Certificate of Occupancy rather than a Permanent Certificate of Occupancy. Sponsor and its principals will undertake the responsibility for extending each Temporary Certificate of Occupancy prior to

expiration thereof, and ultimately for obtaining a Permanent Certificate of Occupancy covering the entire Building and shall use commercially reasonable efforts to obtain the Permanent Certificate of Occupancy within two (2) years from the date of the issuance of the first Temporary Certificate of Occupancy. However, Sponsor and its principals make no representation or guarantee that the DOB will issue a Permanent Certificate of Occupancy within such two (2) year period. Furthermore, because Sponsor and the By-Laws of the Condominium 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. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE PERMANENT CERTIFICATE OF OCCUPANCY FOR THE ENTIRE BUILDING, AND SHALL EXERCISE COMMERCIALLY REASONABLE EFFORTS TO OBTAIN THE PERMANENT CERTIFICATE OF OCCUPANCY WITHIN SUCH TWO YEAR PERIOD WHILE KEEPING THE TEMPORARY CERTIFICATE OF OCCUPANCY CURRENT. Unit Owners and the Condominium Board, if not in control by Sponsor, shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings. Unit Owners and the Boards, if not in control by Sponsor, shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings. Purchasers are advised to visit the DOB website for further recommendation when purchasing a Unit in in an building that does not have a Permanent Certificate of Occupancy. A Factsheet on Certificates of Occupancy is available on the DOB website at http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf .

I. Sponsor has no knowledge of any development in the geographic area and makes no representations or warranties regarding building construction in the geographic area of the Condominium or whether the existing structures in the area will remain. Purchasers are advised that adjacent parcels or buildings may be further developed and such development could adversely impact upon the views from a Residential Unit or Terraces. In addition, Sponsor shall not be responsible for obstructed and/or adversely impacted views from Residential Units or Terraces due to trees, landscaping and/or lamp posts erected at the street level or mechanical equipment located on the Roof and Bulkhead Roof, if any, or mechanical equipment located on the roofs of other buildings in the neighborhood. Further, construction performed at neighboring properties may create noise, vibration, dust, traffic and other disturbances over which Unit Owners will have no control. See the Section entitled "Description of Property and Improvements" under the Subsection "Construction of the Building" in Part I of the Plan and the Description of Property set forth in Part II of the Plan.

J. Since the Building contains a storm water detention system in compliance with the DEP regulations and therefore Sponsor does not anticipate that there will be a backup in the city sewer system during severe rain falls.

K. Sponsor has engaged Franke, Gottsegen, Cox Architects as architects for the Building, Rodkin Cardinale, P.C. as mechanical, electrical and plumbing engineers of the Building and Robert Silman Associates, as structural engineer of the Building.

L. Sponsor reserves the right to amend or modify the Plans and Specifications in any way not material to this offering or in a manner disclosed in this offering, including, without limitation, changing materials, appliances, equipment, fixtures and other construction and design

details set forth therein or in the "Description of Property" set forth in Part II of the Plan and to substitute in their place similar materials, appliances, equipment and/or fixtures of substantially equal or better quality, except that no change will be made in the size or number of Units or their respective percentages of Common Interest except by amendment to the Plan and the Declaration, if applicable. None of the foregoing shall give rise to a right of rescission on the part of any Purchaser and such modifications may be made without prior notice to Purchaser or an amendment to the Plan.

M. A Phase I environmental survey conducted for the Property reported that prior historic uses at the Property included a retail gasoline service station and automotive repair. The report identified those uses, as well as the potential presence of underground petroleum storage tanks and the presence of aboveground hydraulic lifts as Recognized Environmental Concerns (RECs) requiring further investigation. Based on the site history and RECs, the Property was given an "e-designation" for both hazardous materials and noise by the City of New York in conjunction with its rezoning. An e-designation means that no site redevelopment may go forward on the designated parcel until the New York City Office of Environmental Remediation (OER) reviews and approves the scope of a follow up site investigation addressing the RECs identified in the Phase I report and any proposed Remedial Action Plan to address site contamination, if any, identified in the site investigation. In June 2014 the Sponsor prepared and submitted to OER a Remedial Investigation Work Plan (RIWP) proposed site investigation to investigate the RECs identified in the Phase 1 report, and that investigation was completed in July 2014. Upon completion of the site investigation, the Sponsor applied for and was admitted to the New York City Voluntary Cleanup Program and submitted a Remedial Action Plan (RAP) to address the findings of the remedial investigation. The results of the investigation and Sponsor's proposed RAP are available online at http://www.nyc.gov/html/oer/html/repository/RManhattan.shtml#42. The RAP is subject to public comment through August 21, 2014. The Sponsor shall satisfy all RAP and OER requirements with respect to the e-designation and the Voluntary Cleanup Program agreement and submit a professional engineer certified Remedial Action Report that describes the remedial activities upon completion of all remedial activities in order to receive a Notice of Satisfaction from OER. Sponsor will amend the Plan to disclose any updates to the foregoing.

Residential Units

A. Subject to the rights of Sponsor and/or the owner of any Unsold Residential Unit to change the number of Residential Units, there will be a total of ten (10) Residential Units situated on the 2nd Floor through the 7th Floor of the Building. Descriptions of the Residential Units are set forth in the "Description of Property" in Part II of the Plan. See also the Section entitled "Changes in Prices and Units." Please refer to Schedule A, "Offering Prices and Related Information for the Projected First Year of Condominium Operation" for further details.

B. Except as otherwise agreed by the parties, the Residential Units will be delivered to Purchasers with a finish coat of paint. Each Purchaser will be obligated to do all other painting and decorating of the Residential Unit at such Residential Unit Owner's own cost and expense. Any special work which a Purchaser desires for a Residential Unit prior to Closing shall only be performed following Sponsor's prior written consent thereto and Sponsor's

designation or approval of all contractors and suppliers in connection therewith, which consent and approval shall be within the sole and absolute discretion of Sponsor and pursuant to a separate Alteration Agreement or decorators agreement to be entered into by the parties.

C. Included in the sale of each Residential Unit are the following: refrigerator/freezer, kitchen cabinets, microwave, gas range, oven, automatic dishwasher, washing machine and dryer and individually controlled heating and cooling units (for purposes of this Section of the Plan the foregoing shall be collectively referred to as the "Appliances"). The manufacturer, model number and specifications for the Appliances and other equipment, if any, are set forth in the "Description of Property" in Part II of the Plan. As more fully set forth under the Section entitled "Description of Property and Improvements" under the Subsection entitled "Construction of the Building," these Appliances and other equipment, if any, are subject to change by Sponsor. Sponsor may negotiate to make modifications or changes in any Residential Unit or to perform Custom Work therein or to provide different or additional Appliances or other equipment, furnishings or decorations, provided that Sponsor shall not be bound to do so unless agreed to by Sponsor in a written instrument which is incorporated as an addendum to the Agreement.

D. Sponsor reserves the right, without prior notice to Purchaser or an amendment to the Plan, to use Common Elements and Unsold Residential Units on any floor of the Building as sales and leasing offices and model apartments. In the event Sponsor thereafter, elects to sell such Unsold Residential Units, Sponsor may require the Purchaser thereof to purchase all or any of the furniture, furnishings, equipment or decorations therein and pay, in addition to the Purchase Price for such Unsold Residential Unit, in such amounts as Sponsor determines together with any sales tax due in connection therewith.

E. A Residential Unit Owner may only use such Residential Unit Owner's Residential Unit for a purpose consistent with the local zoning ordinance, as amended from time to time, and any other applicable Laws, including, but not limited to, local building codes and the Multiple Dwelling Law, as such statutes, ordinances and regulations may be amended from time to time, but in no event may a Residential Unit Owner use such Residential Unit Owner's Residential Unit for a use in violation of the By-Laws.

Resident Manager's Unit

There is no Unit designated as a superintendent's apartment in the Building. In accordance with the City Housing Maintenance Code the Condominium Board will employ a twenty-four hour a day janitorial service.

Commercial Units

A. As more particularly described in the Section of the Plan entitled "Commercial Units," in the Declaration and the "Description of Property," the Commercial Section will be situated on portions of the First Floor of the Building. The Commercial Section will initially consist of two (2) Commercial Units, the Commercial Common Elements and Commercial Limited Common Elements, if any. Except as otherwise prohibited under the By-Laws, the

Commercial Units may be used for any purpose permitted by Law, including, without limitation, use as a retail store, banks, and commercial and professional offices.

B. Sponsor reserves the right, without prior notice or amendment to the Plan, to use Common Elements and Commercial Units on any floor of the Building as sales and leasing offices and model offices. In the event Sponsor, thereafter, elects to sell such Unsold Commercial Units, Sponsor may require the purchaser thereof to purchase all or any of the furniture, furnishings, equipment or decorations therein and pay, in addition to the purchase price for such Unsold Commercial Unit, such amounts as Sponsor determines together with any sales tax due in connection therewith.

C. Neither Board nor the Residential Unit Owners will have any right to restrict or limit the method of operation or of any uses of the Commercial Units which are permitted by Law, provided such uses are not prohibited under the By-Laws. No rules affecting the operation of the Commercial Section may be adopted or modified by the Condominium Board without the consent of the affected Commercial Unit Owners. All or any part of the Commercial Units may be leased or subleased by the Commercial Unit Owners, all as more fully set forth in the By-Laws. The Commercial Units may be sold without prior notice except that the Plan must first be amended should the Commercial Units be offered for sale under the Plan. A Commercial Unit may be subdivided or reconfigured by the Commercial Unit Owner thereof without the consent of any other Unit Owners or the Boards, except that no changes to the Exterior Façade may be made without the prior written consent of the Condominium Board which consent shall not be unreasonably withheld, delayed or conditioned. (See the Section entitled "Changes in Prices and Units"). The Residential Unit Owners will have no interest in the rents, profits or revenues from the rental or use of any space in the Commercial Units.

D. Subject to and in accordance with the provisions of the Declaration and By-Laws and all applicable Law, each Commercial Unit Owner, without the consent of any Board, may perform Alterations in or to its respective Commercial Unit or the Commercial Common Elements or Commercial Limited Common Elements.

E. No representation is made with respect to the continued ownership by Sponsor of all or any portion of the Commercial Units or as to who the tenants or occupants of any portion of the Commercial Units may be at any time or the uses to which any portion of the Commercial Units may be put at any time. No assurance is given that such tenants, occupants or uses will not be objectionable to Residential Unit Owners. The use of the Commercial Units may generate noise, traffic fumes, vibrations or other disturbances over which the Condominium Board, Residential Board and Residential Unit Owners will have no control.

General Common Elements

The General Common Elements consist of all Common Elements other than the Limited Common Elements and include, among other things, the following: (a) the Land; (b) all foundations, footings, columns, girders, concrete floor slabs and ceilings (except to the extent included as the Residential Common Elements, or Residential Limited Common Elements, Commercial Common Elements and Commercial Limited Common Elements or part of any Unit), beams, supports, and interior load bearing walls, together with those portions of the

exterior walls of the Building beyond the Unit side of the glass or concealed block work or concealed concrete structural members of those walls, (c) corridors and all fire staircases, landings and stairs which are not Residential Common Elements, or Residential Limited Common Elements, Commercial Common Elements and Commercial Limited Common Elements or part of any Unit; (d) the Exterior Façade; (e) utility rooms and water storage tank located on the Cellar level of the Building; (f) general illumination fixtures on the exterior of the Building; (g) the fire protection/life safety system; (h) the Roof; (i) all passages, hallways, stairs, corridors, mechanical and other rooms, areas and spaces located in the Building serving both the Residential Section and Commercial Section, which are not Residential Common Elements, Residential Limited Common Elements, Commercial Common Elements and Commercial Limited Common Elements or part of any Unit; and (j) all other parts of the Building and the apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, Maintenance or safety of both the Commercial Section and the Residential Section and which are not owned by another entity such as the supplier, servicer or installer of the systems. A detailed description of the General Common Elements is set forth in the Declaration in Part II of the Plan.

Residential Common Elements

The Residential Common Elements include, among other things, the following: (a) the passenger elevator and vehicle elevator (including their respective shafts, pits, machinery and appurtenant facilities); (b) the Parking Garage, including each individual Parking Space, the compactor, lobby, locker room, Storage Room, including each individual Storage Bin located on the Cellar level of the Building; (c) the entry drive, Residential Lobby (including all decorations, plants and terrariums located therein), landscaping and the "green wall" located on the north side of the parking entrance drive, residential entrances, the mailroom, the package room, storage rooms and the toilet facilities on the First Floor of the Building; (d) the Courtyard; (e) the Bulkhead Roof (f) the emergency generator; (g) condensing unit located on the Roof; (h) the passages, hallways, stairs and corridors to the extent any of the same are for the exclusive use of the Residential Section; (i) electric panels, closets, feeders and risers serving the Residential Section; (j) the windows in the Residential Section which do not exclusively open into a Residential Unit; (k) all columns, girders, floor slabs and ceilings, beams, and supports and interior load bearing walls from above the slab over the first floor of the Building to the Roof and Bulkhead Roof (except to the extent same are Commercial Common Elements); (l) all mechanical space and other rooms, including recycling rooms, areas and spaces located in the Building serving exclusively the Residential Units, the Residential Common Elements and the Residential Limited Common Elements and which are not General Common Elements, Commercial Common Elements, Commercial Limited Common Elements or part of any Unit and (m) all other apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit exclusively the Residential Units and which are not owned by another entity such as the supplier, servicer or installer of the systems. A description of the Residential Common Elements is contained in the Declaration in Part II of the Plan.

Residential Limited Common Elements

The Residential Limited Common Elements include those portions of the Building available for the exclusive use of some but not all Residential Unit Owners. At the present time the Residential Limited Common Elements consist of the Terraces appurtenant to certain Residential Units as reflected on Schedule a set forth in Part I of the Plan, as well as, the shafts, flues and chimneys appurtenant to those Residential Units containing a fireplace. A detailed description of the Residential Limited Common Elements is contained in the Declaration in Part II of the Plan.

Terraces

Certain Residential Unit Owners will have exclusive use of Terraces appurtenant to their Residential Units (subject to the rights of the Condominium Board and Sponsor to access and regulate the use of such Terrace and approve of any Terrace Installations and decorations being kept on the Terrace as more particularly described in the Declaration and By-Laws). Terraces appurtenant to Residential Units are shown on Schedule A included in Part I of the Plan and the Floor Plans included in Part II of the Plan. The Residential Unit Owner having exclusive use of a Terrace will be responsible for all Maintenance thereto (including without limitation, keeping such Terraces free of snow, ice and accumulation of water), however, Purchasers are advised that the Maintenance of any structural or extraordinary repairs or replacements to any Terrace (unless caused by a Residential Unit Owner or Terrace Installations located thereon) shall be charged to all Residential Unit Owners as a Residential Common Expense. Alterations to a Terrace and/or the installation of Terrace Installations must be performed pursuant to an Alteration Agreement that the Residential Unit Owner will be required to enter into with the Condominium Board prior to commencing any Alterations or Terrace Installations. To the extent that a Residential Unit Owner performs any Alteration to a Terrace or Terrace Installation, or installs any Terrace Installations to a Terrace or any portion thereof, the Residential Unit Owner and its successor-in-interest assumes full responsibility for the future Maintenance of same. No Terrace may be enclosed without the express written consent of the Condominium Board, which may be denied for no reason or any reason in its discretion. The Condominium Board may establish such other rules and regulations it deems necessary to protect the Building and the health and safety of the occupants and may require a Residential Unit Owner to remove Terrace Installations from a Terrace at such Residential Unit Owner's sole cost and expense. Sponsor makes no representations as to the degree of privacy that a Residential Unit Owner will have on its Terrace. Purchasers of Units with a Terrace will be required sign the Terrace Rider attached to the Agreement in Part II of the Plan.

Fireplaces

Certain Residential Units will contain functional natural gas-burning fireplaces and the Penthouse Unit will contain a functional wood-burning fireplace on the Terrace appurtenant thereto. The fireplaces will be part of each such Residential Unit. The shafts, flues and chimneys will be Limited Common Elements appurtenant to each such Residential Unit. Residential Unit Owners whose Residential Units contain fireplaces will be responsible for routine Maintenance of same together with their appurtenant Limited Common Element shafts, flues and chimneys and must comply with all Laws applicable thereto, including inspections, and

maintaining proper insurance. In accordance with applicable Law, the fireplace flues must be cleaned at least once annually at the Residential Unit Owner's cost and expense using contractors and servicepersons approved by the Residential Board, unless otherwise determined by the Residential Board. All fireplaces will comply with the then current New York City Department of Buildings requirements. Sponsor makes no representation that in the future, gas operated or wood-burning fireplaces will be permitted in the City of New York as a matter of Law. Purchasers are advised to review Subchapter 14 of Title 27 of the New York City Department of Building Code entitled "Heating and Combustion Equipment" and the "Description of Property" each set forth as an Exhibit in Part II of the Plan.)

Commercial Common Elements

The Commercial Common Elements include, among other things, the following: (a) the condensing unit located on the Roof; (b) all columns, girders, floor slabs and ceilings, beams, and supports and interior load bearing walls located within any Commercial Unit or separating a Commercial Unit from a Residential Unit or a Residential Common Element; (c) stairways for the exclusive use of the Commercial Section (which are not part of any Commercial Unit), if any; (d) all other apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits, and lines) which serve or benefit exclusively the Commercial Unit or the Commercial Unit Owner. A detailed description of the Commercial Common Elements is set forth in the Declaration in Part II of the Plan.

Commercial Limited Common Elements

In the event that the Commercial Units are further subdivided, the Commercial Limited Common Elements shall include those portions of the Building, if any, which are available for the exclusive use of some but not all of the Commercial Units. The costs of Maintaining and operating the Commercial Limited Common Elements shall be borne by the Commercial Unit Owners having exclusive access thereto or utilizing or benefiting from the same.

Services, Facilities and Amenities

Under present plans and except as stated hereinbelow, Sponsor anticipates that the services and facilities described herein will be provided and made available to Residential Unit Owners and their respective tenants following the First Closing; however, Purchasers should note that during the First Year of Condominium Operation (including during the Waiver Period) delivery of such services and amenities may be delayed due to delays in construction of the Building and/or Unavoidable Delays. In the event that a Parking Space is not available for use as of the date a Purchaser closes title to its respective Unit, Sponsor will retain any funds collected in connection with sale of the Parking Space Licenses under the terms of the Escrow Agreement set forth in Part II of the Plan. Notwithstanding the foregoing, at Sponsor's sole discretion, Sponsor may reduce staffing until at least 50% of Residential Units have been conveyed to Purchasers under the Plan, provided, however, that there will be at least one (1) doorman on duty at the Residential Lobby of the Building twenty four (24) hours a day, seven (7) days a week after the First Occupancy.

The fact that certain services and facilities have not been completed or are not available for use by the Residential Unit Owners is not a basis for a Residential Unit Owner to refuse to close title to its Residential Unit or Parking Space License (if applicable) nor is it a basis for a Residential Unit Owner to be excused from payment of Common Charges in full. Notwithstanding the foregoing, if the Parking Space is not available on the date of the Closing of the Residential Unit, Purchaser shall pay the Parking Space Price in full and any funds collected for the sale of the Parking Space License shall be retained by Escrow Agent and shall not be released to Sponsor until a temporary certificate of occupancy or permanent certificate of occupancy, if required, is obtained for such Parking Space

a. Doormen/Building Staff

It is presently contemplated, and Schedule B provides, that after the First Closing the Building will be fully staffed with 1 part time non-resident Superintendent, 4 full time Doormen, 1 part time Porter. Notwithstanding the foregoing, at Sponsor's sole discretion, Sponsor may reduce staffing until at least 50% of Residential Units have been conveyed to Purchasers under the Plan, provided, however, that there will be at least one (1) doorman on duty at the Residential Lobby of the Building twenty four (24) hours a day, seven (7) days a week after the First Occupancy.

b. Elevator Service

One (1) automatic passenger elevator and one (1) vehicle elevator servicing the Parking Garage will be in service, twenty-four (24) hours a day, seven (7) days a week, for use by the Residential Unit Owners.

c. Cable Television Service

A cable television system will be available for the use of the Residential Unit Owners. The charges for primary connections and subsequent monthly fees related to the service will be determined by, and payable directly to the cable company. Additional cable service (e.g., Home Box Office or Showtime) will also be available from the cable company for an additional charge on the same basis. Insofar as the wiring of the Building may be delayed until a certain percentage of the Residential Units are occupied, Sponsor makes no representation that cable television service will be available to any Residential Unit Owner upon its initial occupancy of a Residential Unit. Sponsor may enter into an agreement with a cable company, granting the cable company the right to install wires, cables and other components of its system in the Building's internal conduit system and granting the cable company an easement for the installation, repair or replacement of its wires, cables and other components of its system in the Building's internal conduit system and certain rights to relocate the such facilities which shall remain the property of the cable company. The Condominium would own and maintain the internal conduit system in which the such facilities are located. In the event Sponsor enters into an agreement with a cable company, the Condominium will be subject to and bound by the terms thereof.

d. Electrical Systems and Telephone Service

Electrical service will be provided to Residential Unit Owners by Consolidated Edison Company of New York or such other utility company, which will bill such Residential Unit Owners directly for electricity utilized. Local and long distance telephone service (land, wireless and voice over internet) can be provided by Verizon or such other telephone service provider that may provide service to the Building. Each Residential Unit will, however, be prewired to permit the installation of telephone jacks and a special two-line telephone (at such Residential Unit Owner's expense), which will permit the telephone to be used both as a building intercom and as a telephone. Sponsor makes no representations or guarantees regarding telephone reception or the availability of wireless and/or voice over internet telephone service.

e. Mail

All incoming mail (including packages) will be delivered to the Residential Unit Owners by the United States Postal Service and deposited by its personnel in mail boxes located in the Residential Lobby of the Building. Residential Unit Owners will pick up their mail in the mailroom and their packages at the Package room all situated on a portion of the First Floor of the Building. (See a copy of the "Description of Property" set forth as an Exhibit in Part II of the Plan.).

f. Refuse Disposal

There will be refuse chutes located on each Floor and will lead directly to automatic compacting facilities in the compactor room located in the Cellar level of the Building. Refuse may not be placed on the sidewalk adjacent to the Condominium except on days of collection under penalty of fine (See a copy of the "Description of Property" set forth as an Exhibit in Part II of the Plan.).

g. Courtyard

The Courtyard is intended for viewing purposes only and no Residential Unit Owner shall be permitted to access the Courtyard for any purpose whatsoever. Certain Residential Unit Owners will be able to view the Courtyard from the interior of their Residential Unit and from Terraces appurtenant to their Residential Units. The Courtyard shall be designated as a Residential Common Element and all costs incurred in connection therewith, including without limitation, landscaping and Maintaining the Courtyard shall be a Residential Common Expense charged to all Residential Unit Owners.

h. Intercom System

Each Residential Unit will be provided with an intercom linked to a main intercom panel located at the front desk in the Residential Lobby. The intercom communicates to the Residential Units via telephone connection. The Residential Lobby entrance doors have electric locks that can be released via the intercom system.

i. Storage Bins

1. Included in the Purchase Price of each Residential Unit is the right to the exclusive use of one (1) Storage Bin, which use shall be granted pursuant to the terms of a Storage Bin License. Each Purchaser will be allocated a specific Storage Bins at or prior to Closing. The Storage Bins will be located on a portion of the Cellar level of the Building and, accordingly, the Sponsor cannot make any representation as to whether the Storage Bins will remain dry. Neither the Sponsor nor any Board will be responsible for any damage to items placed in the Storage Bins. Residential Unit Owners who place items in the Storage Bins do so at their own risk and Purchasers are advised to consult with their insurance brokers regarding appropriate coverage for such stored items. Electricity will be provided to each Storage Bin as more particularly described in the Description of Property in Part II of the Plan. Electricity to Storage Bins will not be separately metered and will be allocated to the Residential Unit Owners as a Residential Common Expense charged to each Residential Unit Owner in accordance with its respective Residential Common Interest.

2. At the closing of title to the Residential Unit, the Purchaser must execute a Storage Bin License substantially in the form set forth as an Exhibit in Part II of the Plan.

3. The provisions of the Storage Bin License and Condominium Declaration and By-Laws shall govern the use, access and Maintenance of the Storage Bins. The Storage Bins will be located on a portion of the Cellar level of the Building and accordingly, the Sponsor cannot make any representation as to whether the Storage Bins will remain dry. Neither the Sponsor nor any Board (nor their agents or employees) will be responsible for any damage to items placed in the Storage Bins. Residential Unit Owners who place items in the Storage Bins do so at their own risk and Purchasers are advised to consult with their insurance brokers regarding appropriate coverage for such stored items. The Storage Bins may only be used in accordance with Law and only for the storage of the personal effects of the Residential Unit Owner having exclusive access to such Storage Bin. Purchasers are advised to review the Storage Bin License in Part II of the Plan which sets forth the prohibited uses of the Storage Bins. Nothing can be stored in the Storage Bins which would constitute a fire hazard or threat to the health or safety of the Unit Owners or other occupants of the Building or otherwise create a nuisance in the Building. Residential Unit Owners will be responsible for all Maintenance to their respective Storage Bins; however the costs and expenses of any structural or extraordinary repairs or replacements shall be a Residential Common Expense charged to all Residential Unit Owners. The Residential Board has the authority to promulgate such other rules regarding use of and access to the Storage Bins.

4. In the event that a Storage Bin is not available for use and/or occupancy on the Closing Date due to the status of completion of the construction of the Building, or a Temporary Certificate of Occupancy or Permanent Certificate of Occupancy (if required) is not obtained for such Storage Bin or for any other reason, Purchaser shall remain obligated to close title to its Residential Unit, pay the balance of the Purchase Price for such Residential Unit and shall remain obligated to pay Residential Common Charges in full.

5. The Storage Bin License may only be assigned or sublicensed by the Storage Bin Licensee to a person acquiring a Residential Unit or to another Residential Unit

Owner in the Condominium. Upon conveyance of a Residential Unit, the Residential Board will enter into a new Storage Bin License with the transferee of such Residential Unit, in the form set forth as an Exhibit in Part II of the Plan or in such form then required by the Residential Board. In no event may a Residential Unit Owner retain usage or rights to a Storage Bin after conveyance or transfer of such Residential Unit Owner's Unit. In the event a Storage Bin Licensee elects to terminate a Storage Bin License or sells its Residential Unit and does not assign same to another Residential Unit Owner or to a person acquiring a Residential Unit, the rights to the Storage Bin in question will devolve to the Residential Board and the Residential Board shall have the right, in its sole discretion, to issue a new Storage Bin License to another Residential Unit Owner or a person acquiring a Residential Unit at the Condominium or retain such Storage Bin for future sale or lease to a Residential Unit Owner or a party simultaneously acquiring a Residential Unit. Inaddition, Residential Unit Owners may only lease their respective Storage Bins to other Residential Unit Owners in the Building, the Boards or Sponsor, as the case may be. The foregoing restrictions shall not apply to Sponsor, who may license a Storage Bin to a Commercial Unit Owner or a non-occupant of the Building.

6. Electricity will be provided to each Storage Bin as more particularly described in the Description of Property in Part II of the Plan. Electricity to Storage Bins will not be separately metered and will be allocated to the Residential Unit Owners as a Residential Common Expense charged to each Residential Unit Owner in accordance with its respective Residential Common Interest.

j. Parking Spaces

1. Sponsor is hereby offering for sale ten (10) Parking Space Licenses for sale on a "first-come, first-served" basis to Purchasers of Residential Units at the Parking Space Price. Notwithstanding the foregoing, Sponsor reserves the right to license a Parking Space to a person that do not reside at the Condominium. If a Parking Unit Rider is entered into, a Purchaser shall be required to pay a Parking Space Deposit for the Parking Space License under the same terms as those required upon executing an Agreement for a Residential Unit. Each Parking Space Licensee will be allocated a specific Parking Space to at or prior to Closing. Pursuant to the terms of the Parking Space License, each Parking Space Licensee may park only one (1) vehicle in the designated Parking Space and shall not store anything else in the Parking Space other than one (1) vehicle. Each Parking Space is provided with a sub-metered receptacle for charging an electric vehicle and each Parking Space Licensee will be responsible for paying the utility company directly for charges and fees incurred. One (1) Parking Space is handicapped accessible and complies with the requirements for van parking.

2. Purchasers are advised that the Garage will not be attended and each Parking Space Licensee will be responsible for self-parking his or her vehicle by entering the Building at the Garage entrance located on Crosby Street, driving such Parking Space Licensee's vehicle onto the Parking Elevator (which will take the Parking Space Licensee's vehicle to the Cellar of the Building) and self-parking the vehicle on the Cellar level where the Parking Spaces are located. Each Parking Space Licensee will be responsible for parking its vehicle at its own risk. Neither the Sponsor nor any Board will be responsible for any damage caused to any Residential Unit Owner's vehicle. In addition, since the Parking Spaces are located on the Cellar level of the Building, Sponsor makes no representation as to flooding which could occur in a

below grade space. Accordingly, Parking Space Licensees who park vehicles in the Parking Spaces do so at their own risk and Purchasers are advised to consult with their insurance brokers regarding appropriate coverage. Parking Space Licensees will be required to provide the Residential Board with a duplicate key for any vehicle parked in a Parking Space to be utilized solely in the case of an Emergency.

3. At the closing of title to the Residential Unit, the Purchaser of a Parking Space License must execute a Parking Space License substantially in the form set forth as an Exhibit in Part II of the Plan. The provisions of the Parking Space License and Condominium Declaration and By-Laws shall govern the use, access and Maintenance of the Garage and Parking Spaces. The Parking Spaces may only be used in accordance with Law and only for the parking of the one (1) vehicle of the Parking Space Licensee having exclusive use of such Parking Space. Parking Space Licensees will be responsible for all Maintenance to their respective Parking Spaces; however the costs and expenses of any structural or extraordinary repairs or replacements shall be a Residential Common Expense charged to all Residential Unit Owners (regardless of whether the Residential Unit Owner is a Parking Space Licensee). The Residential Board has the authority to promulgate such other rules regarding use of and access to the Parking Spaces.

4. In the event that a Parking Space is not available for use on the Closing Date due to the status of completion of the construction of the Building and Units, or a temporary certificate of occupancy or permanent certificate of occupancy (if required) is not obtained for such Parking Space or for any other reason, Purchaser shall remain obligated to close title to its Residential Unit and pay the balance of the Purchase Price for such Residential Unit and the Parking Space License and shall remain obligated to pay Residential Common Charges in full and any funds collected for the sale of the Parking Space License shall be retained by Escrow Agent and shall not be released to Sponsor until a temporary certificate of occupancy or permanent certificate of occupancy, if required, is obtained for such Parking Space.

5. The Parking Space License may only be assigned or sublicensed by the Parking Space Licensee to a Permitted Transferee. Upon conveyance of a Residential Unit, the Residential Board will enter into a new Parking Space License with the Permitted Transferee in the form set forth as an Exhibit in Part II of the Plan or in such form then required by the Residential Board. In no event may a Residential Unit Owner retain use or rights to a Parking Space after conveyance or transfer of such Residential Unit Owner's Unit. In the event a parking space licensee elects to terminate a Parking Space License or sells its Residential Unit and does not assign same to another Permitted Transferee, the rights to the Parking Space in question will devolve to the Residential Board and the Residential Board shall have the right, in its sole discretion, to issue a new Parking Space License to another Permitted Transferee. The foregoing restrictions shall not apply to Sponsor who may license a Parking Space to a Commercial Unit Owner or to someone that does not reside in the Condominium.

6. Electricity will be provided to each Parking Space as more particularly described in the Description of Property in Part II of the Plan. Each individual Parking Space will be separately metered and each Parking Space Licensee will be responsible for paying the utility company directly for such charges

7. The passenger elevator serving the Residential Section of the Building will go down to the Cellar level so as to allow Parking Space Licensees that reside in the Condominium to go from the Parking Garage directly to their Residential Unit. Elevator access will require a key fob system or password requirement in order to maximize security.

8. The Residential Board will be responsible for ensuring that the Parking Garage shall be used in accordance with applicable Law, including without limitation applicable Laws relating to handicapped parking spaces

k. Emergency Generator

The Residential Section will contain an emergency generator, which will be located on the Bulkhead Roof of the Building. The emergency generator will also service the Building's fire protection system and exterior lighting of the Building, which both benefit the Commercial Unit Owners. Since the Commercial Unit Owner's benefit of the emergency generator is anticipated to be de minimus, the Commercial Unit Owners will not be responsible for costs incurred in connection with the emergency generator. The emergency generator will be powered by natural gas and in the event that natural gas is unavailable at the time in question, the emergency generator will not function properly and power will not be provided to any portion of the Building. In addition, if the emergency generator is being over utilized, the emergency generator may not function as intended and power supply may be provided to some but not all portions of the Building, or may not be provided at all. Accordingly, Purchasers are advised that they should not rely on power from the emergency generator being supplied to its Unit or the Common Elements of the Building.

General

A. It is anticipated that the First Closing will occur on the commencement date for the First Year of Condominium Operation as set forth in Schedule B or within twelve (12) months thereafter. Sponsor has the right to change the anticipated First Year of Condominium Operation by a duly filed amendment to the Plan. If the First Closing does not occur within twelve (12) months of the commencement date for the First Year of Condominium Operation as set forth in Schedule B (or if the anticipated commencement date for the First Year of Condominium Operation is amended to a later date in a duly filed amendment, the date set forth in such amended Schedule B), any Purchaser who executed a Purchase Agreement prior to an amendment being filed which extends the commencement date for the First Year of Condominium Operation, will be offered a right of rescission. However, no such right of rescission will be offered to Purchasers who executed Agreements subsequent to the date that the amendment changing the First Year of Condominium Operation is duly filed. Such right of rescission shall be offered within fifteen (15) days after the presentation of the amendment disclosing the updated Schedule B. Notwithstanding the foregoing, if the First Closing occurs within the First Year of Condominium Operation as set forth in Schedule B, the Sponsor may schedule the closings of title to other Units significantly later than such date. Unless a particular Agreement contains an outside closing date, Sponsor is not obligated to schedule closings within any specified time frame or to ensure that closing of title to a Unit will occur by any date certain. PROSPECTIVE PURCHASER SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.

B. All determinations with respect to the continuance of any of the foregoing facilities and services, if initially made available, will be made by the Boards, which will be controlled by Sponsor during the Initial Control Period and the Sponsor Control Period as described in the Section of the Plan entitled "Control by Sponsor." Please refer to the Description of the Property set forth in its entirety in Part II of the Plan for further details regarding services and facilities at the Property.

C. Neither Sponsor, the Managing Agent nor the Boards will in any event be liable for the availability, interruption, discontinuance or quality of any of the foregoing facilities and/or 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 to person or damage to property occurs as a result of the negligence of Sponsor, the Managing Agent or any of the Boards, as the case may be.

D. No representation or warranty is made and no assurance is given that the security systems and procedures in place in the Condominium will prevent personal injury or damage to or loss of personal property. While Unsold Residential Units are being offered for sale or lease by Sponsor there will be a greater number of visitors to the Condominium than would otherwise be the case. No representation or warranty is made and no assurance is given as to when such selling or leasing activity will terminate. None of Sponsor, the Boards, and/or the Managing Agent shall not be liable or responsible for any personal injury or for any loss or damage to personal property which may result from the failure of the security systems and procedures in place at the Condominium, including, without limitation, those procedures with regard to any delivery of packages.

Please refer to the Description of Property set forth in its entirety in Part II of the Plan for further details regarding security procedures.

LOCATION AND AREA INFORMATION

Location

A. The Condominium is located in New York's vibrant SoHo – Cast Iron Historic District in the Manhattan borough of New York City, with frontage on Crosby Street and Broome Street.

B. New York City is the most populous city in the United States, as well as one of the principal urban centers of the world, containing numerous businesses, transportation facilities, cultural activities, park areas, educational facilities, medical centers, theaters, museums, shops and restaurants.

C. New York City is the nation's principal financial center. It is the home of the New York Stock Exchange, the American Stock Exchange and the National Over-the-Counter Stock Market. Manhattan is the corporate headquarters for a number of the largest banks. Many of the country's "Fortune 500" industrial corporations have their headquarters in Manhattan as do major law and accounting firms. Manhattan is also recognized as the national center of the advertising, communications, broadcasting, publishing and garment industries

Transportation

The Condominium is served by a variety of transportation facilities. Taxi and limousine service is readily available throughout the city. Entrances to the city's extensive subway system are within close walking distance, the closest being for the 4 express and 6 local subway trains, which provides both uptown and downtown service. Municipal bus service is available on every major avenue except for Park Avenue, the closest being on Broadway, and there are also nearby cross town routes. The Condominium is located close to one of New York City's major highways, the FDR Drive, easily connecting to many other major thoroughfares, the city's many bridges and tunnels, and the airports. New York City is serviced by three major airports located within nineteen miles of the Condominium. Kennedy International Airport and LaGuardia Airport are located in New York City and Newark International Airport in New Jersey.

Parks, Recreation and Cultural Activities

Excellent shopping facilities are conveniently located near the Condominium. In addition to the many world-renowned boutiques and restaurants on and around Broadway, the Condominium is situated close to such retail stores as Bloomingdales, J.Crew and Topshop. The shops and restaurants of Midtown and the rest of the city are easily accessible.

Cultural facilities such as Lincoln Center for the Performing Arts, Carnegie Hall, the Broadway theater district and numerous museums and galleries, including the Metropolitan Museum of Art, the Museum of Natural History and the Guggenheim Museum are all easily accessible from the Condominium.

Educational Facilities

Excellent educational facilities are located in New York City. Public schools in the neighborhood of the Condominium include PS 130 Hernano Desoto, M.S. 131, and Millennium High School. Private schools in the greater New York City area for the grade and high school levels include the Dalton School, Trinity School, Columbia Grammar School, The Spence School, The Nightingale-Bamford School, The Brearley School, St. Bernard's School, Collegiate School, The Buckley School, and The Allen-Stevenson School. Top tier universities in the city include New York University, Columbia University, Fordham University and Hunter College.

Medical Facilities

The Condominium is within easy access to a number of medical facilities in the New York area, including Lower Manhattan Hospital, which is owned by NewYork-Presbyterian.

Religious Facilities

There are multiple religious facilities reflecting various faiths and denominations within close proximity of the Condominium.

Municipal Services

Police, fire, water, sanitation and snow removal are provided by the City of New York. The Property is in the 5th Police Precinct located at 19 Elizabeth Street, New York, New York, and primary fire protection is provided by the Fire Department of New York located at 251 Lafayette Street, New York, New York.

The City of New York is responsible for the maintenance of the roads adjacent to the Condominium.

Mailing Address and Neighborhood

The mailing address for the Condominium is 42 Crosby Street, New York, New York 10012.

Zoning and Use

A. The Property is located in the M1-5B zoning district of the Borough of Manhattan which currently permits retail and residential use. Sponsor makes no representation that the zoning for the Property will not change. Neither Sponsor nor its principals own in whole or in part, nor do they have an option or right to acquire any adjacent areas which are not fully developed.

B. Sponsor is not aware of any development in the geographic area and makes no representations or warranties regarding building construction in the geographic area of the Condominium or whether the existing structures in the area will remain. Purchasers are advised that adjacent parcels or buildings may be further developed and such development could adversely impact upon the views from a Residential Unit and from a Terrace.

C. There is no guaranty that any of the foregoing services or amenities will continue to be available to Residential Unit Owners or residents in the future or that any change in the foregoing will not adversely impact upon the value of the Residential Units. Sponsor makes no representations that the character of the neighborhood, the businesses and other institutions which operate there or the qualitative nature of the surroundings will not change.

SCHEDULE A – OFFERING PRICES AND RELATED INFORMATION

Schedule A
42 Crosby Street
New York, New York 10012

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE
FIRST YEAR OF CONDOMINIUM OPERATION - NOVEMBER 1, 2016 - OCTOBER 31, 2017

UNIT NUMBER	NUMBER OF BEDROOMS	NUMBER OF BATHROOMS	ROOMS	(1) APPROX UNIT SQUARE FOOTAGE	APPROX TERRACE SQUARE FOOTAGE	(2) OFFERING PRICE	(3b) RESIDENTIAL COMMON INTEREST	(3a) GENERAL COMMON INTEREST	(4) PROJECTED ANNUAL COMMON CHARGES	(4) PROJECTED MONTHLY COMMON CHARGES	(5) PROJECTED ANNUAL REAL ESTATE TAXES	(5) PROJECTED MONTHLY REAL ESTATE TAXES	TOTAL MONTHLY CARRYING CHARGES
2N	3	3	8	2,796	1172	$ 8,750,000	8.98%	8.64%	58,146	4,846	40,665	3,389	8,234
2S	3	4	9	3,323		$ 9,700,000	9.64%	9.28%	62,420	5,202	43,653	3,638	8,839
3N	3	3	8	2,796		$ 8,250,000	8.11%	7.81%	52,613	4,376	36,725	3,060	7,437
3S	3	4	9	3,323		$ 9,950,000	9.65%	9.29%	62,485	5,207	43,699	3,642	8,849
4N	3	3	8	2,796		$ 8,400,000	8.13%	7.83%	52,643	4,387	36,816	3,068	7,455
4S	3	4	9	3,323		$ 10,200,000	9.67%	9.31%	62,614	5,218	43,789	3,649	8,867
5N	3	3	8	2,796		$ 8,550,000	8.15%	7.85%	52,772	4,398	36,906	3,076	7,473
5S	3	4	9	3,323		$ 10,450,000	9.68%	9.32%	62,679	5,223	43,835	3,653	8,876
6N	3	3	7	2,743		$ 8,700,000	7.97%	7.67%	51,607	4,301	36,091	3,008	7,308
PH	5	7	16	5,876	4048	$ 25,000,000	20.02%	19.26%	129,632	10,803	90,658	7,555	18,357
RESIDENTIAL TOTAL				33,103	5220	$ 107,950,000	100.00%		647,510	53,959	452,837	37,736	91,696
COMMERCIAL 1				1,484		NOT OFFERED		1.48%	9,928	827	31,885	2,657	3,484
COMMERCIAL 2				2,273		NOT OFFERED		2.26%	15,205	1,267	48,837	4,070	5,337
COMMERCIAL TOTAL				3,757		NOT OFFERED			25,133	2,094	80,722	6,727	8,821
GRAND TOTAL				36,860	5220	$ 107,950,000		100.00%	672,643	56,054	533,559	44,463	100,517

Notes to Schedule A

1. Floor Plans depicting layouts of Residential Units appear in Part II of the Plan. Purchasers should note that the square footage of each Residential Unit as reflected in Schedule A and the Floor Plans set forth in Part II of the Plan is approximate within reasonable tolerances and may change due to field conditions and construction variances and tolerances. Because dimensions listed are based on measurements from exterior walls, they do not accurately represent the interior space in the Residential Units and may significantly exceed the finished floor area. Floor area may include columns, mechanical pipes shafts, shaftways, chases, chaseways and conduits which may be incorporated behind protruding walls or may be separately enclosed as freestanding columns thereby reducing the available floor area. Each Unit will be measured vertically from the top surface of the structural floor slab to the underside of the structural floor slab above and horizontally from the outside face of framing of the window system to the centerline of the partition dividing Units and to the outside face of the exterior wall or wall partition dividing a Unit from a Common Element. As is often the case in New York, these square foot areas exceed the usable floor area of each Unit and include columns, mechanical pipes shafts, shaftways, chases, chaseways and conduits which may be incorporated behind protruding walls or may be separately enclosed as freestanding columns thereby reducing the available floor area.

   Ceiling heights are estimates only. The clearance between the top of the concrete floor slab and the bottom of the finish ceiling in the Units may vary among the Units and certain Units may have less clearance than others and all or portions of certain rooms within other Units may have a lesser clearance as the result of construction variances or the presence of beams, ducts and other and mechanical spaces in such Units. Since dimensions listed are based on measurements from floor slabs they may not accurately represent the interior space in the Unit and may significantly exceed the "finished" floor area. Ceiling heights within any given room may also vary. Kitchens, bathrooms, closets, foyers, hallways and entryways typically have dropped ceilings. Purchasers will not be able to determine actual floor to ceiling heights until their respective Units are completed and no right of rescission will arise as a result of variances in floor to ceiling dimensions. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit, as set forth in the Schedule A and on the Floor Plans, by five percent (5%) or less is not a material and/or adverse change.

   Purchasers are further advised that Sponsor has reserved the right to negotiate with individual purchasers to perform Custom Work which may require a modification in Floor Plans for certain Residential Units and accordingly the layout of the Units and Common Elements may vary.

   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.

2. No change will be made in the Purchase Prices other than pursuant to a duly filed amendment to the Plan filed in advance of any such change, except that Sponsor reserves the right to decrease Purchase Prices or modify other terms of sale without filing an amendment to the Plan at any time during the offering period if such a decrease in the Purchase Price or modification of such other terms of sale does not constitute a general offering or an advertised price but is rather the result of an individually negotiated transaction. In addition to the payment of the Purchase Price, Purchasers will be responsible at Closing for certain closing costs as explained in the Section entitled "Closing Costs and Adjustments" in Part I of the Plan. Purchasers of Residential Units will be obligated to pay two (2) months' Residential Common Charges to the Working Capital Fund of the Condominium. Purchasers are advised to consult with their attorneys as to the exact closing costs they will incur in purchasing their Units.

3(a). The respective Common Interest of each Unit in the Common Elements, in accordance with the provisions of §339-i(1)(iv) of the Condominium Act, is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. In the event that, prior to the First Closing, Sponsor negotiates with individual Purchasers to change the layout or dimensions of their respective Units and such changes involves the inclusion, in the Unit, of areas formerly designated as Common Elements, or involves adding to the Common Elements, space that was previously incorporated in the Units, the Common Interest of all of the Units may change slightly. Any such change in the Common Interest allocated to a Unit prior to the recording of the Declaration shall not be deemed a material change and shall not give rise to a right of rescission on the part of any Purchaser.

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

4. The estimates contained in this schedule were prepared for the First Year of Condominium Operation and are only an estimate of the receipts and expenses of the Condominium for the projected year. Sponsor makes no representation regarding the commencement date or the estimated receipts and expenses for the First Year of Condominium Operation which may be greater than or less than the estimated figures set forth in the proposed Schedule B. The actual First Year of Condominium Operation may be earlier or later than such year. If the actual or anticipated date of commencement of condominium operation is delayed by more than six (6) months from the commencement of the projected First Year of Condominium Operation, Sponsor will amend the Plan to include a revised Schedule B disclosing current projections. If such amended projections exceed original projections by twenty-five (25%) percent or more, Sponsor will offer all Purchasers the right to rescind for a period of fifteen (15) days after the date of the presentation of the amendment setting forth the right to rescind.

The estimated monthly Residential Common Charges for each Unit are based on the Schedule B. The monthly Residential Common Charges include costs for gas to be used

for domestic hot water. Please refer to Schedule B-1 "Energy Costs Projection" from Rodkin Cardinale, P.C consulting engineer, for further information regarding estimated energy costs. In addition to these estimated payments, each Residential Unit Owner will be responsible for real estate taxes for such Residential Unit, mortgage payments under a loan or loans, if any, obtained to finance the purchase of the Residential Unit, the cost of electricity supplied to the Residential Unit which will be separately metered and payable directly to the utility company, the insurance which must be carried by each Residential Unit Owner with respect to liability and casualty to the contents of the Residential Unit, the cost of cable television service and the cost of interior repairs and decorations to the Residential Unit. Until the Residential Units are separately assessed, real estate taxes shall be part of Common Expenses. In the event that the payments made by Residential Unit Owners are less than or more than the amount of taxes paid for the period in question, Residential Unit Owners will be reimbursed for any overpayment of taxes or assessed for an underpayment.

5. Assuming the Property does not receive any exemption from real estate taxes, it is estimated that the aggregate real estate taxes attributable to all Residential Unit Owners for the First Year of Condominium Operation will total approximately $452,837.00 based on an opinion of The Leitner Group, Inc., which assumes (a) an assessed valuation attributable to the residential portion of the Property of $3,310,300.00 for the November 1, 2016 through October 31, 2017 fiscal tax year, and (b) a projected tax rate of $13.543% per $100 of assessed valuation for the Residential Units.

SPONSOR MAKES NO REPRESENTATION THAT THE ESTIMATED ASSESSED VALUE OF THE PROPERTY, ALLOCATIONS OF VALUE TO THE INDIVIDUAL UNITS OR THE TAX RATE WILL BE AS PROJECTED. PURCHASERS ARE ADVISED THAT THE NEW YORK CITY AUTHORITIES CHANGE ASSESSMENTS AND TAX RATES ANNUALLY AND HAVE, IN RECENT YEARS, IMPLEMENTED SIGNIFICANT INCREASES IN THE ASSESSED VALUATIONS FOR NEW CONSTRUCTION CONDOMINIUMS WHICH WERE INCONSISTENT WITH THEIR VALUATIONS IN PRIOR YEARS. SPONSOR MAKES NO REPRESENTATIONS REGARDING THE METHODOLOGY WHICH THE TAXING AUTHORITIES WILL USE IN FUTURE TAX YEARS.

The tax figures set forth on Schedule A are estimates only and actual real estate taxes for the First Year of Condominium Operation may be higher or lower. Please refer to the Section of the Plan entitled "Real Estate Taxes" and the opinion of Stroock & Stroock & Lavan LLP set forth in Part I of the Plan for further discussion regarding real estate taxes and benefits the for the residential portion of the Property.

Thee real estate tax estimates for each Residential Unit were calculated on the assumption that the assessed value for the residential portion of the Building will be allocated in proportion to each Residential Unit's Common Interest as set forth in Schedule A. Upon determination of individual tax lots and individual Residential Unit assessments, the New York City tax authorities may allocate assessed values between the Residential Units in proportion to each Residential Unit's purchase price, or by another

method, rather than in proportion to the Unit's Common Interest, and, if so, Residential Units having the same or similar percentage interest, which are determined to have a greater value, will pay greater portions of the aggregate real estate taxes than are reflected in Schedule A.

PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT A GUARANTEE OR WARRANTY (i) regarding the method to be employed by the New York City tax officials in assessing the Property or in allocating the assessed values of individual Residential Units; (ii) of the assessed values of the Residential Units during the First Year of Condominium Operation or (iii) of the tax rates for the First Year of Condominium Operation.

See the Section entitled "Income Tax Deductions to Unit Owners and Tax Status of Condominium" and the Attorney's Income Tax Opinion in Part I of the Plan for a discussion concerning the deductibility of real estate taxes paid with respect to a Residential Unit. Purchasers should note that the deductibility of mortgage interest and real estate taxes in future years may vary due to changes in the interest rate on the unit owner's mortgage (if any) or from changes in the allocation of constant debt service payments to interest and principal, or due to changes in real property taxes resulting from the expiration of real estate tax benefits, or from changes in the assessed value, the tax rate or the method of assessing real property.

SCHEDULE B – PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

SCHEDULE "B"
42 CROSBY STREET
NEW YORK, NEW YORK 10012

Projected Budget for First Full Year of Condominium Operation
November 1, 2016 - October 31, 2017

PROJECTED INCOME:

Common Charges (Note 1)	
Residential Units	$ 647,510
Commercial Unit 1	$ 9,928
Commercial Unit 2	$ 15,205
Total Projected Income	$ 672,643

PROJECTED EXPENSES:	**Residential Units**	**Percentage of Expense (Note 2)**	**Commercial Unit 1**	**Percentage of Expense (Note 2)**	**Commercial Unit 2**	**Percentage of Expense (Note 2)**	**Total**
Salary, Wages, Payroll Taxes & Benefits (Note 2)	$ 310,805	98.67%	$ 1,652	0.52%	$ 2,526	0.80%	$ 314,983
Gas (Note 3)	7,276	100.00%	-	0.00%	-	0.00%	7,276
Electricity (Note 4)	42,444	100.00%	-	0.00%	-	0.00%	42,444
Water & Sewer Charges (Note 5)	8,126	89.80%	365	4.03%	558	6.17%	9,049
Repairs & Maintenance (Note 6)	34,489	98.54%	202	0.58%	309	0.88%	35,000
Service Contracts & Supplies (Note 7)	106,175	96.52%	1,511	1.37%	2,314	2.10%	110,000
Insurance (Note 8)	48,762	89.80%	2,188	4.03%	3,350	6.17%	54,300
Management Fee (Note 9)	44,900	89.80%	2,013	4.03%	3,087	6.17%	50,000
Legal & Audit Fees (Note 10)	13,470	89.80%	604	4.03%	926	6.17%	15,000
Administration (Note 11)	13,470	89.80%	604	4.03%	926	6.17%	15,000
Contingency (Note 12)	17,593	89.80%	789	4.03%	1,209	6.17%	19,591
Total Projected Expenses (Note 13)	$ 647,510	96.26%	$ 9,928	1.48%	$ 15,205	2.26%	$ 672,643

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

Notes to Schedule B

(1) Common Charges (Budget - $672,643)

The estimated Common Charges to be collected from Residential Unit Owners and Commercial Unit Owners (herein referred to collectively as "Unit Owners") during the first year of condominium operations are based upon the assumption that the first year of condominium operation will be the twelve month period commencing November 1, 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 Common Charges in the revised budget projections exceed the earlier budget projections by twenty-five percent (25%) or more, the Sponsor will offer all purchasers the right to rescind their Purchase Agreements and have their Deposits refunded to them, whether or not the Sponsor offers to guarantee the earlier budget projections.

Generally, and except as otherwise provided herein, Common Charges have been allocated amongst the Commercial Units and Residential Units in accordance with their respective Allocable Percentage. For purposes of this Schedule B, "Allocable Percentage" shall mean 4.03% with respect to Commercial Unit 1, 6.17% with respect to Commercial Unit 2 and 89.90% with respect to the Residential Units. Each Residential Unit Owner is responsible for paying costs allocated to the Residential Units based upon their respective Residential Common Interest.

(2) Salaries, Wages, Payroll Taxes and Benefits (Budget - $314,983)

Commercial Unit 1:	$ 1,652 (5.93% of $27,855)
Commercial Unit 2:	$ 2,526 (9.07% of $27,855)
Residential Units:	$310,805 (85.00% of $27,855, plus $287,128)
Total:	$314,983

The budgeted amount includes base wages, worker's compensation and disability insurance, payroll taxes, and the cost of sick days, holidays and vacation pay for a projected shared building staff of 1 part time non-resident Superintendent who will be available 24 hours a day, 4 full time Doormen, 1 part time Porter. The projected level of staffing for the building complies with all applicable housing and labor laws for all employees. It is anticipated that such employees will be non-union members.

All building employees will devote most of their time to providing services to the benefit of the Residential Unit Owners. However, it is estimated that approximately 15% of the Porter's time will be devoted to servicing the Commercial Units of the building. This cost ($27,855 x 15% = $4,178), inclusive of all applicable taxes and health insurance has therefore been allocated among to the Commercial Units based upon their respective Allocable Percentage. The remaining payroll cost has been allocated 100% to the Residential Unit Owners based upon their respective Residential Common Interest.

No warranty is made to the actual wages, salaries, benefits and related payroll taxes and similar expenses that will be applicable and in effect during the current year of Condominium operation. However, the projected expenses for wages, salaries and benefits, as well as the assumptions described herein, are believed to be reasonable and reflect the experience of comparable buildings.

Projected Salaries:

Super	(1 part time employee)	$ 26,538
Doormen	(4 full time employees)	202,500
Porter	(1 part time employee)	23,885
Total Gross Salaries	(4 full time employees / 2 part time employee)	$ 252,923

Projected Payroll Taxes and Insurance Costs:

Social Security (7.65% of gross salaries)	$ 19,349
NY Unemployment Insurance (4.5% to $8,500 per employee)	2,295
Federal Unemployment Insurance ($425/employee)	2,550
New York Disability Insurance ($60/employee)	360
MCTD Commuter Tax (.34% of gross salaries)	860
Workers Compensation Insurance (5% of gross salaries)	12,646
Heath Insurance (for full time employees only)	24,000
Total Projected Payroll Taxes, and Insurance Costs	$ 62,060
Total Projected Salaries, Payroll Taxes, and Insurance Costs	$ 314,983

It is presently contemplated that after the First Closing the Building will be fully staffed with 1 part time non-resident Superintendent, 4 full time Doormen, 1 part time Porter. Notwithstanding the foregoing, at Sponsor's sole discretion, Sponsor may reduce staffing until at least 50% of Residential Units have been conveyed to Purchasers under the Plan, provided, however, that there will be at least one (1) doorman on duty at the Residential Lobby of the Building twenty four (24) hours a day, seven (7) days a week after the First Occupancy.

(3) Gas - (Budget - $7,276)

Commercial Unit 1:	$ - (0.00% of $7,276)
Commercial Unit 2:	$ - (0.00% of $7,276)
Residential Units:	$7,276 (100.00% of $7,276)
Total:	$7,276

The gas consumption for the first year of Condominium Operation for the General Common Elements is based on a letter dated May 1, 2014, by Rodkin Cardinale, P.C., having an office at 224 West 29th Street, New York, NY 10001.

For domestic hot water, it is estimated that the gas consumption for the building for the first year of Condominium Operation is estimated to be 3,522 therms/year at a cost of $1.70/therm for an estimated annual cost of $5,987 which includes service charges, taxes and a 12% inflation factor. The Residential Units Owners will not be separately metered for gas to be used for domestic hot water and such cost shall be borne as a General Common Elements Expense. The Residential Unit Owners will be separately metered for gas used for cooking.

For heat to Common Areas, the gas consumption for the first year of Condominium Operation is estimated to be 650 therms/year at a cost of $1.70/therm for an estimated annual cost of $1,105.

For emergency generator testing, the gas consumption for the first year of Condominium Operation is estimated to be 108 therms/year at a cost of $1.70/therm for an estimated annual cost of $184.

This cost has been allocated 100% to the Residential Units. Each Commercial Unit will be separately metered for gas consumption within their own unit.

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

(4) Electricity - (Budget - $42,444)

Commercial Unit 1:	$ - (0.00% of $42,444)
Commercial Unit 2:	$ - (0.00% of $42,444)
Residential Units:	$42,444 (100.00% of $42,444)
Total:	$42,444

The electricity consumption for the first year of Condominium Operation for the General Common Elements is based on a letter dated May 1, 2014, by Rodkin Cardinale, P.C., having an office at 224 West 29th Street, New York, NY 10001. The electricity consumption for the first year of Condominium Operation for the Common Areas is estimated to be 151,584 KWH at an estimated cost of $0.28/KWH which includes a 12% inflation factor for an annual estimated cost of $42,444 for electricity for the first year of operations.

This cost has been allocated 100% to the Residential Units. Each Residential Unit Owner will be individually metered for consumption of electricity within their own units. Each Commercial Unit will be separately metered for consumption of electricity within their own unit.

(5) Water & Sewer - (Budget - $9,049)

Commercial Unit 1:	$ 365 (4.03% of $9,049)
Commercial Unit 2:	$ 558 (6.17% of $9,049)
Residential Units:	$8,126 (89.80% of $9,049)
Total:	$9,049

The building has a main water meter which will measure actual water usage. Based on a letter dated May 1, 2014, by Rodkin Cardinale, P.C., having an office at 224 West 29th Street, New York, NY 10001, the annual water charges are based on a rate of $3.58 per hundred cubic feet of water and the average of 40 gallons of usage per an anticipated 50 occupants, per day. Total annual water charges are estimated to be $3,494. Charges for waste and storm sewer services are billed at 159% of water charges. Total annual sewer charges are estimated be $5,555. The combined annual cost for water and sewer charges for the first year of Condominium Operation is estimated at $9,049.

The budgeted cost for water and sewer consumption has been allocated between the Commercial Units and the Residential Units in accordance with their Allocable Percentage.

(6) Repairs & Maintenance - (Budget - $35,000)

Commercial Unit 1:	$ 202 (4.03% of $5,000)
Commercial Unit 2:	$ 309 (6.17% of $5,000)
Residential Units:	$34,489 (89.80% of $5,000, plus $30,000)
Total:	$35,000

Since the building will be new construction it has no operating history upon which to project future costs of repairs & maintenance. It is projected that in the first year of Condominium Operations, the Condominium Board will spend the following for repairs and maintenance on:

Boilers (Qty: 2)	$ 5,000
Compactor	$ 3,000
Electrical	$ 5,000
Elevators (Qty: 2)	$ 5,000
Floors & Carpeting	$ 4,000
Plumbing	$ 3,000
Water Pump Maintenance	$ 5,000
Doors, Locks, Security	$ 5,000
Total Repairs & Maintenance	**$ 35,000**

Future major capital repairs to the General Common Elements will be borne by all Unit Owners. No major capital repairs are included in the First Year's Budget since all major construction and mechanic systems will be new. Normal maintenance and repairs to the General Common Elements of the Building are the responsibility of the Condominium Board. Repairs listed here are for repairs & maintenance not usually covered under service contracts listed in Footnote 8 below. Unit Owners will be responsible for the cost of the interior maintenance, repair, decorating, appliances and painting of their respective Units.

The budgeted cost for repairs and maintenance has been allocated first for specific expenses including the budgeted expense for Water Pump Maintenance of $5,000 between the Commercial Units and the Residential Units based upon their respective Allocable Percentage. The remaining amount of budgeted cost for repairs and maintenance of $30,000 has been allocated 100% to the Residential Units.

(7) Service Contracts & Supplies - (Budget - $110,000)

Commercial Unit 1:	$ 1,511 (4.03% of $37,500)
Commercial Unit 2:	$ 2,314 (6.17% of $37,500)
Residential Units:	$106,175 (89.80% of $37,500, plus $72,500)
Total:	$110,000

The budgeted amount includes the cost of shared cleaning equipment and miscellaneous supplies for the General Common Elements as well as the anticipated cost of service contracts to be entered into by the Condominium Board during the first year of Condominium Operation.

No maintenance or service contracts have been entered into as of the date of the plan. The budgeted amounts are based upon the experience of the Sponsor's budget expert in operating similar buildings and are based on recent estimates received by the applicable service providers, dated on or about May 22, 2014. While this Schedule B includes a reasonable allowance for possible increases in cost that may occur prior to and during the first year of Condominium operation, no warranty is made that the actual cost for these or other services will be in accordance with these projections.

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

Exterminator	$ 2,500
Water Treatment	$ 2,500
Boilers	$ 4,000
Key Fob / Intercom System	$ 5,000
Sprinkler System/Fire Protective Alarm System	$ 5,000
Landscaping	$ 6,000
Building Supplies	$ 10,000
Elevator Maintenance	$ 12,000
Lobby Flowers	$ 13,000
Uniform Cleaning and Maintenance	$ 20,000

Window Cleaning	$ 30,000
Total Service & Supplies	**$ 110,000**

The budgeted cost for service contracts and supplies has been allocated first for specific expenses including the budgeted expense of Water Treatment ($2,500), Sprinkler System/Fire Protective Alarm System ($5,000) and Window Cleaning ($30,000) for a combined total of $37,500 between the Commercial Units and Residential Units based upon their respective Allocable Percentage. The remaining amount of budgeted cost for service contracts and supplies of $72,500 has been allocated 100% to the Residential Units.

(8) Insurance – (Budget – $54,300)

Commercial Unit 1:	$ 2,188 (4.03% of $54,300)
Commercial Unit 2:	$ 3,350 (6.17% of $54,300)
Residential Units:	$48,762 (89.80% of $54,300)
Total:	$54,300

Based upon the proposal dated May 1, 2014, from Onecap Services LLC, having an office at 77 Spruce Street, Suite 203, Cedarhurst, New York, 11516, the following insurance coverage will be obtained for the Building from Greater New York Mutual Insurance Company, for the first year of Condominium Operation.

The insurance policies that are obtained will provide property coverage on a special form and replacement cost basis and waive coinsurance.

In addition, the property policy will provide that each unit owner is an additional insured, and there will be no cancellation without notice to the Condominium Board and permitted Mortgagees of the Building. Further, the policy will contain a waiver of subrogation, a waiver of invalidity because of the acts of the insured and a waiver of pro-rata reduction if the unit owners obtain additional coverage.

A boiler and machinery policy will be obtained that has $25,500,000 in coverage with a $5,000 deductible per loss.

The general liability insurance policy that will be obtained for the condominium will provide coverage in the amount of $1 million per occurrence with a $2 million aggregate.

An umbrella policy will be obtained to provide an additional $25 million in coverage over and above the limits of the general liability coverage.

The policy and respective premium includes terrorism coverage.

A Comprehensive Condominium Package Policy, including Boiler & Machinery and Water Damage, will contain the following general coverage and limits:

PROPERTY INSURANCE

Property Coverage	**Coverage Limits**
Building Limit	$25,500,000
Contents Limit	not covered
Loss of Income/Maintenance Fees Limit	2,000,000
Flood/Earthquake Limit	1,000,000
Deductible, each occurrence	25,000
Backup of Sewers/Drains Limit	1,000,000

Demolition Limit	1,000,000
Increased Cost of Construction Limit	1,000,000
Building Ordinance Limit	1,000,000
Terrorism Limit	Included
Accounts Receivable Limit	not covered
Valuable Papers Limit	not covered
Policy Form	special clauses form
Coinsurance	waived
Valuation Limit	replacement cost

LIABILITY INSURANCE

General Liability	Coverage Limits
General Aggregate	$ 2,000,000
Products/Completed Operations	2,000,000
Each Occurrence	1,000,000
Personal & Advertising Injury	1,000,000
Fire Damage Legal Liability to Premises You Rent	50,000
Medical Expenses, any one person	5,000
Non-Owned/Hired Auto Liability	1,000,000
Employee Benefit Liability	1,000,000
Per occurrence	
Blanket Contractual Liability	included
Broad Form Property Damage Liability	included
Host Liquor Liability	included
Incidental Medical Malpractice	included
Director & Officers Liability	
General Aggregate	1,000,000
Occurrence	1,000,000
Deductible	2,500
Employee Dishonesty (Fidelity Bond)	100,000
Deductible	10,000

BOILER & MACHINERY

Coverage	Coverage Limits
Equipment Breakdown	$25,500,000
Deductible, each occurrence	5,000
Property Damage	included
Business Income	included
Ordinance of Law	1,000,000

UMBRELLA INSURANCE

Umbrella Liability	Coverage Limits
Each Occurrence	$ 25,000,000
Annual Aggregate	25,000,000
Self-Insured Retention, per occurrence	10,000

Total Annual Premium: $54,300.

The annual premium for the above mentioned insurance portfolio is estimated to be $54,300 which includes a 10% inflation factor.

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

Each individual Unit Owner is required to obtain additional insurance at such Unit Owner's own cost for the following coverage, which is not included in the above coverage:

- fire or casualty losses to the contents of the Unit and any replacements, additions, upgraded fixtures and improvements therein;
- liability for personal injury or property damage as a result of occurrences in the Unit, including water damage legal liability to cover damage arising from leaks or other conditions within the Unit;
- Vehicles or other personal properties stored in the parking garages, as well as any furniture, fixtures, and other personal properties stored in storage spaces.

The budgeted cost for insurance for the first year has been allocated between the Commercial Units and the Residential Units based on their respective Allocable Percentage.

(9) Management Fee - (Budget - $50,000)

Commercial Unit 1:	$ 2,015 (4.03% of $50,000)
Commercial Unit 2:	$ 3,085 (6.17% of $50,000)
Residential Units:	$44,900 (89.80% of $50,000)
Total:	$50,000

This item is based upon a management agreement to be entered into with ACG Property Management LLC commencing before or upon the First Closing. The managing agent is affiliated with principals of the Sponsor. For a full discussion of the terms and conditions of the Management agreement see the section of this plan entitled "Management Agreement, Contracts and Leases." The managing agent will receive an annual fee of $50,000 payable in equal monthly installments of $4,167 payable in advance. The managing agent's fee for the first year of Condominium operations is comparable to the "going rate" for similar services in comparable buildings. The management agreement provides for an initial term of two years with a 5% increase after the first year.

All expenses and fees incurred by managing agent in the performance of its duties will be reimbursed by the condominium board and charged to all unit owners as a general common expense. In addition, the condominium board will indemnify the managing agent against any claims or liabilities in connection with acts properly performed by the managing agent pursuant to instructions of the condominium board or for personal injury or property damage not resulting from the managing agent's gross negligence or willful failure to comply with its obligations under the management agreement.

See the section of the plan entitled "Management Agreement, Contracts and Leases" for further details.

The budgeted cost for the management fee has been allocated between the Commercial Units and Residential Units based upon their respective Allocable Percentage.

(10) Legal & Audit Fees - (Budget - $15,000)

Commercial Unit 1:	$ 604 (4.03% of $15,000)
Commercial Unit 2:	$ 926 (6.17% of $15,000)

Residential Units:	$13,470 (89.80% of $15,000)
Total:	$15,000

A portion of the budgeted amount ($9,000) will be used to pay the fees for preparation of the condominium's first year income tax return and audited financial statements which is based upon a proposal dated May 1, 2014, from Kleinman & Weinshank, Certified Public Accountants having an office at 2 Penn Plaza – 5th Floor, New York, New York 10121. All Condominium Unit Owners are entitled to receive annually from the Condominium at the Condominium's expense, annual audited financial statements prepared by an independent certified public accountant. The balance is intended to provide for miscellaneous legal services or other professional services that the Condominium Board may wish to incur which are normally not handled under the Management Agreement; such as special collection services.

The budgeted cost for legal and audit fees have been allocated between the Commercial Units and Residential Units based upon their respective Allocable Percentage.

(11) Administration – (Budget - $15,000)

Commercial Unit 1:	$ 605 (4.03% of $15,000)
Commercial Unit 2:	$ 926 (6.17% of $15,000)
Residential Units:	$13,469 (89.80% of $15,000)
Total:	$15,000

This budgeted amount includes license fees, inspection fees, municipal permits, local telephone charges, payroll processing costs, and miscellaneous expenses. No taxable income is contemplated for the First Year of Condominium Operation. However, certain minimum taxes will be payable, which minimum taxes are included in this budget item.

The budgeted cost for administrative expenses has been allocated between the Commercial Units and Residential Units based upon their respective Allocable Percentage.

(12) Contingency – (Budget - $19,591)

Commercial Unit 1:	$ 789 (4.03% of $19,591)
Commercial Unit 2:	$ 1,209 (6.17% of $19,591)
Residential Units:	$17,593 (89.80% of $19,591)
Total:	$19,591

The Condominium Board shall maintain an additional reserve in the amount of three (3%) percent of the operating budget ($19,591 for the first year of Condominium Operation) (the "First Year Reserve") which may be used at the discretion of the Condominium Board, and is intended to benefit the Unit Owners by providing a reserve for unanticipated expenses not included in the budget and for possible increases in one or more items of operating expense above the amounts projected. In addition, the First Year Reserve is intended to be available for any required repairs and replacements outside of normal operations.

The budget may be modified from time to time prior to the commencement of, or during, Condominium operation to add or increase one or more items of operating expense. If additional funds are required over and above the First Year Reserve, it may be necessary to increase the Common Charges or separately assess the Unit Owners.

The budgeted cost for contingency has been allocated between the Commercial Units and Residential Units based upon their respective Allocable Percentage.

(13) Total Projected Expenses – (Budget - $672,673)

Commercial Unit 1:	$ 9,928 (1.48% of $672,673)
Commercial Unit 2:	$ 15,205 (2.26% of $672,673)
Residential Units:	$647,510 (96.26% of $672,673)
Total:	$672,673

The projections set forth in the budget assume that the First Year of Condominium Operation will cover the period November 1, 2016 through October 31, 2017.

The Sponsor may not declare a plan effective where there are any material changes to the budget if these changes have not been disclosed by a duly filed amendment to the offering plan.

IN THE OPINION OF R.A. COHEN & ASSOCIATES, INC., THE PROJECTED RECEIPTS ARE ADEQUATE TO MEET THE ESTIMATED EXPENSES FOR THE CONDOMINIUM'S FIRST YEAR OF OPERATION, ASSUMING SUCH FIRST YEAR BE THE FISCAL YEAR COMMENCING NOVEMBER 1, 2016. THE FOREGOING SCHEDULES, HOWEVER, ARE NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE BY ANYONE THAT THE COMMON CHARGES, OTHER INCOME OR EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF OPERATION OF THE CONDOMINIUM WILL BE AS SET FORTH IN SAID SCHEDULES, AND IT IS LIKELY THAT THE ACTUAL INCOME AND EXPENSES WILL VARY FROM THE AMOUNT SHOWN IN THE SCHEDULE.

THE SPONSOR HAS RESERVED HAS NOT YET ENTIERED SERVICE, MAINTENANCE, EMPLOYMENT, CONCESSIONAIRE AND OTHER AGREEMENTS AND INSURANCE POLICIES, BUT WILL ENTER INTO APPLICABLE AGREEMENTS AND POLICIES THAT WILL BE BINDING ON THE CONDOMINIUM ON THE CLOSING DATE. HOWEVER, NO SERVICE OR MAINTENANCE CONTRACT WILL BE MADE WHICH WOULD MATERIALLY INCREASE THE FIRST YEAR'S ESTIMATED MAINTENANCE CHARGES, UNLESS THE PLAN IS AMENDED.

IF THE ACTUAL OR ANTICIPATED DATE OF COMMENCEMENT IS TO BE DELAYED FROM THE BUDGET YEAR PROJECTED IN THE PLAN BY MORE THAN (6) MONTHS, THE PLAN WILL BE AMENDED TO INCLUDE A REVISED BUDGET DISCLOSING CURRENT PROJECTIONS. IF SUCH AMENDED PROJECTIONS EXCEED THE ORIGINAL PROJECTIONS BY 25% OR MORE, THE SPONSOR WILL OFFER ALL PURCHASERS THE RIGHT TO RESCIND AND A REASONABLE PERIOD OF TIME THAT IS NOT LESS THAN 15 DAYS AFTER THE DATE OF PRESENTATION TO EXERCISE THE RIGHT. WHETHER OR NOT SPONSOR OFFERS TO GUARANTEE THE PREVIOUS BUDGET PROJECTION, SPONSOR WILL RETURN ANY DOWN PAYMENT OR DEPOSIT PROMPTLY TO SUBSCRIBERS WHO RESCIND.

SCHEDULE B - 1 ESTIMATED ENERGY COSTS

I. GENERAL

The charges indicated below are based on the following assumption:

1. Heating is based on 5,000 degree days. System is to maintain 70 degree Fahrenheit in the apartments when outdoor air temperature is 0 degree Fahrenheit.

2. Air conditioning system is to maintain 75 deg.F when outdoor air temperature is 89 degree Fahrenheit. Windows to have curtains, venetian blinds or other shading materials.

3. Each apartment is calculated to have a gas range and electric dryer that will not be part of the estimated common charges and will be both metered to the owner.

4. The estimated annual cost for Water and Sewer is based on New York City rate of *$3.58 per hundred cubic feet of water and the average of 40 gal. per day per person. Charges for waste and storm sewer services are billed at 159% of water charges.

5. The electric cost is based on $0.28/KWH , from New York State Department of Public Service-monthly Residential bills including all taxes and charges

   * Cost is based on DEP data.

6. The cost for gas and electric consumption is calculated at the rate of *$1.70 / therm for gas and *$0.28/KWR for electricity. This is an estimated rate which includes service charge, taxes and 12% increase.

	Gas	Electricity
Rate	$1.30	$0.215
12% Increase	$0.16	$0.026
Sub-total	$1.46	$0.241
16% taxes	$0.24	$0.039
Total:	**$1.70**	**$0.280**

* Average estimated Cost Charged by Con Edison Co.

The figures below can vary considerably depending upon actual usage, personnel habits, maintenance of the equipment, thermostat setting, etc. These figures are not intended to be a guarantee.

II. ESTIMATED COMMON CHARGES

A. The estimated annual cost for gas consumption for domestic hot water:
3,522 therms x $1.70 / therm = $5,988 / yr.

B. The estimated annual cost for gas consumption for heating of Garage and supplied air to corridors:
650 therms x $1.70/therm = $1,105/year

C. The estimated annual gas consumption for testing the emergency generator:
9 Therms x $1.70 / Therms x 12/year = $184 / Yr.

D. The estimated annual cost for electric consumption:
$0.28 / KWH X 151,584 KWH = $42,444/ yr.

The estimated annual cost is based on use of the following electrical equipment:

Lighting in Service Corridors, utility and storage rooms, outdoor Lighting, garage, and lobby
Miscellaneous motor driven equipment
Electrical heaters / AC Equipment
Elevators

E. The estimated annual cost for water and sewer:

Water: $3.58 / 100 x *50 x **40 / 7.48 x 365 days =	$3,494
Sewer: $3,494 x 1.59 =	$5,555
Total:	$9,049/yr.

*Estimated 50 people in the building
** 40 gallons/day/person-estimated

III. ESTIMATED RESIDENTIAL UNITS CHARGES

A. Each residential unit will be provided with an individual Con Ed meter. The estimated annual electrical cost for lighting and power usage is as follows:

1. 2 Bedroom unit
   $0.28 / KWH x 30,709 KWH / yr. = $8,599

2. 3 Bedroom unit
   $0.28 / KWH x 31,410 KWH / yr. = $8,795

3. 4 Bedroom unit
   $0.28 / KWH x 40,143 KWH / yr. = $11,240
   $0.28/ KWH x 5,475 KWH / yr. = $1,533 for Steam generator @ 20 KW based on 45 minutes/day /365day/year

SCHEDULE B

COMMON UTILITY COST

UTILITIES			ESTIMATED COST ANNUAL	MONTHLY
A.	WATER AND SEWER		$ 9,049	$ 754
B.	ELECTRICITY		$42,444	$ 3,537
C	GAS			
	1. Hot Water	$5,988/ yr		
	2. Heating	$1,105/yr		
	3. Emerg. Gen	$184/ yr		
	Total	$ 7,277/ yr.	$ 7,277	$ 606

SCHEDULE B-1

INDIVIDUAL UNITS UTILITY COST

UTILITIES		ESTIMATED COST ANNUAL	MONTHLY
A.	ELECTRICAL LIGHTING POWER		
1.	2 Bedroom Unit	$8,598	$717
2.	3 Bedroom Unit	$8,795	$733
3.	4 Bedroom Unit	$11,240	$937
	Steam Generator	$1,533	$128

COMPLIANCE WITH REAL PROPERTY LAW §339-i

CORE THE **EVOLUTION** OF REAL ESTATE™

February 4, 2014

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

Re: **42 Crosby Street Condominium ("Condominium")**
42 Crosby Street, New York, NY 10012 ("Property")

Dear Sir/Madam:

You have requested our opinion regarding the allocation of Common Interests to the Units at the Property as required by NYCRR Section 20.3(i). Except where otherwise indicated, the terms used in this opinion shall have the same meaning as set forth in the Offering Plan ("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 the Declaration establishing the Condominium. We have also considered the relevant sections of the New York State Condominium Act and such other materials as we deemed relevant.

Based upon our review of the foregoing, we have determined that the Common Interest of each Unit in the Common Elements has been allocated pursuant to the method set forth in Real Property 339-i(1) based upon the floor space, subject to the location of such space and the additional factors of relative value to other space in the condominium, the uniqueness of the Unit, the availability of common elements for exclusive or share used and the overall dimensions of the particular unit in accordance with subsection (iv).

We have extensive experience with new construction luxury residential condominium projects. We have no beneficial interest in Sponsor or the profitability of the offering other than our fees for brokerage services rendered in connection with the sale of residential condominium units.

Very truly yours,

CORE GROUP
MARKETING LLP

By: _____
Name: Shaun Osher
Title: CEO

104 Fifth Avenue, 17th Fl
New York, NY 10011
O: 212-609-9100
F: 212-612-9650
corenyc.com

COMMERCIAL UNITS

A. The Condominium will contain two (2) Commercial Units known as Commercial Unit 1 and Commercial Unit 2. The Commercial Units will initially be retained by Sponsor and are not offered for sale under the Plan.

B. Except as otherwise prohibited under the By-Laws, the Commercial Units may be used for any purpose permitted by Law, including, without limitation, for use as a retail store, retail stores, banks, and commercial and professional offices. No representation is made with respect to the continued ownership by Sponsor of all or any portion of the Commercial Units or as to who the Commercial Unit Owners, tenants or occupants of any portion of the Commercial Units may be at any time or the uses to which any portion of the Commercial Units may be put at any time. No assurance is given that such tenants, occupants or uses will not be objectionable to Residential Unit Owners. The use of the Commercial Units may generate noise, traffic fumes, vibrations or other disturbances over which the Condominium Board, Residential Board and Residential Unit Owners will have no control. Neither the Residential Unit Owners nor the Residential Board, other than Sponsor, will have any interest in the rents, profits or revenues from the rental or use of any of the Commercial Units.

C. Pursuant to the By-Laws, the Commercial Unit Owners shall not use the Commercial Units or any part thereof, and shall use commercially reasonable efforts to prevent the Commercial Units to be used (1) Odd Job" or "Odd Lot" type store or as a so-called "99 cent store" or "dollar store" type stores or as a "going out of business" type store (2); to sell, rent or display for sale or rent any pornographic, x-rated or obscene material, or as an "adult book store" or adult video store, or as a so-called "sex shop" or "massage parlor", or as an establishment which permits or presents obscene, nude or semi-nude performances or modeling (it being agreed that the sale of "adult" books and magazines in connection with the operation of an otherwise permitted retail operation (provided the sale of such "adult" books and magazines is less than one percent (1%) of the retailers selling area) and an "art gallery" are not prohibited under this clause (3); as a gambling or gaming establishment (such as, without limitation, an Off-Track Betting, sport gambling, casino gambling or similar establishment), or otherwise for gambling or the sale of gambling-related items; (4) as a so-called "flea market" or thrift store, whether operated for profit or for a charitable purpose; (5) as a billiards or pool hall; (6) as an office, store, reading room, headquarters, center or other facility principally devoted or opposed to the promotion, advancement, representation, purpose or benefit of: (a) any political party, political movement or political candidate or (b) any religion, religious group or religious denomination; (6) as a funeral parlor; (7) as a facility for the sale of paraphernalia for use with illicit drugs; (8) as an arcade or amusement gallery; (9) as a pawn shop; (10) any domestic governmental or municipal offices or any use in connection with a governmental agency which is generally open to the public; (11) as the offices of any foreign governmental agency, consulate or embassy which is or could be immune from in personum or subject matter jurisdiction in the courts of the state of New York; (12) the rendition of any medical procedures that involve the selective terminations of pregnancies, abortions or similar procedures; (13) as a recording studio, cabaret, nightclub, disco, dance hall; (14) as an office or center for the treatment or counseling of drug or alcohol addiction; (15) as a bowling alley, skate park, miniature golf course, boxing studio or paintball center; (16) for the sale of alcohol; (17) as a full service restaurant and/or (18) as a "fast food" establishment, which shall be defined as having a limited menu of precooked

meals that shall be wrapped in paper or boxes and sold to patrons in paper bags, disposable containers and/or on plastic trays (such as a "McDonald's", "Burger King", "Dunkin Donuts", "Wendy's" or "Ranch One Chicken"), it being agreed that a casual dining restaurant such as "Starbucks", "Pret A Manger", "Cosi," and other similar restaurants shall not be deemed to constitute "fast food" and shall, to the extent permitted by Law and/or pursuant to a special permit, be permitted uses in the Commercial Unit/

D. Neither Board nor the Residential Unit Owners will have the right to restrict or limit the method of operation, use or appearance of any Commercial Unit which is permitted by Law and the By-Laws. No rules affecting the operation of the Commercial Units may be adopted or modified by the Condominium Board without the consent of the affected Commercial Unit Owner. Notwithstanding the foregoing, if the insurance premiums for the Condominium are increased as the result of a particular use of a Commercial Unit, the Commercial Unit Owner of said Commercial Unit shall be responsible for such increase in premium.

E. There are no restrictions in the Declaration or By-Laws as to the sale or transferability or lease of a Commercial Unit and therefore, each Commercial Unit Owner has the right to freely sell its respective Commercial Unit, or to freely lease all or part of its respective Commercial Unit, as the case may be, without having to first offer the same for sale or lease to any Board. Notwithstanding the foregoing, the Plan must first be amended should a Commercial Unit be offered for sale by Sponsor hereunder.

F. Generally, the basis for projecting the share of expenses attributable to a Commercial Unit is based upon an allocable share, which is more particularly described in the Schedule B-operating budget, except that certain costs, such as the cost for labor and related expenses are based upon estimated usage. Other costs such as the costs for electricity and gas serving the Common Elements are not borne at all by the Commercial Unit Owners because such utilities and/or services are either separately metered for or not used by or do not benefit, other than in a de minimus amount, the Commercial Unit Owners.

G. According to the opinion of R.A. Cohen & Associates, Inc., the Common Charges projected to be payable by the Commercial Unit Owners are adequate and sufficient to cover the Common Charges fairly attributable to the Commercial Units.

H. The Declaration and By-Laws authorize the special allocation and apportionment of profit and expenses or specific expense item based on special or exclusive use or availability or exclusive control of particular Units or Common Elements. Any dispute regarding such allocation or apportionment shall be resolved by arbitration in accordance with the By-Laws, which provides for the arbitration to be conducted before one arbitrator in New York City by the American Arbitration Association.

I. Certain easements have been reserved to the Commercial Unit Owners in the Declaration. The Commercial Unit Owners and their respective tenants, successors and assigns to the extent permitted by Law, have an easement to erect, maintain, repair and replace, from time to time, one or more Signs on the Property (in the locations identified on the Elevation Plans annexed to the Declaration), for the purposes of advertising (i) the sale or lease of any of the Commercial Units and (ii) the operation of any business of a tenant or occupant of all or any

portion of any Commercial Unit provided, however, in all instances that any such Signs are in keeping with the first class luxury nature of the Building.

J. The Condominium Board, at the request of Sponsor or a Commercial Unit Owner, will enter into a Condominium Non-Disturbance Agreement, substantially in the form included as Exhibit 20 in Part II of the Plan, or such other form acceptable to the Condominium Board at the time in question, with a tenant occupying a Commercial Unit, on the terms set forth in the By-Laws; provided such lease is an "arms-length" lease and provided further that such Commercial Unit Owner has not received a notice of default under the terms of the Declaration or the By-Laws at the time of such request. Under the terms of the Condominium Nondisturbance Agreement, the tenant will acknowledge that the lease is subject and subordinate to the Declaration and By-Laws and the Condominium Board will agree that so long as there no event of default exists under said lease, as would entitle the Commercial Unit Owner, or any successor landlord under the lease, to terminate the lease or dispossess the tenant thereunder, the tenant shall not be named or joined in any action or proceeding to foreclose the Condominium Board's lien for Common Charges on a Commercial Unit or any other sums of any sort, recognize all of tenant's rights under the lease and will not diminish, terminate or disturb tenant's possession or rights under the lease, expand any of tenant's obligations under the lease or under the Condominium Declaration or the By-Laws, or obligate tenant to comply with any of the provisions of the Declaration or the By-Laws, except as expressly provide herein, and will recognize tenant as the direct tenant of the Condominium Board or its successor on the same terms and conditions as are contained in the lease and the tenant's use, possession, or enjoyment of the Unit in question shall not be interfered with, nor shall the leasehold estate granted by the lease be affected in any manner, nor shall any of the rights of the tenant granted under the lease be affected in any manner, in any foreclosure or other action or proceeding instituted under or in connection with such lien or in the exercise of any rights of the Condominium Board, or, in case the Condominium Board takes possession of said Commercial Unit pursuant to any provision of the Declaration or By-Laws, or otherwise; provided however that if the Condominium Board or any other party succeeds to the interests of the Commercial Unit Owner under the lease the tenant will agree to be bound to the Condominium Board or party under all of the terms, covenants and conditions of the lease and the tenant will attorn to the Condominium Board or party as its landlord. The Condominium Board, at the request of the Commercial Unit Owner entering into a lease with the tenant, shall execute and deliver promptly the Condominium Nondisturbance Agreement and any other agreement that any tenant may reasonably request in confirmation of the foregoing in form reasonably satisfactory to the Condominium Board.

K. At the request of a Commercial Unit Owner, the Condominium Board will also be obligated to provide such Commercial Unit Owner with an estoppel certificate in form and substance requested by any lender or tenant thereof.

L. Notwithstanding anything to the contrary contained the Plan and to the extent permitted by Law, Sponsor reserves the right any time before or after the Declaration is filed to redesignate either or both of the Commercial Units as a Residential Unit. Any such change may affect the Common Interest and the Common Charges payable by each Residential Unit. Please refer to the Section entitled "Changes and Prices and Units" for further details.

CHANGES IN PRICES AND UNITS

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

B. Sponsor reserves the right to negotiate with each Purchaser, the terms and conditions of the Agreement, or group of Purchasers to whom an offer is made, including but not limited to terms and conditions pertaining to: Purchase Price; the amount of the Deposit; the payment schedule for Deposits; financing and other contingencies; the availability of financing; the payment of Purchaser's financing fees and other closing costs; Custom Work to be performed in the Residential Unit or the revision of Floor Plans and the allocation and payment of costs therefor; the availability of Common Charge rebates, special incentives to groups or subgroups of Purchasers, Purchase Price rebates and subsidies payable as a credit against the Purchase Price or on a periodic basis; extensions of time periods within which to perform obligations under the Agreement; the availability of Interim Leases and the amount of interim rent; the application of rent towards the Purchase Price and any other matter. Please refer to the Section of the Plan entitled "Rights and Obligations of Sponsor" under the Subsection entitled "Leasing and Use of Unsold Units" for further discussion regarding the terms and conditions of any Interim Leases. Sponsor reserves the right from time to time to add and/or delete negotiable terms from the list set forth above for all or some Purchasers. Notwithstanding the foregoing, any terms and conditions for which disclosure is required pursuant to the Department of Law regulations must be disclosed in an amendment to the Plan. No Purchaser will benefit from any terms and conditions negotiated with any other Purchaser, and a Purchaser's failure to so benefit will not give rise to any rights of rescission under an Agreement.

C. In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by Law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of any Board, Unit Owner or Permitted Mortgagee, to (a) change the layout of, or number of rooms in, any Unsold Unit, (b) change the size and/or number of Unsold Units by dividing one or more such Unsold Units into two or more separate Unsold Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering any boundary walls between one or more Unsold Units, or otherwise, including incorporating certain Common Elements (such as a portion of a hallway) which exclusively

benefit an Unsold Unit into such Unsold Unit, (c) designate a Residential Common Element or Residential Limited Common Element, Commercial Common Element or Commercial Limited Common Element or General Common Element as part of a newly created or expanded Residential Unit, Commercial Unit, Commercial Common Element, Residential Common Element, Residential Limited Common Element or Commercial Limited Common Element or designate all or part of a Residential Unit as a newly created or expanded Commercial Unit, Residential Common Element, Residential Limited Common Element, Commercial Common Element or Commercial Limited Common Element and (d) if appropriate, reapportion among the Unsold Units affected by any such change, their aggregate Common Interests. In the event of any change pursuant to either (b), (c) or (d) above, such change shall be disclosed in a duly filed amendment to the Plan. No such change, including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Unit, will be made with respect to any Unit for which an Agreement is then in effect and the Purchaser: (i) consents to such change or (ii) such change is not a material change in the size, Common Interest, dimension, floor space or layout of such Unit. The Common Interest of a Unit may change if there is a change in the floor space or the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit.

D. No material change will be made in the size or number of Units and/or their respective Common Interest and/or in the size or quality of the Common Elements except by amendment to the Plan and, when applicable, by amendment to the Declaration. Unless an affected Purchaser consents, no material change will be made in Unit size, layout, or percentage of Common Interest if an Agreement has been executed and delivered to Sponsor for that Unit and the Purchaser is not in default. Unless all Purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of Common Elements. In the event such changes are made to the Common Elements, Purchasers that are not in default under their respective Agreement, shall receive a right to rescind their Agreement for a period of time that is not less than fifteen (15) days after the date of presentation of an amendment setting forth the right to rescind. Sponsor will return any Deposit together with interest earned thereon promptly to Purchasers who rescind.

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

F. As long as the layout and dimensions of a Unit conform substantially to the Floor Plans, a Purchaser will not be excused from purchasing the Unit for which it entered into an Agreement for and will not have any claim against Sponsor as a result of any insubstantial or immaterial change or discrepancy.

INTERIM LEASES

A. Sponsor reserves the right with respect to any Unsold Residential Unit, prior to the date of closing thereto, to rent or lease such Unsold Residential Unit on an interim basis pursuant to an Interim Lease for such rent and term and on such other conditions as may be agreed to between Sponsor or such owner and a tenant. Purchasers are advised that the tenancy under such Interim Lease is not subject to governmental regulation as to amount of rent or term. No occupancy may commence until a Temporary Certificate of Occupancy has been obtained for such Unsold Residential Unit.

B. Purchasers entering into an Interim Lease for an Unsold Residential Unit will be required to pay the legal fees of Sponsor's Counsel in connection therewith upon execution of the Interim Lease. Such legal fees are estimated to be approximately $3,000.00 assuming that the Purchaser's counsel does not negotiate the terms of the Interim Lease. Any fees above $3,000.00 will be billed on an hourly basis at the customary rates of Sponsor's Counsel. In connection with the Closing of a Residential Unit subject to an Interim Lease, all other charges or other fees due under an Interim Lease shall be adjusted as of as of midnight of the day preceding the Closing Date to the Residential Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any Interim Lease.

C. Purchasers entering into Interim Leases shall only have such rights as are provided in their respective Interim Leases and Agreements. Any Interim Lease will provide among other things, that an uncured default by the Purchaser under the Agreement with respect to a Unit will constitute a default under the Interim Lease entitling Sponsor, at its sole option, to terminate such Interim Lease in accordance with applicable Law. In addition, each Agreement will provide that an uncured default by the Purchaser under any Interim Lease in the Building will constitute a default under the Agreement entitling Sponsor, at its sole discretion, to terminate such Agreement and to exercise any remedies therein provided.

D. Before the sponsor may utilize the default under the Interim Lease to declare a default under the Agreement, the Sponsor must either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee unless the lessee has vacated the Unsold Residential Unit. A Purchaser will have twenty (20) days to vacate an Unsold Residential Unit after a default under the Agreement or the exercise of a right of rescission.

E. Sponsor reserves the right to lease or otherwise permit occupancy of the Units by parties other than Purchasers prior to the Closing of such Units. Such parties shall have not have any special rights to purchase the Units being occupied. Accordingly, a Purchaser may be acquiring a Unit that has been previously occupied, but such Unit will be delivered at closing free and clear of all leases and tenancies except as may otherwise be agreed to in writing by the parties.

F. Notwithstanding any of the foregoing, Sponsor will be under no obligation to enter into any Interim Lease and no portion of the rent paid under an Interim Lease will be credited towards the Purchase Price of a Residential Unit unless the Interim Lease expressly provides.

PROCEDURE TO PURCHASE

A. A person desiring to purchase a Unit will be required to execute an Agreement in quintuplicate (i.e., five (5) original copies), which will be substantially in the form set forth in Part II of the Plan.

B. Purchasers shall be afforded not fewer than three (3) business days to review the Plan. If a Purchaser has not received and been afforded an opportunity to read the Plan at least three (3) business days prior to executing an Agreement, a Purchaser shall have the right to rescind the Agreement and have the Initial Deposit refunded promptly within seven (7) days after delivering an executed Agreement with the Initial Deposit required thereby. The Purchaser must either personally deliver a written notice of rescission to the Sponsor or Selling Agent within the seven (7) day period or mail the notice of rescission to the Sponsor or Selling Agent and have the mailing postmarked within the seven (7) day period. The Agreement sets forth in detail the terms of sale with respect to each Unit and should be read carefully by each prospective Purchaser. Prospective Purchasers should be aware that if any conflict exists between the Plan and the Agreement, the provisions of the Plan shall in all events control except where such provisions in the Agreement were negotiated between Purchaser and Sponsor.

C. Although a Purchaser may obtain financing from a lending institution or any other source, the obligation to purchase a Unit pursuant to the Agreement shall not be contingent on obtaining financing for such purchase. Neither Sponsor nor the Selling Agent make any representations as to the terms or availability of any mortgage financing. Prospective Purchasers are advised to consider financing arrangements before signing an Agreement. However, prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be fixed, and it could expire before the Closing Date. In addition, a lending institution could withdraw its commitment if it believes a Purchaser's financial condition has worsened or that the Unit's appraised value has decreased. If Purchaser chooses to finance Purchaser's purchase of a Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in a Purchaser's financial status or condition shall release or relieve such Purchaser of Purchaser's obligations pursuant to the Agreement. Purchasers should also note that in the current real estate market, banks and other lenders are imposing various restrictions on loans. For instance, some lenders have required that a certain percentage (70% or more) of the units in a building be sold before the lender will consider making a loan. Even after the First Closing has occurred, lenders may still impose minimum sales requirements as a condition to making a loan for which commitments have been issued. It may be possible for a Purchaser to experience difficulty obtaining a loan in a building where the percentage of units purchased is lower than a lender's particular sales minimum. Moreover, lenders are imposing higher loan to value requirements, making it more difficult for Purchasers to obtain a loan to finance the purchase of their Unit. Purchasers may also find it difficult to resell units if prospective buyers are unable to obtain loans due to such minimum sales requirements or any other reason. Purchasers should further note that pursuant to existing Law, and except as otherwise set forth herein, Sponsor may declare the Plan effective upon selling a minimum of fifteen percent (15%) of the Units offered for sale in the Building. Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to submit the

Property to a condominium regime and convey Units with fewer than the minimum number of sales if purchasers counted towards effectiveness do not ultimately purchase a Unit.

D. Agreement will not be binding on Sponsor until approved and executed by Sponsor, and delivered by Sponsor or Sponsor's Counsel to the prospective Purchaser or such Purchaser's attorney. Sponsor reserves the right to request and obtain thorough identification and financial information concerning any prospective purchaser, subject to any limitations and requirements imposed by Law. Sponsor reserves the right to request and obtain thorough identification and financial information concerning any prospective purchaser, subject to any limitations and requirements imposed by Law. Purchaser acknowledges and agrees that Sponsor may obtain certain information about Purchaser's (or Purchaser's principals or permitted assignees) character, general reputation, personal characteristics, credit history and mode of living prior to counter-executing an Agreement in order to permit Sponsor to comply with the requirements of the applicable federal laws (including without limitation, the Fair Credit Reporting Act). Purchaser, upon execution of an Agreement thereby authorizes Sponsor, prior to Sponsor counter-executing the Agreement, to obtain such information and to retain a credit reporting agency to obtain such information and Purchaser agrees to provide all necessary information to Sponsor and/or execute any necessary documentation for Sponsor, upon Sponsor's request, to permit Sponsor to obtain such information

E. If an Agreement is not accepted by Sponsor within the aforesaid thirty (30) day period (by Sponsor executing the Agreement and returning same to Purchaser or Purchaser's counsel within the aforesaid thirty (30) day period), the Agreement shall be deemed to have been rejected and all sums theretofore deposited thereunder, together with any interest earned thereon, shall be promptly returned to the prospective Purchaser. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without prior notice or prior amendment to the Plan and without the consent of any Board, to refuse to approve and execute an Agreement for any Unit, except as prohibited by Law. No prospective Purchaser will have any claim against Sponsor for Sponsor's failure to execute an Agreement.

F. The Agreement shall not contain, and shall in no event be modified to contain, a provision waiving the Purchaser's rights or abrogating Sponsor's obligations under the Plan or under Article 23-A of the General Business Law of the State of New York.

G. At the time an Agreement is executed, the Purchaser is required to make an Initial Deposit with an Additional Deposit due and payable no later than the earlier to occur of: (i) four (4) months after the date of the Agreement or (ii) fifteen (15) days after Sponsor presents an amendment declaring the Plan effective, but in no event later than the Closing, subject to collection.

H. All Deposit checks must be made payable to the direct order of "STROOCK & STROOCK & LAVAN LLP, ESCROW AGENT." If any Deposit check is returned for insufficient funds or any other reason, Sponsor at its option, may declare the Agreement void ab initio and of no further force and effect, may terminate the Agreement and institute an action against Purchaser for the collection of the Deposit as liquidated damages or may declare a default by Purchaser under the Agreement which shall entitle Sponsor to exercise any of the remedies set forth in the Agreement.

I. The balance of the Purchase Price shall be paid by official bank check or an unendorsed certified check drawn on or issued by a New York bank or trust company which is a member of The New York Clearinghouse Association or, at Sponsor's election, upon not less than two (2) days prior written notice, by wire as directed by Sponsor with instructions thereof provided by Sponsor to Purchaser. Funds drawn on out-of-state or foreign banks or New York bank or trust companies which are not a member of The New York Clearinghouse Association will not be accepted in payment of the Purchase Price, including the Deposit, for a Unit unless otherwise agreed by Sponsor. Sponsor makes no representations or guarantees that the foregoing will not be further modified. Checks for the balance of the Purchase Price shall be made payable to the direct order of such other party as Sponsor may designate upon not less than two (2) days prior notice.

J. Sponsor may agree, in its sole discretion, to perform Custom Work to a Residential Unit. Unless otherwise agreed to by Sponsor, a Purchaser shall bear the cost of the Custom Work and shall deposit the Custom Work Deposit upon the execution of the Agreement for the Residential Unit in an escrow account with Escrow Agent in accordance with the Plan. The Custom Work Deposit may be released from the Escrow Agent's escrow account upon the Escrow Agent's receipt of written notification from Sponsor's Architect to the Escrow Agent that all or any portion of the Custom Work has been or will be commenced or that materials for the Custom Work must be ordered. In the event the Agreement is terminated by Sponsor, for any reason, by notice of termination to Purchaser, and Sponsor retains the entire Deposit, the Sponsor shall also retain the entire Custom Work Deposit in order to reimburse Sponsor for performing the Custom Work. Alternatively, if not already paid, Sponsor shall be entitled to commence an action against Purchaser to recover the Custom Work Costs and Restoration Costs for performing the Custom Work and/or restoring the Residential Unit to its original condition. Where the Custom Work Deposit shall be paid to one party or the other, it shall include interest paid thereon.

K. In the event a Purchaser defaults under the Agreement, **TIME BEING OF THE ESSENCE** with regard to the obligations of Purchaser thereunder, and Purchaser does not cure such default within thirty (30) days after Sponsor gives written notice to the Purchaser of such default, **TIME BEING OF THE ESSENCE** with regard to the obligation of Purchaser to cure within such thirty (30) day period, Sponsor may, at its option, either (i) terminate the Agreement by notice of termination to Purchaser and retain the Deposit, the Custom Work Deposit, if any, and all other sums deposited by Purchaser under the Agreement, together with interest earned thereon as liquidated damages, it being acknowledged and agreed that such sums may be in excess of ten percent (10%) of the Purchase Price and that it is extremely difficult and impracticable to ascertain the extent of detriment to Sponsor caused by the breach by Purchaser under the Agreement and the failure of the consummation of the transaction contemplated by the Agreement or the amount of compensation Sponsor should receive as a result of Purchaser's breach or default; or (ii) terminate the Agreement by notice of termination to Purchaser and bring an action for damages; or (iii) exercise all other remedies available to Sponsor at Law or in equity. Upon termination of the Agreement, Purchaser shall have no further rights thereunder, and Sponsor may sell the Unit to any third party as though the Agreement had never been made (without any obligation to account to Purchaser for any part of the proceeds of such sale). In addition, Sponsor shall be entitled to retain the Custom Work Deposit, or, if applicable, to commence an action against Purchaser to recover Custom Work Costs if no Custom Work

Deposit shall have been made by Purchaser, or if, to the extent the Custom Work has already commenced, the Custom Work Deposit is insufficient to cover the Custom Work Cost. Sponsor shall also be entitled to commence an action against Purchaser to recover Restoration Costs to the extent that such Restoration Costs have or will be incurred by Sponsor.

L. For purposes of this Plan and the Agreement, the term **"TIME BEING OF THE ESSENCE"** shall mean that a failure by Purchaser to do what is required at the time specified in the Agreement is a material breach of the Agreement and constitutes a default entitling Sponsor to the remedies set forth in this Plan and the Agreement.

M. Sponsor will serve Purchasers with written notice of the scheduled Closing Date after an amendment declaring the Plan effective has been accepted for filing, at least thirty (30) days prior to the scheduled Closing Date. The notice shall set forth the date of First Closing. In the event Purchaser fails to close on the scheduled Closing Date, then Purchaser will have a thirty (30) day period, after receiving written notice of such default, within which to cure such default, **TIME BEING OF THE ESSENCE**, following which Sponsor shall have the remedies set forth herein. A Purchaser may waive its right to receive written notice of such Purchaser's Closing Date.

N. The balance of the Purchase Price shall be payable simultaneously with the delivery of the Unit Deed. Interest, if any, on Purchaser's Deposit will be credited or paid to Purchaser at Closing.

O. At the closing of title and simultaneously with the delivery of the Unit Deed to Purchaser, Purchaser shall execute and acknowledge a Power of Attorney to the Condominium Board, the Residential Board and Sponsor, as the case may be, substantially in the form set forth in Part II of the Plan. Failure of the Purchaser to execute and acknowledge the Power of Attorney shall constitute a default under the Agreement.

P. If a Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing Date and Sponsor elects not to terminate the Agreement as a result of the same, (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, regardless of when the actual Closing occurs, and (b) the Purchaser will be required to pay to Sponsor, in addition to the other payments to be made to Sponsor under the Agreement and the Plan, an amount equal to 0.05% of the Purchase Price of the Unit for each day starting from (and including) the originally scheduled Closing Date to and including the day before the actual Closing Date.

Q. Prior to the closing of title to a Residential Unit, the Agreement prohibits a Purchaser from advertising, listing, offering, promoting or publicizing the availability the Residential Unit for resale or rental with any broker or otherwise, without Sponsor's prior written consent. Purchasers are referred to the Agreement set forth in Part II of the Plan for further details.

R. It is anticipated that the First Closing will occur one the commencement date for the First Year of Condominium Operation as set forth in Schedule B or within twelve (12) months thereafter. Sponsor has the right to change the anticipated First Year of Condominium

Operation by a duly filed amendment to the Plan. If the First Closing does not occur within twelve (12) months of the commencement date for the First Year of Condominium Operation as set forth in Schedule B (or if the anticipated commencement date for the First Year of Condominium Operation is amended to a later date in a duly filed amendment, the date set forth in such amended Schedule B), any Purchaser who executed a Purchase Agreement prior to an amendment being filed which extends the commencement date for the First Year of Condominium Operation, will be offered a right of rescission. However, no such right of rescission will be offered to Purchasers who executed Agreements subsequent to the date that the amendment changing the First Year of Condominium Operation is duly filed. Such right of rescission shall be offered within fifteen (15) days after the presentation of the amendment disclosing the updated Schedule B. Notwithstanding the foregoing, if the First Closing occurs within the First Year of Condominium Operation as set forth in Schedule B, the Sponsor may schedule the closings of title to other Units significantly later than such date. Unless a particular Agreement contains an outside closing date, Sponsor is not obligated to schedule closings within any specified time frame or to ensure that closing of title to a Unit will occur by any date certain. PROSPECTIVE PURCHASER SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. Any Purchaser entitled to rescission and electing rescission will have their Deposits actually made and collected and any interest earned thereon returned. If the Plan is withdrawn or abandoned, the Deposit previously paid to and actually collected by Sponsor, together with any interest earned thereon, shall be returned to Purchaser within fifteen (15) days of the date of such withdrawal or abandonment, in accordance with the provisions herein set forth.

S. From and after the Closing of a Unit, such Unit Owner will become obligated to make payments of Common Charges, real estate taxes and assessments (including water charges and sewer rents, if separately assessed) and all other expenses with respect to such Unit Owner's Unit, whether or not the Unit Owner has taken possession of such Unit Owner's Unit, and whether or not all work required to be performed by Sponsor or anyone else in or to the Unit or the Building has been completed, including without limitation, "punch list work".

T. Sponsor reserves the right, in its sole and absolute discretion, to waive the collection of Common Charges from Unit Owners during the Waiver Period, provided, however, that Sponsor shall be solely responsible for payment of all Waiver Period Expenses during the Waiver Period. The Waiver Period shall commence as of the date of the First Closing. Sponsor may, in its sole and absolute discretion, terminate the Waiver Period by providing at least thirty (30) days prior written notice to Unit Owners. If not sooner terminated or extended by Sponsor, the Waiver Period shall terminate on the date on which the third year of condominium operation commences. Purchasers should note that the Schedule B will not be in effect until the expiration of the Waiver Period. All 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. Notwithstanding anything to the contrary set forth above, the Waiver Period Expenses shall not include real estate taxes regardless of whether the Unit was separately assessed and Unit Owners will be responsible for the payment of real estate taxes for their Unit after Closing. Purchasers should note that while Schedule B – Budget for the First Year of Condominium Operation will not be in effect until the expiration of the Waiver Period, Sponsor will nonetheless continue to update Schedule B to the extent required pursuant to Part 20 of Title 13 NYCRR and include a

copy of same in a post-closing amendment to the Plan, which amendment shall also set forth the anticipated length of the Waiver Period.

U. The risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor until the Closing for such Unit has occurred. In the event that a Unit is damaged or destroyed as a result of a fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, and provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Unit, the Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price for the subject Unit. In such event Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Boards and other Unit Owners, belong entirely to Sponsor. In the event that a Unit is damaged or destroyed by fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, and Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion, provided that Sponsor shall notify Purchaser within 90 days from the date of the casualty as to whether Sponsor will elect to restore) to repair or restore the Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and Boards of Managers"), the Agreement shall be deemed canceled and of no further force or effect and Escrow Agent shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, whereupon the parties to the Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan. However, notwithstanding anything to the contrary herein, if there is a default by Purchaser under the Agreement (beyond any applicable grace period), Sponsor shall be entitled to retain the Deposit and Custom Work Deposit, or, if applicable, to commence an action against Purchaser to recover Custom Work Costs if no Custom Work Deposit shall have been made by Purchaser, or if, to the extent the Custom Work has already commenced, the Custom Work Deposit is insufficient to cover the Custom Work Cost. Sponsor shall also be entitled to commence an action against Purchaser to recover Restoration Costs to the extent that such Restoration Costs have or will be incurred by Sponsor. In the event that Purchaser takes possession of a Unit pursuant to an Interim Lease prior the Closing, Purchaser shall be responsible for reimbursing Sponsor for the cost of obtaining insurance for such Unit as required under the By-Laws. Notwithstanding the foregoing, Sponsor's execution of an Interim Lease shall not obligate Sponsor to restore or repair the Unit prior to the Closing of the Unit. Purchasers that enter into Interim Leases for Units prior to Closing shall also assume the risk of loss to his or her personal property.

V. Agreements are not assignable without the prior written consent of Sponsor, which consent may be granted or denied by Sponsor in its sole discretion. If Purchaser is a corporation, partnership, limited liability company, trust or other legal entity, any direct or indirect sale, assignment, transfer, pledge, encumbrance or other disposition of any of the ownership interest of Purchaser (including without limitation, the stock, membership or beneficial interests of the stockholders, partners, members or beneficiaries of Purchaser or its stockholders, partners, members or beneficiaries) shall be considered an assignment of this Agreement. The Controlling Party of Purchaser shall remain personally liable for Purchaser's obligations under the Agreement. 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, then Purchaser will be required to pay Sponsor's Counsel a fee of $1,000.00 in advance, for preparation of an assignment agreement. Any purported assignment by Purchaser in violation of the Agreement will constitute a default by Purchaser thereunder and will be voidable by Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel the Agreement or give rise to any claim for damages against Sponsor.

W. In order to preclude any application of the Rule Against Perpetuities which would otherwise invalidate the Agreement, the Agreement provides that the Agreement shall expire, unless otherwise previously terminated, on the day which is the earlier or (i) twenty-one years after the date of this Agreement, or (ii) the time period legally permitted by the Rule Against Perpetuities in the State of New York, in which case the Deposit and all interest accrued thereon shall be returned to Purchaser.

Escrow and Trust Fund Requirements

A. The law firm of Stroock & Stroock & Lavan LLP, with an address at 180 Maiden Lane, New York, New York, telephone number (212) 806-5400, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has established a "Master Escrow Account" at Valley National Bank at its branch located at 275 Madison Avenue, 40th Floor, New York, New York entitled Stroock & Stroock & Lavan LLP, Escrow Account No. [redacted]. Escrow Agent has designated the following attorneys to serve as signatories: Stuart Coleman, Michel Evanusa, Harvey Brown, Alan Klinger, Ross Moskowitz, Steve Moskowitz, Karen Scanna and Leonard Boxer. All designated signatories, except for Harvey Brown, are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

B. The Master Escrow Account is not an IOLA account. The Master Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per depositor, per insured depository institution for each account ownership category. Accordingly, Purchasers are advised that (i) if a Purchaser makes a Deposit(s) in excess of $250,000 for the purchase of a Unit, such Deposit(s) will not be federally insured in excess of $250,000; and (ii) if a Purchaser has any additional accounts where the Master Escrow Account is held, the funds in said accounts will be added together with the Deposit(s) held in escrow and the total will only be insured up to the $250,000 FDIC maximum coverage. Any deposit in excess of $250,000 will not be insured, unless Escrow Agent has established multiple accounts on behalf of Purchaser at various institutions, each for less than the amount set forth above.

C. All funds received from Purchasers prior to Closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited into the Master Escrow Account. All instruments to be deposited into the Master Escrow Account shall be made payable directly to the order of "Stroock & Stroock & Lavan LLP, as Escrow Agent." Endorsed instruments will not be accepted. Any instrument payable other than as required hereby, and which cannot be deposited into the Master Escrow Account, shall be returned to the Purchaser promptly, but in no event more than five (5) business days following receipt of such instrument by Escrow Agent. In the event of such return of funds, the

instrument shall be deemed not to have been delivered to Escrow Agent pursuant to the terms of this Agreement.

D. All Deposits will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. At such time as Escrow Agent receives two (2) completed and signed original W-9 Forms (Request for Taxpayer Identification Number) or W-8BEN Forms (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), as applicable, from a Purchaser, the Deposit of such Purchaser will be promptly transferred from the non-interest bearing checking portion of the Master Escrow Account into an individual interest bearing sub-escrow savings account in the name of such Purchaser. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the Master Escrow Account so that checks may be drawn thereon.

E. The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts, which, when last confirmed by Sponsor, was .20% for all Deposit amounts. Sponsor makes no representations or guarantees that the interest rate paid on Deposits will not increase or decrease and makes no representations regarding the interest which will be paid on the Deposits. Interest will begin to accrue within: (i) three (3) full business days of the Deposit being deposited into escrow, if the Deposit is cash or cash equivalent, or (ii) five (5) full business days of the Deposit being deposited into escrow, if the Deposit is other than cash or cash equivalent, provided the Deposit is tendered with the W-9 or W-8 BEN as set forth herein. All interest earned thereon shall be paid to or credited to the Purchaser at closing. No fees of any kind may be deducted from the Escrow Account, and the Sponsor shall bear all costs associated with the maintenance of the Escrow Account. Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Master Escrow Account. With ten (10) business days of the placing the Deposit in the Master Escrow Account, Escrow Agent shall provide written notice to Purchaser and Sponsor, confirming the Deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit. Any deposits made for upgrades, extras, or Custom Work shall be initially deposited into the Master Escrow Account, and released in accordance with the terms of the Agreement. The Deposit shall be deemed tendered by Purchaser on the date it is actually received by Sponsor or the Selling Agent.

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

G. If a Purchaser tenders a Deposit without an executed Agreement, Sponsor shall have the right to reject the Deposit and return it to Purchaser.

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

Agreement within ninety (90) days after tender of the Purchase Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, N.Y. 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

I. **ESCROW AGENT'S NOTICE THAT THE DEPOSIT HAS BEEN DEPOSITED WILL NOT MEAN THAT PURCHASER HAS BEEN APPROVED AS A PURCHASER OR THAT THE AGREEMENT HAS BEEN SIGNED BY SPONSOR. IT SIMPLY MEANS THE CHECK HAS BEEN DEPOSITED.**

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

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

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

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

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

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

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

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

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

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

O. The Department of Law may perform random reviews and audits of any records involving the Escrow Account to determine compliance with all applicable statutes and regulations. Escrow Agent shall maintain all records concerning the Master Escrow Account for seven (7) years after release of the funds.

P. 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 escrow agreement as was originally provided herein. A bond, letter of credit or other security may be substituted for the escrow account only after the Department of Law approves in writing the use of such alternate form of security.

Q. Upon the dissolution of the law firm which was Escrow Agent, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the New York State Department of Law of such transfer.

R. Any provision of any Purchase Agreement or separate agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding any Deposit in trust is absolutely void. The provisions of the Attorney General's regulations and GBL §§ 352-e(2-b) and 352-h concerning escrow trust funds shall prevail over any conflicting or inconsistent provisions in this Purchase Agreement, the Plan, or any amendment thereto. Purchasers shall not be obligated to pay any legal or other expense of Sponsor in connection with the establishment, maintenance or defense of obligations arising from the handling or disposition of trust funds.

S. Sponsor has agreed to compensate Escrow Agent for services rendered by its attorneys and paralegals and expenses incurred by Escrow Agent in connection with this Agreement, including, without limitation, disputes arising with respect to the Deposit in connection with Escrow Agent's duties hereunder, if any. Sponsor shall not be charged with any administrative costs for maintenance of the Master Escrow Account. 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.

T. Sponsor has agreed to defend, indemnify and hold Escrow Agent harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of Escrow Agent's responsibilities arising in connection with this Purchase Agreement or the performance or non-performance of Escrow Agent's duties under this Purchase Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the obligations set forth in this Purchase Agreement or involving gross negligence of Escrow Agent.

U. Escrow Agent shall not be liable to Purchaser or Sponsor for any error in judgment, mistake of fact or law or for any act or omission on Escrow Agent's part, including, without limitation, any act or omission which permits a Purchaser to rescind a Purchase

Agreement, unless taken or suffered in bad faith or in willful disregard of this Agreement or involving gross negligence on the part of Escrow Agent.

V. 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 Escrow Agent is in possession of the Deposit and continues to act as Escrow Agent.

EFFECTIVE DATE

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

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

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

D. Prior to being declared effective, the Plan may, at the option of Sponsor, be abandoned at any time for any reason. After the Plan has been declared effective, the Plan may be abandoned in the event of: (a) the existence of one or more title defects affecting any one or more Units or the Property that cannot be removed, cured or complied with without litigation or for less than one-half of one percent of the total offering in the aggregate, (b) substantial damage to or destruction of the Building (or any portion thereof) by fire or other casualty that cannot be repaired prior to the date set for the First Closing for less than one half of one percent of the total offering; or (c) a taking of all or part of the Property in condemnation proceedings or by eminent domain. Any stated dollar amount relied upon as a basis for abandonment after effectiveness must exclude any attorney's fees or any such title defects or determinations of any authority or regulatory association which exist on the date of presentation of the Plan and are either known to the Sponsor or are a matter of public record.

E. In the event the Plan is withdrawn or abandoned, it will be by a duly filed amendment to the Plan and all Deposits, together with interest earned thereon, if any, will be returned to Purchasers within fifteen (15) days following such withdrawal or

abandonment. Upon the return of the Deposits, together with any interest earned thereon, the Agreements will be null and void and Sponsor will have no further obligation or liability to Purchasers under the Plan or the Agreements.

F. Sponsor shall promptly submit an amendment to the Department of Law confirming such abandonment or withdrawal and, in the case of an abandonment, shall file a notice of abandonment on form RS-3 or such other form as the Department of Law may require and explain the reason for the abandonment and disposition of all funds received.

TERMS OF SALE

A. The Closing of title to each Unit shall be held at the offices of Sponsor's Counsel or at such other place as Sponsor may designate on not less than two (2) business days' prior notice. The Closing of title to each Unit shall take place only after or concurrently with the following events:

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

(ii) the recording or filing of the Declaration, By-Laws, Tax Lot Drawings and engineer's and tax authority certifications required by §339-p of the New York Condominium Act or other applicable Law and such other documents as may be required by Law;

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

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

(v) the execution and delivery by Sponsor of a Unit Deed 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;

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

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

(viii) the issuance of a Temporary Certificate of Occupancy for the Unit or Permanent Certificate of Occupancy for the Building; and

(ix) if Purchaser has requested title insurance, the issuance to Purchaser (at Purchaser's sole expense) of a policy of title insurance in at least the amount of the Purchase

Price of the Unit, insuring that (i) Purchaser has fee title to the Unit free and clear of all liens and encumbrances except for (1) Permitted Encumbrances and standard printed exceptions, (2) liens and encumbrances (other than Permitted Encumbrances) to which the Unit's title is subject, which have been expressly accepted by Purchaser, and (3) any mortgage and related security documents that Purchaser executes in connection with the financing of the Purchase Price of the Unit and (ii) the Condominium has been validly created pursuant to the Condominium Act.

B. Sponsor is not obligated to repair any damage from a casualty or other cause that occurs before the Closing of a Purchaser's Unit. If Sponsor elects to repair any such damage, Purchaser's Agreement will remain in full force and effect, and Purchaser shall not have the right to reject title or receive a credit against or an abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. If Sponsor notifies Purchaser that it does not elect to repair or restore the Unit, the Agreement shall be deemed canceled and Sponsor shall return to Purchaser all sums deposited by Purchaser under the Agreement, together with interest earned thereon, if any, subject to Sponsor's rights to retain the Custom Work Deposit, and neither party shall have any further liability to the other, except that (i) if Purchaser is then in default under the Agreement (beyond any applicable grace period), Sponsor will retain all such sums deposited by Purchaser under the Agreement and Plan, together with any interest earned thereon, as and for liquidated damages and (ii) Sponsor shall be entitled to commence an action against Purchaser to recover Custom Work Costs if no Custom Work Deposit shall have been made by Purchaser, or if, to the extent the Custom Work has already commenced, the Custom Work Deposit is insufficient to cover the Custom Work Cost.

C. The existence of mortgages, liens and encumbrances other than Permitted Encumbrances shall not be objections to title, provided bonds or properly executed instruments in form for recording necessary to satisfy or release Units from such impermissible liens or encumbrances are delivered at Closing and proper adjustments are made for the cost of recording or filing such instruments. Sponsor will bear the responsibility and cost of recording or filing such instruments. If existing mortgages will not be satisfied at or prior to the First Closing, as of the First Closing, each mortgagee will either: (i) consent to the formation of the Condominium and acknowledge that its lien will be limited to Unsold Units; (ii) subordinate the lien of its mortgage to the Declaration; or (iii) release its lien on the Unit being conveyed. Title exceptions may include the state of facts shown on a stated survey and any additional state of facts a subsequent survey would show, provided that such additional state of facts does not render title unmarketable.

D. The acceptance of a Unit Deed by a Purchaser shall be deemed an acknowledgment that Sponsor has performed and discharged every agreement and obligation on the part of Sponsor to be performed under the Plan except those (if any) which may be expressly stated in the Plan, in the Agreement, in 13 NYCRR, Part 20 (the regulations of the Department of Law of the State of New York governing the acceptance for filing of this Plan) and in General Business Law Section 352-e to survive delivery of the Unit Deed. A Purchaser shall receive prior notice that a Unit is available for inspection pursuant to this Paragraph, as more particularly set forth in the Agreement in Part II of the Plan and as described in the Section of the Plan entitled "Rights and Obligations of Sponsor." The Purchaser of a Unit, accompanied by a representative of Sponsor, shall be entitled to inspect such Unit prior to the Closing Date and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the

Unit in good condition and in accordance with the terms of the Plan, provided that if Purchaser finds that Sponsor's improvements have not been completed as described in the Plan then Sponsor and Purchaser will include on the inspection statement, a list of "punch list" work to be completed in the Unit by Sponsor following the Closing Date. Sponsor shall have no obligation to complete any work which is not specifically designated by the Purchaser on the inspection statement. The Purchase of a Unit does not entitle the Purchaser thereof to conduct tests in such Unit for any reason, including, without limitation, making holes in the wall or ceiling and/or removing sheet rock, tiles, wood flooring, windows or window panes to test for mold, asbestos, lead paint, mildew, spores, fungi or other toxins or for any other purpose. A Purchaser who fails to inspect such Unit shall be deemed to have accepted the Unit in good condition and in accordance with the terms of the Plan.

E. After Closing of title to each Unit, the Purchaser thereof must comply with the procedures established by the Managing Agent regarding such Purchaser's move into the Unit. This may include "move in" fees which will be refunded to the Purchaser unless the Purchaser or the Purchaser's agents damage the Common Elements or another Unit during the move in. During the period of time when Sponsor is completing construction of the Building, move-ins into the Building may be restricted to certain periods when the elevators and other access to the Building are not being utilized by the construction trades.

F. In no event will Sponsor be responsible for any condition resulting from (i) normal wear and tear or natural deterioration or from the normal movement, settlement and/or shrinkage of the Building and/or Building materials; (ii) defects of an insubstantial nature, such as, without limitation, partial or total loss of any trees, shrubs, bushes or other landscape improvements, nail pops, protruding dry wall fastenings, ridging on gypsum board, lumber and wood trim shrinkage or warpage, door or window sticking, door warpage including, without limitation, warpage of the main entrance door within reasonable tolerances of doors of similar size and weight; scratches in plastic laminate, vitreous china, natural stone, wood, stainless steel or porcelain surfaces; bathroom finish grouting; adjustment of doors; walls not square and/or straight; electrical plates not straight; discoloration or shrinkage; and slight separation between base and floors; (iii) normal settlement and deflection or any consequential damage resulting therefrom including, without limitation, cracks in roof ballast, or concrete cracks which do not reduce the structural integrity of the Building; (iv) deviations in the level or straightness of ceilings, and imperfections in ceiling finishes; (v) imperfections in painting finishes; (vi) deviations in the level or straightness of a floor or failure of finished floors and walls to be straight or on plane or at less than 90° from each other; (vii) alignment of bathroom finishes and variation in grouting thickness; (viii) air infiltration and water infiltration from windows, vents, electrical outlets and similar openings in the wall, in accordance with customary practice and professional standards; (ix) noise and vibrations from normal plumbing, heating, ventilating and air conditioning operation, including, without limitation, chillers and similar equipment located on the Roof or Bulkhead Roof; (x) normal floor noises and creaking; (xi) carpet or floor discoloring or stretching; (xii) scratches and imperfections or variations in width, length, thickness, finish or color range of wood floor strips or other flooring or floor finishes, or, normal shrinkage or expansion of wood flooring due to changes in moisture content of wood, or due to homeowner's failure to maintain consistent temperature; (xiii) repair of chips, scratches, mars, breaks, dents, cracks or other defects in: exterior stone; windows, window glass, frames and hardware; insulation attached to the curtain wall; sliding glass doors, frames, door glass and

hardware; louvers; shower doors; lighting fixtures, lenses, and baffles; all painted surfaces; all sinks, tubs, basins, waterclosets; kitchen cabinets, backsplashes and countertops; vanity tops and cabinets; all tile or natural stone floors and walls; saddles; all appliances; woodwork, millwork and doors; mirrors, paint touch-ups, repair of dented appliances, or replacement of light bulbs or fluorescent light ballasts; (xiv) cracks or variations in tone or color of natural stone or variations in tone or color of vanity tops or any other natural stone surfaces; (xv) leaching or color variation in color mortar and colored brick, and dimensional variations in brick joints, and mortar droppings on bricks; (xvi) ponding and/or controlled drainage on the roof surface; (xvii) cracks in pressure-treated lumber used or intended for use outside the Building; (xviii) cracks or discoloration in concrete used in cellar walls and paving; (xix) discoloration to hardware and plumbing finishes; (xxi) stains, runs, lumps, shags or imperfections in weave in fabric panels; (xx) scratched, dirty or cracked lenses in light fixtures; (xxi) terrace tiles not laid flat, or color variation in tiles or mortar, or stained tiles, or (xxii) salting or color variation in exterior colored mortar and deep colored brick. Sponsor will be obligated to repair only abnormally chipped stone, formica and porcelain surfaces, which repair will be made by filling the stone or formica or refinishing the porcelain, but Sponsor will not be obligated to replace such stone, formica or porcelain surfaces. **THE ITEMS AND CONDITIONS DESCRIBED IN THIS PARAGRAPH ARE NOT DEFECTS AND MAY BE FOUND IN ANY NEWLY CONSTRUCTED BUILDING. PURCHASERS WHO PURCHASE A UNIT IN THE BUILDING OR IN ANY OTHER NEWLY CONSTRUCTED BUILDING MAY EXPERIENCE SOME OR ALL OF THESE ITEMS AND CONDITIONS IN THEIR UNIT, THE COMMON ELEMENTS OR ELSEWHERE IN THE BUILDING. SPONSOR HAS NO OBLIGATION TO CORRECT OR REPAIR ANY OF THESE ITEMS AND CONDITIONS AND WILL NOT BE LIABLE TO ANY PURCHASER OR THE BOARD THEREFOR. IF PURCHASERS OR ANY BOARD DESIRES TO CORRECT OR REPAIR ANY OF THESE ITEMS OR CONDITIONS, TO THE EXTENT THEY CAN BE CORRECTED OR REPAIRED, THEY WILL HAVE TO PROCEED AT THEIR SOLE COST AND EXPENSE BY THEMSELVES AND/OR UNDER ANY WARRANTIES OR UNDERTAKINGS ASSIGNED TO THEM BY SPONSOR.**

G. As more fully set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor" Sponsor is obligated to construct the Building in accordance with all applicable Laws and Plans and Specifications as well as the provisions of the Plan. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability of any Unit or Common Element. Unless caused by a violation of the sound transmission code, noise code or other applicable Law, there is no warranty as to sound transmission. Unless caused by a violation of Law, there is no warranty as to odors. Unless caused by a violation of Law, there is no warranty with respect to mold, mildew, spores, fungi or other toxins. There is no warranty as to air, views or light quality. The Sponsor's obligation, regardless of any limitations in the warranty, is to construct the premises in accordance with all applicable Laws and the Plans and Specifications and any conflict between (a) the disclaimers and (b) the Sponsor's obligation to construct the premises in accordance with all applicable Laws and the Plans and Specifications, shall be resolved in favor of the latter. In no event will Sponsor be liable for incidental, special or consequential damages in connection with the items set forth in this paragraph (whether based on negligence, breach of contract, warranty, or otherwise), including, without limitation, any costs associated with a Unit Owner

vacating the Unit or its contents during any period of time during which Maintenance or Alterations are being performed which Sponsor has agreed or is required to perform, it being intended that Sponsor's sole obligations under the Plan will be to repair or, at Sponsor's option, replace (or cause to be repaired or replaced) any defective item of construction (whether arising as a result of defects in material or improper workmanship or material substantially at variance with the Plans and Specifications), subject to the terms and conditions (and within the time limits) set forth in this paragraph.

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

I. Sponsor shall be under no obligation whatsoever to agree to perform any Custom Work for a Purchaser, nor shall Sponsor have any obligation to allow a Purchaser to perform any special work or install extra furnishings prior to Closing. Any Custom Work or any special work or installation of extra furnishings which a Purchaser desires to be performed with regard to a Unit prior to closing shall be done only upon Sponsor's written consent thereto and Sponsor's approval of all contractors and suppliers in connection therewith, which consent and approval are within the sole and absolute discretion of Sponsor.

J. In no event shall the presence of any furniture, furnishings, fixtures (including, without limitation, light fixtures), equipment, decorations, wall coverings, wall paper or the like in any model Unit or in any Common Element or in any advertisements or renderings with respect thereto, imply or represent that any Unit offered for sale under the Plan will also contain such furniture, furnishings, fixtures (including, without limitation, light fixtures), equipment, decorations, wall coverings, wall paper or the like upon delivery of a Unit, unless Sponsor agrees in writing to sell same to Purchaser, in such amount determined by Sponsor, and Purchaser agrees to pay Sponsor such amount in addition to the Purchase Price for such Unit, together with any sales tax due in connection therewith.

CLOSING COSTS AND ADJUSTMENTS

A. As more particularly set forth in the Agreement, and in addition to Purchaser's paying its own legal fees, Purchaser will pay the closing costs set forth below at the time of the closing of title of the Purchaser's Unit. Recording charges, fees and taxes are based on rates in effect on the date of the Plan and are subject to change without notice and a Purchaser will not be relieved of Purchaser's obligation under an Agreement by reason of any change in such charges, fees or taxes.

(i) Each Purchaser of a Residential Unit will pay a contribution to the Working Capital Fund of the Residential Section in an amount equal to two (2) months' Residential Common Charges then applicable to each Residential Unit being purchased.

(ii) Any Purchaser of a Unit which is a Government Entity may be required to deposit into escrow an amount equal to one (1) year of Common Charges then in effect to secure their obligations under the Declaration and By-Laws for the payment of Common Charges and/or assessments and otherwise.

(iii) If Purchaser elects to obtain fee title insurance, Purchaser will pay a premium which will vary depending upon the amount of insurance requested. The premium for fee title insurance, if ordered from Fidelity National Title Insurance Company, having an address at 485 Lexington Avenue, New York, New York, telephone no. (212) 481-5858 will be $402 for the first $35,000 of fee insurance. However, a purchaser is free to use a title company of his/her choice without penalty. For additional rates, the following will apply:

FEE AMOUNT	PREMIUM
$ 35,001.00	$402.00 + $6.67 per thousand up to $ 50,000.00
$ 50,001.00	$402.00 + $5.43 per thousand up to $ 100,000.00
$ 100,001.00	$402.00 + $4.36 per thousand up to $ 500,000.00
$ 500,001.00	$402.00 + $3.98 per thousand up to $ 1,000,000.00
$ 1,000,001.00	$402.00 + $3.66 per thousand up to $ 5,000,000.00
$ 5,000,001.00	$402.00 + $3.25 per thousand up to $ 10,000,000.00
$ 10,000,001.00	$402.00 + $3.07 per thousand up to $ 15,000,000.00
$ 15,000,001.00+	$402.00 + $2.76 per thousand above $15,000,000.00

(iv) These rates are subject to change without notice. Purchasers are entitled to select their own title company provided, however that each Purchaser's title underwriter must agree (i) to timely submit the Unit Deed, all Transfer Tax forms, including the Mansion Tax forms, if applicable, and checks for payment of the Transfer Taxes required to be submitted to the appropriate governmental authorities for recording and payment in connection with the conveyance of the Unit to Purchaser; and (ii) indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event the title underwriter (or its abstract company) fails to file such Unit Deed and Transfer Tax forms and remit payment of the Transfer Taxes required in connection therewith in a timely manner in accordance with law and the requirements of any governmental or quasi-governmental agency. If said title underwriter does not execute an indemnification substantially in the form set forth as Exhibit A to the Agreement in Part II of the Plan, Purchaser will, as more fully set forth in the

Agreement, agree to: (a) indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) if its title underwriter (or such title underwriter's abstract company) fails to file such Unit Deed, Transfer Tax forms and remit payment of the Transfer Taxes required in connection therewith in a timely manner in accordance with law and the requirements of any governmental or quasi-governmental agency; and (b) deposit, at closing, the sum of $3,000 (the "Filing Deposit") with Sponsor's Counsel, which funds may be used by Sponsor (i) to pay legal fees, at Sponsor's Counsel's usual and customary rates, to monitor the recording of the Unit Deed and the filing of the Transfer Tax forms and payment of the Transfer Taxes, and represent Sponsor in connection with any failure to file the Unit Deed, Transfer Tax forms and payment of the required Transfer Taxes or take any action with respect to the failure to file and remit same; and (ii) pay any such taxes, fines or penalties assessed or charged by any governmental or quasi-governmental agency. Purchaser acknowledges, however, that the Filing Deposit is not a maximum amount which must be paid by Purchaser in the event the Unit Deed, Transfer Tax forms and Transfer Taxes are not filed or are not paid in a timely manner.

(v) Purchaser will pay a fee for recording the following documents: (a) the Unit Deed in the amount of $250 (provided that the deed is five pages or less), (b) a Power of Attorney in the amount of $90 (provided that the form of Power of Attorney is five pages or less), (c) a Mortgage, if any, in the amount of $225 (provided that the form of Mortgage is 20 pages or less) and (d) additional instruments in the amount of $75 plus $5 per page, as collected by Fidelity National Title Insurance Co. (each title company establishes its own additional service and surcharges in this regard). In addition, if a title company prepares the ACRIS forms, an additional fee will be incurred. Fidelity National Title Co. currently charges $150 for preparation of ACRIS forms. Purchasers are advised that these recording fees may increase between the date of the Plan and Closing, and Purchaser will be responsible for such higher recording fees.

(vi) If Purchaser obtains a mortgage loan for the purchase of the Unit, the Purchaser will pay to Sponsor a sum equal to the partial mortgage tax credit to which Purchaser may be entitled pursuant to Section 339-ee(2) of the Condominium Act, which sum will be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor in connection with any existing mortgage(s). Alternatively, Sponsor may require, in its sole discretion, that if Purchaser finances the purchase of the Unit with a mortgage loan, Purchaser must cause the lender making such mortgage loan to accept from the Sponsor an assignment of a portion of any Mortgage securing the Property in an amount up to such mortgage loan as determined by Sponsor. Upon such assignment, that portion of the mortgage loan assigned by Sponsor, will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. In such event Purchaser will be obligated to pay any costs of fees incurred by either Purchaser or Sponsor, including without limitation, Sponsor's legal fees, in connection with such assignment. Sponsor shall be solely entitled to the benefits of the exemption and accordingly, Purchaser will pay to Sponsor an amount equal to the mortgage recording tax savings resulting from such exemption. Although a Purchaser may obtain financing from a lending institution or any other source, the obligation to purchase a Unit pursuant to the Agreement shall not be contingent on obtaining financing for such purchase.

(vii) Each Purchaser of a Residential Unit will pay the NYC RPT Tax, which currently, for the purchase of a single Residential Unit is 1.425% of the Purchase Price, assuming a Purchase Price over $500,000, and the NYS Tax, presently $2.00 for each $500.00 (or part thereof) of the purchase price of a Residential Unit. Purchaser's should note that Sponsor does not warrant or guarantee that the NYC RPT Tax, the NYS Tax, or the Mansion Tax (discussed below) will not be subject to change by the applicable governmental authorities prior to Closing. The NYC RPT Tax and the NYS Tax which by Law are the primary obligation of a seller. For purposes of calculating the taxes payable, the consideration will be "grossed up" by the amounts of such taxes and other consideration, if any, which would otherwise be a seller's obligation. If the Purchase Price of a Residential Unit (as "grossed up" as aforesaid) is $1,000,000 or more, Purchasers of Residential Units shall also be obligated to pay the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax," currently one percent (1%) of the Purchase Price, which by Law is the primary obligation of the Purchaser. For purposes of calculating the taxes payable, the amounts of such taxes will be included in the consideration subject to tax. Purchasers will also be obligated to pay the filing fee for the NYC RPT Tax form which is currently $125.00. Therefore, the steps to compute the tax are:

1. Multiply the Purchase Price by the NYC RPT Tax rate to compute the City tentative tax.

2. Multiply the Purchase Price by the NYS Tax rate to compute the tentative NYS Tax.

3. Add the tentative taxes to the Purchase Price.

4. Multiply (iii) by the NYC RPT Tax rate to determine the RPT Tax payable.

5. Multiply (iii) by the NYS Tax rate to determine the NYS Tax payable.

Example
Purchase price = $8,550,000

(1)	$8,550,000 x 1.425%	=	$121,837.50
(2)	$8,550,000 x .4% (rounded up to nearest whole $2)	=	$34,200.00
(3)	$8,850,000 + $156,037.50	=	$8,706,037.50
(4)	$8,706,037.50 x 1.425%	=	$124,061.03
(5)	$8,706,037.50 x .4% (rounded up to nearest whole $2)	=	$34,824.15

Under the current policies of the New York City 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 or a commercial unit, the NYC RPT Tax rate where the consideration is in excess of $500,000 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). There is no guarantee that The City of New York will not change its positions with respect to the foregoing. Purchasers of Residential Units should consult their own tax advisors regarding recent New York City Tax Appeals Tribunal determinations rejecting the application of the higher commercial rates of the NYC RPT Tax to sales of multiple residential condominium units.

(viii) Purchaser shall be responsible for payment of the following fees to Sponsor's Counsel in connection with the closing of title to Purchaser's Unit: (i) the sum of $3,500 for the preparation of closing documents and attendance at Closing, (ii) if the Purchaser requests the Closing to occur other than at the offices of Sponsor's Counsel or such other place as Sponsor may designate in its closing notice and Sponsor consents to such change, an attendance fee of $500 for each Closing held within Manhattan and $700 for each Closing held in any borough outside Manhattan, (iii) if the Closing is adjourned through no fault of Sponsor, an additional fee of $500 for each such adjournment to help defray the cost of preparing for and coordinating the new Closing; (iv) 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 (and if Sponsor consents to more than one assignment, a fee of $1000 shall be payable for each assignment) and (v) if Purchaser, Purchaser's attorney or Purchaser's lender is more than one (1) hour late to the Closing, Sponsor reserves the right to adjourn or delay the Closing and cause Purchaser to pay an adjournment fee of $500. Purchaser may pay more than one fee pursuant to this paragraph with respect to a single Unit. Sponsor's Counsel shall also be entitled to an attendance fee if they attend a scheduled Closing but the Closing is adjourned due to Purchaser's failure to comply with its Closing obligations, the determination of which shall be within the sole discretion of Sponsor's Counsel. In addition, more than one assignment fee shall be payable if Sponsor consents to more than one request for an assignment.

(ix) Any purported assignment by Purchaser in violation of the Agreement will constitute a default by Purchaser thereunder and will be voidable by Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel the Agreement or give rise to any claim for damages against Sponsor.

(x) If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of all mortgage recording tax, origination, appraisal and closing costs and other expenses in connection therewith (including legal fees) in amounts determined by governmental authorities and such lender. As of June 1, 2005, the mortgage recording tax for mortgages for Residential Units where the mortgage is under $500,000 is $2.05 for each $100 of principal. The mortgage recording tax for Residential Units for mortgages in the amount of $500,000 or greater is $2.175 for each $100 of principal. The tax is reduced for Residential Units in both instances by $30.00 if the mortgage principal exceeds $10,000. No representation or warranty is made with respect to the amounts of such closing costs and expenses or the availability or cost of mortgage loans from any sources. As previously stated above, if a mortgage recording tax credit becomes available pursuant to §339-ee(2) of the Condominium Act, such credit will inure solely to the benefit of Sponsor. Accordingly, at Closing, each Purchaser utilizing mortgage financing will pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the

entire amount being financed and Sponsor will be reimbursed by Purchaser to the extent of any mortgage recording tax credit allowed. In addition, where a Purchaser obtains a mortgage loan, the Purchaser will be responsible for all costs associated therewith, including, without limitation, costs incurred in connection with the mortgage application, bank's attorney, survey, appraisal, credit report and points.

(xi) Purchasers or any other persons entering into an Interim Lease for a Residential Unit shall be required to pay the legal fees of Sponsor's Counsel in connection therewith upon execution of such Interim Lease. Such legal fees are estimated to be approximately $3,000.00 assuming that the Purchaser's counsel does not negotiate the terms of the lease. Any fees above $3,000.00 will be billed on an hourly basis at the customary rates of Sponsor's Counsel. In connection with the closing of title to a Residential Unit subject to an Interim Lease, all other charges or other fees due under an Interim Lease shall be adjusted as of as of midnight of the day preceding the Closing Date to the Residential Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any Interim Lease.

B. The following table illustrates the projected closing costs (based on current rates) for a Residential Unit offered at a Purchase Price of $8,550,000 assuming such Purchaser finances seventy-five (75%) (i.e., $6,412,500) of the Purchase Price:

Fee Title Insurance (if purchased simultaneously with mortgage title insurance)	$30,685.00
Fee for recording Unit Deed (7 pages) and Unit Owner's Power of Attorney (5 pages)	$340.00
Mortgage Loan Closing Costs: - recording mortgage (assuming 20 pages)	$225.00
- mortgage recording tax at 2.05% of mortgage under $500,000 or 2.175% if $500,000 or more (less $30 exemption for first $10,000) a portion of which will be paid directly to Sponsor	$139,441.88
- mortgage title insurance (if purchased simultaneously with fee title insurance)	$5,938.00
- bank charges, including appraisal fee of $1335 and legal fees of $1350 and assuming further that Purchaser's lender does not require Purchaser to deposit funds to establish a real estate tax escrow)	$2,685.00
RPT Tax and NYS Transfer Tax (inclusive of $125 filing fee for New York State Transfer Report RP-5217NYC)	$159,010.18
Mansion Tax if Purchase Price is over $1,000,000	$87,060.38

(increased by NYC RPT Tax and NYS Transfer Tax bulk-up)	
Working Capital Payment (two months' Common Charges then applicable at the closing of title to such Unit)	$8,796.00
Closing Fee (assuming the closing occurs at the offices of Sponsor's counsel)	$3,500.00
TOTAL	$437,681.44

C. The projected closing costs referred to above are approximate and are not guaranteed. Purchasers are advised that they are responsible for all mortgage loan closing costs which vary widely among different lenders (who may include points) and also will vary depending on the loan program chosen.

D. In addition to the above-specified costs and expenses, a lender may require that the Unit Owner deposit monthly with such lender one-twelfth (1/12) of the estimated annual real estate taxes and tax assessments which are assessed or to be assessed against the Unit, together with one-twelfth (1/12) of the annual fire and casualty insurance policy premiums for the Unit, or other amounts, and, at Closing, Purchaser may be required to deposit with its lender a multiple of the aggregate of such one month's real estate taxes, tax assessments and insurance premiums, or other amounts, in order that sufficient funds will be available for its lender to pay the same when due and such sums may be due even if a real estate tax escrow is paid to the Condominium Board at Closing.

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

F. At Closing, adjustments will be made as of midnight of the day preceding the Closing Date between Sponsor and each Purchaser with respect to (a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed) on the basis of the period for which assessed, (b) Residential Common Charges or Commercial Common Charges, as applicable, for the month in which title closes and (c) accrued rent and any other charges pursuant to an Interim Lease, if any, covering Purchaser's Unit. Sponsor may also collect, on behalf of the Condominium Board, Common Charges for the month following the month in which the Closing occurs. In the event the Units have not been separately assessed for real estate tax purposes prior to a Closing of a Unit, each Unit Owner will pay a pro rata share in the proportion that such Unit's Common Interest bears to the aggregate Common Interest of all Units of all real estate taxes with respect to the Property to the Condominium Board as Common Charges. (Please refer to Schedule A for an estimate of real estate taxes payable during the First Year of Condominium Operation.) In addition, to the extent that the Units will not be separately assessed for the next tax periods, Sponsor may collect at Closing, on behalf of the Condominium Board, real estate taxes due and payable for the next tax periods in which the Units will not be separately assessed. As more particularly set forth in the By-Laws, until the Units are separately assessed for real estate tax purposes, Unit Owners shall pay their respective pro rata share of all

real estate taxes with respect to the Property (based upon their Unit's allocable Common Interest) to the Condominium Board as General Common Charges and the Condominium Board will pay such taxes to the proper authorities of The City of New York. In the case of the Unsold Units, Sponsor shall pay to the Condominium Board its allocable share of real estate taxes as Common Charges within two (2) business days of such real estate taxes being due and payable to the property taxing authorities. In the event that the payments made by Unit Owners are less than or more than the amount of taxes paid for the period in question, Unit Owners will be reimbursed for any overpayment of taxes or assessed for an underpayment. If any Unit Owner fails to pay such Unit Owner's pro rata share as set forth above, the Condominium Board will have a lien on such Unit for non-payment of Common Charges. (See the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers" under the subsection entitled – "Common Charges: Collection and Lien for Non-Payment, Attachment of Rent" for further discussion.) At such time as a Unit is separately assessed and separately billed, its Unit Owner will pay real estate taxes directly to the taxing authority.

G. If a Purchaser fails for any reason to close title to its Unit on the originally scheduled Closing Date and Sponsor elects not to terminate the Agreement as a result of the same, (a) the closing apportionments described above will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) Purchaser will be required to pay to Sponsor, in addition to the other payments to be made to Sponsor under the Agreement and this Plan, an amount equal to 0.05% of the Purchase Price of the Unit for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date.

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

RIGHTS AND OBLIGATIONS OF SPONSOR

Sponsor's Obligations with Respect to the Building

A. Subject to the terms and conditions of the Plan, Sponsor shall have the following obligations and all Purchasers upon execution of their respective Agreements will be deemed to have accepted, approved and agreed to abide and be bound by the following:

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

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

(2) Sponsor shall not materially change the size or location of the Units or Common Elements if such changes affect the percentage of Common Interest or adversely affect the value of any Unit to which title has closed or for which an Agreement has been executed and is in effect, unless all affected Unit Owners and contract vendees consent in writing to such change.

(ii) Under the present construction schedule, it is anticipated that, except for finishing work to stairways, hallways and other areas of the Building which are not intended for the exclusive use of any one Unit Owner and Custom Work, if any, which Sponsor agrees, in its sole discretion, to perform in individual Units at the request of Unit Owners, a first Temporary Certificate of Occupancy could be issued by the TCO Date and the Building is anticipated to be substantially completed by the Substantial Completion Date. Sponsor makes no warranty or representation as to the date of the issuance of the first Temporary Certificate of Occupancy or whether the Building will be completed by the Substantial Completion Date. Construction is a complicated process requiring the coordination of numerous tasks, contractors and suppliers and the balancing of complex mechanical and architectural systems. No assurance can be given with regard to the accuracy of any projected completion dates set forth herein. During the First Year of Condominium Operation, construction workers and related personnel will be at the Property from time to time completing construction of the Building, making adjustments and corrections and performing various tasks related to the completion of construction, which may occur at all hours and could compromise the Building's security systems. During this period, various Building Systems, including but not limited to water supply, air conditioning, heating, cooling, security, ventilating and elevators, may need to be shut

down temporarily. As more particularly set forth in the Declaration, Sponsor, will have the right to complete construction of the Building and shall have an easement through all parts of the Building, including the Units and the Common Elements in furtherance thereof and may utilize elevators and other Building Systems and may install and retain scaffolding and other equipment on and in the Building to complete construction of the Building. Sponsor may not fully complete the decoration of portions of the Building, including, without limitation, the lobbies or corridors in the Building, the installation of light fixtures, the hanging of wall coverings or laying carpeting, until a particular section of the Building is complete or a particular floor is fully occupied by Residential Unit Owners. The Condominium Board and or Residential Board, as applicable, may refuse to permit a Unit Owner to perform Alterations in a Unit until such time as the Building has been completed and a Permanent Certificate of Occupancy has been obtained therefor. Certain services, such as telecommunications, and other similar services may be provided by outside suppliers and delays in providing these services will not be the responsibility of Sponsor. Such suppliers may not provide these services until occupancy in the Building has reached certain levels. The fact that various portions of the Common Elements or other Units may not have been completed prior to a scheduled Closing and that certain services may not yet be provided at the Building, shall not provide a basis for Purchaser delaying the Closing, receiving any abatement or credit against the Purchase Price or paying Common Charges in full.

(iii) Prior to the First Closing, Sponsor will obtain either a Temporary Certificate of Occupancy for the Unit to be closed or a Permanent Certificate of Occupancy for the Building. A Permanent Certificate of Occupancy is required for permanent residential or commercial use, as applicable, of the Building and the Units. Temporary residential or commercial use, as applicable, of the Building is permitted upon the issuance of a Temporary Certificate of Occupancy, but if a Temporary Certificate of Occupancy (which may be extended up to a total of two (2) years) expires prior to obtaining a Permanent Certificate of Occupancy, residential occupancy of the Condominium may be in violation of the Multiple Dwelling Law, subjecting the occupants of the Building, the Residential Unit Owners and the Condominium Board to penalties under the Multiple Dwelling Law and/or other statutes and regulations, including, possibly, the eviction of residential Unit Owners and occupants. Sponsor makes no representation or guarantee that the New York City Department of Buildings will issue a Permanent Certificate of Occupancy for the Building within two (2) years after issuance of the first Temporary Certificate of Occupancy. In the event that Sponsor does not obtain a Permanent Certificate of Occupancy for the Building within two (2) years after issuance of the first Temporary Certificate of Occupancy, the Condominium Board will be obligated to obtain the Permanent Certificate of Occupancy for the Building and any costs associated therewith could be assessed against all Unit Owners as a Common Expense.

(iv) If Sponsor fails to obtain a Permanent Certificate of Occupancy for the Property prior to the First Closing, Sponsor will be obligated: (i) direct the Escrow Agent to hold and maintain those monies received pursuant to all Agreements (see the Section entitled "Procedure To Purchase") which would otherwise be payable to Sponsor in the special trust account required by the General Business Law of the State of New York,

Sections 352-e(2-b)and 352-h, provided, however, that if Sponsor's Architect certifies that a lesser amount than the amount held in the special trust account is reasonably necessary to complete all alterations and improvements to be performed by Sponsor, then the amount exceeding the sum so certified by Sponsor's architect shall be released from the special escrow account to Sponsor; or (ii) to deposit with Escrow Agent an unconditional, irrevocable letter of credit, deposit cash or post a surety bond, or provide other collateral acceptable to the Department of Law, in an amount Sponsor's architect, from time to time, certifies is reasonably necessary to complete the work needed to obtain the Permanent Certificate of Occupancy. The use of any alternate security used to satisfy Sponsor's obligations to obtain the Permanent Certificate of Occupancy will be previously disclosed in an amendment to the Plan. Until such time as a Permanent Certificate of Occupancy for the Building is issued, Sponsor will disclose in each financial update amendment to the Plan following the First Closing, the amount being held in escrow to complete the work necessary to obtain the Permanent Certificate of Occupancy as described in the preceding sentence together with a copy of a certification letter from Sponsor's Architect in this regard. Any amount held by Escrow Agent, in excess of the amount certified by Sponsor's architect as reasonably necessary to complete the work needed to obtain the Permanent Certificate of Occupancy, can be released from escrow upon the receipt by Escrow Agent of a request by Sponsor. Escrow Agent will rely entirely upon such Sponsor's architect's certificate in releasing such funds and will not make any independent inquiry or evaluation. All interest and income on such escrowed funds may be paid to Sponsor, as and when earned and collected. The New York City Department of Buildings advises Purchasers, who close with only a Temporary Certificate of Occupancy in place to consult with their attorneys and engineers to assure that sufficient funds are escrowed or otherwise secured for by Sponsor to obtain a Permanent Certificate of Occupancy. It is strongly recommended that Purchasers consult the "New York City Department of Buildings Website/Consumer Tips" for its recommendation when purchasing Units in a building that does not have a Permanent Certificate of Occupancy.

(v) Each Unit and the fixtures and personal property contained therein are being sold and delivered as described in the Plan, at the time of transfer of title to such Unit, unless Sponsor and Purchaser otherwise agree. Sponsor will Maintain each Unit, and the fixtures and personalty contained therein, up to the time of the transfer of title to the Unit in question. The Purchaser of a Unit shall have the right to inspect such Unit prior to the Closing Date. The purchase of a Unit does not entitle the Purchaser thereof to conduct tests in such Unit for any reason, including, without limitation, making holes in the wall or ceiling and/or removing sheet rock, tiles, wood flooring, windows or window panes to test for mold, asbestos, lead paint, mildew, spores, fungi or other toxins or for any other purpose. Moreover, the failure of Sponsor to complete "punch list" type work shall not be a ground for Purchaser to delay the Closing provided that Sponsor agrees to complete such "punch list" type work promptly after Closing and Sponsor is afforded access to the Unit to perform same.

(vi) Following the recording of the Declaration, Sponsor will deliver, assign or otherwise grant to the Residential Board, on behalf of all Residential Unit Owners, or the Condominium Board, on behalf of all Unit Owners, as the case may be, the right to

proceed under any assignable warranties and other undertakings received by Sponsor from contractors, materialmen or others in connection with the construction and equipping of the Building, except that warranties and undertakings received by Sponsor which relate to appliances, equipment or fixtures located in a Unit shall be assigned to such Purchaser on the date of closing of title to the Unit. Purchasers should be aware that warranties vary in length, depending partly on when the appliances, equipment and fixtures covered by such warranties are first installed or purchased. Sponsor makes no representation as to which, if any, of the warranties will continue to remain in force upon the Closing Date of any particular Unit.

(vii) Sponsor is obligated to construct the Building in accordance with all applicable Laws and Plans and Specifications as well as the provisions of the Plan. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability of any Residential Unit or Common Element. Unless caused by a violation of the sound transmission code, noise code or other applicable Law, there is no warranty as to sound transmission. Unless caused by a violation of Law, there is no warranty as to odors. Unless caused by a violation of Law, there is no warranty with respect to mold, mildew, spores, fungi or other toxins. There is no warranty as to air, views or light quality. The Sponsor's obligation, regardless of any limitations in the warranty, is to construct the premises in accordance with all applicable Laws and Plans and Specifications, and any conflict between (a) the disclaimers and (b) the Sponsor's obligation to construct the premises in accordance with all applicable Laws and the Plans and Specifications, shall be resolved in favor of the latter. In no event will Sponsor be liable for incidental, special or consequential damages in connection with the items set forth in this paragraph (whether based on negligence, breach of contract, warranty, or otherwise).

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

(ix) 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 of Units or other personnel of Sponsor.

(x) Sponsor will pay or cause to be paid all contractors, subcontractors and materialmen and all others involved in the construction and equipping of the Building in accordance with the New York Lien Law, for work performed and fixtures, material and equipment supplied or installed during construction thereof and will cause any and all mechanics' liens arising out of such construction and equipping, if any, to be discharged by bonding, or otherwise, promptly after the filing of any such liens.

(xi) Sponsor shall have only such obligation to defend any suit or proceeding arising out of Sponsor's material acts or omissions or to indemnify any Board(s) or Unit Owner(s) in any such action or proceeding as is required by Law.

(xii) Following the issuance of a Permanent Certificate of Occupancy for the Building, Sponsor will deliver to the Condominium Board a complete set of "as built" mechanical, electrical and plumbing drawings and the control system for the entire Building. In addition, upon the termination of the Sponsor Control Period, and to the extent that Sponsor has been provided with copies of same, the following: operation and maintenance manuals for mechanical equipment; electronic system manuals; Re-commissioning manuals; equipment warranties; manufacturer's roof warranties; major equipment start-up sheets; the original test and balance report for the HVAC system and a post construction indoor air quality report. Notwithstanding the foregoing, Sponsor makes no representations or warranties as to whether any or all of the warranties that Sponsor delivers to the Boards will be expired at the time of delivery and Sponsor is under no obligation to extend such warranties.

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

(xiv) Sponsor will pay all Common Charges, except as otherwise set forth with respect to the Waiver Period, Special Assessments and real estate taxes allocated to any Unsold Units owned by Sponsor in accordance with the provisions of the By-Laws. Sponsor represents that it has the financial resources to meet such obligations with respect to such Unsold Units. Sponsor will fund its financial obligations from proceeds from the sales of Units, rental income from Unsold Units, and financing. No bond or other security will be posted by Sponsor with respect to this obligation.

(xv) In the event that a Unit is damaged or destroyed as a result of a fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, and provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Unit, the Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price for the subject Unit. In such event Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Boards and other Unit Owners, belong entirely to Sponsor. In the event that a Unit is damaged or destroyed by fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, and Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and Boards of Managers"), the Agreement shall be deemed canceled and of no further force or effect and Escrow Agent shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, whereupon the parties to the Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan. However, notwithstanding anything to the contrary herein, if Purchaser is then in default under the Agreement (beyond any

applicable grace period), Sponsor shall be entitled to retain the Deposit and Custom Work Deposit, or, if applicable, to commence an action against Purchaser to recover Custom Work Costs if no Custom Work Deposit shall have been made by Purchaser, or if, to the extent the Custom Work has already commenced, the Custom Work Deposit is insufficient to cover the Custom Work Cost. Sponsor shall also be entitled to commence an action against Purchaser to recover Restoration Costs to the extent that such Restoration Costs have or will be incurred by Sponsor.

(xvi) Sponsor will initially procure on behalf of the Condominium Board the insurance relating to the Condominium which is required to be maintained by the Condominium Board in accordance with the provisions of the By-Laws (see the section entitled "Rights and Obligations of Unit Owners and the Boards of Managers" set forth in Part I of the Plan) the cost of which insurance has been reflected in Schedule B.

(xvii) Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan and all exhibits or documents referred to herein shall be available for inspection by Purchasers and by any person who shall have purchased a Unit offered by the Plan or shall have participated in the offering of such Unit, at Sponsor's office and shall remain available for such inspection for a period of six (6) years from the date of the recording of the Declaration. In addition, a set of Tax Lot Drawings showing the layout, location and approximate dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the City Register's office when the Declaration is recorded, and an additional set will be furnished to the Condominium Board.

(xviii) Sponsor is obligated to deliver to the Condominium Board all books of account and records pertaining to the Building's operation which are in Sponsor's possession on the First Closing.

(xix) Sponsor may dissolve or liquidate at any time. In the event of such an occurrence or the transfer (other than to Purchasers under the Plan) of ten (10) or more Units or twenty percent (20%) of the total number of Units in the Condominium, whichever is less, the principals of Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of Sponsor for those Units under this Plan, applicable Law or regulations.

(xx) New York City Local Law 7 of 2004 requires the installation of carbon monoxide detectors by owners of multiple dwellings, including owners of units in residential condominiums. Sponsor intends to provide carbon monoxide detectors in each Residential Unit in accordance with New York City Local Law 7 of 2004. Each Residential Unit Owner will be responsible to keep and maintain the carbon monoxide detectors in good repair and to replace any carbon monoxide detectors which have been stolen, removed, found missing or rendered inoperable. Sponsor makes no representations whether Residential Unit Owners will comply with the foregoing obligations.

(xxi) Sponsor has not yet procured a commitment for financing the construction of the Building. In the event Sponsor is unable to procure construction financing, Sponsor may not be able to complete construction of the Building. In the event that Sponsor does obtain construction financing the construction lender may impose requirements regarding sales by Sponsor and the Plan will be amended to disclose the relevant terms of the construction loan agreement when financing is obtained. Additional requirements imposed by the construction lender including without limitation, any presale requirements shall not give rise to a right of rescission on the part of any Purchaser under the Plan provided that no additional financial requirements are being imposed on such Purchasers.

(xxii) Sponsor currently intends to sell the Units being offered for sale under the terms of the Plan. However, under the terms of this Plan, Sponsor has reserved the unconditional right to rent or lease any Unsold Unit prior to closing the sale thereof to the Purchaser thereof or any other party, to cease marketing Units for sale at any time, in Sponsor's sole discretion or to use or offer the Unsold Units for any lawful purpose.

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

B. Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for the purpose of fulfilling Sponsor's obligations under the Plan and performing certain Maintenance and Alterations in or about the Building. Sponsor will use reasonable efforts in order to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit for its permitted purposes. If reasonable care under the circumstances is exercised to safeguard the Unit Owner's property, such entry shall not render Sponsor or its authorized agents liable for any damage to the Unit or to the personalty or fixtures contained therein.

C. The foregoing sets forth the entire obligations of Sponsor hereunder and no others shall be implied, except that nothing contained herein shall be deemed to limit the rights of Unit Owners under their respective Agreements or to include any financial limitation on Sponsor's liability for failure to perform its obligations under the Plan. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures to be provided or performed by Sponsor or located at the Property other than as set forth in the Plan. Notwithstanding anything to the contrary set forth herein, nothing contained in the Plan shall be construed as to render Sponsor liable for incidental, special or consequential damages (whether based upon negligence, breach of contract, breach of warranty or otherwise) it being intended that Sponsor's sole obligation shall be to perform its obligations as expressly provided in the Plan.

D. Obligations of Sponsor hereunder with respect to the Residential Section shall be enforceable by the Residential Board on behalf of Residential Unit Owners, obligations with respect to the Commercial Common Elements shall be enforceable by the Commercial Unit Owners and obligations with respect to the General Common Elements shall be enforceable by the Condominium Board on behalf of all Unit Owners.

E. Sponsor will have no liability to any Purchaser, subsequent purchaser of a Unit, Unit Owner, the Residential Board or Condominium Board with respect to its obligations under the Plan other than as set forth in the Plan and as required by Law.

F. Consistent with a recent First Department decision, the principals of Sponsor expressly disclaim the existence of any private right of action for contract claims by individual Unit Owners (or a Board on their behalf) in connection with or arising solely from their execution of the Certification of Sponsor and Principals, absent liability under another statute or under an alter-ego or other veil-piercing theory. See Board of Mangers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC. et al, 2013 N.Y. Slip Op 03574 (1st Dept. May 16, 2013).

G. Except as set forth above or as required by Law or governmental regulation, Sponsor has not furnished any bond or other security for the performance of the obligations of Sponsor under the Plan, including without limitation, Sponsor's obligation to complete construction of the Building. The ability of Sponsor to perform its obligations hereunder will partly depend upon its financial condition at the time it is called upon to perform. No representation can be made that it will be financially able to perform any or all of such obligations. Unless expressly provided to the contrary herein, the obligations of Sponsor under the Plan shall survive the delivery of the respective Unit Deeds. In the event Sponsor is not financially able to perform its obligations under the Plan, sales will cease and the Plan will be amended to offer rescission to Purchasers, if any.

H. Sponsor has applied for a "special permit" in order to construct a new building with residential use (the "Special Permit"). Sponsor anticipates receiving approval for the Special Permit from the appropriate governmental agencies on or before August 15, 2014.

Leasing and Use of Unsold Units

A. Sponsor has reserved the unconditional right to rent or lease any Unsold Unit prior to closing the sale thereof to the Purchaser thereof or any other party, to cease marketing Units for sale at any time, in Sponsor's sole discretion, or to use or offer the Unsold Units for any lawful purpose.

B. Certain Units may be occupied under short-term leases. Accordingly, residents of the Condominium may be comprised of both Unit Owners and tenants leasing from Sponsor or other Unit Owners. Therefore, it is possible that a significant portion of Unit Owners will not be residents of the Building and that a significant portion of occupants in the Building may not be Unit Owners. As a consequence of the foregoing, a Unit Owner seeking to resell or refinance a Residential Unit may experience difficulty. Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium.

C. As more particularly set forth in the By-Laws, no Residential Unit Owner (other than Sponsor) may enter into a lease or sub-lease for its Residential Unit for a period of less than one (1) year or more than two (2) years.

D. There is no limit on the number of Purchasers who may purchase Residential Units for investment rather than personal occupancy. Accordingly, there may always be a substantial percentage of owners who are non-residents. Non-resident owners, including Sponsor, have different economic interests in their respective Residential Units and, therefore, do not share the same interests as Residential Unit Owners in the Maintenance and care of the Building's facilities and amenities. As a result, Residential Unit Owners who are residents of the Condominium and Residential Unit Owners who are non-residents of the Condominium, 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). In addition, the By-Laws do not include a provision that after the Initial Control Period, a majority of the Residential Board and/or Condominium Board must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals. **PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE RESIDENTIAL BOARD AND/OR CONDOMINIUM BOARD UNDER THE TERMS OF THIS PLAN.**

E. Sponsor reserve the right, without prior notice or amendment to the Plan, to use Common Elements and Unsold Units on any floor of the Building as sales and rental offices and model apartments for the Building and any other building in which Sponsor or principals of Sponsor have an interest. In the event Sponsor thereafter elects to sell any such Unsold Units, Sponsor may require the purchaser thereof to purchase all or any of the furnishings, equipment or decorations therein and pay, in addition to the purchase price for such Unit, such amounts as Sponsor may determine. In no event shall the presence of any furniture, furnishings, equipment or decorations in any model unit (or any Common Elements appurtenant thereto) or any advertisement therefor, imply or represent that any Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Unit to the Purchaser of the Unit.

CONTROL BY SPONSOR

A. There is no limit on the length of time that Sponsor may control the Residential Board or the Condominium Board. During the Initial Control Period, the Sponsor has the right to appoint a majority of the members of the Residential Board and the Condominium Board (and therefore control such Boards). After the Initial Control Period, Sponsor may control the Residential Board during the Sponsor Control Period if Sponsor's nominees receive a majority of votes cast at any election of the Residential Board (whether from Sponsor or other Unit Owners). During the Initial Control Period and the Sponsor Control Period, any member of the Residential Board who is designated by Sponsor shall automatically be designated as one of the Residential Board members that is appointed to and serves on the Condominium Board. Therefore, during the Initial Control Period and Sponsor Control Period, Sponsor will also control the Condominium Board.

B. Sponsor may be able to elect members of the Condominium Board and/or Residential Board as a result of its ownership of or interest in Unsold Units. After the Initial Control Period, Sponsor may retain voting control of the Residential Board if Sponsor is able to cast sufficient votes at such meeting to establish such control. During the Initial Control Period, Sponsor could control both of the Boards notwithstanding the fact that Sponsor no longer owns Units. Sponsor reserves the right to relinquish and regain voting control of both of the Boards at any time. During the period that Sponsor controls the Condominium Board or the Residential Board, as the case may be, Sponsor will have control of Maintenance, Facilities and services to be provided to Unit Owners and will determine the Common Charges payable by all Residential Unit Owners and Commercial Unit Owners.

C. The Residential Board will call for its first annual meeting no later than one (1) year after the First Closing. The first annual meeting shall be held not less than ten (10) days nor more than forty (40) days after the sending of the notice of the meeting.

D. The five (5) member Condominium Board shall be comprised of three (3) of the five (5) members of the Residential Board, one (1) member designated by the Commercial Unit 1 Owner and one (1) member designated by the Commercial Unit 2 Owner. After the Initial Control Period, the Residential Board members may elect to reduce the Residential Board from five (5) members to three (3) members by a majority vote without an amendment to the By-Laws. The number and composition of Condominium Board members may not be changed except in accordance with the procedures described in the By-Laws. Notwithstanding anything to the contrary set forth above, no Residential Unit Owner may be elected to serve on any Board if any Board has perfected a lien against such Residential Unit Owner's Unit which lien has not been satisfied at the time of the election. In no event shall a Condominium Board member designated by a Commercial Unit Owner replace a Residential Board member on the Condominium Board and vice versa. Notwithstanding the foregoing, prior to the first annual meeting of Residential Unit Owners, the Residential Board shall consist of three (3) members designated by Sponsor who shall serve on the Condominium Board.

E. Within ten (10) days after the termination of the Initial Control Period, one (1) of the Sponsor designated members of the Residential Board shall resign in which event a Residential Unit Owner meeting will be held to elect new board member unrelated to the

Sponsor within thirty (30) days after the expiration of the Initial Control Period. Nothing contained herein shall be deemed to limit the right of Sponsor to cast its votes for individuals nominated to the Condominium Board or the Residential Board who are not nominated or designated by Sponsor, which individuals, if elected, shall not be deemed Sponsor nominees or designees and shall not be deemed to cause Sponsor to control either the Condominium Board or the Residential Board after the Initial Control Period.

F. Except as otherwise provided in this Plan, Sponsor may exercise veto power over some actions of the Condominium Board and the Residential Board. Until Sponsor has conveyed title to all Units, but in no event later than the later to occur of (i) five (5) years after the First Closing or (ii) the date on which the Unsold Units constitutes less than twenty-five percent (25%) of the Common Interest, the Condominium Board or the Residential Board may not take any of the following actions without prior written consent of Sponsor: (a) make any Alteration to the Common Elements or to any Unit, or (b) assess any General Common Charges, or Residential Common Charges for the creation of, addition to or replacement of all or part of a working capital, reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of, employees described to in the Plan, or (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those described in the Plan except as is required to reflect normal annual increases in services, or (e) borrow money, or (f) exercise a right of first refusal to lease or purchase a Residential Unit.

G. During the Initial Control Period, Sponsor may not exercise veto power over expenses described in the initial operating budget set forth as Schedule B in the Plan or over expenses required (i) to comply with applicable Laws; or (ii) to remedy any notice of violation; or (iii) to remedy any work order by an insurer; or (iv) to ensure the health and safety of the occupants of the Building. Sponsor may exercise veto power over expenses other than those set forth in the foregoing sentence, but such veto power shall not extend to any period that is the sooner of five (5) years after the First Closing or whenever the Unsold Units constitute less than twenty-five percent (25%) of the Common Interest

H. For so long as Sponsor owns at least two (2) Unsold Units the number of members of the Residential Board and/or Condominium Board may not be increased without the consent of Sponsor.

BOARDS OF MANAGERS

A. Generally the affairs of the Condominium shall be governed by the Condominium Board, the affairs of the Residential Section will be governed by the Residential Board and the affairs of the Commercial Section will be governed by the Commercial Unit Owners. Prior to the first annual meeting of Residential Unit Owners, the Residential Board shall initially be comprised of three (3) representatives whom shall be designated by Sponsor and who shall serve on the initial Condominium Board.

B. On or before the date which is one (1) year after the First Closing, the Residential Board will call for the first annual meeting of Residential Unit Owners, such meeting to be held not less than ten (10) days nor more than forty (40) days after the date such notice is given. At the first annual meeting, the incumbent Residential Board shall resign and the Residential Unit Owners shall elect a new Residential Board consisting of five (5) members (subject to Sponsor's rights to appoint a majority of the members of the Residential Board, as more particularly described in the Section of the Plan entitled "Control by Sponsor."). Thereafter, at each annual meeting, members of the Residential Board shall be elected and shall serve until the next annual meeting thereof and until a successor has been elected and qualified. The members of the Residential Board shall designate three (3) of the five (5) members to also serve on the Condominium Board. After the Initial Control Period, the Residential Board members may elect to reduce the Residential Board from five (5) members to three (3) members by a majority vote without an amendment to the By-Laws. Any member of the Residential Board who is designated by Sponsor shall automatically be designated as one of the Residential Board members that is appointed to and serves on the Condominium Board. In addition to the foregoing, (a) for so long as Sponsor owns less than 50% of the Residential Units, but more than 15% of the Unsold Residential Units, Sponsor shall have the right to designate at least two (2) members of the Residential Board who shall sit on the Condominium Board and (b) for so long as Sponsor owns at least two (2) of the Unsold Residential Units, but less than 15% of the Unsold Residential Units, Sponsor shall have the right to designate at least one (1) member of the Residential Board who shall also sit on the Condominium Board.

C. The Condominium Board shall be comprised of five (5) members: the three (3) of the five (5) members of the Residential Board, one (1) member designated by the Commercial Unit 1 Owner and one (1) member designated by the Commercial Unit 2 Owner. There is no limit on the length of time that Sponsor may control the Residential Board or the Condominium Board. During the Initial Control Period, the Sponsor has the right to appoint a majority of the members of the Residential Board and the Condominium Board (and therefore control such Boards). Sponsor may control the Boards beyond the Initial Control Period if Sponsor's nominees receive a majority of votes cast at any election of the Residential Board (whether from Sponsor or other Residential Unit Owners). Sponsor reserves the right to relinquish and regain voting control of the Residential Board and/or the Condominium Board at any time. During the period that Sponsor controls the Condominium Board and/or the Residential Board, as the case may be, Sponsor will have control of Maintenance, facilities and services to be provided to Unit Owners and will determine the Common Charges payable by Residential Unit Owners and Commercial Unit Owners.

D. The Condominium Board shall meet at least once annually.

E. Except for Board members designated by Sponsor, all members of the Board must be either Unit Owners or certain parties (e.g. directors, shareholders of Unit Owners) as described in the By-Laws.

F. The Boards shall collectively have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium. Generally, all determinations which affect only the Residential Section and do not adversely affect the Commercial Section, or the use of the Commercial Units for their permitted purposes, shall be made by the Residential Board. All determinations which affect only the Commercial Section and do not adversely affect the Residential Section or the use of Residential Units for their permitted purposes or the General Common Elements, shall be made by the Commercial Unit Owners. Generally, all other determinations with respect to the administration of the affairs of the Condominium including those which (i) relate to the Residential Section and do not adversely affect the Commercial Section, and vice versa, or (ii) relate to or affect the General Common Elements, shall be made by the Condominium Board.

G. As more fully set forth in the By-Laws, all determinations required to be made by the Residential Board or the Condominium Board shall be by majority of the votes cast at any meeting at which a quorum is present. Any dispute between the Residential Board and the Condominium Board as to which Board or entity shall be entitled to make any determination shall be settled by arbitration in the manner provided in the By-Laws.

H. For convenience of operation of the Condominium, any Board may designate the other Board to act as its agent with respect to any matters the determination concerning which is entitled to be made by such designating entity.

I. In exercising their respective powers and performing their respective duties under the Declaration and the By Laws, each Board shall act in good faith as, and shall be, the agent of the Unit Owners such Board represents, subject to and in accordance with the provisions of the Declaration and the By Laws

J. Annual meetings of Residential Unit Owners shall be held within approximately thirty (30) days of each anniversary of the first annual meeting. At such meetings, the Residential Unit Owners shall elect two (2) of the three (3) member Residential Board, subject to any rights of Sponsor to designate Board members, and there shall also be transacted such other business as may properly come before such meetings. In addition, special meetings may be held from time to time pursuant to the By-Laws. The Secretary of the Residential Board shall mail a notice of each annual or special meeting of the Residential Section to all Residential Unit Owners of record. The notice, which will generally be given at least ten (10) days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the By-Laws or Declaration, at all meetings of Residential Unit Owners, the presence in person or by proxy of Residential Unit Owners owning more than thirty (30%) percent of the Common Interests attributable to all Residential Units shall constitute a quorum and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Residential Unit Owners. Except as otherwise provided in the By-Laws or Declaration, if any joint meeting between Residential Unit Owners and the Commercial Unit Owners is held, the presence in person or by proxy of more than fifty (50%)

percent of the Common Interests attributable to all Units shall constitute a quorum and a majority of votes cast at any such meeting at which a quorum is present shall be binding on all Unit Owners.

K. At all meetings, each Unit Owner (or such Unit Owner's proxy) entitled to vote thereat (including Sponsor with respect to Units then owned by Sponsor) shall be entitled to cast one vote for each .0001% of interest in the Common Elements attributable to such Unit Owner's Unit or Units.

L. The principal officers of the Residential Board shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Residential Board. The principal officers of the Condominium Board shall be a President who shall be the same person serving as President of the Residential, a Vice President, who shall be designated by the members of the Board designated by the Commercial Unit Owners, a Secretary, who shall be the same person serving as Secretary of the Residential Board and a Treasurer, who shall be the same person serving as Treasurer of the Residential Board. The initial members of the Condominium Board shall be Andrew B. Cohen, Jeffrey Goldberger and Erin Gabrielli, who shall serve as President, Vice President and Treasurer and Secretary of the Condominium Board respectively. Each of these individuals is a principal of or is affiliated with Sponsor or its principals.

M. As more particularly set forth in the By-Laws, the Condominium Board and the Residential Board may appoint additional officers. Except as otherwise provided by the Board for which such officer serves, no officer shall receive any compensation for acting as such.

N. The By-Laws provide that all instruments of a Board are to be executed by any officer thereof or by such other person or persons as may be designated by the applicable Board. However, by resolution of such Board, such Board may require that any expenditure in excess of a specified amount be countersigned by two (2) members of the said Board.

O. The term of office of the members of the Residential Board and Condominium Board shall be for one (1) year or until their successors are elected. Members of the Residential Board and Condominium Board shall serve without compensation. Any member of the Boards may resign at any time by written notice hand delivered or sent by certified mail, return receipt requested, to the President or Secretary of the applicable Board. Notwithstanding the term of such member's office, such resignation shall take effect at the time specified therein.

P. Upon the affirmative vote of a majority of the members of the applicable Board, any officer may be removed, either with or without cause. A successor officer may be elected at any regular Board meeting or at any special Board meeting called for such purpose subject to the rights of the Sponsor and the Commercial Unit Owner to replace any officer that it originally designated.

Q. A member of the Residential Board designated or elected by the Residential Unit Owners may be removed with or without cause by an affirmative vote of a Majority of Residential Unit Owners (as defined in the By-Laws) who are present at a meeting containing a quorum of Residential Unit Owners; provided, however, that Residential Board members

designated by Sponsor may only be removed with cause and replaced by another Sponsor designee. No member of the Residential Board shall continue to serve on the Residential Board if, during such Residential Unit Owner's term of office, said member shall cease to be a Residential Unit Owner or an interested party as described in Section 2.1.4 of the By-Laws; provided, however, that this provision respecting Residential Unit ownership and Residential Board membership shall not apply to members of the Residential Board designated by Sponsor.

R. Each Board shall obtain or ensure maintenance of fidelity bonds or insurance, in amounts deemed appropriate by it, for all of its members, officers and employees and for the Managing Agent, if any, employed by it and the premiums on such bonds or insurance shall constitute General Common Expenses, Commercial Common Expenses, or Residential Common Expenses, as the case may be. The amount and cost of the bonds has been provided for in Schedule B. The By-Laws provide that to the extent permitted by applicable Law, no member of any Board shall have any personal liability with respect to any contract, act or omission of any Board or of any Managing Agent in connection with the affairs or operation of the Condominium, the Commercial Section, or the Residential Section or any Limited Common Element (except in their capacities as Unit Owners). Board members shall have no liability to Unit Owners except that a Board member shall be liable for such Board member's own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member and each Residential Board member, as the case may be, against any liability or claim except those arising out of such member's own bad faith or willful misconduct.

S. In exercising their respective powers and performing their respective duties under the Declaration and the By-Laws, each Board shall act in good faith as, and shall be, the agent of the Unit Owners such Board represents, subject to and in accordance with the provisions of the Declaration and the By-Laws.

T. Under the terms of the By-Laws, if required under the terms of any Construction Loan, in the event of a default under such Construction Loan, the Construction Lender will be entitled to designate, remove or replace the members of the Boards which the Unit Owners whose Units are subject to the lien of said Construction Loan.

U. Generally, subject to certain exceptions concerning, among other things, Sponsor, the Commercial Section, and Unsold Units, and provided that required consents of the Residential Mortgage Representatives, if any, are obtained, any provision of the Declaration, By-Laws or Rules and Regulations affecting (a) only the Residential Section or the Residential Unit Owners may be amended, modified, added to or deleted by affirmative vote of at sixty-six and two-thirds percent (66 2/3%) in number and in Common Interest of all Residential Unit Owners, (b) only the Commercial Section or the Commercial Unit Owners may be amended, modified, added to or deleted by affirmative vote of at least sixty-six and two-thirds percent (66 2/3%) in number and in Common Interest of the Commercial Unit Owners and (c) the General Common Elements or all Unit Owners may be amended, modified, added to or deleted by affirmative vote of at least sixty-six and two-thirds percent (66 2/3%) in number and in Common Interest of all Unit Owners; provided, however, that the Common Interest appurtenant to each Unit may not be altered without the written consent of all Unit Owners directly affected thereby.

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

W. It is possible that amendments, modifications, additions or deletions of or to the Declaration, By-Laws and Rules and Regulations may be necessary, appropriate or desirable in connection with the operation of the Commercial Section, the subdivision of any Commercial Unit into individual commercial condominium units and/or the offering for sale or lease of all or any portion of the Commercial Units. In connection therewith, the Commercial Unit Owners may, subject to compliance with all applicable Laws and governmental regulations, if any, cause the Declaration, By-Laws and Rules and Regulations to be amended, modified, added to or deleted from and the resulting provisions thereof may be similar or dissimilar to those affecting the Residential Section and Residential Unit Owners.

X. As more particularly set forth in the Special Risk Section and the Section of the Plan entitled "Rights and Obligations of Sponsor", it is possible that a significant portion of Unit Owners will not be residents of the Building and that a significant portion of occupants in the Building may not be Unit Owners. The By-Laws do not include a provision that after the Initial Control Period, a majority of the Residential Board and/or Condominium Board must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals. Purchasers for their own occupancy may never gain control of the Residential Board and/or the Condominium Board under the terms of this Plan. In addition, non-resident owners, including Sponsor, have different economic interests in their respective Units and, therefore, do not share the same economic interests as Unit Owners in the maintenance and care of the Building's facilities and amenities. As a result, 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).

RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE BOARDS OF MANAGERS

Sales and Leases of Units

A. Subject to certain exceptions set forth in Article 8 of the By-Laws, each Residential Unit Owner may (i) sell their Residential Unit and (ii) lease their Residential Unit for a term of not less than one (1) year and not more than two (2) years, together with its Common provided however that such sale or lease of a Residential Unit shall be subject to a right of first refusal by (x) Sponsor (during the Sponsor ROFR Period); and (y) the Residential Board on behalf of the Residential Unit Owners on the same terms and conditions as agreed to by the owner of such Residential Unit and the proposed transferee. The parties' respective right of first refusal shall be exercised as more particularly set forth in Article 8 of the By-Laws, which is set forth as an Exhibit in Part II of the Plan. The Residential Board shall not exercise its right of first refusal to purchase or lease any Residential Unit without the prior approval of a Majority of all Residential Unit Owners. However, no such consent shall be required in the event a designee of the Residential Board purchases or leases a Residential Unit. The rights of Sponsor shall have priority to the extent both Sponsor and the Residential Board, either by designee or on behalf of all Residential Unit Owners, seek to purchase or lease such Residential Unit. If either the Residential Board, on behalf of Residential Unit Owners, or the Sponsor elect to exercise their respective right of first refusal to purchase a Residential Unit certain taxes and other monies, which may be the responsibility of the buyer, will be the responsibility of the seller. Notwithstanding anything to the contrary contained hereinabove, during the Sponsor ROFR Period, the Residential Board shall not have the right to appoint a designee to purchase or lease a Residential Unit without first obtaining the written approval of the Sponsor. Other than exercising their respective right of first refusal, neither Sponsor nor the Residential Board have a right to approve or disapprove prospective purchasers and the By-Laws contain no requirement that such Purchasers be owner-occupants of the Condominium. Notwithstanding anything to the contrary contained hereinabove, Sponsor and the Commercial Unit Owners may sell or lease all or any portion of their respective Units, without any restriction or limitation imposed pursuant to the Declaration or the By-Laws. (For a more complete discussion of the foregoing, see Article 8 of the By-Laws set forth as an Exhibit in Part II of the Plan).

B. In the event that a Residential Unit is to be leased by an Inside Offeror, the Residential Unit Owner shall execute and deliver to the Inside Offeror a lease covering such Residential Unit by and between the Residential Unit Owner, as landlord, and the Inside Offeror, as tenant. Such lease shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., and shall contain all of the terms and conditions of the Lease Agreement not in conflict with such form of lease, including, without limitation, the rental and term provided for therein. Notwithstanding anything to the contrary set forth hereinabove or in the Lease Agreement, however, such lease shall expressly provide that the Inside Offeror may enter into a sublease of the premises demised thereunder without consent of the landlord. Each lease of a Residential Unit to an Outside Offeror shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., subject to such modifications as may be approved in writing by the Residential Board or such other form approved in writing by the Residential Board. Notwithstanding the foregoing, however, each such lease shall be consistent with the Condominium Documents and shall expressly provide that:

(i) "THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE HEREBY MADE EXPRESSLY SUBJECT TO THE RIGHTS IF ANY, OF THE SPONSOR AND/OR THE RESIDENTIAL BOARD OF THE CONDOMINIUM WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN PURSUANT TO THE TERMS OF THE BY-LAWS OF THE CONDOMINIUM, AS THE SAME MAY HAVE BEEN AMENDED."

(ii) such lease may not be amended, modified, or extended without the prior written consent of the Residential Board in each instance;

(iii) the tenant thereunder shall not assign the tenant's interest in such lease or sublet the premises demised thereunder or any part thereof without the prior written consent of the Residential Board in each instance; and

(iv) the Residential Board shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of (x) a default by the tenant in the performance of its obligations under such lease or (y) a foreclosure of the lien granted by Section 339-z of the Condominium Act.

Purchasers should refer to their own attorneys for guidance regarding their rights and obligations as a landlord under a lease for a Residential Unit.

C. Except as otherwise set forth herein, there are no limitations on who may purchase Units. Title to any Unit may be taken by any Person or by any two or more Persons as joint tenants, tenants in common, or tenants by the entirety, or by any other entity legally entitled to take title to property. The sale of a Unit to a corporation, partnership, limited partnership, trust or any other entity legally entitled to own real property (including a Government Entity) may require the delivery to the Condominium Board or its Managing Agent at Closing, any and all documents as are reasonably requested by the Condominium Board, including without limitation, a personal guaranty, a subjection to jurisdiction, an occupancy agreement, an escrow agreement and an amount equal to the current common charge for such Unit for a period of one (1) year, to be held in escrow by the Condominium Board or its Managing Agent, as security for the faithful observance by such Unit Owner of the terms, provisions and conditions contained in the By-Laws.

D. Any purported sale or lease of a Residential Unit in violation of Article 8 of the By-Laws shall be voidable at the election of the Residential Board or the Sponsor, as the case may be.

E. In the event the Residential Board exercises its right of first refusal to purchase a Residential Unit together with its Common Interest, such purchase may be made from the funds deposited in the capital and/or expense accounts of the Condominium or the Residential Board may levy a Special Assessment against each Residential Unit Owner in accordance with the terms of the By-Laws and/or the Residential Board may, in its discretion, finance the acquisition of such Residential Unit; provided, however, that no such financing may be secured by an

encumbrance on or a hypothecation of any portion of the Property other than the Residential Unit to be purchased together with its Common Interests.

F. With respect to the right of first refusal, neither the Residential Board nor the Sponsor may not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law.

G. The restrictions upon the sale and lease of Residential Units provided in Article 8 of the By-Laws shall not apply to Sponsor with respect to any Unsold Units or to Residential Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure, and they shall be free to sell or lease without first offering to sell or lease to the Residential Board.

H. The right of first refusal granted to the Sponsor and the Residential Board shall not apply with respect to any sale, lease or conveyance of a Residential Unit, together with its Common Interests, to (i) the Residential Unit Owner thereof to any adult Family Members, to any combination of the same, or to a trust for the benefit of any of them (in which case the Residential Board shall have the right to review the trust documents and provide for such terms and restrictions on such transfer as the Residential Board deems advisable), provided, however, that if the succeeding Residential Unit Owner is an infant or a person judicially declared incompetent of managing affairs, then such Residential Unit shall be held by the personal representative of such infant or incompetent, or in the case of a Residential Unit Owner that is not an individual, to any entity or individual that owns more than 50% of the legal and beneficial interests of such Residential Unit Owner or to any entity with respect to which such Residential Unit Owner (individual or otherwise) owns more than 50% of the legal and beneficial interest thereof; (ii) Sponsor; (iii) any Board; (iv) any proper officer conducting the sale of a Residential Unit in connection with the foreclosure of a mortgage or other lien covering such Residential Unit or delivering a deed in lieu of such foreclosure; or (v) any Permitted Mortgagee or its nominee, who has acquired title to any Residential Unit at any foreclosure sale of its Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction; provided, however, that each succeeding Residential Unit Owner shall be bound by, and the Residential Unit shall be subject to, all of the terms and conditions of Article 8 of the By-Laws.

I. Prior to the closing of title to a Residential Unit, the Agreement prohibits a Purchaser from advertising, listing, offering, promoting or publicizing the availability the Residential Unit for resale or rental with any broker or otherwise, without Sponsor's prior written consent.

J. No Unit Owner shall execute any deed or other instrument conveying title to the Unit without including therein its Common Interest, it being the intention to prevent any severance of such combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the 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 Common Interest of all Units. Nothing contained herein, however, shall prohibit the lease of any Unit without the simultaneous lease of its Common Interests.

K. No Unit Owner shall be permitted to convey or lease the Unit unless the Unit Owner shall have paid in full to the appropriate Board all unpaid Common Charges, Special Assessments and/or Unit Owner Expenses theretofore assessed against such Unit and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Unit. However, where the payment of such unpaid Common Charges and/or Special Assessments is made by the grantee or provided for out of the proceeds of the sale, a sale may take place notwithstanding the foregoing.

L. At the time of acquiring title to a Unit and as a condition thereof, the Purchaser shall, at Closing, duly execute, acknowledge and deliver to the representative of the title insurance company (or, if no such representative is present, to the Condominium Board) for recording in the Register's Office (at such Unit Owner's sole cost and expense), the Unit Owner's Power of Attorney required in Article 17 of the Declaration, in the form set forth as Exhibit E to the Declaration.

M. The Condominium Board has the right, but not the obligation, to require that that certain additional conditions be satisfied before any Unit is conveyed to a Government Entity which has Immunity. Specifically, the Condominium Board may require that the potential grantee enter into an agreement with the Condominium Board, on terms acceptable to the Condominium Board and its counsel, in which the potential grantee (i) agrees to a specified arrangement for service of process, (ii) expressly and irrevocably waives, to the full extent permitted by Law (including, without limitation, the United States Foreign Sovereign Immunities Act, as same may be amended), with respect to the potential grantee and with respect to any and all other intended occupants of the Unit, Immunity, (iii) agrees that any legal action or proceeding with respect to the Unit may be brought and maintained in the courts of the State of New York, and in the County of New York, or in the United States District Court for the Southern District of New York, as the Condominium Board shall elect, (iv) obtains the consent for such waivers and other actions required by this paragraph from any United States or foreign government, sovereign or otherwise, and (v) permits execution and enforcement of any judgment obtained by the Condominium Board. The foregoing provisions do not apply to sales of Unsold Units. In addition, all purchasers of a Unit in the Building who are a Government Entity may be required, at the sole discretion of the Condominium Board, to deposit into escrow an amount equal to one (1) year of Common Charges then in effect to secure their obligations under the Declaration and the By-Laws (the "Security") and to execute an agreement concerning the Security which is acceptable to the Condominium Board. In the event of any default in the payment of Common Charges and/or Special Assessments by any Governmental Entity (after notice and expiration of the applicable cure period as provided in the By-Laws, if any) with respect to the payment of Common Charges and/or Special Assessments which are the obligation of the Governmental Entity as a Unit Owner to observe, perform or keep under the terms of the Declaration and By-Laws, the Condominium Board may enforce the provisions of the By-Laws and use, apply or retain the whole or any part of the Security being held by the Condominium Board to the extent required for the payment of any Common Charges, Special Assessments or any other payments as to which such Governmental Entity shall then be in default (after notice and expiration of the applicable cure period, if any) or for any monies which the Condominium Board may expend or may be required to expend by reason of the Governmental Entity's default (after notice and expiration of the applicable cure period, if any). If the whole or any part thereof shall be so used, applied or retained by the Condominium Board as aforesaid, then such

Governmental Entity shall, upon written demand from the Condominium Board, immediately deposit with the Condominium Board an amount in cash equal to the amount so used, applied or retained, so that the Condominium Board shall have the entire Security on hand at all times during the Governmental Entity's ownership of a Unit in the Building. The failure by the Unit Owner after due demand to deposit and maintain the full amount of the Security, shall constitute a separate default under the By-Laws, which shall entitle the Condominium Board to all of the rights and remedies available hereunder. In the event that a Government Entity shall fully and faithfully comply with all of the terms, provisions, covenants, agreements and conditions of the By-Laws, the Security shall be returned to such Government Entity within thirty (30) days after the transfer or sale of such Government Entity's Residential Unit to a non-Government Entity.

Use of Units

A. Residential Units shall be used for residential purposes only (except as described below). The Residential Board, may in its sole discretion, permit a Residential Unit to be used for other purposes provided such use is permitted by Law, does not violate the then existing Certificate of Occupancy and complies with all applicable governmental regulations. **Notwithstanding the foregoing, Sponsor may, without the permission of the Residential Board (a) use or grant permission for the use of any Unsold Residential Unit as a professional office or for any other purpose, including, without limitation, use as a long or short term rental, transient hotel, timeshare or other use, provided such use is permitted by Law, does not violate the then existing certificate of occupancy for such Residential Unit (subject to Sponsor's right to amend the certificate of occupancy to conform to use as provided in the By-Laws), and the occupant of such Unsold Residential Unit complies with all applicable governmental regulations with respect to such use, and (b) retain ownership of one or more Unsold Residential Units for use as models and sales, rental and/or promotion offices in connection with the sale or rental of other Residential Units in the Condominium or in buildings in the vicinity in which principals of Sponsor may have an interest.**

B. All windows contained within Residential Units are floor to ceiling sliding windows. It is the responsibility of each Residential Unit Owner to notify the Managing Agent in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in a Residential Unit. There is a non-climbable glass guard rail 42" high immediately outside each sliding glass window/door panel except for those facing the Terraces.

C. The current zoning Law permits a person who resides in a Residential Unit to use up to 25% of the floor area of such Unit Owner's Residential Unit (but in no event to exceed 500 square feet) for certain home occupations including a fine arts studio, professional offices (e.g., lawyer, doctor or dentist) and teaching of not more than four (4) persons. Sponsor makes no representation as to whether a particular occupation or proposed use qualifies as a permitted use and Purchasers are advised to consult their own counsel with respect to such matters. No transient tenant may be accommodated in a Unit, except in Unsold Units, as permitted by Law. Such home occupation use may only be engaged in with the consent of the Residential Board or by Sponsor, as more particularly provided in the By-Laws. (See a copy of the By-Laws set forth as an Exhibit in Part II of the Plan.)

D. Except as otherwise prohibited under the By-Laws, the Commercial Units may be used for any purpose permitted by Law, including, without limitation, retail stores, banks, and commercial and professional offices. No income derived from any use of the Commercial Units will constitute income to either Board or Residential Unit Owners.

E. No nuisance, immoral, improper, offensive or unlawful use shall be allowed in the Building or any portion thereof, nor shall any use or practice be allowed in the Building which is a source of annoyance to the residents or occupants of the Property or which interferes with the peaceful possession or proper use of the Property by its residents or occupants

F. All valid Laws of governmental bodies having jurisdiction thereof relating to any portion of the Property shall be complied with at the sole expense of the respective Unit Owners or Boards, whoever or whichever shall have the obligation to Maintain or repair such portion of the Property.

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

H. No awnings, air conditioning equipment or ventilators shall be installed or modified in the Residential Section without prior written approval of the Residential Board. No radio or television aerial, satellites or other similar devices shall be erected by Residential Unit Owners or Commercial Unit Owners on the Roof, Bulkhead Roof or Exterior Facade, windows or Terraces of the Building or on the Property, without obtaining in each instance the written consent of the Condominium Board.

I. The maintenance, keeping, boarding and/or raising of pot belly pigs, rodents (i.e., mice, gerbils, hamsters, guinea pigs, rabbits, ferrets etc.), livestock, poultry or reptiles of any kind, regardless of number, is prohibited within any Residential Unit or upon the Common Elements, except that, subject to this provision and the Rules and Regulations, the keeping of orderly domestic pets (which includes only dogs, cats or caged birds) and aquarium fish is permitted; provided, however, that (i) any orderly domestic pets (other than those contained at all times in aquariums or cages which shall be limited to a reasonable number determined by the Residential Board) shall not exceed two (2) per Residential Unit or any breed deemed inappropriate or dangerous by the Residential Board without the approval of the Residential Board; (ii) such orderly domestic pets or fish are not kept or maintained for commercial purposes or for breeding; and (iii) any such orderly domestic pets or fish causing or creating a nuisance or unreasonable disturbance may be permanently removed from the Condominium upon ten (10) days written notice from the Board. A photograph of each orderly domestic pet, with the name and Residential Unit number of the pet owner, shall be delivered to the Board as a condition precedent to the entry of such pet into the Condominium. All orderly domestic pets shall be licensed and inoculated as required by Law. The Board may establish reasonable fees for registration of orderly domestic pets. No orderly domestic pets shall be permitted in any part of the Condominium (other than within the Residential Unit of the owner thereof) unless carried or on a leash or in a carrying case. Leashes may not exceed a length which will permit close control of the pet. Owners of pets must immediately and adequately clean up their pet's

droppings in all areas of the Property including, without limitation, the sidewalks, exterior landscapes and all other areas. The Residential Board or the Condominium Board may establish such other rules and regulations concerning pets as it deems necessary or appropriate, including, without limitation, the right to prohibit pets. In the event of the adoption of a rule prohibiting pets (other than pets needed by persons with disabilities), any Residential Unit Owner who maintained an orderly domestic pet at the time of the adoption of such rule shall have the right to retain such pet (unless such pet is otherwise deemed to constitute a nuisance or be in violation of the these provisions or the Rules and Regulations), but shall not have the right to replace such pet or subsequently acquire additional pets. Any Residential Unit Owner keeping a pet or animal in violation of these provisions or which causes any damage to or requires cleanup of any Unit or the Common Elements or which is offensive or creates any nuisance, danger or unreasonable disturbance or noise, shall be personally liable for the cost and expense of such repair, clean up or elimination of such disturbance or nuisance. Each Residential Unit Owner who keeps any type of permitted pet in such Residential Unit Owner's Residential Unit will be required to abide by any and all Rules and Regulations of the Residential Board or the Condominium Board adopted with respect thereto and may be required to enter into an agreement with the Condominium Board or the Residential Board governing the maintenance of such pets. Any Residential Unit Owner who keeps or maintains any pet upon any portion of the Condominium shall indemnify and hold each Board, the Managing Agent, and other Unit Owners and the Sponsor free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet within the Condominium.

J. Each Unit Owner shall keep such Unit Owner's Unit in a good state of preservation and cleanliness and each Unit Owner shall be obligated to Maintain and keep in good order and repair such Unit Owner's own Unit in accordance with the provisions of the By-Laws and the rules and regulations of municipal departments or agencies having jurisdiction thereof. The Rules and Regulations concerning the use of Residential Units may be amended from time to time by the Residential Board provided that copies thereof are furnished to each Residential Unit Owner prior to the time that they become effective (except that no amendment thereof affecting the Commercial Units or Unsold Residential Units may be made unless agreed to by the Commercial Unit Owners or Sponsor, as the case may be).

Mortgage of Units by Unit Owners

A. Each Residential Unit Owner may mortgage such Residential Unit Owner's Residential Unit, provided that the conditions with respect thereto set forth in the By-Laws are first complied with by such Residential Unit Owner. As more fully set forth in the By-Laws, these conditions include the requirements that (a) the mortgage be substantially in the form of the New York Board of Title Underwriters form of mortgage, or such other form approved by the Residential Board, (b) the Residential Board is notified in writing of the making of such mortgage and receives a conformed copy of the note and mortgage and (c) the Residential Unit Owner making such mortgage first satisfies all unpaid liens against such Residential Unit Owner's Residential Unit, other than Permitted Mortgages. Each Commercial Unit Owners shall have the right to mortgage its respective Commercial Unit without any restriction or limitation.

B. In certain instances the consent of the Residential Mortgage Representative is necessary in order to amend the Declaration, By-Laws or Rules and Regulations. The By-Laws

provide that no more than three (3) Residential Mortgage Representatives shall be designated by the holders of Residential Permitted Mortgages.

Common Charges: Determination and Assessment

A. The Condominium Board shall from time to time, and at least annually, prepare a budget (or cause the Managing Agent to prepare a budget) to meet General Common Expenses which shall be allocated amongst and assessed to the Unit Owners, in accordance with their respective Common Interests (except as otherwise expressly provided in the Declaration or these By Laws or to the extent a different method or percentage of allocation is described in the Schedule B – operating budget- set forth in the Plan). In addition to allocating General Common Expenses based upon Common Interest, the Condominium Board may also make allocations and assessments of General Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of the Law. The Condominium Board's authority shall include the right to base the amount of General Common Expenses on actual costs and expenditures and/or to make retroactive adjustments to the amount of General Common Expenses payable by all Unit Owners for any period to reflect actual operating costs for such period. Notwithstanding anything to the contrary set forth above, the Condominium Board may not increase or decrease the number of building employees servicing the Commercial Units or categories of services, utilities or supplies provided to the Commercial Units in such a manner as would increase or decrease the General Common Expenses otherwise payable by the Commercial Unit Owners, without the consent of the Commercial Unit Owners.

B. The Residential Board shall from time to time, and at least annually, prepare (or cause the Managing Agent to prepare) a budget to meet Residential Common Expenses and shall allocate and assess charges to the Residential Unit Owners, in accordance with their respective Residential Common Interests (except as otherwise provided in the Declaration or the By Laws) to meet (a) Residential Common Expenses and (b) the Residential Unit Owner's share of General Common Expenses. From time to time the Residential Board may increase or decrease the amount of Residential Common Expenses payable for a fiscal year or any portion thereof to meet a revised estimate or determination of Residential Common Expenses for such fiscal year or any portion thereof. In addition to basing charges on Residential Common Interests, the Residential Board may also make allocations and assessments of Residential Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of Law. The Residential Board's authority shall include the right to base the amount of Residential Common Expenses on actual costs and expenditures and/or to make retroactive adjustments to the amount of Residential Common Expenses payable by Residential Unit Owners for any period to reflect actual operating costs for such period

C. Except as otherwise provided in the Declaration and By-Laws, all costs and expenses in connection with the Commercial Common Elements, if any, shall be determined by the members of the Condominium Board designated by the Commercial Unit Owners and shall be borne solely by the Commercial Unit Owners. Notwithstanding anything to the contrary in this Section, if a Commercial Limited Common Element benefits only certain Commercial Unit Owners, then the Commercial Section's costs of Maintenance and Alterations thereto (except in

connection with a casualty or condemnation) shall be borne solely by those Commercial Unit Owners who benefit from the Limited Common Element in the proportion that the Common Interest of each benefiting Commercial Unit Owner bears to the Common Interest of all benefiting Commercial Unit Owners. In addition, except as otherwise provided in the By-Laws, such Commercial Unit Owners shall be responsible for the Maintenance and operation, including but not limited to the cost of staff necessary for such operation and Maintenance, of any such Commercial Limited Common Element at their sole cost and expense. Commercial Common Expenses shall also include all such other items provided for in the Declaration or these By-Laws to be Commercial Common Expenses. The Condominium Board will bill the Commercial Common Charges to the Commercial Unit Owners and the Commercial Unit Owners will pay Commercial Common Charges to the Condominium Board in accordance with the provisions of the By-Laws.

D. "Special Assessments" shall be defined to include those assessments levied against Unit Owners for the purpose of paying non-recurring, extraordinary expenses affecting the Common Elements, including without limitation, capital expenses relating to the Common Elements. All Special Assessments relative to (i) the General Common Elements shall be levied by the Condominium Board against all of the Unit Owners in the proportion of each Unit Owner's respective Common Interests, (ii) the Residential Common Elements or Residential Limited Common Elements (unless such expense is the responsibility of a particular Unit Owner as more particularly set forth in the Declaration and By-Laws) shall be levied by the Residential Board against all of the Residential Unit Owners in the proportion of each Residential Unit Owner's respective Residential Common Interests or (iii) the Commercial Common Elements or Commercial Limited Common Elements shall be levied by the Condominium Board against all of the Commercial Unit Owners in the proportion of each Commercial Unit Owner's respective Common Interests bears to the Common Interest of the other benefitted or affected Commercial Unit Owners. Such Special Assessments shall be payable by the Unit Owners in addition to their respective obligations to pay Common Charges as herein above provided. Special Assessments may be payable either in one lump sum or in installments, as the Condominium Board or Residential Board, as applicable, shall determine, provided, however that the Condominium Board or Residential Board shall give each Unit Owner not less than thirty (30) days' prior written notice, except in the case of an Emergency, prior to the date upon which such Special Assessment, or the first installment thereof, shall be due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. Special Assessments shall be deemed to be Common Charges for purposes of the Declaration and the By-Laws. The Condominium Board and Residential Board shall have all rights and remedies for the collection of Special Assessments as are provided herein for the collection of Common Charges and shall have the right to place a lien on the applicable Unit Owner's Unit as though such amounts were payable to the Condominium Board as Common Charges.

E. Notwithstanding anything to the contrary set forth herein, if a Residential Limited Common Element benefits only certain Residential Unit Owners, then the Residential Section's costs of Maintenance and Alterations thereto (except in connection with a casualty or condemnation) shall be borne solely by those Residential Unit Owners who benefit from the Limited Common Element in the proportion that the Common Interest of each benefiting Residential Unit Owner bears to the Common Interest of all benefiting Residential Unit Owners. In addition, except as otherwise provided in the By-Laws, such Residential Unit Owners shall be

responsible for the routine Maintenance and operation, including but not limited to the cost of staff necessary for such operation and Maintenance, of any such Residential Limited Common Element at their sole cost and expense.

F. The respective Common Interests of each Unit are based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit.

G. In the event that the annual Common Charges levied against Unit Owners during the First Year of Condominium Operation commencing on the date of First Closing exceed the actual expenses less income from sources other than Unit Owners for that period accounted for on an accrual basis by an amount in excess of $250,000, the Common Charges paid by Unit Owners over and above such amount may be rebated to the Unit Owners by the Condominium Board in proportion to each Unit's percentage of Common Interest. Rebates, if any, attributable to Units purchased from Sponsor during the First Year of Condominium Operation will be distributed by the Condominium Board to Sponsor and the Unit Owner(s) in proportion to the amount of time Sponsor and each Unit Owner owned such Unit. Sponsor makes no representations that there will be any excess receipts for rebate to Units Owners or, if rebates are made, what the tax consequences of such rebates would be to Unit Owners. In the event Sponsor concludes that the Common Expenses during the First Year of Condominium Operation are less than projected due to the fact that the Building is not fully operational or occupied, Sponsor may cause the Condominium Board or the Residential Board, as the case may be to adopt an interim budget reflecting the reduced Common Expenses which will reduce the Common Charges due from each Unit Owner. See the Attorney's Income Tax Opinion in Part I of the Plan for further discussion regarding the income tax consequences of the ownership of Residential Units by individual Unit Owners.

H. The Boards shall advise all Unit Owners promptly in writing of the amount of Common Charges due and payable by such Unit Owner and shall furnish copies of each budget to all Unit Owners and/or all Residential Unit Owners, as applicable, at least five (5) days prior to the adoption thereof and provide a copy to Permitted Mortgagees upon request therefor. Unless otherwise determined by the Board to which they are payable, Common Charges will be payable monthly in advance on the first day of each month.

I. Sponsor reserves the right, in its sole and absolute discretion, to waive the collection of Common Charges from Unit Owners during the Waiver Period, provided, however, that Sponsor shall be solely responsible for payment of all Waiver Period Expenses during the Waiver Period. The Waiver Period shall commence as of the date of the First Closing. Sponsor may, in its sole and absolute discretion, terminate the Waiver Period by providing at least thirty (30) days prior written notice to Unit Owners. If not sooner terminated or extended by Sponsor, the Waiver Period shall terminate on the date on which the third year of condominium operation commences. Purchasers should note that the Schedule B will not be in effect until the expiration of the Waiver Period. All 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. Notwithstanding anything to the contrary set forth above, the Waiver Period Expenses shall not include real estate taxes regardless of whether the Unit was separately assessed and Unit Owners

will be responsible for the payment of real estate taxes for their Unit after Closing. Purchasers should note that while Schedule B – Budget for the First Year of Condominium Operation will not be in effect until the expiration of the Waiver Period, Sponsor will nonetheless continue to update Schedule B to the extent required pursuant to Part 20 of Title 13 NYCRR and include a copy of same in a post-closing amendment to the Plan, which amendment shall also set forth the anticipated length of the Waiver Period.

Common Charges: Collection and Lien for Non-Payment

A. Pursuant to §339-z of the RPL and under the provisions of the By-Laws, (a) the Condominium Board, on behalf of all Unit Owners, will have a lien on all Units, for unpaid General Common Charges, together with interest thereon, assessed against such Unit and (b) the Residential Board, on behalf of all Residential Unit Owners, will have a lien on each Residential Unit for unpaid Residential Common Charges together with interest thereon, assessed against such Residential Unit and (c) the Condominium Board, on behalf of all Commercial Unit Owners, will have a lien on all Commercial Unit, for unpaid Commercial Common Charges, together with interest thereon, assessed against such Commercial Unit. All such liens, however, to the extent permitted by applicable Law, will be subordinate to the lien of (i) the Construction Loan, or any (ii) first Permitted Mortgage of record, (iii) liens for real estate taxes on the particular Unit and (iv) all sums unpaid on a subordinate mortgage of record held by the New York job development authority, the New York state urban development corporation, the division of housing and community renewal, the housing trust fund corporation, the New York city housing development corporation, or in a city having a population of one million or more, the department of housing, preservation and development.

B. Pursuant to §339-aa of the RPL, any lien provided for in the immediately preceding paragraph for unpaid General Common Charges or Residential Common Charges or Commercial Common Charges, against a Unit will be effective from and after the filing in the office of the recording officer in which the declaration of condominium is filed a verified notice of lien stating the name (if any) and address of the property, the CRFN number of the declaration of condominium, the name of the record owner of the Unit, the Unit designation, the amount and purpose for which due, and the date when due; and shall continue in effect until all sums secured thereby with interest accrued thereon shall have been fully paid, or until expiration six (6) years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever shall occur sooner. §339-aa of the RPL and the By-Laws provide that such liens may be foreclosed by a suit brought in the name of the appropriate Board (acting on behalf of all Unit Owners or all Residential Unit Owners or all Commercial Unit Owners, as the case may be) in like manner as the foreclosure of a mortgage on real property or an action may be brought by the appropriate Board to recover unpaid Common Charges without foreclosing such lien. In any action brought by a Board to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use and occupancy of such Unit Owner's Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. The Residential Board, acting on behalf of all Residential Unit Owners, shall have the power to purchase any such Residential Unit or portion thereof at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit or portion thereof (but not to vote the votes appurtenant to such Unit or portion thereof). A suit to recover a money judgment for unpaid Common Charges shall be

maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on such foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit. Notwithstanding the foregoing, during the Initial Control Period and the Sponsor Control Period, the Sponsor shall cause the Residential Board or the Condominium Board, as the case may be, to file a lien as provided for in §339-aa of the Real Property Law on Units owned by Sponsor in which Sponsor is more than thirty (30) days in arrears of Common Charges.

C. Pursuant to §339-x of the RPL and the terms of the By-Laws, no Unit Owner may be exempted from liability for such Unit Owner's Common Charges by waiving use of any of the Common Elements or by abandonment of such Unit Owner's Unit. Dissatisfaction with the quantity or quality of maintenance or services furnished to the Property or the degree to which the construction in the Building shall have been complete shall not be grounds for a Unit Owner withholding or failure to pay all or any portion of the Common Charges or any other assessments. No Unit Owner, however, will 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 of such Unit. In addition, as more specifically set forth in the By-Laws, (a) a Residential Unit Owner may, by conveying such Residential Unit Owner's Residential Unit without consideration to the Residential Board and complying with certain conditions in connection therewith, exempt himself from Residential Common Charges thereafter accruing, and (b) the Commercial Unit Owners of any Commercial Unit may, by conveying the Commercial Unit without consideration to the Condominium Board and complying with certain conditions in connection therewith, be exempt from General Common Charges thereafter accruing.

D. In accordance with the terms of the By-Laws and §339-z of the RPL, on a resale of a Residential Unit, the Unit Owner thereof will be liable for the payment of Residential Common Charges accrued and unpaid against such Residential Unit prior to such Residential Unit Owner's acquisition. Prior to the permitted sale, transfer or other conveyance of a Residential Unit, any seller or purchaser of a Residential Unit shall be entitled to an Estoppel Letter from the Residential Board. In the event of a foreclosure by either Board of its lien on any Unit for unpaid Common Charges, if the net proceeds of the foreclosure sale shall be insufficient for the payment of such unpaid charges or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the Unit Owner will remain liable for the unpaid balance. Neither (a) a Permitted Mortgagee (as defined in the Condominium Declaration) acquiring title to a Unit at foreclosure sale nor (b) a purchaser at a foreclosure sale shall be liable, and the Unit shall not be subject to a lien, for the payment of the Common Charges assessed prior to the acquisition of title to such Unit by such Permitted Mortgagee or purchaser. However, such Permitted Mortgagee or purchaser at a foreclosure sale shall be liable for payment of all Common Charges after the acquisition of title to such Unit. The Residential Board will have the right to assess such unpaid balance as a Residential Common Charge among all Residential Unit Owners.

RPL §339-jj-Borrowing by Condominium

Pursuant to §339-jj of the RPL and the By-Laws, the Condominium Board, on behalf of the Unit Owners, is authorized to incur debt provided that such debt (a) is incurred no earlier than the fifth anniversary of the First Closing and (b) is approved by Unit Owners owning Units to which there is appurtenant a majority of the Common Interests. 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 Condominium Board cannot secure such debt by a lien on the Common Elements without the consent of all Unit Owners.

RPL §339-kk-Payment of Rent Where Default in Payment of Common Charges

A. RPL §339-kk is applicable to all condominiums in the State of New York. RPL §339-kk is intended to provide additional financial protection for a Condominium association if a sponsor or other non-occupant unit owner of a Residential Unit fails to make monthly payments for Common Charges, assessments and late fees due in connection with such owner's Units.

B. RPL §339-kk provides, by its terms, among other things, that 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:

(i) If payment of common charges, assessments or late fees by any non-occupant unit owner is more than sixty (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 owner and tenant within three (3) business days and thereafter the rent will be payable to the non-occupant unit owner or a designated agent.

(ii) 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.

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

(iv) 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 thirty (30) days after receipt of notice that the unit owner seeks to dispute the Condominium's claim.

C. 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.

D. RPL §339-kk does not address a number of issues. Accordingly, 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 owner and secured by the 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 owner to a 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 Condominium Board (or such other applicable Board) after notice from the Condominium Board (or such other applicable Board) (in accordance with RPL §339-kk) to do so, (iv) the consequence of the Condominium Board's (or such other applicable Board) 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.

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

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

Decorating, Repairs to and Maintenance of Units and Common Elements

A. Generally, and except as expressly provided otherwise herein and in the Declaration and By-Laws, all painting, decorating, and routine Maintenance, (a) in or to any Unit and the Limited Common Elements appurtenant thereto, including the individual cooling systems and the interior side of entrance doors thereto, will be made by the owner of such Unit at such Unit Owner's sole cost and expense, (b) in or to the General Common Elements, wherever located, will be made by the Condominium Board and the cost and expense thereof will be charged to the Unit Owners as a General Common Expense, (c) in or to the Residential Common Elements will be made by the Residential Board and the cost and expense thereof will be charged to all Residential Unit Owners as a Residential Common Expense and (d) in or to the Commercial Common Elements will be made by the Commercial Unit Owners and the cost thereof will be charged to all Commercial Unit Owners as a Commercial Common Expense.

B. Each Residential Unit Owner having exclusive use of a Terrace will be responsible, at its sole cost and expense, for performing all Maintenance thereto, however, Purchasers are advised that the costs and expenses of any structural repairs or structural replacements or Maintenance that is structural in nature, as determined by the Condominium Board, to any Terrace, including leaks, (unless caused by a Residential Unit Owner or their Terrace Installations, as determined by the Condominium Board) shall be charged to all Residential Unit Owners as a Residential Common Expense. Any Residential Unit Owner having access to a Terrace shall keep it free of snow, ice and accumulation of water.

C. Any repairs by Residential Unit Owners to the incremental heating and air conditioning units and fireplace flues, shafts and chimneys serving a Residential Unit shall only be made by contractors or servicemen who have been previously approved by the Residential Board.

D. The exterior glass surfaces of all windows in the Building (including the Commercial The exterior glass surface of all windows in the Building, shall be washed and cleaned (or caused to be cleaned) by the Condominium Board two (2) times per year and the cost and expense thereof shall be a General Common Expense. The Commercial Unit Owners shall be permitted to wash the exterior windows of the Commercial Units more than two (2) times per year at their sole cost and expense. Under no circumstances may a Residential Unit Owner be permitted to clean any exterior glass windows. The interior glass surfaces of all windows located in any Unit Units shall be washed and cleaned by the Unit Owner or occupant thereof at such Unit Owner's sole cost and expense. No Unit Owner or occupant shall clean or permit to be cleaned any window or require, permit or allow it to be cleaned, from the outside, in violation of Section 202 of the Labor Law of the State of New York, or any future Law of like import, or (if applicable) in violation of the rules of the Board of Standards and Appeals of the City of New York or any other governmental authority having jurisdiction over the Land or the Building. Each Unit Owner shall indemnify the Boards and the other Unit Owners, and their respect agents and employees, for all losses, damages, or fines suffered by any of them as a result of a violation of Law. No replacement, modification or alteration may be made to or of the windows (other than replacement of the window panes) without the consent of the Condominium Board. All window treatments must be white when viewed from the outside of the Building.

E. Each Unit and all portions of the Common Elements shall be Maintained in first-class condition (and with respect to the Roof, Bulkhead Roof, a Terrace or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or appropriate Board, whichever is responsible for the Maintenance thereof. In the event any Unit Owner fails to keep said Unit Owner's Unit in such condition, the appropriate Board may, at the expense of such Unit Owner, enter such Unit or Limited Common Element, as the case may be, and perform such acts as are necessary to cure such condition.

F. A Unit Owner shall not permit excessive noise or vibrations to emanate from the Unit.

G. Each Unit Owner will be obligated to heat and cool such Unit Owner's Unit so as to maintain the appropriate temperature and humidity in such Unit Owner's Unit in order to avoid causing damage to the Common Elements, the Unit or the other Units, including, without limitation, freezing pipes and damage to the wood floors and moldings. Purchasers should note that, as with all wood products (including without limitation, wood furniture, cabinetry, floors and molding) wide variations of temperature and humidity can lead to shrinkage and expansion of the wood which in turn may cause damage to any such wood product. Moreover, certain individuals may experience an allergic reaction from wood sawdust, particularly rosewood and cedar, and Unit Owners should take appropriate measures when sanding or replacing wood flooring. In the event a Unit Owner that fails to so Maintain the Unit, such Unit Owner may be liable for any damage arising from such failure, including, without limitation, any claims pertaining to environmental hazards such as mold or other bacterial contamination.

H. Public or other areas of the Building exposed to public view that are required to be Maintained by each Unit Owner or a Board shall be kept in good appearance in conformity with the dignity and character of the Building by such Unit Owner or Board responsible for Maintaining same.

I. Special care will be necessary in the Maintenance and cleaning of materials in the Residential Units. Natural stones such as marble or limestone have natural variations in colors and markings which require cleaning with neutral cleaners that are free of acidic or alkaline solutions, bleach, ammonia or abrasives that can break down sealers and damage the stone surface. The natural stone surfaces have been sealed so as to prevent absorption and staining. Such stone surfaces will require sealing and resealing at some point in the future. Such sealant will help with water absorption and staining which may alter coloration. Purchasers are advised that impregnating sealants, and daily stone cleaners, which have been especially developed, are recommended for proper maintenance.

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

Alterations and Improvements of Units and Common Elements

A. Any Alterations performed by Residential Unit Owners (other than Sponsor) must be performed in accordance with the provisions of the By-Laws and such Residential Unit Owners shall be required to enter into an Alteration Agreement with: (i) the Condominium Board with respect to Structural Alterations and/or Alterations that affect the General Common Elements, and/or (ii) the Residential Board with respect to Non-Structural Alterations.

B. As more particularly set forth in the Alteration Agreement, the Residential Unit Owner performing such Alterations shall be obligated (unless otherwise waived in writing by the applicable Board) to among other things: (i) provide a security deposit to the applicable Board, in such amount as determined by the Board, in its sole discretion, (ii) pay a processing fee to the Managing Agent for its review of the proposed plans as set forth in the Management Agreement, which processing fee is currently (i) $500.00 for Alterations costing less than $10,000.00 or (ii) two percent (2%) of the total cost of Alterations for those Alterations costing in excess of $10,000.00, (iii) pay any other review fees, architect, engineer or consultant fees, or supervision fees required under the Alteration Agreement or as otherwise adopted by the applicable Board from time to time, (iv) provide plans and specifications to the applicable Board describing the Alteration, (v) obtain the consent of the applicable Board as to contractors and suppliers that will be performing the Alterations, (vi) comply with requirements of the applicable Board regarding days and hours during which such Alterations maybe performed, (vii) comply with such other requirements the Board may adopt from time to time and (viii) for so long as Sponsor owns a Unit or until a Permanent Certificate of Occupancy has been obtained, whichever is later, utilize a filing representative or expediter designated by the Sponsor or the applicable Board, as the case may be, to file the proposed plans with Governmental Authorities (as such term is defined in the Alteration Agreement). In addition, the applicable Board will have the right, as a condition to approving a Unit Owner's request to renovate kitchens and bathrooms, to require such Unit Owner to replace plumbing, steam and gas risers running through or adjacent to the Unit or to contribute to the Condominium, the sum necessary to enable the Condominium to perform such replacements. The foregoing requirement in clause (viii) above shall not be subject to waiver by either Board.

C. No Unit Owner shall employ any personnel or means that may cause labor disturbances or stoppage in the work of Building employees or other contractors or subcontractors employed in the Building.

D. No application or other document shall be filed with any Governmental Authority for a permit covering an Alteration or repair to be made in a Unit, unless approved and executed, if necessary, by the appropriate Board; provided, however, in the event the Permanent Certificate of Occupancy has not yet been issued for the Building, the appropriate Board must execute and file all applications, permits or other documents required to be filed in connection with approved Alterations to the New York City Department of Buildings. No Board will unreasonably refuse to approve and execute, if necessary, any application or other document required to be filed in connection with approved Alterations, provided that the Boards and the Unit Owners shall not be subject to any expense or liability by reason of such approval and execution or, by reason of such Alteration, including, without limitation, liability to any contractor, subcontractor, materialman, architect or engineer, or to any person having any claim for injury to person or damage to property arising therefrom.

E. In the event that any Alterations sought to be made by any Unit Owner materially delay, prevent or adversely affect, or create a significant risk of materially delaying, preventing or adversely affecting, whether directly or indirectly, the issuance of a Temporary Certificate of Occupancy for such Unit or Permanent Certificate of Occupancy for such Unit, other Units or the Building, then upon the written request of Sponsor, the Condominium Board or the Residential Board, the Unit Owner shall restore the Unit, at such Unit Owner's sole cost and expense, to its original condition. If such Unit Owner fails to commence diligently and continuously restoring the Unit within fifteen (15) days of receipt of the written request, then the party requesting such restoration shall be entitled to enter and restore the Unit at the expense of the Unit Owner and to exercise any remedies provided in the By-Laws.

F. Generally, and except as otherwise specifically provided for in the Declaration and By-Laws, (i) all Alterations in or to the General Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to the Unit Owners as a General Common Expense, (ii) all Alterations in or to the Residential Common Elements will be made by the Residential Board and the cost and expense thereof will be charged to all Residential Unit Owners as a Residential Common Expense, (iii) all Alterations in or to the Residential Limited Common Elements will be made by the Residential Unit Owner(s) having exclusive use thereof at their sole cost and expense, and (iv) Alterations in or to the Commercial Common Elements will be made by the Commercial Unit Owners at the sole cost and expense of all Commercial Unit Owners.

G. Subject to and in accordance with the provisions of the Declaration and By-Laws and all applicable Law, each Commercial Unit Owner, without the consent of any Board, may perform Alterations in or to its respective Commercial Unit or the Commercial Common Elements or Commercial Limited Common Elements.

H. Sponsor (without the consent of the Boards and without entering into an Alteration Agreement with any Board or complying with any other requirements set forth in this Section), may make any Alteration in or to any Unsold Residential Unit or the Common

Elements provided that the Alterations performed by Sponsor must be in compliance with Law. Under the terms of the By-Laws, Sponsor is authorized on behalf of the Boards to execute such applications, permits or other documents as may be required to undertake, perform and complete such work to the Building (including the Units and Common Elements) as Sponsor is entitled to perform in accordance with the terms of the Declaration and the By-Laws and to obtain such certificates of completion as may then be required by Law and, the appropriate Board, if requested by Sponsor is obligated to execute the aforesaid documentation. In addition, the Power of Attorney to be executed by each Unit Owner upon acquisition of the Unit further grants to Sponsor the power to execute such documentation.

I. Subject to the provisions of the By-Laws, Sponsor and the Commercial Unit Owners may erect, maintain, repair and replace, or permit their tenants to erect, maintain, repair or replace, from time to time, one or more Signs on the Property for the purpose of advertising the availability for sale or rental of any Unsold Residential Unit or Commercial Unit or the operation of any business of Sponsor, a tenant, occupant Managing Agent or operator of the Commercial Unit including, but not limited to, Signs on the Exterior Facade of the Building and on any awnings, canopies or other protrusions from the Exterior Facade of the Building in the location set forth on the Elevation Plans annexed to the Declaration.

J. The Building is located in the SoHo Cast Iron Historic District and is subject to the restricted use as provided in the New York City Charter (Charter Chapter 74 Sections 3020 and 3021) and the Administrative Code of the City of New York entitled "Landmarks Preservation and Historic Districts" pursuant to Notice of Designation recorded August 17, 1973 in Reel 288 page 1059. This designation imposes special restrictions upon the construction, alteration, demolition and reconstruction of the Building. In the event any such construction, alteration, demolition or reconstruction of the Building would affect the exterior of the Building, the Condominium will have to apply to the Landmarks Preservation Commission ("LPC") for permission to perform such work. LPC, before approving the work could impose additional requirements or conditions which could increase the cost and time required to complete the work. In addition, where proposed work in the Building requires a building permit, notwithstanding the fact that such work does not affect the protected exterior of the Building, the LPC requires that a "certificate of no effect on protected architectural features" be issued.

Rights of Access

As more fully set forth in the By-Laws, each Board and any Managing Agent, janitorial staff, superintendents and other persons authorized by any Board, will have a right of access to any Unit for the purposes of performing Maintenance and Alterations to the mechanical or electrical services or other Common Elements in the Unit or elsewhere in the Building, to inspect same, to remove violations, cure defaults by a Unit Owner, correct any condition originating in any Unit and threatening another Unit or any Common Element, and for any other purposes provided in the Plan, Declaration or as may be required by Law, provided that requests for entry (except in Emergency situations) are made in advance and that any such entry (except in Emergency situations) is at a time reasonably convenient to the Unit Owner and the tenants of any Unit; provided, however, if notice is provided to such Unit Owner and tenant and such Unit Owner and tenant cannot establish a reasonable time for the appropriate Board to enter the Unit, such Board shall have the right to enter the Unit whether the Unit Owner or tenant is present at

the time or not. In case of an Emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. Provided reasonable care is exercised to safeguard the Unit Owner's property, any entry described herein shall not render the Board or its authorized agents liable for damage incurred in connection with the exercise of such right of entry. The By-Laws grants Sponsor a right of access to any Unit for the purpose of performing "punch-list" work or for the purpose of performing or completing construction in the Building and to give service providers the right to access their equipment and the conduit in which such equipment is located in order to install, operate and Maintain same.

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

Each Unit Owner must strictly comply with the provisions of the Declaration, the By-Laws, and the Rules and Regulations. Pursuant to §339-j of the Condominium Act, failure to comply is grounds for an action for damages or injunctive relief, or both, but such forms of relief shall not be exclusive of other remedies provided by Law. The By-Laws, together with the Rules and Regulations, will be recorded with the Declaration in the City Register's Office.

Examination of Books and Records

Each Unit Owner and each Permitted Mortgagee of a Unit shall be permitted, upon prior request, to examine the books of account of the Condominium during normal business hours on business days at the office of the Condominium.

Repair or Reconstruction after Fire or Other Casualty

A. In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty, the Residential Board with respect to any damage to or destruction of the Residential Common Elements and Residential Limited Common Elements, the Commercial Unit Owners with respect to any damage to or destruction of the Commercial Common Elements and Commercial Limited Common Elements (if any) and the Condominium Board with respect to any damage to or destruction of the General Common Elements, will, except as set forth below, arrange for the prompt repair and restoration thereof.

B. If only the Commercial Section is destroyed or damaged by fire or other casualty and if the net insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the Commercial Unit Owners will bear the entire amount of the deficit, or shall receive all of the surplus, as the case may be.

C. If only the Residential Section is damaged or destroyed by fire or other casualty and the insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be shared entirely by all Residential Unit Owners in proportion to their respective Residential Common Interests.

D. If said damage or destruction by fire or other casualty affects the Commercial Section, the Residential Section and the General Common Elements, or any combination thereof, then any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners in proportion to their respective Common Interests in the proportion that the cost of repairing the damage or destruction to the Residential Section, Commercial Section and General Common

Elements bears to the total cost of repairing all damage or destruction. If said damage or destruction, however, affects only the General Common Elements, then any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners in proportion to their respective Common Interests. However, the Commercial Unit Owners shall have the right to make all arrangements for the prompt repair and restoration of their respective Commercial Unit to the extent they are affected by such damage or destruction. Notwithstanding anything in this paragraph to the contrary, no payment of surplus insurance proceeds shall be made to a Unit Owner until there has first been paid out of such Unit Owner's share of such funds such amounts as may be necessary to reduce unpaid liens on such Unit Owner's Unit, other than mortgages which are not Permitted Mortgages, in the order of priority of such liens. The provisions of this paragraph are subject to the next paragraph.

E. Unless the Unit Owners have elected not to restore the Building as provided below, damage or destruction to a Unit or a Limited Common Element as a result of fire or other casualty shall be promptly repaired and reconstructed by the Owner of the affected Unit(s) where such repair or reconstruction does not involve the Common Elements for which the repair or reconstruction is the obligation of the Condominium Board or the Residential Board under the Declaration and By-Laws. If a Residential Unit Owner fails to repair or reconstruct such Residential Unit Owner's Residential Unit, the Condominium Board or the Residential Board may cause the Residential Unit to be repaired or reconstructed and the costs incurred in connection therewith shall be a charged to the defaulting Unit Owner as a Special Assessment.

F. If three-fourths or more of the Building is destroyed or substantially damaged and if 75% or more of all the Unit Owners do not duly and promptly resolve to proceed with the repair or restoration thereof, then and in that event the Property or so much thereof as shall remain, shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, if any, shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of such Unit Owner's share of such funds such amounts as may be necessary to discharge all unpaid liens on such Unit Owner's Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

G. Notwithstanding anything contained herein to the contrary, the proceeds of all policies of physical damage insurance maintained by the Condominium Board shall be payable to the Board entitled to adjust such loss in the event of a loss amounting to $1,000,000 or less. In the event that such proceeds are in excess of $1,000,000, such proceeds shall be payable to a New York City bank or trust company designated by the Condominium Board as insurance trustee pursuant to the provisions of the By-Laws. The insurance trustee shall hold all such proceeds in accordance with Section 254-(4) of the RPL.

Insurance

A. The Condominium Board is required to obtain and maintain, in accordance with the provisions of the By-Laws, to the extent obtainable and to the extent determined by the Condominium Board to be appropriate, the following insurance: (a) property insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire

Building (excluding each Unit and its fixtures, furniture, furnishings or other personal property not constituting a part of such Unit), together with all service machinery contained therein and covering the interests of the Condominium, each of the Boards and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings and, at the election of the Condominium Board in its sole and absolute discretion, terrorism insurance); (b) rent insurance in an amount equal to Residential and Commercial Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any, determined by the Condominium Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering all Boards and all officers, directors and employees of the Condominium, the Residential Section and the Commercial Section; (i) directors and officers liability coverage; and (j) such other insurance as the Condominium Board may determine. Each Unit Owner shall be an additional insured.

B. The property insurance policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions described in the By-Laws.

C. The amount of property insurance and all risk extended coverage to be maintained until the first Condominium Board meeting following the first annual meeting of the Residential Unit Owners shall be in at least the sum set forth in Schedule B.

D. All policies of physical damage insurance shall contain, to the extent obtainable without additional cost, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured or (iv) pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees.

E. The Condominium Board shall be required to obtain and maintain, to the extent obtainable, comprehensive general liability insurance against claims for personal injury, bodily injury or property damage occurring upon, in or about the Property, in such limits as the Condominium Board may from time to time determine, covering (1) each Board, the Managing Agent or agents thereof, each Board member and each officer and employee of the Condominium and Residential and Commercial Sections, (2) the Commercial Unit Owners, and all officers, directors and employees thereof, and (3) each Residential Unit Owner, except that such policy will not cover liability of a Unit Owner arising from occurrences within such Unit Owner's own Unit or within the Residential Limited Common Elements, if any, exclusive to such Unit Owner's Unit. The Condominium Board shall review such limits not less than once each year. Until the first meeting of the Condominium Board following the first annual meeting of Residential Unit Owners, such liability insurance shall be in at least the sum set forth in Schedule B with respect to bodily injury and property damage, combined single limit. The insurance discussed above shall also include cross-liability claims of one insured against another.

F. Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Condominium Board determines. The premiums for all insurance referred to above shall be a General Common Expense allocated pro rata in accordance with the aggregate respective Common Interests of the Unit Owners.

G. The Condominium Board is not required to obtain or maintain any insurance with respect to the Units or any property contained in a Unit. Pursuant to the By-Laws, each Unit Owner shall, at the Unit Owner's sole cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum combined single limits of liability of $1,000,000 for bodily injury or death arising out of any one occurrence including $1,000,000 for damage to property plus at least $2,000,000 umbrella liability coverage and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage and personal property). The limits of liability set forth in (a) and (b) above may be increased by the Condominium Board from time to time. Policies maintained by Unit Owners as aforesaid must provide that they cannot be canceled without at least thirty (30) days prior notice to the Condominium Board. Notwithstanding anything to the contrary set for therein, for so long as Sponsor controls the Condominium Board, insurance obtained by the Condominium Board must at a minimum conform to the requirements of the Department of Law.

Liability of Boards of Managers and Unit Owners

A. To the extent permitted by applicable Law, no member of any Board shall have any personal liability with respect to any contract, act or omission of such Board or of any Managing Agent in connection with the affairs or operation of the Condominium, the Commercial Section, or the Residential Section (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by a Board or by any Managing Agent thereof shall state or be deemed to state that it is made by such Board, Managing Agent only as agent for all Unit Owners, Residential Unit Owners, or Commercial Unit Owners, as the case may be, that such Board members or Managing Agent shall have no personal liability thereon (except in their capacities as Unit Owners) and shall also state the applicable limitations of liability of Unit Owners provided for in the next sentence. The liability of any Unit Owner with respect to any contract, act or omission with respect to the Condominium or the Residential Section or Commercial Section, as the case may be, shall be limited to such proportionate share of the total liability as the interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners, Residential Unit Owners, or Commercial Unit Owners, as the case may be, and, unless expressly stated to the contrary in such contract (as determined by the relevant Board in its sole and absolute discretion), to the extent permitted by applicable Law, shall be limited to such Unit Owner's interest in such Unit Owner's Unit and such Unit Owner's appurtenant Common Interest so that such Unit Owner shall have no personal liability for such contract, act or omission. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges. Any such contract or agreement may also provide that it covers the assets, if any, of the Board on whose behalf the contract or agreement is made. Board members shall

have no liability to Unit Owners except that a Board member shall be liable for such member's own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member and each Residential Board member, as the case may be, against any liability or claim except those arising out of such member's own bad faith or willful misconduct.

B. The Condominium Board or Residential Board, as the case may be, may contract or effect any transaction with any Board member, any Unit Owner, Sponsor, Sponsor's designee or any affiliate of any of them without, except in cases of bad faith or willful misconduct, incurring any liability for self dealing.

Reports to Unit Owners

An annual report of the receipts and expenditures of the Condominium, certified by an independent certified public accountant, shall be submitted by the Board to all Unit Owners within four (4) months after the end of each fiscal year as more particularly described in the Section of the Plan entitled "Reports to Unit Owners" in Part I of the Plan.

Termination of Condominium

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

Residential Units Acquired by Residential Board

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

B. The purchase of any Residential Unit by the Residential Board or its designees, on behalf of their respective Residential Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of such Residential Board. If the funds in such accounts are

insufficient to effectuate any such purchase, the Residential Board may levy an assessment against each Residential Unit Owner in proportion to such Residential Unit Owner's respective Residential Common Interest and/or the Residential Board may, in its discretion, finance the acquisition of such Residential Unit; provided, however, that financing may only be obtained when permitted by the By-Laws and that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Residential Unit to be purchased together with its Common Interests in the Common Elements.

Procedure to Review Real Estate Tax Assessments

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

Mechanics' Liens

Under the provisions of the Condominium Act, no lien of any nature may arise or be created against the General Common Elements or Limited Common Elements except with the unanimous consent of all Unit Owners affected thereby. Liens may arise or be created only against the individual Units and their respective Common Interests. Labor performed on, or materials supplied to, a Unit may not be the basis for a mechanic's lien against the Unit of a Unit Owner not expressly consenting to or requesting such work, except in the case of Emergency repairs. No labor performed on, or materials furnished to, the General or Limited Common Elements shall be the basis for a lien thereon but (a) all Residential Common Charges received by the Residential 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 Residential Board or the Managing Agent for the Residential Common Elements and the Residential Limited Common Elements and (b) all General Common Charges received by the Condominium Board shall constitute trust funds for the purposes of paying the cost of labor performed or materials furnished at the request or with the consent of the Condominium Board or the Managing Agent for the General Common Elements.

Easements

A. 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 Boards. These easements, which are more particularly set forth in the Declaration, include an easement of support and necessity in favor of all other Units and the Common Elements, and an easement in favor of each Residential Unit Owner to use the General Common Elements and the Residential Common Elements provided that such easements shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Units or with the use of the Residential Units for their permitted purposes.

B. Sponsor shall have, and the Common Elements shall be subject to, an easement to access and use Reserved Spaces for any purpose permitted by Law, including without limitation, for the purpose of (a) (i) installing, operating and Maintaining Reserve Space Installations (which includes without limitation, satellite dishes, cellular equipment and other information systems, (ii) advertising and (iii) storage and (b) maintaining any encroachment on any Common Elements or elsewhere on the Property resulting from the operation, Maintenance or Alteration to any Reserved Space Installations; provided that (i) Sponsor its designee, assignee, tenant, licensee or other transferee (collectively the "Reserved Space Party") indemnify the Condominium Board for all losses, damages, or fines (including reasonable attorney fees) suffered by any of them as a result of Sponsor's use of the Reserved Spaces, except that Sponsor shall not, in any case, be responsible for consequential damages (ii) access to any Common Element in furtherance of such easements shall be exercised in a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Section or with the use of the Residential Units for their permitted purposes. Such uses could include telecommunication upgrades, installation of art work, placement of television screens in elevators and in the lobby and other uses arising from future technology and developments. The Residential Board or Condominium Board, as applicable, shall be obligated to enter into reasonable documentation with Sponsor at Sponsor's request, for Sponsor's use of the Reserved Spaces. The aforementioned easements shall remain in effect after the Initial Control Period and the Sponsor Control Period and after the Sponsor no longer owns any Units in the Building. The Condominium shall not be entitled to any portion of fees, compensation or other profits received by Sponsor in connection with the use of the Reserved Spaces. Reserved Space Installations shall be the exclusive property of Sponsor, its designee, assignee, tenant, licensee or other transferee and neither the Condominium nor any other Unit Owners shall have any rights with respect thereto. Purchasers should note that the aforementioned easements will not revert to the Condominium in the future and shall remain for the sole use and benefit of Sponsor for its own account or the account of any designee, assignee, tenant, licensee or other transferee of Sponsor or any purpose permitted by Law.

C. In addition, and subject to the provisions of the Declaration and By-Laws, Sponsor, the Commercial Unit Owners or their respective designees shall have an easement to erect, maintain, repair and replace any Signs permitted by Law on the Property in the locations identified on the Elevation Plans annexed to the Declaration.

D. The Commercial Unit Owners, accompanied by an employee or representative of the Residential Section, upon at least 1 business days notice (except in the case of an Emergency) shall have an easement for access to and through the Residential Common Elements, in order to access and Maintain the condensing unit serving the Commercial Section that is located on the Roof.

Name of Condominium and the Building

The Condominium shall be designated and known as "The 42 Crosby Street Condominium" and the Building may be known as "42 Crosby". Sponsor and Sponsor's assignee shall own and control all rights and interests, including the right to apply for any trademark and prosecute to registration any federal trademark applications, and shall be responsible for all obligations and liabilities, including those in furtherance of protecting, policing and maintaining any applicable trademark rights, which may include litigating against those whom Sponsor believes may be infringing Sponsor's rights in and to the name of the Condominium and Building, appurtenant to the name of the Condominium and/or the Building. Only Sponsor 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 as the sponsor of the condominium offering, together with such other information as Sponsor determines in its sole discretion.

The Declaration and By-Laws

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

REAL ESTATE TAXES

A. Each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes on other Units. Generally, Units may not be separately assessed until the tax year following the tax year in which the Declaration of Condominium is recorded. Until the Units are separately assessed and billed, each Unit Owner shall pay such Unit Owner's pro rata share (in the proportion that such Unit Owner's Unit's Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes with respect to the Property to the Condominium Board as Common Charges.

B. Section 581 of the Real Property Tax Law provides that real property owned on a condominium basis shall be assessed for real estate tax purposes at a sum not exceeding the assessment which would be placed thereon if the property were not owned on a condominium basis. Section 339-y of the Condominium Act provides in part that each Unit and its Common Interest shall be separately assessed for tax purposes and that in no event shall the aggregate of the assessment of the Units plus their Common Interest exceed the total valuation of the property were the property assessed as one parcel.

C. The tax figures set forth in Schedule A are estimates only and actual real estate taxes for the First Year of Condominium Operation may be higher or lower. Please refer to the opinion of the Leitner Group, Inc. for further discussion regarding real estate taxes and benefits for the residential portion of the Property.

D. Real estate taxes may increase each year because of increases in assessed values or tax rates or the expiration of partial exemption or abatement benefits or a combination of these factors. These increases may be substantially greater than inflation in some years.

E. The real estate tax estimates for each Residential Unit were calculated on the assumption that the assessed value for the residential portion of the Building will be allocated in proportion to each Residential Unit's Common Interest as set forth on Schedule A. Upon determination of individual tax lots and individual Residential Unit assessments, the New York City tax authorities may allocate assessed values between the Residential Units in proportion to each Residential Unit's Purchase Price, or by another method, rather than in proportion to the Unit's Common Interest, and, if so, Residential Units having the same or similar percentage interest which are determined to have a greater value will pay higher real estate taxes than are reflected on Schedule A.

F. Assuming the Property does not receive any exemption from real estate taxes, it is estimated that the aggregate real estate taxes attributable to all Residential Unit Owners for the First Year of Condominium Operation will total approximately $452,837.00 based on an opinion of The Leitner Group, Inc., which assumes (a) an assessed valuation attributable to the residential portion of the Property of $3,310,300.00 for the November 1, 2016 through October 31, 2017 fiscal tax year, and (b) a projected tax rate of $13.543% per $100 of assessed valuation for the Residential Units. SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY, THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL NOT BE CHANGED. PURCHASERS ARE ADVISED THAT THE NEW

YORK CITY TAXING AUTHORITIES HAVE IMPLEMENTED SIGNIFICANT INCREASES IN THE TENTATIVE ASSESSED VALUATIONS FOR NEW CONSTRUCTION CONDOMINIUMS FOR THE TAX YEAR 2016/2017 WHICH DO NOT APPEAR CONSISTENT WITH THEIR VALUATIONS IN PRIOR YEARS. SPONSOR MAKES NO REPRESENTATIONS REGARDING THE METHODOLOGY WHICH THE TAXING AUTHORITIES WILL USE IN FUTURE TAX YEARS.

G. PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT A GUARANTEE OR WARRANTY (i) regarding the method of allocating real estate taxes which will be employed by the New York City tax assessor; (ii) of the assessed value of the residential portion of the Property during the First Year of Condominium Operation, (iii) of the tax rates in effect during the First Year of Condominium Operation.

H. Currently, the public records indicate that tax certiorari proceedings were filed and are still pending in the New York State Supreme Court, New York County with respect to Lot 35 Block 483 for the 2013/14 tax year. Any refunds or savings in the payment of taxes resulting from such tax certiorari proceedings shall belong to and be the property of Sponsor.

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

J. The Property is currently assessed as a single tax parcel identified as Manhattan Block 483, Lot 35. Purchasers may review general information about New York City's real estate tax process and specific information on the Property's assessment and tax liability by visiting the City's official website: www.nyc.gov/finance.

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

L. PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT A GUARANTEE OR WARRANTY (i) regarding the method to be employed by the New York City tax officials in assessing the Property or in allocating the assessed values of individual Residential Units; (ii) of the assessed values of the Residential Units during the First Year of Condominium Operation, or (iii) of the tax rates for the First Year of Condominium Operation.

SPONSOR MAKES NO REPRESENTATION THAT THE ESTIMATED ASSESSED VALUE OF THE PROPERTY, ALLOCATIONS TO THE INDIVIDUAL

UNITS, OR TAX RATES WILL BE AS PROJECTED. PURCHASERS ARE ADVISED THAT THE NEW YORK CITY TAXING AUTHORITIES HAVE, IN RECENT YEARS, IMPLEMENTED SIGNIFICANT INCREASES IN THE TENTATIVE ASSESSED VALUATIONS FOR NEW CONSTRUCTION CONDOMINIUMS WHICH WERE NOT CONSISTENT WITH THEIR VALUATIONS IN PRIOR YEARS. SPONSOR MAKES NO REPRESENTATIONS REGARDING THE METHODOLOGY WHICH THE TAXING AUTHORITIES WILL USE IN FUTURE TAX YEARS.

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

A. The following discussion of certain income tax consequences of the ownership of Residential Units by Purchasers who use such Residential Units as a personal residence was prepared by Sponsor based, in part, upon the Attorney's Income Tax Opinion prepared by Stroock & Stroock & Lavan LLP, counsel to Sponsor, a copy of which is set forth in Part I of this Plan.

B. **STROOCK & STROOCK & LAVAN LLP IS COUNSEL TO SPONSOR AND NOT THE UNIT OWNERS. TO ENSURE COMPLIANCE WITH REQUIREMENTS IMPOSED BY THE IRS IN CIRCULAR 230, ALL UNIT OWNERS, POTENTIAL UNIT OWNERS AND THE CONDOMINIUM ARE HEREBY INFORMED THAT (I) ANY TAX ADVICE CONTAINED IN THIS PLAN AND/OR THE ATTORNEY'S INCOME TAX OPINION IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING PENALTIES UNDER THE INTERNAL REVENUE CODE, (II) THE ADVICE IS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED IN THE PLAN, AND (III) EACH UNIT OWNER, EACH POTENTIAL UNIT OWNER, AND THE CONDOMINIUM SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.**

Deductibility of Mortgage Interest and Real Estate Taxes

A. Each Residential Unit Owner will own such Unit Owner's Residential Unit and its Common Interest in the Common Elements in fee simple and each Residential Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments (see the section entitled "Real Estate Taxes" in Part I of the Plan for further details). Since each Residential Unit Owner will own such Unit Owner's Residential Unit in fee simple, the owner may mortgage such Residential Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness.

B. It is the opinion of Stroock & Stroock & Lavan LLP that a Residential Unit Owner who uses such Unit Owner's Residential Unit as a personal residence and itemizes such Unit Owner's deductions may, under present Law, for Federal, New York State and New York City income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers, subject to certain exceptions and limitations which are more particularly discussed in the Attorney's Income Tax Opinion. Purchasers should note that mortgage interest is deductible generally only with respect to (1) secured debt used to acquire or substantially improve a principal or second residence (up to a total indebtedness of $1 million), plus (2) other debt (not in excess of $100,000) secured by a principal or second residence. Interest on home mortgage debt in excess of those limitations would not be deductible. Special limitations also apply with respect to the deductibility of points and other prepaid interest, if any, on the mortgage debt and may apply to the overall allowance of itemized deductions.

Taxation of the Condominium

A. If the Condominium meets the requirements for qualification as a "homeowners association," under Section 528 of the Internal Revenue Code, which requirements are discussed in the Attorney's Income Tax Opinion, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Residential Unit Owners. If such an election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources, interest earned on any reserve or working capital funds and possibly income from assessments from Commercial Unit Owners (in each case, less expenses directly connected with the production of such income).

B. Sponsor anticipates that it is likely that the Condominium will qualify as a homeowners association under Section 528 of the Internal Revenue Code. If the Condominium does not qualify as a homeowners association, or if it does but chooses not to make the election noted above, the present state of the Law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. As discussed in the Attorney's Income Tax Opinion, if the Condominium is properly treated as a separate taxable entity, some or all of such income (including the nonmembership, and possibly membership, income described above less expenses related to such income) may be subject to Federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax (depending on whether the Condominium is properly classified as a corporation or a partnership for federal income tax purposes). Alternatively, if the Condominium is not properly treated as a separate taxable entity, it is possible that some or all of such income might be reportable directly by the Unit Owners or otherwise treated. Schedule B does not contemplate any substantial income which might be taxable and accordingly does not specifically budget any amounts for taxes for nonmembership or membership income (but does budget for certain minimum taxes that might be due). The tax treatment of the Condominium may be affected by certain United States Treasury Department regulations relating to entity classification. Please refer to the Attorney's Income Tax Opinion set forth in Part I of the Plan for further details.

C. The qualification of an organization as a homeowners association is determined annually at the close of each taxable year, and it is possible that if the Condominium does not qualify in one year it may nevertheless qualify in one or more future years.

D. No warranties are given that the Internal Revenue Service, the New York State Department of Taxation and Finance or the Finance Administration of the City of New York will allow the aforementioned deductions for mortgage interest and real estate taxes. There is also no assurance that the tax laws or the regulations or rulings issued thereunder, or any judicial interpretation thereof, upon which Stroock & Stroock & Lavan LLP, as counsel to Sponsor, bases its opinion, will not change. In no event will Sponsor, Stroock & Stroock & Lavan LLP, the Selling Agent, the Managing Agent or any other person connected with this offering be liable if at any time it is held that the Residential Unit Owners, or any of them, are not entitled to such income tax deductions. In addition, none of the aforesaid give any warranties with respect to the tax consequences of this Plan or the tax consequences of ownership of any Units offered under this Plan, and no one has been authorized to give any warranties.

ATTORNEY'S INCOME TAX OPINION OF
STROOCK & STROOCK & LAVAN LLP

STROOCK

February 12, 2014

Broome Street Owner LLC
c/o Atlas Capital Group
505 Fifth Avenue, 28th Floor
New York, New York 10012

Re: Condominium Offering Plan
The 42 Crosby Street Condominium (the "Condominium")

Ladies and Gentlemen:

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

In connection with rendering this opinion, we have reviewed the Plan and have examined the schedules, exhibits and documents accompanying the Plan, including the declaration establishing, and the By-Laws governing, the operations of the Condominium (the "Plan Documents"). We have also considered the relevant sections of the Code, the New York State Tax Law, the New York City Administrative Code, the regulations promulgated thereunder and such other materials as we deemed relevant. In rendering this opinion, we have assumed that the Plan is the document pursuant to which owners of the Residential Units will acquire their Residential Units and that the relevant facts are as set forth therein.

Pursuant to the Plan, the purchaser of a Residential Unit will receive legal title in fee simple to his or her Residential Unit, coupled with ownership of an undivided

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

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

Purchasers are advised that an exemption from real estate taxes may be available for veterans and other purchasers under the New York State Real Property Tax Law, as amended, and/or various codes, rules and regulations of the City of New York. Prospective purchasers are advised to consult with their own attorneys or other advisers to determine whether the prospective purchaser qualifies for any exemption from real estate taxes.

Section 163 of the Code provides that a taxpayer generally is entitled to a deduction for Federal income tax purposes for interest paid with respect to a principal and a second residence (each a "qualified residence") to the extent that the interest is attributable to indebtedness which is secured by the qualified residence and which is (i) incurred in acquiring, constructing or substantially improving the qualified residence (or which constitutes a refinancing of such indebtedness, to the extent that the indebtedness does not exceed the amount of the refinanced debt), up to a maximum of $1,000,000 for any period ($500,000 in the case of a married individual filing a separate return) ("acquisition indebtedness"), and (ii) indebtedness, up to the excess of the fair market value of any one qualified residence over the amount of acquisition indebtedness with respect to such residence ("home equity indebtedness"), but not to exceed $100,000 ($50,000 in the case of a married individual filing a separate return) in the aggregate for the qualified residences of the taxpayer in any period. Accordingly, an owner of a Residential Unit who itemizes deductions and uses his or her Residential Unit as a qualified residence will be entitled, under current law, to deduct from his or

her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as may be in effect under Section 68 of the Code, interest paid or accrued by him or her on (i) acquisition indebtedness incurred with respect to his or her Residential Unit to the extent that such indebtedness, when added to the amount of acquisition indebtedness incurred with respect to a second qualified residence (if any), does not exceed $1,000,000 ($500,000 in the case of a married individual filing a separate return) and (ii) home equity indebtedness with respect to his or her Residential Unit to the extent that such indebtedness, when added to the amount of home equity indebtedness incurred with respect to a second qualified residence (if any), does not exceed $100,000 ($50,000 in the case of a married individual filing a separate return). Since the rules and limitations regarding the deductibility of home mortgage interest are complex, purchasers are urged to consult their tax advisers regarding the application of such rules and limitations to them, as well as regarding the deductibility of interest with respect to their Residential Units for Federal alternative minimum tax purposes (which at present is subject to rules different than those described above for regular tax purposes). In addition, owners of Residential Units should consult their tax advisers regarding potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans and any overall limitation on the allowance of itemized deductions.

Each owner of a Residential Unit who uses his or her Residential Unit solely as a residence will generally be entitled to the same deduction for mortgage interest and real estate taxes paid or accrued with respect to his or her Residential Unit for New York State and New York City income tax purposes as is allowed for Federal (regular) income tax purposes. However, under New York State and New York City income tax law, itemized deductions, such as interest and real estate tax deductions, are subject to reduction by as much as 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 taxes to the deduction for mortgage interest and real estate taxes with respect to their Residential Units.

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

To qualify as a homeowners association, the Condominium must meet all of the following conditions: (1) it must be organized and operated to provide for the acquisition, construction, management, maintenance and care of association property, (2) at least 60% of its gross income for each taxable year must consist solely of amounts

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

Based on the information contained in the Plan, including Schedule A to the Plan, and assuming that the Residential Units are used by individuals solely for residential purposes under Treasury Regulation § 1.528-4, at least 85% of the total square footage of all Units of the Condominium will be used by individuals for residential purposes. We have assumed that no portion of the common space is allocable to non-residential units. Based upon the foregoing and assuming (i) the Plan becomes effective during the taxable year ending December 31, 2016 (the "2016 Taxable Year"), (ii) the actual gross income and expenditures of the Condominium for the 2016 Taxable Year are the same as (or, if such year is a short taxable year, are in the same proportions as) the estimated gross income and expenditures for the Condominium's first full year of operations, as set forth in Schedule B to the Plan and the associated documents referenced therein, (iii) the Condominium otherwise operates in accordance with the terms of the Plan and the Plan Documents, and (iv) there are no changes in the facts and/or the relevant provisions of applicable law after the date hereof, the Condominium will be eligible to elect to be treated as a homeowners association under Section 528 of the Code for the 2016 Taxable Year.

Absent the application of Code Section 528, the present state of Federal law is unclear as to the precise tax status of the Condominium. An entity classification regime was adopted in regulations issued by the United States Treasury Department on December 17, 1996 and there is no authority addressing the application of those entity classification regulations to condominiums. Provided that the Condominium is not incorporated under any relevant provision of New York State law, the Condominium Board, as agent of the Unit Owners under the Condominium's By-Laws, may take the position that the Condominium is not a separate entity and accordingly is not subject to the classification regime. In such case, the Unit Owners would, in the aggregate, include in their gross income and be taxed on all income earned by the Condominium (which income may include interest or similar income earned from interim investments

of the amounts assessed and collected from the Unit Owners), reduced by the expenses incurred in earning such income. For this purpose, the Common Charges should not be considered income earned by the Condominium through the Condominium Board collecting such charges. If, however, the Condominium is properly treated as a separate entity, and is not incorporated under any relevant provision of New York State law, the Condominium may elect to classify itself as a corporation under the currently applicable Federal entity classification regime. If the Condominium files an election to be classified as a corporation, it would be considered a separate taxpayer with respect to income (potentially including the Common Charges, among other things) and deductions and return filing requirements and would be subject to Federal corporate income tax. If the Condominium does not file an election to be treated as a corporation and is treated as a partnership, the partnership would not be subject to an entity level tax; the items of income and deduction of the partnership (potentially including the Common Charges, among other things) generally would be reflected on the separate income tax returns of each of the Unit Owners in accordance with the provisions of Subchapter K of the Code, and the partnership would be required to file information returns.

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

To ensure compliance with requirements imposed by the IRS in Circular 230, we hereby inform you that (i) any tax advice contained in this opinion is not intended or written to be used, and cannot be used, by any taxpayer for the purpose of avoiding penalties under the Code, (ii) any such tax advice is written to support the promotion or marketing of the transactions or matters addressed in this opinion and the Plan, and (iii) each Unit Owner, each potential Unit Owner and the Condominium should each seek advice based on its particular circumstances from an independent tax advisor.

We express no views as to any Federal, New York State or New York City tax consequences other than those explicitly discussed in this opinion, or as to the tax status or tax consequences of the Plan under the laws of any other U.S. or foreign jurisdiction. Moreover, this opinion, while based on existing rules of law applied to the facts and

documents referred to above, is not binding on the IRS, the New York State Department of Taxation and Finance, the City of New York Department of Finance or any court. No assurances can be given that the tax laws upon which we base this opinion will not change. In no event will the Sponsor, Stroock & Stroock & Lavan LLP, the Condominium Board, the Selling Agent or any other person be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or the IRS and New York State and New York City rulings on which we have relied, which cause the owners of the Residential Units not to be entitled to the income tax deductions described herein, or which would affect the tax treatment of the Condominium as described herein.

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

Very truly yours,



STROOCK & STROOCK & LAVAN LLP

339-i OPINION OF STROOCK & STROOCK & LAVAN LLP

STROOCK

February 25, 2014

Broome Street Owner LLC
c/o Atlas Capital Group
505 Fifth Avenue, 28th Floor
New York, NY 10017

Re: The 42 Crosby Street Condominium
42 Crosby Street
New York, New York 10012 (the "Condominium")

Gentlemen:

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

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

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

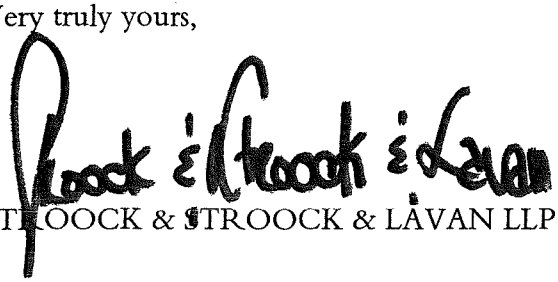
Accordingly, based on the foregoing it is our opinion that Real Property Law Section 339-i has been complied with in assigning Common Interests to the Units. This opinion, while based upon existing rules of law applied to the facts and documents referred to above, is not a guarantee to purchasers. In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

The opinion expressed herein is based solely on New York law.

STROOCK & STROOCK & LAVAN LLP • NEW YORK • LOS ANGELES • MIAMI • WASHINGTON, DC
180 MAIDEN LANE, NEW YORK, NY 10038-4982 TEL 212.806.5400 FAX 212.806.6006 WWW.STROOCK.COM

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

Very truly yours,



STROOCK & STROOCK & LAVAN LLP

STROOCK & STROOCK & LAVAN LLP • NEW YORK • LOS ANGELES • MIAMI • WASHINGTON, DC
180 MAIDEN LANE, NEW YORK, NY 10038-4982 TEL 212.806.5400 FAX 212.806.6006 WWW.STROOCK.COM

REAL ESTATE TAX OPINION OF THE LEITNER GROUP



LEITNER GROUP, INC.
REAL ESTATE APPRAISERS & CONSULTANTS

May 9, 2014

Broome Street Owner, LLC
c/o Atlas Capital Group
505 Fifth Avenue, 28th Floor
New York, NY 10017

Re: Post Construction Real Estate Tax Projection
42 Crosby Street
Block 483, Lot 35
Borough of Manhattan
City and State of New York

To Whom It May Concern:

You have requested that we project the real estate tax liability of the above referenced premises (herein referred to as the subject property) for the first year of condominium operation commencing November 1, 2016.

It has been the practice of the Real Property Assessment Department of the City of New York to review the assessed valuation of newly constructed or rehabilitated buildings. 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-construction assessed valuation of this property with any degree of certainty. However, the estimates presented below are based upon current policies and practices of that department.

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.

You have advised us of the following facts regarding this project:

1. The property consists of a proposed mixed-use building containing 7 stories. The property will contain 10 residential units and two commercial units. The commercial units will be herein referred to as "non-residential" units. The residential unit breakdown is as follows:

#	Unit	BR	Comment	Net Leasable Area
1	2 South	3	+ Study	3,323
2	2 North	3		2,798
3	3 South	3	+ Study	3,323
4	3 North	3		2,798
5	4 South	3	+ Study	3,323
6	4 North	3		2,798
7	5 South	3	+ Study	3,323
8	5 North	3		2,798
9	6 North	3		2,743
10	Penthouse	5	+ 2 Studies	5,876
Total:				**33,103**

2. The total gross square footage above grade of the subject property, including lobby area, common area hallways, elevator shafts, etc., will be approximately 42,214± square feet above grade upon completion. The sellable residential area above grade will amount to approximately 33,103± square feet. The commercial units will measure approximately 1,484 and 2,273 square feet, for a total commercial area of 3,757± net square feet above grade.

3. It has been reported to us that construction will commence in the third quarter of 2014. Construction is scheduled to be completed in the second half of 2016. For our calculations, we have assumed that the first year of condominium operation will commence on November 1, 2016 (during the 2016/2017 tax year).

4. The residential component will be allocated a common interest percentage of 96.26% and the commercial component will be allocated a common interest percentage of 3.74%, based on the methodology described in the condominium by-laws.

5. The construction budget (hard costs) was reported as $32,000,000 or $758 per square foot.

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 Section 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 New York City Department of Finance has historically apportioned assessed value among units based primarily upon the proportion the projected selling price presented in the Offering Plan for each residential unit bears to the total offering price for all residential units available for purchase in the project ("proportionate valuation"). The Department of Finance may also apportion assessed value based upon each unit's percentage of overall common interest, or based upon relative square footage. We have allocated our projected assessed valuation based upon the percentage of common interest assigned to each condominium unit. We make no representations that the Department of Finance will use any particular method of apportioning assessed valuation among the units.

For the purposes of this opinion, we have projected the assessment of each component separately and computed the post-completion tax burden based on each component's respective future tax class.

Current Assessments

The final target (actual) and transitional assessed valuations for the subject's block and lot for the tax year 2013/14 are set forth as follows:

Block / Lot	Actual Land	Actual Total	Transitional Land	Transitional Total	2013/14 Taxable Total
483/35	$693,900	$809,100	$695,340	$771,480	$771,480

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. The total taxable assessment for the tax lot amounts to $771,480.

Tax Rates

Properties in New York City are taxed per $100 of assessed value. Upon completion of construction and separate assessment of each component, the residential units will be assessed within Tax Class 2 (residential) while the non-residential units will be assessed within Tax Class 4. The chart below illustrates historical tax rates in each class. The 2013/14 tax rate is 13.145% per $100 of assessed value for Class 2 properties and 10.323% per $100 of assessed value for Class 4 properties. The tax rates for subsequent years are not yet released by the City of New York. We have assumed, for the purpose of this tax projection that tax rates will increase by 1% per annum.

REAL ESTATE TAX RATES, NEW YORK CITY

Year	Class 1	Class 2	Class 3	Class 4
1996/1997	10.785%	11.056%	7.840%	10.252%
1997/1998	10.849%	11.046%	8.282%	10.164%
1998/1999	10.961%	10.739%	8.800%	10.236%
1999/2000	11.167%	10.851%	9.398%	9.989%
2000/2001	11.255%	10.847%	10.540%	9.768%
2001/2002	11.609%	10.792%	10.541%	9.712%
First-Half 2002/2003	11.936%	10.564%	10.607%	9.776%
Second-Half 2002/2003	14.160%	12.517%	12.565%	11.580%
2003/2004	14.550%	12.620%	12.418%	11.431%
2004/2005	15.094%	12.216%	12.553%	11.558%
2005/2006	15.746%	12.396%	12.309%	11.306%
2006/2007	16.118%	12.737%	12.007%	10.997%
2007/2008	15.434%	11.928%	11.577%	10.059%
First-Half 2008/2009	15.605%	12.139%	11.698%	9.870%
Second-Half 2008/2009	16.787%	13.053%	12.577%	10.612%
2009/2010	17.088%	13.241%	12.743%	10.426%
2010/2011	17.364%	13.353%	12.631%	10.312%
2011/2012	18.205%	13.433%	12.473%	10.152%
2012/2013	18.569%	13.161%	12.477%	10.288%
2013/2014	19.191%	13.145%	11.902%	10.323%
2014/2015 (Projected)	**19.383%**	**13.276%**	**12.021%**	**10.426%**
2015/2016 (Projected)	**19.577%**	**13.409%**	**12.141%**	**10.530%**
2016/2017 (Projected)	**19.773%**	**13.543%**	**12.263%**	**10.636%**
2017/2018 (Projected)	**19.970%**	**13.679%**	**12.385%**	**10.742%**
2018/2019 (Projected)	**20.170%**	**13.816%**	**12.509%**	**10.850%**

Source: New York City Department of Finance

Projected Future Assessments

We have reviewed the 2013/2014 assessed valuations of comparable, recently renovated, rehabilitated or newly constructed buildings in the vicinity of the subject:

COMPARABLE ASSESSMENTS – RESIDENTIAL COMPONENT

Address	Year Built	Size (SF)	Stories	Assessed Value per SF
45 East Houston Street	2007	23,854	12	$74.32
51 Walker Street	2005	34,587	9	$86.66
123 Baxter Street	2003	46,545	7	$88.60
217-219 West Broadway	2005	26,981	7	$101.73
256 Bowery	2010	38,333	8	$118.95
			Min:	$74.32
			Max:	$118.95
			Average:	$94.05

The comparables present a range between $74.32 and $118.95, with an average of $94.05 per square foot. We conclude with an assessment of $100 per net square foot of residential area. This amounts to a total assessment of $3,310,300 for the residential component.

COMPARABLE ASSESSMENTS – COMMERCIAL COMPONENT

Address	Year Built	Size (SF)		Assessed Value per SF
256 Bowery	2010	8,218		$135.80
92-94 Greene Street	2007	7,906		$151.91
210 Lafayette Street	2004	1,652		$185.66
246 Spring Street	2007	2,022		$210.18
139 Wooster Street	2006	2,771		$230.67
			Min:	$135.80
			Max:	$230.67
			Average:	$182.84

The comparables present a range between $135.80 and $230.67, with an average of $182.84 per square foot. We conclude with an assessment of $200 per net square foot of commercial area. This amounts to a total assessment of $751,400 for the commercial component.

The combined projected assessment for the first year of condominium operation amounts to $4,061,700.

ESTIMATED TAX LIABILITY - FIRST YEAR OF CONDOMINIUM OPERATION

As previously noted, we have assumed, for the purpose of this tax projection that tax rates will increase by 1% per annum. The first year of condominium operation is projected to begin on November 1, 2016 and end on October 31, 2017. The tax year runs on a fiscal year from July 1 to June 30. Therefore, the first 8 months of the first year condominium operation will fall under the 2016/2017 tax year and the last 4 months will fall under the 2017/2018 tax year. Taxes payable for each component in the first year of condominium operation are computed[1]:

[1] Our forecast may differ from actual calculation due to rounding the anticipated tax rate.

TAX LIABILITY FORECAST - FIRST YEAR OF CONDOMINIUM OPERATION

Component	Residential	Commercial
Projected Assessment First Year of Operation (8 months November 2016 to June 2017)	$3,310,300	$751,400
Projected Tax Rate (2016/2017)	x 13.543%	x 10.636%
Projected Taxes for 8 months (November 2016 to June 2017)	$298,883	$53,278
Projected Assessment First Year of Operation (4 months July 2017 to October 2017)	$3,376,506	$766,428
Projected Tax Rate (2017/2018)	13.679%	10.742%
Projected Taxes for 4 months (July 2017 to October 2017)	$153,954	$27,444
Total Taxes Year 1 (12 months)	**$452,837**	**$80,722**
Per Net SF	**$13.68**	**$21.49**

The total tax payment for the first year of operation is forecasted at $533,559.

ESTIMATED TAX LIABILITY - SECOND YEAR OF CONDOMINIUM OPERATION

We forecast that the assessment will grow at 2% per year, for assessed values in the 2017/18 tax year at $3,376,506 for the residential component and $766,428 for the commercial component, and in the 2018/19 tax year at $3,444,036 for the residential component and $781,757 for the commercial component.

TAX LIABILITY FORECAST - SECOND YEAR OF CONDOMINIUM OPERATION

Component	Residential	Commercial
Projected Assessment Second Year of Operation (8 months November 2017 to June 2018)	$3,376,506	$766,428
Projected Tax Rate (2017/2018)	x 13.679%	x 10.742%
Projected Taxes for 8 months (November 2017 to June 2018)	$307,909	$54,887
Projected Assessment Second Year of Operation (4 months July 2018 to October 2018)	$3,444,036	$781,757
Projected Tax Rate (2018/2019)	x 13.816%	x 10.850%
Projected Taxes for 4 months (July 2018 to October 2018)	$158,604	$28,272
Total Taxes Year 2 (12 months)	**$466,513**	**$83,160**
Per Net SF	**$14.09**	**$22.13**

The total tax payment for the second year of operation is forecasted at $549,673.

RECONCILIATION

We estimate that the full tax burden for the residential units will amount to $452,837 for the first year of condominium operation and $466,513 for the second year of operation. We estimate that the full tax burden for the commercial unit will amount to $80,722 for the first year of condominium operation and $83,160 for the second year of operation.

Prospective purchasers are advised that these valuation estimates assume that the taxing authority is assessing a post-construction, completed, occupied building and is not intended to reflect any partial, interim or progress assessment.

The tax liability of a particular unit, assuming the overall actual assessment as estimated above and tax rates as estimated above, may be estimated as follows for the first and second year of condominium operation:

PROJECTED TAXES PER UNIT
FIRST YEAR OF CONDOMINIUM OPERATION (NOVEMBER, 2016 TO OCTOBER, 2017)

Residential Component:	$452,837 x Common Interest Percentage
Commercial Component:	$80,722

PROJECTED TAXES PER UNIT
SECOND YEAR OF CONDOMINIUM OPERATION (NOVEMBER, 2017 TO OCTOBER, 2018)

Residential Component:	$466,513 x Common Interest Percentage
Commercial Component:	$83,160

This letter was prepared at the request of Broome Street Owner, LLC. Certain figures set forth herein are approximations derived from material submitted by the sponsor and are subject to variation.

The opinions expressed above are based on our 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 we believe our 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 our 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.

We hereby consent to the inclusion of this letter in the Offering Plan.

Sincerely,

Jon DiPietra
Vice President
State Certified General Appraiser #46-46386

Joel Leitner, MAI, CRE, FRICS
Principal
State Certified General Appraiser #46-3011

WORKING CAPITAL FUND AND APPORTIONMENTS

A. At the closing of title to a Residential Unit, Sponsor will collect from each Purchaser, an amount equal to two (2) months' Residential Common Charges then applicable to such Residential Unit being purchased which will be deposited into the Working Capital Fund.

B. At the First Closing, Sponsor will apportion with the appropriate Boards the following items as of midnight of the date preceding said Closing:

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

(2) deposits with utility companies, if any, and fees for assignable permits and licenses, if any;

(3) charges for electricity and other utilities for the General and Limited Common Elements;

(4) cost of fuel on hand (plus sales tax), if any;

(5) charges and receipts in connection with service, maintenance and concession contracts;

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

(7) cost of Building supplies on hand at Sponsor's cost (including sales tax);

(8) premiums for transferable insurance policies, if any;

(9) management fees; and

(10) other customary adjustments.

C. Adjustments for prepaid expenses between Sponsor and the Board(s), if any, may be deducted from the Working Capital Fund. If any of the foregoing items to be apportioned cannot be adjusted at the First Closing because they are not fully ascertainable or there are insufficient funds in the Working Capital Fund, they shall be apportioned and adjusted to the extent reasonably possible at the First Closing, and final adjustment will be made as soon thereafter as the undetermined amounts are ascertained. Except as herein otherwise expressly provided, the customs in respect to title closings adopted by the Real Estate Board of New York, Inc., as amended, shall apply to apportionments and other matters herein mentioned.

D. The Working Capital Fund will be held and used for working capital, or for such other appropriate purposes as will be determined by the Residential Board and may be augmented by allocations from the monthly Residential Common Charges collected from each Residential Unit. No representation or warranty can be made and no assurance can be given as

to the exact amount of funds available at any specific time. Notwithstanding the foregoing, while Sponsor controls the Residential Board (see the Section of the Plan entitled, "Control By Sponsor" set forth in Part I of the Plan), the Working Capital Fund will not be used to reduce Residential Common Charges. Purchasers are advised that if Sponsor enters into leases for Unsold Residential Units, the tenants thereunder will not be obligated to contribute to the Working Capital Fund and accordingly, the Working Capital Fund may be insufficient for the payment of unanticipated expenses, if any, and Residential Unit Owners may be subject to a Special Assessment to pay for the costs of such unanticipated expenses, if any.

E. The Residential Board will be able to utilize the money in the Working Capital Fund at any time and, accordingly, no representation or warranty can be made and no assurance can be given as to the exact amount of funds available at any specific time. There is no minimum amount set for the Working Capital Fund regardless of the amount of adjustments. However, in no event shall any portion of the Working Capital Fund be used to pay any Residential Common Charges including Residential Common Charges attributable to Unsold Residential Units.

F. In the event that capital expenditures for renewal or replacement of Building components or systems or to remedy major building defects are needed, it may be necessary to increase Common Charges or impose Special Assessments payable by Unit Owners who are responsible for the repair and replacement of the Common Element in need of such renewal, replacement or remedy. Alternatively, a Board may determine to seek financing from a bank or other lending institution for such expenditures in accordance with the terms of the By-Laws and subject, in certain instances, to Unit Owner approval. In addition, pursuant to the By-Laws each Board is entitled to determine amounts for a reserve for replacements in establishing the annual budgets.

G. No representation or warranty is made that the Working Capital Fund will be, or is intended to be, adequate to cover current or future expenses, for the first or any subsequent year of Condominium operation.

H. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

RESERVE FUND

No reserve fund for capital expenditures has been established for the Condominium. The Contingency Fund reflected in Schedule B is not intended and may not be sufficient to meet the cost of any major capital repairs or replacements which may be required. If funds are required to meet such costs, it may be necessary to increase monthly Common Charges or impose a Special Assessment.

MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

A. The Condominium Board will enter into a management agreement (the "Management Agreement") with ACG Property Management LLC., having an address at c/o Atlas Group, 505 Fifth Avenue, 28th Floor, New York, New York (the "Managing Agent"), with respect to the Building at or prior to the First Closing. The principals of the Managing Agent are affiliated with Sponsor or its principals.

B. The management agreement provides for an initial term of two (2) years commencing on the First Closing and thereafter, if not otherwise terminated by the Condominium Board or Managing Agent in accordance with the terms of the Management Agreement, for a period of one (1) year. If the Managing Agent shall fail to perform or abide by any of its services, agreements, representations, warranties, covenants, or obligations herein, and shall fail to materially cure said failure within thirty (30) days of notice of said failure sent by the Condominium Board to the Managing Agent, the Condominium Board shall have the right to terminate this Agreement at the end of any calendar month on not less than sixty (60) days' prior written notice to Managing Agent. If a Board shall unreasonably refuse to comply with or abide by any proper rule, order, determination, ordinance or law of any federal, state or municipal authority having jurisdiction or asserting jurisdiction, the Managing Agent may terminate this Agreement at any time on ten (10) days' prior notice in writing to the Condominium Board. The Managing Agent may otherwise terminate this Agreement on thirty (30) days' prior written notice to the Condominium Board.

C. The Managing Agent will receive an annual fee of $50,000.00 during the First Year of Condominium Operation and for each ensuing twelve (12) month period thereafter shall increase by 5%. In addition, for services rendered to Residential Unit Owners (other than Sponsor or its designee) in connection with processing applications to sell or otherwise transfer Units and obtaining necessary waivers of the right of first refusal by the Residential Board, the Managing Agent shall receive the following fees from Residential Unit Owners (i) $650.00 upon the sale, lease or other transfer of a Residential Unit for reviewing the waiver of the Residential Board's right of first refusal and other required documents, (ii) $250.00 in connection with the processing of a lease renewal application for a Residential Unit Owner, (iii) $350.00 in connection with a Residential Unit Owner's application for an appraisal or mortgage refinancing. In addition, refundable fees for move ins may be required of each Purchaser or tenant. Such fees may be retained by the Condominium in the event a Purchaser, tenant or their agents damages the Common Elements during the move in. The fees charged by the Managing Agent are consistent with fees charged with other managing agents managing buildings in similar high end condominiums in Manhattan.

D. The Condominium Board shall reimburse the Managing Agent for all out of pocket expenses incurred by the Managing Agent in the performance of its duties under the Management Agreement including, but not limited to, messenger expenses and storage charges for the Condominium Board's documents and filing fees.

E. The duties and services to be rendered by the Managing Agent, on behalf of the Condominium Board, include, among others:

(1) Cause to be hired, paid, and supervised, using reasonable care, all persons necessary to be employed, if any, in order to maintain and operate the Managed Property; but all such employees shall be employees of the Condominium and not of the Managing Agent, and the applicable Board at its own cost and expense shall defend any suit brought against the applicable Board or the Managing Agent on account of the operation or maintenance of the Managed Property, including injuries to employees or others, and the applicable Board shall hold harmless and fully indemnify the Managing Agent from any loss to the Managing Agent on account thereof, unless such loss has been caused by the Managing Agent's or its employees' gross negligence or willful misconduct, and the Managing Agent will cause to be discharged all persons unnecessary or undesirable, all subject to such union contracts or other agreements concluded on behalf of the applicable Board with the applicable Board's written approval. Notwithstanding the foregoing, the Managing Agent, with the consent of the applicable Board, may engage another company (which may result in an additional cost to the applicable Unit Owners in addition to those costs set forth on Schedule B) to hire, pay and supervise employees of the Condominium or a particular section of the Condominium, provided that any such service will be disclosed in an amendment to the Plan;

(2) At its own expense, maintain a sufficient staff to perform all administrative, bookkeeping, clerical, receiving and disbursing services required in connection with the performance of its duties hereunder, provided, however, that Managing Agent shall not be responsible for the expense of any personnel set forth on the then current Budget for the Condominium;

(3) Bill and collect all Common Charges, or Special Assessments and other amounts due and payable by Unit Owners, and other income from the Managed Property and send late notices to any Unit Owners who have not made timely payments including but not limited to Common Charges, Special Assessments, interest, late fees or rent, allowing for any applicable grace periods therefore; and, in the event of a default by a Unit Owner under the Declaration provided Managing Agent has received the applicable Board's prior consent, and on behalf and for additional fees to be reimbursed by the Condominium, sue for collection of any late payments and/or file a notice of lien on a Unit and/or foreclose on a lien on a Unit and seek the Unit Owner's eviction from same or retain attorneys to do any of the aforesaid;

(4) To the extent same may or is required to be maintained or operated by the applicable Board under the terms of the Declaration, through employees of the Condominium or when required, in Managing Agent's judgment, through independent contractors or through arrangement with the Other Managing Agents (as hereinafter defined), cause the Managed Property to be repaired, restored, cleaned, added to, improved, altered, replaced or maintained in such condition as may be deemed advisable by Managing Agent, including, but not limited to plumbing, steam-fitting, carpentry, elevator, painting and plastering, sidewalk and roadway repairs and gardening and, in conjunction therewith, to purchase such equipment, furniture, tools, appliances, materials, supplies, and uniforms as

Managing Agent shall reasonably deem necessary or advisable, provided that the expense to be incurred for any single repair by an independent contractor or for any single purchase shall not exceed $10,000.00 without the prior written consent of the applicable Board, except if part of a pre-approved budgeted item or in the case of emergency repairs, immediately necessary for the preservation of the Managed Property or the safety of the Unit Owners, tenants, or other persons, or required to avoid the suspension of any necessary service in the Managed Property or reasonably necessary to avoid the criminal liability of the Condominium, applicable Board or Managing Agent, in which case such emergency repairs may be made by Managing Agent irrespective of the cost thereof without the prior approval of the applicable Board, but Managing Agent shall, with reasonable promptness, notify the President, Vice President or Treasurer of the Condominium of such emergency repairs; and in connection with the purchase of any material or services as hereinabove provided, Managing Agent shall use commercially reasonable efforts to make such purchases at the lowest available costs from reliable suppliers and shall allow the Condominium any rebates or discounts obtained by Managing Agent;

(5) Unless otherwise directed in writing by the applicable Board in each instance, and as deemed necessary by Managing Agent, enter into contracts for elevator maintenance, telephone service, window cleaning, steam, gas, electricity and water services, security services, extermination and other services as shall from time to time be approved by the applicable Board and shall do so in its name or the name of the Condominium, as the latter shall elect; provided, that any service contract in excess of one (1) year or $10,000.00 per annum requires the consent of the applicable Board, unless said service contract is part of a pre-approved budget;

(6) On behalf of and at the cost and expense of the applicable Board, cause such acts or things to be done in and about the Managed Property and to prepare and file all such documents, as shall be necessary to comply with all federal, state and municipal statutes, rules, and regulations of and remedy all violations charged by any such authorities, the New York Board of Fire Underwriters, the New York Fire Insurance Exchange or similar body which are the responsibility of the applicable Board under the Declaration. Any one order or violation involving an expenditure of over $5,000.00 shall be complied with only with the prior written approval of the applicable Board, but orders or violations requiring emergency action immediately necessary for the preservation or safety of the Managed Property or for the safety of the Unit Owners, tenants or other persons, or required to avoid the suspension of any necessary service, or reasonably necessary to avoid criminal liability of Managing Agent or the applicable Board, may be complied with irrespective of the costs thereof, without the prior approval of the applicable Board, but Managing Agent shall, with reasonable promptness, notify the President, Vice President or Treasurer of the Condominium of same;

(7) On behalf of and at the expense of the applicable Board cause to be effected and maintained, through Managing Agents and brokers approved by the applicable

Board, in such amounts and with such insurance companies as the applicable Board shall approve, and in accordance with the insurance requirements listed in the Condominium By-Laws including but not limited to following coverages, Building, Business Interruption, Boiler, General Liability, Excess Liability, Workers Comp and DBL if applicable, Crime Coverage or Fidelity Bond, Directors & Officers Liability covering the applicable Board, officers and employees of the applicable Board and, except as hereinafter provided, officers and employees of the Managing Agent, to the extent obtainable, and such other insurance as the applicable Board and Managing Agent shall deem necessary or reasonably desirable for the protection of the interests of the Condominium, applicable Board, and Managing Agent, and Managing Agent shall be named as an additional insured party in all liability policies, and other policies not including Property coverage, and the Managing Agent will coordinate with the applicable Board to obtain the requisite insurance coverages for the Building;

(8) Deposit all monies received by it for or on behalf of the Condominium or the applicable Board (less any sums properly deducted by Managing Agent in accordance with the provisions of this Agreement) to the account of the Condominium in one or more special bank account established in the name of the applicable Board and maintained by Managing Agent for such purpose ("Condominium Accounts") and no such monies shall be commingled with other funds of Managing Agent; Managing Agent shall keep the applicable Board advised of the balance of such accounts; the applicable Board covenants and agrees to maintain sufficient balances in the Condominium Accounts to properly maintain and operate the Managed Property;

(9) Make careful audit of all bills received for services, work and supplies ordered in connection with maintaining and operating the Managed Property, pay all such bills, and, also pay water charges, sewer rent and assessments assessed with respect to the Condominium or the Managed Property as and when the same shall become due and payable;

(10) Consider and, when reasonable, attend to the complaints of Unit Owners and advise the applicable Board of any complaints not attended to, and the reason therefore;

(11) Cause to be prepared and filed the necessary forms for unemployment insurance, social security taxes and withholding taxes and all other forms required by any federal, state or municipal authority provided that any costs and expenses associated with such filings shall be the responsibility of the Condominium;

(12) Render to the applicable Board monthly statements of receipts and expenditures on an accrual basis for the preceding month and for the year to date, not later than the 30th business day of each month for the preceding calendar month. A copy of each such monthly statement shall be sent by Managing Agent to the President and Treasurer of the Condominium, provided that the cost of reproduction shall be borne by the Condominium;

(13) Set up and maintain in a reasonably satisfactory manner, separate and accurate books of account, check books, minute books, records of Unit mortgages and mortgagees (to the extent same are received by Managing Agent) and payroll and other records of the Condominium, and maintain orderly files of all rent records, leases, bills, vouchers, documents, correspondence, insurance policies, papers, etc. (collectively called "Documents") pertaining to the Managed Property, all of which shall be and remain the property of the Condominium. Managing Agent shall, upon request of the applicable Board, make all of said Documents available to the applicable Board and its officers, accountants, attorneys and other representatives and shall deliver same to the applicable Board or its Managing Agents or representatives on demand;

(14) In conjunction with the certified public accountant of the Condominium, arrange for an annual audit each year of the books of account of the Condominium, including an annual report of the Condominium for the year then ended. If the applicable Board shall so request, a copy of each such annual report shall be provided by Managing Agent to each Unit Owner and the cost thereof shall be borne by the Condominium (including photocopying, postage, etc.);

(15) Prepare and submit annually to the applicable Board an operating budget setting forth the anticipated income and expenses of the Condominium for the ensuing year, proposing annual and other assessments of Common Charges, and notifying Unit Owners of annual and all other assessments of Common Charges as determined by the applicable Board;

(16) Prepare and send out all notices of applicable Board meetings and Unit Owner meetings and such other letters and reports as the applicable Board may request (with the cost of reproduction, postage, etc. to be borne by the Condominium); and when requested, arrange for a suitable meeting place and prepare agendas for such meetings;

(17) To the extent Managing Agent has received notification of the name and address of mortgagees send to the mortgagees of Units, by registered or certified mail, copies of all notices of default, in the payment of Common Charges or in compliance with the By-Laws or Rules and Regulations of the Condominium, given to the owner of such Unit;

(18) Cause a representative of its company to attend annual meetings of the Unit Owners and meetings of the applicable Boards and, if desired by a Board, provide a secretary, at the Condominium's expense ($250.00 per meeting) to record the minutes of such meetings, it being understood that every reasonable effort will be made to schedule applicable Board meetings or Unit Owner meetings, as the case may be, at a sufficiently early hour;

(19) Process applications and references from all Residential Unit Owners and lessees in connection with the transfer of ownership, leases, mortgage refinancing, alterations or otherwise of any Residential Units; obtain credit and other reports

relating to Unit Owners and lessees of space being leased by Unit Owners or the applicable Board (and, at the applicable Board's request, for any other space in the Building), and Unit Owners seeking to refinance mortgages; and, if requested by the applicable Board, in cooperation with the Condominium Board's counsel, review Unit Owners' alteration plans, arrange for the execution of alteration agreements and obtain required certificates of insurance; furnish certificates of common charges, waivers of the applicable Board's first right of refusal and any related notices;

(20) Ascertain the assessment of the land on which the Building is located and the assessment of the Building and report such assessments to the Condominium Board. Should the Condominium Board consider such assessments excessive, the Managing Agent will, if requested, cooperate with the Condominium Board's attorneys in the preparation of an application for correction of the assessed valuation to be filed with the Tax Commission of the State of New York and, if the Condominium Board shall not have any regular attorneys, retain special counsel to prepare such application (with the Managing Agent's cooperation) and to institute tax certiorari proceedings; and

(21) Perform any of the foregoing or similar services with respect to a particular Section of the Condominium as may be directed by the applicable Board.

F. The Boards 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, provided however, any such indemnification shall not cover any claims resulting from the Managing Agent's gross negligence or willful misconduct.

G. The Management Agreement cannot be assigned without the written consent of the Condominium Board and the Managing Agent, except that the Managing Agent may assign the Management Agreement to an entity in which one or more of the principals are also principals of the Managing Agent.

H. Notwithstanding anything to the contrary set forth above, the Managing Agent's responsibility under the management agreement shall not extend to supervising or managing major capital renovations or major capital improvements, unless specifically agreed upon in writing by the parties and unless the Managing Agent receives an additional fee therefor. The Managing Agent, at its cost and expense, will be bonded during the term of the Management Agreement under fidelity or general surety bonds in the amount of up to $100,000 (for each occurrence) for any loss of money or other personal property belonging to the Condominium or for which the Condominium is legally liable, caused by larceny, embezzlement, forgery, misappropriation, wrongful abstraction or any dishonest or fraudulent acts committed on or after the date hereof, by Managing Agent, its directors, officers or employees. Managing Agent agrees to keep said bond in full force and effect throughout the term of this Agreement.

IDENTITY OF PARTIES

Sponsor

A. Sponsor is Broome Street Owner LLC, a Delaware limited liability company with an office c/o Atlas Capital Group, 505 Fifth Avenue, New York, New York 10017, formed on September 16, 2011.

B. The member of Broome Street Owner LLC is Broome Street JV SO LLC.

C. The principals of Sponsor are Andrew B. Cohen and Jeffrey A. Goldberger and have been involved in ownership, management and sale of real estate for a number of years.

D. Square Mile Capital Management ("Square Mile") is a real estate investment firm that is an equity partner in the project. Neither Square Mile or any of its controlled subsidiaries or affiliates are the "sponsor" or "principal of the sponsor" of the offering of the Units for sale and have no responsibility to the Boards or to Purchasers regarding the same, nor do they have any responsibility with respect to same.

E. The principals of Sponsor have not been involved in any condominium or cooperative offering plans for the last five (5) years and do not own ten (10%) percent or more of the unsold units or unsold shares in any building except as follows:

The 845 West End Avenue Condominium 845 West End Avenue New York, New York 10025	File No. CD 08-0647

F. Principals of Sponsor are current in their obligations with respect to the foregoing properties.

G. There have been no prior felony convictions of Sponsor, or any principals of Sponsor; and no prior convictions, injunctions and judgments against Sponsor, or any principals of Sponsor that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan.

Selling Agent

A. The Selling Agent for this offering is CORE Marketing Group LLC, having an address at 101 Fifth Avenue, New York, New York. The Selling Agent has been involved in the sale of co-ops and condominiums in Manhattan a number of years. A principal of the Selling Agent has a less than two (2%) percent interest in the Sponsor.

B. There have been no prior felony convictions of Selling Agent, or any principals of Selling Agent; and no prior convictions, injunctions and judgments against Selling Agent, or any principals of Selling Agent that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan.

Managing Agent

A. ACG Property Management LLC, having an office c/o Atlas Capital Group, 505 Fifth Avenue, New York, New York 10017 will be the managing agent for the Building. (See the Section entitled "Management Agreement" in Part I of the Plan). The Managing Agent is affiliated with Sponsor. The Managing Agent has been engaged in the development ownership, operation and management of New York City residential apartment building, mixed use residential and commercial apartment buildings and converted condominium properties for approximately five (5) years.

B. There have been no prior felony convictions of the Managing Agent, or any principals of the Managing Agent; and no prior convictions, injunctions and judgments against the Managing Agent, or any principals of the Managing Agent that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan.

C. A list of properties which are currently managed by the Managing Agent include: 845 West End Avenue, New York, New York; 550 Washington Street, New York, New York; 311 West 43rd Street, New York, New York; 325 Bowery, New York, New York, 222 East 39th Street, New York, New York and 30-330 47th Avenue, Long Island City, New York.

Attorneys for Sponsor

Sponsor has retained the law firm of Stroock & Stroock & Lavan LLP, having an office at 180 Maiden Lane, New York, New York 10038 to represent it in connection with the Plan. Stroock & Stroock & Lavan LLP prepared the Plan, the Declaration, the By-Laws and the forms of Agreement, Unit Deed and Power of Attorney and has also rendered an opinion with respect to the availability of income tax deductions to Purchasers of Residential Units and compliance with Section 339-i of the Real Property Law. Michel Evanusa, Esq. had principal responsibility for the preparation of the Plan. Stroock & Stroock & Lavan LLP will serve as Escrow Agent and will represent Sponsor in connection with matters relating to Residential Unit Closings.

Sponsor has retained the Leitner Group, Inc. having offices at 79 Madison Avenue, 8th Floor, New York, New York, to represent it in connection with the estimated valuation of the Property for real estate tax purposes.

Sponsor's Architects/Engineers

A. The design architect for the Building is Framke, Gottsegen, Cox Architects, having an office at 78 Union Street, Brooklyn, New York 11231, which has had extensive experience in residential design and overall planning.

B. Robert Silman Associates, having an address at 88 University Place, New York, New York, is the structural engineer.

C. Rodkin Cardinale, P.C., having an office at 224 West 29th Street, New York, New York 10001 is the mechanical, electrical and plumbing engineers for the Building.

Sponsor's Energy Expert

Rodkin Cardinale, P.C., having an office at 224 West 29th Street, New York, New York prepared the estimates of energy usage by individual Residential Unit Owners set forth in Part I of the Plan.

Sponsor's Condominium Expert

R.A. Cohen & Associates, Inc., having an address at 60 East 42nd Street, New York, New York, has reviewed all amounts of income and expenses in Schedule B, "Projected Budget For First Year of Condominium Operation," which were prepared by the Managing Agent and have provided its opinions regarding the adequacy of the Budget and the adequacy of the Common Charges payable by the Commercial Unit Owners.

Service of Process

The Secretary of State of the State of New York has been designated to receive service of process for Sponsor, which was not formed in New York State.

REPORTS TO UNIT OWNERS

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

(1) a financial statement of the Condominium prepared by a certified public accountant within four months after the end of each fiscal year, which statement shall be certified while the Sponsor is in control of the Condominium Board;

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

(3) a copy of the proposed annual budget of the Condominium which shall be delivered to Unit Owners at least five (5) days prior to the adoption thereof.

For so long as Sponsor controls the Condominium Board, Sponsor will have the annual budget of the Condominium certified in accordance with 13 NYCRR 20.4(d).

RECORDATION, INSPECTION AND DELIVERY OF DOCUMENTS

A. Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan and all exhibits or documents referred to herein shall be available for inspection by Purchasers, and by any person who shall have purchased a Unit offered by the Plan or shall have participated in the offering of such Unit, at Sponsor's office and shall remain available for such inspection for a period of six (6) years from the date of the First Closing, without charge and for copying for a reasonable charge. In addition, a set of Tax Lot Drawings showing the layout, locations and approximate dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the City Register's Office following the recording of the Declaration, and an additional set will be furnished to the Condominium Board.

B. The Declaration and the By-Laws will be recorded in advance of or concurrently with the First Closing. The recording of all deeds conveying individual Units will also be recorded in the City Register's Office.

GENERAL

A. 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 Power of Attorney and other documents and Purchasers are urged to read the documents set forth in Part II of the Plan in their entirety. Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to herein, copies of which are on file with Sponsor, are necessarily not complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such document executed by or with the written consent of a Purchaser pursuant to the Plan, by any rider or separate agreement changing or adding provisions to such document.

B. There are no lawsuits or other legal proceedings now pending, or any judgments outstanding, which could materially and adversely affect this offering, the Purchasers of Units, the Property, the Condominium or the operation thereof, which are not covered by insurance.

C. No party other than the respective Purchasers shall have any right or benefit herein or herefrom, including without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of Sponsor's obligations hereunder and no such third party (including without limitation, parties purchasing from Purchasers) shall be deemed to have received any benefit as a result of any of the provisions of the Plan.

D. Sponsor reserves the right, from time to time, upon amendment to the Plan, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor, the Purchasers and/or prospective Purchasers under the Plan. However, Sponsor may not unilaterally cancel an Agreement which is in effect, except as therein provided, as in the case of an uncured default, nor unilaterally change the purchase price or payment terms contained in such Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a material amendment to the Plan that adversely affects the Purchasers, Sponsor must grant Purchasers the right of rescission and a reasonable period of time that is not less than fifteen (15) days after the date of presentation of said amendment to exercise the right. Escrow Agent shall promptly return any Deposit, together with any interest thereon, to Purchasers who rescind, except that Escrow Agent shall return to Sponsor the Deposit (and any interest thereon) of any Purchaser who is in default under the Agreement beyond any applicable grace period.

E. In accordance with the provisions of the Laws of the State of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person in the sale of Units offered by the Plan or in the leasing of any such Units because of such person's sex, race, creed, color, national origin, marital status, age, disability or any other ground proscribed by Law.

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

G. 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.

H. The Property and the Building have not been the subject of any prior public offerings, however, Sponsor has previously tested the market pursuant to Cooperative Policy Statement No. 1, File No. CP13-0079.

SPONSOR'S STATEMENT OF BUILDING CONDITION

A. Sponsor hereby adopts the Description of Property set forth 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.

B. Local Law 7 of the City of New York for the Year 2004 requires the installation of carbon monoxide detectors by owners of multiple dwellings, including owners of units in residential condominiums. Sponsor intends to provide carbon monoxide detectors in each Residential Unit in accordance with Local Law 7 of the City of New York for the Year 2004. Each Residential Unit Owner will be responsible to keep and maintain the carbon monoxide detectors in good repair and to replace any carbon monoxide detectors which have been stolen, removed, found missing or rendered inoperable. Sponsor makes no representations whether Residential Unit Owners will comply with the foregoing obligations. For further details see Part I of the Plan under the Section "Rights and Obligations of Sponsor."

PART II

THE 42 CROSBY STREET CONDOMINIUM

42 CROSBY STREET

NEW YORK, NEW YORK

EXHIBIT "1"

AGREEMENT

OPTION AGREEMENT

BROOME STREET OWNER LLC

Sponsor-Seller

TO

[_____]

Purchaser

UNIT NUMBER [_____]

The 42 Crosby Street Condominium
42 Crosby Street
New York, New York 10012

TABLE OF CONTENTS

Page

1. THE PLAN 1
2. DEFINITIONS 1
3. THE UNIT 1
4. PURCHASE PRICE 1
5. CLOSING OF TITLE 2
6. DELIVERY OF THE DEED AND POWER OF ATTORNEY 3
7. FEE TITLE 4
8. CLOSING ADJUSTMENTS AND REAL ESTATE TAXES 5
9. MORTGAGE RECORDING TAX CREDIT 5
10. CLOSING COSTS 6
11. DEPOSIT 6
12. BINDING EFFECT OF DECLARATION, BY-LAWS AND RULES AND REGULATIONS 6
13. AGREEMENT SUBJECT TO MORTGAGE 6
14. PURCHASER'S REPRESENTATIONS 7
15. DEFAULT BY PURCHASER 7
16. CLOSING CONTINGENT UPON PLAN BEING DECLARED EFFECTIVE 9
17. SPONSOR'S INABILITY TO CONVEY THE UNIT 9
18. FIXTURES, APPLIANCES AND PERSONAL PROPERTY 9
19. ACCEPTANCE OF CONDITION OF PROPERTY 10
20. DAMAGE TO THE UNIT 11
21. NO REPRESENTATIONS 11
22. PROHIBITION AGAINST ADVERTISING AND SELLING 12
23. BROKER 12
24. AGREEMENT MAY NOT BE ASSIGNED 12
25. BINDING EFFECT 13
26. NOTICES 13
27. JOINT PURCHASERS 13
28. PERFORMANCE BY AND LIABILITY OF SPONSOR 13
29. FURTHER ASSURANCES 14
30. OPTION AGREEMENT 14
31. AGREEMENT NOT CONTINGENT UPON FINANCING 14
32. COSTS OF ENFORCING AND DEFENDING AGREEMENT 14
33. SEVERABILITY 14
34. STRICT COMPLIANCE 15
35. GOVERNING LAW 15
36. WAIVER OF JURY 15
37. ENTIRE AGREEMENT 15
38. CERTAIN REFERENCES 15
39. CAPTIONS 15
40. RULE OF CONSTRUCTION 16
41. SUCCESSORS AND ASSIGNS 16
42. NO ORAL CHANGES 16
43. ESCROW TERMS 16
44. COUNTERPART SIGNATURES 21

UNIT NUMBER(S) [_____]

The 42 Crosby Street Condominium
42 Crosby Street
New York, New York 10012

(to be executed in quintuplicate)

This option agreement (the "Agreement"), made as of the date on the signature page of the Agreement, between Broome Street Owner, a Delaware limited liability company, having an office c/o Atlas Capital Group, 505 Fifth Avenue, 28th Floor, New York, New York 10017 ("Sponsor"), and

[_____], having an address at

[_____] ("Purchaser").

WITNESSETH:

1. THE PLAN. Purchaser acknowledges having received a copy of the Offering Plan for The 42 Crosby Street Condominium and all amendments thereto, if any, filed with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") at least three (3) days prior to Purchaser's signing this Agreement. If Purchaser has not received and had an opportunity to read the Plan and all amendments thereto at least three (3) full days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement within seven (7) days from the date Purchaser signs and delivers this Agreement to Sponsor. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding except where such provisions were requested by Purchaser and agreed to by Sponsor.

2. DEFINITIONS. Terms used herein which are also used in the Plan shall have the same meanings herein as therein unless the context otherwise requires.

3. THE UNIT. Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the unit ("Unit") to be designated as Unit __ in the Plan, together with the Common Interest appurtenant equal to %.

4. PURCHASE PRICE.

4.1 The purchase price for the Unit ("Purchase Price") is $_____.

The Purchase Price is payable as follows:

(a) $_____ (the "Initial Deposit"), due upon Purchaser's signing and submitting this Agreement, by check (subject to collection), receipt of which is hereby acknowledged.

(b) $_____ (the "Additional Deposit"), by check payable no later than the earlier to occur of: (i) _____ which is four (4) months' after the date of the Agreement or (ii) fifteen (15) days after Sponsor presents an amendment declaring the Plan effective, but in no event later than the Closing, subject to collection. The Initial Deposit and the Additional Deposit are hereinafter collectively referred to as the "Deposit."

(c) $_____, constituting the balance of the Purchase Price, payable on the delivery of the deed as hereinafter provided.

4.2 Checks for the Deposit shall be made payable to "Stroock & Stroock & Lavan LLP, Escrow Agent." If any Deposit check is returned for insufficient funds or any other reason, Sponsor at its option, may declare this Agreement void ab initio and of no further force and effect, may institute an action against Purchaser for the collection of the Deposit as liquidated damages or may declare a default by Purchaser under this Agreement which shall entitle Sponsor to exercise any of the remedies set forth in Article 15 hereof.

4.3 The balance of the Purchase Price shall be paid by official bank check or an unendorsed certified check drawn on or issued by a New York bank or trust company which is a member of The New York Clearinghouse Association or, at Sponsor's election, upon not less than two (2) days' prior written notice, by wire as directed by Sponsor with instructions thereof provided by Sponsor to Purchaser. Funds drawn on out-of-state or foreign banks or New York bank or trust companies which are not a member of The New York Clearinghouse Association will not be accepted in payment of the Purchase Price unless otherwise agreed by Sponsor. If the balance of the Purchase Price is being paid by check, such check shall be made payable to the direct order of "Broome Street Owner LLC" or such other party as Sponsor may designate upon not less than two (2) days prior notice.

5. CLOSING OF TITLE.

5.1 The closing of title shall be held at such place in the City and State of New York and on such date and hour as Sponsor may designate to Purchaser on notice served not less than thirty (30) days prior to the scheduled date for closing. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Sponsor's attorneys at closing an extra fee as set forth in the Plan. Sponsor, from time to time, may adjourn the date and hour for closing on written notice to Purchaser. In the event of such adjournment, a closing may be rescheduled by Sponsor upon written notice to Purchaser, which notice shall fix a new date, hour and place for the closing of title and will be given not less than two (2) business days prior to the new scheduled date and time for closing. In the event this Agreement is executed after the First Closing (as such term is defined in the Plan), the closing of title shall occur thirty (30) days after the date of this Agreement.

5.2 The closing of title shall occur only after or concurrently with the compliance with the prerequisites as set forth under "Terms of Sale" in Part I of the Plan.

5.3 The term "Closing Date" or "closing of title" or words of similar import, whenever used herein, shall mean the date designated by Sponsor on which the deed to the Unit is delivered to Purchaser.

6. DELIVERY OF THE 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 title to the Unit to Purchaser. The deed shall be prepared by Sponsor in substantially the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes in the manner more particularly described under "Closing Costs and Adjustments" in Part I of the Plan, and Sponsor and Purchaser shall duly execute a New York City Real Property Transfer Tax return and any other forms then required by law, all of which shall be prepared by Sponsor.

6.2 (a) Purchaser is entitled to select its own title company provided, however that Purchaser shall provide to Sponsor, at least five (5) business days prior to Closing, an Indemnity Agreement substantially in the form annexed hereto as Exhibit A or in such other form as may be acceptable to Sponsor (the "Title Agreement"), in its sole discretion, wherein Purchaser's title underwriter agrees to (x) timely submit the Unit Deed, all New York State and New York City real property transfer tax forms, including the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax" ("transfer taxes") and checks for payment of such transfer taxes required to be submitted to the appropriate governmental authorities for recording and payment in connection with the conveyance of the Unit to Purchaser in connection herewith; and (y) indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event Purchaser's title underwriter (or such title underwriter's abstract company) fails to file such Unit Deed and transfer tax forms and remit the payment of the required transfer taxes in connection therewith in a timely manner in accordance with law and the requirements of any governmental or quasi-governmental agency.

(b) In the event the Title Agreement is not delivered as set forth above, (x) Purchaser hereby indemnifies the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event Purchaser's title underwriter (or such title underwriter's affiliated abstract company) fails to file such Unit Deed and transfer tax forms and remit payment of the required transfer taxes in connection therewith in a timely manner in accordance with law and the requirements of any governmental or quasi-governmental agency; and (a) Purchaser shall pay, at closing, the sum of $3,000 (the "Filing Deposit") with Stroock Stroock & Lavan LLP ("Stroock"), which funds may be used by Sponsor (y) to pay legal fees, at Stroock's usual and customary rates, to monitor the recording of the Unit Deed and the filing of the transfer tax forms and remitting payment of the required transfer taxes, and represent Sponsor in connection with any failure to file the Unit Deed and transfer

tax forms and remit payment of the required transfer taxes in connection with the conveyance of the Unit to Purchaser in a timely manner in accordance with law and the requirements of any governmental or quasi-governmental agency or take any action with respect to the failure to file and remit same; and (c) pay any such taxes, fines or penalties assessed or charged by any governmental or quasi-governmental agency. Purchaser acknowledges, however, that the Filing Deposit is not a maximum payment in the event the Unit Deed and transfer tax forms are not filed and/or the payment of the required transfer taxes are not paid in a timely manner.

(c) This Paragraph 6.2 shall survive Closing.

6.3 At the closing of title and simultaneously with the delivery of the deed conveying the Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board, the Residential Board and Sponsor, as the case may be, substantially in the form set forth in Part II of the Plan.

6.4 The deed and Power of attorney to the Condominium Board, Residential Board and Sponsor, as the case may be, shall be delivered to the representative of the title company insuring Purchaser's title (or, if no such representative is present, then to Sponsor's attorney) for recording in the City Register's Office, which recording shall be at Purchaser's expense. After being recorded, the deed shall be returned to Purchaser and the power of attorney shall be sent to the Managing Agent.

6.5 Sponsor shall deliver to Purchaser a certification stating that Sponsor is not a foreign person in the form then required by the Internal Revenue Service and (ii) each party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, as such other party may reasonably request in order to comply with Internal Revenue Code §6045(e), as amended, or any successor provision or any regulations promulgated pursuant thereto, insofar as the same requires reporting of information in respect of real estate transactions.

6.6 If Purchaser is a foreign government, Purchaser shall deliver to Sponsor the notification of approval to the transaction from the Department of State as required by the Foreign Missions Act, 27 U.S.C. 4305 ("FMA") as more particularly set forth in Article 46 herein below.

7. FEE TITLE. At the closing of title, Sponsor shall convey to Purchaser fee simple title to the Unit, free and clear of all encumbrances other than those expressly agreed to by Purchaser or set forth in Schedule A annexed hereto and made a part hereof. Any unpermitted encumbrance shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to Purchaser's title insurance company, together with the attendant recording or filing fee, if any, or (b) any title insurance company licensed to do business in New York, is or would be willing, in a fee policy issued by it to the Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien.

8. CLOSING ADJUSTMENTS AND REAL ESTATE TAXES.

8.1 Subject to Article 15 hereof, the following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Unit:

(a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed;

(b) Residential Common Charges for the month in which title closes; and

(c) accrued rent and any other charges pursuant to an Interim Lease, if any, covering the Unit.

8.2 If closing of title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title. If a Unit has not been separately assessed as of the Closing Date, the adjustments and collection of taxes under Section 8.1(a) hereof and future tax payments shall be as described in the Article of the Plan entitled "Closing Costs and Adjustments."

8.3 If Sponsor obtains a refund for real estate taxes paid (or a credit for such taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question.

8.4 At Closing, Purchasers of Residential Units will pay a contribution to the Working Capital Fund of the Condominium in an amount equal to two (2) months' Residential Common Charges then applicable to each Unit being purchased.

8.5 At Closing, all Purchasers of a Unit who are a Government Entity may be required to deposit a Security with the Condominium Board.

8.6 The "Customs in Respect of Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned except as otherwise provided herein.

8.7 Any errors or omissions in computing apportionments at closing shall be corrected and payment made to the proper party promptly after discovery.

8.8 The provisions of this Article 8 shall survive the Closing.

9. MORTGAGE RECORDING TAX CREDIT. If Purchaser obtains a mortgage loan for the purchase of the Unit, the Purchaser will pay to Sponsor a sum equal to the partial mortgage tax credit to which Purchaser may be entitled pursuant to Section 339-ee(2) of the

Condominium Act, which sum will be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor in connection with any existing mortgage(s). Alternatively, Sponsor may require, in its sole discretion, that if Purchaser finances the purchase of the Unit with a mortgage loan, Purchaser must cause the lender making such mortgage loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to such mortgage loan as determined by Sponsor. Upon such assignment, that portion of the mortgage loan assigned by Sponsor, will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. In such event Purchaser will be obligated to pay any costs of fees incurred by either Purchaser or Sponsor in connection with such assignment. Sponsor shall be solely entitled to the benefits of the mortgage tax credit which Purchaser receives as a result of such assignment and accordingly, Purchaser will pay to Sponsor an amount equal to the mortgage recording tax savings resulting from such exemption.

10. CLOSING COSTS. In addition to those costs and adjustments described in Articles 8 and 9 herein, Purchaser shall be required to pay the other closing costs which are Purchaser's responsibility as more particularly described in Part I of the Plan entitled "Closing Costs and Adjustments."

11. DEPOSIT. The Deposit made pursuant to this Agreement is subject to the requirements of Section 71-a(3) of the State of New York Lien Law (the provisions of which are set forth in Part II of the Plan and deemed incorporated herein by reference) and Sections 352-e(2-b) and 352-h of the General Business Law of the State of New York. Any Deposit received from Purchaser will be held in accordance with the provisions of the Subsection entitled "Escrow and Trust Fund Requirements" under the Section entitled "Procedure to Purchase" set forth in Part I of the Plan. By signing this Agreement, Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of the Deposit to Sponsor in the event Sponsor and Purchaser close title under this Agreement. Sponsor is required by Law to submit a Form 1099 to the Internal Revenue Service reporting interest earned on Purchaser's Deposit, if any. Purchaser will be taxed accordingly on such interest.

12. BINDING EFFECT OF DECLARATION, BY-LAWS AND RULES AND REGULATIONS. Purchaser hereby accepts and approves the Plan (including the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof.

13. AGREEMENT SUBJECT TO MORTGAGE. No encumbrance shall arise against the Property as a result of this Agreement or any monies deposited hereunder. In furtherance and not in limitation of the provisions of the preceding sentence, the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage, including, but not limited to, any construction or building loan mortgage, heretofore or hereafter made any advances heretofore or hereafter made thereon and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof, without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of each Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the

Closing Date, unless Purchaser voluntarily assumes such mortgage or consents to the continuation of the lien thereof. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its (their) undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of its other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

14. PURCHASER'S REPRESENTATIONS. 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 any time, such documents evidencing Purchaser's authority and the authority of Purchaser's signatory as may be required by Purchaser's title company or Sponsor. Purchaser acknowledges and agrees that Sponsor may desire to obtain certain information about Purchaser's (or Purchaser's principals) character, general reputation, personal characteristics and mode of living prior to counter-executing this Agreement. In order to permit Sponsor to comply with the requirements of the Fair Credit Reporting Act, Purchaser hereby authorizes Sponsor, whether or not Sponsor has counter-executed this Agreement, to obtain such information and to retain a credit reporting agency to obtain such information. The Controlling Party (as defined under Section 24.1 of this Agreement) is and shall remain personally liable for Purchaser's obligations under this Agreement.

15. DEFAULT BY PURCHASER.

15.1 The following shall each constitute a default hereunder:

(a) Purchaser's failure to pay (a) the Deposit or any portion thereof when due or (b) the balance of the Purchase Price on the date designated by Sponsor for closing the Unit; or

(b) Purchaser's failure to duly complete and sign before a notary public and deliver at Closing the Power of Attorney or the New York State and City transfer tax returns; or

(c) If Purchaser is or becomes the tenant of record of the Unit, Purchaser's failure to pay rent or to otherwise comply with Purchaser's lease or tenancy obligations; or

(d) If Purchaser is or becomes the tenant of record of the Unit and Purchaser vacates or abandons the Unit; or

(e) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or

(f) If a non-bankruptcy trustee or receiver is appointed over Purchaser or Purchaser's property, or an involuntary petition in bankruptcy is filed against Purchaser; or

(g) If a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the same; or

(h) Purchaser's failure to pay any closing costs set forth in this Agreement or the Plan, on the Closing Date designated by Sponsor; or

(i) The failure to pay, perform or observe any of Purchaser's other obligations hereunder.

15.2 **TIME IS OF THE ESSENCE** with regard to Purchaser's obligations to pay the Additional Deposit and the balance of the Purchase Price and to perform Purchaser's other obligations under this Agreement. If there is a default by Purchaser hereunder, Sponsor shall give notice to Purchaser of such default. If such default shall not be cured within thirty (30) days thereafter, **TIME BEING OF THE ESSENCE**, Sponsor may either (i) terminate this Agreement by notice of termination to Purchaser and retain the Deposit and all other sums deposited by Purchaser under this Agreement, together with interest earned thereon as liquidated damages, it being acknowledged and agreed that it is extremely difficult and impracticable to ascertain the extent of detriment to Sponsor caused by the breach by Purchaser under this Agreement and the failure of the consummation of the transaction contemplated by this Agreement or the amount of compensation Sponsor should receive as a result of Purchaser's breach or default; or (ii) terminate this Agreement by notice of termination to Purchaser and bring an action for damages; or (iii) exercise all other remedies available to Sponsor at law or in equity. Upon termination of this Agreement, Purchaser shall have no further rights thereunder, and Sponsor may sell the Unit to any third party as though this Agreement had never been made (without any obligation to account to Purchaser for any part of the proceeds of such sale). Sponsor shall be entitled to retain the Custom Work Deposit, or, if applicable, to commence an action against Purchaser to recover Custom Work Costs if no Custom Work Deposit shall have been made by Purchaser, or if, to the extent the Custom Work has already commenced, the Custom Work Deposit is insufficient to cover the Custom Work Cost. Sponsor shall also be entitled to commence an action against Purchaser to recover Restoration Costs to the extent that such Restoration Costs have or will be incurred by Sponsor. The provisions of this Section 15.2 shall survive a termination of this Agreement.

15.3 If Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing Date and Sponsor elects not to terminate the Agreement as a result of same, (a) the closing apportionments described in Section 8.1 of this Agreement will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual closing of title occurs, and (b) Purchaser will be required to pay to Sponsor, in addition to the other payments to be made to Sponsor under this Agreement and the Plan, an amount equal to 0.05% of the Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing Date.

15.4 The provisions of this Article 15 shall survive termination of this Agreement.

16. CLOSING CONTINGENT UPON PLAN BEING DECLARED EFFECTIVE.

16.1 The respective obligations of Purchaser and Sponsor hereunder are contingent upon the Plan being declared effective. The Plan shall not be declared effective except in accordance with the prerequisites set forth in the Plan, as same may be amended from time to time. Purchaser understands and agrees that Sponsor shall have the right to abandon the Plan at any time prior to its being declared effective or thereafter in certain limited cases set forth in the Plan (see the Section in the Plan entitled "Effective Date" for full details). Sponsor shall notify Purchaser, in writing or by a duly filed amendment to the Plan, when the Plan becomes effective or is abandoned.

16.2 If the Plan is abandoned or if after being declared effective the Plan will not be consummated for any reason, this Agreement will be deemed canceled and the Deposit paid by Purchaser hereunder, together with interest earned thereon, if any, will be disbursed to Purchaser, subject to Sponsor's rights to retain the Custom Work Costs (and the right, at Sponsor's option, to commence an action against Purchaser for the Custom Work Costs). After the monies are so disbursed, Purchaser and Sponsor will have no claim against each other or the Selling Agent in connection with this Agreement or the Plan, and all of same will be released and discharged from all liabilities and obligations hereunder and under the Plan.

17. 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, Sponsor will not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability, and, in such case, if Sponsor notifies Purchaser of its refusal to cure such inability and if Purchaser is not in default hereunder, Purchaser's sole remedy will 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 will, within thirty (30) days after receipt of notice of termination from Purchaser, return to Purchaser the Deposit paid by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's rights to retain the Custom Work Costs (and the right, at Sponsor's option, to commence an action against Purchaser for the Custom Work Costs). Upon making such payment, this Agreement will be terminated and neither party hereto will have any further rights, obligations or liability to or against the other under this Agreement or the Plan. The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within fifteen (15) days after the giving of Sponsor's notice of refusal to cure such inability, failing which it will be conclusively deemed that Purchaser elected the remedy described in clause (a) above (i.e., to acquire title subject to such inability).

18. FIXTURES, APPLIANCES AND PERSONAL PROPERTY. Only those fixtures, appliances and items of personal property which are described in the Description of the Property in Part II of the Plan as being part of the Unit are included in the sale of the Unit pursuant to the provisions of this Agreement. At the Closing, Sponsor shall transfer to Purchaser any assignable warranties and undertakings received by Sponsor which relate to appliances, equipment or fixtures located in the Unit.

19. ACCEPTANCE OF CONDITION OF PROPERTY.

19.1 Purchaser shall accept title (without abatement in, or credit against, the Purchase Price or any provision for escrow deposits at the closing of title) notwithstanding the failure to complete construction of (a) the "punch list" items in the Unit (b) other Units or (c) the Common Elements of the Property which do not prevent Purchaser's use of the Unit provided that Sponsor delivers a Temporary Certificate of Occupancy for the Unit. The Unit and the fixtures and personal property contained therein, if any, are being sold and delivered as described in the Plan, at the time of transfer of title to such Unit, unless Sponsor and Purchaser otherwise agree or except as otherwise provided herein. Following service of the closing notice set forth in Section 5.1 of this Agreement, the Purchaser of a Unit accompanied by a representative of Sponsor, shall have the right to inspect such Unit prior to the Closing Date on such date and at such time designated by Sponsor upon no less than five (5) business days notice that the Unit is available for inspection and Sponsor reserves the right to postpone and/or reschedule any scheduled inspection(s) of the Unit upon one (1) business day's notice and Sponsor reserves the right to schedule additional inspections as Sponsor deems necessary or appropriate. If Purchaser fails to inspect the Unit within said period(s), Purchaser shall be deemed to have accepted the Unit in good condition and in accordance with the terms of the Plan. The failure of Sponsor to complete "punchlist work" shall not be a ground for Purchaser delaying the Closing provided that Sponsor agrees to complete such "punchlist work" promptly after Closing. Sponsor shall have no obligation to complete any work described herein which is not specifically designated by the Purchaser and agreed to by Sponsor on an inspection statement. Sponsor is obligated to construct the Building in accordance with all applicable codes and Plans and Specifications as well as the provisions of the Plan. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability. Unless caused by a violation of the Sound Transmission Code or other applicable code, there is no warranty as to sound transmission. Unless caused by a violation of an applicable code with regard to the ventilation system or other applicable code, there is no warranty as to odors. Unless caused by a code violation, there is no warranty with respect to mold, mildew, spores, fungi or other toxins. There is no warranty as to air, views or light quality. Sponsor's obligation, regardless of any limitations in the Plan or this Agreement, is to construct the premises in accordance with all applicable codes and Plans and and Specifications, and any conflict between the disclaimers and the Sponsor's obligation to construct the Property in accordance with all applicable codes and Plans and Specifications shall be resolved in favor of the latter. In the event of any conflict between the foregoing disclaimers and Sponsor's obligations to construct the Building in accordance with all applicable codes and Plans and Specifications as well as the provisions of the Plan, Sponsor's obligations to construct the Building in accordance with all applicable codes and Plans and Specifications as well as the provisions of the Plan will control. In no event will Sponsor be liable for incidental or consequential damages in connection with the items set forth in this subsection (whether based on negligence, breach of contract, warranty, or otherwise).

19.2 The purchase of a Unit does not entitle the Purchaser thereof to conduct testing in the Unit for any reasons, including, without limitation, making holes in the wall or ceiling and/or removing sheet rock, tiles, wood flooring, windows or window panes to test for mold, asbestos, lead paint, mildew, spores, fungi or other toxins or for any other purpose.

19.3 Sponsor will not be obligated to correct, and will not be liable to any Board or Unit Owner as a result of any defects in construction, or in the installation or operation of any mechanical equipment, appliances, other equipment, finishes, materials or fixtures (including kitchen appliances and bathroom fixtures), except as more as specifically set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor."

19.4 Notwithstanding the foregoing, Sponsor will be obligated to repair abnormal scratches in plastic laminate, vitreous china, natural stone, wood, porcelain and metallic surfaces by filling or refinishing the same, but Sponsor will not be obligated to replace any such surfaces. The provisions of this Article 19 shall survive the closing of title.

20. DAMAGE TO THE UNIT. If between the date of this Agreement and the closing of title the Unit is damaged by fire or other casualty, the following shall apply:

20.1 The risk of loss to the Unit by fire or other casualty is assumed by Sponsor until the earlier of closing of title or possession of the Unit by Purchaser, but without any obligation or liability by Sponsor to repair or restore the Unit. If Sponsor elects to repair or restore the Unit, this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Boards and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and, if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing of title.

20.2 In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit, or, if the Declaration has been recorded prior thereto and the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, this Agreement will be deemed canceled and of no further force and effect and Sponsor will return to Purchaser the Deposit paid by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's rights to retain the Custom Work Costs (and the right, at Sponsor's option, to commence an action against Purchaser for the Custom Work Costs) and neither party hereto will have any further rights, obligations or liability to or against the other hereunder or under the Plan, except that if Purchaser is then in default hereunder (beyond any applicable grace period), Sponsor will retain all such sums deposited by Purchaser hereunder, together with any interest earned thereon, as and for liquidated damages.

21. NO REPRESENTATIONS. Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to

the purchase of the Unit, or any other data, except as herein or in the Plan specifically represented, Purchaser having relied solely on such Purchaser's own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor except as herein or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements or any other part of the Property other than as set forth herein or in the Plan. The provisions of this Article 21 shall survive the closing of title.

22. PROHIBITION AGAINST ADVERTISING AND SELLING. Prior to the closing of title to the Unit, Purchaser is prohibited from advertising, listing, offering, promoting or publicizing the availability the Unit for resale or rental with any broker or otherwise, without Sponsor's prior written consent. The provisions of this Article 22 shall survive the closing of title.

23. BROKER. Purchaser represents to Sponsor that Selling Agent and [ ] (collectively the "Broker") is [are] the only broker(s) or sales agent(s) with whom Purchaser has dealt in connection with this transaction, and Sponsor agrees to pay the commission earned by the Broker pursuant to a separate agreement. Purchaser agrees that should any claim be made against Sponsor for commissions by any broker, other than the Broker, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this Article 23 shall survive the closing of title.

24. AGREEMENT MAY NOT BE ASSIGNED. Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor.

24.1 If Purchaser is a corporation, partnership, limited liability company, trust or other legal entity, any sale, assignment, transfer, pledge, encumbrance or other disposition of any of the ownership interest of Purchaser (including without limitation, the stock, membership or beneficial interests of the stockholders, partners, members or beneficiaries of Purchaser or its stockholders, partners, members or beneficiaries) shall be considered an assignment of this Agreement and shall be subject to the provisions, prohibitions and terms of this Section concerning assignment of this Agreement. For purposes of this Agreement, it is the intent of the part(ies) that the individual(s) controlling Purchaser shall be deemed to be _____ (the "Controlling Party"). By execution of this Agreement, it is acknowledged and agreed that the Controlling Party is and shall remain personally liable for Purchaser's obligations under this Agreement.

24.2 If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement, then Purchaser will be required to pay Sponsor's Counsel a fee of $1,000, in advance, for preparation of an assignment agreement.

24.3 Any purported assignment by Purchaser in violation of this Agreement will constitute a default by Purchaser hereunder and will be voidable by Sponsor. Sponsor's

refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor.

25. BINDING EFFECT. This Agreement shall not be binding on Purchaser or Sponsor until a fully executed counterpart hereof has been delivered to Purchaser. If this Agreement is not accepted within thirty (30) days after delivery by Purchaser of an executed Agreement by the delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed to have been rejected and canceled and the deposit paid on the execution hereof shall be promptly returned to Purchaser.

26. NOTICES. Any notice, request, letter, consent or other communication hereunder or under the Plan (other than amendments to the Plan which shall be served in accordance with the Plan or documents for which the method of notice and or delivery is otherwise set forth in the Plan) shall be in writing and delivered by regular mail as well as hand delivered or sent, postage prepaid, by registered or certified mail, by facsimile or by Federal Express or other reputable overnight courier, to Purchaser at the address given at the beginning of this Agreement, and to Sponsor at the address given at the beginning of this Agreement, with a copy to Stroock & Stroock & Lavan LLP, 180 Maiden Lane, New York, New York 10038, Attn.: Michel Evanusa, Esq. in the same manner as notice is given to Sponsor, or to such other address as either party may hereafter designate to the other in writing. All notices, requests or other communications which may be or are required to be given, served or sent by any party hereto to any other party hereto shall be deemed delivered (a) upon delivery, if delivered in person, (b) upon the date deposited for overnight delivery with any reputable overnight courier service, or (c) upon the date deposited in any post office or mail depository regularly maintained by the United States Postal Office and/or sent by regular, registered or certified mail, postage paid. However, with respect to any "change of address" notification, the date of actual receipt of such notification shall be deemed the date of such notice. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself (including, without limitation, any notices of closing or default which Sponsor's counsel is hereby expressly designated and empowered to issue). A failure by Purchaser to acknowledge receipt of any notice, request, letter, consent or other communication hereunder shall not in any way invalidate such communication. Notwithstanding anything to the contrary, notices regarding closing costs or ministerial matters, the rescheduling of Closing Dates or the scheduling or rescheduling of inspections may be made by facsimile to each party's attorneys.

27. JOINT PURCHASERS. The term "Purchaser" shall be read as "Purchasers" if more than one person are purchasers, in which case their obligations shall be joint and several.

28. PERFORMANCE BY AND LIABILITY OF SPONSOR. Purchaser's acceptance of the deed for the Unit shall be deemed to be a full performance and discharge of each and every agreement and obligation on the part of Sponsor to be performed pursuant to the provisions of this Agreement, the Plan, 13 NYCRR, Part 20 (the regulations of the Department of Law of the State of New York governing the acceptance for filing of the Plan) and General Business Law §352-e, except those (if any) herein or therein expressly stated to survive delivery of such deed. The provisions of this Article 28 shall survive closing of title.

29. 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. The provisions of this Article 29 shall survive the closing of title.

30. OPTION AGREEMENT. The parties acknowledge that, for federal income tax purposes only, this Agreement is sometimes referred to as an "option agreement." This characterization is consistent with Sponsor's intention to treat the Agreement for purposes of applicable provisions of the Internal Revenue Code as similar to an option and to obtain the same tax treatment that the Sponsor would be entitled to under certain proposed treasury regulations that were promulgated by the Internal Revenue Service on August 4, 2008 (the "Proposed Regulation"). If this characterization is respected, the Sponsor will be able to account for the sale of the Unit for federal income tax purposes in the same manner as it would be able to account for such sale if the Unit had constituted a separate townhouse or other separate dwelling. Purchaser is not receiving any "options" and if the Purchaser does not close on the Agreement, Purchaser will forfeit Purchaser's Deposit as liquidated damages. Purchasers should note that Sponsor's characterization of this Agreement is not binding on the Internal Revenue Service ("IRS") which may challenge such characterization. However, even if the IRS was to successfully challenge Sponsor's tax characterization of this Agreement and the Deposit, as described above, there will be no adverse tax or other consequences to the Purchaser.

31. AGREEMENT NOT CONTINGENT UPON FINANCING. The terms and provisions of this Agreement and Purchaser's obligations hereunder are not contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof) stated in Section 4.1 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 Purchaser's purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in Purchaser's financial status or condition shall release or relieve Purchaser of Purchaser's obligations pursuant to this Agreement.

32. COSTS OF ENFORCING AND DEFENDING AGREEMENT. Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor (whether or not Sponsor prevails in defending or enforcing Sponsor's rights) or in the event that Purchaser defaults under this Agreement beyond any applicable grace period, in canceling this Agreement or otherwise defending or enforcing Purchaser's obligations hereunder. The provisions of this Article 32 shall survive the closing of title or earlier termination of this Agreement.

33. 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. In

order to preclude any application of the Rule Against Perpetuities which would otherwise invalidate and nullify this Agreement, the parties agree that this Agreement shall expire, unless otherwise previously terminated, on the day which is the earlier of (i) twenty-one years after the date of this Agreement or (ii) the time period legally permitted by the Rule Against Perpetuities in the State of New York, in which case the Deposit and all interest accrued thereon shall be returned to Purchaser. The provisions of this Article 33 shall survive the closing of title or earlier termination of this Agreement.

34. STRICT COMPLIANCE. Any failure by Sponsor to insist upon the strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and Sponsor, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser. The provisions of this Article 34 shall survive the closing of title or earlier termination of this Agreement.

35. GOVERNING LAW. The provisions of this Agreement shall be governed by and construed in accordance with the Laws of the State of New York applicable to agreements made and to be performed wholly in the State of New York, without regard to principles of conflicts of Law. The provisions of this Article 35 shall survive the closing of title or earlier termination of this Agreement.

36. WAIVER OF JURY. EXCEPT AS PROHIBITED BY LAW, THE PARTIES SHALL, AND THEY HEREBY DO, EXPRESSLY WAIVE TRIAL BY JURY IN ANY LITIGATION ARISING OUT OF, OR CONNECTED WITH, OR RELATING TO, THE PLAN THIS AGREEMENT OR THE RELATIONSHIP CREATED HEREBY. THE PROVISIONS OF THIS ARTICLE 36 SHALL SURVIVE THE CLOSING OF TITLE OR EARLIER TERMINATION OF THIS AGREEMENT.

37. ENTIRE AGREEMENT. This Agreement together with the Plan constitutes the entire agreement between the parties and supersedes any and all understandings and agreements between the parties with respect to the subject matter hereof. The provisions of this Article 37 shall survive the closing of title or earlier termination of this Agreement.

38. CERTAIN REFERENCES. A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The terms "herein," "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used, unless the context otherwise requires. Unless otherwise stated, all references herein to Articles, Sections, subsections or other provisions are references to Articles, Sections, subsections or other provisions of this Agreement. The provisions of this Article 38 shall survive the closing of title or earlier termination of this Agreement.

39. CAPTIONS. The captions in this Agreement are for convenience of reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof. The provisions of this Article 39 shall survive the closing of title or earlier termination of this Agreement.

40. RULE OF CONSTRUCTION. There shall be no presumption against the draftsman of this Agreement or the Plan. The provisions of this Section 40 shall survive the closing of title or earlier termination of this Agreement.

41. SUCCESSORS AND ASSIGNS. The provisions of this Agreement shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

42. NO ORAL CHANGES. This Agreement cannot be changed or terminated and no provision waived orally. ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES HERETO OR BY AN AMENDMENT TO THE PLAN.

43. ESCROW TERMS.

43.1 Stroock & Stroock & Lavan LLP, with an address at 180 Maiden Lane, New York, New York, telephone number (212) 806-5400, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Stuart Coleman, Michel Evanusa, Harvey Brown, Alan Klinger, Ross Moskowitz, Steve Moskowitz, Karen Scanna and Leonard Boxer are all designated signatories. All designated signatories, except for Harvey Brown, are admitted to practice law in the State of New York. Neither the Stroock 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.

43.2 Escrow Agent and all authorized signatories hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of the Purchase Agreement or otherwise concerning the maintenance of release of the Deposit from escrow.

43.3 Escrow Agent has established a master escrow account at Valley National Bank, Valley National Bank at its branch located at 275 Madison Avenue, 40th Floor, New York, New York entitled Stroock & Stroock & Lavan LLP, Escrow Account (the "Master Escrow Account"). The Master Escrow Account is not an IOLA account. The Master Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per depositor, per insured depository institution for each account ownership category. Accordingly, Purchasers are advised that (i) if a Purchaser makes a Deposit(s) in excess of $250,000 for the purchase of a Unit, such Deposit(s) will not be federally insured in excess of $250,000; and (ii) if a Purchaser has any additional accounts with the Escrow Bank, the funds in said accounts will be added together with the Deposit(s) held in escrow and the total will only be insured up to the $250,000 FDIC maximum coverage. Any deposit in excess of $250,000 will not be insured, unless Escrow Agent has established multiple accounts on behalf of Purchaser at various institutions, each for less than the amount set forth above.

43.4 All funds received from Purchasers prior to Closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor,

shall be deposited into the Master Escrow Account. All instruments to be deposited into the Master Escrow Account shall be made payable directly to the order of "Stroock & Stroock & Lavan LLP, as Escrow Agent". Endorsed instruments will not be accepted. Any instrument payable other than as required hereby, and which cannot be deposited into the Master Escrow Account, shall be returned to the Purchaser promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of funds, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

43.5 All Deposits will be placed initially in a non-interest bearing checking portion of the Designated Escrow Account(s). At such time as ESCROW AGENT receives two (2) completed and signed original W-9 Forms (Request for Taxpayer Identification Number) or W-8BEN Forms (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), as applicable, from a Purchaser, the Deposit of such Purchaser will be promptly transferred from the non-interest bearing checking portion of the Designated Escrow Account(s) into an individual interest bearing sub-escrow savings account in the name of such Purchaser. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the Designated Escrow Account(s) so that checks may be drawn thereon.

43.6 The interest rate for all Deposits made into the Master Escrow Account shall be the prevailing rate for such accounts. Interest shall begin to accrue within five (5) business days upon placing the Deposit into the Escrow Account. Neither Sponsor nor Escrow Agent makes any representations or guarantees that the interest rate paid on Deposits will not increase or decrease or makes any representations regarding the interest which will be paid on the Deposits. Interest will begin to accrue within: (i) three (3) full business days of the Deposit being deposited into escrow, if the Deposit is cash or cash equivalent, or (ii) five (5) full business days of the Deposit being deposited into escrow, if the Deposit is other than cash or cash equivalent, provided the Deposit is tendered with the W-9 or W-8BEN as set forth herein. All interest earned thereon shall be paid to or credited to the Purchaser at closing. For the avoidance of doubt, no statutory interest will accrue during any period of time during which there is a dispute over the Down Payment being held in escrow. No fees of any kind may be deducted from the Master Escrow Accounts, and the Sponsor shall bear all costs associated with the maintenance of the Master Escrow Accounts. Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Designated Escrow Account(s). Within ten (10) business days of placing the Deposit into the Designated Escrow Account(s), Escrow Agent shall provide written notice to Purchaser and Sponsor, confirming the Deposit. The notice shall provide the account number(s) and the initial interest rate(s) to be earned on the Deposit. Any Deposits made for upgrades, extras, or Custom Work shall be initially deposited into the Designated Escrow Account(s), and released in accordance with the terms of a written agreement between Purchaser and Sponsor, including this Agreement. The Deposit shall be deemed tendered by Purchaser on the date it is actually received by Sponsor or the Selling Agent.

43.7 The Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Designated Escrow Account(s). If the Purchaser does not receive notice

of such Deposit within fifteen (15) business days after tender of the Deposit, he or she may cancel the Purchase Agreement within ninety (90) days after tender of the Purchase Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, N.Y. 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Designated Escrow Account(s) in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

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

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

43.10 The Escrow Agent shall release the Deposit if so directed:

(a) pursuant to terms and conditions set forth in this 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.

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

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

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

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

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

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

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

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

43.17 Sponsor agrees that Sponsor and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the Unit, along with a copy of this Purchase Agreement executed by Purchaser, to a designated attorney who is a shareholder of or employed by Escrow Agent, within two (2) business days of tender of the Deposit by Purchaser, using such transmittal forms as required by Escrow Agent from time to time. Sponsor shall obtain, or cause the Selling Agent under the Plan to obtain, two (2) original, completed and signed Form W-9 or W-8s, as applicable, from Purchaser and deliver such forms to Escrow Agent together with the Deposit and this Purchase Agreement. Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary duties and statutory obligations as set forth in GBL §§ 352-(e)(2-b) and 352-(h) and the New York State Department of Law's regulations.

43.18 Sponsor has agreed to compensate Escrow Agent for services rendered and expenses incurred by Escrow Agent in connection with Escrow Agent's duties under this Purchase Agreement, if any, including, without limitation, disputes arising with respect to any Deposit. 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.

43.19 Sponsor agrees to defend, indemnify and hold Escrow Agent harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of Escrow Agent's responsibilities arising in connection with this Purchase Agreement or the

performance or non-performance of Escrow Agent's duties under this Purchase Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the obligations set forth in this Purchase Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by Escrow Agent to itself.

43.20 Escrow Agent shall not be liable for any error in judgment, mistake of fact or law or for any act or omission on Escrow Agent's part, including, without limitation, any act or omission which permits a Purchaser to rescind a Contract of Sale, unless taken or suffered in bad faith or in willful disregard of this Agreement or involving gross negligence on the part of Escrow Agent.

43.21 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 Escrow Agent is in possession of the Deposit and continues to act as Escrow Agent.

43.22 Escrow Agent may consult with legal counsel selected by it and the opinion of such counsel shall be full and complete authorization and protection to Escrow Agent in respect of any action taken or omitted in good faith by Escrow Agent hereunder in accordance with the opinion of such counsel.

43.23 The Escrow Agent is authorized to act as an escrow agent, and its rights and obligations hereunder shall remain in effect unless and until its agency is canceled by either:

(a) Written notice given by Sponsor to Escrow Agent of cancellation of designation of Escrow Agent to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Plan with the Department of Law providing for a successor escrow agent that meets the requirements set forth in applicable regulations of the New York State Department of Law. Purchaser shall be deemed to have consented to such cancellation; or

(b) The resignation of Escrow Agent, which shall not take effect until Escrow Agent is replaced by a successor escrow agent that meets the requirements set forth in applicable regulations of the New York State Department of Law, and notice is given to Purchaser of the identity of the successor escrow agent, the Bank in the State of New York where the Deposit is being held, and the account number therefor; or

(c) all shares or Units offered by Sponsor pursuant to the Offering Plan have been sold and no Deposits of Purchasers from Sponsor remain in the Master Escrow Accounts.

43.24 Upon termination of the duties of Escrow Agent as described in paragraph 43.23 above, Escrow Agent shall deliver the Deposit held by Escrow Agent and the Purchase Agreement and any other documents maintained by Escrow Agent relating to the Deposit to the successor escrow agent.

44. COUNTERPART SIGNATURES. This Agreement may be executed in any number of counterparts, any one of which shall constitute an original of this Agreement. When counterparts have been executed by all parties, they shall have the same effect as if the signatures to each counterpart were upon the same documents and shall be deemed valid as originals. The parties agree that all such signatures may be transferred to a single document upon the request of any party. This Agreement shall not be binding unless and until it shall be fully executed and delivered by all parties hereto.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date below.

Date: _____
(To be inserted after execution by Sponsor)

SPONSOR:

BROOME STREET OWNER LLC

By: _____
Name:
Title:

PURCHASER:

_____
(Social Security or Federal I.D. Number): _____
Telephone No.: _____

_____
(Social Security or Federal I.D. Number): _____
Telephone No.: _____

For purposes of this Agreement, it is acknowledged and agreed that the undersigned is the controlling individual of the Purchaser and shall remain personally liable for Purchaser's obligations under this Agreement:

_____
[Insert Name]

ESCROW AGENT:

Stroock & Stroock & Lavan LLP,
Solely in its capacity as Escrow Agent

By: _____
A member of the firm

SCHEDULE A
PERMITTED ENCUMBRANCES

1. Building restrictions and zoning and other regulations, resolutions and ordinances 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, the Power of Attorney from the Purchaser to the Residential Board, Condominium Board and Sponsor, as the case maybe, and the Tax Lot Drawings; as all of the same may be amended from time to time.

3. Consents by the 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.

4. Any easement or right of use in favor of any utility company for construction, use, Maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

5. Revocability of licenses for vault space, if any, under the sidewalks and streets.

6. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings and similar projections, if any, on, over, or under the Property or the streets or sidewalks abutting the Property, and the rights of governmental authorities to require the removal of any such projections and variations between record lines of the Property and retaining walls and the like, if any.

7. Leases and service, Maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.

8. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, or vault charge, provided the same are adjusted at the closing of title.

9. The lien of any unpaid assessment payable in installments (other than assessments levied by the Boards), except that the Sponsor shall pay all such assessments due prior to the Closing Date (with the then current installment to be apportioned as of the Closing Date) and the Purchaser shall pay all assessments due from and after the Closing Date.

10. Any declaration or other instrument affecting the Property which the Sponsor deems necessary or appropriate to comply with any Law or requirement of the New York City 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.

11. Any encumbrance as to which a New York Board of Title Underwriters member title insurance company would be willing, in a fee policy issued by it to the Purchaser, to insure

the Purchaser that such encumbrance (1) will not be collected out of the Unit if it is a lien or (2) will not be enforced against the Unit if it is not a lien.

12. 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 Residential Unit for residential purposes.

13. Any lease covering the Unit made from the Sponsor to the Purchaser.

14. Any violation against the Property (other than the Unit) which is the obligation of the Residential Board, Condominium Board, or another Unit Owner to correct.

15. Any state of facts which an accurate survey of the Property would show, provided such state of facts would not make title to the Unit uninsurable, except as otherwise permitted herein

16. Any title exceptions noted in the Specimen Title Policy set forth in Part II of the Plan.

TERRACE RIDER TO AGREEMENT

Re: Unit No. _____
_____ ("Purchaser")
The 42 Crosby Street Condominium (the "Condominium")
42 Crosby Street
New York, New York 10012

THIS TERRACE RIDER TO AGREEMENT made as of the _____ day of _____, ____ by and between Broome Street Owner LLC, a Delaware limited liability company, having an office c/o Atlas Capital Group, 505 Fifth Avenue, New York, New York 10017 ("Sponsor") and _____, having an address at _____ ("Purchaser").

WITNESSETH:

1. This Rider (the "Terrace Rider") amends and modifies that certain Agreement (the "Agreement") by and between Sponsor and Purchaser with respect to the above referenced Unit in the Condominium. In case of any inconsistencies between any of the terms and conditions of the Agreement, including any handwritten modifications thereto, and the terms and conditions of this Terrace Rider, the terms and conditions of this Terrace Rider shall prevail. All of the paragraphs and provisions contained in this Terrace Rider are incorporated into the Agreement and made a part thereof with the same force and effect as if therein originally contained.

2. There is appurtenant to the Unit a Terrace which has been designated as a Residential Limited Common Element.

3. Purchaser acknowledges the following:

(i) Purchaser's right to the use of the Terrace will be subject to the right of the Sponsor and the Condominium Board to access and regulate the use of such Terrace as more particularly described in the Plan and the Declaration and By-Laws;

(ii) Purchaser will be responsible for all maintenance, repairs and replacements to the Terrace (including without limitation, keeping such Terrace free of snow, ice and accumulation of water) in accordance with the provisions of the Plan, Declaration and By-Laws;

(iii) Purchaser shall be required to obtain the consent of the Condominium Board prior to performing Alterations and/or the installation of Terrace Installations, all as more particularly described in the Plan and the Declaration and By-Laws and enter into an alteration agreement utilized by the Condominium Board at the time in question in accordance with the provisions of the Plan, Declaration and By-Laws;

(iv) that Sponsor makes no representations regarding views, air light quality or the degree of privacy that Purchaser may have on the Terrace;

4. All terms not defined herein shall have the meanings ascribed to them in the Plan or in the Agreement.

5. Except as expressly modified hereby, the terms and provisions of the Agreement remain unchanged and in full force and effect.

6. The provisions set forth in this Terrace Rider shall expressly survive closing of title to the Unit and shall be binding upon all of Purchaser's successors and/or assigns.

IN WITNESS WHEREOF, the parties have executed this Terrace Rider as of the date below.

Date: _____
(To be inserted by Sponsor after countersignature by Sponsor)

SPONSOR:

BROOME STREET OWNER LLC

By: _____
Name
Title:

PURCHASER:

_____

_____

STORAGE BIN RIDER TO AGREEMENT

Re: _____ ("Purchaser")
Unit No. _____
Storage Bin No. _____
The 42 Crosby Street Condominium (the "Condominium")
42 Crosby Street
New York, New York 10012

THIS STORAGE BIN RIDER TO AGREEMENT made as of the _____ day of _____, 201_ by and between Broome Street Owner LLC, a Delaware limited liability company, having an office c/o Atlas Capital Group, 505 Fifth Avenue, New York, New York 10017 ("Sponsor") and _____ ("Purchaser").

WITNESSETH:

1. This Storage Bin Rider (the "Storage Bin Rider") amends and modifies that certain Agreement (the "Agreement") by and between Sponsor and Purchaser with respect to the above referenced Unit in the condominium known as The 42 Crosby Street Condominium located at 42 Crosby Street New York, New York. In case of any inconsistencies between any of the terms and conditions of the Agreement, including any handwritten modifications thereto, and the terms and conditions of this Storage Bin Rider, the terms and conditions of this Storage Bin Rider shall prevail. All of the paragraphs and provisions contained in this Storage Bin Rider are incorporated into the Agreement and made a part thereof with the same force and effect as if therein originally contained.

2. Upon and subject to the terms and conditions set forth in this Storage Bin Rider, Sponsor agrees to sell and grant, and Purchaser agrees to purchase a license to use a storage bin designated as Storage Bin [___] (the "Storage Bin") simultaneously with the closing of title to the Unit. The license to use the Storage Bin (the "Storage Bin License") shall be substantially in the form set forth in Part II of the Condominium Offering Plan. The Purchase Price for the Storage Bin License is **$0.00** ("Storage Bin Price") which is separate from and in addition to the Purchase Price for the Unit. The Storage Bin Price shall be paid at the closing of title to the Unit by Purchaser delivering a good certified check of Purchaser or official bank check payable to Sponsor or such other party as Sponsor may designate upon not less than two (2) days notice. Purchaser shall be responsible for the payment of transfer and other taxes, if any, that are associated with the Storage Bin License.

3. A default by Purchaser under this Storage Bin Rider shall constitute a default under the Agreement for the Unit and that any other default by Purchaser under the Agreement for the Unit shall constitute a default under this Storage Bin Rider entitling Sponsor to those remedies as more fully described in the Agreement and the Plan.

4. Purchaser shall be required to enter into a Storage Bin License at the Closing of the Unit substantially in the form set forth in Part II of the Plan.

5. Purchaser acknowledges and agrees that the Storage Bin may not be ready for use and/or occupancy at the time of the closing of title to the Unit and that notwithstanding such event, Purchaser shall remain obligated to close title to the Unit and purchase the Storage Bin License. Upon notification from Sponsor that the Storage Bin is available for use, Sponsor shall deliver the Storage Bin License to Purchaser.

6. The captions in this Storage Bin Rider and the Agreement are for convenience of reference only and in no way define, limit or describe the scope of this Storage Bin Rider or the Agreement or the intent of any provision hereof.

IN WITNESS WHEREOF, the parties have executed this Storage Bin Rider as of the date written hereinbelow.

Date: _____
(To be inserted by Sponsor after countersignature by Sponsor)

SPONSOR:

BROOME STREET OWNER LLC

By: _____
Name
Title:

PURCHASER:

_____

_____

PARKING SPACE RIDER TO AGREEMENT

Re: _____ ("Purchaser")
Unit ____ (the "Unit")
The 42 Crosby Street Condominium
42 Crosby Street
New York, New York 10012

THIS PARKING SPACE RIDER TO AGREEMENT for the referenced Unit (the "Agreement") by and between Broome Street Owner LLC, a Delaware limited liability company, having an office c/o Atlas Capital Group, 505 Fifth Avenue, New York, New York 10017 ("Sponsor") and _____ ("Purchaser").

WITNESSETH:

1. This Parking Space Rider (the "Parking Space Rider") amends and modifies that certain Agreement (the "Agreement") by and between Sponsor and Purchaser with respect to the above referenced Unit in the condominium known as The 42 Crosby Street Condominium located at 42 Crosby Street New York, New York. In case of any inconsistencies between any of the terms and conditions of the Agreement, including any handwritten modifications thereto, and the terms and conditions of this Parking Space Rider, the terms and conditions of this Parking Space Rider shall prevail. All of the paragraphs and provisions contained in this Parking Space Rider are incorporated into the Agreement and made a part thereof with the same force and effect as if therein originally contained.

2. Upon and subject to the terms and conditions set forth in this Parking Space Rider executed simultaneously or concurrently herewith, Sponsor agrees to sell and grant, and Purchaser agrees to purchase a Parking Space (as such term is defined in the Offering Plan ("Plan") of the Condominium, simultaneously with the acquisition of a Residential Unit. The Purchase Price for the use of the Parking Space is **$1,000,000.00** (the "Parking Space Price") which is separate from and in addition to the Purchase Price for the Unit.

3. The Parking Space Price shall be payable as follows:

(a) $_____, (the "Initial Parking Deposit"), due upon Purchaser's signing and submitting this Agreement, by check (subject to collection), receipt of which is hereby acknowledged.

(b) $_____ (the "Additional Deposit"), by check payable no later than the earlier to occur of: (i) _____ which is four (4) months after the date of the Agreement or (ii) fifteen (15) days after Sponsor presents an amendment declaring the Plan effective, TIME BEING OF THE ESSENCE, but in no event later than the Closing, subject to collection. The Initial Deposit and the Additional Deposit are hereinafter collectively referred to as the "Deposit."

(c) $ _____, constituting the balance of the Parking Space Price due and payable upon the delivery of the Parking Space License (which shall be delivered simultaneously with the Deed to Purchaser's Residential Unit), TIME BEING OF THE ESSENCE, by a good certified check of Purchaser or official bank check payable to Sponsor or such other party as Sponsor may designate upon not less than two (2) days' notice, in accordance with the Agreement.

4. A default by Purchaser under this Parking Space Rider shall constitute a default under the Agreement for the Unit and that any other default by Purchaser under the Agreement for the Unit shall constitute a default under this Parking Space Rider entitling Sponsor to those remedies as more fully described in the Agreement and the Plan.

5. Purchaser shall be required to enter into a Parking Space License at the Closing of the Unit substantially in the form set forth in Part II of the Plan.

6. Purchaser acknowledges and agrees that the Parking Space may not be ready for use and/or occupancy at the time of the closing of title to the Unit and that notwithstanding such event, Purchaser shall remain obligated to close title to the Unit and purchase the Parking Space License. In such event the Parking Unit Price shall be paid to Escrow Agent, the Parking Unit Price shall be held in escrow by the Escrow Agent. Upon notification from Sponsor that the Parking Space is available for use, Escrow Agent shall release the Parking Unit Price to Sponsor with interest earned thereon, if any, and shall deliver the Parking Space License to the Parking Space to Purchaser.

7. The captions in this Parking Space Rider and the Agreement are for convenience of reference only and in no way define, limit or describe the scope of this Parking Space Rider or the Agreement or the intent of any provision hereof.

IN WITNESS WHEREOF, the parties have executed this Parking Space Rider as of the date below.

Date: _____
(To be inserted after execution by Sponsor)

SPONSOR:

BROOME STREET OWNER LLC

By: _____
Name
Title:

PURCHASER:

_____

_____

EXHIBIT A

FORM OF TITLE INDEMNITY

[TITLE UNDERWRITER LETTERHEAD]

Dated: _____

_____
_____
_____

Re: The 42 Crosby Street Condominium
42 Crosby Street
New York, New York 10012 (the "Premises")
Purchaser: _____

Ladies and Gentlemen:

In connection with the sale of certain units (the "Units") at the referenced Premises, you have asked for certain assurances regarding the recordation by [title underwriter] _____ ("TitleCo") or an abstract company or other person or entity selected by TitleCo (any of the foregoing, a "Title Closer") of the deeds for the Units and related documentation, including, without limitation, mortgage related documents (the "Closing Documents"), the payment of New York City and New York State transfer taxes (including the New York State Additional Tax pursuant to Article 31 of the Tax Law) due in connection with such conveyances and mortgage recording taxes or other fees, if applicable (collectively, the "Tax Payments"), for which TitleCo is insuring title.

As of the date hereof, TitleCo agrees to hold harmless and indemnify [Sponsor/Seller] _____ and Stroock & Stroock & Lavan LLP and their respective agents, representatives, members, affiliates and the like (each, an "Indemnified Party") from and against all losses, liabilities, judgments, damages, costs and expenses that an Indemnified Party may incur or suffer from the failure of TitleCo or a Title Closer to (a) record the Closing Documents for any of the Units and submit the Tax Payments for any of the Units in a timely manner from the dates of conveyances for the Units, and (b) do such other act as a reasonably prudent title company of Title Closer would perform.

[Name of Title Underwriter]

By _____
Name: _____
Title: _____

EXHIBIT "2"

POWERS OF ATTORNEY

RESIDENTIAL UNIT OWNER POWER OF ATTORNEY

Terms used in this Unit Owner's Power of Attorney which are used (a) in the declaration (the "Declaration") establishing a plan for condominium ownership of the premises known as "The 42 Crosby Street Condominium (the "Condominium") and by the street number 42 Crosby Street, New York, New York under Article 9-B of the Real Property Law of the State of New York, dated _____, and recorded in the Office of the Register of the City of New York New York, County of New York on _____, under CRFN #_____, as the same is amended, restated or supplemented at any time, or (b) in the By-Laws of the Condominium ("By-Laws") attached to, and recorded together with, the Declaration, as the same is amended, restated or supplemented at any time, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned, _____, the owner of the Condominium Unit (the "Unit") in the Condominium, which is designated and described in the Declaration as the "_____ Unit" and also designated as Tax Lot _____ in Block _____ of Section _____ of the Borough of Manhattan on the Tax Map of the Department of Finance of The City of New York and on the Tax Lot Drawings, and hereby nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board and/or Residential Board true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board and/or Residential Board or in the name of their designee (corporate or otherwise), on behalf of all Residential Unit Owners, in accordance with such Residential Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a Majority of Residential Unit Owners, to acquire or lease any Residential Unit, together with its Appurtenant Interests, from any Residential Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Residential Unit, together with its Appurtenant Interests, from any Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a Majority of Residential Unit Owners, to acquire any Residential Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Residential Board or its designee, corporate or otherwise, on behalf of all Residential 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 Residential Unit so acquired by them, or to sublease any Residential Unit so leased by them without the necessity of further authorization by the Residential Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present, (2) upon determination by the Residential Board, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units, including retaining counsel and taking any other actions which the Residential Board deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Common Elements which the Condominium Board, with respect to the General Common Elements and the Residential Board with respect to the Residential Section deem necessary or appropriate to comply with any ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of

Standards and Appeals, or any other public authority, applicable to the Maintenance, demolition, construction, alteration, repair or restoration of the General Common Elements or the Residential Section as the case may be, (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Residential Section which the Residential Board deems necessary or appropriate or (c) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the General Common Elements which the Condominium Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Condominium Board or the Residential Board, as applicable, shall constitute the acts of said attorneys-in-fact.

I hereby nominate, constitute and appoint the Declarant (a/k/a the Sponsor under the Offering Plan for the Condominium), true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, on behalf of all Residential Unit Owners, in accordance with such Residential Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, to execute an amendment to the Declaration, By-Laws and ter he Rules and Regulations of the Condominium or any permits, applications or documents required to undertake, perform or complete construction of the Building or perform any other work agreed to in writing by Declarant to the Units or Common Elements by Declarant or obtain an amended certificate of occupancy therefor, or any of said documents when such amendment (i) shall be required to reflect any changes in Units and/or the reapportionment of the Common Interests of the Units resulting therefrom made by Declarant in accordance with the Declaration or (ii) shall be required by (a) a lender designated by Declarant to make a mortgage loan secured by a mortgage on any Unit, referred to as a "Permitted Mortgagee" in the Declaration, (b) any title insurance company selected by Declarant to insure title to any Unit; (c) any governmental agency having regulatory jurisdiction over the Condominium, (d) any title insurance company selected by Declarant to insure title to any Unit, or (e) to effectuate the rights of Declarant under the provisions of the Offering Plan for the Condominium, the Declaration and By-Laws.

This Power of Attorney shall be irrevocable.

This power of attorney may not be used for service of process and the Boards have no right to accept service on behalf of Unit Owner.

(SIGNATURES FOLLOW ON NEXT PAGE)

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ____ day of _____, 20__.

Name: _____

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day of _____ in the year _____, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the ____ day of _____ in the year 20___. before me, the undersigned, personally appeared, _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the ____ day of _____ in the year 20__. before me, the undersigned, personally appeared, _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

AFFIDAVIT OF EFFECTIVENESS

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

_____, residing at _____ (each) being duly sworn do(es) depose and say that I am (we are) the Agent(s) under the above Power of Attorney and that the power of attorney is in full force and effect. That (a) I/we do not have, at the time of the transaction, actual notice of the termination or revocation of the Power of Attorney, or notice of any facts indicating that the power of attorney has been terminated or revoked; (b) I/we do not have, at the time of the transaction, actual notice that the Power of Attorney has been modified in any way that would affect the ability of the Agent to authorize or engage in the transaction, or notice of any facts indicating that the Power of Attorney has been so modified; and (c) if I/we was/were named as successor Agent(s), the prior Agent(s) is no longer able or willing to serve. This affidavit if given for the purpose of the Agent executing a _____ [describe documents that are executed] knowing that _____, will rely upon the representations made herein as inducement to accept such instrument(s) and this Power of Attorney as evidence of my/our authority to act.

_____
Agent

_____
Agent

Sworn to and Subscribed before me
this _____ day of _____, _____

_____
(Notary Sign above and Affix Stamp)

COMMERCIAL UNIT OWNER POWER OF ATTORNEY

Terms used in this Unit Owner's Power of Attorney ("Power of Attorney") which are used (a) in the declaration (the "Declaration") establishing a plan for condominium ownership of the premises known as "The 42 Crosby Street Condominium (the "Condominium") and by the street number 42 Crosby Street, New York, New York under Article 9-B of the Real Property Law of the State of New York, dated _____, and recorded in the Office of the Register of the City of New York New York, County of New York on _____, under CRFN #_____, as the same is amended, restated or supplemented at any time, or (b) in the By-Laws of the Condominium ("By-Laws") attached to, and recorded together with, the Declaration, as the same is amended, restated or supplemented at any time, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned, _____, the owner of the Condominium Unit (the "Unit") in the Condominium, which is designated and described in the Declaration as the "_____ Unit" and also designated as Tax Lot _____ in Block _____ of Section _____ of the Borough of Manhattan on the Tax Map of the Department of Finance of The City of New York and on the Tax Lot Drawings, and hereby nominate, constitute and appoint the and/or Residential Board true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Common Elements which the Condominium Board, with respect to the General Common Elements deems necessary or appropriate to comply with any ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the Maintenance, demolition, construction, alteration, repair or restoration of the General Common Elements or the Commercial Section as the case may be, (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the General Common Elements which the Condominium Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Condominium Board or the shall constitute the acts of said attorneys-in-fact.

I hereby nominate, constitute and appoint the Declarant (a/k/a the Sponsor under the Plan for the Condominium), true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, to execute an amendment to the Declaration, By-Laws and the Rules and Regulations of the Condominium or any permits, applications or documents required to undertake, perform or complete construction of the Building or perform any other work agreed to in writing by Declarant to the Units or Common Elements by Declarant or obtain an amended certificate of occupancy therefor, or any of said documents when such amendment (i) shall be required to reflect any changes in Units and/or the reapportionment of the Common Interests of the Units resulting therefrom made by Declarant in accordance with the Declaration or (ii) shall be required by (a) a lender designated by Declarant to make a mortgage loan secured by a

mortgage on any Unit, referred to as a "Permitted Mortgagee" in the Declaration, (b) any title insurance company selected by Declarant to insure title to any Unit; (c) any governmental agency having regulatory jurisdiction over the Condominium, (d) any title insurance company selected by Declarant to insure title to any Unit, or (e) to effectuate the rights of Declarant under the provisions of the Plan for the Condominium, the Declaration and By-Laws.

This Power of Attorney shall be irrevocable.

This power of attorney may not be used for service of process and the Condominium Board has no right to accept service on behalf of Unit Owner.

(SIGNATURES FOLLOW ON NEXT PAGE)

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ____ day of _____, 20__.

Name: _____

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day of _____ in the year _____, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/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

AFFIDAVIT OF EFFECTIVENESS

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

_____, residing at _____ (each) being duly sworn do(es) depose and say that I am (we are) the Agent(s) under the above Power of Attorney and that the power of attorney is in full force and effect. That (a) I/we do not have, at the time of the transaction, actual notice of the termination or revocation of the Power of Attorney, or notice of any facts indicating that the power of attorney has been terminated or revoked; (b) I/we do not have, at the time of the transaction, actual notice that the Power of Attorney has been modified in any way that would affect the ability of the Agent to authorize or engage in the transaction, or notice of any facts indicating that the Power of Attorney has been so modified; and (c) if I/we was/were named as successor Agent(s), the prior Agent(s) is no longer able or willing to serve. This affidavit if given for the purpose of the Agent executing a _____ [describe documents that are executed] knowing that _____, will rely upon the representations made herein as inducement to accept such instrument(s) and this Power of Attorney as evidence of my/our authority to act.

_____
Agent

_____
Agent

Sworn to and Subscribed before me
this _____ day of _____, _____

_____
(Notary Sign above and Affix Stamp)

EXHIBIT "3"

UNIT DEED

UNIT DEED

THIS INDENTURE, made the ____ day of _____, 20__, between Broome Street Owner LLC, a Delaware limited liability company, having an office at c/o Atlas Capital Group, 505 Fifth Avenue, New York, New York 10017 (the "Grantor") and _____ (the "Grantee"), having an address at _____.

WITNESSETH:

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit (the "Unit") in the premises known as The 42 Crosby Street Condominium and by the street number 42 Crosby Street, Borough of Manhattan, City, County and State of New York, said Unit being designated and described as Residential Unit No. _____ in the declaration ("Declaration") establishing a plan for condominium ownership of said premises under Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"), dated _____, 20__ and recorded in the New York County office of the Register of The City of New York (the "City Register's Office") on _____, in Reel _____, page ____, and also designated as Tax Lot(s) ____ in Block [____] of Section [___] of the Borough of Manhattan on the Tax Map of the New York City Department of Finance, Division of Land Records, Tax Map Unit and on the Tax Lot Drawings of said building, certified by _____, on _____, 20 , and filed in the New York City Department of Finance, Division of Land Records, Tax Map Unit on _____ as Condominium Plan No. _____ also filed in the City Register's Office on _____, 20 , as Condominium Map No. ____. The premises within which the Unit is (are) located are more particularly described in Schedule A attached hereto and made a part hereof. All capitalized terms herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or in the by-laws of The 42 Crosby Street Condominium. (Said by-laws, as the same may be amended from time to time, are hereinafter referred to as the "By-Laws.")

Together with the Common Interest appurtenant thereto in the amount of (as such term is defined in the Declaration):

Together with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

Together with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws, all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in (any of) the Unit, as though recited and stipulated at length herein.

Subject also to such other liens, agreements, covenants, easements, restrictions and other matters as pertain to the Unit and/or to the Property as more particularly described in Schedule B attached hereto and made a part hereof.

TO HAVE AND TO HOLD the same unto the Grantee and the heirs or successors and assigns of the Grantee forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration regarding such invalidity shall control.

[**FOR RESIDENTIAL UNITS:** Except as otherwise specifically permitted by the [Residential Board or provided in the Declaration or the By-Laws, the Residential Unit is intended for residential use only] or

[**FOR COMMERCIAL UNITS**: Except as otherwise prohibited under the By-Laws, the Unit may be used for any purpose permitted by Law].

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, except as aforesaid.

The Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date below.

Date: _____
(To be inserted after
execution by Sponsor)

BROOME STREET OWNER LLC

By: _____
Name
Title:

_____
Grantee

_____
Grantee

(ACKNOWLEDGMENT)

EXHIBIT A

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

ADD DESCRIPTION

SCHEDULE B

PERMITTED ENCUMBRANCES

REFER TO PERMITTED ENCUMBRANCES SET FORTH AS SCHEDULE A TO AGREEMENT

TO BE INSERTED PRIOR TO CLOSING

EXHIBIT "4"

DESCRIPTION OF PROPERTY

CONDOMINIUM
42 Crosby Street, New York, NY

ARCHITECT'S DESCRIPTION OF PROPERTY AND SPECIFICATIONS
13 August, 2014

TABLE OF CONTENTS

SECTION		PAGE
A.	Location and Use of Property	3
B.	Status of Construction	3
C.	Site	3
D.	Utilities	4
E.	Sub-soil Conditions	5
F.	Landscaping	5
G.	Building Height and Size	5
H.	Structural System	5
I.	Auxiliary Facilities	10
J.	Plumbing and Drainage	10
K.	Heating	11
L.	Gas Supply	12
M.	Air Conditioning	12
N.	Ventilation	12
O.	Electrical System	14
P.	Intercommunication and/or door signal systems, security closed circuit TV	14
Q.	Public Area Lighting	14
R.	Garages and parking areas	22
S.	Swimming Pools	22
T.	Tennis Courts, Playgrounds and Recreation Facilities	14
U.	Permits and Certificates	14
V.	Violations	15
W.	Unit information	15
X.	Finish Schedule of Spaces other than Units	19
Y.	Safety and Warning Devices	21
Z.	Additional Information	22
AA.	Additional Testing at discretion of Department of Law	22

BB. Further Development 22
CC. Asbestos 22
DD. Lead Based Paint 22

A. LOCATION AND USE OF PROPERTY

1. The property requires the issuance of a Special Permit from NYC of Department of City Planning to allow construction of a residential building in the M1-5B zoning district. Receipt of the special permit was received in July, 2014. No variances are required or being obtained.
2. Address: 42 Crosby Street, New York, NY 10012
3. Block: 483
4. Lot: 35
5. Zone: M1-5B
6. Permissible uses: Manufacturing, Commercial, Residential (pursuant to Special Permit). The property and proposed uses will comply with all applicable zoning and use regulations at closing.

B. STATUS OF CONSTRUCTION

1. Plans were submitted to the NYC Department of Buildings in October 2012. Construction is anticipated to commence May 2014. The site is currently vacant.
2. The building is subject to the 2008 Building Code of the City of New York. The building is of Construction Type 1B which generally requires the structural frame, walls and floors to be 2 hour rated.
3. Certificate of Occupancy: a new Temporary Certificate of Occupancy will be issued upon completion of construction which is anticipated in June 2016, subject to strikes, acts of god, or any other circumstance beyond the control of the Sponsor.
4. The work was filed under the following job numbers.
   a. 121326494 approved 8/13/2014.
5. The project application was subject to a full examination by the Department of Buildings. The application was not "self certified".
6. Special Inspections will be performed by HAKS, a consulting firm specializing in construction management and inspections.
7. The building is not subject to the provisions of the Quality Housing Program.

C. SITE

1. Lot size: 71.16' x 118.38, irregular, 8,274 square feet total.
2. Number of buildings and use: One building with the following uses:
   a. Cellar: storage, utility rooms, janitor's staffroom, washroom, parking accessory to residential use.
   b. 1st floor: Commercial Units, residential entrance and lobby, parking entrance driveway, package room, mail room, toilet room, mechanical room, two elevator machine rooms.
   c. 2nd thru 5th floors: two Residential Units per floor; roof terrace for one Residential Unit, recycling room.
   d. 6th floor: one Residential Unit and lower level of penthouse unit, recycling room.
   e. 7th floor: upper level of penthouse Residential Unit, roof terrace for penthouse Residential Unit, recycling room.
   f. Roof: mechanical equipment and stair bulkhead.
3. Streets owned by the project: none

4. Drives, sidewalks and ramps: Sidewalks along the property shall be new and constructed of concrete in accordance with local requirements for grades and slopes. The sidewalks shall be constructed to be free of tripping hazards and shall slope away from the building to eliminate ponding of water. All sidewalks, curb cuts and ramps and aprons shall be ADA compliant. The Condominium shall be responsible for maintain sidewalks.
5. There are no sidewalk vaults within the street right of way.
6. There are three Con Edison utility vaults located within the sidewalk along Crosby Street. There are two telecommunications vaults located in the sidewalk along Broome Street. Maintenance of these vaults will be by the respective utilities.
7. No right-of-egress will be required from any adjacent property.
8. The building is located in an active commercial district, however there are no nearby businesses or facilities that generate substantial noise.
9. A Phase I environmental study did not reveal environmental issues except for asbestos containing materials in an existing building on the site which has since been removed. The site is not listed as a brownfield or polluted site.

D. UTILITIES

1. Electricity: Electrical service is provided by Consolidated Edison Company. The electricity to each Residential Unit and the commercial spaces will be separately metered. The electricity consumed in the Common Elements will be separately metered by Con-Edison and will be borne by the Residential Unit owners as a residential common expense.
2. Gas: Low-pressure gas is supplied by Consolidated Edison. There are 12 gas meters for the building: one for each Residential Unit, one for residential common water heating and one for the emergency generator. Domestic water heating is provided by instantaneous water heater. Gas service for the Residential Units is for cooking and dryers. The cost of gas usage for individual Residential Units will be borne by the individual residential Condominium Unit Owners. The cost of all gas usage for common elements will be borne by the residential Condominium Unit Owners as a residential common expense.
3. Water: Domestic water is provided by the City of New York via a connection to a water main in Crosby Street. The charges for water service provided to the building (including Units and the common elements of the building) will be levied on the basis of a master city meter and borne by the Condominium Unit Owner as a residential Common Expense. The Commercial Units are sub-metered for domestic water.
4. Sewer: The building sewer service and drainage systems connect to City of New York Public combined sewer drainage systems through a combination storm and sewer outflow. The charges for sewer service provided to the building (including Units and in the common elements of the building) will be levied on the basis of a master city meter and borne by the Condominium Unit Owner as a General Common Expense.
5. Telephone: Telephone service is available to each Condominium Unit through wiring provided from a telephone company patch panels to a single location within each Condominium Unit. Each Condominium Unit has distribution wiring from that location to telephone jacks in various locations throughout the Condominium Unit.
    a. Each Condominium Unit Owner will be responsible for arranging final connections, obtaining a service account, maintenance of wiring within the Condominium Unit, and for the cost of telephone use for their individual Condominium Unit.

b. The telephone charges with respect to the public areas of the building will be borne by all Condominium Unit Owners as a Common Expense.

6. Cable Television: Cable Television service is available to each Condominium Unit through wiring provided from a provider NID to a single location within each Condominium Unit. Each Condominium Unit has distribution wiring from that location to cable connectors in various locations within the Condominium Unit. Each Condominium Unit Owner will be responsible for arranging final connections, obtaining a service account, maintenance of wiring within the Condominium Unit, and for the cost of cable television use for their individual Condominium Unit. The building is not equipped with a master television antenna system.
7. Data Service: Wiring designed for data transmission is provided directly to each unit.

E. SUB-SOIL CONDITIONS

1. There is no evidence of uneven foundation movement or settling.
2. A sub-grade drainage system is not provided due to the good drainage characteristics of the soil and the low level of the water table. There is no evidence of moisture, seepage, or ground water infiltration.
3. Adfreezing is not anticipated because two sides of the building area adjacent to existing buildings, and the backfill against the other two sides will be porous material.
4. The site has not experienced flooding during the past ten years and there is no danger of flooding due to either water table level or overflow from bodies of water. The property is located in flood zone X (less than 0.2% chance of flood) as indicated by Flood Map 3604970201F (2007).
5. Radon buildup in below grade spaces is not anticipated based on radon maps published by the New York State Department of Health.

F. LANDSCAPING

1. There will be two terrariums in the lobby vestibule.
2. There will be a planting bed located on the 2nd floor court.
3. There will be a 'green wall' at the north side of the parking entrance drive.

G. BUILDING HEIGHT & SIZE

1. Total height: From average sidewalk elevation to main roof: 97'-4"; to top of elevator and stair bulkhead: 106'-9".
2. Crawlspace: none.
3. Number of sub cellars and cellars: one (1) cellar.
4. Number of floors: seven (7).
5. Equipment rooms: electric meter room, gas meter room, sprinkler and water service room, automatic transfer switch room; low-voltage communications services room and rubbish compactor/sorter room are located at the cellar level. Boiler room and two elevator equipment rooms are located at the first floor level.
6. Parapet heights: The parapet and/or railings are a minimum of 3'6" in height above the roofs.

H. STRUCTURAL SYSTEM

1. Exterior:
   a. Structure:
      1) Foundation: cast in place reinforced concrete mat foundation and concrete foundation walls, concrete slab-on-grade cellar floor.

2) Superstructure: cast in place concrete columns and beams and flat-plate reinforced concrete floor slabs up to the 7th floor level. Above the 7th floor level a steel-framed main roof supported by steel columns bearing on the concrete 7th floor plate. The main roof framing will bear on perimeter steel columns and on a concrete elevator and stair enclosure. The elevator enclosure and stair enclosure will be cast-in-place reinforced concrete for their full height.

b. Foundation waterproofing: Continuous pre-applied sheet membrane waterproofing below mat slab and extending up foundation walls to above grade. All joints between mat slab and foundation walls shall have waterstops. All construction joints in the mat slab shall have waterstops.

c. Floors:

1) Material: Cast in place concrete.

2) Impact noise insulation: resilient acoustical membrane installed between the top of floor slab and underside of finish floor materials.

3) Thermal insulation: where floors occur over unconditioned spaces, semi-rigid fiberglass insulation boards R-12.5 installed to the underside of the slab. Soffits below insulated slabs will be suspended exterior grade gypsum panels finished with exterior grade compound and painted.

d. Walls:

1) Lot line walls: non-bearing concrete masonry infill, cementitious stucco exterior finish, painted composite metal panels at the exposed portions of the wall above the 6th floor. Opaque walls will be insulated with 2.5" thick rigid extruded polystyrene insulation with an R value of 12.5, expanded polystyrene insulation exterior finish system with an R value of 4 and batt insulation at the furred interior finish with an R value of 7.8. Total R value of the wall assembly is 25 Exterior finish system will be of drainage plane type. Face of substrate over which finish is installed will be fully waterproofed with liquid applied membrane. Lot line walls will have a 2-hour rating.

2) Street line walls: Full height aluminum and glass operable and fixed panels with a U-value of 0.29 separated by stainless steel spandrel panels at the floor levels. Face of slab edge behind spandrel panels will be fully waterproofed with a liquid applied membrane.

3) Court walls: aluminum framed fixed and operable glass panels of the same construction as street line walls.

4) Local Law 11 Periodic Inspections of Exterior walls are required for this building. First inspection will be due between the years 2022-2024 in Cycle 9 and next inspection will be due between the years 2027-2029 in Cycle 10.

5) There are no retaining walls on the property.

e. Windows:

1) First floor: aluminum storefront framing having thermal breaks glazed with fixed glass panels. Glass shall be insulating assemblies with a minimum U value of 0.47 Entrance doors shall be aluminum framed glass with a maximum air leakage of 0.06 cfm/SF.

2) 2nd through 7th floor: aluminum framed window wall consisting of fixed and sliding glass panels manufactured by [ ]. All window units to have thermal breaks, maximum air leakage of 0.06 cfm/SF, glazed with insulating glass with a minimum U value of 0.29. With regard to noise reduction, window wall assemblies will have an

outside-inside transmission class (OITC) of 33. Window walls shall have a 5-year warranty on the assemblies and a 10-year warranty on finishes and glass.

3) Sun Control Devices: On floors 2 thru 6windows facing Broome Street and Crosby Street are provided with external, recessed, motorized, rolling shades. The windows on all sides of the 7th floor are provided with external, recessed, motorized, rolling shades. The shade positions are governed by a central control system as well as individual controls in each Residential Unit.

4) There are no lot line windows.

f. Landmark Status: the Building is located in the Soho Cast Iron Historic District.

2. Parapets and Copings:
   a. Where parapet walls are provided, copings are stainless steel and anchored with corrosion resistant anchors.
3. Chimneys and caps:
   a. One 12" diameter, metal, double-wall gas vent serving boilers. Ecco Manufacturing model E/V.
   b. Metal, double-wall chimney serving wood burning fireplace on the 7th floor. Duravent 14" diameter, .027" stainless steel inner and outer wall.
   c. Metal, double-wall chimneys serving gas-fired fireplaces on the 2nd – 7th floors. Duravent 10" diameter, .027" stainless steel inner and outer wall.
4. Balconies & Terraces
   a. Certain Residential Units located on the 2nd and 7th floor will have private terraces as more particularly identified on the floor plans and on Schedule A. All terraces are located over internally drained roofs. Terrace walking surface shall be composed of stone pavers supported on adjustable pedestals.
   b. Second floor terrace shall have parapet walls and planter walls faced with brick and topped with stone copings. Parapets and planter wall copings will be fully flashed with corrosion resistant thru-wall flashing. The planter will be waterproofed with an assembly consisting of bituminous membrane, drainage board and filter fabric. The planter will have internal drainage connected to the building's storm drainage system.
   c. Seventh floor terrace shall have parapet walls with metal copings and metal and glass railings above the parapet.
   d. Access to all roof terraces is via the operable window/wall system comprising the building exterior.
   e. All terraces are built over roofs and drainage is provided at the
5. Building Entrances: the residential entrance is located on the Crosby Street side of the property. Commercial entrances are located on both the Crosby Street and Broome Street sides. All building entrances will be ADA compliant and be free of tripping hazards.
   a. Lighting: All entrances will be lit with recessed fixtures in the soffit above the doors providing adequate light at the ground level in front of the entrance.
   b. Both Commercial and residential lobby entrances are thermally broken, aluminum framed swinging glass doors. Commercial entrances will have deadbolt locks. Residential lobby entrance will have an electrically activated lock with an auxiliary deadbolt.
   c. The residential lobby entrance will have a vestibule with inner doors matching the exterior lobby entrance doors.
   d. Exterior lighting: Recessed fixtures in soffits over building entrances.

6. Service Entrances: There is one auxiliary entrance on the Broome Street side, providing access via stair to the cellar. There is one vehicular entrance via driveway at the Crosby Street side.
   a. Auxiliary entrance has a metal door and frame and deadbolt lock, and recessed lighting in the soffit above.
   b. The entrance driveway will have a metal, manually operated swinging gate. The driveway will be lit by recessed fixtures in the ceiling above.
7. Roof and Roof Structures
   a. Roofs:
      1) Roofing material: 2-ply modified bitumen membrane.
      2) Insulation material: rigid tapered polyisocyanurate board, minimum 3.5 inches in thickness with a minimum continuous R value of 21. Cementitious cover board between insulation and roof membrane.
      3) Flashing material: modified bitumen membrane and resinous, fleece reinforced, liquid membrane.
      4) At terraces, roof surfaces are protected with stone pavers on leveling pedestals. At other roof areas, the roof membrane will have a granular coating.
      5) Guarantee and Warranty: 20 years.
      6) All mechanical equipment at roof levels shall be supported on steel dunnage and mounted on vibration isolators.
      7) The seventh floor roof will include an acoustical ceiling hung below the roof structure to provide additional protection from mechanical noise.
   b. Roof drains: Drains are provided at all roof terrace areas and are sized to accommodate drainage loads per New York City Building Code requirements. Roof drains are of the controlled flow type. Each roof drain has an adjacent overflow drain.
   c. Skylights:
      1) A single-pitch aluminum framed skylight with insulating glass is located on the roof over the interior stair of the 7th floor Residential Unit.
      2) The skylight will be mounted on a 18" minimum height curb.
   d. Bulkheads: there is one bulkhead structure containing the upper portion of the elevator shaft and stairs providing access to the main roof. The bulkhead is constructed of concrete and concrete masonry and clad in metal panels. The stairs into the bulkhead are cast concrete. Stair enclosures will be vented at the roof level by louvers with motorized dampers. Each stair enclosure will also have a small skylight. The elevator enclosure will be vented at the top level by means of a louver with motorized damper.
   e. Metal work at roof levels: there are metal railings surrounding the roof over the 7th floor. Metal railings surround the bulkhead roof. Access to the bulkhead roof is via metal ladder and metal hatch.
   f. Lightning protection is not provided.
8. Fire Escapes
   a. There are no external fire escapes on the building.
9. Yard and Courts
   a. There are no yards provided and none are required by the applicable zoning regulations.
   b. There is one interior court located at the second floor level at the northwest corner of the lot. The court is bounded by building walls and lot lines. The court contains planted

areas: the terrace area is surfaced with concrete pavers on adjustable pedestals and the planted area is contained in masonry walls.

c. Access to 2nd floor court through the terrace area is via operable glass doors only from Residential Unit 2N.

d. Access to the 2nd floor court planted area for service is provided by a metal hatch leading to a mechanical room on the first floor below.

10. Interior stairs
    a. There are two emergency exit stairs in the building serving all floors and extending to the roof:
        1) Enclosure: concrete and concrete masonry with a 2-hour rating.
        2) Stair construction: cast in place concrete.
        3) Handrails: steel.
    b. There is an internal access stair between the 6th and 7th floor levels of the penthouse unit.
        1) Enclosure: none.
        2) Stair construction: steel frame and wood treads and risers.
        3) Handrails and guards: wood handrails, metal and glass guards.
11. Interior doors
    a. Residential unit entrance doors: ¾ hour fire rated metal doors and frames.
    b. Residential unit interior doors: solid wood flush doors in metal frames.
    c. Corridor equipment room doors: 1-1/2 hour fire rated metal doors and frames.
    d. Emergency Stair doors: 1-1/2 hour fire rated metal doors and frames.
    e. Roof doors: insulated metal doors and frames.
    f. Utility and storage room doors: metal doors and frames.
12. Elevators
    a. There is one machine-room-less passenger elevator and one vehicle elevator.
    b. Passenger Elevator:
        1) Capacity: 2500 lb.
        2) Speed: 350 ft/min.
        3) Type: machine-room-less electric.
        4) Controls: automatic.
        5) Floors served: 8 – 1 cellar, 7 floors above grade.
        6) Doors: automatic sliding.
        7) Elevator controller location: first floor.
        8) Maintenance contract: five years.
    b. Elevator Cab:
        1) Floor: Stone.
        2) Walls: Stainless steel.
        3) Ceiling: Stainless steel.
        4) Lighting: recessed LED lighting.
        5) Emergency system: two-way conversation multi-path central station intercom system with auto connection to monitoring station.

c. Vehicle Elevator:
   1) Capacity: 8000 lb.
   2) Speed: 50 ft/min.
   3) Type: hydraulic.
   4) Controls: automatic.
   5) Floors served: 2 – Cellar and first.
   6) Doors: automatic vertically sliding.
   7) Machine room location: first floor adjacent to hoistway.
   8) Maintenance contract: Five years.

I. AUXILIARY FACILITES

1. Rubbish chute: located in the corridor on each floor 1 – 7. Garbage and recycled material is stored in a rubbish room in the cellar and brought to the street for regularly scheduled pickups by the New York City Department of Sanitation.
2. Storage Rooms: individual storage rooms provided for each Residential Unit. The storage rooms are enclosed with gypsum board partitions and include lighting, space conditioning and sprinklers.
3. Cold Storage Room:
4. Staff Locker:

J. PLUMBING AND DRAINAGE

1. Water Supply
   a. Domestic cold water is supplied by a 3" service connected to the municipal water main in Crosby Street. The service is protected by a backflow preventer assembly located in the cellar. The service enters the building at the cellar level.
   b. Domestic hot water is produced by 2 Turbomax boilers. The hot water system is a recirculating type with a return to ensure that hot water is available immediately at all outlets.
   c. Hot and cold water piping shall be insulated throughout with 1" thickness closed cell elastomeric or fiberglass insulation.
   d. Main shutoff valve is located in water service room in the cellar.
2. Fire Protection System
   a. Sprinkler water is provided by a 6" service connected to the municipal water main in Crosby Street. The service enters the building in the cellar and is protected by a backflow preventer assembly. The fire protection system includes a fire pump and jockey pump located in the cellar. The main control valve is located in the cellar.
   b. There is a 6" combined fire standpipe and sprinkler riser located in exit stair A and a 4" fire standpipe riser at exit stair B.
   c. All areas of the building are sprinklered.
   d. Siamese Connections: There are two combination, 6" x 3" x 3" flush type siamese fire department connection located at the first floor.
3. Water Storage Tanks
   a. There is a 15,000 gallon fire pump suction tank located in the cellar.
4. Water Pressure and How Maintained

a. Water pressure is maintained by street pressure for the commercial space on the first floor only. A supplementary domestic water pressure booster pump located in the cellar serves the 4th – 7th floors.

5. Sanitary Sewage System
   a. Sewage Piping: Sewage piping is cast iron.
   b. Sump Pumps: There is a sump pump in each elevator pit which is indirectly connected to the sanitary piping.
   c. Sewage pumps: There is one duplex ejector pump located in the mechanical room in the sub cellar which serves the toilet room at the cellar level, floor drains in the mechanical rooms and the garage. The ejector is connected to the sanitary piping system.
   d. Sewage Disposal: Sewage discharges via gravity into the municipal sewer located in Crosby Street.
6. Permits Required
   a. All backflow prevention devices will be filed with DEP.
   b. An SD1 and 2 for sewer connection will be filed with DEP.
7. Storm Drainage System
   a. Catch basins: None.
   b. Roof and Terrace drains: There are roof drains located as follows:
      1) 2nd floor court terrace.
      2) 7th floor level roof terrace.
      3) Main roof above 7th floor.
   c. Drains are sized to service all roof and terrace surfaces according to New York City Building Code requirements. Storm water discharges to a storm water detention tank located on the first floor prior to being discharged to municipal combined storm and sanitary sewer.
   d. Piping: Storm drainage piping is cast iron throughout.

K. HEATING

1. Heating:
   a. Heating is provided by heat pump systems, split type variable refrigerant flow. The heating system is designed to maintain 70 deg. F indoor air temperatures when outside air temperature is 0 deg. F in accordance with New York State Energy Code.
      1) Equipment efficiency shall exceed
      2) Ductwork running in unconditioned space shall be insulated with 1.5" fiberglass insulation.
      3) Ductwork shall have 1" acoustical lining for 15 feet upstream of all exhaust fans.
      4) A final balancing report shall be provided by the Sponsor.
   b. Garage Heating: Ceiling suspended unit heaters with hot water coils.
      1) Boilers: There are 2 gas fired sealed combustion boilers.
         (i) Manufacturer: Laars
         (ii) Model no: PNCH500
         (iii) Capacity: 500 MBH
         (iv) Controls: Teckmar

2) Hot water storage:
   (i) Manufacturer: Turbomax
   (ii) Model no.: T-109
   (iii) Capacity: 119 gallons each; total of two (2).
   (iv) Circulating pump: two (2) domestic water; two (2) heating.

c. Piping: copper.

L. GAS SUPPLY

1. Type: Low-pressure gas is supplied from local utility gas mains in Crosby Street.
2. Meters: 12 meters located in cellar.
3. Piping Material: Piping shall be black steel with threaded fittings.

M. AIR CONDITIONING

1. Air conditioning systems will be capable of maintaining an interior temperature at 75 deg.F when summer outdoor conditions are 89 deg. F dry bulb and 73° F wet bulb in accordance with New York State energy Code.
2. Each Unit has an independent air conditioning system as follows:
   a. Commercial Units: electric heat pump split system with condensing units located on the 7th floor roof. Refrigerant lines are provided to the Commercial Units on the first floor. Air handlers shall be provided by others. All equipment shall have efficiency ratings exceeding EER 12.2.
   b. Residential Units: electric heat pump split system with multiple air handlers located in each unit connected to one condensing unit located on the 7th floor roof. All equipment shall have efficiency ratings exceeding EER 13.6.
   c. All air conditioning systems have digital programmable thermostat controls.
   d. All air conditioning equipment shall be mounted on vibration isolators.
   e. All piping to rooftop air conditioning equipment shall be insulated with 1.5 in. fiberglass insulation.
   f. There are no Packaged Terminal Air Conditioners.

N. VENTILATION

1. All kitchens in the Residential Units are provided with natural ventilation and range hood exhaust. Range hoods are connected to common exhaust fans located on the roof providing a minimum of 900 cfm exhaust for each kitchen
2. All bathrooms in Residential Units and commercial space are provided with mechanical ventilation by common exhaust fans located at the roof level. Each bathroom will have a minimum ventilation rate of 50 cfm
3. Gas meter room and hydraulic elevator machine room are vented to the exterior by gravity.
4. The MRL elevator machine room is mechanically vented to the exterior.
5. Garage is ventilated by an exhaust fan controlled by carbon monoxide detectors.

O. ELECTRICAL SYSTEMS

1. Service from main switchgear: Electrical service is provided into cellar electric switchboard room. Service is rated 2000 amps, 120/208 volt, 3-phase, 4-wire and distributed to a meter center for Residential units, house panel, fire pump and two Commercial Units.

2. Service to Residential Units: From Residential Unit meter center individual feeders are run to each Residential Unit.
3. Compartment Switchgear: The Residential Unit distribution center is provided on the cellar level.
4. Unit Service: The equipment is rated to comply with the New York City Electrical Code and takes into account all equipment provided in Residential Units such as washing machines, electric dryers, electric ovens, dishwashers, microwaves, lighting and air conditioners units, etc.
5. Adequacy:
   a. Service: Commercial Units:
      1) First Floor: 200A/200A switch and fuse at 208/120V, 3 phase , 4 wire is provided for each Commercial Unit.
   b. Service – Residential Units:
      1) Residential Units :125A, 208V/120V, 3 phase 4 wire is provided for 3 Bedroom units.
      2) Residential Unit :150A 208V/120V, 3 phase 4 wire is provided for 5 Bedroom unit.
   c. Average number of circuits per Residential Unit panel boards varies depending on the unit size and equipment installed. Service is adequate to meet normal apartment appliance load, convenience outlets, lighting and air conditioning load. The individual Residential Units are separately metered for their own usage.
   d. All 15A and 20A, 120V circuits are protected by arc fault circuit breakers (AFCI) or Ground Fault Circuit Interrupters (GFCI) as required by code.
   e. Lighting and Fixtures: Switched lighting fixtures are provided in all areas of the Residential Units. Certain lighting switches may be 3- or 4- way switched. Switched receptacles for use of lighting fixtures are provided in some bedrooms of Residential Units.
   f. Convenience Outlets: tamper resistant type receptacles are provided throughout all spaces. Ground fault receptacles are provided in all bathrooms, kitchens, and at Residential Unit terraces. All exterior receptacles shall be water resistant type.
   g. Appliance Outlets: Appliance receptacles are as required in kitchens and laundry rooms.
6. Fire pump and fire alarm system is tapped ahead of the main service switch.
7. Emergency Generator: a 130 KW/162.5 KVA, 208/120V, 3 phase, 4 wire, gas-fired emergency generator in a sound attenuation enclosure is provided and located on the roof of the bulkhead. The emergency generator serves the following loads through automatic transfer switches:
   a. Exit lights and emergency lighting in common areas, corridors, utility rooms, and exterior lighting at egress doors.
   b. Passenger and car elevators, elevator cab lighting and elevator machine room air conditioning equipment.
   c. Fire alarm system.
   d. Domestic hot water boiler and associated pumps.
   e. Domestic booster pump.
   f. Limited load in each Residential Unit through a 6 circuit panel with integral manual transfer switch as follows:
      a. One bathroom receptacle.
      b. Refrigerator receptacle.
      c. Kitchen receptacle and lighting.

d. Living room and bedroom receptacles
e. Verizon S - one Fios cabinet and SWC.

8. Each parking space in the cellar is provided with a sub metered receptacle for charging an electric vehicle.

P. INTERCOMMUNICATION, DOOR SIGNAL SYSTEMS

1. Each Residential Unit will be provided with an intercom linked to a main intercom panel located at the front desk in the lobby. The intercom communicates to the Residential Units via telephone connection. The residential lobby entrance doors have electric locks that can be released via the intercom system.

Q. PUBLIC AREA LIGHTING

1. All lighting in the Residential Common elements is connected to the building lighting panels. Emergency lighting is provided via emergency circuits connected to emergency generator located on the roof.
2. The residential lobby is illuminated with recessed LED fixtures.
3. Emergency stair and common corridors are illuminated with wall mounted fluorescent or LED fixtures. Selected fixture serve as emergency lighting and will be connected to emergency circuits from the emergency generator located on the bulkhead roof. All emergency lighting comply with applicable governing regulations.

R. GARAGES AND PARKING AREAS

1. There is one enclosed parking garage located at the cellar level containing 10 parking spaces. One space is handicapped accessible and complies with requirements for van parking.
2. Parking garage is accessed by a vehicle elevator from the first floor entry drive. The entry drive provides space for a drop off in front of doors leading into the lobby.
3. The parking garage floor is concrete slab on grade, isolated from perimeter walls by a ½" expansion joint.
4. Garage lighting is provided by fluorescent fixtures at the ceiling. Garage lighting and garage exhaust are connected to the house panel, selected fixtures are connected to emergency circuit from the emergency generator.
5. Parking is unattended.
6. Ventilation is provided by a fan located at the roof. Fresh air is obtained from the open area at the entrance drive.
7. The enclosed garage is protected by a wet sprinkler system.
8. Floor drains are provided in the floor of the parking area.

S. SWIMMING POOLS

1. There are no swimming pools.

T. RECREATION FACILITIES

1. There are no common recreation facilities.

U. PERMITS AND CERTIFICATES

1. The proposed building will be constructed under permits anticipated to be received through a new building application filed with the NYC Department of Buildings (see B.1. above). During construction, sponsor will apply for a Certificate of Occupancy for the building to be obtained at completion of construction.

V. VIOLATIONS

1. Outstanding violations:
   a. Violation #083099LANDMK00-0123
   b. Violation #041703LANDMK03-0852
   c. Violation #041703LANDMK03-0853
   d. Violation #041703LANDMK03-0854
   e. Violation #010908LANDMK08-0606
   f. Violation #010908LANDMK08-0607
   g. Violation #010908LANDMK08-0608
   h. Violation #111694ES0201B
2. The LANDMK violations relate to prior work that was performed without Landmarks approval; all such violations will be cured by the construction of the new building.
3. The ES violation relates to electric signs. The violation will be cured by the construction of the new building.
4. All violations will be cured or removed prior to issuance of the final Certificate of Occupancy.

W. UNIT INFORMATION

1. There are a total of ten (10) Residential Units for sale in the Building:
2. Commercial Units – two (2) Commercial Units occupying portions of the first floor:
   a. Number of rooms:
      1) (1) sales area.
      2) (1) toilet room.
   b. Size: 3,757 SF
   c. Finishes:
      1) Floors: concrete
      2) Walls: painted gypsum board; concrete masonry units.
      3) Ceilings: exposed concrete.
   d. Plumbing fixtures: commercial toilets and sinks in toilet room.
   e. Kitchen equipment and fixtures: None
3. Unit 2S – (1) Residential Unit occupying part of the 2nd floor.
   a. Number of rooms:
      1) (1) Vestibule and Foyer
      2) (1) Living/Dining/Kitchen
      3) (3) Bedrooms
      4) (4) Baths
      5) (1) Laundry room
   b. Size: 3,137 SF
   c. Finishes:
      1) Floors: wood, terrazzo.
      2) Walls: painted gypsum board except:
         (i) Bathroom 4: glass panels.

(ii) Master bathroom: stone slab.
(iii) Bathrooms: ceramic tile.

3) Countertops:
(i) Kitchen: stainless steel.
(ii) Bathrooms: stone slab.

4) Shower enclosures: tempered glass.

5) Ceilings: Painted gypsum board.

d. Plumbing fixtures: Bathroom fixtures and fittings are listed in the Plumbing Fixture Schedule at the end of this section.

e. Kitchen equipment: Kitchen appliances are listed in the schedule at the end of this section.

f. Laundry equipment: The laundry room is provided with a front loading washing machine and front loading gas dryer as listed in the Appliance Schedule at the end of this section.

g. Special features:

1) Electric radiant heating in bathroom floors.

4. Unit 2N – (1) Residential Unit occupying part of the 2nd floor.

a. Number of rooms:

1) (1) Foyer
2) (1) Living/Dining
3) (1) Kitchen
4) (3) Bedrooms
5) (3) Baths
6) (1) Laundry room

b. Size: 2,658 SF

c. Finishes:

1) Floors: wood, terrazzo.

2) Walls: painted gypsum board except:
(i) Bathroom 3: glass panels.
(ii) Master bathroom: stone slab.
(iii) Bathrooms: ceramic tile.

3) Countertops:
(i) Kitchen: stainless steel.
(ii) Bathrooms: stone slab.

4) Shower enclosures: tempered glass.

5) Ceilings: Painted gypsum board.

d. Plumbing fixtures: Bathroom fixtures and fittings are listed in the Plumbing Fixture Schedule at the end of this section.

e. Kitchen equipment: Kitchen appliances are listed in the schedule at the end of this section.

f. Laundry equipment: The laundry room is provided with a front loading washing machine and front loading gas dryer as listed in the Appliance Schedule at the end of this section.

g. Special features:

1) Exterior terrace on the 2nd floor court.

2) Gas fireplace.
3) Electric radiant heating in bathroom floors.

5. Unit 3S/4S/5S – each Residential Unit occupies part of the 3rd/4th/5th floors respectively. Each unit is identical in size and layout.
   a. Number of rooms:
      1) (1) Vestibule and Foyer
      2) (1) Living/Dining/Kitchen
      3) (3) Bedrooms
      4) (4) Baths
      5) (1) Laundry room
   b. Size: 3,137 SF
   c. Finishes:
      1) Floors: wood, terrazzo.
      2) Walls: painted gypsum board except:
         (i) Bathroom 4: glass panels.
         (ii) Master bathroom: stone slab.
         (iii) Bathrooms: ceramic tile.
      3) Countertops:
         (i) Kitchen: stainless steel.
         (ii) Bathrooms: stone slab.
      4) Shower enclosures: tempered glass.
      5) Ceilings: Painted gypsum board.
   d. Plumbing fixtures: Bathroom fixtures and fittings are listed in the Plumbing Fixture Schedule at the end of this section.
   e. Kitchen equipment: Kitchen appliances are listed in the schedule at the end of this section.
   f. Laundry equipment: The laundry room is provided with a front loading washing machine and front loading gas dryer as listed in the Appliance Schedule at the end of this section.
   g. Special features:
      1) Electric radiant heating in bathroom floors.
6. Unit 3N/4N/5N – each Residential Unit occupying part of the 3rd/4th/5th floors respectively. Each unit is identical in size and layout.
   a. Number of rooms:
      1) (1) Foyer
      2) (1) Living/Dining
      3) (1) Kitchen
      4) (3) Bedrooms
      5) (3) Baths
      6) (1) Laundry room
   b. Size: 2,658 SF
   c. Finishes:
      1) Floors: wood, terrazzo.

2) Walls: painted gypsum board except:
   (i) Bathroom 3: glass panels.
   (ii) Master bathroom: stone slab.
   (iii) Bathrooms: ceramic tile.
3) Countertops:
   (i) Kitchen: stainless steel.
   (ii) Bathrooms: stone slab.
4) Shower enclosures: tempered glass.
5) Ceilings: Painted gypsum board.

d. Plumbing fixtures: Bathroom fixtures and fittings are listed in the Plumbing Fixture Schedule at the end of this section.

e. Kitchen equipment: Kitchen appliances are listed in the schedule at the end of this section.

f. Laundry equipment: The laundry room is provided with a front loading washing machine and front loading gas dryer as listed in the Appliance Schedule at the end of this section.

g. Special features:
1) Unit faces the court.
2) Gas fireplace.
3) Electric radiant heating in bathroom floors.

7. Unit 6N – (1) Residential Unit occupying part of the 6th floor.

a. Number of rooms:
1) (1) Foyer
2) (1) Living/Dining
3) (1) Kitchen
4) (3) Bedrooms
5) (3) Baths
6) (1) Laundry room

b. Size: 2,615 SF

c. Finishes:
1) Floors: wood, terrazzo.
2) Walls: painted gypsum board except:
   (i) Bathroom 3: glass panels.
   (ii) Master bathroom: stone slab.
   (iii) Bathrooms: ceramic tile.
3) Countertops:
   (i) Kitchen: stainless steel.
   (ii) Bathrooms: stone slab.
4) Shower enclosures: tempered glass.
5) Ceilings: Painted gypsum board.

d. Plumbing fixtures: Bathroom fixtures and fittings are listed in the Plumbing Fixture Schedule at the end of this section.

e. Kitchen equipment: Kitchen appliances are listed in the schedule at the end of this section.

f. Laundry equipment: The laundry room is provided with a front loading washing machine and front loading gas dryer as listed in the Appliance Schedule at the end of this section.

g. Special features:
   1) Unit faces the court.
   2) Gas fireplace.
   3) Electric radiant heating in bathroom floors.

8. Penthouse Unit – (1) duplex Residential Unit occupying part of the 6th and the entire 7th floor. There is a metal and wood stair connecting the two units. The 7th floor portion has a roof terrace.

   a. Number of rooms:
      1) (1) Vestibule and Foyer on the 6th floor and (1) Vestibule on the 7th floor.
      2) (1) Living/Dining/Kitchen (7th floor).
      3) (1) Study (7th floor).
      4) (5) Bedrooms (four at 6th floor and one at 7th floor).
      5) (7) Baths (five at 6th floor and two at 7th floor).
      6) (1) Laundry room at 6th floor.
   b. Size: 5,441 SF
   c. Finishes:
      1) Floors: wood, terrazzo.
      2) Walls: painted gypsum board except:
         (i) Bathroom 5: glass panels.
         (ii) Master bathroom: stone slab.
         (iii) Bathrooms: ceramic tile.
      3) Ceilings: Painted gypsum board.
   d. Plumbing fixtures: Bathroom fixtures and fittings are listed in the Plumbing Fixture Schedule at the end of this section.
   e. Kitchen equipment: Kitchen appliances are listed in the schedule at the end of this section.
   f. Laundry equipment: The laundry room is provided with a front loading washing machine and front loading gas dryer as listed in the Appliance Schedule at the end of this section.
   g. Special Features:
      1) Unit faces the court.
      2) There is an indoor wood-burning fireplace located on the 7th floor.
      3) There is an outdoor wood-burning fireplace located at the 7th floor roof terrace.
      4) Electric radiant heating in bathroom floors.
      5) Roof terrace at 7th floor.
      6) Skylight on 7th floor roof located above the interior stair.

APPLIANCE SCHEDULE		
DESCRIPTION	**MANUFACTURER**	**MODEL**
LAUNDRY ROOM		

WASHER	LG	
DRYER	LG	
KITCHEN		
SINGLE WALL OVEN	GAGGENAU	BO280611
STEAM OVEN	GAGGENAU	BS260610
WARMING DRAWER	GAGGENAU	WS282710
GAS COOKTOP	GAGGENAU	KG491210CA
INTEGRATED REFRIGERATOR	GAGGENAU	RB491700
INTEGRATED DISHWASHER	GAGGENAU	DF261760
WINE COOLER	GAGGENAU	RW404760
MICROWAVE	GAGGENAU	BM281710
MICROWAVE TRIM KIT	GAGGENAU	BA268810
WALL HOOD	GAGGENAU	AW280790
GARBAGE DISPOSAL	INSINKERATOR	EVOL COVER CONTROL PLUS
PANTRY		
MICROWAVE	GAGGENAU	BA268810
MICROWAVE TRIM KIT	GAGGENAU	AW280790
INTEGRATED DISHWASHER	GAGGENAU	DF261760

PLUMBING FIXTURE SCHEDULE			
DESCRIPTION	**MANUFACTURER**	**MODEL**	**FINISH/COLOR**
MASTER BATHROOM			
CUSTOM LAVATORY	DUPONT	CUSTOM	GLACIER WHITE
UNDERMOUNT LAVATORY	KOHLER LADENA	K-2214-0	WHITE
WALL MOUNTED FAUCET	WATERWORKS .25	PTLS06C-K	MATTE NICKEL
SECONDARY BATHROOM			
WALL-MOUNTED WASHBASIN	BOFFI	SIMPLE	WHITE
WALL MOUNTED FAUCET	WATERWORKS .25	PTLS06C-K	MATTE NICKEL
WALL-HUNG TOILET	TOTO AQUIA	CT4118FG	WHITE
SHOWER VALVE	WATERWORKS .25	PTSV58C\GUSV37R	MATTE NICKEL
SHOWER VOLUME CONTROL	WATERWORKS .25	PTVC48/GUSV16R	MATTE NICKEL
SHOWER HEAD	WATERWORKS .25	PTSH73	MATTE NICKEL
HAND SHOWER	WATERWORKS .25	PTHS25C	MATTE NICKEL
BATH TUB	ALBION	ETRUSCAN TUB	WHITE
BATH TUB	KOHLER MAESTRO	K-840-0	WHITE
TUB SPOUT	WATERWORKS .25	PTTS28C	MATTE NICKEL
TUB VALVES	WATERWORKS .25	PTVC47C/GUSV16R	MATTE NICKEL
HAND SHOWER	WATERWORKS .25	PTHS25C	MATTE NICKEL
KITCHEN FIXTURES			
UNDERMOUNT SINK	FRANKE KUBUS	KBX-110-21	STAINLESS STEEL
SINK FAUCET	GROHE MINTA	32.319DCO	SUPERSTEEL
HOT WATER DISPENSER	FRANKE	120.0175.318	SATIN NICKEL

X. FINISH SCHEDULE OF SPACES OTHER THAN UNITS

1. Spaces other than the individual Condominium Units are equipped with finishes as follows:
   a. Cellar halls, utility rooms, super's office:
      1) Floors: concrete and terrazzo.

2) Walls: glazed faced concrete block and painted gypsum board.
3) Ceilings: exposed structure or gypsum wall board.

b. Cellar toilet room:
1) Floor: ceramic tile.
2) Walls: ceramic tile.
3) Ceiling: painted gypsum board

c. First Floor Lobby:
1) Floor: Terrazzo.
2) Walls: painted gypsum wall board.
3) Ceiling: painted gypsum wall board.

d. Mail room and package room:
1) Floor: Terrazzo.
2) Walls: wood paneling.

e. Toilet room off Lobby:
1) Floor: ceramic tile:
2) Walls: ceramic tile:
3) Ceiling: painted gypsum board.

f. Emergency Stairs:
1) Floor: concrete.
2) Walls: exposed concrete and concrete block.
3) Ceilings: stair above and painted gypsum wall board.

Y. SAFETY AND WARNING DEVICES

1. Residential Unit smoke detection system: Each Residential Unit shall contain one or more combination carbon monoxide/smoke detector located in each bedroom and/or sleeping areas and outside the sleeping area within 15' feet as required by law. Each detector is wired to 120-volt local power and back up battery and is self-contained with its own sounding device. All combination carbon monoxide/smoke detectors are interconnected. Maintenance of the devices will be provided by the unit owners.
2. Common Element Fire Alarm System:
   a. The building is provided with central smoke detection/fire sprinkler alarm system connected to a central monitoring station and fire department tie-in.
   b. Smoke detectors are provided in electric, telephone, mechanical and elevator machine rooms. System also includes flow and tamper switches for each floor sprinkler system including compactor chute and vestibule.
   c. The fire pump and emergency generator will be monitored through the fire alarm panel.
3. Security System: Centrally monitored system with main station located at front desk:
   a. Intercom between residential units and front desk and building common areas.
   b. Card control access to dwelling units, elevator and common areas of the building.
   c. Closed circuit TV cameras in public areas, garage, cellar common areas, and elevators, monitored at front desk.
   d. Door and opening sensors at street level fire exits and roof doors.

Z. ADDITIONAL INFORMATION REQUIRED

1. Site plan: see drawing 1 of 10.
2. Floor plans: see drawings 2 through 10.
3. Floor to ceiling heights of Residential Units is 10'-9" except 7th floor of Penthouse Unit is 11'-0".
4. Dimensions of Units: Units will be measured:
   a. Horizontally from the outside face of framing of window system to centerline of partition dividing Units and to outside face of exterior wall or wall or partition dividing Unit from Common Element.
   b. Vertically from the top surface of the structural floor slab to the underside of the structural slab above.

AA. ADDITIONAL TESTING

1. No additional testing is anticipated at this time.

BB. FURTHER DEVELOPMENT

1. No further development is planned. There is no unused zoning floor area available on this property.

CC. ASBESTOS

1. An asbestos inspection was performed on the existing building on the site scheduled for demolition. An Asbestos Project Notification form ACP-7 was filed with the NYC Department of Environmental Protection for removal of asbestos containing materials found in the building prior to demolition. Abatement operations were performed and completed.

DD. LEAD BASED PAINT

1. None.

Please refer to the Section of the Plan entitled "Rights and Obligations of Sponsor" for a full list of documents that will be transferred by Sponsor to Condominium's Board of Managers upon termination of the Sponsor Control Period.

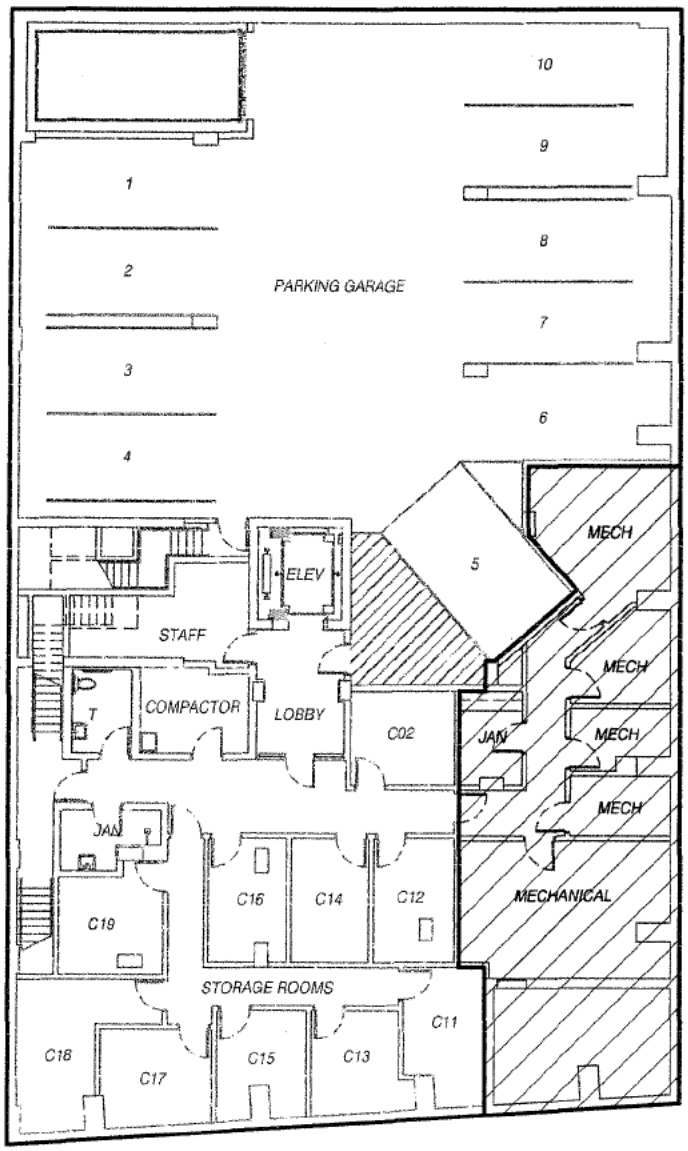
The foregoing constitutes a true, correct and complete Description of Property prepared by our firm for 42 Crosby Street, NY, New York.

Norman R. Cox

STATE OF NEW YORK
NORMAN R. COX
No. 016362-1
REGISTERED ARCHITECT

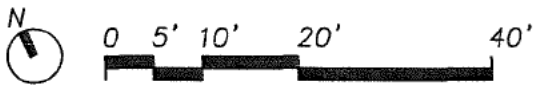
EXHIBIT "5"

FLOOR PLANS



CELLAR PLAN



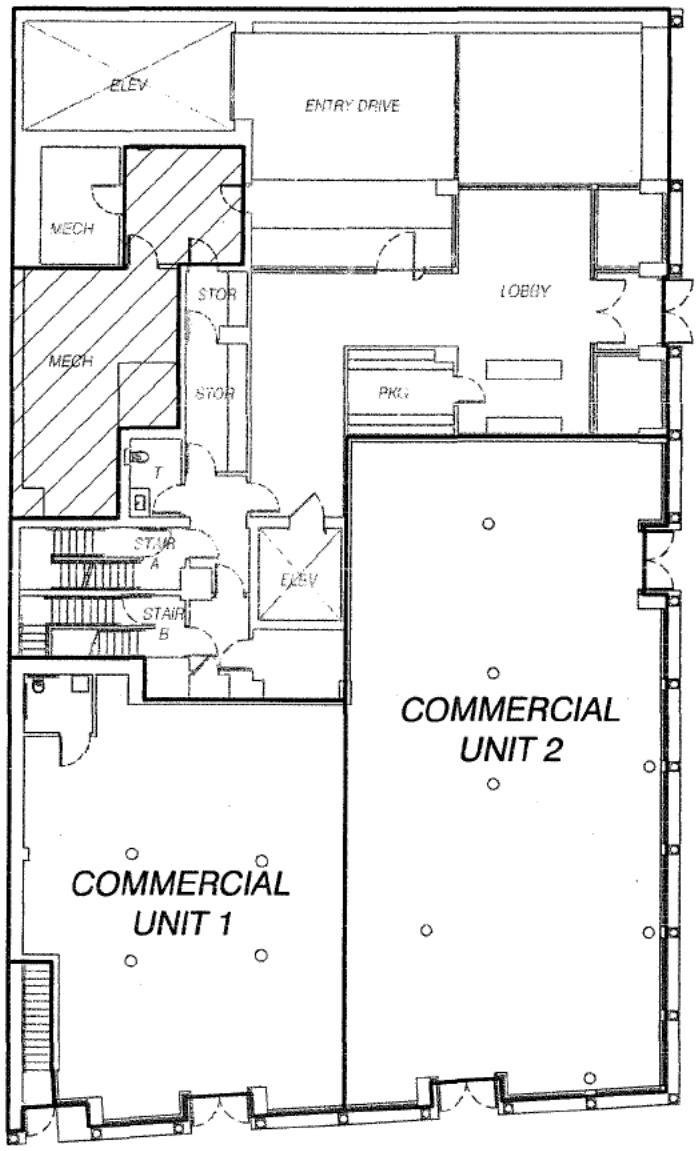


General Common Element
Total Area: 1,309 SF

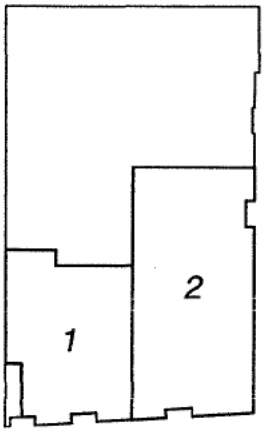
Residential Common Element
Total Area: 6,761 SF

This drawing is based on construction drawings: all dimensions and depictions of columns and shaft widths and locations are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the offering plan.

Franke, Gottsegen, Cox Architects
78 Union Street
Brooklyn, NY 11231
August 8, 2014

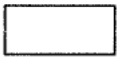


FIRST FLOOR PLAN



KEY PLAN

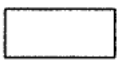
STATE OF NEW YORK
NORMAN R. COX
No. 016362-1
REGISTERED ARCHITECT



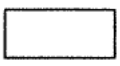
Residential Common Element
Total Area: 3,958 SF



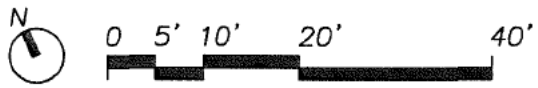
General Common Element
Total Area: 535 SF



Commercial Unit 1
Total Area: 1,484 SF

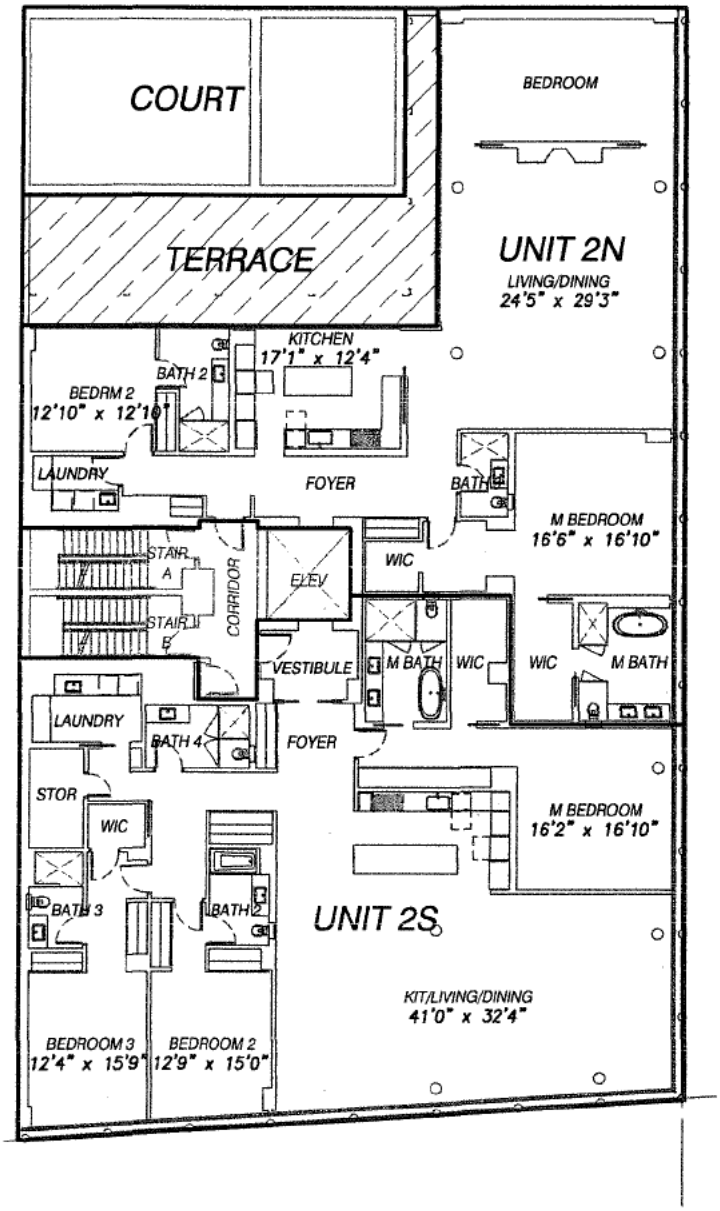


Commercial Unit 2
Total Area: 2,273 SF

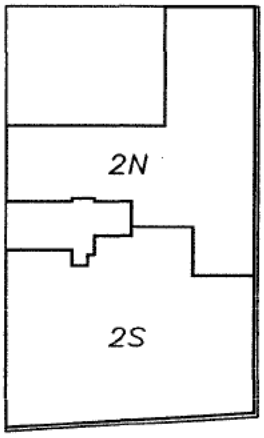


This drawing is based on construction drawings: all dimensions and depictions of columns and shaft widths and locations are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the offering plan.

Franke, Gottsegen, Cox Architects
78 Union Street
Brooklyn, NY 11231
August 8, 2014

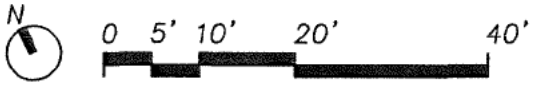


2ND FLOOR PLAN



KEY PLAN





Residential Common Element
Total Area: 1227 SF

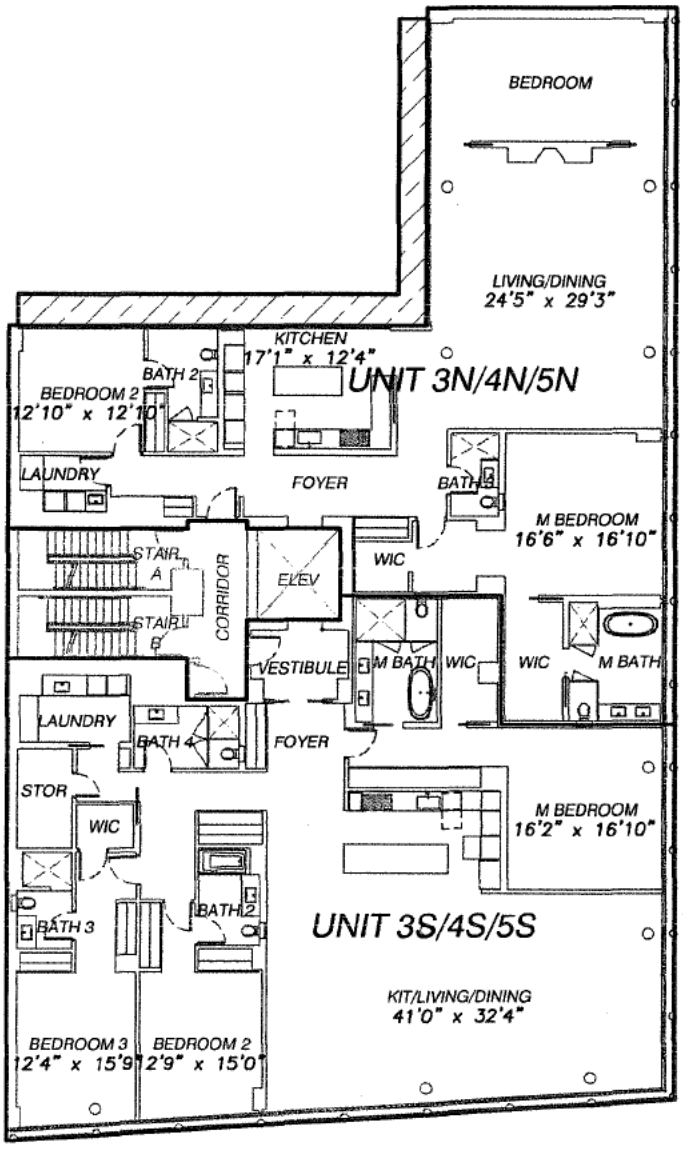
Unit 2S
Total Area: 3323 SF

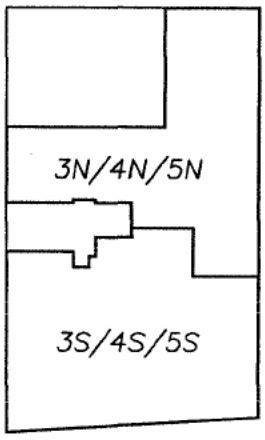
Unit 2N
Total Area: 2798 SF

Residential Limited Common Element
Total Area: 652 SF

This drawing is based on construction drawings: all dimensions and depictions of columns and shaft widths and locations are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the offering plan.

Franke, Gottsegen, Cox Architects
78 Union Street
Brooklyn, NY 11231
August 8, 2014





KEY PLAN

3RD, 4TH, 5TH FLOOR PLANS

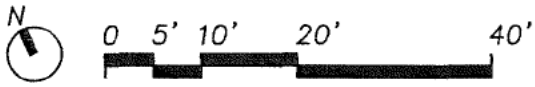


Residential Common Element
Total Area: 453 SF

Unit 3S/4S/5S
Total Area: 3323 SF

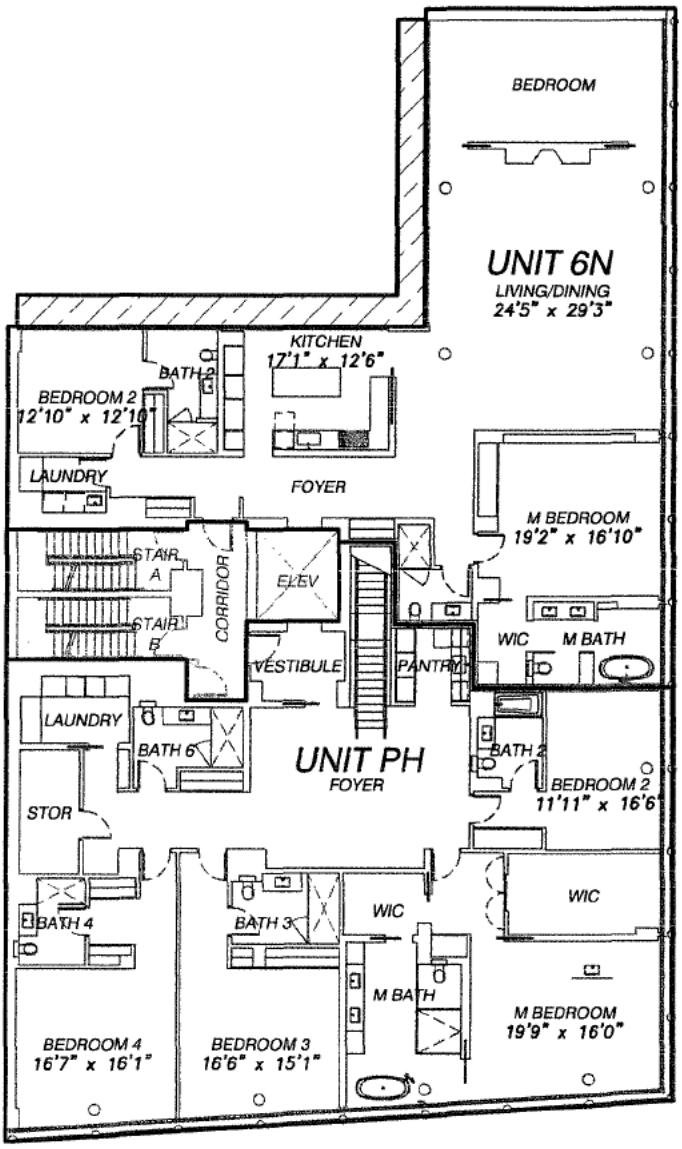
Unit 3N/4N/5N
Total Area: 2798 SF

Residential Limited Common Element
Total Area: 223 SF

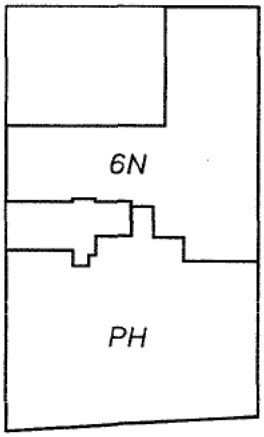


This drawing is based on construction drawings: all dimensions and depictions of columns and shaft widths and locations are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the offering plan.

Franke, Gottsegen, Cox Architects
78 Union Street
Brooklyn, NY 11231
August 8, 2014

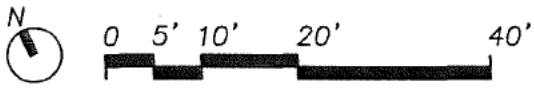


6TH FLOOR PLAN



KEY PLAN





General Common Element
Total Area: 453 SF

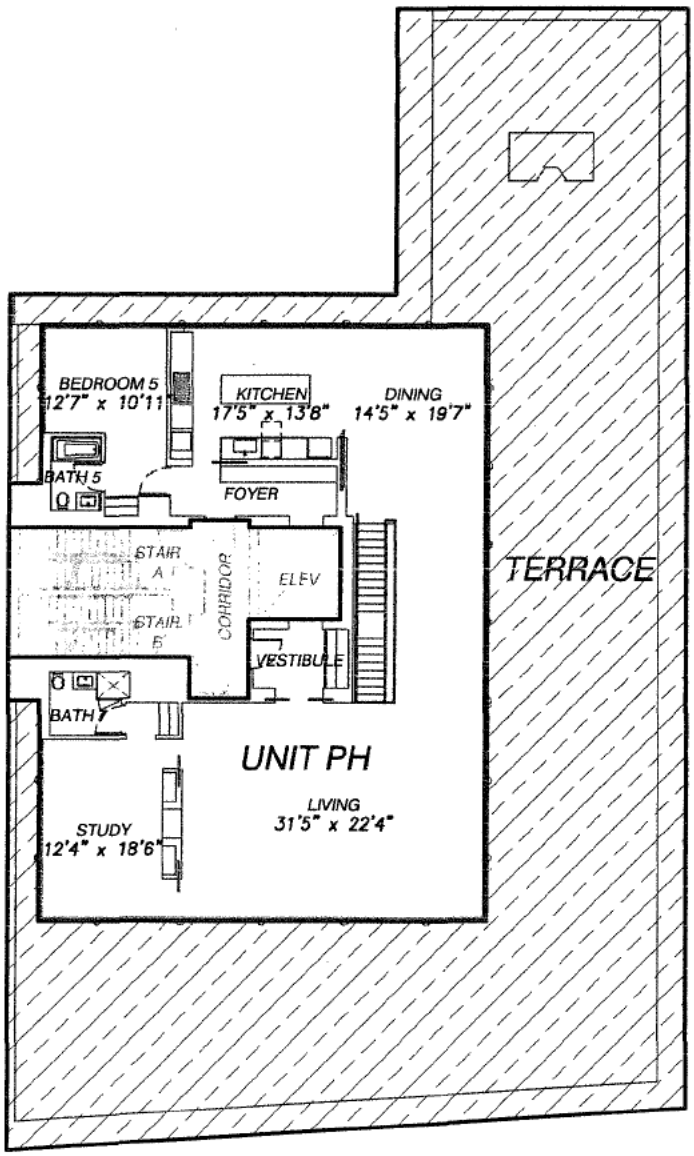
Unit PH
Total Area: 3378 SF

Unit 6N
Total Area: 2743 SF

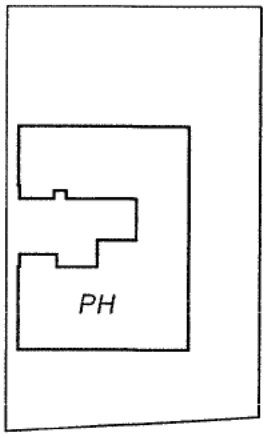
Residential Limited Common Element
Total Area: 223 SF

This drawing is based on construction drawings: all dimensions and depictions of columns and shaft widths and locations are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the offering plan.

Franke, Gottsegen, Cox Architects
78 Union Street
Brooklyn, NY 11231
August 8, 2014



7TH FLOOR PLAN



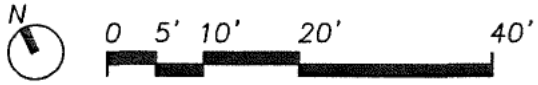
KEY PLAN



Residential Common Element
Total Area: 453 SF

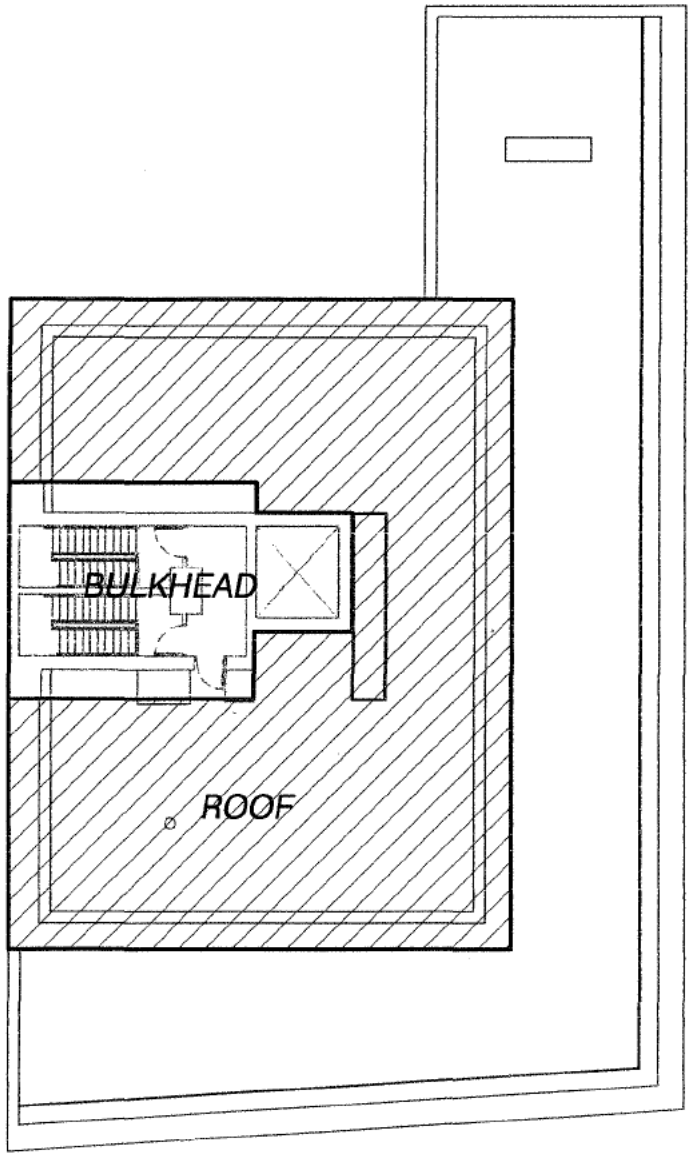
Unit PH
Total Area: 2498 SF

Residential Limited Common Element
Total Area: 4048 SF

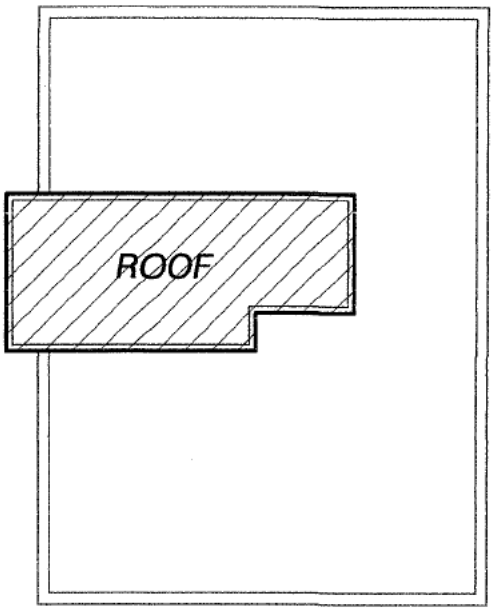


This drawing is based on construction drawings: all dimensions and depictions of columns and shaft widths and locations are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the offering plan.

Franke, Gottsegen, Cox Architects
78 Union Street
Brooklyn, NY 11231
August 8, 2014



ROOF PLAN

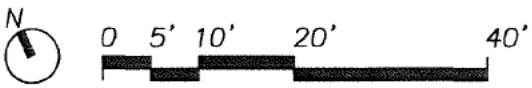


BULKHEAD ROOF PLAN

STATE OF NEW YORK
NORMAN R. COX
No.016362-1
REGISTERED ARCHITECT

General Common Element
Total Area: 3,375 SF

Residential Common Element
Total Area: 737 SF



This drawing is based on construction drawings: all dimensions and depictions of columns and shaft widths and locations are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the offering plan.

Franke, Gottsegen, Cox Architects
78 Union Street
Brooklyn, NY 11231
August 8, 2014

EXHIBIT "6"

CONDOMINIUM DECLARATION

DECLARATION
Establishing a Plan for Condominium Ownership
of the Premises known as
The 42 Crosby Street Condominium
42 Crosby Street,
New York, New York 10012

Pursuant to Article 9-B of the Real Property
Law of the State of New York
Name
Broome Street Owner LLC
Declarant

c/o Atlas Capital Group
505 Fifth Avenue
New York, New York 10017

Date of Declaration

The land affected by the within instrument lies in
Block 483 formerly known as Lot 35,
now known as Lots [____] – [____]
on the Tax Map of the Borough of Manhattan, City of New York

Stroock & Stroock & Lavan LLP
Attorneys for Declarant
180 Maiden Lane
New York, New York 10038
(212) 806-5400

INDEX TO DECLARATION

Page

ARTICLE 1 DEFINITIONS 1
ARTICLE 2 SUBMISSION OF THE PROPERTY 1
ARTICLE 3 THE LAND 2
ARTICLE 4 THE PROPERTY 2
ARTICLE 5 THE BUILDING 2
ARTICLE 6 THE UNITS 3
ARTICLE 7 DIMENSIONS OF UNITS 4
ARTICLE 8 COMMON ELEMENTS 4
ARTICLE 9 USE OF BUILDING AND UNITS 9
ARTICLE 10 CHANGES IN THE RESIDENTIAL SECTION 9
ARTICLE 11 CHANGES IN THE COMMERCIAL SECTION 11
ARTICLE 12 PERSON TO RECEIVE SERVICE 12
ARTICLE 13 DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS 12
ARTICLE 14 ENCROACHMENTS 12
ARTICLE 15 NAME OF CONDOMINIUM AND BUILDING 13
ARTICLE 16 EASEMENTS AND RIGHTS 13
ARTICLE 17 POWER OF ATTORNEY 17
ARTICLE 18 ACQUISITION OF UNITS BY BOARDS 18
ARTICLE 19 COVENANTS RUNNING WITH THE LAND 19
ARTICLE 20 AMENDMENTS OF DECLARATION 20
ARTICLE 21 TERMINATION OF CONDOMINIUM 23
ARTICLE 22 WAIVER 23
ARTICLE 23 CAPTIONS 23
ARTICLE 24 CERTAIN REFERENCES 24
ARTICLE 25 SEVERABILITY 24
ARTICLE 26 COVENANT OF FURTHER ASSURANCES 24
ARTICLE 27 SUCCESSORS AND ASSIGNS 25
ARTICLE 28 CONSENTS 26
ARTICLE 29 INCORPORATION BY REFERENCE 26

Exhibits

A. Description of the Land
B. Description of the Units
C. Definitions
D. By-Laws
E. Power of Attorney
F. Elevation Plans

DECLARATION
OF
THE 42 CROSBY STREET CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law
of the State of New York)

Broome Street Owner LLC, a Delaware limited liability company, having an office c/o Atlas Capital Group, 505 Fifth Avenue, New York, New York 10017 ("Declarant"), does hereby declare as follows:

ARTICLE 1

DEFINITIONS

All capitalized terms used in this declaration (hereinafter referred to as the "Declaration") that are not otherwise defined in the Articles hereof will have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used will otherwise require.

ARTICLE 2

SUBMISSION OF THE PROPERTY

2.1 Declarant hereby submits the Land and Building (each as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act") and pursuant thereto does hereby establish a condominium to be known as "The 42 Crosby Street Condominium" (the "Condominium").

2.2 Attached to this Declaration and made a part hereof are the by-laws of the Condominium which set forth detailed provisions governing the operation, use and occupancy of the Condominium (said by-laws, as they may be amended from time to time, are hereinafter referred to as the "By-Laws"). All capitalized terms which are not separately defined herein shall have the meanings given to those terms in the By-Laws.

2.3 Declarant is not aware of any excess unused floor area development rights or air rights that will be available following completion of construction of the Building. Notwithstanding the foregoing, in the event that any development rights become available in the future due to a change in the Zoning Resolution, such additional development rights shall be retained by Declarant and may be utilized by Declarant or any development rights purchaser and merged into a zoning lot pursuant to the terms of a ZLDA. Each Board and Unit Owner shall be authorized to, and, upon the request of Declarant or a development rights purchaser, shall be obligated, to execute and deliver any documents or applications reasonably required in connection with a merger, ZLDA or the transfer of the Development Rights to the development rights purchaser.

ARTICLE 3

THE LAND

Included in the Property described in Article 2 is all that certain tract, plot, piece and parcel of land (the "Land") situate, lying and being in the City, County and State of New York, and more particularly described in Exhibit A annexed hereto and made a part hereof. The Land is owned by Declarant in fee simple absolute. The Land has an area of approximately 8,274 square feet.

ARTICLE 4

THE PROPERTY

Included in the Property described in Article 2 is a building (the "Building") consisting of twelve (12) Units, including, ten (10) residential units (each referred to herein as a "Residential Unit" or, collectively, as the "Residential Units") and two (2) Commercial Units, which will be known as Commercial Unit 1 and Commercial Unit 2 (each referred to herein as a "Commercial Unit" or, collectively, as the "Commercial Units"). The Residential Units and the Commercial Units are sometimes hereinafter collectively referred to as the "Units" and individually as a "Unit." The Residential Units, together with the Residential Common Elements and the Residential Limited Common Elements, are collectively referred to as the "Residential Section." The Commercial Units, together with the Commercial Common Elements and the Commercial Limited Common Elements, are collectively referred to as the "Commercial Section".

ARTICLE 5

THE BUILDING

5.1 The Building consists of one Class IB (noncombustible) building, having seven (7) stories above grade and one (1) below grade level. The main structural components of the Building are reinforced concrete for floors Cellar through the 7th floor slab. Above the 7th floor slab, the Building structure is steel with concrete on metal deck. The floors in the Building are named respectively (from bottom to top): Cellar level, First Floor through 7th Floor, Roof and Bulkhead Roof.

5.2 The Building is located in the SoHo Cast Iron Historic District and is subject to the rules and regulations of the Landmarks Preservation Commission (the "LPC") in addition to any other applicable Law. Notwithstanding anything to the contrary contained in this Declaration or the By-Laws, the Building and Units must at all times be operated and Maintained in compliance with the LPC rules and regulations, unless and until the district in which the Building is located ceases to be designated as a landmark district

ARTICLE 6

THE UNITS

6.1 Exhibit B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: (i) its Unit designation; (ii) tax lot number; (iii) approximate location in the Building; (iv) approximate square foot area; (v) number of rooms; (vi) the percentage interest in the General Common Elements appurtenant to such Unit and (iv) type of use. The location of each Unit is shown on the Tax Lot Drawings of the Building certified by _____, and intended to be approved by the New York City Department of Finance, Division of Land Records, Tax Map Unit and recorded in the New York County office of the Register of the City of New York (the "City Register's Office") following the recording of this Declaration.

6.2 Each Unit includes, and each Unit Owner shall be responsible for, the front entrance door and any other entrance doors to such Unit, windows, skylights and green house additions, if any, flooring, wallcoverings, molding, non-load bearing interior walls and partitions and sheet rock and plaster wall covering, smoke detectors and carbon monoxide detectors, all plumbing, gas and heating fixtures (including shower pans) and equipment such as refrigerators, dishwashers, heating, ventilating and air conditioning ("HVAC") units (including the fans inside the units), heating equipment, ranges and other appliances, as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively, including those certain fireplaces appurtenant to certain Units (but excluding flues, shafts and chimneys which are Residential Limited Common Elements). Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment 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 from the point at which such pipes, wiring, ductwork or conduits service other Units. Each Unit shall also include (i) all lighting and electrical fixtures, cabinets, including, without limitation kitchen and bathroom cabinetry, countertops, and appliances within the Unit, and (ii) any special equipment, fixtures or Facilities (as hereinafter defined) affixed, attached or appurtenant to the Unit by a Unit Owner other than Declarant, to the extent located within a Unit and serving or benefiting only that Unit including, but not limited to, any freight elevators or freight entrances servicing a Commercial Unit. Notwithstanding anything contained in this Article 6 to the contrary, each Unit Owner will have the right, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building.

6.3 In addition to the provisions of Section 6.2 above, each Commercial Unit will also include all passages, hallways and corridors and interior walls including studs (other than structural components thereof), exterior entranceway(s) and any other exterior opening(s) into a Commercial Unit, including without limitation all storefronts, door(s), door assemblies, together

with related and similar installations, including the location of exterior Signs outside a Commercial Unit, which are part of the Commercial Units, in the areas and as more particularly delineated on the Elevation Plans annexed to the Declaration.

6.4 As of the date of the filing of this Declaration with the City Register's Office, fee simple absolute title shall automatically vest in Declarant in all Units, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

ARTICLE 7

DIMENSIONS OF UNITS

Each Unit was measured vertically from the top surface of the structural floor slab to the underside of the structural floor slab above and horizontally from the outside face of framing of the window system to the centerline of the partition dividing Units and to the outside face of the exterior wall or wall partition dividing a Unit from a Common Element.

ARTICLE 8

COMMON ELEMENTS

8.1 The common elements of the Condominium (the "Common Elements") consist of the General Common Elements and the Limited Common Elements. The General Common Elements are for the common use of all of the Unit Owners and include, but not are not limited to the Land all parts of the Building and improvements thereon other than the Units and the Limited Common Elements and include those rooms, areas, corridors, spaces and other parts of the Building and all Facilities therein for the common use of all of the Units and Unit Owners or which are necessary or convenient for the existence, Maintenance or safety of the Property. The Limited Common Elements of the Condominium consist of those Common Elements that serve or benefit exclusively (a) the Residential Units or the Residential Unit Owners (in which event they are called "Residential Common Elements"), (b) one or more but not all of the Residential Units or the Residential Unit Owners (in which event they are called "Residential Limited Common Elements"), (c) the Commercial Units or the Commercial Unit Owners (in which event they are called "Commercial Common Elements"), or (d) one or more but not all of the Commercial Units or the Commercial Unit Owners (in which event they are called "Commercial Limited Common Elements"). The General Common Elements are appurtenant to, serve and benefit each Unit to the extent of such Unit's percentage share of the General Common Elements. The General Common Elements are for the common use of all Unit Owners. The Common Elements do not include any Development Rights, the rights to which shall be retained by the Declarant.

8.2 The Common Elements will remain undivided and no Unit Owner or other person will bring or will have the right to bring any action for partition or division thereof except as may be specifically provided for herein and in the By-Laws.

8.3 The General Common Elements consist of the following:

8.3.1 The Land (as more particularly described in Exhibit A attached to this Declaration), together with all easements, rights and privileges appurtenant thereto;

8.3.2 Any of the following: all foundations, footings, columns, girders, concrete floor slabs and ceilings (except to the extent included as the Residential Common Elements, or Residential Limited Common Elements, Commercial Common Elements and Commercial Limited Common Elements or part of any Unit), beams, supports, and interior load bearing walls, together with those portions of the exterior walls of the Building beyond the Unit side of the glass or concealed block work or concealed concrete structural members of those walls;

8.3.3 Corridors and all fire staircases, landings and stairs which are not Residential Common Elements, or Residential Limited Common Elements, Commercial Common Elements and Commercial Limited Common Elements or part of any Unit;

8.3.4 The Exterior Façade;

8.3.5 Utility rooms and water storage tank located on the Cellar level of the Building;

8.3.6 General illumination fixtures on the exterior of the Building;

8.3.7 The fire protection/life safety system;

8.3.8 The Roof

8.3.9 All passages, hallways, stairs, corridors, mechanical and other rooms, areas and spaces located in the Building serving both the Residential Section and Commercial Section, which are not Residential Common Elements, Residential Limited Common Elements, Commercial Common Elements and Commercial Limited Common Elements or part of any Unit; and

8.3.10 All other parts of the Building and the apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, Maintenance or safety of both the Commercial Section and the Residential Section and which are not owned by another entity such as the supplier, servicer or installer of the systems.

Notwithstanding anything to the contrary in this Article 8, if a General Common Element benefits one Unit Owner or one category of Unit Owners and not the others, then the Condominium Board, shall have the right to redesignate such General Common Element as a Limited Common Element appurtenant to that Unit or that category of Units. Any disputes arising hereunder will be resolved by Arbitration in accordance with Article 11 of the By-Laws

8.4 The Residential Common Elements consist of the following:

8.4.1 Residential electric meters and panels, electric closets, feeders, risers and Facilities, Residential gas meters and direct burial telephone cables serving exclusively the Residential Section.

8.4.2 Kitchen, bathroom and dryer exhaust ducts, corridor and Residential Unit supply air ducts, steam lines supply and return for heating, water pressure reducing valve system, and all other Facilities in the floor and ceilings serving or benefiting exclusively the Residential Section.

8.4.3 CATV riser and all other Facilities located in the Property serving or benefiting exclusively the Residential Section to the extent that the same are not owned by a third party.

8.4.4 The passenger elevator and vehicle elevator (including their respective shafts, pits, machinery and appurtenant facilities)

8.4.5 The Parking Garage, including each individual Parking Space,

8.4.6 The compactor, lobby, locker room, Storage Room, including each individual Storage Bin located on the Cellar level of the Building;

8.4.7 The entry drive, Residential Lobby (including all decorations, plants and terrariums located therein), landscaping and the "green wall" located on the north side of the parking entrance drive, residential entrances, the mailroom, the package room, storage rooms and the toilet facilities on the First Floor of the Building;

8.4.8 The Courtyard;

8.4.9 The Bulkhead Roof

8.4.10 The emergency generator;

8.4.11 The condensing unit located on the Roof serving the Residential Section;

8.4.12 The passages, hallways, stairs and corridors to the extent any of the same are for the exclusive use of the Residential Section;

8.4.13 The windows in the Residential Section which do not exclusively open into a Residential Unit;

8.4.14 All columns, girders, floor slabs and ceilings, beams, and supports and interior load bearing walls from above the slab over the first floor of the Building to the Roof and Bulkhead Roof (except to the extent same are Commercial Common Elements);

8.4.15 All mechanical space and other rooms, including recycling rooms, areas and spaces located in the Building serving exclusively the Residential Units, the Residential Common Elements and the Residential Limited Common Elements and which are not General Common Elements, Commercial Common Elements, Commercial Limited Common Elements or part of any Unit;

8.4.16 All other apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or

benefit exclusively the Residential Units and which are not owned by another entity such as the supplier, servicer or installer of the systems;

8.4.17 All other Facilities exclusively serving the Residential Section, excluding the Residential Units, the Residential Limited Common Elements, the Commercial Common Elements, the Commercial Limited Common Elements and the General Common Elements, and which serve or benefit or are necessary or convenient for the existence, Maintenance, operation or safety of the Residential Section.

8.4.18 All passages, hallways, stairs and corridors, all mechanical space and all other rooms, areas, spaces and other parts of the Building which are not Residential Units Residential Limited Common Elements or part of the Commercial Units, Commercial Common Elements, Commercial Limited Common Elements, or General Common Elements

8.5 The Residential Limited Common Elements consist of the following:

8.5.1 The Terraces to which one or more Residential Units have access as set forth in Exhibit B annexed hereto. Notwithstanding anything to the contrary contained in the By-Laws or this Declaration, where a Terrace is a Residential Limited Common Element appurtenant to a Residential Unit, the Residential Unit Owner thereof shall have the exclusive right to use such Terrace subject to rights of the Condominium Board to regulate its use and to access the Terrace for Maintenance and other uses.

8.5.2 Fireplace flues, shafts and chimneys exclusively serving those Residential Units that contain fireplaces.

8.5.3 That portion of equipment, fixtures or Facilities serving or benefiting one Residential Unit, to the extent located within another Unit or within a Common Element to which there is direct and exclusive access from the interior of a Residential Unit.

8.5.4 All other Facilities exclusively serving one or more but not all Residential Units, excluding the Units, the Residential Common Elements, the Commercial Common Elements, the Commercial Limited Common Elements and the General Common Elements, and which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of one or more but not all of the Residential Units.

Notwithstanding anything to the contrary contained in the By-Laws or this Declaration, the Residential Unit Owner who is so served or benefited by such Residential Limited Common Element shall have the exclusive right to use such Residential Limited Common Element and shall be responsible for its normal operation and Maintenance at such Residential Unit Owner's sole cost and expense.

8.6 The Commercial Common Elements consist of the following

8.6.1 Any of the following: all columns, girders, floor slabs and ceilings, beams, and supports and interior load bearing walls located within any Commercial Unit or separating a Commercial Unit from a Residential Unit or a Residential Common Element.

8.6.2 Commercial electric meter, separate cold water meter, gas meter and other utility meters (if any) serving or available for the exclusive use of the Commercial Section.

8.6.3 Ductwork, and all other HVAC and electric and similar Facilities serving or benefiting exclusively the Commercial Section.

8.6.4 Windows in the Commercial Section other than windows which are part of the Commercial Units, if any.

8.6.5 The condensing unit located on the Roof serving the Commercial Section;

8.6.6 All remaining Facilities exclusively serving the Commercial Units, excluding the Commercial Units, the Commercial Limited Common Elements, the Residential Common Elements, the Residential Limited Common Elements and the General Common Elements, which serve or benefit or are necessary or convenient for the existence, Maintenance, operation or safety of the Commercial Units;

8.7 The Commercial Limited Common Elements consist of the following:

8.7.1 The Commercial Limited Common Elements consist of any portion of the Property, excluding the Commercial Units, the Commercial Common Elements, the Residential Units, the Residential Common Elements, the Residential Limited Common Elements, and the General Common Elements, which serve or benefit or are necessary or convenient for the existence, Maintenance, operation or safety of one or more but not all Commercial Units. As of the date of the date of the Declaration there are no Common Elements falling into the category of Commercial Limited Common Elements.

8.7.2 Notwithstanding anything to the contrary in this Article 8 or the By-Laws, if a Commercial Limited Common Element benefits only certain Commercial Unit Owners, then the Commercial Section's costs of alteration, addition, repair, replacement and restoration thereto (except in connection with a casualty or condemnation) shall be borne solely by those Commercial Unit Owners who benefit from the Commercial Limited Common Element in the proportion that the Common Interest of each benefiting Commercial Unit Owner bears to the Common Interest of all benefiting Commercial Unit Owners. In addition, except as otherwise provided in the By-Laws, such Commercial Unit Owners shall be responsible for the normal operation and Maintenance including but not limited to the cost of staff necessary for such operation and Maintenance of any such Commercial Limited Common Element at their sole cost and expense.

8.8 The portions of the sidewalks on Broome Street and Crosby Street that are located adjacent to the Building and outside of the Property line (the "Public Sidewalks") are not part of the Property. Notwithstanding the foregoing, for purposes of determining Maintenance, the Public Sidewalks shall be Maintained as if such Public Sidewalks were General Common Elements and Maintained in the same manner as other General Common Elements as more particularly described in Section 6.9 of the By-Laws.

ARTICLE 9

USE OF BUILDING AND UNITS

9.1 Residential Units shall be used for residential purposes only (except as described below). The Residential Board, may in its sole discretion, permit a Residential Unit to be used for other purposes provided such use is permitted by Law, does not violate the then existing Certificate of Occupancy and complies with all applicable governmental regulations. Notwithstanding the foregoing, Declarant may, without the permission of the Residential Board (a) use or grant permission for the use of any Unsold Residential Unit as a professional office or for any other purpose, including, without limitation, use as a long or short term rental, transient hotel, timeshare or other use, provided such use is permitted by Law, does not violate the then existing certificate of occupancy for such Residential Unit (subject to Declarant's right to amend the certificate of occupancy to conform to use as provided in the By-Laws), and the occupant of such Unsold Residential Unit complies with all applicable governmental regulations with respect to such use, and (b) retain ownership of one or more Unsold Residential Units for use as models and sales, rental and/or promotion offices in connection with the sale or rental of other Residential Units in the Condominium or in buildings in the vicinity in which principals of Declarant may have an interest. A home office use hereunder shall only be accessory to the residential use of the Residential Unit. No clients or business invitees shall be permitted to visit a home office and no Signs shall be allowed in connection with the home office. Residential Units may only be leased in accordance with the By-Laws and the Rules and Regulations.

9.2 Except as otherwise prohibited under the By-Laws, the Commercial Units may be used for any purpose permitted by Law, including, without limitation, retail stores, banks, and commercial and professional offices.

ARTICLE 10

CHANGES IN THE RESIDENTIAL SECTION

10.1 By Declarant or any Board. Except to the extent prohibited by Law, Declarant or or any Board (to the extent such right is granted in the By-Laws) shall have the right, without the vote or consent of any Board, other Unit Owners or the Residential Mortgage Representatives, if any, to: (a) Maintain or make Alterations to, in and upon any Unsold Residential Units, the Residential Limited Common Elements appurtenant thereto and the Residential Common Elements; (b) subject to the restrictions set forth in Section 9.2 hereof (and Section 9.1 with respect to other Residential Unit Owners only), change the use of any Unsold Residential Unit to any use permitted by Law, and in connection therewith, cause to be recorded such amendments to the Declaration required to reflect such change; (c) change the layout of, or number of rooms in, any Unsold Residential Units from time to time; (d) change the size and/or number of Unsold Residential Units 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 Unsold Residential Units, converting an Unsold Residential Unit or any portion thereof to a Residential Common Element, a Residential Limited

Common Element, a Commercial Unit, a Commercial Common Element or a Commercial Limited Common Element, altering the boundary walls between any Unsold Residential Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Residential Unit) which exclusively benefit an Unsold Residential Unit; (e) designate an Unsold Residential Unit or a Common Element as part of a newly created or expanded Unsold Residential Unit, Residential Limited Common Element, Commercial Unit, Commercial Common Element, Commercial Limited Common Element or General Common Element or designate all or part of an Unsold Residential Unit as a newly created or expanded Commercial Unit, Residential Common Element, Residential Limited Common Element, Commercial Common Element, Commercial Limited Common Element or General Common Element, provided that no change that would have a material adverse affect on a Commercial Unit will be made without the prior written consent of the Commercial Unit Owner; and (f) if appropriate, reapportion among the Unsold Residential 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 (collectively, the "Residential Changes"); provided, however, that (i) the percentage interest in the Common Elements of any other Residential Units (other than Unsold Residential Units) shall not be changed by reason thereof unless the owners of such Residential Units shall consent thereto; (ii) Declarant shall comply with all Laws of all governmental authorities having jurisdiction and shall agree to hold each Board, all other Unit Owners and any Residential Mortgage Representatives harmless from any liability arising therefrom. Declarant will have the right, without the consent of any other Unit Owner or Board to amend the Declaration to reflect any Residential Changes, subject to Section 9.1 of the Declaration. In addition to the foregoing, in the event that a Residential Unit or Residential Common Element or a portion thereof is redesignated as a Commercial Unit, such Commercial Unit may not be used for any purpose resulting in the creation of excessive noise or vibrations.

10.2 By Other Residential Unit Owners. By written permission of the Residential Board, any other Residential Unit Owner may be given, with respect to his Residential Unit, the same rights to make the Residential Changes as set forth in (1) clause (a), provided such work is performed or caused to be performed in accordance with (i) Law, (ii) notice requirements set forth in Article 5 of the By-Laws and (iii) the requirements of Section 6.11.1 of the By-Laws; and (2) clause (c) with respect to the right to combine, subdivide and/or otherwise reconfigure two or more adjacent Residential Units owned by such Residential Unit Owner, all subject to the same limitation and conditions with respect to Unsold Residential Units set forth in Section 10.1 above and Section 10.3 below. Such Residential Unit Owner agrees to hold each Board and all other Unit Owners harmless from any liability arising from any work or Alterations performed or caused to be performed by such Residential Unit Owner.

10.3 Reapportionment of Interests in the Common Elements. Notwithstanding the other provisions of this Article 10, no reapportionment of the interests in the Common Elements appurtenant to any Residential Unit shall be made unless there is first delivered to the Residential Board a written certification stating that the percentage interests of the respective Units in the Common Elements, immediately after such reapportionment, will be 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. The certification referred to in the preceding sentence shall be delivered (i) at Declarant's election, by Declarant,

the Managing Agent of the Residential Section or of the Condominium or any other person reasonably acceptable to the Residential Board in the case of any Unsold Residential Unit, and (ii) by either the Managing Agent of the Residential Section or of the Condominium, or any other person reasonably acceptable to the Residential Board in the case of any other Residential Unit.

10.4 Amendment. The provisions of this Article 10 may not be added to, amended, modified or deleted without the prior written consent of Declarant.

ARTICLE 11

CHANGES IN THE COMMERCIAL SECTION

Except to the extent inconsistent with Article 15 of the Declaration or the By-Laws or prohibited by Law and provided that each such Commercial Unit Owner satisfies the Work Conditions and other Alteration requirements set forth in the By-Laws, each Commercial Unit Owner shall have the right, without the vote or consent of the Boards, other Unit Owners or Residential Mortgage Representatives, if any, to: (1) decorate or perform Alterations, interior or exterior, ordinary or extraordinary, in, to and upon its Unit, the General Common Elements, the Commercial Common Elements and the Commercial Limited Common Elements; (2) change the layout or number of rooms in the Commercial Units from time to time; (3) change the Commercial Units, by subdividing the same, into any desired number of commercial condominium units, combining any of the Commercial Units or combining any units resulting from a subdivision, altering the boundary walls between the Commercial Units, or otherwise, except that no changes to the Exterior Façade may be made without the prior written consent of the Condominium Board which consent shall not be unreasonably withheld, delayed or conditioned; (4) designate a Commercial Unit or Commercial Common Element as part of a newly created or expanded Residential Unit, Residential Common Element, Commercial Unit, Commercial Common Element or Commercial Limited Common Element or designate all or part of a Commercial Unit as a newly created or expanded Residential Unit, Residential Common Element, Commercial Common Element or Commercial Limited Common Element; (5) reapportion among the newly created or expanded Commercial Units and/or Residential Units resulting from any subdivision, combination or otherwise their percentage interests in the Common Elements which shall be 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, provided however, that in no event may such reapportionment result in a greater percentage of Common Interest for the total of the new Commercial Units and/or Residential Units than existed for the original Commercial Units. Notwithstanding anything to the contrary set forth above, in no event may the percentage interest in the Common Elements of any portion of the Commercial Units owned by another Commercial Unit Owner or of any Residential Unit be changed by reason thereof, unless the owner of such Unit has consented thereto. Such Commercial Unit Owner agrees to hold each Board and all other Unit Owners harmless from any liability arising from any work or Alterations performed or caused to be performed by such Commercial Unit Owner.

ARTICLE 12

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York is hereby designated to receive service of process in any action which may be brought against the Condominium, the Residential Section or the Commercial Section. To the extent permitted by law and the Office of the Secretary of State, the Secretary of State will be requested to notify the Condominium Board, to the attention of the President having an address at c/o Atlas Capital Group, 505 Fifth Avenue, New York, New York 10017 and to the Managing Agent which shall initially be ACG Property Management LLC, having an address at Atlas Capital Group, 505 Fifth Avenue, New York, New York 10017.

ARTICLE 13

DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

13.1 The percentage interest of each Unit in the Common Elements has been 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.

13.2 The percentage interest of each Residential Unit in the Residential Common Elements is apportioned in the same proportion that the percentage interest of such Residential Unit bears to the Common Interests of all Residential Units.

13.3 The percentage interest of each Commercial Unit in the Commercial Common Elements is apportioned in the same proportion that the percentage interest of such Commercial Unit bears to the Common Interests of all Commercial Units.

ARTICLE 14

ENCROACHMENTS

If (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements or (c) any such encroachments shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any Maintenance to or Alteration of the Common Elements made by or with the consent (when required by the By-Laws) of the Condominium Board or Residential Board, as the case may be, or made by Declarant, a Commercial Unit Owner in accordance with this Declaration or the By-Laws or (iii) any Maintenance to or Alteration 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 Alteration to and Maintenance of the same as long as the Building shall stand.

ARTICLE 15

NAME OF CONDOMINIUM AND BUILDING

The Condominium shall be designated and known as "The 42 Crosby Street Condominium" and the Building shall be known as "42 Crosby". Declarant shall own and control all rights and interests, including the right to apply for any state trademark and prosecute to registration any federal trademark applications, and shall be responsible for all obligations and liabilities, including those in furtherance of protecting, policing and maintaining any applicable trademark rights, which may include litigating against those whom Declarant believes may be infringing Declarant's rights in and to the name of the Condominium and Building, appurtenant to the name of the Condominium and/or the Building. Only Declarant shall have the right to change or assign the name of the Condominium and/or the Building. In addition, Declarant shall have the right, for so long as the Property is a condominium, to maintain a plaque identifying Declarant as the sponsor of the condominium offering, together with such other information as Declarant determines in its sole discretion.

ARTICLE 16

EASEMENTS AND RIGHTS

16.1 Except as set forth in this Declaration, (i) each Unit Owner will have, in common with all other Unit Owners and each Unit will be subject to, 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 Maintain, such Unit Owner's Unit and an easement to connect to existing utilities including, but not limited to, utilities for gas, electricity, steam and ventilation, (ii) each Residential Unit Owner will have, in common with all other Residential Unit Owners, an easement for the use of the Residential Common Elements and any Facilities located therein (wherever located in the Building), including, but not limited to, such easement as will be necessary to operate, Maintain as necessary, such Residential Unit and (iii) each Commercial Unit Owner will have, in common with all other Commercial Unit Owners, an easement for the use of the Commercial Common Elements and those Commercial Limited Common Elements appurtenant to such Commercial Unit, if any, and any Facilities located therein (wherever located in the Building), including, but not limited to, such easement as will be necessary to operate, Maintain such Commercial Unit Owner's Unit. The Commercial Section and the Residential Section will be subject to such easements.

16.2 Any easements or rights of access granted hereunder will be exercised, to the extent practicable, in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Section or with the use of the Residential Units for their permitted purposes and shall not result in the imposition of any mechanic's lien against any of the Units.

16.3 Any Maintenance performed in accordance with the provisions of this Article 16 in or to any Commercial Unit will be performed outside normal business hours (i) if failure to do so would cause unreasonable interference with the use and occupancy of the applicable Commercial Unit, or (ii) if otherwise reasonably requested by a Commercial Unit Owner. Any

additional costs and expenses incurred as a result of such work being done outside of normal business hours will be borne by the Commercial Unit Owner whose Commercial Unit was accessed.

16.4 Except as otherwise expressly provided in this Declaration or in the By-Laws, entries to General Common Elements or Limited Common Elements which must be accessed through a Commercial Unit will be permitted on not less than three (3) business days' notice to the Commercial Unit Owner thereof and entries to General Common Elements or Limited Common Elements which must be accessed through a Residential Unit will be permitted on not less than one (1) business day's notice to the Residential Unit Owner thereof. Notwithstanding the foregoing, only such notice as may be practical under the circumstances will be necessary in the case of an Emergency, provided that thereafter the Boards will give notice to the affected Unit Owner as promptly as is practical under the circumstances.

16.5 The Condominium Board, with respect to the General Common Elements, Commercial Common Elements, Commercial Limited Common Elements, if any and Terraces appurtenant to certain Residential Units (which are designated as Residential Limited Common Elements), or the Residential Board with respect to the Residential Common Elements and except as otherwise provided herein, the Residential Limited Common Elements, or their respective agents, to the extent such Boards are permitted to act by the By-Laws for such purposes, will have a right of access to each Commercial Unit or Residential Unit, as the case may be, to inspect the Common Elements contained therein, to remove violations therefrom and to Maintain the Common Elements contained therein or elsewhere in the Property.

16.6 Each Residential Unit Owner shall have, in common with all other Residential Unit Owners, an easement for ingress and egress to and from their respective Residential Units through the Residential Section to and each Commercial Unit Owner will have, in common with all other Commercial Unit Owners, an easement for ingress and egress to and from their Commercial Units through the Commercial Section.

16.7 Each Unit Owner shall have in common with all Unit Owners an easement for access through any portion of the Building, to the extent necessitated by an Emergency including but not limited to an easement by the Commercial Unit Owners for Emergency access through and over the fire stairs in the Building. The Residential Section and the Commercial Section shall be subject to such easement.

16.8 Each Board shall have, and each Unit and Common Element shall be subject to, an easement to Maintain and perform Alterations to the Common Element that such Board is responsible for Maintaining or performing Alterations to as set forth in this Declaration and the By-Laws, and further, such Board shall have an easement to maintain any encroachment on any Unit or Common Elements resulting from the performance of Maintenance and Alterations to the Common Element that such Board is required to perform under this Declaration and/or the By-Laws.

16.9 Each Unit shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

16.10 Declarant and the Commercial Unit Owners shall in the locations identified on the Elevation Drawings, to the extent permitted by Law, have an easement to erect, operate and Maintain from time to time, one or more Signs on the Property for the purposes of advertising (i) the sale or lease of any Unsold Residential Unit, the sale or lease of all or any portion of the Commercial Unit and (ii) the operation of any business of Declarant, a tenant, occupant, Managing Agent or operator of all or any portion of any Commercial Unit or of any Unsold Residential Units, as the case may be, provided such Signs are in keeping with the first class luxury nature of the Building.

16.11 Declarant shall have an easement to utilize the Common Elements of the Building in connection with its sales and leasing efforts relative to the Unsold Units.

16.12 Declarant will have an easement and the right to change the Exterior Facade of the Building and alter, replace, restore, renovate, remodel and reconstruct the Exterior Facade of the Building, provided that such penetration does not materially weaken the structural soundness of the Building and complies with applicable Law.

16.13 Declarant shall have an easement to use the sidewalks surrounding portions of the Building for purposes permitted by Law.

16.14 Declarant and the Residential Board with respect to the Residential Section and Declarant and the Condominium Board with respect to the Commercial Section and the Property, shall have the right to grant such additional electric, gas, telephone, internet, cable, television, steam, ventilation or other easements for utilities, communications, access or other easements and to construct any shafts, flues or install an air conditioning compressors or other equipment on the Roof or Bulkhead Roof or relocate any easements in any portion of the Residential Section, the Commercial Section or the Property, as the case may be, as Declarant, the Residential Board, or the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and Maintenance of the Building or any portion thereof, or to complete the Building as described in the Plan or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, provided that the Condominium Board shall not grant such additional easements within a Commercial Unit without the consent of the Commercial Unit Owner thereof and provided further that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Units or with the use of the Residential Units for their permitted purposes, and shall not result in the imposition of any mechanic's lien against any of the Units. Any company providing the utilities or services and its employees and agents shall have the right of access to any Unit or the Common Elements in furtherance of the aforementioned easements to in order to install, operate, Maintain and service same, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Units or with the use of the Residential Units for their permitted purposes.

16.15 Declarant shall have, and the Common Elements shall be subject to, an easement to access and use Reserved Spaces for any purpose permitted by Law, including without limitation, for the purpose of (a) (i) installing, operating and Maintaining Reserve Space Installations (which includes without limitation, satellite dishes, cellular equipment and other

information systems, (ii) advertising and (iii) storage and (b) maintaining any encroachment on any Common Elements or elsewhere on the Property resulting from the operation, Maintenance or Alteration to any Reserved Space Installations; provided that (i) Declarant its designee, assignee, tenant, licensee or other transferee (collectively the "Reserved Space Party") indemnify the Condominium Board for all losses, damages, or fines (including reasonable attorney fees) suffered by any of them as a result of Declarant's use of the Reserved Spaces, except that Declarant shall not, in any case, be responsible for consequential damages (ii) access to any Common Element in furtherance of such easements shall be exercised in a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Section or with the use of the Residential Units for their permitted purposes. Such uses could include telecommunication upgrades, installation of art work, placement of television screens in elevators and in the lobby and other uses arising from future technology and developments. The Residential Board or Condominium Board, as applicable, shall be obligated to enter into such documentation with Declarant at Declarant's request, for Declarant's use of the Reserved Spaces. The aforementioned easements shall remain in effect after the Initial Control Period and the Declarant Control Period and after the Declarant no longer owns any Units in the Building. The Condominium shall not be entitled to any portion of fees, compensation or other profits received by Declarant in connection with the use of the Reserved Spaces. Reserved Space Installations shall be the exclusive property of Declarant, its designee, assignee, tenant, licensee or other transferee and neither the Condominium nor any other Unit Owners shall have any rights with respect thereto. Purchasers should note that the aforementioned easements will not revert to the Condominium in the future and shall remain for the sole use and benefit of Declarant for its own account or the account of any designee, assignee, tenant, licensee or other transferee of Declarant or any purpose permitted by Law.

16.16 Declarant shall have an easement over all portions of the Building to complete construction thereof, perform "punch list" work and to otherwise comply with their obligations under the Plan, if any.

16.17 Any easements granted to Declarant, any Board, any Unit or any Unit Owner or other party under this Declaration and the By-Laws may be exercised by such Unit Owner's employees, agents, contractors, suppliers, utility providers, service providers, customers, guests, invitees, licensees, servants, tenants, subtenants, members, and visitors, members, tenants and/or tenant-shareholders, as the case may be, to the extent necessary to effectuate the purpose for the easement or as otherwise authorized by Declarant, the Unit Owner or Board.

16.18 The Commercial Unit Owners, accompanied by an employee or representative of the Residential Section, upon at least 1 business day's notice (except in the case of an Emergency) shall have an easement for access to and through the Residential Common Elements, in order to access and Maintain the condensing unit serving the Commercial Section that is located on the Roof.

16.19 Notwithstanding anything to the contrary set forth in this Declaration or the By-Laws, any and all easements, licensing rights and/or other rights granted to and reserved in favor of Declarant in the Plan shall be incorporated herein and in the By-Laws and shall survive the sale of all Units by Declarant.

ARTICLE 17

POWER OF ATTORNEY

17.1 Each Residential Unit Owner shall grant to the Condominium Board and the Residential Board an irrevocable power of attorney, coupled with an interest (annexed as Exhibit E to this Declaration or otherwise in such form and content as the Condominium Board and the Residential Board shall determine) following due authorization (if required) from the Residential Unit Owners (a) to acquire or lease any Residential Unit, together with its Appurtenant Interests (as defined hereinafter), whose owner desires to sell, convey, transfer, assign, lease or surrender the same, or which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental, as the case may be, as the attorneys-in-fact deem proper, in the name of the Residential Board or its designee, corporate or otherwise, on behalf of all Residential 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 Residential Unit so acquired, or to sublease any Residential Unit so leased, without the necessity of further authorization by the Residential Unit Owners, on such terms as the attorneys-in-fact may determine, (b) to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units, including retaining counsel and taking any other actions which the Condominium Board or Residential Board deems necessary or appropriate and (c) to execute, acknowledge and deliver any declaration or other instrument (i) as regards the Condominium Board, affecting the General Common Elements or the entire Property or (ii) as regards the Residential Board, affecting the entire Residential Section which the Condominium Board or the Residential Board, as the case may be, deems necessary or appropriate to comply with any Law or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the Maintenance of the Property or the Residential Section, respectively, or any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Units or the Common Elements which the Condominium Board or the Residential Board, as the case may be, deems necessary or appropriate.

17.2 Each Commercial Unit Owner shall grant to the Condominium Board a power of attorney, upon determination by the Condominium Board, (1) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Common Elements which the Condominium Board, with respect to the General Common Elements deems necessary or appropriate to comply with any ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the Maintenance, demolition, construction, alteration, repair or restoration of the General Common Elements or the Commercial Section as the case may be, (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the General Common Elements which the Condominium Board deems necessary or appropriate

17.3 Each Unit Owner shall grant to Declarant a power of attorney to execute an amendment to the Declaration, By-Laws and the Rules and Regulations of the Condominium or any permits, applications or documents required to undertake, perform or complete construction of the Building or perform any other work agreed to in writing by Declarant to the Units or

Common Elements by Declarant or obtain an amended certificate of occupancy therefor, or any of said documents when such amendment (i) shall be required to reflect any changes in Units and/or the reapportionment of the Common Interests of the Units resulting therefrom made by Declarant in accordance with the Declaration or (ii) shall be required by (a) a lender designated by Declarant to make a mortgage loan secured by a mortgage on any Unit, referred to as a "Permitted Mortgagee" in the Declaration, (b) any title insurance company selected by Declarant to insure title to any Unit; (c) any governmental agency having regulatory jurisdiction over the Condominium, (d) any title insurance company selected by Declarant to insure title to any Unit, or (e) to effectuate the rights of Declarant under the provisions of the Offering Plan for the Condominium, the Declaration and By-Laws.

ARTICLE 18

ACQUISITION OF UNITS BY BOARDS

18.1 If (a) any Residential Unit Owner surrenders such Unit Owner's Unit, together with (i) the undivided interest in the Residential Common Elements and Residential Limited Common Elements and General Common Elements appurtenant thereto, (ii) the interest of such Unit Owner in any other Units theretofore acquired by the Residential Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners or the proceeds of the sale or lease thereof, if any, and (iii) the interest of such Unit Owner in any other assets of the Residential Section or the Condominium (such interests in (i), (ii) and (iii) being hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of §339 x of the Condominium Act, (b) the Residential Board, pursuant to Article 8 of the By-Laws, acquires or leases a Residential Unit, together with the Appurtenant Interests, or (c) the Residential Board purchases, at a foreclosure or other similar sale, a Residential Unit, together with the Appurtenant Interests, then, in any such event, title to any such Residential Unit together with the Appurtenant Interests, shall be held by the Residential Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, in proportion to their respective interests in the Common Elements. The lease or sublease covering any Residential Unit leased or subleased by the Residential Board or its designee shall be held by the Residential Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, in proportion to their respective interest in the Common Elements. No Residential Units held by the Residential Board shall carry any voting rights.

18.2 The purchase of any Unit by the Residential Board or their designees, on behalf of the Residential Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Residential Board. If the funds in such accounts are insufficient to effectuate any such purchase, the Residential Board may levy a Special Assessment against each Residential Unit Owner in proportion to such Residential Unit Owner's Residential Common Interest as a Residential Common Charge, and/or finance the acquisition of such Residential Unit; provided, however, that financing may only be obtained when permitted by the By-Laws and that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Residential Unit to be purchased together with its appurtenant interests in the Common Elements.

ARTICLE 19

COVENANTS RUNNING WITH THE LAND

19.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations which are annexed hereto and made a part hereof, including, without limitation, the provisions of this Article, 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 with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and such Unit Owner's heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public or any other third party. All present and future owners, tenants, subtenants, licensees, and other occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

19.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

19.3 Subject to Section 19.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws,

all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 20

AMENDMENTS OF DECLARATION

20.1 Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant, or any Unsold Residential Units, or the Commercial Units or any Commercial Unit Owner (a) any provision of this Declaration may be added to, amended, modified or deleted by the vote of at least sixty-six and two-thirds percent (66 2/3%) in number and in Common Interest of all Unit Owners taken in accordance with the provisions of the By-Laws; (b) any provision of this Declaration benefiting, protecting or otherwise affecting only the Residential Section or the Residential Unit Owners may be added to, amended, modified or deleted by vote of at least sixty-six and two-thirds percent (66 2/3%) in number and in Common Interest of all Residential Unit Owners taken in accordance with the provisions of the By-Laws; provided, however, that the Common Interest appurtenant to each Residential Unit as expressed in this Declaration shall not be altered without the written consent of all Residential Unit Owners directly affected and (c) any provision of this Declaration benefiting, protecting or otherwise affecting only the Commercial Units or the Commercial Unit Owners may be added to, amended, modified or deleted by the vote of at least sixty-six and two-thirds percent (66 2/3%) in number and in Common Interest of all Commercial Unit Owners taken in accordance with the provisions of the By-Laws, provided, however, that the Common Interest appurtenant to any Commercial Units shall not be altered without the written consent of all Commercial Unit Owners directly affected. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant, or any Unsold Residential Units, or the Commercial Units or any Commercial Unit Owner, no amendment, modification, addition or deletion pursuant to the provisions of clauses (a) and (b) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgage Representatives (as defined in the By-Laws), if any and no amendment, modification, addition or deletion pursuant to the provisions of clause (b) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgage Representatives, if any. No such amendment, modification, addition or deletion shall be effective until recorded in the City Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant, or any Unsold Residential Units, or the Commercial Units or any Commercial Unit Owner, any such amendment, modification, addition or deletion shall be executed by either (1) the Condominium Board as attorney-in-fact for the Unit Owners, coupled with an interest, which Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact or (2) the Residential Board as attorney-in-fact for the Residential Unit Owners, coupled with an interest, which Residential Board is hereby authorized by such Residential Unit Owners so to act as their attorney-in-fact. Notwithstanding anything to the contrary set forth above, to the extent that a Commercial Unit Owner has the right under this Declaration or the By-Laws to amend the Declaration without the consent of any other Unit Owner or Board, then such Commercial Unit Owner is authorized to execute such amendment.

20.2 If the number of rooms in an Unsold Residential Unit is changed, or the use, 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 interests of Units in the Common Elements are reapportioned as a result thereof, all in accordance with Article 10 hereof, then Declarant causing such changes shall have the right to execute, or (upon its request) to require any other Unit Owner or any Board to execute, and record in the City Register's Office and elsewhere, if required by Law, an amendment to this Declaration (together with such other documents as Declarant causing such changes deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold Residential Unit or in the use, 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 of Units in the Common Elements resulting therefrom, all without the approval of any Board, the Unit Owners or the Residential Mortgage Representatives, if any. In addition, if any Residential Unit Owner other than Declarant causing such changes is given the right by the Residential Board to make the changes described in this Section 20.2 with respect to such Unit Owner's Residential Unit or Residential Units, all in accordance with Article 10 hereof, then such Residential Unit Owner shall have the right to require the Residential (or Condominium) Board to execute, and record in the City Register's Office and elsewhere, if required by Law, any amendment to this Declaration and other documents which are necessary or appropriate (in the reasonable judgment of the Residential (or Condominium) Board) to reflect the changes made by the Residential Unit Owner, all without the approval of any Board, other Unit Owners or the Residential Mortgage Representatives, if any. Nothing contained in this Section shall be construed to mean that the Common Interest appurtenant to any Unit not subject to any change may be reapportioned without the written consent of the Owner of such Unit.

20.3 If (a) the number of rooms in any Commercial Unit or the size of any Commercial Unit is changed and the percentage interest in the Common Elements appurtenant to such Commercial Units belonging to the Owner causing such change is reapportioned among any newly created or expanded commercial condominium units resulting from any subdivision of the Commercial Units, any combining of the Commercial Units or of any units resulting from a subdivision, any alteration of the boundary walls between commercial condominium units, or otherwise, or (b) a Commercial Common Elements or Commercial Limited Common Elements is designated as part of a newly created or expanded commercial condominium unit or all or part of a Commercial Unit is designated as a newly created or expanded Commercial Common Elements or Commercial Limited Common Element, all in accordance with Article 11 hereof, then the Condominium Board (or the Commercial Unit Owners causing such changes) shall have the right to execute, or (upon request) to require any other Board or Unit Owner to execute, and record in the City Register's Office, and elsewhere, if required by Law, an amendment to this Declaration (together with such other documents as (the Commercial Unit Owners or) the Condominium Board deems appropriate to effectuate the same) reflecting (i) such change in the number of rooms in or size of any Commercial Unit, the subdivision of the Commercial Units into separate commercial condominium units, the combination of the Commercial Units or of any newly created or expanded commercial condominium units resulting from a subdivision, the alteration of boundary walls between commercial condominium units, or otherwise, and the reapportionment of the percentage interests in the Common Elements among such newly created or expanded commercial condominium units or (ii) such designation of a Commercial Common

Element or Commercial Limited Common Element as part of a newly created or expanded commercial condominium unit or such designation of part of a Commercial Unit as a newly created or expanded Commercial Common Element or Commercial Limited Common Element, all without the approval of any Board, the Unit Owners or the Residential Mortgage Representatives, if any. Nothing contained in this Section shall be construed to mean that the Common Interest appurtenant to any Unit not subject to any change may be reapportioned without the written consent of the Owner of such Unit.

20.4 Notwithstanding anything to the contrary set forth above (i) no amendment, modification, addition or deletion of the Declaration shall be effective in any way, (a) without the prior written consent of the affected Commercial Unit Owner(s) with respect to any amendment, modification, addition or deletion of or to the modifying the permitted uses of any Commercial Unit or affecting the rights, privileges, easements, licenses or exemptions granted to any Commercial Unit Owner and (ii) without the prior written consent of Declarant with respect to any amendment, modification, addition or deletion of or to the Declaration modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Declarant or its designee or the owner of any Unsold Residential Unit, as the case may be, or otherwise adversely affecting Declarant or its designee or the owner of any Unsold Residential Unit, as the case may be. Amendments, modifications, additions or deletions of or to this Declaration, the By-Laws and the Rules and Regulations may be necessary, appropriate or desirable in connection with the operation of the Commercial Units or with the subdivision, combination or alteration of the Commercial Units, or of any newly created or expanded commercial condominium units and/or the offering for sale or lease of all or any portion of the Commercial Units and in connection therewith the Condominium Board, (or, when permitted, the Commercial Unit Owners) will cause this Declaration, the By-Laws and the Rules and Regulations to be so amended, modified, added to or deleted from and that the resulting provision thereof may be similar or dissimilar to those affecting the Residential Section and Residential Unit Owners. In the case of any such amendment, modification, addition or deletion which does not adversely affect the Residential Section or the Residential Unit Owners, the Condominium Board shall be the attorney-in-fact for the Residential Unit Owners, coupled with an interest, for the purpose of approving and executing any instrument effecting such amendment, modification, addition or deletion. Notwithstanding anything to the contrary set forth above, Declarant and the Commercial Unit Owners shall have the right to amend the Declaration, without the consent of any Board or any other Unit Owner, to effectuate the rights otherwise granted to Declarant and the Commercial Unit Owners under the terms of this Declaration and the By-Laws.

20.5 Notwithstanding anything to the contrary set forth above, to the extent that a Commercial Unit Owner has the right under this Declaration or the By-Laws to amend the Declaration without the consent of any other Unit Owner or Board, the Declaration and By-Laws may be amended to provide for the creation and operation of a separate section of the Condominium with its own rules of operation and its own board of managers (a "Resultant Board") elected by and representing the resultant subdivided units (the "Resultant Units") and any consents, approvals, determinations or actions required to be made by the Unit Owner so subdividing shall be made by the Resultant Board on behalf of the owners of the Resultant Units in accordance with the terms of this Declaration and the By-Laws, as so amended.

20.6 The provisions of Sections 20.1, 20.2, 20.3 and this Section 20.6 may not be modified, amended, added to or deleted, in whole or in part, without the consent of Declarant or its designee, and the provisions of Sections 20.1, 20.3, and 20.4 and this Section 20.6, may not be modified, amended, added to or deleted, in whole or in part, without the consent of the Commercial Unit Owners. Notwithstanding the foregoing, Declarant may amend the Condominium Declaration to correct or supplement any mathematical mistakes, inconsistencies or scrivener errors.

ARTICLE 21

TERMINATION OF CONDOMINIUM

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws) until such time as withdrawal of the Property from the provisions of the Condominium Act is authorized by a vote of at least eighty percent (80%) in number and in Common Interest of all Unit Owners. No such vote shall be effective, however, (a) without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgage Representatives, if any, and (b) without the written consent of Declarant, until such time as Declarant or the owner of any Unsold Units have conveyed title to all Residential Units. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of such Unit Owner's share of such net proceeds all liens on such Unit Owner's Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

ARTICLE 22

WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 23

CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

ARTICLE 24

CERTAIN REFERENCES

24.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural and vice versa, unless the context otherwise requires.

24.2 The terms "herein," "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used, unless the context otherwise requires.

24.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

ARTICLE 25

SEVERABILITY

Subject to the provisions of Sections 19.2 and 19.3, if any provision of this Declaration is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Declaration and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Declaration shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law.

ARTICLE 26

COVENANT OF FURTHER ASSURANCES

26.1 Any party which is subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of any Board or otherwise, shall, upon prior reasonable written request at the expense of any such other party requesting the same, perform, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action as such other party may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction. Without intending to limit the generality of the foregoing, Each Board and Unit Owner shall be authorized to, and, upon the request of Declarant or a development rights purchaser, shall be obligated, to execute and deliver any documents or applications reasonably required in connection with a merger, ZLDA or the transfer of the Development Rights to the development rights purchaser.

26.2 If any Unit Owner or any other party which is subject to the terms of this Declaration fails, within ten (10) days after request therefor, to perform, execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to this Declaration, then the Board which represents such Unit Owner, is hereby authorized as attorney-in-fact for such Unit Owner, or other party, coupled with an interest, to perform, 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.

26.3 If any Unit Owner or any other party which is subject to the terms of this Declaration fails, within ten (10) days after request therefor, to perform, execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, Board or party is required to perform, execute, acknowledge and deliver pursuant to this Declaration at the request of Declarant, then Declarant is hereby authorized, as attorney-in-fact for such Unit Owner, Board or other party, coupled with an interest, to perform, 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.

26.4 Notwithstanding anything to the contrary set forth herein, to the maximum extent permitted by Law, Declarant specifically disclaims all implied warranties of fitness for a particular purpose, merchantability and habitability, and all other implied or express warranties of any kind or character. To the extent any such additional warranties are imposed by statute and cannot be disclaimed, such warranties shall apply. However, to the extent such warranties can be disclaimed by aw, including implied or express warranties of any kind or character, the same are specifically disclaimed. Unless caused by a violation of the Sound Transmission Code or other applicable code, there is no warranty as to sound transmission. Unless caused by a violation of an applicable code with regard to the ventilation system or other applicable code, there is no warranty as to odors. Unless caused by a code violation, there is no warranty with respect to mold, mildew, spores, fungi or other toxins. There is no warranty as to air, view or light quality. The Declarant's obligation, regardless of any limitations in the warranty, is to construct the premises in accordance with all applicable codes and Plans and Specifications, and any conflict between the disclaimers and the Declarant's obligation to construct the premises in accordance with all applicable codes and Plans and Specifications shall be resolved in favor of the latter. Declarant has not given and no Board has not relied on or bargained for any such warranties. In no event will Declarant be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise).

ARTICLE 27

SUCCESSORS AND ASSIGNS

Except as set forth herein or in the By-Laws to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant, or, with the consent of Declarant, any transferee of some or all of the then Unsold Units then owned by Declarant or its designee, as the case may be. The rights and/or obligations of the Commercial Unit Owners as set forth herein shall inure to the benefit of and be binding upon any successors or assigns of the Commercial Unit Owners. Subject to the foregoing, Declarant and/or the Commercial Unit Owners, as the case may be, shall have the right, at any time, in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

ARTICLE 28

CONSENTS

Whenever the consent, approval, satisfaction or permission of Declarant is required under this Declaration or the By-Laws, such consent, approval, satisfaction or permission will not be required when Declarant or such designee no longer owns any Units.

ARTICLE 29

INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Powers of Attorney annexed hereto as Exhibit E; and (vi) the Elevation Plans annexed hereto as Exhibit F, are each incorporated herein by this reference and made a part of this Declaration as if set forth at length in the text hereof.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the ___ day of _____, 20__.

BROOME STREET OWNER LLC

By: _____
Name
Title:

ACKNOWLEDGMENTS

EXHIBIT A

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

ADD DESCRIPTION

EXHIBIT "B" TO THE CONDOMINIUM DECLARATION

TO BE COMPLETED PRIOR TO RECORDATION OF CONDOMINIUM DECLARATION

The 42 Crosby Street Condominium							
Unit Designation	Tax Lot Number	Number of Bedrooms/ Bathrooms	Location (Building Facade)`	Square Footage	Residential Limited Common Element Square Footage	Common Elements to which Unit has Immediate Access	Percentage of Interest in the Common Elements

The 42 Crosby Street Condominium							
Unit Designation	Tax Lot Number	Number of Bedrooms/ Bathrooms	Location (Building Facade)`	Square Footage	Residential Limited Common Element Square Footage	Common Elements to which Unit has Immediate Access	Percentage of Interest in the Common Elements
TOTAL							

CHANGE DIRECTION OF DOC ADD USE TYPE [EG COMMERCIAL, Residential]

EXHIBIT C

DEFINITIONS

For convenience of presentation, definitions of certain of the terms used in the Declaration are set forth below:

"Alteration Agreement" refers to the Alteration Agreement included as an Exhibit in Part II of the Plan, as same may be amended from time to time, or such other form of alteration agreement approved by the Residential Board or Condominium Board at the time in question.

"Alterations" refers collectively to Structural Alterations and Non-Structural Alterations.

"Affiliate" shall mean a Person or an entity who or which owns more than fifty percent (50%) of the legal and beneficial interest of a Unit Owner, Declarant or of any partner, a Person or an entity with respect to which either a Unit Owner, Declarant or any partner owns more than fifty percent (50%) of the legal and beneficial interest, or an entity as to which more than fifty percent (50%) of its legal and beneficial interest is owned by a Person or an entity which owns more than fifty percent (50%) of the legal and beneficial interest of a Unit Owner, Declarant or of any partner.

"Appurtenant Interests" shall have the meaning ascribed thereto in Section 18.1 of the Declaration.

"Arbitration" shall have the meaning ascribed thereto in Section 11.1 of the By-Laws.

"Board" or "Boards" refers to either or both of the Condominium Board and/or the Residential Board, as the case may be.

"Building" refers to the structure and improvements including above and below grade segments, known as 42 Crosby Street, New York, New York in which the Units of the Condominium are located.

"Building Systems" refers to the architectural, mechanical, electrical and plumbing systems of the Building.

"By-Laws" refers to the By-Laws governing the operations of the Condominium, which are set forth as Exhibit D of the Declaration, as same may be amended from time to time.

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

"Commercial Common Charges" refers to amounts payable to the Commercial Unit Owners for the purpose of meeting (a) Commercial Common Expenses and (b) each Commercial Unit Owner's pro rata share of General Common Expenses.

"Commercial Common Elements" refers to those Common Elements which serve or benefit exclusively the Commercial Units and/or the Commercial Unit Owners, as more particularly described in the Declaration and/or identified on the Tax Lot Drawings.

"Commercial Common Expenses" refers to (i) all costs and expenses attributable to the Maintenance and operation of, and any Alteration to, the Commercial Common Elements or Commercial Limited Common Element (if applicable) (ii) all costs and expenses attributable to the provision of services and Facilities for all Commercial Unit Owners, (iii) all such other items provided for in the Declaration or the By Laws to be Commercial Common Expenses and (iv) such amounts as the members of the Condominium Board designated by the Commercial Unit Owners may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Commercial Common Elements or Commercial Limited Common Elements (if applicable).

"Commercial Limited Common Elements" refers to those Common Elements which serve or benefit one or more but not all of the Commercial Units and/or the Commercial Unit Owners, as more particularly described in the Declaration and/or identified on the Tax Lot Drwaings .

"Commercial Section" refers to all Commercial Units, the Commercial Common Elements and the Commercial Limited Common Elements, if any.

"Commercial Unit" refers to any Unit designated as a Commercial Unit in the Declaration and identified on the Tax Lot Drawings, and all such Commercial Units, are collectively, referred to as the "Commercial Units."

"Commercial Unit 1" refers to the Unit designated as Commercial Unit 1 in the Declaration and on the Tax Lot Drawings.

"Commercial Unit 2" refers to the Unit designated as Commercial Unit 2 in the Declaration and on the Tax Lot Drawings.

"Commercial Unit 1 Owner" refers to the owner of Commercial Unit 1 at the time in question.

"Commercial Unit 2 Owner" refers to the owner of Commercial Unit 2 at the time in question.

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

"Common Charges" refers to the aggregate of the General Common Charges, Commercial Common Charges and Residential Common Charges.

"Common Elements" refers to the General Common Elements and the Limited Common Elements.

"Common Expenses" refers to the General Common Expenses, the Residential Common Expenses, and the Commercial Common Expenses.

"Common Interest" refers to the proportionate, undivided interest expressed as a numerical percentage, in the General Common Elements appertaining to each Unit determined in accordance with the Declaration

"Condominium" refers to The 42 Crosby Street Condominium.

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

"Condominium Board" refers to the overall board of managers of the Condominium comprised of representatives of the Residential Board and Commercial Unit Owners.

"Condominium Declaration" refers to the instrument creating the Condominium to be recorded in the City Register's Office, together with all schedules and exhibits thereto, as same may be amended from time to time, a form of which is set forth in Part II of the Plan.

"Condominium Documents" refers collectively to the Declaration, the By-Laws, the Tax Lot Drawings and any and all exhibits thereto.

"Courtyard" refers to the exterior courtyard located on the Second Floor that is more particularly identified on the Tax Lot Drawings.

"Declarant" refers to Broome Street Owner LLC, a Delaware limited liability company, and its successors and assigns and designees.

"Declarant Control Period" refers to any period after the Initial Control Period during which Declarant holds a majority of seats on the Condominium Board or the Residential Board, as the case may be.

"Declarant ROFR Period" refers to the later of (a) the date on which Declarant has sold all Unsold Units; or (b) the date which is five (5) years from the date of the First Closing.

"Declaration" refers to the instrument creating the Condominium, as the same may be amended from time to time.

"Emergency" refers to any situation where the applicable Person, in its reasonable judgment, concludes that a particular action (including, without limitation, the expenditure of funds) is immediately necessary (i) to avoid material damage to all or any material portion of the Building or Property, (ii) to protect any person from harm, or (iii) to avoid the unforeseen and unforeseeable suspension of any necessary material service in or to the Building or the Property, the failure of which service would have a material and adverse effect on the Building or Property.

"Exterior Facade" refers to the outer portion of the Building above grade, including but not limited to, the exterior of all doors, masonry, aluminum or other skin materials, walls, or parapets, whether or not visible from street level

"Facility" or "Facilities" refers to all equipment and facilities necessary for the operation of the Building or its systems and includes, but is not limited to, the following items (grouped more or less functionally) which are set forth only for purposes of illustrating the broad scope of that term: system, equipment, apparatus, convertor, radiator, heater, heat exchanger, mechanism, device, machinery, motor, pump, control, tank or tank assembly, insulation, induction unit, condenser, compressor, fan, damper, blower, thermostat, thermometer, coil, vent, sensor, shut-off valve or other valve, gong, panel, receptacle, outlet, relay, alarm, sprinkler head, electric distribution facility, wiring, wireway, switch, switchboard, circuit breaker, transformer, fitting, siamese connection, hose, plumbing fixture, lighting fixture, other fixture, bulb, Sign, telephone, meter, meter assembly, scaffolding, piping, line, duct, conduit, cable, riser, main shaft, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, canopy, incinerator, closet, door, railing, coping, step, appurtenance, urn, basket, mail box, carpeting, tile or other floor covering, wallpaper or other wall covering, tree, shrubbery, flower or other planting and horticulture tub or box.

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

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

"General Common Charges" refers to amounts payable to the Condominium Board by the Residential Unit Owners and the Commercial Unit Owners for the purpose of meeting General Common Expenses, as more particularly defined in the Declaration.

"General Common Elements" refers to those portions of the Land and Building, designated for the common use of all Units as more particularly described in the Declaration and/or identified on the Tax Lot Drawings.

"General Common Expenses" refers to: (i) all costs and expenses attributable to the Maintenance and operation of, and any Alteration to the General Common Elements, (ii) all costs and expenses attributable to the provision of services and facilities for all Unit Owners, (iii) all such other items provided for in the Declaration or the By Laws to be General Common Expenses and (iv) such amounts as the Condominium Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the General Common Elements.

"Initial Control Period" refers to the period ending on the later of (i) the date that is three (3) years from the First Closing and (ii) the date that the permanent certificate of occupancy for the Building is issued.

"Inside Offeror" shall have the meaning set forth in Section 8.1.1 of the By-Laws.

"Land" refers to the parcel of land described in Exhibit A to the Declaration.

"Law" or "Laws" refers to laws and ordinances of any or all of the federal, state, city, county and borough governments and rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies or offices thereof, or of any other governmental, public or quasi-public authorities, having jurisdiction over the Property, the Land, the Building, and Unit or any portion of any of the foregoing, any requirements or conditions of any licenses, permits, approvals or certificates issued by any of the foregoing, the direction of any public officer pursuant to law, and the requirements and conditions of any easement, covenant, restriction, condition or other encumbrance that is binding upon the Property or the applicable portion thereof.

"Limited Common Elements" refers to the Residential Common Elements, Residential Limited Common Elements, Commercial Common Elements and Commercial Limited Common Elements, if any, as more particularly described in the Declaration and/or identified on the Tax Lot Drawings.

"Maintenance" or "Maintain" or "Maintaining" refers to the maintenance, repair, reconditioning, refurbishing, reconfiguration, inspection, testing, cleaning, improvement, decorating, servicing, painting, installation, alteration, addition, reconstruction, construction, demolition, restoration and replacement as and when necessary or desirable of any portion of the Building.

"Managing Agent" refers to the managing agent or manager of the Building at the time in question.

"Non-Structural Alteration" refers to any alteration, addition, installation or improvement that is not a Structural Alteration, including without limitation: (i) the installation of decorations, fixtures and coverings, wallpaper, 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 to a depth of one inch behind the surface for purposes of installing nails, screws, bolds and the like and (ii) painting and similar finishing.

"Parking Space" refers to the a parking space located in the Cellar which will be made available for the exclusive use of the Residential Unit Owners pursuant to Parking Space Licenses and which constitute Residential Common Elements.

"Parking Space License" refers to the license to be granted to a Residential Unit Owner evidencing the Residential Unit Owner's right to use a parking space.

"Parking Space Licensee" refers to the holder of a Parking Space License.

"Person" refers to an individual, corporation, partnership, limited liability company, joint venture, estate, trust, unincorporated association, or any other legal entity, any Federal, State, County or municipal government, or any bureau, department, agency, authority or subdivision thereof and any beneficiaries, officers, directors, employees, agents, partners, shareholders, or fiduciaries thereof acting in such capacity on behalf of any of the foregoing.

"Permitted Mortgage" means any first mortgage covering a Unit or Units, the initial holder of which is (i) Declarant or its designee (ii) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust, investment or finance company, mortgage trust or other entity which is in the business of providing loans secured by condominium units, or (iii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system.

"Permitted Mortgagee" refers to the holder of any Permitted Mortgage.

"Permitted Transferee" refers to another Residential Unit Owner, the Residential Board, the Condominium Board or Declarant.

"Plan" refers to the offering plan for the establishment of condominium ownership of the Property, as filed with the Department of Law, as the same may be amended from time to time.

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

"Required Documentation" refers to such applications, permits, certifications, affidavits, forms, agreements, acknowledgments or other documents as may be required to enable the Declarant to exercise its rights or obligations under the Declaration and the By-Laws, including, without limitation, Declarant's rights to deal with the excess development rights, if any, and to undertake, perform and complete such work to the Unsold Units, Commercial Units and Common Elements.

"Reserved Space Installations" refers to, among other things, satellite dishes, cellular equipment and other Facilities that may be installed on the Roof, Bulkhead Roof and Exterior Facade of the Building and elsewhere on the Common Elements and within the conduits and other Facilities relating thereto.

"Reserved Spaces" refers to the portions of the Common Elements which are not expressly reserved for specific purposes and include, without limitation, the Roof, Bulkhead Roof and Exterior Façade of the Building, passages, hallways, conduits, utility lines (provided that use of the Reserved Spaces does not block light and air to any Residential Unit), and such other areas in the Condominium which have been designated as Common Elements which are either not being utilized (e.g., the elevator lobby and the elevator cabs) or which have a use which can be relocated elsewhere in the Building (e.g. Storage Bins).

"Residential Board" refers to the board of managers representing the Residential Unit Owners.

"Residential Common Charges" shall have the meaning ascribed thereto in Section 6.1.2 of the By-Laws.

"Residential Common Elements" refers to those Common Elements which serve or benefit exclusively the Residential Units and/or the Residential Unit Owners, as more particularly described in the Declaration and/or identified on the Tax Lot Drawings.

"Residential Common Expenses" refers to (i) all costs and expenses attributable to the Maintenance and operation of, and any Alteration to, the Residential Common Elements or Residential Limited Common Element (if applicable) (ii) all costs and expenses attributable to the provision of services and Facilities for all Residential Unit Owners, (iii) all such other items provided for in the Declaration or the By Laws to be Residential Common Expenses and (iv) such amounts as the Condominium Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Residential Common Elements or Residential Limited Common Elements (if applicable).

"Residential Common Interest" refers to the proportionate undivided interest, expressed as a numerical percentage, in the Residential Common Elements appertaining to each Residential Unit determined in accordance with the Declaration.

"Residential Limited Common Elements" refers to those Common Elements which serve or benefit exclusively one or more but not all the Residential Units and/or the Residential Unit Owners including, but not limited to the Terraces appurtenant to certain Residential Units, as more particularly described in the Declaration and/or identified on the Tax Lot Drawings.

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

"Residential Section" refers to the Residential Units, the Residential Common Elements and the Residential Limited Common Elements.

"Residential Unit" refers to any Unit designated as a Residential Unit in the Declaration and Tax Lot Drawings, and all such Residential Units, are collectively, referred to as the "Residential Units."

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

"Section" refers to the Residential Section or the Commercial Section. Both of such Sections are collectively referred to as "Sections."

"Signs" refers to any and all signs, awnings, canopies, marquees, banners, flags, pennants, aerials which are permitted to be placed on the Property.

"Special Assessments" shall have the meaning set forth in Section 6.1.6 of the By-Laws.

"Storage Bin" refers to the storage bins located in the Cellar which will be made available for the exclusive use of the Residential Unit Owners pursuant to Storage Bin Licenses and which constitute Residential Common Elements.

"Storage Bin License" refers to the license to be granted to a Residential Unit Owner evidencing the Residential Unit Owner's right to use a Storage Bin.

"Storage Bin Licensee" refers to the holder of a Storage Bin License.

"Structural Alteration" shall refer to alterations, additions, installations and improvements to the foundations, columns, girders, beams, supports, concrete slabs, footings, bracings, Exterior Façade, Building Systems and all other structural members of the Building or which otherwise affect the structural integrity of the Building.

"Tax Lot Drawings" refers to the floor plans of the Building, as the same may be amended from time to time, which are approved by the New York City Department of Finance, Tax Map Unit, filed in the Division of Land Records, and recorded in the City Register's Office.

"Terrace(s)" refers to terraces appurtenant to certain Residential Units.

"Terrace Installations" refers to any decking material or other surface coverings, fencing, lighting, landscaping, trees, shrubbery, planters and other plantings, and other furniture, equipment and installations on a Terrace.

"Unit" or "Condominium Unit" refers to either a Residential Unit or a Commercial Unit as more particularly designated in the Declaration and/or identified on the Tax Lot Drawing and all such Units are collectively referred to as "Units."

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

"Unit Owner Expenses" shall be defined as those expenses set forth as "Unit Owner Expenses" under the terms of the By-Laws and which shall be the sole obligation of the Unit Owner on whose behalf the expenses are incurred. The cost of services provided to a Unit Owner other than services that are charges as part of Common Charges shall be a Unit Owner Expense.

"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 Declarant or its designee; a Residential Unit that is acquired, individually or collectively, by a principal of Declarant or a group of which Declarant or one or more of the principals of any of them, is a member; or a Residential Unit that is acquired, individually or collectively, by either the holder of a Permitted Mortgage given by Declarant or the designee of a holder of such a Permitted Mortgage.

"Unsold Unit" refers to any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Declarant or its designee; a Unit that is acquired, individually or collectively, by a principal of Declarant or a group of which Declarant or one or more of the principals of any of them, is a member; or a Unit that is acquired, individually or collectively, by either the holder of a Permitted Mortgage given by Declarant or the designee of a holder of such a Permitted Mortgage.

"ZLDA" refers to any Zoning Lot Declaration recorded in the City Register's Office, as same may be amended from time to time.

EXHIBIT "7"

CONDOMINIUM BY-LAWS

EXHIBIT D

BY-LAWS

OF

The 42 Crosby Street Condominium
42 Crosby Street
New York, New York

TABLE OF CONTENTS

Page

ARTICLE 1 GENERAL 1
1.1 Purpose 1
1.2 Applicability of By-Laws. 1
1.3 Principal Office of Condominium. 1

ARTICLE 2 BOARDS OF MANAGERS 1
2.1 Number, Term and Qualification. 1
2.2 Powers and Duties 2
2.3 Managing Agents and Managers. 8
2.4 First Board. 8
2.5 Resignation and Removal. 9
2.6 Vacancies. 9
2.7 Organizational Meetings of the Boards. 9
2.8 Regular Meetings of the Residential Board. 9
2.9 Special Meetings of the Residential Board. 10
2.10 Regular Meetings of the Condominium Board. 10
2.11 Special Meetings of the Condominium Board. 10
2.12 Resolutions of Boards. 10
2.13 Waiver of Notice. 10
2.14 Determinations by Board; Quorums. 10
2.15 Compensation. 11
2.16 Liability of Boards and Unit Owners. 11
2.17 Fidelity Bonds. 12
2.18 Committees. 12
2.19 Principal Offices of Boards. 12
2.20 Status of Boards. 12
2.21 Incorporation of Boards. 13
2.22 Boards as Agents of Unit Owners. 13

ARTICLE 3 UNIT OWNERS 13
3.1 Annual Meetings. 13
3.2 Place of Meetings. 14
3.3 Special Meetings. 14
3.4 Notice of Meetings and Actions Taken. 14
3.5 Adjournment of Meetings. 14
3.6 Order of Business. 14
3.7 Title to Units. 15
3.8 Voting. 15
3.9 Election of Residential Board Members; Rights of Declarant 16
3.10 Majority of Unit Owners 17
3.11 Quorum. 18
3.12 Majority Vote. 18
3.13 Determination of Unit Owners 18

ARTICLE 4 OFFICERS 19
4.1 Designation. 19
4.2 Resignation and Removal of Officers. 19
4.3 Presidents. 19
4.4 Vice Presidents 19
4.5 Secretaries. 20
4.6 Treasurers. 20
4.7 Execution of Documents. 20
4.8 Compensation of Officers. 20

ARTICLE 5 NOTICES 20
5.1 Notices. 20
5.2 Waiver of Service of Notice. 21

ARTICLE 6 OPERATION OF THE PROPERTY 21
6.1 Determination of Common Expenses and Fixing of Common Charges 21
6.2 Insurance. 24
6.3 Repair or Reconstruction after Fire or Other Casualty. 26
6.4 Payment of Common Charges. 29
6.5 Collection of Common Charges 30
6.7 Foreclosure of Liens for Unpaid Common Charges. 31
6.10 Violations of Obligations. 35
6.11 Alterations and Repairs of Units and Limited Common Elements 36
6.13 Intentionally Omitted. 40
6.14 Restrictions on Use of Units. 40
6.15 Use of Common Elements. 42
6.16 Other Provisions as to Use. 44
6.17 Right of Access. 44
6.19 Real Estate Taxes, Water Charges and Sewer Rents. 46
6.20 Gas. 46
6.21 Electricity. 47
6.22 Utilities Serving the General Common Elements. 47
6.23 Abatement and Enjoinment of Violations by Unit Owners. 47
6.24 Nondisturbance Agreements; Estoppel Certificates. 48

ARTICLE 7 MORTGAGES 49
7.1 Notice to Boards. 49
7.2 Notice of Default and Unpaid Common Charges. 49
7.3 Performance by Permitted Mortgagees. 49
7.4 Examination of Books 50
7.5 Representatives of Mortgagees. 50
7.6 Consent of Mortgagees. 50
7.7 Governmental Agency Requirements. 51

ARTICLE 8 SELLING, LEASING AND MORTGAGING OF UNITS 52
8.1 General. 52
8.2 Right of First Refusal. 53

8.3 Acceptance of Offer. 54
8.4 Failure to Accept Offer. 55
8.5 Termination of and Exceptions to, the Right of First Refusal. 56
8.6 No Severance of Ownership. 57
8.7 Payment of Common Charges. 57
8.8 Power of Attorney. 57
8.9 Gifts and Devises, Etc. 58
8.10 Commencement of Time 58
8.11 Costs and Expenses. 58
8.12 Assignment of Licenses. 58
8.13 Rights of Declarant; Priority. 59
8.14 Sale to Government or One with Immunity 59

ARTICLE 9 CONDEMNATION 60

ARTICLE 10 RECORDS AND AUDITS 61
10.1 Records. 61
10.2 Audits. 61
10.3 Availability of Documents. 61

ARTICLE 11 ARBITRATION 61
11.1 General Procedure 61
11.2 Costs and Expenses. 62
11.3 Agreement by Parties. 62

ARTICLE 12 MISCELLANEOUS 62
12.1 Waiver. 62
12.2 Captions. 62
12.3 Certain References. 63
12.4 Severability. 63
12.5 Insurance Trustee. 63
12.6 Successors and Assigns 63
12.7 Covenant of Further Assurances. 64

ARTICLE 13 AMENDMENT TO BY-LAWS 64

BY-LAWS

ARTICLE 1

GENERAL

1.1 Purpose.

The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium. The Condominium covers the Property consisting of approximately [_____] square feet of the Land, which forms a part of Block [____] of Section [___] on the Tax Map of the Borough of Manhattan, City, County and State of New York, the Building, including, without limitation, the Units and the Common Elements, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, all of which have been submitted to the provisions of the Condominium Act by the recording of a Declaration in the City 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 in Exhibit C thereto.

1.2 Applicability of By-Laws.

These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and other occupants of Units and employees and guests of Unit Owners, as well as all other persons who may use the facilities of the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations (as hereinafter defined). The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of these By-Laws, the Rules and Regulations and the Declaration are accepted, ratified, and will be complied with.

1.3 Principal Office of Condominium.

The principal office of the Condominium shall be located within the Property or at such other place within the Borough of Manhattan reasonably convenient thereto, as may be designated from time to time by the Condominium Board (as hereinafter defined).

ARTICLE 2

BOARDS OF MANAGERS

2.1 Number, Term and Qualification.

2.1.1 As more particularly set forth in Section 2.2, the affairs of the Condominium shall be governed by the Condominium Board and the affairs of the Residential Section shall be governed by the Residential Board. Prior to the first annual meeting of Residential Unit Owners, the Residential Board shall be comprised of three (3) members, all of whom shall be designated by Declarant and shall also serve on the Condominium Board. As of the first annual meeting of Residential Unit Owners, and subject to Declarant's rights under

Section 3.9.3 of these By-Laws to designate a majority of the members to the Residential Board, the Residential Board shall consist of five (5) members. The Condominium Board shall consist of five (5) members, including, three (3) of the five (5) members of the Residential Board, one (1) member designated by the Commercial Unit 1 Owner and one (1) member designated by the Commercial Unit 2 Owner. The Residential Unit Owners shall designate which three (3) members shall also serve on the Condominium Board, except during the Initial Control Period, during which members of the Residential Board designated by Declarant shall automatically serve on the Condominium Board. Notwithstanding the foregoing, and subject to Section 3.9.3 herein, after the Initial Control Period, the Residential Board members may elect to reduce the Residential Board from five (5) members to three (3) members by a majority vote without an amendment to the By-Laws.

2.1.2 Each member of the Residential Board (except as otherwise provided herein), shall be elected at the separate annual meeting of Residential Unit Owners and shall serve until the next annual meeting thereof and until successors have been elected and qualified.

2.1.3 There shall be no limit on the number of successive terms a Board member may serve.

2.1.4 Except for Board members elected or designated by Declarant or the Commercial Unit Owner (a) all members of the Residential Board shall be either Residential Unit Owners or officers, directors, shareholders, partners, principals, members, trustees, employees or beneficiaries of corporations, partnerships, limited liability companies fiduciaries or any other entities which own Residential Units, Permitted Mortgagees, or Family Members of any of the foregoing, and (b) all members designated by the Commercial Unit Owners to serve on the Condominium Board shall be either a Commercial Unit Owner or officers, directors, shareholders, members, managers, shareholders, partners, principals, employees or beneficiaries of corporations, partnerships, fiduciaries or any other entities which may own a Commercial Unit or a Managing Agent for such Commercial Unit Owner or an employee thereof, Permitted Mortgagees of the Commercial Units, lessees of the Commercial Units or portions thereof, or Family Members of any of the foregoing. Other than Board members elected or designated by Declarant no Board member shall continue to serve after such member ceases to be qualified as set forth above.

2.1.5 No Unit Owner may be elected to serve on a Board if such Board has perfected a lien against such Unit Owner's Unit which lien has not been satisfied at the time of the election. Other than Board members elected or designated by Declarant or its designee no Board member shall continue to serve after such member ceases to be qualified as set forth above.

2.2 **Powers and Duties.**

2.2.1 The Boards shall collectively 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 Boards by the Unit Owners). All determinations, however, which (a) affect only the Residential Section and do not adversely affect the Commercial Section or the use of the Commercial Section for its

permitted purposes, shall be made by the Residential Board or (b) affect only the Commercial Section and do not adversely affect the Residential Section or the use of Residential Units for their permitted purposes, shall be made by the Commercial Unit Owners. All other determinations with respect to the administration of the affairs of the Condominium including, without limitation, determinations which (i) relate to the Residential Section and adversely affect the Commercial Section, or (ii) relate to the Commercial Section and adversely affect the Residential Section, or (iii) relate to or affect the General Common Elements, shall be made by the Condominium Board. Any dispute between the Residential Board and the Commercial Unit Owners with respect to whether the Residential Board or the Commercial Unit Owners shall be entitled to make any determination shall be settled by Arbitration; provided, however, that no such dispute with respect to whether the determination of one adversely affects the other shall be deemed to exist unless the objecting party specifies the grounds for its objection in writing to the other party within ten (10) business days of receipt by it of notice of such determination. In addition, any dispute between the Residential Board and the Condominium Board with respect to whether any matter is entitled to be determined by the Condominium Board shall be settled by Arbitration, which Arbitration shall be determined on the basis of what is in the best interests of the Condominium.

2.2.2 Subject to the provisions of Subsection 2.2.1 and without limiting the generality thereof, the Boards shall each have all powers and duties expressly set forth elsewhere in the Declaration and the By-Laws and shall be entitled to make such determinations and take such actions and incur such liabilities as may be required to effectuate each Board's obligations under the Declaration, the By-Laws and the Plan.

2.2.2.1 The Condominium Board shall be entitled to make determinations with respect to the following matters:

2.2.2.1(a) Operating, caring and Maintaining the General Common Elements, including contracts for utilities, services and supplies.

2.2.2.1(b) Determining the amount of General Common Charges (as hereinafter defined).

2.2.2.1(c) Employing and dismissing personnel in connection with the Maintenance and operation of the General Common Elements.

2.2.2.1(d) Adopting and amending the Rules and Regulations, as they affect the General Common Elements.

2.2.2.1(e) Making additions and improvements to, or alterations of, the General Common Elements.

2.2.2.1(f) Making repairs and restorations of the General Common Elements or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings.

2.2.2.1(g) Enforcing obligations of Unit Owners, the Commercial Unit Owners and the Residential Board.

2.2.2.1(h) Levying fines against Unit Owners, the Commercial Unit Owners or the Residential Board for violations of any rules and regulations adopted by the Condominium (any such fines shall constitute General Common Charges payable by the Unit Owner or Board against which they are levied).

2.2.2.1(i) Opening and maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating signatories therefor.

2.2.2.1(j) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) if the loss involves both the Residential Section and the Commercial Section or the General Common Elements, as set forth in 6.2.

2.2.2.1(k) Borrowing money on behalf of the Condominium, when required in connection with the operation, care, upkeep and Maintenance of the General Common Elements; provided, however, that (i) the consent of at least 66 2/3% in Common Interest of all Unit Owners shall be required for any borrowings in excess of the aggregate amount of $150,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous years), and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its Common Interest in the Common Elements without the consent of the owner of such Unit. If any sum borrowed by the Condominium Board pursuant to the authority contained in this subparagraph is not repaid by said Board, a Unit Owner who pays to the creditor such proportion thereof as such Unit Owner's interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such Unit Owner's Unit.

2.2.2.1(l) Bringing actions on behalf of the Unit Owners, as their interests may appear, with respect to any cause of action relating to the General Common Elements, as the Condominium Board deems advisable.

2.2.2.1(m) Organizing corporations or limited liability companies to act as designees of the Condominium Board with respect to such matters as such Board may determine.

2.2.2.1(n) Executing, acknowledging and delivering of (i) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any Law, ordinance, regulation, zoning resolution or requirement of the New York City Department of Buildings, the City Planning Commission, the Board of Standards

and Appeals, or any other public authority, applicable to the Maintenance, demolition or construction of the Building, or (ii) any consent, covenant, restriction, easement or declaration affecting the Property which the Condominium Board deems necessary or appropriate.

2.2.2.1(o) Preparing, executing and recording, on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, a restatement of the Declaration and/or these By-Laws whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws.

2.2.2.1(p) Obtaining and reviewing insurance for the Property pursuant to the provisions of Section 6.2.

2.2.2.1(q) Making repairs to and restorations of the Building or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings as more particularly provided in these By-Laws.

2.2.2.1(r) Leasing or licensing the General Common Elements.

2.2.2.1(s) Otherwise performing all of the acts to be performed by the Condominium Board in accordance with the terms of the Plan.

2.2.2.2 The Residential Board shall be entitled to make determinations with respect to the following matters:

2.2.2.2(a) Operating, caring for, and Maintaining the Residential Section, including contracts for utilities, services and supplies, except to the extent that same is the responsibility of the Residential Unit Owners under the terms of the Condominium Documents.

2.2.2.2(b) Determining the amount of Residential Common Charges (as hereinafter defined), subject to the determination of the Condominium Board with respect to General Common Expenses.

2.2.2.2(c) Collecting of Residential Common Charges from Residential Unit Owners.

2.2.2.2(d) Employing and dismissing the personnel necessary for the Maintenance and operation of the Residential Section.

2.2.2.2(e) Adopting amendments and additions to, the Rules and Regulations as they affect the Residential Section.

2.2.2.2(f) Subject to Section 8.2 of these By-Laws, purchasing, leasing and otherwise acquiring in the name of the Residential Board (or, if required, in the name of the Condominium Board) or its designee, on behalf of all Residential Unit Owners, Residential Units and/or Storage Bins and Parking Spaces offered for sale or lease or surrendered by their owners to the Residential Board.

2.2.2.2(g) Purchasing Residential Units at foreclosure or other similar sales, in the name of the Residential Board (or, if required, in the name of the Condominium Board) or its designee, on behalf of all Residential Unit Owners.

2.2.2.2(h) Selling, leasing, subleasing, mortgaging and otherwise dealing with (but not voting the interests appurtenant to) Residential Units and Storage Bins acquired by, and subleasing Residential Units and Storage Bins leased by, the Residential Board or its designee, on behalf of all Residential Unit Owners.

2.2.2.2(i) Making additions and improvements to, or alterations of, the Residential Common Elements and the Residential Limited Common Elements.

2.2.2.2(j) Making repairs to and restorations of the Residential Section or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings.

2.2.2.2(k) Enforcing obligations of Residential Unit Owners and the Boards.

2.2.2.2(l) Levying fines against Residential Unit Owners for violations of the Rules and Regulations as they affect the Residential Section (any such fines shall constitute Residential Common Charges payable by the Residential Unit Owner against whom they are levied).

2.2.2.2(m) Maintaining bank accounts on behalf of the Residential Section (with respect to matters within its jurisdiction as provided in these By-Laws) and designating signatories therefor.

2.2.2.2(n) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) if the loss involves only the Residential Section as set forth in Section 6.2.

2.2.2.2(o) Borrowing money on behalf of the Residential Section when required in connection with the operation, care, upkeep and Maintenance of the Residential Section or otherwise in connection with any permitted action or activity of the Residential Board; provided, however, that (i) except as provided in 8.6, the consent of at least 66 2/3% in Common Interest of all Residential Unit Owners shall be required for any borrowings in excess of the

aggregate amount of $150,000 (including the pro rata share of the Residential Section with respect to any borrowing made by the Condominium Board pursuant to 2.2.2.1(1)) in any one fiscal year (regardless of the balance of any loans outstanding from previous years, (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its Common Interest in the Common Elements without the consent of the owner of such Unit, and (iii) the Commercial Unit Owners will not be liable for repayment of any portion of any such loan. If any sum borrowed by the Residential Board pursuant to the authority contained in this subparagraph 2.2.2.2(o) is not repaid by said Board, a Residential Unit Owner who pays to the creditor such proportion thereof as such Unit Owner's interest in the Common Elements bears to the interest of all Residential Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or any lien which said creditor has filed or has the right to file against such Residential Unit Owner's Unit.

2.2.2.2(p) Organizing corporations to act as designees of the Residential Board with respect to such matters as the Residential Board may determine, including, without limitation, in connection with the acquisition of title to or the leasing or subleasing of Residential Units by the Residential Board on behalf of Residential Unit Owners.

2.2.2.2(q) Executing, acknowledging and delivering (i) any declaration or other instrument affecting only the Residential Section which the Residential Board deems necessary or appropriate to comply with any Law or requirement of the New York City Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the Maintenance, demolition or construction of the Residential Section, or (ii) any consent, covenant, restriction, easement or declaration affecting only the Residential Section which the Residential Board deems necessary or appropriate.

2.2.2.2(r) Executing, acknowledging and delivering any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units for the benefit and on behalf of (i) all Residential Unit Owners, or (ii) for individual Residential Unit Owners, provided that each such Residential Unit Owner indemnifies the Residential Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

2.2.2.2(s) Operating, Maintaining and supervising of all Residential Common Elements and Residential Limited Common Elements.

2.2.2.2(t) Purchasing or leasing, in the name of the Residential Board, space for the storage of personal property of Residential Unit Owners, and in connection therewith the promulgation of conditions, rules and regulations for the operation and supervision thereof.

2.2.2.2(u) Imposition of move in procedures, fees and charges, and transfer fees in connection with the sale or lease of a Residential Unit, provided that no such procedures, fees or charges or any other conditions of transfer or lease may be imposed upon the Declarant.

2.2.2.2(v) Leasing or purchasing an apartment for use as the residence of the building resident manager or superintendent, either in the Building or elsewhere (in compliance with applicable Law) and amending, modifying, extending, renewing, and otherwise dealing in any way with respect to any such apartment, including, without limitation, entering into a mortgage to finance the acquisition of same.

2.2.2.2(w) Reviewing and approving alterations, additions, improvements, renovations and repairs by Residential Unit Owners to their respective Units and the Common Elements and establishing rules and procedures with respect to such alterations, additions, improvements, renovations and repairs.

2.2.2.2(x) Licensing or leasing the Residential Common Elements.

2.2.2.2(y) Otherwise performing all of the acts to be performed by the Residential Board in accordance with the terms of the Plan.

2.3 **Managing Agents and Managers.**

With respect to matters the determinations concerning which the Condominium Board is entitled to make, the Condominium Board may employ a Managing Agent at a compensation established by the Condominium Board to perform such duties and services as the Condominium Board shall authorize. The Condominium Board may delegate to such Managing Agent other powers granted to the Condominium Board by these By-Laws, except the powers set forth in Subsections 2.2.2.1(b), (e), (g), (h), (1), (m), (n) and (o); 2.2.2.2(b), (e), (o), (p), (q) and (r).

2.4 **First Board.**

The Condominium Board shall initially consist of three (3) persons, two (2) of whom will comprise the initial Residential Board and one (1) designee of the Commercial Unit Owners. The foregoing members shall be deemed to have been "elected" as members of the Condominium Board for the purposes of these By-Laws. Within one (1) year after the date of the First Closing the Residential Board will call for the first annual meetings of Residential Unit Owners for the purpose of electing new Board members in accordance with the provisions of 3.1 of these By-Laws and subject to the rights of Declarant to designate certain members of the Residential Board as more particularly described in Section 3.9.3 of these By-Laws. The terms of each such member of the Residential Board and the Condominium Board shall expire annually. Notwithstanding the foregoing, for as long as Declarant has the voting power to elect

all members of both the Residential Board, the Residential Board shall have three (3) members, and the Condominium Board shall have three (3) members.

2.5 **Resignation and Removal.**

Any Board member may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the appropriate Board. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Subject to the provisions of this Section 2.5, any Residential Board member elected by the Residential Unit Owners may be removed, with or without cause, by a majority vote of the Residential Unit Owners, present in person or by proxy at a regular or special meeting of Residential Unit Owners at which a quorum is present. Any Residential Board member whose removal has been proposed shall be given an opportunity to be heard at the meeting. Board members designated by Declarant or the Commercial Unit Owners may be removed by members other than Declarant or its designees or the Commercial Unit Owners for cause, by a majority vote of Unit Owners, present in person or by proxy at a regular or special meeting of Unit Owners at which a quorum is present, and such members shall be replaced as described in Section 2.6. In addition, any member of the Condominium Board who is designated as such by Declarant or the Commercial Unit Owner may be removed by such designating party at any time, with or without cause, and the party making such removal shall have the right to designate the replacement for such member.

2.6 **Vacancies.**

Subject to the provisions of Section 3.9.3, any vacancy on a Board for whatever reason shall be filled by the members of a Board then in office, at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy even though the members present at such meeting may constitute less than a quorum, and any person so elected shall be a member of the Board until the next annual meeting of the Unit Owners when a successor shall be elected for the remainder of the term of the member creating such vacancy. Notwithstanding anything to the contrary contained in these By-Laws, in the case of a vacancy on a Board, created by the resignation, removal or any other cause which results in any Board member designated by Declarant or the Commercial Unit Owner, ceasing to be a member of any such Board, Declarant or the Commercial Unit Owner, as the case may be, shall have the sole right to designate a replacement for such member.

2.7 **Organizational Meetings of the Boards.**

The first meetings of the Residential Board following each annual meeting of each of the Residential Unit Owners shall be held immediately following each such annual meeting.

2.8 **Regular Meetings of the Residential Board.**

Regular meetings of the Residential 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. Written notice of regular meetings shall be given to each member thereof, by

personal delivery, mail, facsimile or e-mail, at least five business days prior to the day named for such meeting.

2.9 **Special Meetings of the Residential Board.**

Special meetings of the Residential Board may be called by the President or Vice President of the Residential Board by giving five (5) business days' prior written notice to each member of such Residential Board by personal delivery, mail, facsimile or e-mail, which notice shall state the time, place (in the Borough of Manhattan) and purpose of the meeting.

2.10 **Regular Meetings of the Condominium Board.**

The Condominium Board shall meet at least once annually, at such time and place in the Borough of Manhattan as shall be determined by the Condominium Board, provided that written notice thereof be given to Board members by personal delivery, mail, facsimile or e-mail at least five (5) business days prior to the day named for such meeting.

2.11 **Special Meetings of the Condominium Board.**

Special meetings of the Condominium Board may be called by the President of the Condominium Board by giving five (5) business days' prior written notice to each member of the Condominium Board by personal delivery, mail or telegram, which notice shall state the time, place (which shall be in the Borough of Manhattan) and purpose of the meeting.

2.12 **Resolutions of Boards.**

The Residential Board and the Condominium Board shall promptly deliver to the other copies of all resolutions adopted by it except to the extent (a) of matters privileged under applicable Law, (b) relating to the terms of the sale, leasing or subleasing of any Unit or portion of any Unit, other than the nature of the use thereof, and (c) relating to matters not related to the Property.

2.13 **Waiver of Notice.**

Any Board member 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 a Board at any meeting thereof shall constitute a waiver of notice by him of the time and place thereof. If all the members are present at any meeting of a Board, no notice shall be required and any business may be transacted at such meeting.

2.14 **Determinations by Board; Quorums.**

2.14.1 Except as otherwise set forth in 2.14.3, all determinations by any Board shall be made at a meeting of such Board at which a quorum thereof is present. At any Board meeting, a majority of the members thereof shall constitute a quorum, and the votes of a majority of such members present shall constitute the decision of such Board.

2.14.2 If at a Board meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.14.3 Members of a Board may participate in a meeting thereof by means of a conference telephone or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting. Notwithstanding anything to the contrary contained herein, action permitted or required to be taken at a meeting of a Board may be taken without a meeting if all members of such Board consent in writing to the adoption of a Resolution authorizing such action and the writing or writings are filed with the minutes of such Board.

2.15 **Compensation.**

No member of the Condominium Board shall receive any compensation for acting as such.

2.16 **Liability of Boards and Unit Owners.**

2.16.1 To the extent permitted by applicable Law, no member of any Board shall have any personal liability with respect to any contract, act or omission of such Board or of any Managing Agent in connection with the affairs or operation of the Condominium, the Commercial Section, or the Residential Section (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by a Board or by any Managing Agent thereof shall state or be deemed to state that it is made by such Board, Managing Agent only as agent for all Unit Owners, Residential Unit Owners, or Commercial Unit Owners, as the case may be, that such Board members or Managing Agent shall have no personal liability thereon (except in their capacities as Unit Owners) and shall also state the applicable limitations of liability of Unit Owners provided for in the next sentence. The liability of any Unit Owner with respect to any contract, act or omission with respect to the Condominium or the Residential Section or Commercial Section, as the case may be, shall be limited to such proportionate share of the total liability as the interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners, Residential Unit Owners, or Commercial Unit Owners, as the case may be, and, unless expressly stated to the contrary in such contract (as determined by the relevant Board in its sole and absolute discretion), to the extent permitted by applicable Law, shall be limited to such Unit Owner's interest in such Unit Owner's Unit and such Unit Owner's appurtenant Common Interest so that such Unit Owner shall have no personal liability for such contract, act or omission. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges. Any such contract or agreement may also provide that it covers the assets, if any, of the Board on whose behalf the contract or agreement is made. Board members shall have no liability to Unit Owners except that a Board member shall be liable for such member's own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member and each Residential Board member, as the case may be, against any liability or claim except those arising out of such member's own bad faith or willful

misconduct. The Condominium Board or Residential Board, as the case may be, may contract or effect any transaction with any Board member, any Unit Owner, Declarant, Declarant's designee or any affiliate of any of them without, except in cases of bad faith or willful misconduct, incurring any liability for self dealing.

2.16.2 No Board or any member thereof shall be liable for either (i) any failure or interruption of any utility or other service to be obtained by, or on behalf of, such Board or to be paid for as a Common Expense, except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of such Board or any member thereof; or (ii) any injury, loss or damage to any individual or property, occurring in or about either a Unit or any General Common Element or Limited Common Element.

2.17 **Fidelity Bonds.**

2.17.1 Each Board shall obtain or ensure maintenance of fidelity bonds or insurance, in amounts deemed appropriate by it, for all of its members, officers and employees and for the Managing Agent, if any, employed by it and the premiums on such bonds or insurance shall constitute General Common Expenses or Residential Common Expenses, as the case may be.

2.17.2 To the extent legally required or available at commercially reasonable rates, as such rates shall be determined by the Boards, the Boards shall endeavor to purchase and maintain directors and officers insurance (i) to indemnify the Condominium for any obligation which it incurs as a result of the indemnification of members and officers of the Boards as required by Law or by a court order, (ii) to indemnify members and officers of the Boards in instances in which they may be indemnified by the Condominium under the provisions of these By-Laws, and (iii) to indemnify members and officers of the Boards in instances in which they may not otherwise be indemnified, to the extent provided by such insurance

2.18 **Committees.**

Each Board may, subject to such limitations and exceptions as such Board may prescribe, appoint an Executive Committee and such other committees as such Board may deem appropriate, each to consist of as many members as such Board shall deem appropriate for the purpose of making such reports and studies as each such Board deems appropriate. Any Executive Committee of the Condominium Board shall be required to consist of at least one member of the Residential Board and at least one member of the Condominium Board designated by a Commercial Unit Owner. For so long as Declarant is entitled to designate members to the Condominium Board, any committee appointed by any such Board shall have as at least one of its members a member appointed by Declarant.

2.19 **Principal Offices of Boards.**

The principal offices of the Boards shall each be located within the Property or at such other place in the Borough of Manhattan reasonably convenient thereto as may be designated from time to time by such Boards.

2.20 **Status of Boards.**

In addition to the status conferred upon each of the Boards under or pursuant to the provisions of the Condominium Act, each of the Boards shall, to the extent permitted by applicable Law, be deemed to constitute a separate association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York. In the event of the incorporation of any of the Boards pursuant to the provisions of 2.20, the provisions of this Section 2.19 shall no longer be applicable to such Board.

2.21 **Incorporation of Boards.**

To the extent and in the manner provided in the Condominium Act, each of the Boards may by action of such Board as provided in this Article 2, be incorporated under the applicable statutes of the State of New York. In the event that the Condominium Board so incorporates, it shall have, to the extent permitted by applicable Law, the status conferred upon it under such statutes in addition to the status conferred upon such Board under or pursuant to the provisions of the Condominium Act. The certificate of incorporation and by-laws of any such resulting corporation shall conform as closely as practicable to the provisions of the Declaration and these By-Laws and the provisions of the Declaration and these By-Laws shall control in the event of any inconsistency or conflict between the provisions hereof and the provisions of such certificate of incorporation and by-laws.

2.22 **Boards as Agents of Unit Owners.**

In exercising their respective powers and performing their respective duties under the Declaration and these By-Laws, each Board shall act in good faith as, and shall be, the agent of the Unit Owners such Board represents, subject to and in accordance with the provisions of the Declaration and these By-Laws.

ARTICLE 3

UNIT OWNERS

3.1 **Annual Meetings.**

On or no more than one (1) year after the First Closing, the Residential Board will call the first annual meeting of the Residential Unit Owners. Such meetings shall be held not less than ten (10) days nor more than forty (40) days after such date. At such meeting, the incumbent Residential Board shall resign and the Residential Unit Owners shall elect (in accordance with the provisions of Section 2.1, but subject to the rights of Declarant to designate certain members to the Residential Board pursuant to Section 3.9.3 of these By-Laws) a Residential Board consisting of three (3) members. Thereafter, annual meetings of Residential Unit Owners shall be held within approximately thirty (30) days of each anniversary of the first annual meeting. At such meetings, the incumbent Board members shall resign; the members of the Residential Board shall be elected; the three (3) new members of the Residential Board shall appoint two (2) of the three (3) members to also serve on the Condominium Board; and there shall also be transacted such other business as may properly come before such meetings. No joint annual meeting of Residential Unit Owners and the Commercial Unit Owners shall be required to be held unless otherwise required by Law, in which event each such joint annual

meeting shall be held on the date above specified for the annual meeting of Residential Unit Owners.

3.2 **Place of Meetings.**

Meetings of all or any Unit Owners, Residential Unit Owners or Commercial Unit Owners, as the case may be, shall be held at the principal office of the Condominium or the Residential or Commercial Section, respectively, or, at such other suitable and convenient place in the Borough of Manhattan, as may be designated by the appropriate Board.

3.3 **Special Meetings.**

The President of the Residential Board shall call a special meeting of Residential Unit Owners, if so directed by resolution of the Residential Board or upon a petition signed and presented to the Secretary of the Residential Section by not less than twenty-five percent (25%) in Common Interest of Residential Unit Owners. The President and the Vice President of the Condominium Board shall call a special joint meeting of all Unit Owners if so directed by resolution of the Condominium Board or upon a petition signed and presented to the Secretary of the Condominium by not less than twenty-five percent (25%) in Common Interest of Residential Unit Owners or 66 2/3% in Common Interest of Commercial Unit Owners.

3.4 **Notice of Meetings and Actions Taken.**

Notice of each annual meeting or special meeting shall be given by the appropriate Secretary to all Unit Owners of record entitled to vote thereat as of the date of said notice. Each such notice shall state the purposes of the meeting and the time and place where it is to be held and no business shall be transacted thereat except as stated in the notice. All notices hereunder shall be given by personal delivery, regular mail, recognized overnight courier or telegram, at least ten (10) but no more than thirty (30) business days prior to the day named for the meeting and shall be given or sent to the Unit Owners entitled to receive same at their address at the Property or at such other address at the Property or elsewhere as any Unit Owner has designated by notice in writing to the appropriate Secretary at least ten (10) days prior to the giving of notice of the applicable meeting. However, if the business to be conducted at any meeting of the Unit Owners shall include consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be given to all Unit Owners as provided above at least thirty (30) days prior to the day fixed for such meeting, and such notice shall be accompanied by a copy of the text of such proposed amendment. Only Unit Owners of record as of the date of a notice are entitled to be present and vote at the meeting for which said notice is sent.

3.5 **Adjournment of Meetings.**

If any joint or separate meeting of Unit Owners cannot be held because a quorum is not present, a majority of Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time fixed for the original meeting.

3.6 **Order of Business.**

The order of business at all joint or separate meetings of Unit Owners shall be as follows:

(a) Call to order;

(b) Roll call;

(c) Proof of notice of meeting;

(d) Reading of minutes of preceding meeting;

(e) Reports of officers;

(f) Reports of members of the Board;

(g) Reports of committees;

(h) Election of inspectors of election (when so required);

(i) Election of members of the Board (when so required);

(j) Unfinished business;

(k) New business; and

(l) Adjournment.

3.7 **Title to Units.**

Title to any Unit may be taken by any Person or by any two or more Persons as joint tenants, tenants in common, or tenants by the entirety, or by any other entity legally entitled to take title to property. The sale of a Unit to a corporation, partnership, limited partnership, trust or any other entity legally entitled to own real property (including any entity or person entitled to diplomatic or sovereign immunity) may require the delivery to the Condominium Board or the Residential Board or its Managing Agent at Closing, any and all documents as are reasonably requested by the Condominium Board or Residential Board, including without limitation, a personal guaranty, a subjection to jurisdiction, an occupancy agreement, an escrow agreement and an amount equal to the current common charge for such Unit for a period of years, to be held in escrow by the Condominium Board or the Residential Board or its Managing Agent, as security for the faithful observance by such Unit Owner of the terms, provisions and conditions contained in these By-Laws.

3.8 **Voting.**

3.8.1 Each Unit Owner or a person designated by such Unit Owner to act as proxy on such Unit Owner's 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 Residential Unit Owners or Commercial Unit Owners and at all joint meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary of the appropriate

Board and shall be revocable at any time by written notice to such Secretary by the Unit Owner so designating; provided, however, that no designation to act as a proxy shall be effective for a period in excess of six (6) months except a designation of a Permitted Mortgagee to act as the proxy of its mortgagor. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. No Board or its designee shall be entitled to vote the interest appurtenant to any Unit owned by such Board and the Common Interest of such Unit shall be excluded from the total Common Interests when computing the interest of Unit Owners for voting purposes.

3.8.2 Except as otherwise set forth herein or in the Declaration, at all meetings of Unit Owners, each Unit Owner (or such Unit Owner's proxy) entitled to vote thereat (including Declarant with respect to Units owned by Declarant or its designee) shall be entitled to cast one vote for each .0001% (rounded off to the nearest .0001%) of Common Interest attributable to such Unit Owner's Unit.

3.8.3 Whenever a particular percentage of Common Interest must be reached for voting purposes and such required percentage is in terms of the Residential Unit Owners, as a group, or the Commercial Unit Owners as a group (as opposed to all Unit Owners as a whole), such required percentage shall mean a percentage in terms of total Common Interests attributable to that particular group and not the percentage of Common Interests attributable to all Unit Owners.

3.8.4 Notwithstanding anything to the contrary set forth above, Unit Owners may vote to amend the Declaration and these By-Laws pursuant to Article 20 of the Declaration and Article 13 of these By-Laws, without a meeting, provided that such Unit Owners receive no less than thirty (30) days' notification of such proposed amendment from the Condominium Board or the Residential Board, as the case may be, together with a copy of the text of such proposed amendment and a proxy with respect to such vote.

3.9 **Election of Residential Board Members; Rights of Declarant.**

3.9.1 All elections of Residential Board members shall be determined by plurality vote.

3.9.2 When voting for members of the Residential Board, respectively, the voting shall be by ballot and each ballot shall state the name of the Residential Unit Owner voting and the percentage of Common Interests owned by such Unit Owner, and in addition, the name of the proxy if such ballot is cast by a proxy. Each Residential Unit Owner shall be entitled to cast the number of votes determined in accordance with Section 3.8.2 for each member to be elected by the Residential Unit Owners. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

3.9.3 Notwithstanding any other provision of this Section 3.9 or any other provision of these By-Laws to the contrary, during the Initial Control Period, Declarant shall have the right to appoint a majority of the members to serve on the Residential Board and such Declarant appointed members shall automatically serve on the Condominium Board. Any vacancy created by removal of a Board member designated by Declarant, or by any other cause which results in a Board member designated by Declarant ceasing to be a member of the Board,

shall be filled by a person designated by Declarant. For so long as Declarant owns at least two of the Unsold Residential Units the number of members of the Residential Board may not be increased without the consent of Declarant. In addition to the foregoing, (a) for so long as Declarant owns less than 50% of the Residential Units, but more than 15% of the Unsold Residential Units, Declarant shall have the right to designate at least two (2) members of the Residential Board who shall sit on the Condominium Board and (b) for so long as Declarant owns at least two (2) of the Unsold Residential Units, but less than 15% of the Unsold Residential Units, Declarant shall have the right to designate at least one (1) member of the Residential Board who shall also sit on the Condominium Board. Within ten (10) days after the Initial Control Period, one (1) of the Declarant designated members of the Residential Board shall resign and in such event a Residential Unit Owner meeting will be held to elect a new board member unrelated to the Declarant within thirty (30) days after the expiration of the Initial Control Period.

3.9.4 Until Declarant and/or the owner of any Unsold Units have conveyed title to all Units, but in no event later than five (5) years after the First Closing, no Board may take any of the following actions without Declarant's prior written consent: (a) make any Alteration to the Common Elements or to any Unit, or (b) assess any Common Charges, for the creation of, addition to or replacement of all or part of a working capital reserve, contingency or surplus fund, (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, or (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the last budget in effect prior to the First Closing, except as is required to reflect normal annual increases in operating services, (e) borrow money, or (f) exercise a right of first refusal to lease or purchase a Residential Unit; provided, however, that Declarant's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary (and no other alternative is available) to enable the Condominium Board or the Residential Board (i) to comply with Laws of any governmental authority having jurisdiction over the Condominium; (ii) to remedy any notice of violation; or (iii) to remedy any work order by an insurer.

3.9.5 Nothing contained herein shall be deemed to limit the right of Declarant to cast its votes for individuals nominated to the Residential Board who are not nominated or designated by Declarant, which individuals, if elected, shall not be deemed Declarant nominees or designees and shall not be deemed to cause Declarant to control either the Condominium Board or the Residential Board.

3.9.6 Notwithstanding anything to the contrary set forth above, if required under the terms of any Permitted Mortgage held by Declarant or a Commercial Unit Owner, in the event of a default under such Permitted Mortgage, the Permitted Mortgagee will be entitled to designate, remove or replace the members of the Boards designated by the Declarant or the Commercial Unit Owner whose Units are subject to the lien of said Permitted Mortgage.

3.10 **Majority of Unit Owners.**

Except as may otherwise be provided by Law, as used in these By-Laws, the terms "Majority of Residential Unit Owners," "Majority of Commercial Unit Owners" and "Majority of Unit Owners" means either those Residential Unit Owners, Commercial Unit Owners, or Unit Owners, as the case may be, having more than fifty percent (50%) of the total votes cast (in person or by proxy) at any meeting at which a quorum is present of either Residential Unit Owners, Commercial Unit Owners, or all Unit Owners, as the case may be, determined in accordance with the provisions of 3.8.

3.11 **Quorum.**

Except as otherwise provided in these By-Laws, the presence in person or by proxy of (a) Residential Unit Owners owning more than thirty percent (30%) of the Common Interests attributable to all Residential Units shall constitute a quorum at all meetings of Residential Unit Owners, (b) Commercial Unit Owners owning more than fifty percent (50%) of the Common Interests attributable to all Commercial Unit Owners shall constitute a quorum at all meetings of Commercial Unit Owners, and (c) Unit Owners owning more than fifty percent (50%) of the Common Interests attributable to all Units shall constitute a quorum at all joint meetings of Unit Owners, except that the Commercial Unit Owners shall have the absolute right to require an adjournment of such joint meetings for not longer than thirty (30) days unless an Emergency exists.

3.12 **Majority Vote.**

Except where otherwise provided by Law, the Declaration or these By-Laws, (a) at all separate meetings of Residential Unit Owners, the affirmative vote of a Majority of Residential Unit Owners shall be binding upon all Residential Unit Owners for all purposes, (b) at all separate meetings of Commercial Unit Owners, the affirmative vote of a Majority of Commercial Unit Owners shall be binding upon all Commercial Unit Owners for all purposes, and (c) at all joint meetings of Unit Owners, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes.

3.13 **Determination of Unit Owners**

When the Residential Unit Owners and Commercial Unit Owners, with each acting separately in accordance with the provisions of this Article 3, have made the same determination as to any matter which is required or permitted to be determined by all Unit Owners, such determination shall constitute the determination of all Unit Owners. No joint meeting of Residential Unit Owners and the Commercial Unit Owners shall be necessary for any such determination to be made by all Unit Owners. Notwithstanding anything to the contrary set forth herein as to any matter as to which the Residential Unit Owners or Commercial Unit Owners are permitted or required to act at any meeting of such Unit Owners, such action may be taken without a meeting if the requisite number of such Unit Owners, in number and Common Interest, consent in writing (by proxy or otherwise) to such action and the writing or writings are filed with the minutes of such Board.

ARTICLE 4

OFFICERS

4.1 Designation.

The principal officers of the Condominium shall be (a) for the Residential Board, a President, Vice President, Secretary and Treasurer thereof, all of whom shall be elected by the members of the Residential Board and (b) for the entire Condominium Board, (i) a President thereof, who shall be the same person serving as President of the Residential Section, (ii) a Vice President, who shall be designated by the members of the Board designated by the Commercial Unit Owners, and (iii) a Secretary thereof, who shall be the same person serving as Secretary of the Residential Board. The Condominium Board and the Residential Board may each appoint an Assistant Treasurer, Assistant Secretary and such other officers as in their judgment may be desirable. None of the officers of the Residential Board or the Condominium Board need be Unit Owners or have any interest therein or be Board members until the first organizational meeting of the Residential Board after the first annual meeting of Residential Unit Owners. Thereafter, the President and Vice President of the Residential Board must be members of the Residential Board.

4.2 Resignation and Removal of Officers.

Any officer may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Board that such officer serves on. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Upon the affirmative vote of a majority of the members of the applicable Board, any officer may be removed, either with or without cause. A successor officer may be elected at any regular Board meeting or at any special Board meeting called for such purpose subject to the rights of the Declarant and the Commercial Unit Owner to replace any officer that it originally designated.

4.3 Presidents.

The President of the Condominium Board shall be the chief executive officer of the Condominium and shall preside at all joint meetings of Unit Owners and at all meetings of the Condominium Board. The President of the Residential Board shall be the chief executive officer thereof and shall preside at all meetings of the Residential Board and Residential Unit Owners. Each of said Presidents 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 or Residential Unit Owners or Commercial Unit Owners from time to time as the President decides is appropriate to assist in the conduct of the affairs of the entire Condominium or of the Residential or Commercial Section, as the case may be.

4.4 Vice Presidents.

The Vice Presidents shall take the place of the President under whom such Vice President serves and perform the duties of the President whenever such President shall be absent

or unable to act. If both the President and the Vice President of the Residential Board or the Condominium Board are unable to act, the Board under whom such President and Vice President serves shall appoint some member of such Board to act in the place of such President and Vice President on an interim basis. Each Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board or by the President under whom such Vice President serves.

4.5 **Secretaries.**

The Secretary of the Condominium shall keep the minutes of all joint meetings of Unit Owners and of the Condominium Board and joint meetings of Commercial Unit Owners. The Secretary of the Residential Section shall keep the minutes of the meetings of the Residential Board and Residential Unit Owners. Each of the Secretaries shall have charge of such books and papers as the Board under which such Secretary serves shall direct and shall in general perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

4.6 **Treasurers.**

Each of the Treasurers shall have the care and custody of the funds and securities of the Condominium or the Residential Section, as the case may be, 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. Each of the Treasurers shall be responsible for the deposit of all funds and other securities in the name of the Board for which such Treasurer serves (or in the name of the Managing Agent appointed by such 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.**

Unless otherwise delegated by a Board, all agreements, contracts, deeds, leases, checks and other instruments of a Board shall be executed by any officer thereof or by such other person or persons as may be designated by the applicable Board. However, by resolution of such Board, such Board may require that any expenditure in excess of a specified amount be countersigned by two (2) members of the said Board.

4.8 **Compensation of Officers.**

Except as otherwise provided by the Board for which such officer serves, no officer shall receive any compensation for acting as such.

ARTICLE 5

NOTICES

5.1 **Notices.**

All notices required or desired to be given hereunder to any Board shall be personally delivered or sent by registered or certified mail or nationally recognized overnight carrier to the office of such Board or to such other address as such Board may designate from time to time, by notice in writing to the other Board and to all Unit Owners and to all Permitted Mortgagees, as the case may be, and if there is a Managing Agent of such Board, a duplicate shall be sent in like manner to such Managing Agent. All notices to any Unit Owner shall, except as otherwise provided herein, be personally delivered or sent by registered or certified mail to the Property address of such Unit Owner or to such other address as may have been designated by such Unit Owner from time to time, in writing, to the Condominium Board and the Residential Board. All notices to Permitted Mortgagees shall be personally delivered or sent by mail to their respective addresses, as designated by them from time to time, in writing to the Condominium Board and the Residential Board. All notices shall be deemed to have been given when personally delivered or mailed in a postage prepaid sealed wrapper, except notices of change of address which shall be deemed to have been given when received.

5.2 **Waiver of Service of Notice.**

Whenever notice is required to be given by Law, the Declaration or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 6

OPERATION OF THE PROPERTY

6.1 **Determination of Common Expenses and Fixing of Common Charges.**

6.1.1 The Condominium Board shall from time to time, and at least annually, prepare a budget (or cause the Managing Agent to prepare a budget) to meet General Common Expenses which shall be allocated amongst and assessed to the Unit Owners, in accordance with their respective Common Interests (except as otherwise expressly provided in the Declaration or these By Laws or to the extent a different method or percentage of allocation is described in the Schedule B – operating budget- set forth in the Plan). In addition to allocating General Common Expenses based upon Common Interest, the Condominium Board may also make allocations and assessments of General Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of the Law. The Condominium Board's authority shall include the right to base the amount of General Common Expenses on actual costs and expenditures and/or to make retroactive adjustments to the amount of General Common Expenses payable by all Unit Owners for any period to reflect actual operating costs for such period. Notwithstanding anything to the contrary set forth above, the Condominium Board may not increase or decrease the number of building employees servicing the Commercial Units or categories of services, utilities or supplies provided to the Commercial Units in such a manner as would increase or decrease the General Common Expenses otherwise payable by the Commercial Unit Owners, without the consent of the Commercial Unit Owners.

6.1.2 The Residential Board shall from time to time, and at least annually, prepare (or cause the Managing Agent to prepare) a budget to meet Residential Common Expenses and shall allocate and assess charges to the Residential Unit Owners, in accordance with their respective Residential Common Interests (except as otherwise provided in the Declaration or these By Laws) to meet (a) Residential Common Expenses and (b) the Residential Unit Owner's share of General Common Expenses. From time to time the Residential Board may increase or decrease the amount of Residential Common Charges payable for a fiscal year or any portion thereof to meet a revised estimate or determination of Residential Common Expenses for such fiscal year or any portion thereof. In addition to basing charges on Residential Common Interests, the Residential Board may also make allocations and assessments of Residential Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of Law. The Residential Board's authority shall include the right to base the amount of Residential Common Expenses on actual costs and expenditures and/or to make retroactive adjustments to the amount of Residential Common Expenses payable by Residential Unit Owners for any period to reflect actual operating costs for such period.

6.1.3 Except as otherwise provided herein, all costs and expenses in connection with the Commercial Common Elements, if any, shall be determined by the members of the Condominium Board designated by the Commercial Unit Owners and shall be borne solely by the Commercial Unit Owners. Notwithstanding anything to the contrary in this Section, if a Commercial Limited Common Element benefits only certain Commercial Unit Owners, then the Commercial Section's costs of Maintenance and Alterations thereto (except in connection with a casualty or condemnation) shall be borne solely by those Commercial Unit Owners who benefit from the Limited Common Element in the proportion that the Common Interest of each benefiting Commercial Unit Owner bears to the Common Interest of all benefiting Commercial Unit Owners. In addition, except as otherwise provided in the By-Laws, such Commercial Unit Owners shall be responsible for the Maintenance and operation, including but not limited to the cost of staff necessary for such operation and Maintenance, of any such Commercial Limited Common Element at their sole cost and expense. Commercial Common Expenses shall also include all such other items provided for in the Declaration or these By-Laws to be Commercial Common Expenses. The Condominium Board will bill the Commercial Common Charges to the Commercial Unit Owners and the Commercial Unit Owners will pay Commercial Common Charges to the Condominium Board in accordance with the provisions of these By-Laws.

6.1.4 The Boards shall advise all Unit Owners promptly in writing of the amount of Common Charges due and payable by such Unit Owner and shall furnish copies of each budget to all Unit Owners and/or all Residential Unit Owners, as applicable, at least five (5) days prior to the adoption thereof and provide a copy to Permitted Mortgagees upon request therefor. In the event that the annual Common Charges levied against Unit Owners exceed the actual expenses less income from sources other than Unit Owners for that period accounted for on an accrual basis by an amount in excess of $250,000, the Common Charges paid by Unit Owners over and above such amount may be rebated to the Unit Owners by the Condominium Board in proportion to each Unit's percentage of Common Interest. Rebates, if any, attributable to Residential Units purchased from Declarant during the first year of condominium operation

will be distributed by the Condominium Board to Declarant and the Residential Unit Owner(s) in proportion to the amount of time Declarant and each Residential Unit Owner owned such Unit.

6.1.5 Subject to Section 16.16 of the Declaration, the excess of all rents, profits and revenues derived from the rental or use of any space or facility (i) forming part of or included in any General Common Element remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by the Condominium Board as agent for and on behalf of the Unit Owners, or (ii) forming a part of or included in any Residential Common Elements or Commercial Common Elements remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by the (a) Residential Board if a Residential Common Element is involved, as agent for and on behalf of the Residential Unit Owners or (b) the Condominium Board if a Commercial Common Element is involved, as agent for an on behalf of the Commercial Unit Owners. Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, in no event shall any rent, profit or revenue derived from the rental or use of any space in the Building be deemed to be derived from the rental or use of any floor slabs, ceilings or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

6.1.6 Common Charges shall include real estate taxes on the Property until the Units are separately assessed.

6.1.7 "Special Assessments" shall be defined to include those assessments levied against Unit Owners for the purpose of paying non-recurring, extraordinary expenses affecting the Common Elements, including without limitation, capital expenses relating to the Common Elements. All Special Assessments relative to (i) the General Common Elements shall be levied by the Condominium Board against all of the Unit Owners in the proportion of each Unit Owner's respective Common Interests, (ii) the Residential Common Elements or Residential Limited Common Elements (unless such expense is the responsibility of a particular Unit Owner as more particularly set forth in the Declaration and By-Laws) shall be levied by the Residential Board against all of the Residential Unit Owners in the proportion of each Residential Unit Owner's respective Residential Common Interests or (iii) the Commercial Common Elements or Commercial Limited Common Elements shall be levied by the Condominium Board against all of the Commercial Unit Owners in the proportion of each Commercial Unit Owner's respective Common Interests bears to the Common Interest of the other benefitted or affected Commercial Unit Owners. Such Special Assessments shall be payable by the Unit Owners in addition to their respective obligations to pay Common Charges as herein above provided. Special Assessments may be payable either in one lump sum or in installments, as the Condominium Board or Residential Board, as applicable, shall determine, provided, however that the Condominium Board or Residential Board shall give each Unit Owner not less than thirty (30) days' prior written notice, except in the case of an Emergency, prior to the date upon which such Special Assessment, or the first installment thereof, shall be due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. Special Assessments shall be deemed to be Common Charges for purposes of the Declaration and these By-Laws. The Condominium Board and Residential Board shall have all rights and remedies for the collection of Special Assessments as are provided herein for the collection of Common Charges and shall have the right to place a lien on the applicable Unit

Owner's Unit as though such amounts were payable to the Condominium Board as Common Charges.

6.1.8 "Unit Owner Expenses" shall be defined to include those expenses incurred by the Condominium Board or Residential Board or a Unit Owner, as the case may be, on behalf of a particular Unit Owner. The cost of any services provided to a Unit Owner other than services that are charges as part of Common Charges shall be a Unit Owner Expense. Unit Owner Expenses shall be invoiced from time to time as such expenses are incurred and shall be promptly paid by the applicable Unit Owner (and in any event shall be paid within thirty (30) days after receipt of an invoice therefore). Costs incurred by a Board for any Emergency work performed by such Board may be included in the Common Charges or invoiced as Unit Owner Expenses (as the case may be in accordance with the terms of the Declaration and these By-Laws) from time to time as such costs are incurred (and in any event shall be paid within thirty (30) days after receipt of an invoice therefore). Unit Owner Expenses shall be deemed to be Common Charges for purposes of the Declaration and these By-Laws. The Condominium Board and Residential Board shall have all rights and remedies for the collection of Unit Owner Expenses as are provided herein for the collection of Common Charges and shall have the right to place a lien on the applicable Unit Owner's Unit (whether payable to the Condominium Board or another Unit Owner) as though such amounts were payable to the Condominium Board as Common Charges (but in the case of any payments due to another Unit Owner, such lien shall be held and enforced by the Condominium Board for the benefit of such Unit Owner).

6.1.9 Notwithstanding anything to the contrary herein, no part of the net earning of the Condominium may inure (other than by acquiring, constructing, or providing management, Maintenance, and care of association property, and other than by a rebate of excess membership dues, fees, Common Charges or assessments) to the benefit of any Unit Owner or individual.

6.2 **Insurance.**

6.2.1 The Condominium Board shall be required to obtain and maintain to the extent obtainable the following insurance: (a) property insurance with all risk extended coverage, vandalism and malicious mischief endorsements and increased cost of construction endorsements, insuring the entire Building (other than the Units and all fixtures, furniture, furnishings or other personal property contained in such Units), together with all service machinery contained therein and covering the interests of the Condominium, each of the Boards and all Unit Owners and their Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings and, at the election of the Condominium Board in its sole and absolute discretion, terrorism insurance), said policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject however, to the loss payment provisions hereinafter set forth; (b) rent insurance in an amount equal to Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any, determined by the Condominium Board; (g) elevator liability and collision insurance; (h) fidelity

insurance covering all Boards and all officers, directors, Managing Agent and employees of the Condominium, the Residential Section, and the Commercial Section; (i) directors and officers liability insurance; and (j) such other insurance as the Condominium Board may determine. The premiums for all insurance referred to above shall be a General Common Expense.

6.2.2 All such policies shall provide that adjustment of loss shall be made exclusively by (a) the Residential Board if the loss involves only the Residential Section, (b) the Commercial Unit Owners if the loss involves only the Commercial Section, (c) the Condominium Board if the loss involves both the Residential Section and the Commercial Section, or the General Common Elements. Insurance proceeds with respect to any loss shall be payable to the Board 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 Condominium Board as Insurance Trustee (as hereinafter defined) pursuant to the provisions of Section 12.5. Notwithstanding anything to the contrary set forth above, to the extent required under the Permitted Mortgage, a Permitted Mortgagee holding such Permitted Mortgage secured by a Commercial Unit will have the right to participate in any adjustments regarding loss or damage to the General Common Elements and the Commercial Section and no such adjustment will be made without the consent of such Permitted Mortgagee. Any dispute between or among the Boards under this Subsection 6.2.2 shall be determined by Arbitration.

6.2.3 All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees. The Boards and all Unit Owners hereby waive their subrogation rights.

6.2.4 Except for Workers Compensation and New York Statutory Disability Insurance coverages the Boards and the Unit Owners each agree that they shall make no claim for recovery against each other for damages to or loss of the demised premises or improvements and betterments thereon, and injury or damage arising out of operations if such damage injury or loss is covered by valid and collectible insurance protecting the Boards and the Unit Owners and which contains a clause permitting the insured to waive such rights prior to the occurrence of a loss. Such waiver of subrogation shall apply to all stated insurance coverages herein. The Boards and each Unit Owner, by acceptance of a deed for a Unit, shall be deemed to have waived their rights of subrogation.

6.2.5 The Condominium Board shall also be required to obtain and maintain, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as such Board may from time to time determine, covering (i) each Board, the Managing Agent or agents thereof, each Board member, and each officer and employee of the Condominium and Residential and Commercial Section, (ii) the Commercial Unit Owners, all officers, directors and employees thereof, and its Managing Agent or agents and each Residential Unit Owner, except that such policy will not cover liability of a Unit Owner arising from occurrences within such Unit Owner's own Unit or

within the Limited Common Elements, if any, appurtenant to such Unit Owner's Unit. The Condominium Board shall review such limits once each year. The insurance required in accordance with this Subsection 6.2.5 shall also cover cross-liability claims of one insured against another.

6.2.6 Any insurance maintained by the Condominium Board may provide for such deductible amounts as such Board determines.

6.2.7 The Condominium Board is not required to obtain or maintain any insurance with respect to the Unit or any personal property contained in a Unit. A Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum combined single limits of liability of $1,000,000 for bodily injury or death arising out of any one occurrence including $1,000,000 for damage to property plus at least $2,000,000 umbrella liability coverage and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage and personal property). The limits of liability set forth in (a) and (b) above may be increased by the Condominium Board from time to time. The insurance required above shall be written in form reasonably satisfactory to the Condominium Board by good and solvent insurance companies of recognized standing, admitted to do business in the State of New York. Upon ten (10) days' written notice from the Condominium Board or the Managing Agent, the Unit Owner shall deliver to the Condominium Board a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Condominium Board. To the extent a party is insured for loss or damage to property, such party will look to its own insurance policies for recovery. Policies maintained by Unit Owners pursuant to this Subsection must provide that they cannot be canceled without at least thirty (30) days prior notice to the Condominium Board. Notwithstanding anything to the contrary set for therein, for so long as Sponsor controls the Condominium Board, insurance obtained by the Condominium Board must at a minimum conform to the requirements of the New York State Department of Law.

6.3 Repair or Reconstruction after Fire or Other Casualty.

6.3.1 In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty ("Casualty Loss"), and except as otherwise provided herein, (a) the Condominium Board with respect to the General Common Elements, (b) the Residential Board with respect to the Residential Common Elements and the Residential Limited Common Elements, (c) the Commercial Unit Owners with respect to the Commercial Common Elements and Commercial Limited Common Elements, if any, and (d) each Unit Owner with respect to its Unit, shall arrange for the prompt repair or restoration ("Work") in the event of a Casualty Loss, to the portion(s) of the Building affected by such Casualty Loss. If, pursuant to the immediately preceding sentences, Work is to be performed in or to Units, Common Elements that service or enclose Units and other Common Elements, or any combination of the foregoing, the Work shall be performed to the extent practicable, first in or to the Units, next in or to the Common Elements that service or enclose Units and then in or to the balance of the Common Elements. If

a Residential Unit Owner fails to repair or reconstruct such Residential Unit Owner's Unit, the Condominium Board or the Residential Board may cause the Residential Unit to be repaired or reconstructed and the costs incurred in connection therewith shall be a charged to the defaulting Residential Unit Owner as a Special Assessment

6.3.2 Net insurance proceeds payable under the insurance policies maintained by the Condominium Board pursuant to the terms of Section 6.2 hereof by reason of such Casualty Loss shall be payable either to the Condominium Board, if the same shall be $1,000,000 or less in the aggregate, or to the Insurance Trustee, if the same shall exceed $ 1,000,000 in the aggregate. In either instance, all such monies actually received ("Trust Funds") shall be held in trust (a) for the benefit of all Unit Owners, with respect to the portion thereof allocated to a Casualty Loss of the General Common Elements and the Units, and (b) for the benefit of all Residential Unit Owners with respect to the portion thereof allocated to a Casualty Loss of the Residential Common Elements, the Residential Limited Common Elements and the Residential Units, and (c) for the benefit of all Commercial Unit Owners with respect to the portion thereof allocated to a Casualty Loss of the Commercial Common Elements, the Commercial Limited Common Elements and the Commercial Units, and their Permitted Mortgagees and shall be disbursed pursuant to the terms of this Section 6.3.

6.3.3 Nothing contained herein shall be deemed to obligate a Commercial Unit Owner to restore its Commercial Unit except that such Commercial Unit Owner will, at a minimum, remove all debris and cause to be altered and/or Maintained so much of the Unit or any portion(s) of the Common Elements as is visible to the public or the occupants of another Unit or as may be (i) required by Law, (ii) necessary to insure the soundness or structural integrity of the Building or the health and safety of members of the public or occupants of the Building, (iii) necessary to comply with the requirements of any insurance carrier, or (iv) necessary to avoid material interference with the mechanical or utility systems of the Building or any Unit or the delivery of services to the Building or any Unit.

6.3.4 In the event that Work shall be performed pursuant to the terms of Subsection 6.3.1 and 6.3.2, the Condominium Board or the Insurance Trustee, as the case may be, shall disburse the Trust Funds to the contractors engaged in the Work in appropriate progress payments.

6.3.4.1 If only the Commercial Section (including the Commercial Common Elements or the Commercial Limited Common Elements) is destroyed or damaged by fire or other casualty and if the net insurance proceeds are less than sufficient to cover, or exceed, the cost of repairs and restoration, the Commercial Unit Owners (in the proportion that the affected Commercial Unit Owner's Common Interest bears to the Common Interest of the other affected Commercial Unit Owner) will bear the entire amount of the deficit as a Commercial Common Expense, or shall receive all of the surplus, as the case may be.

6.3.4.2 If only the Residential Section (including the Residential Units, Residential Common Elements and/or the Residential Limited Common Elements) is damaged or destroyed by fire or other casualty and the insurance proceeds are less than sufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be

borne as a Residential Common Expense or profit, respectively, and shared entirely by all Residential Unit Owners based upon their respective Residential Common Interests.

6.3.4.3 If said damage or destruction by fire or other casualty affects the Commercial Section, the Residential Section and the General Common Elements, or any combination of two thereof, then any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners in proportion to their respective Common Interests in the proportion that the cost of repairing the damage or destruction to the Residential Section, Commercial Section and General Common Elements, as the case may be, bears to the total cost of repairing all damage or destruction. However, the Commercial Unit Owners shall still have the right to make all arrangements for the prompt repair and restoration of the Commercial Units to the extent they are affected by such damage or destruction. If said damage or destruction, however, affects only the General Common Elements, then any deficit or surplus in insurance proceeds shall be borne as a General Common Expense or profit, respectively, as provided in 6.1.1 or shared by all Unit Owners in proportion to their Common Interests. Any surplus payable to any Unit Owner pursuant to this Section 6.3 shall be lessened by such amounts as may be required to reduce unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order or priority of such liens.

6.3.5 If seventy-five percent (75%) or more of the Building is destroyed or substantially damaged by fire or other casualty ("Significant Casualty"), the Work will not be performed unless seventy-five percent (75%) or more of all Unit Owners agree to promptly cause the Work to be performed. In the event seventy-five percent (75%) or more of all Unit Owners do not agree to restore the Building, the Work will not be performed and the Property will be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, will be paid (i) to all Unit Owners in proportion to their respective Common Interests, to the extent allocated to destroyed or damaged portions of the General Common Elements, (ii) to all Residential Unit Owners in proportion to their respective Residential Common Interest, to the extent allocated to destroyed or damaged portions of the Residential Units or the Residential Common Elements or the Residential Limited Common Elements, (iii) to the Commercial Unit Owners, in the proportion that the Common Interest of the affected Commercial Unit Owner bears to the Common Interest of the other affected Commercial Unit Owner(s), except that no payment shall be made to a Unit Owner until there first has been paid, out of such Unit Owner's share of such funds, such amounts as may be necessary to pay off unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens. If less than seventy-five percent (75%) of the Building is damaged by fire or other casualty, the Work will be performed to restore the Building in accordance with the provisions of this Section 6.3.

6.3.6 As used in this Section 6.3, the term "Prompt repair or restoration" or a derivation thereof shall mean that the Work is to be commenced not more than either: (a) sixty (60) days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds sufficient to discharge the estimated cost and expense of the Work, or (b) ninety (90) days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds insufficient to discharge the estimated cost and expense of the Work, or (c) in the event that the Trust Funds are payable to the Condominium Board pursuant to the terms of Subsection 6.3.1, sixty (60) days after the date upon which the

Condominium Board notifies the Unit Owners that it has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work.

6.3.7 Any dispute that may arise under this Section 6.3 between any Unit Owners or any Boards shall be resolved by Arbitration.

6.4 **Payment of Common Charges.**

6.4.1 Unless otherwise determined by the Board to which they are payable, Common Charges shall be payable monthly, in advance, on the first day of each month. The Unit Owners shall be obligated to pay to the Common Charges assessed to them by the appropriate Board, pursuant to the provisions of Section 6.1. The Residential Board may determine to cause the Condominium Board to act as its respective agent to collect Residential Common Charges.

6.4.2 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 sale or other conveyance by him (made in accordance with these By-Laws) of such Unit together with its appurtenant Common Interests. Any Unit Owner may, subject to the terms and conditions of these By-Laws and provided that (a) such Unit is free and clear of liens and encumbrances other than Permitted Mortgages and the statutory lien for unpaid Common Charges, and (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations then exists with respect to such Unit, convey for no consideration, their Unit together with its appurtenant Common Interests, to the Residential Board or the Condominium Board or their designees, corporate or otherwise, and in such event (except as hereinafter set forth), be exempt from Common Charges thereafter accruing. A purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by him of such Unit, except that, to the extent permitted by Law, a purchaser of a Unit at a foreclosure sale of a Permitted Mortgage shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by said purchaser of such Unit. However, in the event of a foreclosure sale of a Unit by a Permitted Mortgagee, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale.

6.4.3 Except to the extent prohibited by Law, (a) the Residential Board, on behalf of all Residential Unit Owners, will have a lien on each Residential Unit for unpaid Residential Common Charges together with interest thereon, assessed against such Unit (b) the Condominium Board, on behalf of all Unit Owners, will have a lien on all Residential Units, for General Common Charges unpaid to it by the Residential Board, together with interest thereon, in proportion to the respective Common Interests of the Residential Units, as well as a lien on the Commercial Units, for General Common Charges and Commercial Common Charges (if any) unpaid to it by the Commercial Unit Owner, together with interest thereon. No Unit Owner may be exempted from liability for such Unit Owner's Common Charges by waiving use of any Common Elements or by abandonment of such Unit Owner's Unit. Dissatisfaction with the quantity or quality of maintenance or services furnished to the Property or the degree to which the construction in the Building shall have been complete shall not be grounds for a Unit Owner

withholding or failure to pay all or any portion of the Common Charges or any other assessments.

6.4.4 All liens provided for in Subsection 6.4.3, to the extent permitted by applicable Law, shall be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the Unit.

6.4.5 Notwithstanding Subsection 6.4.2, neither the seller nor the purchaser of a Residential Unit shall be liable for, nor shall the Residential Unit be conveyed subject to a lien for, any unpaid Common Charges against such Residential Unit accrued prior to such conveyance in excess of the amount set forth in a written statement from the Residential Board.

6.5 **Collection of Common Charges.**

Each Board shall take prompt action to collect any Common Charges due to such Board which remain unpaid for more than thirty (30) days after the due date for payment thereof.

6.6 **Default in Payment of Common Charges and other Obligations.**

6.6.1 In the event any Unit Owner fails to make payment of Common Charges or Special Assessments or Unit Owner Expenses when due, such Unit Owner shall be obligated to pay (a) a "late charge" equal to the greater of $150.00 or one (1%) percent of such amounts which remain unpaid for more than ten days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid), and (b) interest at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by Law) on such unpaid amounts computed from the due date, thereof, together with all expenses, including, without limitation, attorneys' fees paid or incurred by the Condominium Board or by any Managing Agent in any proceeding brought to collect such unpaid Common Charges or Special Assessments or Unit Owner Expenses or in any action to foreclose the lien on such Unit arising from said unpaid Common Charges as provided in §339 z of the New York Condominium Act, in the manner provided in §339 aa thereof or in any other manner permitted by Law. All such "late charges," interest and expenses shall be added to and shall constitute Common Charges payable by such Unit Owner. Notwithstanding the foregoing, the Boards may establish its own alternate fees for late payments, whether such fees are more or less than the charges set forth herein. In addition a Board may suspend a Unit Owner's voting rights and privileges for failure to pay any Common Charges or Special Assessments due. Each Unit Owner must strictly comply with the provisions of the Declaration, these By-Laws, and the Rules and Regulations. Failure to comply is grounds for an action for damages or injunctive relief, or both, but such forms of relief will not be exclusive of other remedies provided by Law.

6.6.2 In accordance with and subject to the provisions of §339-kk of the Real Property Law, in the event that a Unit Owner leases its Unit and the payment of Common Charges, assessments or late fees by any non occupant Unit Owner is more than sixty (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 owner and tenant within three (3) business days and thereafter the rent will be payable to the non-occupant Unit Owner or a designated agent.

6.7 **Foreclosure of Liens for Unpaid Common Charges.**

In any action brought by a Board to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use and occupancy of such Unit Owner's Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. The Residential Board, acting on behalf of all Residential Unit Owners, shall have the power to purchase any such Residential Unit or portion thereof at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit or portion thereof (but not to vote the votes appurtenant to such Unit or portion thereof). A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on such foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit.

6.8 **Statement of Common Charges.**

Each Board shall promptly provide the other Boards and any Unit Owner who so requests, with a written statement of all unpaid Common Charges due to it from Unit Owners.

6.9 **Maintenance and Repairs.**

6.9.1 Generally, and except as otherwise provided in the Declaration or these By-Laws, (a) the Condominium Board will be responsible for Maintaining the General Common Elements, and the costs thereof shall be charged to all of the Unit Owners as a General Common Expense, (b) the Residential Board will be responsible for Maintaining the Residential Common Elements and the costs thereof shall be charged to all of the Residential Unit Owners as a Residential Common Expense (c) the Commercial Unit Owners will be responsible for Maintaining its respective Commercial Unit, the Commercial Common Elements and Commercial Limited Common Elements, at their sole cost and expense and (d) each Residential Unit Owner will be responsible for Maintaining its Residential Unit and the Residential Limited Common Elements appurtenant thereto (including the cleaning and maintenance of drains on a Terrace as described in Section 6.9.2.6 below) that are located therein or appurtenant thereto, at such Residential Unit Owner's sole cost and expense.

6.9.2 Notwithstanding the provisions of Subsection 6.9.1:

6.9.2.1 The Residential Board shall be responsible for performing all Maintenance to the Residential Common Elements.

6.9.2.2 All Maintenance to be performed in or to any Unit or Common Element (including without limitation, such Maintenance requiring the shut down of Building Systems), whether performed by a Unit Owner or Board shall be scheduled in such a manner as to minimize any disruption to the use and operation of the Commercial Units.

6.9.2.3 Each Unit and all portions of the Common Elements shall be kept in first class condition (and with respect to any Terrace, Roof, Bulkhead Roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water to the extent same would cause damage to the Building) by the Unit Owner or Board, whichever is responsible for the Maintenance thereof as set forth herein, and such Unit Owner or Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all Maintenance necessary in connection therewith.

6.9.2.4 A Unit Owner shall not permit excessive noise or vibrations to emanate from its Unit.

6.9.2.5 The public areas of the Building and those areas exposed to public view shall be kept in good, clean and neat appearance, in conformity with the dignity and character of the Building, by (a) each Board with respect to such parts of the Building required to be Maintained by it, (b) each Unit Owner with respect to such Unit Owner's Unit and any Limited Common Elements required to be Maintained by the Unit Owner.

6.9.2.6 All Maintenance of any Terrace shall be made by the Residential Unit Owner having access to such at such Residential Unit Owner's own cost and expense, but any structural or extraordinary repairs or replacements to such Terrace (including any leaks which are not caused by the negligence of the Residential Unit Owner or Terrace Installations installed by such Residential Unit Owner, as determined by the Condominium Board (or the prior Residential Unit Owner) having access to the same) shall be made by the Condominium Board and the cost and expense thereof shall be charged to all Residential Unit Owners as a Residential Common Expense. The Condominium Board will have the right to require a Residential Unit Owner to obtain the consent of the Condominium Board and enter into an Alteration Agreement prior to performing Alterations to a Terrace or Terrace Installation and/or installs a Terrace Installations. To the extent that a Residential Unit Owner performs any Alteration to a Terrace or installs any Terrace Installations to a Terrace or any portion thereof, the Residential Unit Owner and its successor-in-interest assumes full responsibility for the future Maintenance of same. The Condominium Board may require that a Residential Unit Owner remove Terrace Installations from a Terrace, at such Residential Unit Owner's sole cost and expense, if the Condominium Board determines, in its sole discretion, that such Terrace Installation (x) adversely affects the structural integrity of the Building or (y) adversely affects the appearance of the Building or (z) it is necessary or convenient in order to facilitate access to or Maintenance of the roofing system or other Common Elements or any Unit pursuant to the Declaration or these By-Laws. No Terrace may be enclosed without the express written consent of the Condominium Board, which may be denied for no reason or any reason in its discretion. The Condominium Board may establish such other rules and regulations regarding use of Terraces, as it deems necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants.

6.9.2.7 Each Residential Unit Owner will be responsible for all Maintenance to the Storage Bin that such Residential Unit Owner has entered into a Storage Bin License for; however the costs and expenses of any structural or extraordinary repairs or replacements to one or more or all of the Storage Bins or the room in which the Storage Bins are located, shall be a Residential Common Expense charged to all Residential Unit Owners. The Residential Board has the authority to promulgate such rules regarding use of and access to the Storage Bins, as may be determined from time to time..

6.9.2.8 Each Residential Unit Owner that is a Parking Space Licensee will be responsible for all Maintenance to the Parking Space that such Residential Unit Owner has entered into a Parking Space License for; however the costs and expenses of any structural or extraordinary repairs or replacements shall be a Residential Common Expense charged to all Residential Unit Owners. The Residential Board has the authority to promulgate such rules regarding use of and access to the Parking Spaces, as may be determined from time to time.

6.9.2.9 In the event that any Maintenance to the Property or any part thereof is necessitated by the negligence, misuse or neglect of (a) any Unit Owner or any guest, agent, licensee, tenant or invitee of a Unit Owner, the entire cost thereof shall be borne by such Unit Owner, (b) the Condominium Board, the entire cost thereof shall be charged to the Residential Unit Owners and the Commercial Unit Owners as a General Common Expense, or (c) the Residential Board, the entire cost thereof shall be charged to all Residential Unit Owners as a Residential Common Expense.

6.9.2.10 The Boards may establish such other rules and regulations as they deem necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants.

6.9.2.11 The exterior glass surface of all windows in the Building, shall be washed and cleaned (or caused to be cleaned) by the Condominium Board two (2) times per year and the cost and expense thereof shall be a General Common Expense. The Commercial Unit Owners shall be permitted to wash the exterior windows of the Commercial Units more than two (2) times per year at their sole cost and expense. Under no circumstances may a Residential Unit Owner be permitted to clean any exterior glass windows. The interior glass surfaces of all windows located in any Unit Units shall be washed and cleaned by the Unit Owner or occupant thereof at such Unit Owner's sole cost and expense. No Unit Owner or occupant shall clean or permit to be cleaned any window or require, permit or allow it to be cleaned, from the outside, in violation of Section 202 of the Labor Law of the State of New York, or any future Law of like import, or (if applicable) in violation of the rules of the Board of Standards and Appeals of the City of New York or any other governmental authority having jurisdiction over the Land or the Building. Each Unit Owner shall indemnify the Boards and the other Unit Owners, and their respect agents and employees, for all losses, damages, or fines suffered by any of them as a result of a violation of Law.

6.9.2.12 Any replacement of glass windows in any Residential Unit because of breakage or otherwise shall be made by (i) the Residential Board at the sole cost and expense of the Residential Unit Owner whose Residential Unit contains the window that requirements replacement and (ii) a Commercial Unit Owner at its sole cost and expense, in the

case of a broken window in its Commercial Unit. No replacement, modification or alteration may be made to or of the windows (other than replacement of the window panes) without the consent of the Condominium Board.

6.9.2.13 The interior and exterior glass surfaces of all windows located in any Unit shall not be colored or painted and no neon or colored lights may emanate therefrom and the windows may not be modified, altered or replaced without the consent of the Residential Board in the case of a Residential Unit and Condominium Board in the case of a Commercial Unit. In addition, all shades, venetian blinds or other blinds, drapes, curtains or other window decorations in or in or appurtenant to such Unit Owner's Unit shall be Maintained by such Unit Owner. All window treatments in a Unit, when viewed from the outside of the window, must be white.

6.9.2.14 The exterior of all entry doors of Residential Units shall not be painted or decorated or otherwise modified by a Residential Unit Owner other than with the consent of the Residential Board.

6.9.2.15 No awnings, air conditioning equipment, ventilators or other Facilities or equipment will be installed or modified in the Residential Section without prior written approval of the Condominium Board.

6.9.2.16 Any Maintenance work performed with respect to the incremental HVAC units in each Residential Unit shall only be performed by a company or individual previously approved by the Residential Board, on such terms as the Residential Board requires, at such Residential Unit Owner's sole cost.

6.9.2.17 All fireplaces will comply at all times with the then current New York City Department of Building requirements. As set forth in the Declaration, the fireplaces will be part of each Residential Unit and the shafts, flues and chimneys will be Residential Limited Common Elements appurtenant to each such Residential Unit. Residential Unit Owners will be responsible for Maintenance of and capital repairs to their respective fireplaces, shafts, flues and chimneys and compliance with all Laws applicable thereto, including Maintenance requirements, inspections, and maintaining proper insurance.

6.9.2.18 Contractors or servicemen servicing or inspecting the Residential Unit's fireplaces and their respective shafts, flues and chimneys must be approved by the Residential Board.

6.9.2.19 All equipment, furniture, installations and appliances installed and used in a Unit shall not exceed the permissible floor loads or electrical loads for said Unit and shall be installed and Maintained by the Unit Owner in such a manner as to prevent the noise, vibration or electrical overloading or other interference from such Unit to any other area of the Building. All radio, television, telecommunications or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction and the Unit Owner alone shall be liable for any damage or injury caused by any such equipment in such Unit Owner's Unit.

6.9.3 Each Unit Owner will be obligated to maintain the appropriate temperature and humidity in such Unit Owner's Unit in order to avoid causing damage to the Common Elements or the Units, including without limitation, freezing pipes, damaging wood floors and moldings. In the event a Unit Owner fails to so Maintain the Unit, such Unit Owner may be liable for any damage arising from such failure, including, without limitation, any claims pertaining to environmental hazards such as mold or other bacterial contamination.

6.10 **Violations of Obligations.**

6.10.1 In the event that any Residential Unit Owner, within seven (7) calendar days after receipt of written notice from the Residential Board, fails to perform any of its obligations with respect to the Maintenance of its Unit as provided in this Article 6 or of any Residential Limited Common Element for which such Residential Unit Owner is responsible under the Declaration or these By-Laws, the Residential Board may, but shall not be obligated to, perform or cause to be performed such Maintenance, unless the violation is of a nature that it cannot reasonably be cured within such period, and the Residential Unit Owner commences and thereafter prosecutes to completion with due diligence the curing of such default. All sums expended, and all costs and expenses incurred, in connection with the making of any such Maintenance by the Residential Board, together with ten percent (10%) for overhead and interest thereon at the rate of two percent (2%) per month from the date on which such Residential Board first incurs any cost or expense (but in no event in excess of the maximum rate permitted by Law), shall be immediately payable by such Residential Unit Owner to such Residential Board and shall, for all purposes hereunder, constitute Common Charges payable by such Residential Unit Owner.

6.10.2 In the event that any Commercial Unit Owner fails or neglects in any way to perform any obligation with respect to the Maintenance of such Unit Owner's portion of the Commercial Units, the Condominium Board may, but shall not be obligated to, perform or cause to be performed any such Maintenance provided that (a) the Condominium Board gives the Commercial Unit Owner written notice that such repair or replacement is necessary and that the Condominium Board will complete such repair or replacement in the event the Commercial Unit Owner does not promptly act or complete the repair or replacement, and (b) the Commercial Unit Owner, within five (5) days after receiving such notice, fails to cure its default, or in the case of a default not reasonably susceptible to cure within such period, fails to commence and to thereafter prosecute to completion, with due diligence, the curing of such default and (c) that a representative of the Commercial Unit be present during entry, except in the case of an Emergency in which case the Commercial Unit representative shall be contacted as soon as possible following such entry to the Commercial Unit. All sums expended and all costs and expenses incurred in connection with the making of any such Maintenance by the Condominium Board, together with together with ten percent (10%) for overhead interest thereon at the rate of two percent (2%) per month from the date on which the Condominium Board first incurs any cost or expense (but in no event in excess of the maximum rate permitted by Law) shall be payable by such Commercial Unit Owner to the Condominium Board and shall, for all purposes hereunder, constitute Commercial Common Expenses payable by such Commercial Unit Owner. The Condominium Board shall have the right, in the event that the Commercial Unit Owner disputes the amount of such payment or whether the Commercial Unit Owner is obligated to pay the same, to submit such dispute to Arbitration. The Commercial Unit Owner shall pay the cost

of such repair or replacement only after a determination by Arbitration to the effect that (i) the repair or replacement was required to be performed by the Commercial Unit Owner, (ii) the Commercial Unit Owner failed to perform such repair or replacement in accordance with the provisions of the Declaration, these By-Laws and the Rules and Regulations, and (iii) the cost of such repair or replacement by the Condominium Board was reasonable. Any repair or replacement performed by the Condominium Board in accordance with the terms of this Subsection 6.10.2 shall be its sole responsibility with respect to the quality of such repair or replacement and the proper completion thereof.

6.10.3 Each Unit Owner must strictly comply with the provisions of the Declaration, these By-Laws, and the rules and regulations. Failure to comply is grounds for an action for damages or injunctive relief, or both, but such forms of relief will not be exclusive of other remedies provided by Law.

6.11 **Alterations and Repairs of Units and Limited Common Elements.**

6.11.1 Each Unit Owner shall have the right, subject to the terms of these By-Laws, to decorate and perform Alterations in, to or upon the interior of its Unit and the Limited Common Elements appurtenant thereto.

6.11.2 Each Residential Unit Owner shall be required to enter into an Alteration Agreement with: (i) the Condominium Board with respect to Structural Alterations and/or Alterations that affect the Common Elements, and/or (ii) the Residential Board with respect to Non-Structural Alterations.

6.11.3 Pursuant to terms to be more particularly set forth in an Alteration Agreement, the Residential Unit Owner performing such Alterations shall be obligated (unless otherwise waived in writing by the applicable Board) to among other things: (i) provide a security deposit to the applicable Board, in such amount as determined by the Board, in its sole discretion, (ii) pay a processing fee to the Managing Agent for its review of the proposed plans, (iii) pay any other review fees, architect, engineer or consultant fees, or supervision fees required under the Alteration Agreement or as otherwise adopted by the applicable Board from time to time, (iv) provide plans and specifications to the applicable Board describing the Alteration, (v) obtain the consent of the applicable Board as to contractors and suppliers that will be performing the Alterations, (vi) comply with requirements of the applicable Board regarding days and hours during which such Alterations maybe performed, (vii) comply with such other requirements the Board may adopt from time to time and (viii) for so long as Declarant owns a Unit or until a Permanent Certificate of Occupancy has been obtained, whichever is later, utilize a filing representative or expediter designated by the Declarant or the applicable Board, as the case may be, to file the proposed plans with Governmental Authorities (as such term is defined in the Alteration Agreement). In addition, the applicable Board will have the right, as a condition to approving a Residential Unit Owner's request to renovate kitchens and bathrooms, to require such Residential Unit Owner to replace plumbing, steam and gas risers running through or adjacent to the Residential Unit or to contribute to the Condominium, the sum necessary to enable the Condominium to perform such replacements. The foregoing requirement in clause (viii) above shall not be subject to waiver by either Board. The foregoing provisions shall not apply to Declarant or a Permitted Mortgagee (or its designee) of Declarant, or a Commercial

Unit Owner. Notwithstanding the foregoing a Residential Unit Owner may decorate the interior of such Residential Unit Owner's Residential Unit in any way desired, subject to compliance with the Declaration, By-Laws, Rules and Regulations and Law, and will be solely responsible for the cost of Maintenance to such Residential Unit Owner's Residential Unit after Closing.

6.11.4 Subject to its compliance with the Work Conditions and such other provisions of the Declaration and By-Laws (including without limitation Section 6.11.5 below), the Commercial Unit Owners shall have the right to make and perform Alterations in or to its respective Commercial Unit and Limited Common Elements appurtenant thereto, without the prior approval of any other Unit Owner, Declarant or either Board.

6.11.5 Prior to the commencement of making or performing any Structural Alterations, a Commercial Unit Owner must provide to the Condominium Board the following: (i) certificates of insurance indicating that the insurance coverage then required by the Condominium Board to be carried during the performance of any Structural Alterations, and otherwise in compliance with Section 6.2 of these By-Laws, (ii) a certification of the architect or engineer for the Structural Alteration stating that such Structural Alteration will not adversely affect the structural integrity of the Building or the other Units or Common Elements, and/or the Building Systems, (iii) in the case of Structural Alterations involving noise, odor or vibrations, a certification of the architect or engineer for the Structural Alteration stating that such Structural Alteration will be performed in a commercially reasonable manner so as to minimize such noise, odor or vibrations (taking into account the fact that portions of the Building will be occupied by tenants), (iv) all necessary permits, authorizations, approvals and certificates required for the commencement of the Structural Alteration and (v) notice of the date that such Unit Owner intends to commence such Structural Alterations, which must be at least thirty (30) days prior to the commencement date, unless such shorter period is consented to by the Condominium Board (collectively, (i)-(v) the "Work Conditions").

6.11.6 Any Alteration performed by a Unit Owner shall be made in compliance with all Laws of all governmental authorities having jurisdiction thereof, including without limitation, any rules and requirements of LPC.

6.11.7 A Unit Owner making or causing to be made any Alteration shall agree, and shall be deemed to have agreed, to indemnify, defend and hold each Board and all other Unit Owners harmless from any costs or liability arising out of or related to the performance of their Alterations.

6.11.8 No application or other document shall be filed with any Governmental Authority for a permit covering an Alteration to be made in a Unit, unless approved and executed, if required, by the appropriate Board. Such Board will not unreasonably refuse to approve and execute, if necessary, any application or other document required to be filed in connection with approved Alterations or repairs, provided that the Boards and the other Unit Owners shall not be subject to any expense (including legal fees or other professional fees) or liability by reason of such approval and execution or, by reason of such Alteration without limitation, liability to any contractor, subcontractor, materialman, architect or engineer, or to any person having any claim for injury to person or damage to property arising therefrom. Notwithstanding anything to the contrary set forth above, Declarant or a Commercial Unit

Owner (with respect to its Commercial Unit) is hereby authorized on behalf of the Boards to execute the Required Documentation required to undertake, perform and complete such work to the Building (including the Units and Common Elements) as Declarant or the Commercial Unit Owner is obligated or entitled to perform in accordance with the terms of the Plan or the Declaration and these By-Laws (including, without limitation, any certificates as may be required to amend the existing certificate of occupancy to reflect a reconfiguration of the Units and/or a change in use) and to obtain such certificates of completion as may then be required by Law and, the appropriate Board, if requested by Declarant or a Commercial Unit Owner, shall execute the Required Documentation.

6.11.9 The Residential Board may impose fees upon a Residential Unit Owner to reimburse such Residential Board for its costs incurred in (i) reviewing plans, specifications and other documents for the proposed Alterations, as more particularly set forth in Section 6.11.3 above, (ii) monitoring the performance of Alterations, including without limitation, any necessary and reasonable inspections of the Alterations to determine whether same is being or has been performed in accordance with the approved plans and specifications therefor and all requirements of (x) Law; (y) insurance carriers providing insurance coverage pursuant to Section 6.2, and (z) the Declaration and these By-Laws (including, with respect to Alterations which may affect the Building structure, Building Systems or Exterior Facade, the fees and expenses of any architect or engineer employed for such purpose), and (iii) providing, in its sole discretion, appropriate security. The foregoing provisions shall not apply to Declarant or a Permitted Mortgagee (or its designee) of Declarant, or a Commercial Unit Owner.

6.11.10 If at the time a Unit Owner (other than Declarant) seeks to perform Alterations, a permanent certificate of occupancy is not issued for the Building, the Declarant, Condominium Board and/or Residential Board may refuse to permit a Unit Owner to perform Alterations in a Unit until such time as the Building has been completed and a permanent certificate of occupancy has been obtained therefor. In furtherance thereof, a Unit Owner performing Alterations, shall indemnify Declarant and the Boards for any cost, expense, claim or liability incurred or suffered by Declarant or any Board as a result of any violation of Law or delay in obtaining a temporary or permanent certificate of occupancy. In the event the Alterations performed by a Unit Owner do adversely affect the issuance or validity of the certificate of occupancy then upon the written request of Declarant, the Condominium Board or any other Board whose Unit Owners are affected, the Unit Owner shall restore the Unit, at such Unit Owner's sole cost and expense, to its original condition. If such Unit Owner fails to commence diligently and continuously restoring the Unit within fifteen (15) days of receipt of the written request, then the Declarant or the Board, as the case may be, requesting such restoration shall be entitled to enter and restore the Unit at the expense of the Unit Owner and to exercise any other remedies provided in these By-Laws.

6.11.11 Any Unit Owner performing Alterations, shall indemnify Declarant and the Boards for any cost, expense, claim or liability incurred or suffered by Declarant or any Board as a result of such Alteration (including legal fees and other professional fees).

6.11.12 Until such time as the initial construction of the Building is complete, including the completion of "punch list" work, no Board or Unit Owner shall use or

suffer to be used in any part of the Building any labor forces incompatible with the labor forces which are completing the construction of the Building on behalf of Declarant. In addition, Declarant shall have an easement through all parts of the Building for the prosecution of the work necessary to complete initial construction of the Building (including the Units), including the completion of "punch list" work by or on behalf of Declarant, which work shall take precedence over the prosecution of any other work at the Building.

6.11.13 Unless otherwise waived by the Condominium Board, all Unit Owners shall be responsible for all Alterations (including without limitation, Terrace Installations) made by a predecessor unit owner and shall indemnify the Boards and the other Unit Owners from damages resulting therefrom.

6.12 **Alterations to Common Elements.**

Generally, and except as otherwise provided in the Declaration or these By-Laws, (a) the Condominium Board will be responsible for performing Alterations to the General Common Elements, and the costs thereof shall be charged to all of the Unit Owners as a General Common Expense, (b) the Residential Board will be responsible for performing Alterations to the Residential Common Elements and the costs thereof shall be charged to all of the Residential Unit Owners as a Residential Common Expense (c) the Commercial Unit Owners will be responsible for performing Alterations to the Commercial Common Elements at the sole cost and expense of all of the Commercial Unit Owners and (d) each Residential Unit Owner will be responsible for performing Alterations to the Residential Limited Common Elements appurtenant to its Residential Unit at such Residential Unit Owner's sole cost and expense and (e) each Commercial Unit Owner will be responsible for performing Alterations to the Commercial Limited Common Elements appurtenant to its Commercial Unit at such Commercial Unit Owner's sole cost and expense. Notwithstanding the foregoing, however, whenever the cost and expense of such Alterations would, in the judgment of the Condominium Board or Residential Board, as applicable, exceed $500,000 with respect to the General Common Elements or the Residential Common Elements and/or the Limited Residential Common Elements, at any one time, in any fiscal year, such proposed Alterations shall not be made unless first approved by the Unit Owners if relating to the General Common Elements, or the Residential Unit Owners, if relating to the Residential Common Elements and/or Limited Residential Common Elements (including Declarant if Declarant then owns any unsold Residential Unit) owning at least 50.1% of the aggregate Common Interests or Residential Common Interests, as applicable, at a duly constituted meeting of the Unit Owners or the Residential Unit Owners, as applicable, and by the Residential Mortgage Representatives, if any. Except as otherwise provided in the Declaration and in these By-laws, all such Alterations costing $500,000 or less, in any fiscal year may be made as aforesaid without the approval of either the Unit Owners or any Residential Mortgage Representatives. Notwithstanding the foregoing, no Alteration shall be made to any of the Common Elements, regardless of the cost thereof, unless the prior written consent of Declarant is first obtained, provided, however, that Declarant's written consent is not necessary if such Alteration to the Common Elements is required to (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer; or (iv) to protect against imminent threat to the health or safety of the residents of the Building. In no event will the limitations imposed in the preceding sentence continue beyond the earlier to occur of (i) 5

years from the Fist Closing or (ii) until such time as Declarant no longer owns 25% in both number and aggregate Common Interests of all Units.

6.12.1 In the event that pursuant to any of the provisions of these By-Laws, any consent by any Board, Residential Mortgage Representative or Unit Owner is required as a condition precedent to any Alteration to any Common Element, proposed to be made by Declarant, Unit Owners or any Board (sometimes collectively referred to herein as the "Proponent"), such Proponent shall give to the party that it is requesting the consent of (the "Responding Party") notice setting forth in reasonable detail the material aspects of such proposed Alteration. If the Responding Party does not give notice of any objection to the Proponent within thirty (30) days after the Proponent gives its notice, then the Responding Party shall be deemed to have consented to the making of the proposed Alteration. If the Responding Party does give notice of objection (which notice of objection shall set forth in reasonable detail the specific objections of the Responding Party) within such thirty (30) day period and the Proponent considers such objection unreasonable, then the Proponent may submit to Arbitration the question of whether or not the Responding Party unreasonably withheld its consent. If in such Arbitration it is determined that the Responding Party unreasonably withheld its consent, the Proponent, as its sole remedy, may make the proposed Alteration. In no event shall any arbitrator in such Arbitration determine that the Responding Party reasonably withheld its consent to such proposal if (a) the Proponent makes or causes to be made reasonable provisions providing (i) for the costs and expenses of the Alteration to be paid by it, and (ii) that all costs and expenses for Maintaining such Alteration after its completion will not be charged to Unit Owners represented by the Responding Party as Common Expenses (b) the proposed Alteration would not materially interfere with the use and enjoyment of the owners, tenants and occupants of those Units represented by the Responding Party; and (c) the proposed Alteration would not materially weaken the structure of the building.

6.12.2 Nothing contained in Subsection 6.12.1 shall in any way be deemed to limit (a) the Proponent's right to modify any proposal made by it thereunder in such a manner as such Proponent believes will meet the objections of the Responding Party or of any arbitrator, or (b) any party's right, pursuant to the other applicable provisions of these By-Laws or the Declaration, to make any Alteration to a Common Element without the Responding Party's approval.

6.13 **Intentionally Omitted.**

6.14 **Restrictions on Use of Units.**

6.14.1 Each Residential Unit Owner is obligated to notify the Managing Agent in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Residential Unit. All windows contained within Residential Units are floor to ceiling sliding windows. It is the responsibility of each Residential Unit Owner to notify the Managing Agent in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in a Residential Unit. There is a non-climbable glass guard rail 42" high immediately outside each sliding glass window/door panel except for those facing the Terraces.

6.14.2 Notwithstanding the provisions of Subsection 6.14.1, but subject to Section 9.1 of the Declaration, Declarant may, without the permission of the Residential Board, (a) grant permission for the use of any Unsold Residential Unit as a professional office, home office or for any purpose including, without limitation, use as a long or short term rental or other use, provided such use is permitted by Law, does not violate the certificate of occupancy for such Residential Unit (subject to Declarant's right to amend the certificate of occupancy to conform to use as provided in Section 6.14.4 of these By-Laws) and the user of such Unit complies with all applicable Law with respect to such use, and (b) use any Unsold Residential Units as models and sales and/or promotion offices in connection with the sale or rental of the Units and any other building in which Declarant or principals of Declarant have an interest or for any other purpose, subject only to the provisions of the Declaration and these By-Laws and in compliance with applicable Law.

6.14.3 No Unit Owner shall use, store, generate, treat, transport, handle or dispose of within its Unit or elsewhere in the Building any Hazardous Substances, other than ordinary cleaning fluids which are used, stored, generated, treated, transported, handled and disposed of by an occupant in strict compliance with applicable Law. "Hazardous Substances" means any pollutants, contaminants, toxic or hazardous substances, materials, wastes, constituents, compounds or chemicals (including, without limitation, petroleum or any by-products or fractions thereof, any form of natural gas, lead, asbestos and asbestos-containing materials, building construction materials and debris, polychlorinated biphenyls ("PCBs") and PCB-containing equipment, radon and other radioactive elements, ionizing radiation, electromagnetic field radiation and other non-ionizing radiation, infectious, carcinogenic, mutagenic, or etiologic agents, pesticides, defoliants, explosives, flammables, corrosives and urea formaldehyde foam insulation) that are regulated by, or may now or in the future form the basis of liability under, any Law. Unit Owners shall have the responsibilities of an "owner" of their respective Units under Local Law 38 of 1999 or any other Law governing the use or removal of lead-based paint or other Hazardous Substances within each Unit and by execution of a deed for a Unit shall agree to indemnify and hold harmless each Board and other Unit Owners arising from the failure of a Unit Owner to comply with such Unit Owner's obligation arising from the foregoing.

6.14.4 The Commercial Unit Owners shall not use the Commercial Units or any part thereof, and shall use commercially reasonable efforts to prevent the Commercial Units to be used (1) Odd Job" or "Odd Lot" type store or as a so-called "99 cent store" or "dollar store" type stores or as a "going out of business" type store (2); to sell, rent or display for sale or rent any pornographic, x-rated or obscene material, or as an "adult book store" or adult video store, or as a so-called "sex shop" or "massage parlor", or as an establishment which permits or presents obscene, nude or semi-nude performances or modeling (it being agreed that the sale of "adult" books and magazines in connection with the operation of an otherwise permitted retail operation (provided the sale of such "adult" books and magazines is less than one percent (1%) of the retailers selling area) and an "art gallery" are not prohibited under this clause (3); as a gambling or gaming establishment (such as, without limitation, an Off-Track Betting, sport gambling, casino gambling or similar establishment), or otherwise for gambling or the sale of gambling-related items; (4) as a so-called "flea market" or thrift store, whether operated for profit or for a charitable purpose; (5) as a billiards or pool hall; (6) as an office, store, reading room, headquarters, center or other facility principally devoted or opposed to the promotion,

advancement, representation, purpose or benefit of: (a) any political party, political movement or political candidate or (b) any religion, religious group or religious denomination; (6) as a funeral parlor; (7) as a facility for the sale of paraphernalia for use with illicit drugs; (8) as an arcade or amusement gallery; (9) as a pawn shop; (10) any domestic governmental or municipal offices or any use in connection with a governmental agency which is generally open to the public; (11) as the offices of any foreign governmental agency, consulate or embassy which is or could be immune from in personum or subject matter jurisdiction in the courts of the state of New York; (12) the rendition of any medical procedures that involve the selective terminations of pregnancies, abortions or similar procedures; (13) as a recording studio, cabaret, nightclub, disco, dance hall; (14) as an office or center for the treatment or counseling of drug or alcohol addiction; (15) as a bowling alley, skate park, miniature golf course, boxing studio or paintball center; (16) for the sale of alcohol; (17) as a full service restaurant and/or (18) as a "fast food" establishment, which shall be defined as having a limited menu of precooked meals that shall be wrapped in paper or boxes and sold to patrons in paper bags, disposable containers and/or on plastic trays (such as a "McDonald's", "Burger King", "Dunkin Donuts", "Wendy's" or "Ranch One Chicken"), it being agreed that a casual dining restaurant such as "Starbucks", "Pret A Manger", "Cosi," and other similar restaurants shall not be deemed to constitute "fast food" and shall, to the extent permitted by Law and/or pursuant to a special permit, be permitted uses in the Commercial Unit.

6.14.5 No unlawful use shall be made of the Property or any portion thereof. Each Unit Owner shall use its Unit in compliance with the then applicable certificate of occupancy as may cover such Unit and in compliance with all applicable laws.

6.14.6 No Unit Owner shall install, place or permit any lights, fixtures or decorations of any sort in any trees outside the Building or install, place or permit in windows or areas visible to public view any flashing, blinking or animated signs or lights, except for normal holiday decorations during the holidays.

6.14.7 In the event Declarant or a Commercial Unit Owner seeks to change an existing use, Declarant and/or such Commercial Unit Owner shall have the right, from time to time, to amend the certificate of occupancy for the Commercial Units to reflect such changed usage, provided that such changed usage would not have a material adverse effect on the Commercial Units (it being acknowledged and agreed that no such amendment may be made to change an existing use of a Commercial Unit without the prior written consent of the Commercial Unit Owner of such Commercial Unit). In the event required by applicable Law, the Condominium Board shall cooperate with the Declarant or a Commercial Unit Owner, at the requesting party's expense, execute all applications, authorizations and other instruments reasonably required to enable the Declarant or a Commercial Unit Owner to amend the certificate of occupancy, provided that the Condominium Board shall not incur any liability, cost or expense in connection with such application or to any person having any claim for injury to person or damage to property arising therefrom. In addition to the foregoing, Declarant or a Commercial Unit Owner shall have the authority to execute documents to effectuate the foregoing on behalf of the Boards, in accordance with Section 6.11.3 of these By-Laws.

6.15 **Use of Common Elements.**

6.15.1 Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

6.15.2 The Storage Bins may only be used in accordance with Law and only for the storage of the personal effects of the Residential Unit Owner having exclusive access to such Storage Bin. Nothing can be stored in the Storage Bins which would constitute a threat to the health or safety of the Unit Owners or other occupants of the Building or otherwise create a nuisance in the Building. In addition, Residential Unit Owners shall not store any (i) animals or food, (ii) inflammable, combustible, explosive or other dangerous items, (iii) items which have an objectionable odor or which may spoil or decay or (iv) valuable items.

6.15.3 The Parking Spaces may only be used in accordance with Law and only for the parking of the one (1) vehicle of the Parking Space Licensee having exclusive use of such Parking Space. The Residential Board will be responsible for ensuring that the Parking Garage shall be used in accordance with applicable Law, including without limitation applicable Laws relating to handicapped parking spaces.

6.15.4 The Courtyard is intended for viewing purposes only and no Residential Unit Owner shall be permitted to access the Courtyard for any purpose whatsoever. Certain Residential Unit Owners will be able to view the courtyard from the interior of their Residential Unit and from Terraces appurtenant to their Residential Units.

6.15.5 No furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators or any other parts of the General or Limited Common Elements other than in (a) Residential Limited Common Elements for the exclusive use of a particular Residential Unit Owner or (b) in the areas designated as storage areas, with the prior consent of the Residential Board as to the Residential Common Elements, the Condominium Board as to Commercial Common Elements or Commercial Limited Common Elements or the Condominium Board as to General Common Elements. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them.

6.15.6 Residential Unit Owners shall require their tradesmen to utilize exclusively the elevator and entrance designated by the Residential Board for transporting packages, merchandise or other objects.

6.15.7 In the event that it is necessary for the Declarant, either Board or a Commercial Unit Owner to install a sidewalk bridge and scaffolding (collectively, the "Scaffolding") at the Building, such party shall give due regard to the use of the Commercial Units and the Residential Units located above the Commercial Section of the Building at the time in question and, except to the extent required by Law, will use best efforts to (i) minimize any disruption to the use and operation of the Commercial Units, (ii) erect and Maintain the Scaffolding for the minimum period required to perform the work requiring such Scaffolding, (iii) not restrict ingress or egress through the exterior doorways to the Commercial Units and (iv) be installed at the highest level possible without blocking the Residential Units. Except in cases of an Emergency, the party erecting such Scaffolding will provide at least thirty (30) days' advance written notice to the Commercial Unit Owners and the Condominium Board (unless it is the Condominium Board that is installing such Scaffolding) prior to the installation of such

Scaffolding and the Commercial Unit Owners shall be permitted to install, at their cost and expense, Signage upon the Scaffolding provided, however any such Signage shall be in compliance with the provisions of the Declaration and By-Laws, and shall, to the extent reasonably practicable, be in approximately the form of the Commercial Unit Owner's existing Signage on the Building. In addition, and other than (i) during the performance of the Initial Work, (ii) in the case of an Emergency or (iii) in connection with the performance of any work required by applicable Law to be immediately performed all work for which Scaffolding is required shall be performed during periods other than during the Prime Retail Period. The term "Prime Retail Period" shall mean the period from November 15th to January 3rd.

6.15.8 Except pursuant to rules adopted by the Condominium Board, and the terms and provisions of the Declaration and these By-Laws, in no event shall the Condominium Board or Unit Owners impair, restrict or impede the use of the General Common Elements described in the Declaration, by the Commercial Unit Owners or anyone claiming by, through or under the Commercial Unit Owners including, but not limited to, the tenants and occupants of any portion of the Commercial Units or their respective licensees or invitees.

6.15.9 The owner of any two (2) or more Residential Units, which Units are serviced or benefited by any Common Element adjacent or appurtenant to such Units (for example, that portion at the end of any residential hallway which is directly adjacent to any such Units located on opposite sides of such hallway) shall, to the extent permitted by Law and with the consent of the Residential Board (which consent shall not be unreasonably withheld or delayed), have the exclusive right of use of such Common Element as if it were a part of such Units (including the right, in the above example of a portion of a hallway, to enclose such portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made, provided such owner agrees, at its sole cost and expense, to (a) be responsible for the operation and Maintenance of such Common Element for so long as such owner exercises such exclusive right of use, and (b) restore such Common Element to its original condition, reasonable wear and tear excepted, after such owner ceases to exercise such exclusive right of use. The owner of any such Units which are Unsold Residential Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Board. Notwithstanding the above, if an owner transfers or conveys its Residential Units to a successor owner, the transferor need not comply with (b) above provided that the transferee agrees to abide by (a) and (b) above.

6.16 **Other Provisions as to Use.**

No nuisance, immoral, improper, offensive or unlawful use shall be allowed in the Building or any portion thereof, nor shall any use or practice be allowed in the Building which is a source of annoyance to the residents or occupants of the Property or which interferes with the peaceful possession or proper use of the Property by its residents or occupants. All valid Laws of governmental bodies having jurisdiction thereof, relating to any portion of the Property shall be complied with at the full expense of the respective Unit Owners or the Boards, whoever shall have the obligation to maintain or repair such part of the Property.

6.17 **Right of Access.**

6.17.1 Each Residential Unit Owner shall grant a right of access to such Unit Owner's Unit to the Declarant for the completion of any work to be performed in the Building including but not limited to any punch list work in such Residential Unit Owner's Residential Unit, and to each of the Boards, the Managing Agent, superintendents and/or any other person authorized by any of the foregoing. The Commercial Unit Owners and the Residential Unit Owners, shall grant a right of access to their respective Units to each of the Boards, the Managing Agent, superintendents and/or any other person authorized by any of the foregoing for the purpose of making inspections of, or for the purpose of removing violations noted or issued by any governmental authority against, the General or Limited Common Elements or any other part of the Property, or for the purpose of curing defaults hereunder or under the Declaration or Rules and Regulations by such Unit Owner or correcting any conditions originating in such Unit Owner's Unit and threatening another Unit or all or any part of the General or Limited Common Elements, or for the purpose of performing installations, Alterations or repairs to the mechanical or electrical services or other portions of the General or Limited Common Elements within such Unit Owner's Unit or elsewhere in the Building, or for the purpose of reading, maintaining or replacing utility meters relating to the General or Limited Common Elements, Unit or any other Unit in the Building or to correct any condition which violates the provisions of any Permitted Mortgage covering another Unit, provided that requests for such entry are made not less than one day in advance and that any such right shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business by the tenants and occupants of the Commercial Unit or with the use of the Residential Units for their permitted purposes. In case of an Emergency, such right of entry shall be immediate, without advance notice, whether or not the Unit Owner is present. Notwithstanding anything to the contrary contained herein, a representative of the Commercial Unit must be present during entry by any of the aforementioned parties granted a right of access into the Commercial Unit, except in the case of an Emergency in which case the Commercial Unit representative shall be contacted as soon as possible following such entry to the Commercial Unit.

6.17.2 A Unit Owner shall grant a right of access to such Unit Owner's Unit, and the Boards shall grant rights of access to the General Common Elements and the respective Limited Common Elements to Declarant and its contractors, subcontractors, architects, engineers, agents and employees, for the completion of the Building and any punch list work therein, provided that access thereto shall be exercised upon reasonable notice during reasonable hours in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes.

6.18 **Rules and Regulations.**

6.18.1 Annexed hereto as Schedule A and made a part hereof are rules and regulations concerning the use of the Residential Common Elements and the Residential Limited Common Elements (the "Residential Rules and Regulations"). The Residential Board may from time to time, modify, amend or add to the Residential Rules and Regulations except that a Majority of Residential Unit Owners may overrule such Residential Board with respect to any such modification, amendment or addition.

6.18.2 The Condominium Board may adopt and from time to time, adopt, modify, amend or add to the rules and regulations as they affect the General Common Elements

(the "General Rules and Regulations"), except that a Majority of Unit Owners may overrule said Board with respect to any such adoption, modification, amendment or addition. For purposes of the Declaration and these By-Laws the term "Rules and Regulations" shall refer to either or both the Residential Rules and Regulations and the General Rules and Regulations, as applicable.

6.18.3 Copies of any newly adopted Rules and Regulations, or any modifications, amendments or additions thereto, shall be furnished by the Board responsible therefor to each affected Unit Owner not less than thirty (30) days prior to the effective date thereof.

6.19 **Real Estate Taxes, Water Charges and Sewer Rents.**

6.19.1 Water and sewer services shall be supplied to and for all of the Units and the Limited Common Elements through one or more Building Systems by the City of New York or such other utility company servicing the Building.

6.19.2 The charges for water service for the Building will be levied on the basis of a master city meter and born by the Residential Unit Owners as a Residential Common Expense. The Commercial Units are separately sub-metered for domestic water.

6.19.3 The Building sewer service and drainage systems connect to City of New York Public combined sewer drainage systems through a combination storm and sewer outflow. The charges for sewer service provided to the Building (including Units and in the common Elements of the Building) will be levied on the basis of a master city meter and borne by the Unit Owners as a General Common Expense.

6.19.4 Until the Units are separately assessed for real estate tax purposes, Unit Owners shall pay their respective pro rata share of all real estate taxes with respect to the Property (based upon their Unit's allocable Common Interest) to the Condominium Board as General Common Charges and the Condominium Board will pay such taxes to the proper authorities of The City of New York. Declarant reserves the right to collect such Common Charges at the closing of title to the Units. In the case of the Unsold Units, Declarant shall pay to the Condominium Board its allocable share of real estate taxes as Common Charges within two (2) business days of such real estate taxes being due and payable to the property taxing authorities. In the event that the payments made by Unit Owners are less than or more than the amount of taxes paid for the period in question, Unit Owners will be reimbursed for any overpayment of taxes or assessed for an underpayment. In the event of a proposed sale of any Residential Unit, the Residential Board, on request of the selling Residential Unit Owner, shall execute and deliver to the purchaser of such Unit or to such purchaser's title insurance company, a letter agreeing to pay all charges for water, sewer rents and real estate taxes (so long as such Residential Board is still collecting and paying such charges) affecting such owner's Unit to the date of the closing of title to such Unit, promptly after such charges have been billed by the proper authorities.

6.20 **Gas.**

Low-pressure gas will be supplied by Consolidated Edison or such other utility company providing service to the Building at the time in question. There are twelve (12) gas meters for the Building: one for each Residential Unit, one (1) for common water heating for the

Residential Section and one (1) for the emergency generator. Domestic water heating is provided by instantaneous water heater. Gas service for the Residential Units is for cooking and the dryers. The cost of gas usage for individual Residential Units will be borne by the individual Residential Unit Owners and paid directly to the utility company. The cost of all gas usage for the Common Elements will be borne by the Residential Unit Owners as a Residential Common Expense.

6.21 **Electricity.**

Electricity for each Unit and electricity to individual Parking Spaces shall be supplied by the utility company servicing the Units and separately metered or sub-metered for each Unit (or portion thereof). Each Unit Owner shall be required to pay the bills for electricity consumed or used in such Unit Owner's Unit (or portion thereof) and the Limited Common Elements to which such Unit has exclusive access, directly to the utility company as directed by such Board. Electricity supplied to the Common Elements of the Building will be separately metered and accounted as part of the Residential Common Charges payable by all Residential Unit Owners.

6.22 **Utilities Serving the General Common Elements.**

Except as otherwise provided in this Article 6, the cost and expense of water, sewer facilities, steam, electricity and gas serving or benefiting (a) any General Common Element shall be (i) considered part of the expense of maintaining such General Common Element, (ii) determined by the Condominium Board, and (iii) charged as a General Common Expense, (b) any Residential Common Element shall be (i) considered part of the expense of Maintaining such Residential Common Element, (ii) determined by the Residential Board, and (iii) charged as a Residential Common Expense or (c) any Commercial Common Element shall be (i) considered part of the expense of Maintaining such Commercial Common Element, (ii) determined by the Condominium Board, and (iii) charged as a Commercial Common Expense. Any dispute as to the amount of such cost or expense shall be determined by Arbitration.

6.23 **Abatement and Enjoinment of Violations by Unit Owners.**

6.23.1 The violation of any of the Rules and Regulations or the breach of any By Law provision contained herein, or the breach of any provision of the Declaration, shall give (a) the Condominium Board with respect to matters affecting the General Common Elements or the Commercial Section and (b) the Residential Board with respect to matters affecting the Residential Section, the right, in addition to such other rights set forth in these By-Laws, and (c) the Commercial Unit Owners with respect to matters affect the Commercial Section, (i) to enter any Residential Unit or Commercial Unit or General Common Element or Limited Common Element in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and such Board shall not thereby be deemed guilty or liable in any manner of trespass, or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at Law or in equity, the continuance of any such violation or breach.

6.23.2 The violation or breach of any of the provisions of these By-Laws, any of the Rules and Regulations or the Declaration with respect to any rights, easements, privileges or licenses granted to Declarant shall give to Declarant and/or the owner of any Unsold Residential Unit 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.

6.23.3 In the event Condominium Board, the Residential Board, and/or the Declarant (hereinafter the "Creditor Party") takes any action or brings any proceeding against a Unit Owner (hereinafter the "Defaulting Unit Owner") pursuant to the provisions of this Section 6.23, the Defaulting Unit Owner shall reimburse the Creditor Party for all reasonable costs and charges incurred by the Creditor Party in connection therewith, including without limitation, attorneys fees, together with all reasonable out of pocket costs and expenses incurred by the Creditor Party, together with interest on all of the foregoing at the rate of interest of 1.5% per month (but in no event in excess of the maximum rate permitted by Law) from the date of the payment or performance of the service by the Creditor Party or due date (if otherwise provided herein), until fully paid by the Defaulting Unit Owner. The Creditor Party may bill the Defaulting Unit Owner therefor at any time. Funds expended by the Creditor Party plus interest earned thereon, as aforesaid, shall be deemed a charge assessed against the Defaulting Unit Owner's Unit and the failure to make such reimbursement shall be deemed a default in the payment of Common Charges subject to the provisions governing such defaults as set forth in the Condominium Act and the By-Laws and the Condominium Board, upon receipt of such funds from the Defaulting Party shall promptly reimburse the Creditor Party.

6.24 **Nondisturbance Agreements; Estoppel Certificates.**

6.24.1 The Condominium Board, at the request of Declarant or a Commercial Unit Owner, will enter into a recognition or non-disturbance agreement (the "Condominium Nondisturbance Agreement") with a tenant occupying a Commercial Unit, on the terms set forth in this Section 6.24; provided such lease is an "arms-length" lease and provided further that such Commercial Unit Owner has not received a notice of default under the terms of the Declaration or these By-Laws at the time of such request. Under the terms of the Condominium Nondisturbance Agreement, the tenant will acknowledge that the lease is subject and subordinate to the Declaration and By-Laws and the Condominium Board will agree that so long as there no event of default exists under said lease, as would entitle the Commercial Unit Owner, or any successor landlord under the lease, to terminate the lease or dispossess the tenant thereunder, the tenant shall not be named or joined in any action or proceeding to foreclose the Condominium Board's lien for Common Charges on a Commercial Unit or any other sums of any sort, recognize all of tenant's rights under the lease and will not diminish, terminate or disturb tenant's possession or rights under the lease, expand any of tenant's obligations under the lease or under the Condominium Declaration or these By-Laws, or obligate tenant to comply with any of the provisions of the Declaration or these By-Laws, except as expressly provide herein, and will recognize tenant as the direct tenant of the Condominium Board or its successor on the same terms and conditions as are contained in the lease and the tenant's use, possession, or enjoyment of the Commercial Unit in question shall not be interfered with, nor shall the leasehold estate granted by the lease be affected in any manner, nor shall any of the rights of the tenant granted under the lease be affected in any manner, in any foreclosure or other action or proceeding

instituted under or in connection with such lien or in the exercise of any rights of the Condominium Board, or, in case the Condominium Board takes possession of said Commercial Unit pursuant to any provision of the Declaration or By-Laws, or otherwise; provided however that if the Condominium Board or any other party succeeds to the interests of the Commercial Unit Owner under the lease the tenant will agree to be bound to the Condominium Board or party under all of the terms, covenants and conditions of the lease and the tenant will attorn to the Condominium Board or party as its landlord. The Condominium Board, at the request of the Commercial Unit Owner entering into a lease with the tenant, shall execute and deliver promptly the Condominium Nondisturbance Agreement and any other agreement that any tenant may reasonably request in confirmation of the foregoing in form reasonably satisfactory to the Condominium Board.

6.24.2 At the request of a Commercial Unit Owner, the Condominium Board will also be obligated to provide a Commercial Unit Owner with an estoppel certificate in form and substance reasonably requested by any lender or tenant thereof.

ARTICLE 7

MORTGAGES

7.1 Notice to Boards.

A Unit Owner who mortgages such Unit Owner's Unit, or the holder of any mortgage encumbering such Unit, shall notify the Residential Board in the case of a Residential Unit or the Condominium Board in the case of all or a portion of any Commercial Unit, of the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with such Board. The mortgage secured by a Residential Unit shall be substantially in the form of the New York Board of Title Underwriters or such other forms customarily used by lenders making loans secured by individual residential condominium units. Such Unit Owner shall, prior to making such mortgage, satisfy all unpaid liens against such Unit Owner's Unit other than Permitted Mortgages. A Unit Owner who satisfies a mortgage covering such Unit Owner's Unit shall so notify the applicable Board and shall file a conformed copy of the satisfaction of mortgage with such Board. Each of such Boards shall maintain such information in a book entitled "Mortgages of Units."

7.2 Notice of Default and Unpaid Common Charges.

Whenever so requested in writing by a Permitted Mortgagee of any Unit, the Residential Board with respect to Permitted Mortgagees of Residential Units and the Condominium Board with respect to Permitted Mortgagees of any Commercial Unit, shall promptly report to such Permitted Mortgagee any default in the payment of Residential Common Charges or Commercial Common Charges, as the case may be, or any other default by the Unit Owner of such Unit under the provisions of the Declaration or these By-Laws of which such Board may have received notice.

7.3 Performance by Permitted Mortgagees.

The Residential Board and/or Condominium Board, as the case may be, shall accept, by any Permitted Mortgagee of a Unit Owner, payment of any sum or performance of any act required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these By-Laws or the Rules and Regulations, with the same force and effect as though paid or performed by such Unit Owner. Such Permitted Mortgagee shall be entitled to an additional ten (10) day period after expiration of applicable notice and cure periods, within which to cure any monetary default by a Unit Owner hereunder and an additional thirty (30) days after expiration of applicable notice and cure periods to cure any non-monetary defaults; provided however, that in the case of a non-monetary default that cannot, in the exercise of diligence, be cured within such the thirty (30) day period, the Permitted Mortgagee shall have such time as is reasonably necessary to cure such non-monetary default (including any time reasonably necessary to obtain possession of the Property covered by such Permitted Mortgage if possession is necessary to enable such Permitted Mortgagee to cure or remedy such default or event of default) provided that such Permitted Mortgagee proceeds with all due diligence to cure or remedy such breach or default and/or obtain possession. In the event that more than one Permitted Mortgage is secured by a Unit, the senior Permitted Mortgagee shall be entitled to take all actions permitted under this Article unless all the Permitted Mortgagees otherwise designate a a particular Permitted Mortgagee to so act, by notice to the Residential Board and Condominium Board.

7.4 **Examination of Books.**

Each Unit Owner and Permitted Mortgagee shall be permitted to examine the books of account of the Condominium (including, in the case of Residential Unit Owners or Commercial Unit Owners and Permitted Mortgagees thereof, the books of account of the Residential Section or the Commercial Section, as the case may be) at reasonable times, on business days, but not more than once a month.

7.5 **Representatives of Mortgagees.**

In the manner more particularly set forth in Subsection 7.5.2, the holders of Permitted Mortgages secured by Residential Units (the "Residential Permitted Mortgagees"), may, at their election, designate one (1) or more (but not more than three (3)) representatives ("Residential Mortgage Representatives") who shall be empowered to act on behalf of all holders of Residential Permitted Mortgagees with respect to any matter requiring their consent or approval under the Declaration or these By-Laws. If any Residential Mortgage Representatives are so designated and notice thereof is given to the Residential Board, the act of any such Residential Mortgage Representative (or a majority of such Residential Mortgage Representatives if more than one is so designated) shall be deemed binding upon the holders of all Residential Permitted Mortgages. Any such designation of any Residential Mortgage Representative shall remain effective until (a) any subsequent designation thereof is made pursuant to the provisions hereof, and (b) notice of such subsequent designation is given to the appropriate 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 any Board, officer or Unit Owner; provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any Unit Owner against such Unit Owner's mortgagor.

7.7 **Governmental Agency Requirements.**

The following shall apply to the extent that, and for so long as a Government Agency Mortgage encumbers a Residential Unit.

7.7.1 Notice. Notwithstanding anything to the contrary set forth in the Declaration or these By-Laws, the Residential Board shall provide timely notice to a Permitted Mortgagee, upon written request therefor (which written request shall provide the name and address of such Permitted Mortgagee and the Unit secured by such Permitted Mortgagee), of: (A) any proposed action that requires the consent of a specified percentage of Permitted Mortgagees hereunder, (B) any proposed amendment to the Declaration effecting a change in (i) the boundaries of any Residential Unit or the exclusive easement rights appertaining thereto (if any), (ii) the Common Interest, the Residential Common Interests and the General Common Expenses or Residential Common Expenses, (iii) the voting percentage attributable to a Residential Unit, or (iv) the purpose to which any Residential Unit or the Common Elements are restricted, (C) any proposed termination of the Condominium regime, (D) Any condemnation loss or any casualty loss which affects a material portion of the Condominium or which affects the Unit secured by such Permitted Mortgagee (E) Any delinquency in the payment of a Common Charges or Special Assessments owed by the Owner of a Residential Unit that is subject to a Permitted Mortgage, where such delinquency has continued for a period of sixty (60) days, and (F) any lapse, cancellation or material modification of any insurance policy maintained by the Condominium Board.

7.7.2 Termination of the Condominium Regime.

7.7.2.1 Termination of the Condominium after a Significant Casualty or substantial Taking. Except as otherwise required by applicable Law, any election to terminate the Condominium after a Significant Casualty or a substantial Taking in condemnation of the Condominium shall not be effective without the Permitted Mortgage Approval and the requisite Unit Owner approvals, more particularly described in 6.3.4 of the By-Laws.

7.7.2.2 Termination of the Condominium that is not a result of a Significant Casualty or substantial Taking. Excepted as otherwise required by applicable Law, any election to terminate the Condominium that is not a result of a Significant Casualty or a substantial Taking in condemnation of the Condominium shall not be effective without the approval of Permitted Mortgagees holding Permitted Mortgages secured by Units as to which are appurtenant to at least 66 2/3% of the aggregate Common Interest of all Units secured by such Permitted Mortgages and the requisite Unit Owner approvals, more particularly described in Article 20 of the Declaration.

7.7.3 Restoration or Repair. Except as otherwise required by applicable Law, any Work performed to the Condominium after a partial condemnation or damage due to an

insurable hazard, shall be performed substantially in accordance with the Declaration, these By-Laws and the original plans and specifications for the Condominium, unless Permitted Mortgagee Approval is obtained.

7.7.4 Amendments to the Declaration and By-Laws.

7.7.4.1 Except as otherwise provided in the Declaration and these By-Laws, and in addition to any other approvals required in the Declaration and these By-Laws, Permitted Mortgagee Approval shall be required for any amendments to the Declaration or these By-Laws, which materially amend the following provisions: voting, Special Assessments, Special Assessment lines or subordination of Special Assessment liens, reserves for Maintenance of the Common Elements, insurance or fidelity bonds, rights to use of the Common Elements, responsibility for Maintenance, expansion or contraction of the Condominium, withdrawal of property from the Condominium regime, boundaries of any Unit, Common Interests, convertibility of Units in Common Elements, leasing of Units, the establishment of self-management and/or provisions herein which are for the express benefit of Permitted Mortgagees.

7.7.4.2 In the event that a Permitted Mortgagee fails to submit a response to any written proposal for an amendment to the Declaration or these By-Laws, within sixty (60) days after such Permitted Mortgagee receives notice, by certified or registered mail with a return receipt requested, of such proposed amendment, the Permitted Mortgagee shall be deemed to have approved the amendment.

7.7.5 Rights of Action. The Boards and any aggrieved Unit Owner shall be granted a right of action against other Unit Owners for failure to comply with (i) the provisions of the Declaration and these By-Laws and (ii) decisions of the Boards, which have been made in accordance with the provisions of the Declaration and these By-Laws. The Unit Owners shall also have a similar right of action against the Boards for their failure to comply with the above subparagraphs (i) and (ii).

ARTICLE 8

SELLING, LEASING AND MORTGAGING OF UNITS

8.1 **General.**

8.1.1 Subject to the terms of this Article, each Residential Unit Owner may (i) sell their Residential Unit and (ii) lease their Residential Unit for a term of not less than one year and not more than two (2) years, provided however, no Residential Unit Owner may sell or lease the Residential Unit except in compliance with the applicable provisions of this Article 8. Any purported sale or lease consummated in default in the applicable terms hereof shall be voidable at the sole election of the Residential Board, and, if the Residential Board shall so elect, the selling or leasing Residential Unit Owner shall be deemed to have authorized and empowered the Residential Board to institute legal proceedings to eject the purported purchaser (in the event of an unauthorized sale) or to evict the purported tenant (in the event of an unauthorized lease) in the name of such Residential Unit Owner. Such Residential Unit Owner shall reimburse the Residential Board for all costs and expenses paid or incurred in connection with such

proceedings, including, without limitation, reasonable attorneys' fees and disbursements and court costs.

8.1.2 The sale of a Unit to a corporation, partnership, limited partnership, trust or any other entity legally entitled to own real property (including a Government Entity) may require the delivery to the Condominium Board or its Managing Agent at Closing, any and all documents as are reasonably requested by the Condominium Board, including without limitation, a personal guaranty, a subjection to jurisdiction, an occupancy agreement, an escrow agreement and an amount equal to the current common charge for such Unit for a period of one (1) year, to be held in escrow by the Condominium Board or its Managing Agent, as security for the faithful observance by such Unit Owner of the terms, provisions and conditions contained in the By-Laws.

8.2 **Right of First Refusal.**

8.2.1 Subject to the terms of Sections 8.5 and 8.9 hereof, any contract to sell a Residential Unit together with its Common Interest and any lease of a Residential Unit ("Sale Agreement" or "Lease Agreement") shall contain the following language: "THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE HEREBY MADE EXPRESSLY SUBJECT TO THE RIGHTS IF ANY, OF THE DECLARANT AND/OR THE RESIDENTIAL BOARD OF THE CONDOMINIUM WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN PURSUANT TO THE TERMS OF THE BY-LAWS OF THE CONDOMINIUM, AS THE SAME MAY HAVE BEEN AMENDED." Promptly after any such bona fide Sale Agreement or Lease Agreement shall be fully executed, the Residential Unit Owner executing the same ("Offeree Unit Owner") shall send written notice thereof to the Declarant and the Residential Board, on behalf of all Residential Unit Owners (collectively, together with their respective designees (corporate or otherwise), the "Inside Offeror") by certified mail, return receipt requested or guaranteed overnight mail addressed to the Residential Board, at the office of the Managing Agent (or such other place as the Residential Board shall direct) and to the Declarant at its offices (collectively, for purposes of this Article, "Written Notice"), which Written Notice shall be accompanied by a fully executed, original counterpart of the Sale Agreement or Lease Agreement, as the case may be, containing all of the terms offered in good faith by the prospective purchaser or tenant ("Outside Offeror") and other documents typically requested by the Residential Board. The Sale Agreement and Lease Agreement shall be in a form typically used in transactions in New York City.

8.2.2 The sending of the Written Notice shall constitute an offer by the Offeree Unit Owner to sell the Residential Unit, together with its Common Interest, or to lease the Residential Unit, as the case may be, to the Inside Offerors, subject, however, to any variance therefrom provided in Section 8.3 hereof. The giving of such Written Notice shall further constitute a representation and warranty by the Offeree Unit Owner to the Inside Offerors that such Offeree Unit Owner believes the Sale Agreement or Lease Agreement to be bona fide in all respects. Thereafter, upon the written demand of any Inside Offeror, the Offeree Unit Owner shall submit to the Inside Offerors, in writing, such further information with respect to the Outside Offerors and the Sale Agreement or Lease Agreement as the Inside Offerors, or either of them, may reasonably request

8.2.3 The Inside Offerors may elect, by sending notice thereof to the Offeree Unit Owner by notice in writing not later than thirty (30) days after receipt of the Written Notice referred to in paragraph (A) hereof together with such further information as may have been requested pursuant to the terms of paragraph (B) hereof, to purchase such Residential Unit together with its Common Interest or to lease such Residential Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise) upon the same terms and conditions as were contained in the Sale Agreement or Lease Agreement and stated in the response(s) by the Offeree Unit Owner to any requests for additional information pursuant to the terms of paragraph (B) hereof. Notwithstanding anything to the contrary contained herein, however, the Residential Board shall not exercise any option set forth in this Section 8.2 to purchase or lease any Residential Unit without the prior approval of a Majority of all Residential Unit Owners.

8.2.4 The Inside Offerors may not discriminate against any person on the basis of race, creed, color, national origin, sex, sexual orientation, age, disability, marital status or other grounds prohibited by Law in connection with its exercise of its right of first refusal with respect to the sale or lease of a Unit.

8.3 **Acceptance of Offer.**

8.3.1 In the event that an Inside Offeror shall elect, within the time and in the manner provided in Section 8.2 hereof; to purchase a Residential Unit together with its Common Interests, to lease such Residential Unit, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed, in either event in accordance with the terms of the Sale Agreement or Lease Agreement, at the office of the attorneys for the purchasing or leasing Inside Offeror within forty five (45) days after the day upon which the Inside Offeror shall give notice of its election to accept such offer.

8.3.2 If such Residential Unit and its Common Interests are to be purchased by the Residential Board, such purchase may be made from the funds deposited in the capital and/or expense accounts of the Condominium or the Residential Board may levy a Special Assessment against each Residential Unit Owner in accordance with the terms of these By-Laws and/or the Residential Board may, in its discretion, finance the acquisition of such Residential Unit; provided, however, that no such financing may be secured by an encumbrance on or a hypothecation of any portion of the Property other than the Residential Unit to be purchased together with its Common Interests. In addition, if the Outside Offeror was to assume or to take title to the Residential Unit subject to the Offeree Unit Owner's existing mortgage or mortgages pursuant to the Sale Agreement, the Inside Offeror may purchase the Residential Unit and assume or take title thereto subject to such mortgage or mortgages as the case may be. If the Residential Board, on behalf of all Unit Owners, is the purchasing Inside Offeree, at the Closing, the Offeree Unit Owner shall convey the Residential Unit, together with its Common Interest, to the Residential Board by deed in the form required by Section 399-o of the Condominium Act. In any Closing to an Inside Offeror, all tax and/or documentary stamps shall be affixed and paid at the expense of the Offeree Unit Owner, who shall also pay all other transfer taxes arising out of such sale (including, if applicable, the New York State Real Property Transfer Gains Tax, the New York State Documentary Stamp Tax and the New York City Real Property Transfer Tax) notwithstanding any terms of the Sale Agreement to the contrary. Real estate taxes, mortgage

interest (if applicable) and Common Charges shall be apportioned between the Offeree Unit Owner and the purchasing Inside Offeror or its designee as of the later of the Closing date or the date on which Offeree Unit Owner vacates the Residential Unit, notwithstanding any terms of the Sale Agreement to the contrary. Thereafter, to the extent the Residential Board, on behalf of all Residential Unit Owners, has purchased the Residential Unit, such Residential Unit shall be held, so long as the same is owned by the Residential Board or its designee, on behalf of all Residential Unit Owners, as tenants-in-common, and all such Residential Unit Owners shall be deemed to have waived all rights of partition with respect to such Residential Unit and the entire Property, as herein provided.

8.3.3 In the event that such Residential Unit is to be leased by an Inside Offeror, the Offeree Unit Owner shall execute and deliver to the Inside Offeror a lease covering such Residential Unit by and between the Offeree Unit Owner, as landlord, and the Inside Offeror, as tenant. Such lease shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., and shall contain all of the terms and conditions of the Lease Agreement not in conflict with such form of lease, including, without limitation, the rental and term provided for therein. Notwithstanding anything to the contrary set forth hereinabove or in the Lease Agreement, however, such lease shall expressly provide that the Inside Offeror may enter into a sublease of the premises demised thereunder without consent of the landlord.

8.4 **Failure to Accept Offer.**

8.4.1 In the event that the Inside Offeror shall fail to accept an offer made pursuant to the terms of Section 8.2 hereof within the respective times set forth in paragraph (C) thereof, the Offeree Unit Owner shall be free to consummate the transaction embodied in the Sale Agreement or Lease Agreement within sixty (60) days after (i) notice of refusal is sent to the Offeree Unit Owner by the Inside Offeror or (ii) the expiration of the period within which the Inside Offeror might have accepted such offer, as the case may be. If the Offeree Unit Owner shall fail to consummate the transaction embodied in the Sale Agreement or Lease Agreement within such sixty (60) day period, then, should the Offeree Unit Owner thereafter elect to sell such Residential Unit together with its Common Interests or to lease such Unit, the Offeree Unit Owner shall be required again to comply with all of the terms and provisions of Section 8.2, 8.3 and 8.4 hereof, but not more often than once in any twelve (12) month period, except the Residential Board shall have the right to waive this for good cause shown, in its sole discretion. No Inside Offeror shall provide a release of its right of first refusal if the conveyance is: (i) made by a Residential Unit Owner who is not using the Residential Unit for its own occupancy; and (ii) made within twelve (12) months after acquisition of such Residential Unit from Declarant, as sponsor under the Plan.

8.4.2 Any deed of a Residential Unit and its Common Interests to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee shall constitute an assumption of all of the terms of the Condominium Documents, and, in the absence of such express language, the same shall be conclusively deemed to have been included herein.

8.4.3 Each lease of a Residential Unit to an Outside Offeror shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., subject to such modifications as may be approved in writing by the Residential Board or such

other form approved in writing by the Residential Board. Notwithstanding the foregoing, however, each such lease shall be consistent with the Condominium Documents and shall expressly provide that

a. such lease may not be amended, modified, or extended without the prior written consent of the Residential Board in each instance;

b. the tenant thereunder shall not assign the tenant's interest in such lease or sublet the premises demised thereunder or any part thereof without the prior written consent of the Residential Board in each instance; and

c. the Residential Board shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of (a) a default by the tenant in the performance of its obligations under such lease or (b) a foreclosure of the lien granted by Section 339-z of the Condominium Act.

8.5 **Termination of and Exceptions to, the Right of First Refusal.**

8.5.1 A certificate executed and acknowledged by an officer of the Residential Board or the Managing Agent, stating that the provisions of Section 8.2 hereof have been met by a Residential Unit Owner or that the right of first refusal provided for therein has been duly released or waived by the Inside Offerors and that, as a result thereof the rights of the Inside Offerors thereunder have terminated, so that with respect to the Residential Board, said determination shall be conclusive and all Unit Owners in favor of all persons who rely upon such certificate in good faith. After the due issuance of such a certificate, the Residential Unit to which the same shall relate, together with its Common Interest, may be sold, conveyed, or leased free and clear of the terms and conditions contained in Section 8.2 hereof. The Inside Offerors shall furnish or cause the Managing Agent to furnish without charge, such certificate upon written request to any Residential Unit Owner in respect to whom the provisions of Sections 8.2 hereof have, in fact, been terminated. In no event, however, shall the right of first refusal described in Section 8.2 hereof be deemed released or waived by the Residential Board (as opposed to satisfied pursuant to the express terms of Sections 8.2, 8.3 and 8.4 hereof) in the absence of the certificate that has been duly executed, acknowledged and issued by an officer of the Residential Board or the Managing Agent as aforesaid.

8.5.2 The terms and conditions contained in Sections 8.1, 8.2, 8.3 and 8.4 hereof shall not apply with respect to any sale, lease or conveyance of a Residential Unit, together with its Common Interests, by:

a. the Residential Unit Owner thereof to any adult Family Members, to any combination of the same, or to a trust for the benefit of any of them (in which case the Residential Board shall have the right to review the trust documents and provide for such terms and restrictions on such transfer as the Residential Board deems advisable), provided, however, that if the succeeding Residential Unit Owner is an infant or a person judicially declared incompetent of managing affairs, then such Residential Unit shall be held by the personal representative of such infant or incompetent, or in the case of a Residential Unit Owner that is not an individual, to any entity or individual that owns more than 50% of the legal and beneficial

interests of such Residential Unit Owner or to any entity with respect to which such Residential Unit Owner (individual or otherwise) owns more than 50% of the legal and beneficial interest thereof;

b. Declarant;

c. any Board;

d. any proper officer conducting the sale of a Residential Unit in connection with the foreclosure of a mortgage or other lien covering such Residential Unit or delivering a deed in lieu of such foreclosure; or

e. any Permitted Mortgagee or its nominee, who has acquired title to any Residential Unit at any foreclosure sale of its Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction;

8.5.3 provided, however, that each succeeding Residential Unit Owner shall be bound by, and the Residential Unit shall be subject to, all of the terms and conditions of this Article 8.

8.5.4 The terms and conditions contained in Section 8.1, 8.2, 8.3 and 8.4 hereof shall not apply with respect to any sale, lease or conveyance of a Commercial Unit, together with its Common Interests.

8.6 **No Severance of Ownership.**

No Unit Owner shall execute any deed or other instrument conveying title to the Unit without including therein its Common Interest, it being the intention to prevent any severance of such combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the 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 Common Interest of all Units. Nothing contained in this Section 8.6, however, shall prohibit the lease of any Unit without the simultaneous lease of its Common Interests.

8.7 **Payment of Common Charges.**

No Unit Owner shall be permitted to convey or lease the Unit unless the Unit Owner shall have paid in full to the Condominium all unpaid Common Charges, Special Assessments and Unit Owner Expenses theretofore assessed against such Unit and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Unit. However, where the payment of such unpaid Common Charges and/or Special Assessments is made by the grantee or provided for out of the proceeds of the sale, a sale may take place notwithstanding the foregoing.

8.8 **Power of Attorney.**

At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and deliver to the representative of the title insurance company (or, if no such representative is present, to the Condominium Board) for recording in the Register's Office (at such Unit Owner's sole cost and expense), the Unit Owner's Power of Attorney required in Article 14 of the Declaration, in the form set forth as Exhibit E to the Declaration.

8.9 **Gifts and Devises, Etc.**

Any Unit Owner shall be free to convey or transfer the Unit, together with its Common Interest, by will, or to devise the same by will or to have the same pass by intestacy, without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and the Unit shall be subject to, the provisions of this Article 8.

8.10 **Commencement of Time.**

The period of time set forth in Section 8.2 for which the Inside Offerors have to address their respective right of first refusal shall not commence until such time as the Inside Offerors have received completed sales or lease packages, including all fees set forth therein, as the case may be, from a Residential Unit Owner. If the information provided by the Residential Unit Owner or prospective purchaser or tenant, as the case may be, is incomplete, the Inside Offerors shall have the right to request additional information and the 30 day period will commence on receipt by the Inside Offerors of the additional information.

8.11 **Costs and Expenses.**

All costs and expenses incurred by the Inside Offerors, including, without limitation, attorneys' fees and disbursements paid or incurred by the Inside Offerors or by Residential Board or the Condominium's Managing Agent in connection with any action taken by the Inside Offerors with regard a violation of this Article 8, shall be borne by the Residential Unit Owner and, with regard to charges by the Residential Board, same shall be an additional Common Charge.

8.12 **Assignment of Licenses.**

8.12.1 No Residential Unit Owner shall be permitted to assign, lease, license, convey or otherwise transfer a Storage Bin License or Parking Space License to anyone other than to a Permitted Transferee. Such Storage Bin License or Parking Space License may be assigned by a Residential Unit Owner at any time (and not subject to any right of first refusal by the Inside Offerors) provided (i) the assignee is a Residential Unit Owner at the Condominium; (ii) the assignee assumes the obligations under the Storage Bin License or Parking Space License, as the case may be; (iii) notification of the assignment is promptly delivered to the Residential Board in compliance with its requirements; and (iv) all unpaid Common Charges, Special Assessments, Unit Owner Expenses and other obligations due to the Condominium have been paid in full. The foregoing restrictions shall not apply to the Declarant.

8.12.2 If the Residential Board terminates a Storage Bin License or Parking Space License or a Residential Unit Owner surrenders a Storage Bin License or Parking Space

License without assigning the Storage Bin License or Parking Space License to another Residential Unit Owner, the Residential Board shall have the right to issue a new Storage Bin License or Parking Space License, as the case may be, to another Residential Unit Owner, in its sole discretion and the surrendering Residential Unit Owner shall not be entitled to any compensation.

8.13 **Rights of Declarant; Priority.**

The Declarant shall only have the rights set forth in this Article 8 during the Declarant ROFR Period. To the extent both Declarant and the Residential Board, on behalf of all Unit Owners seek to purchase or lease a Residential Unit, the rights of Declarant shall have priority. In addition, during the Declarant ROFR Period, the Residential Board shall not have the right to appoint a designee to purchase or lease a Residential Unit without first obtaining the written approval of the Declarant.

8.14 **Sale to Government or One with Immunity.**

The Condominium Board has the right, but not the obligation, to require that that certain additional conditions be satisfied before any Unit is conveyed to a Government Entity which has Immunity. Specifically, the Condominium Board may require that the potential grantee enter into an agreement with the Condominium Board, on terms acceptable to the Condominium Board and its counsel, in which the potential grantee (i) agrees to a specified arrangement for service of process, (ii) expressly and irrevocably waives, to the full extent permitted by Law (including, without limitation, the United States Foreign Sovereign Immunities Act, as same may be amended), with respect to the potential grantee and with respect to any and all other intended occupants of the Unit, Immunity, (iii) agrees that any legal action or proceeding with respect to the Unit may be brought and maintained in the courts of the State of New York, and in the County of New York, or in the United States District Court for the Southern District of New York, as the Condominium Board shall elect, (iv) obtains the consent for such waivers and other actions required by this paragraph from any United States or foreign government, sovereign or otherwise, and (v) permits execution and enforcement of any judgment obtained by the Condominium Board. The foregoing provisions do not apply to sales of Unsold Units. In addition, all purchasers of a Unit in the Building who are a Government Entity may be required, at the sole discretion of the Condominium Board, to deposit into escrow an amount equal to one (1) year of Common Charges then in effect to secure their obligations under this Declaration and the By-Laws (the "Security") and to execute an agreement concerning the Security which is acceptable to the Condominium Board. In the event of any default in the payment of Common Charges and/or Special Assessments by any Governmental Entity (after notice and expiration of the applicable cure period as provided in the By-Laws, if any) with respect to the payment of Common Charges and/or Special Assessments which are the obligation of the Governmental Entity as a Unit Owner to observe, perform or keep under the terms of the Declaration and By-Laws, the Condominium Board may enforce the provisions of these By-Laws and use, apply or retain the whole or any part of the Security being held by the Condominium Board to the extent required for the payment of any Common Charges, Special Assessments or any other payments as to which such Governmental Entity shall then be in default (after notice and expiration of the applicable cure period, if any) or for any monies which the Condominium Board may expend or may be required to expend by reason of the

Governmental Entity's default (after notice and expiration of the applicable cure period, if any). If the whole or any part thereof shall be so used, applied or retained by the Condominium Board as aforesaid, then such Governmental Entity shall, upon written demand from the Condominium Board, immediately deposit with the Condominium Board an amount in cash equal to the amount so used, applied or retained, so that the Condominium Board shall have the entire Security on hand at all times during the Governmental Entity's ownership of a Unit in the Building. The failure by the Unit Owner after due demand to deposit and maintain the full amount of the Security, shall constitute a separate default under these By-Laws, which shall entitle the Condominium Board to all of the rights and remedies available hereunder. In the event that a Government Entity shall fully and faithfully comply with all of the terms, provisions, covenants, agreements and conditions of the By-Laws, the Security shall be returned to such Government Entity within thirty (30) days after the transfer or sale of such Government Entity's Residential Unit to a non-Government Entity.

ARTICLE 9

CONDEMNATION

In the event of the taking in condemnation or by eminent domain of all or any part of the General or Limited Common Elements, each Board, subject to the provisions set forth below, will arrange for the prompt repair and restoration of such part of the General or Limited Common Elements so taken which, pursuant to the provisions of these By-Laws, are required to be maintained by such Board. The award made for any such taking shall be payable to the Board responsible for the repair and restoration thereof, as aforesaid; provided, however, that if any such award exceeds $1,000,000, such award shall be payable to the Insurance Trustee 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 (a) borne and shared by all Unit Owners with respect to any taking of the General Common Elements pro rata, as follows: first, to the Residential Unit Owners and the Commercial Unit Owners in accordance with their respective Common Interests; thereafter, each Board shall allocate such deficit or surplus, as the case may be, pro rata, to the Residential Unit Owners and to the Commercial Unit Owners, respectively, in accordance with their respective Common Interests; (b) borne and shared by all Residential Unit Owners with respect to any taking of the Residential Common Elements pro rata in accordance with their Common Interests; and (c) borne and shared by all Residential Unit Owners having exclusive access to the Residential Limited Common Elements pro rata in accordance with their respective interest in such Residential Limited Common Interests; (d) borne and shared by all Commercial Unit Owners with respect to any taking of the Commercial Common Elements pro rata in accordance with their Common Interests, and (e) borne and shared by all Commercial Unit Owners having exclusive access to the Commercial Common Elements with respect to any taking of the Commercial Limited Common Elements pro rata in accordance with respective interest in such Commercial Limited Common Interests. Notwithstanding any provisions contained herein to the contrary, in the event that (1) seventy-five percent (75%) of all Residential Unit Owners and/or seventy-five percent (75%) of all Commercial Unit Owners do not duly and promptly resolve to proceed with such repair or restoration of their respective Limited Common Elements, or (2) seventy-five percent (75%) of all Unit Owners do not duly and promptly resolve to proceed with

such repair and restoration of the General Common Elements, then such repairs or restorations of the Limited Common Elements and/or General Common Elements shall not be made and the net proceeds of any such award with respect thereto shall be divided among the Unit Owners pro rata in the same manner as is set forth in (a), (b) and (c) above, after first paying out of the share of each Unit Owner the amount of any unpaid liens on such Units other than mortgages which are not Permitted Mortgages. As used in this Article 9 the words "promptly resolve" shall mean not more than sixty (60) days from the date of such taking. Any dispute between any Boards under this Article 9 shall be settled by Arbitration.

ARTICLE 10

RECORDS AND AUDITS

10.1 **Records.**

Each Board or the Managing Agent for that Board, if any, shall keep detailed records of the actions of such Board, minutes of the meetings of such Board, minutes of the meetings of the Unit Owners for whom such Board serves and financial records and books of account with respect to the activities of such Board, including a listing of all receipts and expenditures. In addition, the Residential Board shall keep a separate account for each Residential Unit, which, among other things, shall contain the amount of each assessment of Common Charges made by the Residential Board against each such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

10.2 **Audits.**

Within four (4) months after the end of each fiscal year, an annual report of receipts and expenditures prepared and certified by an independent certified public accountant shall be submitted by (a) the Residential Board to all Residential Unit Owners, (b) the Condominium Board to the Residential Board and the Commercial Unit Owners, and, if so requested, to any Permitted Mortgagee, as the case may be. The cost of such report submitted by (1) the Residential Board, shall be paid by the Residential Unit Owners as a Residential Common Expense and (2) the Condominium Board, shall be paid by all Unit Owners as a General Common Expense.

10.3 **Availability of Documents.**

Copies of the Declaration, these By-Laws, the Rules and Regulations and the Tax Lot Drawings, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours, except that Unit Owners and their authorized agents may not be permitted to inspect same in excess on one (1) time per month.

ARTICLE 11

ARBITRATION

11.1 **General Procedure.**

Any arbitration provided for in these By-Laws shall be conducted in accordance with the provisions of this Article 11 (an "Arbitration"). Each Arbitration shall be conducted before one (1) arbitrator in New York City by the American Arbitration Association or any successor organization thereof, in accordance with its rules then in effect and the decision rendered in such Arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. In the event that the American Arbitration Association is not then in existence and has no successor, any arbitration hereunder shall be conducted in New York City before one arbitrator appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the County of New York having jurisdiction over the matter. The decision of the arbitrator so chosen shall be given within ten (10) days after such arbitrator's appointment. Any arbitrator appointed or selected in connection with any Arbitration under this Article 11 shall be a lawyer or real estate owner, developer, or manager familiar with condominium properties and having general legal or real estate experience, as the case may be, of not less than fifteen (15) years.

11.2 **Costs and Expenses.**

The fees, costs and expenses of the arbitrator will be borne by the losing party in the Arbitration or, if the position of neither party to the dispute will be substantially upheld by the arbitrator, such fees, costs and expenses will be borne equally by the disputants unless otherwise set by the arbitrator. Each disputant will also bear the fees and expenses of such Unit Owner's counsel and expert witnesses. All costs and expenses paid or incurred by the Condominium Board in connection with any Arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, will constitute General 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 **Waiver.**

No provision contained in these By-Laws or the Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

12.2 **Captions.**

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws nor the intent of any provision hereof.

12.3 **Certain References.**

12.3.1 A reference in these By-Laws to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

12.3.2 The terms "herein," "hereof" or "hereunder" or similar terms used in these By-Laws refer to these entire By-Laws and not to the particular provision in which the terms are used, unless the context otherwise requires.

12.3.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of these By-Laws.

12.4 **Severability.**

Subject to the provisions of the Declaration, if any provision of these By-Laws is invalid or unenforceable as against any person, party or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law. In the event any provision of these By-Laws or the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

12.5 **Insurance Trustee.**

The Insurance Trustee shall be a bank or trust company in The City of New York, designated by the Condominium Board and having a capital surplus and undivided profits of $500,000,000 or more. In the event the Insurance Trustee resigns or the Condominium Board wishes to replace it, the Condominium Board shall promptly appoint a new Insurance Trustee. The Condominium Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a General 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. If required by Declarant's construction or permanent lender, such lender shall be the Insurance Trustee until its release of all Units from the lien of its mortgage.

12.6 **Successors and Assigns.**

Except as set forth herein or in the Declaration to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee or, with the consent of Declarant or its designee, any transferee of some or all then Unsold Residential Units then owned by Declarant or its designee, as the case may be. The rights and/or obligations of the Commercial Unit Owners as set forth herein shall inure to the benefit of and be binding upon any successors or assigns of the Commercial Unit Owners. Subject to the foregoing, Declarant, its

designee, and/or the Commercial Unit Owners, as the case may be, shall have the right, at any time in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

12.7 **Covenant of Further Assurances.**

12.7.1 Any party which is subject to the terms of these By-Laws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of any Board, or otherwise, shall, upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of these By-Laws or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

12.7.2 If any Unit Owner or other party which is subject to the terms of these By-Laws fails, within ten (10) days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, or (ii) to deliver a written notice to the party requesting such execution, acknowledgment or delivery, and to the Board representing such Unit Owners, stating the reasons why such Unit Owner or other party refuses to execute, acknowledge or deliver such instrument or take such action, then the Board which represents such Unit Owner, or other party 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.

12.7.3 If any Unit Owner, Board or other party which is subject to the terms of these By-Laws fails, within ten (10) days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, Board or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Declarant or its designee, or (ii) to deliver a written notice to Declarant or its designee, as applicable, and to the Board representing such Unit Owners stating the reasons why such Unit Owner, Board or other party refuses to execute, acknowledge or deliver such instrument or take such action, then Declarant or its designee is hereby authorized, as attorney-in-fact for such Unit Owner, Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner, Board or other party and such document or action shall be binding on such Unit Owner, Board or other party, as the case may be.

ARTICLE 13

AMENDMENT TO BY-LAWS

Article 20 of the Declaration 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 these By-Laws.

SCHEDULE A

RULES AND REGULATIONS OF THE RESIDENTIAL SECTION

1. The entrances, passages, public halls, elevators, vestibules, corridors and stairways of the Residential Section shall not be obstructed or used for any other purpose than ingress to and egress from the Residential Units.

2. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the passages, public halls, vestibules, corridors, stairways or fire tower landings of the Residential Section, nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from any doors, windows or Roof, Bulkhead Roof or placed upon the window sills of the Residential Section.

3. Neither occupants nor their guests shall play in the entrances, passages, public halls, elevators, vestibules, corridors, stairways or fire towers of the Residential Section.

4. No public hall or public elevator vestibule of the Residential Section shall be decorated or furnished by any Residential Unit Owner in any manner.

5. Each Residential Unit Owner shall keep such Residential Unit Owner's Residential Unit and any Limited Common Elements appurtenant thereto (including the surface of any Terrace appurtenant to a Residential Unit) in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance. The type, size and quantity of Terrace Installations (including whether to allow an enclosure and if so, to what extent) to be placed on Terraces and the rights of Residential Unit Owners to paint and decorate Terraces shall be subject to the prior written approval of the Condominium Board. Any determination as to what constitutes a good state of preservation and cleanliness for any Residential Unit Owner's Terrace shall be within the sole but reasonable discretion of the Condominium Board.

6. No window guards or window decorations shall be used in or about any Residential Unit, unless otherwise required by Law, except such as shall have been approved in writing by the Residential Board or the Managing Agent of the Residential Section, which approval shall not be unreasonably withheld or delayed.

7. No awnings, air conditioning equipment or ventilators shall be installed or modified in the Residential Section without prior written approval of the Residential Board. No radio or television aerial, satellites or other similar device shall be erected by Residential Unit Owners on the Roof, Bulkhead Roof or Exterior Facade, windows or Terraces of the Building or on the Property, without obtaining in each instance the written consent of the Condominium Board.

8. No sign, notice, advertisement or illumination shall be inscribed or exposed on or at any door or window or other part of the Residential Section except such as are permitted pursuant to the Declaration or the By-Laws or shall have been approved in writing by the Residential Board or the Managing Agent of the Residential Section, nor shall anything be

projected from any door or window of the Residential Section without similar approval, except as may otherwise be provided by Law.

9. No heat, ventilator or air conditioning device shall be installed in any Residential Unit without the prior written approval of the Residential Board, which approval may be granted or refused in the sole discretion of the Residential Board.

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

11. No velocipedes, bicycles, scooters or similar vehicles shall be allowed in any of the elevators other than the elevators designated by the Residential Board or the Managing Agent of the Residential Section for that purpose, and no baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the passages, public halls, vestibules, corridors or other public areas of the Residential Section.

12. No Residential Unit Owner shall make or permit any disturbing noises or activity in the Residential Section, or do or permit anything to be done therein, which will interfere with the rights, comfort or convenience of other Unit Owners or the tenants or occupants of the Commercial Section. No Residential Unit Owner shall play or suffer to be played any musical instrument, or practice or suffer to be practiced vocal music, or operate or permit to be operated a phonograph, radio, television computer, stereo or other loud speaker in such Unit Owner's Unit between 11:00 P.M. and the following 7:00 A.M., if the same shall disturb or annoy other occupants of the Building, unless the same shall have the prior written consent of the Residential Board. No construction or repair work or other installation involving noise shall be conducted in any Residential Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an Emergency or unless such work is performed by Declarant.

13. The maintenance, keeping, boarding and/or raising of pot belly pigs, rodents (i.e., mice, gerbils, hamsters, guinea pigs, rabbits, ferrets etc.), livestock, poultry or reptiles of any kind, regardless of number, is prohibited within any Residential Unit or upon the Common Elements, except that, subject to this provision and the Rules and Regulations, the keeping of orderly domestic pets (which includes only dogs, cats or caged birds) and aquarium fish is permitted; provided, however, that (i) any orderly domestic pets (other than those contained at all times in aquariums or cages which shall be limited to a reasonable number determined by the Residential Board) shall not exceed two (2) per Residential Unit or any breed deemed inappropriate or dangerous by the Residential Board without the approval of the Residential Board; (ii) such orderly domestic pets or fish are not kept or maintained for commercial purposes or for breeding; and (iii) any such orderly domestic pets or fish causing or creating a nuisance or unreasonable disturbance may be permanently removed from the Condominium upon ten (10) days written notice from the Board. A photograph of each orderly domestic pet, with the name and Residential Unit number of the pet owner, shall be delivered to the Board as a condition precedent to the entry of such pet into the Condominium. All orderly domestic pets shall be

licensed and inoculated as required by Law. The Board may establish reasonable fees for registration of orderly domestic pets. No orderly domestic pets shall be permitted in any part of the Condominium (other than within the Residential Unit of the owner thereof) unless carried or on a leash or in a carrying case. Leashes may not exceed a length which will permit close control of the pet. Owners of pets must immediately and adequately clean up their pet's droppings in all areas of the Property including, without limitation, the sidewalks, exterior landscapes and all other areas. The Residential Board or the Condominium Board may establish such other rules and regulations concerning pets as it deems necessary or appropriate, including, without limitation, the right to prohibit pets. In the event of the adoption of a rule prohibiting pets (other than pets needed by persons with disabilities), any Residential Unit Owner who maintained an orderly domestic pet at the time of the adoption of such rule shall have the right to retain such pet (unless such pet is otherwise deemed to constitute a nuisance or be in violation of the these provisions or the Rules and Regulations), but shall not have the right to replace such pet or subsequently acquire additional pets. Any Residential Unit Owner keeping a pet or animal in violation of these provisions or which causes any damage to or requires cleanup of any Unit or the Common Elements or which is offensive or creates any nuisance, danger or unreasonable disturbance or noise, shall be personally liable for the cost and expense of such repair, clean up or elimination of such disturbance or nuisance. Each Residential Unit Owner who keeps any type of permitted pet in such Residential Unit Owner's Residential Unit will be required to abide by any and all Rules and Regulations of the Residential Board or the Condominium Board adopted with respect thereto and may be required to enter into an agreement with the Condominium Board or the Residential Board governing the maintenance of such pets. Any Residential Unit Owner who keeps or maintains any pet upon any portion of the Condominium shall indemnify and hold each Board, the Managing Agent, and other Unit Owners and the Declarant free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet within the Condominium.

14. Servants, messengers and tradespeople visiting or residing in the Residential Section may be required to use the elevators designated by the Residential Board or the Managing Agent of the Residential Section for that purpose, for ingress and egress, and shall not use any of the other elevators for any purpose, except that nurses in the employ of Residential Unit Owners or their guests or tenants may use any of the other elevators when accompanying said Unit Owners, guests or tenants. However, a guest or visitor of a Residential Unit Owner may use any of the elevators freely, if authorized by such Unit Owner.

15. All packages, whenever feasible, will be required to be delivered by outside personnel to the package room in the Residential Lobby where such packages will be held for pick-up by Residential Unit Owners. Deliveries, if made, will be made from the package room to individual Residential Units only by building personnel or 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 Residential Unit is not so occupied or delivery is declined, the package will be held in the package room until the resident or authorized person returns or requests delivery. In the case of packages containing perishable food items, service or delivery persons who are registered with building personnel will be permitted to make deliveries directly to individual Residential Units after such service or delivery persons have received approval for such delivery from the Residential Unit Owner.

16. Trunks and heavy baggage shall be taken in or out of the Residential Section by the elevators designated by the Residential Board or the Managing Agent of the Residential Section for that purpose, and through a designated entrance only.

17. No refuse from the Residential Units shall be sent to the below grade levels of the Building except at such times and in such manner as the Residential Board or the Managing Agent of the Residential Section may direct.

18. Water-closets and other water apparatus in the Residential Section 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 Residential Unit shall be repaired and paid for by the Owner of such Unit.

19. No occupant of the Residential Section shall send any employee of the Residential Section or of the Managing Agent thereof out of the Building on any private business.

20. The agents of the Residential Board or the Managing Agent, and any contractor or worker authorized by the Residential Board or the Managing Agent of the Residential Section, may enter any room or Residential Unit at any reasonable hour of the day, on at least one day's prior written notice to the Residential Unit Owner, for the purpose of inspecting such Residential Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests; however, such entry, inspection and extermination shall be done in a manner so as not to unreasonably interfere with the use of such Residential 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 Residential Board or the Managing Agent of the Residential Section may retain a passkey to each Residential Unit. If any lock is altered or a new lock is installed, the Residential Board or the Managing Agent of the Residential Section shall be provided with a key thereto immediately upon such alteration or installation. If the Residential Unit Owner is not personally present to open and permit an entry to such Unit Owner's Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws and has not furnished a key to such Board or such Managing Agent, then the Residential Board or such Managing Agent or their agents (but, except in an Emergency, only when specifically authorized by an officer of such Board or an officer of the Managing Agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if during such entry reasonable care under the circumstances is given to such Unit Owner's property).

23. No vehicle belonging to a Residential Unit Owner or to a member of the family or guest, tenant or employee of a Residential Unit Owner shall be parked in such manner as to impede or prevent ready access to any entrance to or exit from the Building.

24. Complaints regarding the services of the Residential Section shall be made in writing to the Residential Board or to the Managing Agent of the Residential Section.

25. Any consent or approval given under these Residential Rules and Regulations may be granted, refused, added to, amended or repealed, in the sole discretion of the Residential Board, at any time by resolution of the Residential Board. Further, any such consent or approval may, in the discretion of the Residential Board, be conditional.

26. Residential Unit Owners will faithfully observe the following procedures with respect to the use of the compactor: (a) wrap dust, floor and powdered waste in compact packages before depositing the same; (b) thoroughly drain and wrap in paper all garbage before depositing the same; (c) refrain from forcing large bundles into the chute; (d) crush into tight bundles all loose papers before placing the same in the hopper door; (e) deposit all bundles of waste into the hopper; (f) refrain from depositing waste of an explosive nature therein; (g) observe all Laws regarding the recycling of refuse then imposed by governmental agencies having jurisdiction thereover and (h) observe any additional recycling rules established by the Condominium Board or the Residential Board.

27. Except as permitted under the Declaration and By-Laws, Residential Unit Owners, their families, guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the Courtyard, Roof or Bulkhead Roof of the Building.

28. Residential Unit Owners, their guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not cause or permit any unusual or objectionable noise or odors to be produced upon or to emanate from their Units or any public portions of the Building.

29. No Residential Unit Owner or any of such Unit Owner's agents, servants, employees, licensees, tenants, sublessees 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, except as shall be necessary and appropriate for the permitted uses of such Unit.

30. If any key or keys are entrusted by a Residential Unit Owner or by any member of such Unit Owner's family or by such Unit Owner's agent, servant, employee, tenant, sublessee, licensee or visitor to an employee of the Residential Board or the Managing Agent of the Residential Section, whether for such Unit Owner's Unit or an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Residential Board nor the Managing Agent of the Residential Section shall be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

31. Nothing shall be done or kept in any Residential Unit or in the General or Limited Common Elements which will increase the rate of insurance of the Building or contents thereof without the prior written consent of the Condominium Board. No Residential Unit Owner shall permit anything to be done or kept in such Unit Owner's Unit or in the General or Limited Common Elements which will result in the cancellation of insurance on the Building or which would be in violation of any Law. No waste shall be committed in the General or Limited Common Elements.

32. The Boards shall have the right from time to time to relocate any portion of the Common Elements devoted to storage or service purposes.

33. No group tour or exhibition of any Residential Unit or its contents shall be conducted, nor shall any auction sale be held in any Residential Unit, without the prior consent of the Residential Board or the Managing Agent of the Residential Section.

34. In the event that any Residential Unit is used for home occupation purposes which are permitted by Law and the By-Laws, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

35. Unless expressly authorized by the Residential Board in each case, at least 80% of the floor area of each Residential Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting or equally effective noise-reducing material.

36. There will be no barbecuing in the Residential Units in the Limited Common Elements appurtenant thereto (including Terraces), or the General Common Elements, except for those areas (if any) specifically designated for barbecuing by the Residential Board.

37. The Residential 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 Residential Section when, in the reasonable judgment of the Residential Board, the Residential Board deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Residential Section, or the preservation of good order therein, or the operation or Maintenance of the Residential Section, or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Residential Section. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Residential Unit Owner or other occupant shall operate as a rescission, alteration or waiver in respect of any other Residential Unit Owner or other occupant.

38. No article, including, but not limited to, bicycles and similar vehicles, shall be stored or allowed to stand on Terraces, other than furniture of the kind usually maintained in outdoor areas.

39. At least eighty (80%) percent of the floor area of Residential Units (except for kitchens, bathrooms and closets) be covered with padded rugs, carpeting or equally effective noise-reducing material

EXHIBIT E

POWERS OF ATTORNEY

EXHIBIT F

ELEVATION PLANS

EXHIBIT "8"

CERTIFICATION OF SPONSOR AND PRINCIPALS

CERTIFICATION OF SPONSOR AND PRINCIPALS

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

Re: Condominium Offering Plan
42 Crosby Street
New York, New York 10012

The undersigned certify as follows:

We are the sponsor and the principals of sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibilities for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

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

(vii) not contain any representation or statement which is false, where I/we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

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:

Sworn to before me this 3

day of September, 2014

Notary Public

Broome Street Owner LLC

By: _____

Name: Andrew B. Cohen
Title: Authorized Signatory

SPONSOR'S PRINCIPALS:

Sworn to before me this 3

day of September, 2014

Notary Public

_____
Andrew B. Cohen

Sworn to before me this 3

day of September, 2014

Notary Public

_____
Jeffrey A. Goldberger

NOTARY PUBLIC FLAVIA VOGT No. 01VO6242695 Exp. 06/27/15 QUEENS COUNTY STATE OF NEW YORK

EXHIBIT "9"

CERTIFICATION OF SPONSOR'S ARCHITECT

FRANKE
GOTTSEGEN
COX
ARCHITECTS

CERTIFICATION OF ARCHITECT

3 September, 2014

Real Estate Financing Bureau
New York State Department of Law
120 Broadway
New York, New York 10271

Re: 42 Crosby Street, New York, NY 10012

The Sponsor of the Offering Plan to establish the captioned property (**the "Property"**) as a condominium (the **"Offering Plan"**) retained our firm to prepare a report describing construction of the property. We also were retained to prepare plans and specifications for the project. We accordingly prepared the plans dated August 8, 2014 and prepared the specifications dated June 23, 2014 (collectively, the **"Plans and Specifications"**), and prepared the report dated August 13, 2014 (the **"Report"**), a copy of which Report is intended to be incorporated into the Offering Plan so prospective purchases may rely on it.

We are registered architects in the State of New York.

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

We last visited the site on 8/28/14. At the time of our visit the property was vacant and being prepared for construction.

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

78 Union Street
Brooklyn, New York 11231
T 718 596 3040
F 718 596 3026
www.fgca.com

We certify that the Report:

(i) sets forth in narrative form the physical condition of the entire Property as it will exist upon completion of construction, provided that construction is in accordance with the Plans and Specifications that I prepared;

(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, provided that construction is in accordance with the Plans and Specifications that I prepared;

(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 expectations 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 the 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.

STATE OF NEW YORK
NORMAN R. COX
No.016362-1
REGISTERED ARCHITECT

Very truly yours,

BY: Norman R. Cox
Title: Partner

Sworn to before this 3 day, of Sept 2014

BABE N. NARAIN
NOTARY PUBLIC, State of New York
No. 01NA5063041
Qualified in Kings County
Commission Expires September 22, 2017

Notary Public

78 Union Street
Brooklyn, New York 11231
T 718 596 3040
F 718 596 3026
www.fgca.com

EXHIBIT "10"

CERTIFICATION OF SPONSOR'S EXPERT
CONCERNING ADEQUACY OF BUDGET

R·A·COHEN R.A. Cohen & Associates, Inc.
60 East 42nd Street
Suite 850
New York, New York 10165
212.972.5900
212.972.8443 Fax
Writer's Direct Line (212) 835-9500
Writer's Direct Fax Number (212) 835-9501
Writer's E-mail bob@racohen.com
www.racohen.com

Principals
Robert A. Cohen
Ralph Della Cava

August 26, 2014

CERTIFICATION BY EXPERT ON ADEQUACY OF BUDGET PURSUANT TO SECTION 20 OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW ARTICLE 23-A, AS AMENDED.

Real Estate Financing Bureau
New York State Department of Law
120 Broadway, 23rd Floor
New York, NY 10271

Re: 42 Crosby Street
New York, NY

The Sponsor of the Condominium Offering Plan for the captioned property retained our firm to prepare Schedule B containing projections of income and expenses for the first year of condominium operation commencing November 1, 2016.

Our firm has been engaged in the management of real estate in excess of twenty years and is a licensed real estate broker in the state of New York. We have projected budgets for proposed and existing cooperative and condominium properties in New York City and New York metropolitan area since 1990. We have been engaged in the management of more than 50 residential properties over the past twenty years.

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

We have reviewed the schedule and investigated the facts set forth in the Schedule, and the facts underlying it with due diligence in order to form the basis for this Certification. We also relied on our experience in managing residential buildings.

We certify that the projections in schedule B appear reasonable and adequate under existing circumstances, and the projected income appears sufficient to meet anticipated operating expenses for the first year of operation commencing November 1, 2016.

We certify that the Schedule

i. Sets forth in detail the projected income and expenses for the year of condominium operation commencing November 1, 2016;
ii. Affords potential purchasers, investors and participants an adequate basis upon which to found their judgment concerning the year of condominium operation commencing November 1, 2016;
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 of statements 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 of expenses for the year of condominium operation commencing November 1, 2016.

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.

Very truly yours,

R.A. COHEN & ASSOCIATES, INC.

By: _____
Robert A. Cohen
President

Sworn to before me this 26th
day of August 2014

_____
Notary Public

Fernando F. Fragano
Notary Public No. 60-4916165
Qual. In Putnam Co. N.Y. State
Commission Expires 12-21-17

R·A·COHEN

R.A. Cohen & Associates, Inc.
60 East 42nd Street
Suite 850
New York, New York 10165
212.972.5900
212.972.8443 Fax
www.racohen.com

EXHIBIT "11"

CERTIFICATION OF SPONSOR'S EXPERT
CONCERNING ADEQUACY OF COMMON CHARGES
PAYABLE BY COMMERCIAL UNIT OWNER

R·A·COHEN R.A. Cohen & Associates, Inc.
60 East 42nd Street
Suite 850
New York, New York 10165
212.972.5900
212.972.8443 Fax
Writer's Direct Line (212) 835-9500
Writer's Direct Fax Number (212) 835-9501
Writer's E-mail bob@racohen.com
www.racohen.com

Principals
Robert A. Cohen
Ralph Della Cava

August 26, 2014

CERTIFICATION OF ADEQUACY OF COMMON CHARGES PAYABLE BY COMMERCIAL UNIT OWNERS

Real Estate Financing Bureau
New York State Department of Law
120 Broadway, 23rd Floor
New York, NY 10271

Re: 42 Crosby Street
New York, NY

The Sponsor of the Condominium Offering Plan for the captioned property retained our firm to prepare Schedule B which includes projections of common charges payable by the owners of the commercial units. Our experience in this field includes the management of cooperative and condominium buildings and rental properties. Our firm has been engaged in the management of real estate in excess of 20 years and is a licensed real estate broker in the State of New York.

As managing agent, we have reviewed or prepared the budgets for residential and mixed use buildings.

We understand that we are responsible for complying with Articles 23-A of the General Business Law and the regulations promulgated by the Attorney General in Part 20 insofar as they are applicable to the commercial units referred to in Schedules A and B.

We have reviewed the Schedules as they impact upon the commercial units and investigated the facts underlying it with due diligence in order to form the basis for this certification. We have also relied on our experience in managing residential and commercial buildings.

We certify that the projections in Schedule B for the common charges payable by the owners of the commercial units appear reasonable and adequate under existing circumstances to meet anticipated operating expenses fairly attributable to such commercial units for the projected year of condominium operation, and that the allocation of common charges attributable to the commercial units also reflects special or exclusive use or availability or exclusive control of particular common areas.

We certify that the estimates in Schedule B for the common charges payable by the owners of the commercial units:

i. set forth in detail the projected income and expenses for the year of condominium operation commencing November 1, 2016;
ii. set forth in detail the projected common charges for the commercial units for the first year of condominium operation commencing November 1, 2016;
iii. affords potential purchasers, investors and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owners of the commercial units;
iv. does not omit any material fact;
v. does not contain any untrue statement of a material fact;
vi. does not contain any fraud, deception, concealment or suppression;
vii. does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
viii. 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 of statements made.

I 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 so that prospective purchasers may rely on it. This statement is not intended as a guarantee or warranty of the common charges attributable to the commercial unit for the year of condominium operation commencing November 1, 2016.

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.

Very truly yours,

R.A. COHEN & ASSOCIATES, INC.

By: _____
Robert A. Cohen
President

Sworn to before me this 26th
day of August 2014

_____
Notary Public

Fernando F. Fragano
Notary Public No. 60-4916165
Qual. In Putnam Co. N.Y. State
Commission Expires 12-21-17

R·A·COHEN

R.A. Cohen & Associates, Inc.
60 East 42nd Street
Suite 850
New York, New York 10165
212.972.5900
212.972.8443 Fax
www.racohen.com

EXHIBIT "12"

FORM W-9

Form **W-9**
(Rev. August 2013)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Print or type
See Specific Instructions on page 2.

Name (as shown on your income tax return)

Business name/disregarded entity name, if different from above

Check appropriate box for federal tax classification:
☐ Individual/sole proprietor ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____

☐ Other (see instructions) ▶

Exemptions (see instructions):
Exempt payee code (if any) _____
Exemption from FATCA reporting code (if any) _____

Address (number, street, and apt. or suite no.)

Requester's name and address (optional)

City, state, and ZIP code

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number
☐☐☐ - ☐☐ - ☐☐☐☐

Employer identification number
☐☐ - ☐☐☐☐☐☐☐

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below), and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here | **Signature of U.S. person** ▶ | **Date** ▶

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. The IRS has created a page on IRS.gov for information about Form W-9, at *www.irs.gov/w9*. Information about any future developments affecting Form W-9 (such as legislation enacted after we release it) will be posted on that page.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, payments made to you in settlement of payment card and third party network transactions, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct.

Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give 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:

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity,
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust, and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (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, give the requester the appropriate completed Form W-8 or Form 8233.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS a percentage 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, payments made in settlement of payment card and third party network transactions, 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 *Exempt payee code* on page 3 and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships* on page 1.

What is FATCA reporting? The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code* on page 3 and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

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/disregarded entity name" line.

Partnership, C Corporation, or S Corporation. Enter the entity's name on the "Name" line and any business, trade, or "doing business as (DBA) name" on the "Business name/disregarded entity name" line.

Disregarded entity. For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulation section 301.7701-2(c)(2)(iii). Enter the owner's name on the "Name" line. The name of the entity entered on the "Name" line should never be a disregarded entity. The name on the "Name" line must be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on the "Name" line. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on the "Business name/disregarded entity name" line. If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Note. Check the appropriate box for the U.S. federal tax classification of the person whose name is entered on the "Name" line (Individual/sole proprietor, Partnership, C Corporation, S Corporation, Trust/estate).

Limited Liability Company (LLC). If the person identified on the "Name" line is an LLC, check the "Limited liability company" box only and enter the appropriate code for the U.S. federal tax classification in the space provided. If you are an LLC that is treated as a partnership for U.S. federal tax purposes, enter "P" for partnership. If you are an LLC that has filed a Form 8832 or a Form 2553 to be taxed as a corporation, enter "C" for C corporation or "S" for S corporation, as appropriate. If you are an LLC that is disregarded as an entity separate from its owner under Regulation section 301.7701-3 (except for employment and excise tax), do not check the LLC box unless the owner of the LLC (required to be identified on the "Name" line) is another LLC that is not disregarded for U.S. federal tax purposes. If the LLC is disregarded as an entity separate from its owner, enter the appropriate tax classification of the owner identified on the "Name" line.

Other entities. Enter your business name as shown on required U.S. 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/disregarded entity name" line.

Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the *Exemptions* box, any code(s) that may apply to you. See *Exempt payee code* and *Exemption from FATCA reporting code* on page 3.

Exempt payee code. 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. Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following codes identify payees that 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

5—A corporation

6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States

7—A futures commission merchant registered with the Commodity Futures Trading Commission

8—A real estate investment trust

9—An entity registered at all times during the tax year under the Investment Company Act of 1940

10—A common trust fund operated by a bank under section 584(a)

11—A financial institution

12—A middleman known in the investment community as a nominee or custodian

13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over $600 required to be reported and direct sales over $5,000[1]	Generally, exempt payees 1 through 5[2]
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

[1] See Form 1099-MISC, Miscellaneous Income, and its instructions.

[2] However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney, and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Reg. section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Reg. section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

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 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, apply for a TIN and 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 U.S. 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, or 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on the "Name" line must sign. Exempt payees, see *Exempt payee code* earlier.

Signature requirements. Complete the certification as indicated in items 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 made in settlement of payment card and third party network transactions, 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]
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulation section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	**Give name and EIN of:**
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity [4]
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. 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
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulation section 1.671-4(b)(2)(i)(B))	The trust

[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 "Business name/disregarded entity" 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. Grantor also must provide a Form W-9 to trustee of trust.

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.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

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 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.ftc.gov/idtheft* or 1-877-IDTHEFT (1-877-438-4338).

Visit 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 (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and 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. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

EXHIBIT "13"

FORM W-8BEN
CERTIFICATE OF FOREIGN STATUS OF BENEFICIAL OWNER FOR UNITED STATES TAX WITHHOLDING

Form **W-8BEN**

(Rev. February 2014)

Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)

► For use by individuals. Entities must use Form W-8BEN-E.
► Information about Form W-8BEN and its separate instructions is at *www.irs.gov/formw8ben*.
► Give this form to the withholding agent or payer. Do not send to the IRS.

OMB No. 1545-1621

Do NOT use this form if:	**Instead, use Form:**
• You are NOT an individual	W-8BEN-E
• You are a U.S. citizen or other U.S. person, including a resident alien individual	W-9
• You are a beneficial owner claiming that income is effectively connected with the conduct of trade or business within the U.S. (other than personal services)	W-8ECI
• You are a beneficial owner who is receiving compensation for personal services performed in the United States	8233 or W-4
• A person acting as an intermediary	W-8IMY

Part I Identification of Beneficial Owner (see instructions)

1 Name of individual who is the beneficial owner

2 Country of citizenship

3 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address.**

City or town, state or province. Include postal code where appropriate.

Country

4 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate.

Country

5 U.S. taxpayer identification number (SSN or ITIN), if required (see instructions)

6 Foreign tax identifying number (see instructions)

7 Reference number(s) (see instructions)

8 Date of birth (MM-DD-YYYY) (see instructions)

Part II Claim of Tax Treaty Benefits (for chapter 3 purposes only) (see instructions)

9 I certify that the beneficial owner is a resident of _____ within the meaning of the income tax treaty between the United States and that country.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article _____ of the treaty identified on line 9 above to claim a _____ % rate of withholding on (specify type of income): _____

_____

Explain the reasons the beneficial owner meets the terms of the treaty article: _____

_____

Part III Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the individual that is the beneficial owner (or am authorized to sign for the individual that is the beneficial owner) of all the income to which this form relates or am using this form to document myself as an individual that is an owner or account holder of a foreign financial institution,
- The person named on line 1 of this form is not a U.S. person,
- The income to which this form relates is:

  (a) not effectively connected with the conduct of a trade or business in the United States,

  (b) effectively connected but is not subject to tax under an applicable income tax treaty, or

  (c) the partner's share of a partnership's effectively connected income,
- The person named on line 1 of this form is a resident of the treaty country listed on line 9 of the form (if any) within the meaning of the income tax treaty between the United States and that country, and
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner. **I agree that I will submit a new form within 30 days if any certification made on this form becomes incorrect.**

Sign Here ▶

_____ _____

Signature of beneficial owner (or individual authorized to sign for beneficial owner) Date (MM-DD-YYYY)

_____ _____

Print name of signer Capacity in which acting (if form is not signed by beneficial owner)

EXHIBIT "14"

RPL §339-kk

§ 3. The real property law is amended by adding a new §339-kk to read as follows:
§ 339-KK. RENTS. (A) FOR THE PURPOSES OF THIS SECTION, "NON-OCCUPYING OWNER" SHALL MEAN A UNIT OWNER IN A CONDOMINIUM ASSOCIATION WHO DOES NOT OCCUPY THE DWELLING UNIT.
(B) IF A NON-OCCUPYING OWNER RENTS ANY DWELLING UNIT TO A RENTAL TENANT AND THEN FAILS TO MAKE PAYMENTS DUE FOR COMMON CHARGES, ASSESSMENTS OR LATE FEES FOR SUCH UNIT WITHIN SIXTY DAYS OF THE EXPIRATION OF ANY GRACE PERIOD AFTER THEY ARE DUE, UPON NOTICE IN ACCORDANCE WITH SUBDIVISION (C) OF THIS SECTION, ALL RENTAL PAYMENTS FROM THE TENANT SHALL BE DIRECTLY PAYABLE TO THE CONDOMINIUM ASSOCIATION.
(C) IF THE COMMON CHARGES, ASSESSMENTS OR LATE FEES DUE FOR ANY UNIT HAVE NOT BEEN PAID IN FULL, WITHIN SIXTY DAYS AFTER THE EXPIRATION OF ANY GRACE PERIOD OF THE EARLIEST DUE DATE, THE BOARD OF MANAGERS SHALL PROVIDE WRITTEN NOTICE TO THE TENANT AND THE NON-OCCUPYING OWNER PROVIDING THAT, COMMENCING IMMEDIATELY AND UNTIL SUCH TIME AS ALL PAYMENTS FOR COMMON CHARGES, ASSESSMENTS OR LATE FEES ARE MADE CURRENT, ALL RENTAL PAYMENTS DUE SUBSEQUENT TO THE ISSUANCE OF SUCH NOTICE ARE TO BE MADE PAYABLE TO THE CONDOMINIUM ASSOCIATION AT THE ADDRESS LISTED ON THE NOTICE. WHERE A MAJORITY OF THE BOARD OF MANAGERS HAS BEEN ELECTED BY AND FROM AMONG THE UNIT OWNERS WHO ARE IN OCCUPANCY, THE BOARD MAY ELECT NOT TO REQUIRE THAT RENTAL PAYMENTS BE MADE PAYABLE TO THE CONDOMINIUM ASSOCIATION. AT SUCH TIME AS PAYMENTS FOR COMMON CHARGES, ASSESSMENTS AND LATE FEES FROM THE NON-OCCUPYING OWNER ARE ONE AGAIN CURRENT, NOTICE OF SUCH FACT SHALL BE GIVEN WITHIN THREE BUSINESS DAYS TO THE RENTAL TENANT AND NON-OCCUPYING OWNER. THEREAFTER ALL RENTAL PAYMENTS SHALL BE MADE PAYABLE TO THE NON-OCCUPYING OWNER OR A DESIGNATED AGENT. A NON-OCCUPYING OWNER WHO DISPUTES THE ASSOCIATION'S CLAIM TO RENTAL PAYMENTS PURSUANT TO THIS SECTION SHALL BE ENTITLED TO PRESENT FACTS SUPPORTING SUCH OWNER'S POSITION AT THE NEXT SCHEDULED MEETING OF THE BOARD OF MANAGERS, WHICH MUST BE HELD WITHIN THIRTY DAYS OF THE DATE THAT SUCH BOARD RECEIVES NOTICE THAT SUCH OWNER SEEKS TO DISPUTE SUCH CLAIM.
(D) NOTHING IN THIS SECTION SHALL LIMIT ANY RIGHTS OF UNIT OWNERS OR OF THE BOARD OF MANAGERS EXISTING UNDER ANY OTHER LAW OR AGREEMENT.
(E) PAYMENT BY A RENTAL TENANT TO THE CONDOMINIUM ASSOCIATION MADE IN CONNECTION WITH THIS SECTION SHALL RELIEVE THAT RENTAL TENANT FROM THE OBLIGATION TO PAY SUCH RENT TO THE NON-OCCUPYING OWNER AND SHALL BE AN ABSOLUTE DEFENSE IN ANY NON-PAYMENT PROCEEDING COMMENCED BY SUCH NON-OCCUPYING OWNER AGAINST SUCH TENANT FOR SUCH RENT.

§ 4. This act may be enforced by any party by means of a special proceeding brought pursuant to article 4 of the civil practice law and rules.

§ 5. This act shall take effect immediately, and is applicable to all cooperative corporations and condominiums in existence on or after such date.

CHAP. 422

The Legislature of the STATE OF NEW YORK SS:

Pursuant to the authority vested in us by section 70-b of the Public Officers Law, we hereby jointly certify that this slip copy of this session law was printed under our direction and, in accordance with such section, is entitled to be read into evidence.

JOSEPH L. BRUNO
TEMPORARY PRESIDENT OF THE SENATE

SHELDON SILVER
SPEAKER OF THE ASSEMBLY

EXHIBIT "15"

SPECIMEN TITLE POLICY

FIDELITY NATIONAL TITLE INSURANCE COMPANY

POLICY NO.: SPECIMEN TITLE NO.: 13-7406-31859NYM

SCHEDULE A

AMOUNT OF INSURANCE: $TBD DATE OF POLICY: DATE OF CLOSING

1. NAME OF INSURED:

   TBD

2. THE ESTATE OR INTEREST IN THE LAND WHICH IS COVERED BY THIS POLICY IS:

   Fee Simple

3. TITLE TO THE ESTATE OR INTEREST IN THE LAND IS VESTED IN:

   TBD, which acquired title by deed dated _____, 2014 made by Broome Street Owner LLC and to be recorded in the New York County Register's Office.

4. THE LAND REFERRED TO IN THIS POLICY IS DESCRIBED ON SCHEDULE A-PART I, WITHIN.

This is a Pro Forma Policy.
It does not reflect the present state of the Title and is not a commitment to (i) insure the Title or (ii) issue any of the attached endorsements.
THIS PRO FORMA AND THE PREMIUM TO BE CHARGED ARE PRELIMINARY AND SUBJECT TO FINAL CORPORATE APPROVAL. SUCH APPROVAL MUST BE RECEIVED PRIOR TO CLOSING.

SCHEDULE A - Part I

DESCRIPTION

PARCEL I

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follow:

BEGINNING at the intersection of the northerly side of Broome Street and the westerly side of Crosby Street; and running thence Westerly along the northerly side of Broome Street fifty feet one inches to the independent wall of the building standing on the premises adjoining the premises hereby described on the west; thence Northerly along the easterly face of said wall and along a line in continuation thereof, one hundred and sixteen feet ten and three-quarters inches to the independent wall of the building standing on the premises adjoining the premises hereby described on the north; thence Easterly along the southerly face of said last mentioned wall forty-nine feet eleven and one-half inches to the westerly side of Crosby Street; and thence Southerly along the westerly side of Crosby Street one hundred and fourteen feet to the point or place of beginning; be said several dimensions more or less.

PARCEL II

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follow:

BEGINNING at a point on the Northerly side of Broome Street, distant one-hundred and twenty-nine (129) feet (as measured along said side of the said street) eastwardly from the Easterly side of Broadway and opposite the center of a party wall; and running thence Northerly parallel with Broadway and part of the way through the center line of said party wall one-hundred and eighteen (118) feet or thereabouts to the lot known on map of the Estate of Nicholas Bavard, deceased, as No. 1187; thence Easterly along the line of the said lot No. 1187 to the rear line of the lot known on said Map as No. 1185; thence Southerly along the line of the said lot No. 1185 one-hundred and seventeen (117) feet or thereabouts to the Northerly line of Broome Street; thence Westerly along Broome Street twenty-one (21) feet, two (2) inches or thereabouts to the place of BEGINNING.

PERIMETER DESCRIPTION:

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follow:

BEGINNING at the corner formed by the intersection of the northerly side of Broome Street with the westerly side of Crosby Street;

RUNNING THENCE westerly along the northerly side of Broome Street, 71 feet 4-1/4 inches to a point;

THENCE northerly parallel with the westerly side of Crosby Street, 118 feet 4-3/8 inches;

THENCE easterly parallel with the northerly side of Broome Street, 71 feet 2 inches to the westerly side of Crosby Street;

SCHEDULE A - Part I

DESCRIPTION

THENCE southerly along the westerly side of Crosby Street, 114 feet 0 inches to the point or place of BEGINNING.

SCHEDULE B

EXCEPTION FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorney's fees or expenses) which arise by reason of:

1. Taxes, tax liens, tax sales, water rents, sewer rents and assessments, not yet due and payable.

2. Rights of tenants and persons in possession.

3. Survey made by Link Land Surveyors, P.C., dated September 14, 2011 discloses the following:

   a. North edge of concrete sidewalk varies with the southerly line and stands up to 0 feet 6 inches north of the southerly record line.

   b. Brick walls of buildings on premises adjoining on the west encroach up to 1 foot 3-1/2 inches onto subject premises.

   c. Air conditioners in windows of five story building on premises adjoining on the west project up to 1 foot 6 inches more or less over subject premises.

   d. Brick chimney base of five story building on premises adjoining on the west projects 0 feet 8 inches over subject premises.

   e. Fire escape of one story extension on premises adjoining on the west projects 0 feet 8 inches over subject premises.

   f. Southerly wall of five story building on premises adjoining on the north leans 0 feet 1 inch more or less over subject premises.

   g. Security gate housing on subject premises encroaches up to 1 foot 10 inches more or less onto Crosby Street.

   h. Interior lines are not made a part of the survey reading.

   i. Variations with record lines of title.

   Subject to any state of facts disclosed by a redate of the above referenced survey.

4. Party Wall Agreement recorded July 17, 1885 in Liber 1887 Cp. 373 affects the westerly record line.

5. The premises have been designated a part of The SoHo-Cast Iron Historic District by Notice of Designation recorded August 17, 1973 in Reel 288 page 1059 and are therefore subject to the restricted use as provided in the New York City Charter and Title 25, Chapter 3 of the New York City Administrative Code.

SCHEDULE B

EXCEPTION FROM COVERAGE

6. Terms, covenants, conditions and provisions contained in the unrecorded lease made between Crosby Street Lot, LLC, Broome Street Lot, LLC and 432 Broome Street, LLC (Landlord) and LPARK 1, LLC (tenant) as disclosed by Action No. 651102/2011.

STANDARD NEW YORK ENDORSEMENT

(OWNER'S POLICY)

1. The following is added as a Covered Risk:

   "11. Any statutory lien arising under Article 2 of the New York Lien Law for services, labor or materials furnished prior to the date hereof, and which has now gained or which may hereafter gain priority over the estate or interest of the insured as shown in Schedule A of this policy."

2. Exclusion Number 5 is deleted, and the following is substituted:

   5. Any lien on the Title for real estate taxes, assessments, water charges or sewer rents imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as Shown in Schedule A.

THIS ENDORSEMENT is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Fidelity National Title Insurance Company

SEAL

BY

President

ATTEST

Secretary

Fidelity National Financial, Inc.
Privacy Statement

Fidelity National Financial, Inc. and its subsidiaries ("FNF") respect the privacy and security of your non-public personal information ("Personal Information") and protecting your Personal Information is one of our top priorities. This Privacy Statement explains FNF's privacy practices, including how we use the Personal Information we receive from you and from other specified sources, and to whom it may be disclosed. FNF follows the privacy practices described in this Privacy Statement and, depending on the business performed, FNF companies may share information as described herein.

Personal Information Collected
We may collect Personal Information about you from the following sources:

- Information we receive from you on applications or other forms, such as your name, address, social security number, tax identification number, asset information, and income information;
- Information we receive from you through our Internet websites, such as your name, address, email address, Internet Protocol address, the website links you used to get to our websites, and your activity while using or reviewing our websites;
- Information about your transactions with or services performed by us, our affiliates, or others, such as information concerning your policy, premiums, payment history, information about your home or other real property, information from lenders and other third parties involved in such transaction, account balances, and credit card information; and
- Information we receive from consumer or other reporting agencies and publicly recorded documents.

Disclosure of Personal Information
We may provide your Personal Information (excluding information we receive from consumer or other credit reporting agencies) to various individuals and companies, as permitted by law, without obtaining your prior authorization. Such laws do not allow consumers to restrict these disclosures. Disclosures may include, without limitation, the following:

- To insurance agents, brokers, representatives, support organizations, or others to provide you with services you have requested, and to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure in connection with an insurance transaction;
- To third-party contractors or service providers for the purpose of determining your eligibility for an insurance benefit or payment and/or providing you with services you have requested;
- To an insurance regulatory authority, or a law enforcement or other governmental authority, in a civil action, in connection with a subpoena or a governmental investigation;
- To companies that perform marketing services on our behalf or to other financial institutions with which we have joint marketing agreements and/or
- To lenders, lien holders, judgment creditors, or other parties claiming an encumbrance or an interest in title whose claim or interest must be determined, settled, paid or released prior to a title or escrow closing.

We may also disclose your Personal Information to others when we believe, in good faith, that such disclosure is reasonably necessary to comply with the law or to protect the safety of our customers, employees, or property and/or to comply with a judicial proceeding, court order or legal process.

Disclosure to Affiliated Companies – We are permitted by law to share your name, address and facts about your transaction with other FNF companies, such as insurance companies, agents, and other real estate service providers to provide you with services you have requested, for marketing or product development research, or to market products or services to you. We do not, however, disclose information we collect from consumer or credit reporting agencies with our affiliates or others without your consent, in conformity with applicable law, unless such disclosure is otherwise permitted by law.

Disclosure to Nonaffiliated Third Parties – We do not disclose Personal Information about our customers or former customers to nonaffiliated third parties, except as outlined herein or as otherwise permitted by law.

Confidentiality and Security of Personal Information
We restrict access to Personal Information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard Personal Information.

Access to Personal Information/
Requests for Correction, Amendment, or Deletion of Personal Information
As required by applicable law, we will afford you the right to access your Personal Information, under certain circumstances to find out to whom your Personal Information has been disclosed, and request correction or deletion of your Personal Information. However, FNF's current policy is to maintain customers' Personal Information for no less than your state's required record retention requirements for the purpose of handling future coverage claims.

For your protection, all requests made under this section must be in writing and must include your notarized signature to establish your identity. Where permitted by law, we may charge a reasonable fee to cover the costs incurred in responding to such requests. Please send requests to:

Chief Privacy Officer
Fidelity National Financial, Inc.
601 Riverside Avenue
Jacksonville, FL 32204

Changes to this Privacy Statement
This Privacy Statement may be amended from time to time consistent with applicable privacy laws. When we amend this Privacy Statement, we will post a notice of such changes on our website. The effective date of this Privacy Statement, as stated above, indicates the last time this Privacy Statement was revised or materially changed.

EXHIBIT "16"

STORAGE BIN LICENSE

STORAGE BIN LICENSE

AGREEMENT MADE THIS _____ day of _____, 200_ (this "Agreement") by and between the Residential Board of The 42 Crosby Street Condominium("Licensor"), having an office at c/o Atlas Capital Group, 505 Fifth Avenue, New York, New York 10017 and _____, having an address at 42 Crosby Street, New York, New York 10012 (the "Licensee");

WHEREAS, pursuant to that certain condominium declaration and by-laws for the condominium known as The 42 Crosby Street Condominium(the "Condominium") dated _____, recorded on _____ in Reel __, Page ___ (collectively the "Declaration") for the property having the street address 42 Crosby Street, New York, New York 10012 (the "Property"), the Property was submitted to a condominium regime;

WHEREAS, in accordance with the terms of the Declaration, Licensor is responsible for the administration of the Residential Section of the Condominium, including, without limitation the "Storage Bins" located in the Building as such term in more particularly defined and described in the Declaration;

WHEREAS, Licensee, owns or simultaneously herewith, Licensee is acquiring a Residential Unit in the Condominium and;

WHEREAS, Licensee desires the right to the exclusive use of the Storage Bin __ (the "Bin") for so long as Licensee owns a Residential Unit in the Condominium.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the parties hereto agree as follows:

1. Subject to and in accordance with the terms and conditions of this Agreement, Licensor hereby grants to Licensee, its successors and assigns and Licensee hereby accepts from Licensor, a license (the "License") to use the Bin during the term hereof for storage of Licensee's personal property and the property of occupants of the Unit (the "Permitted Users") and for no other purpose. Nothing can be stored in the Storage Bins which would constitute a threat to the health or safety of the Unit Owners or other occupants of the Building or otherwise create a nuisance in the Building. Licensee shall not store any (i) animals or food, (ii) inflammable, combustible, explosive or other dangerous items, (iii) items which have an objectionable odor or which may spoil or decay or (iv) valuable items. Licensee shall not (a) interfere with another tenant of Licensor, (b) store any property in the Building outside of the Bin, (c) allow any other person to use the Bin except in accordance with the terms hereof, or (d) deface, damage or alter the Bin, the Building or Licensor's equipment. Licensee shall keep the Bin locked and shall provide Licensor with a duplicate key. Licensee acknowledges that it is Licensee's responsibility to safeguard the keys and Licensee is fully responsible for whoever has possession of the keys.

2. The term of this License shall commence on date first set forth above, and shall continue on a month to month basis thereafter until Licensee gives written notice of termination, or unless otherwise terminated, as provided herein. This License shall automatically terminate in the event that Licensee no longer owns a Residential Unit in the Condominium. In the event this

Agreement is terminated, Licensee shall vacate and surrender possession of the Bin, broom clean, in the condition as existed prior to the commencement of this Agreement. Any property not removed from the Bin at the expiration or other termination of this Agreement shall be considered abandoned and may, at Licensor's option, be retained as Licensor's property or disposed of at Licensee's cost and without any liability to Licensee. Licensee's obligation to observe or perform this covenant shall survive the expiration or other termination of this Agreement.

3. Licensee shall indemnify and save harmless Licensor and Licensor's agents against and from any and all liability, loss, damage and expense (including, without limitation, attorney fees and expenses) arising from injury to person or property occasioned by the failure of the Licensee to comply with any provision in this Agreement, or due wholly or in part to any act, default or omission of the Licensee or of any person using the Bin, or by the Licensor, its agents, servants or contractors when acting as agent for the Licensee as herein provided.

4. Neither licensor nor its agents or employees shall be liable for any theft or damage to any property stored in the Bin unless due to the gross negligence of the Licensor. Licensee understands that Licensor intends to leave the storage area unattended and that Licensee stores property in the Bin at Licensee's own risk, including, without limitation, the possibility that the Bin may be damp or have water infiltration. Licensor undertakes only to act as a licensor, and under no circumstances shall the licensor or its agents be deemed to act as Licensee's bailee.

5. Licensee represents that it has made a thorough inspection of the Bin and agrees to take same in its condition "as is" as of the commencement of this Agreement. Licensee shall, throughout the term of this Agreement, take good care of the Bin.

6. Licensee will be responsible for all Maintenance to the Bin; however the costs and expenses of any structural or extraordinary repairs or replacements shall be performed by the Residential Board and charged to all Residential Unit Owners a Residential Common Expense.

7. Licensor shall not provide any services to the Bin, except lighting on the floor in which the Bin is located and elevator service. Licensee shall keep the Bin clean. Licensee shall have access to the Bin only from 9:00 A.M. to 10:00 P.M., seven days a week.

8. This Agreement shall inure to the benefit of the Licensor's successors and assigns and may not be modified except by a writing signed by the party to be charged.

9. If Licensee shall default in fulfilling any of its covenants or obligations hereunder, in addition to any other rights and remedies available to Licensor, Licensor may (i) deny access to the Bin until Licensee cures such default, or (ii) terminate this Agreement by the giving of written notice to Licensee, whereupon this Agreement shall terminate on the date set forth in such notice.

10. Licensee shall, at all times, use the Bin only in a manner which is in full compliance with all present and future laws, orders, rules and regulations of all state, federal, municipal and local governments, departments, commissions and boards (including the New York Board of Fire Underwriters or any similar body) asserting jurisdiction therefor, or any

direction of any public officer pursuant to law, including, without limitation, the police and fire departments of the City of New York, which may require the removal or destruction of items stored in the Bin. Licensee, its servants, employees, agents, visitors and licensees shall observe faithfully, and comply strictly with the Declaration and any and all rules and regulations for the Building as Licensor or its agents may from time to time adopt.

11. Licensor or its agents shall have the right (but not the obligation) to open the Bin in an Emergency at any time, and, at other reasonable times, to inspect and examine the same and to make such repairs, replacements and improvements as Licensor shall deem necessary or desirable to the Bin or any portion of the Building, all without any liability to Licensee whatsoever as a result thereof.

12. The failure of Licensor to seek redress for violation of, or to insist upon the strict performance of any covenant or condition of this Agreement or of any of the rules or regulations adopted by Licensor, shall not prevent a subsequent act which would have originally constituted a violation from having all the force and effect of an original violation.

13. Notwithstanding anything to the contrary set forth herein, in the event Licensee desires to assign this Agreement, such assignment shall comply with the then requirements of Licensor to effectuate such assignment, including, without limitation, the obligation to enter into a new license agreement with the assignee. Licensee may permit use of the Bin by others than the Permitted Users only with the consent of Licensor.

14. All capitalized terms used in this Agreement not defined herein shall have the same meanings ascribed to them in the Declaration.

15. This Agreement shall inure to the benefit of and be binding upon the heirs, executors, successors and assigns of the Licensee.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first above written.

LICENSOR:

Residential Board of Managers of
The 42 Crosby Street Condominium

By: _____

LICENSEE:

_____

EXHIBIT "17"

PARKING SPACE LICENSE

PARKING SPACE LICENSE

AGREEMENT MADE THIS _____ day of _____, 200_ (this "Agreement") by and between the Residential Board of The 42 Crosby Street Condominium ("**Licensor**"), having an office at c/o Atlas Capital, 505 Fifth Avenue, New York, New York, 10017, 28th Floor and _____, having an address at 42 Crosby Street, New York, New York 10012 (the "**Licensee**");

WHEREAS, pursuant to that certain condominium declaration and by-laws for the condominium known as The 42 Crosby Street Condominium (the "**Condominium**") dated _____ recorded on _____ as CRFN _____, as same may be amended from time to time (collectively the "**Declaration**") for the property having the street address at 42 Crosby Street, New York, New York 10012 (the "**Property**"), the Property was submitted to a condominium regime;

WHEREAS, in accordance with the terms of the Declaration, Licensor is responsible for the administration of the Residential Section of the Condominium, including, without limitation the parking spaces located in the Building as such term in more particularly defined and described in the Declaration;

WHEREAS, Licensee, owns or simultaneously herewith, Licensee is acquiring a Residential Unit in the Condominium and;

WHEREAS, the Condominium includes a parking garage with twelve (12) individual parking spaces all located on the Cellar level of the Condominium, as more particularly identified on the Tax Lot Drawings (the "**Parking Garage**")

WHEREAS, Licensee desires the right to the exclusive use of the Parking Space ____ (the "**Parking Space**") for so long as Licensee owns a Residential Unit in the Condominium.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the parties hereto agree as follows:

1. Subject to and in accordance with the terms and conditions of this Agreement, Licensee shall be granted the right to use the Parking Space during the term hereof for the parking of one (1) vehicle by Licensee or a guest of Licensee (the "**Permitted Users**") and for no other purpose. Licensee shall not (a) interfere with another Unit Owner or resident of the Condominium, (b) allow any other person to use the Parking Space except in accordance with the terms hereof, or (c) deface or damage the Parking Garage, Parking Space, another Unit Owner's parking space or vehicle, the Building or any equipment, including without limitation, the vehicle elevator.

2. The Parking Space and Parking Garage are unattended. As such, Licensee shall be solely responsible for self-parking his or her vehicle, which includes the utilization of a vehicle elevator Parking by Licensee of its vehicle shall be at the risk of Licensee. Licensee shall be

responsible for providing Licensor with a duplicate key of Licensee's vehicle to be utilized only in the case of an emergency.

3. Electricity will be provided to the Parking Space. Electricity will be separately metered and Licensee shall be solely responsible for directly paying the utility company as and when such charges are incurred. Licensor makes no representations regarding the rates for the utility charges.

4. Licensee shall be responsible for Licensee acknowledges and agrees that it is not permitted to perform any Alterations to the Parking Space, and to reimburse the Residential Board for any damages caused by Licensee to the Parking Space, Garage or the personal property of any other user or occupant of the Garage. Licensee acknowledges and agrees that Licensee's vehicle is being parked in the Garage at Licensee's own risk and expense.

5. Licensee agrees that all personal property left in any vehicle while in the Parking Space shall be at the sole risk of the Licensee or the persons owning the same, and that nether the Licensor, the Condominium Board, nor any other person, shall be liable for the loss, destruction, theft of, or damage to, such property.

6. The term of this Agreement shall commence on date first set forth above, and shall continue until Licensee gives written notice of termination, or unless otherwise terminated, as provided herein. This Agreement shall automatically terminate in the event that Licensee no longer owns a Residential Unit in the Condominium. In the event this Agreement is terminated, Licensee shall vacate and surrender possession of the Parking Space to the Licensor. Any vehicles not removed from the Parking Space at the expiration or other termination of this Agreement shall be considered abandoned and may, at the Licensor's option, be towed at Licensee's sole cost and expense. Licensee's obligation to observe or perform this covenant shall survive the expiration or other termination of this Agreement.

7. Licensee shall indemnify and save harmless the Licensor, Condominium Board, Sponsor, agents and building staff (and each of their respective agents) and the other Unit Owners (each an "**Indemnified Person**") from any and all liability, loss, damage, expense, injury to person or property (including, without limitation, attorney fees and expenses) arising out of or related to Licensee's (i) failure to comply with any provision in this Agreement, (ii) operation of the vehicle elevator, (iii) access through the Parking Garage to the Parking Space, (iv) use of the Parking Space and utilities located therein, and (iv) parking of its vehicle in the Parking Space.

8. If Licensee shall default in fulfilling any of its covenants or obligations hereunder, in addition to any other rights and remedies available to the Licensor, Licensor may (i) deny access to the Parking Garage and Parking Space until Licensee cures such default, or (ii) terminate this Agreement by the giving of written notice to Licensee, whereupon this Agreement shall terminate on the date set forth in such notice.

9. The Licensor and its agents shall have the right (but not the obligation) to access the Parking Space in the event of an Emergency, and, at other reasonable times, to inspect and examine the same and to make such repairs, replacements and improvements as the Licensor shall

deem necessary or desirable to the Licensor or any portion of the Parking Garage, all without any liability to Licensee whatsoever as a result thereof.

10. The failure of the Licensor to seek redress for violation of, or to insist upon the strict performance of any covenant or condition of this Agreement or of any of the rules or regulations adopted by the Licensor, shall not prevent a subsequent act which would have originally constituted a violation from having all the force and effect of an original violation.

11. Neither the Licensor, the Boards or the management agent, or their respective agents, servants or employees shall be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, gas, electricity, water, rain or snow or leaks from any part of the Building, or from the pipes, appliances or plumbing works or from the Roof, Bulkhead Roof, street or subsurface or from any other place or resulting from dampness or resulting from any other cause of nature whatsoever.

12. Notwithstanding anything to the contrary set forth herein, in the event Licensee desires to assign this Agreement, such assignment shall comply with the then requirements of the Licensor to effectuate such assignment, including, without limitation, the obligation to enter into a new Parking Space License with the assignee. Licensee may permit use of its Parking Space by others than the Permitted Users only with the consent of the Licensor.

13. All capitalized terms used in this Agreement not defined herein shall have the same meanings ascribed to them in the Declaration.

14. This Agreement shall inure to the benefit of and be binding upon the heirs, executors, successors and assigns of the Licensee.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first above written.

LICENSOR:

Residential Board of Managers of
The 42 Crosby Street Condominium

By: _____

LICENSEE:

_____

_____

EXHIBIT "18"

ALTERATION AGREEMENT

ALTERATION AGREEMENT

AGREEMENT MADE THIS _____ day of _____, 20___ (this "Agreement") by and between Broome Street Owner LLC, having an office c/o Atlas Capital Group, 505 Fifth Avenue, New York, New York 10017 (the "Sponsor"), the [Residential][Condominium] Board of The 42 Crosby Street Condominium ("Board"), having an office at c/o _____, New York, New York___ and _____, having an address at _____, New York, New York ___ (the "Unit Owner");

WHEREAS, pursuant to that certain condominium declaration and by-laws for the condominium known as The 42 Crosby Street Condominium (the "Condominium") dated _____, recorded on _____ in CRFN _____ (collectively the "Declaration") for the property having the street address 42 Crosby Street, New York, New York 10012 (the "Property"), the Property was submitted to a condominium regime;

WHEREAS, pursuant to the Declaration and the by-laws of the Condominium (the "By-Laws"), Unit Owner has requested permission to install equipment and/or make alterations in Unit ____ (the "Unit") located in the building situated on the Property (the "Building"); and

WHEREAS, at least until such time as Sponsor obtains the permanent certificate of occupancy for the Building, Sponsor's employees, agents, contractors, subcontractors and suppliers or any of their employees (collectively "Sponsor's Contractors") will be performing work in or delivering material to the Building.

WHEREAS, the Declaration and By-Laws provide that no equipment shall be installed and no Alterations shall be made in the Unit without the consent of the Sponsor and/or the Board, as the case may be; and

WHEREAS, Unit Owner desires to obtain such consent;

NOW, THEREFORE, the parties agree as follows:

1. **Unit Owner's Submissions**. Together with this Agreement, Unit Owner is delivering to Sponsor and the Board:

   a. a detailed scope of work, plans, drawings and specifications (including as required: structural, architectural, mechanical and electrical plans and specifications) for the equipment proposed to be installed and/or the alterations proposed to be made which, if so required by Sponsor and/or the Board, have been prepared by a licensed architect or engineer. Such plans, drawings and specifications include a room by room list of the equipment to be installed and the alterations to be made.

   b. a list of all contractors (including their requisite contact information) that will be performing the work and a proposed work schedule including the timeframe for completion.

c. a check in the sum of $_____ payable to the Board for the security deposit required to be posted by Unit Owner as provided for in Section 13 of this Agreement (and/or such alternate form of security as may be required by the Board). This security deposit is subject to change upon the Board's review of the plans.

d. a check in the sum of $_____ payable to [_____]., managing agent for the Building (the "Managing Agent").

2. **Review of Plans, Drawings and Specifications**.

a. The plans, drawings and specifications (collectively, the "Plans") submitted by Unit Owner shall be subject to review and approval by Sponsor and/or the Board, in their sole discretion, and may be subject to review and approval by Sponsor's and/or the Board's architect or engineer (collectively the "Designated Engineer") in the sole discretion of Sponsor and/or the Board, and Unit Owner shall make such changes in and to such plans, drawings and specifications as Sponsor, the Board or the Designated Engineer shall require in order to obtain such approval, including, without limitation, such changes as may be required to minimize noise or vibrations to surrounding portions of the Building. The term "Plans" as used in this Agreement shall refer to the plans, drawings and specifications as approved in writing by Sponsor and/or the Board and the Designated Engineer and the term "Work" shall refer to the work called for by the Plans or any other work performed by or on behalf of Unit Owner. After approval by Sponsor and/or Board and the Designated Engineer, the Plans shall not be modified without the approval of Sponsor and/or the Board and the Designated Engineer. Notwithstanding any approval of the Plans by Sponsor and/or Board or the Designated Engineer, Unit Owner shall be solely responsible for the Plans, for insuring compatibility with the systems and facilities of the Building and for compliance with applicable laws and codes.

b. The execution of this Agreement by the Sponsor and Board does not constitute consent to the work called for by the Plans, and Sponsor and the Board retains all of its rights under this Agreement and the By-Laws to withhold consent. Only written approval of such Plans as provided for above shall constitute Sponsor's and the Board's consent to the Work called for by the Plans, and any such consent shall be subject to the terms of this Agreement.

3. **Pre-Conditions to Commencement of Work by Unit Owner**. Unit Owner shall not commence the Work unless and until all of the following has occurred:

a. Sponsor and the Board and the Designated Engineer, as same may be required, shall have approved in writing the Plans submitted by Unit Owner, and Unit Owner shall have received a copy of such approvals.

b. Unit Owner shall have submitted to Sponsor and the Board (i) a designation of the general contractor or construction manager (collectively the "General

Contractor") which will be principally responsible for the Work, which designation shall authorize the General Contractor to submit the information more particularly described on the letter annexed hereto as set forth on Exhibit A annexed hereto (the Contractor's Instructions"), (ii) complete copies of all agreements entered into with the General Contractor and all other such contractors, subcontractors and suppliers pertaining to the Work (collectively the "Subcontractors"), (iii) other than the communications required to be made by the General Contractor in accordance with the terms of the Contractor's Instructions, the name of the party solely authorized to communicate with Sponsor, the Board and the Managing Agent (the "Owner's Representative") (e.g. Owner, General Contractor, Owner's architect) and (iv) telephone numbers for the Owner, the General Contractor and the Owner's Representative, if different from the foregoing. Prior to the commencement of the Work, the General Contractor and the Subcontractors shall have been approved in writing by the Board. Notwithstanding the foregoing (i) prior to the issuance of a permanent certificate of occupancy for the Building, Sponsor may require that Work relating to the structural electrical, mechanical, plumbing, sprinkler or HVAC systems of the Building (collectively the "Building Systems") be performed by contractors designated by Sponsor. After the issuance of a permanent certificate of occupancy for the Building, the Board may require that Work relating to the Building Systems be performed by contractors designated by the Board.

c. Unit Owner shall have made all required filings with, and received all required permits, approvals, licenses and consents from, all governmental agencies having jurisdiction over the Work (collectively the "Governmental Authorities") including, but not limited to, the New York City Department of Buildings ("DOB") and the New York City Fire Department, and Unit Owner shall have furnished copies of all such filings, permits, approvals, licenses and consents to Sponsor and to the Board. The determination of the Designated Engineer as to the need for any such filing, permit, approval, license or consent shall be conclusive. As a prerequisite to its approval of the Plans, Sponsor and the Board may require Unit Owner to furnish a letter from Unit Owner's licensed architect or engineer, certifying that the electrical loads required as a result of the Work, will not adversely affect the Building's electrical service and certifying to such other matters as Sponsor and/or the Board may require. Sponsor may require that Unit Owner utilize a filing representative or expediter designated by Sponsor to file the Plans with the Governmental Authorities.

d. Unit Owner shall have caused each of its contractors to furnish to the Sponsor and Board the insurance policies described on Exhibit B attached hereto or certificates thereof. Such policies (i) shall name the Condominium, the Board, the Board's officers and directors, the Designated Engineer, the Managing Agent, Sponsor and the other Unit Owners, as parties insured, (ii) shall be issued by companies reasonably acceptable to the Sponsor and the Board and (iii) shall provide that they may not be cancelled or terminated without at least ten (10) days prior written notice to the Sponsor and the Board. Unit Owner shall cause all such insurance policies to be kept in full force and effect until the completion of the

Work. In the event that such insurance lapses prior to the completion of the Work, Sponsor and/or the Board will have the right to suspend the Work until Sponsor and/or the Board receives evidence of appropriate insurance and approves such insurance. Sponsor and/or the Board reserves the right to revise the parameters and scope of the insurance requirements from time to time. Unit Owner and the General Contractor shall be advised, writing, of any such changes.

e. If requested, the Unit Owner's architect or engineer shall have provided to the Board evidence of professional liability insurance in amounts reasonably acceptable to the Sponsor and Board.

f. The Unit Owner's architect or engineer shall have prepared and submitted to Sponsor and the Board a schedule of all Work to be performed by the General Contract and each Subcontractor, setting forth the number of weeks and days of the various trades, the anticipated number of workmen involved and affirming that the Work can be completed within the time allotted under Paragraph 5d hereof.

g. The General Contractor will be required to attend a start-up meeting approximately two (2) weeks prior to the commencement of the Work. At this meeting the General Contractor will be introduced to Sponsor and/or the Board and other members of the project team. The agenda for the meeting will include a review of the requirements of this Agreement and the General Contractor's construction plan as well as collection of payment to Sponsor and/or Board of any charges or deposits due hereunder.

4. **Unit Owner to Give Notice Prior to Commencement of Work**. Prior to commencing the Work, the Owner's Representative shall give at least five (5) days' prior written notice to the Designated Engineer and the Managing Agent of the date on which the Work will commence and the estimated duration of the Work.

5. **Performance of the Work**.

a. **In General**. Unit Owner shall perform the Work strictly in accordance with the Plans in a first-class, workmanlike manner in keeping with the standards of the Building and shall not perform any Work not called for by the Plans. All materials shall be new and of high quality. In performing the Work, Unit Owner shall comply with (i) all applicable laws and codes, (ii) the requirements of all insurance policies covering the Work, the Unit and the Building, (iii) this Agreement, (iv) the By-Laws, (v) the Rules and Regulations of the Condominium, (vi) the requirements of Sponsor and the Board and (vii) any directions given by the Managing Agent, the Designated Engineer or the resident manager or superintendent of the Building. The Work will not compromise the energy efficiency or increase the energy consumption of the Building, change the number of zoning rooms located within the Unit or materially delay the issuance of a permanent Certificate of Occupancy for the Building without the consent of

Sponsor prior to the issuance of the permanent Certificate of Occupancy ("PCO") or the consent of the Board, after the issuance of the PCO.

b. **Work Hours and Noise**. Unit Owner shall perform the Work diligently and in a manner so as not to disturb other residents of the Building. The Work shall be performed only on Mondays through Fridays (excluding holidays) between the hours of 8 a.m. and 5 p.m.; provided however, that any noisy work which may disturb other residents shall not be performed before 10a.m. The Work shall not be performed on weekends or holidays. Sponsor, until there are no remaining Unsold Units, and thereafter, the Board, shall be the sole arbiter should there be any doubt as to noise levels which may be disturbing.

c. **Licensing and Labor Harmony**. The General Contractor and the Subcontractors, if any, shall be duly licensed to the extent required by applicable law and Unit Owner shall cause its General Contractor and the Subcontractors, to employ only such laborers as shall not conflict with any of the trade unions employed in the Building or otherwise cause disharmony with any Building service union. Unit Owner, the General Contractor and the Subcontractors, expressly acknowledge that Sponsor's contractors and subcontractors will be engaged at the Property to finish construction of the Building (other than the Unit) (the "Sponsor's Work") and Unit Owner, the General Contractor and the Subcontractors agree (i) that the Sponsor's Work shall have priority over the Work and (ii) Unit Owner, the General Contractor and the Subcontractors must coordinate the Work with Sponsor so that no disruption of Sponsor Work occurs. In the event such disruption occurs, Sponsor reserves the right to immediately close Unit Owner's job site. During all periods of construction, the General Contractor shall conduct or cause to be conducted all labor practices and relations with employees and subcontractors in such a manner as to avoid all strikes, picketing and boycotts of, on or about the Building. The General Contractor further agrees that if during the period of construction any of its employees or employees of its subcontractors strike, or if picket lines or boycotts or other visible activities objectionable to Sponsor are conducted or carried out by or against Sponsor, its contractors or subcontractors or any of their respective employees, on or about the Building or otherwise involving Sponsor, the General Contractor shall (or Sponsor may, but shall not be obligated so to do) immediately close Unit Owner's job site and remove or cause to be removed all personnel therefrom until the dispute giving rise to such strike, picket line, boycott or objectionable activity has been settled to Sponsor's satisfaction.

d. **Required Completion Date**. Unit Owner shall cause the Work (other than decorative work such as painting, wallpapering and carpeting) to be completed on or before the date (the "Required Completion Date") which is ___ days (excluding weekends and holidays) after the commencement of the Work. If the Work (other than decorative work as aforesaid) shall not be completed on or before the Required Completion Date, Unit Owner shall pay to the Board, as liquidated damages on account of late completion, the sum of $_____ per day (excluding weekends and holidays) until the Work is completed. The

determination of whether the Work is completed shall be made by Sponsor, until a PCO is obtained, and thereafter, the Board, and such determination shall be conclusive. The work shall diligently proceed to completion in compliance with all Plans and in conformity with all permits and licenses of any governmental authority. All time limitations set forth in this paragraph shall be subject to extension for delays caused by or attributable to acts of God, unusual weather conditions or strikes not attributable to Unit Owner or Unit Owner's General Contractor or Subcontractors or other agents bad faith, not to exceed forty-five (45) calendar days. Notwithstanding the foregoing, if, within six (6) months prior to the expiration of the temporary Certificate of Occupancy, the Board and/or Sponsor, in its(their) sole discretion, determines that the progression of the Work is such that there is a potential to delay or otherwise hinder the issuance of the PCO for the Building, the Board or Sponsor, as the case may be, undertake to perform, a Unit Owner's sole cost and expense, those items of work necessary to be completed for the issuance of the permanent Certificate of Occupancy.

e. **Evidence of Completion**. Upon completion of the Work, Unit Owner shall obtain and deliver to Sponsor and the Board (i) a certificate from the architect or engineer who prepared the Plans certifying that the Work has been completed in accordance with all applicable laws and codes and the Plans, and (ii) all required final governmental signoffs and approvals, including if Sponsor or the Board shall require, an amended certificate of occupancy and a certificate from the Board of Fire Underwriters. The determination of Sponsor, until a PCO is obtained, or the Board , thereafter, as to whether the Work has been completed and/or the need for an amended certificate of occupancy and/or any other applicable governmental signoffs and approvals shall be conclusive.

f. **Security Personnel**. The Sponsor and/or the Board shall have the right, at the sole cost and expense of the Unit Owner, to install or engage or require the Unit Owner to install or engage, security systems or personnel to ensure the safety and well-being of persons and property in the Condominium.

g. **"As-Built" Drawings**. Upon completion of the Work, the Unit Owner shall provide the Sponsor and the Board with an "as-built" set of drawings for the Unit.

h. **Confidentiality**. Any and all knowledge, information, data, materials, trade secrets and work product regarding the Building, obtained, produced, generated or otherwise acquired by Unit Owner or the General Contractor or their agents, employees and Subcontractors shall be confidential.

6. **Inspection and Correction of the Work**. Sponsor and the Board shall have the right from time to time to inspect or observe the Work and to ensure compliance with the terms of this Agreement, and for this purpose Unit Owner shall provide access to the Unit to Designated Engineer, the Managing Agent, the resident manager or superintendent of the Building, or any other person Sponsor or the Board may authorize. The General Contractor shall be required to conduct a walkthrough with Sponsor and the Board for the purpose of observing the construction of the demising wall and perimeter wall

assemblies. After the installation of all framing, insulation and vapor barriers General Contractor shall notify Sponsor and the Board and schedule a walkthrough to observe such portion of the Work. The General Contractor may not proceed with installation of gypsum board until written approval of Sponsor and the Board is received. Unit Owner shall promptly make all corrections required by Sponsor or the Board in order to conform to the Plans and the other requirements of this Agreement. If Sponsor or the Board so requires, such corrections shall include the removal and replacement of non-conforming work. Sponsor's or the Board's failure to inspect shall not be considered a waiver of Unit Owner's obligation to comply with this Agreement. If Unit Owner or the General Contractor observes or otherwise becomes aware that the Work or any of their contract documents are at variance with each other or applicable laws, statutes, ordinances, building codes and regulations in any respect or otherwise are inconsistent, the General Contractor shall promptly notify Sponsor and the Board. If, in the sole judgment of Sponsor or the Board, an emergency exists with respect to the Work, which in Sponsor's or Board's opinion requires immediate corrective action, then Sponsor may, without notice to Unit Owner's Contractor, perform such corrective work or cause it to be performed by others. In such case, any costs (including general conditions and fees) arising from such corrective work will be borne by Unit Owner and/or General Contractor.

7. **Damage or Adverse Effect Caused by the Work.**

a. Unit Owner shall be responsible for any damage to or any other adverse effect upon the Unit or the Building (including the structure, shell, systems, equipment, fixtures and finishes of the Building) caused by or resulting from the Work, regardless of when such damage or adverse effect becomes apparent. If any such damage or adverse effect shall occur or arise, Sponsor and/or the Board may (a) require Unit Owner, at its expense, promptly to repair the damage or remedy the condition giving rise to such adverse effect and/or (b) repair such damage or remedy such condition at Unit Owner's expense.

b. Unit Owner acknowledges that the performance of the Work shall in no event cause any environmental hazards in the Units or the Common Elements (as defined in the Condominium By-Laws and/or Declaration)(including, without limitation, any environmental hazards such as mold or other bacterial contamination) and that the Unit Owner is obligated at all times (both during and after the performance of the Work) to maintain the appropriate temperature and humidity in such Unit Owner's Unit in order to avoid causing damage to the Common Elements or the Units. In the event a Unit Owner fails to so maintain the Unit, such Unit Owner may be liable for any damage arising from such failure, including, without limitation, any claims pertaining to environmental hazards such as mold or other bacterial contamination.

c. Without limiting the generality of the foregoing, Unit Owner specifically acknowledges that this Section 7 shall be applicable to any damage to the carpeting, wall coverings or other finishes in the Building's hallways, elevators

and other common areas (including without limitation, the cost of cleaning, shampooing, painting or repairing the same if soiled or otherwise damaged).

d. If the Managing Agent advises Unit Owner of any damage which, in the Managing Agent's opinion, was caused by the Work, Unit Owner shall promptly submit a claim to Unit Owner's insurance carrier and to Unit Owner's contractor for submission to its insurance carrier, and Unit Owner agrees to use all reasonable efforts, and to cause its contractor to use all reasonable efforts, to cause such insurance carriers to expeditiously review and settle all such claims for which they are responsible. The provisions of this paragraph shall not limit Unit Owner's liability under this Section 7.

8. **Indemnification and Release by Unit Owner**.

a. Unit Owner shall defend, indemnify and hold harmless Sponsor and Sponsor's principals, employees, agents, the Board, the Board's officers, directors and Unit Owners, the Designated Engineer, the Managing Agent, and the other Unit Owners and residents of the Building (the "Indemnified Persons") against any loss, cost, claim, damage (including damage to persons or property) or expense arising out of or related to the Work or any act or omission of Unit Owner, the General Contractor or any Subcontractors, architects, engineers or consultants, including reasonable attorney's fees and disbursements incurred by any of the Indemnified Persons in the defense of any such claim or any suit, action or proceeding based thereon. Unit Owner releases the Board, Sponsor, the Managing Agent and the agents and employees of the foregoing from any liability for damage to the portions of the Unit affected by the Work. Notwithstanding anything to the contrary contained in the By-Laws, the Unit Owner accepts sole responsibility for the work and costs in connection with the maintenance, repair, restoration or replacement of any portions of the Unit affected by the Work, and acknowledges that such responsibility shall pass to the Unit Owner's successor-in-interest in the Unit. Unit Owner shall also be responsible to deliver to the Sponsor and/or the Board a written agreement in the form of Exhibit A hereto in which Unit Owner's General Contractors agree that they will not make claims for damage within the perils of the insurance referred to in this Agreement and will defend, indemnify and hold harmless the Board, the Board's officers, directors, Sponsor, Unit Owners, agents, partners, servants, employees, tenants, guests, licensees, invitees and their respective agents, servants, employees, tenants, guests, licensees, invitees, officers, directors, shareholders and partners (collectively, the "Indemnitees"), against any and all liability, including legal costs and expenses on account of loss of life or injury to any person or damage to property, happening in or arising out of or in any way relating to the performance of the Work unless such injury or loss of life or loss or damage to property was caused by the willful misconduct or gross negligence of the Indemnitee.

b. Unit Owner hereby acknowledges that it is a condition of this Agreement that no Work may be performed by, or on behalf of Unit Owner until Sponsor, in its sole discretion, determines that the commencement of the Work will not interfere with

Sponsor's Work and Sponsor notifies Unit Owner of said determination in writing. At Closing, Unit Owner has accepted the Unit in its "as is" condition. Upon commencement of the Work, Unit Owner releases Sponsor and the Board from any and all obligation to perform any additional work in the Unit, including, without limitation, weather tightness of windows, exterior walls or roofs, and work of a "punch list" nature. In furtherance thereof, Unit Owner expressly agrees to release and forever discharge Sponsor and its successor and/or assigns and the Board, from all manner of actions, causes of action, suits, debts, dues, sums of money, damages, claims and demands whatsoever in law or equity, which Unit Owner, its successors and assigns ever had, now have, or may have, now or hereafter upon or by reason of any matter arising from or out of the Work to the Unit.

9. **Unit Owner to Bear All Costs Associated with Work**. Unit Owner shall be responsible for all costs incurred by Unit Owner, Sponsor and/or the Board in connection with the Work or this Agreement, including, without limitation, the fees and disbursements of any attorney, architect, engineer, consultant or security personnel retained by the Board, Sponsor or the Unit Owner in connection with the Work or this Agreement. Without limiting the generality of the foregoing, Unit Owner specifically agrees to reimburse Sponsor and/or the Board for all charges of the Designated Engineer for the review of the Plans submitted for inspection of the Work or otherwise related to the Work or this Agreement. Waivers of the right to lien or otherwise encumber the Building shall be obtained from the General Contractor and all Subcontractors. However, if for any reason whatsoever, any lien is filed for work done, or material alleged to have been furnished in connection with the Work, Unit Owner shall at its sole expense cause such lien to be bonded or otherwise discharged within twenty (20) days after learning of the existence of such lien. If Unit Owner fails to do so or otherwise defaults hereunder, the Board may pay or bond such lien and otherwise exercise all rights and remedies reserved to it in this Agreement and the By-laws as and for a default thereunder.

10. **Additional Requirements**.

a. **No Change in Building Heating or Air-Conditioning**. Unit Owner recognizes that there will be no change in the operation of the Building's heating system or air-conditioning system to facilitate the functioning of any heating or air-conditioning units which Unit Owner may be installing other than stoppages approved by Sponsor or the Board in order to facilitate and enable Unit Owner to hook-up to the Building's heating and air conditioning systems and or sprinkler system. The General Contractor shall submit to Sponsor and the Board a plan and anticipated schedule of any required shut downs, drain downs, etc., of the Building's existing systems prior to the commencement of their work. Failure to submit this plan shall cause the General Contractor to be accountable for all extra costs associated with delays to reschedule shut downs, drain downs, etc., should they occur.

b. No utility interruption will be permitted without written approval from Sponsor and/or the Board. General Contractor is required to give Sponsor and/or the

Board **at least one weeks' advance notice** before any Building or utility service interruption which affects occupied and unoccupied areas. Each request for such interruption will indicate estimated downtime.

c. Sponsor and/or the Board will schedule the appropriate personnel to perform all drain downs and recharging of building systems. The cost of all services provided by the appropriate personnel shall be paid in advance to Sponsor and/or the Board prior to the commencement of any work. The minimum charge for each and every drain down and recharge will be $_____.

d. **Prohibited Construction Methods**. Unit Owner shall not interfere with the Building's intercom, gas, electric, heating, air-conditioning or plumbing system, sprinkler system or any other Building system or service. Unit Owner shall not penetrate any exterior Building wall, attach fasteners in any manner to the exterior building facade or use any pneumatic or power tool such as hammers or other tools which cause excessive vibrations, except with the consent of Sponsor or the Board. Flammable materials are not to be stored within the Building. They must be used and removed the same day.

e. **Accessibility of Valves**. Unit Owner shall insure that all water, steam, gas and other valves remain accessible during the performance of and after the completion of the Work. If any valve is enclosed in violation of this Agreement, then Sponsor or the Board may (i) require Unit Owner, at its expense, promptly to remove such enclosure and/or (ii) remove such enclosure at Unit Owner's expense.

f. **Use of Public and Common Areas During Work**. Unit Owner shall not allow the halls, sidewalks, courtyards and other public areas to be used for the storage of building materials or debris. Electrical and other utility receptacles in the Common Areas may not be utilized to perform any work or power any equipment employed in connection with the Work. Unit Owner shall cause its contractor to cover with construction paper the floor of any back hall to be used in connection with the Work and shall also cause its contractor to take all precautions necessary to prevent damage to the carpeting, wall coverings or other finishes in the Building's hallways, elevators and other common areas. Only the service elevators may be utilized by for the delivery of materials or supplies and construction personnel in connection with the Work.

g. **Parking**. Parking in front of the Building or in its driveways is strictly prohibited. General Contractor must enter the Building through the designated construction entrance only. No other means of entry shall be permitted. The General Contractor will be expected to check in at the location to be designated by Sponsor or the Board and obtain the required authorization to enter the Building in compliance with the procedures and requirements of Sponsor and the Board. In the event that employees, agents or Subcontractors of General Contractor are in the Building without proper authorization, such individuals will be asked to leave.

h. **Safety Precautions**. Unit Owner shall maintain functioning fire extinguishers and smoke alarms in the Unit throughout the prosecution of the Work. Unit Owner shall insure that the Work does not block access to any fire exits in the Building. Unit Owner shall install smoke detectors within 15 feet of every sleeping area on the ceiling or wall pursuant to Local Law 62 of 1981 of the City of New York, and if a child 10 years old or under lives in the Unit. Unit Owner shall install window guards pursuant to Section 131.15 of the New York City Health Code.

i. Hard hats must be worn by all construction personnel at all times. Only work shoes or shoes with leather soles will be permitted in the Building. No personnel wearing gym shoes or soft rubber shoes will be allowed into the Building.

j. The General Contractor shall abide by all other written safety policies or directives established by Sponsor or the Board. The General Contractor is required to establish a written safety program for its operations, as well as the operations of any of its Subcontractors. Such safety program shall be available at the job site for inspection by Sponsor and the Board. Any accidents or injuries that occur on the construction site, no matter how minor, must be reported to Sponsor and the Board within twenty four (24) hours of the occurrence. If an accident or injury occurs due to the existence of a dangerous condition, the General Contractor shall take immediate steps to secure the area in order to protect others from further injury.

k. **Unit Owner to Control Refuse, Dirt, Dust**. Unit Owner shall take all precautions to prevent dirt and dust from permeating other parts of the Building during the progress of the Work, and shall place all materials and rubbish in barrels or bags before removing the same from the Unit. All such barrels and bags and all rubbish, rubble, discarded equipment, empty packing cartons and other materials shall be removed from the Unit and taken out of the Building at Unit Owner's expense and removal of trash containers shall be scheduled for after 3:30 p.m. unless otherwise directed by the Sponsor and/or the Board, but in no event shall such removal interfere with regularly scheduled Building operations. Unit Owner acknowledges and agrees that the trash chute may not be used for such removal and recognizes that only the service elevator may be used for such removal and only at such times as the resident manager or superintendent of the Building may direct. Unit Owner shall not permit any dumpster or garbage container to be left outside of the Unit without the written consent of Sponsor or the Board. Notwithstanding the foregoing, the placement of any dumpsters shall comply with all governmental regulations, including without limitation, obtaining any necessary permits. In the event that Sponsor or the Board determines that it is reasonably necessary, Sponsor or the Board shall have the option to coordinate and perform trash removal from a central location on individual floors and, in that event, General Contractor will be responsible for its share of the cost thereof, which shall be billed on a regular basis.

l. **Installations by Unit Owner**. Unit Owner agrees that any air conditioning units, terrace plantings and/or structures, wherever located in the Building, may be removed by Sponsor or the Board for the purpose of repairs, upkeep or maintenance of the Building, at the sole expense of Unit Owner.

m. **Deliveries to the Property**. Under no circumstances will deliveries be allowed to the Building unless General Contractor has secured the prior written consent of Sponsor or, at such time as Sponsor has secured a PCO. In addition, all materials must be delivered to the area of the Building as designated by the Sponsor or the Board to the Unit Owner.

n. The General Contractor must be at the Property at the scheduled time of delivery. The delivery vehicle will be allowed to remain at the Property for the time allotted by the prior written consent. No materials will be accepted or unloaded by any person other than those associated with the General Contractor. Under no circumstances can materials be stored for any length of time at the Property. Delivery vehicles will not be allowed at any time to park, stand, stage, load or unload on any of the streets or alleys adjoining the Building.

o. If the General Contractor fails to appear at the Property and/or completely unload the delivery within the allotted time, the delivery truck driver will be instructed to leave the Property and the General Contractor will be responsible for any re-delivery charges. Sponsor and the Board reserves the right to amend and revise the delivery procedures at any time and from time to time.

p. **Use of Elevators**. The access to and use of the elevator for the delivery of supplies and materials must be requested no less than forty-eight (48) hours in advance of the time that such access and use is required. The request must indicate the period of time that the elevators will be "booked." Unit Owner will be responsible for all costs associated with the operation of the elevator and/or hoisting charges for the period requested. The allocation of elevator "time" shall be made by the Managing Agent, in its discretion, subject to the availability of elevators, but in no event shall such access and use interfere with regularly scheduled building operations.

q. **On-Site Supervision**. The General Contractor shall maintain supervisory personnel on-site at all times when the General Contractor has work in progress on-site. Such personnel shall be (i) fully empowered to coordinate and direct the work of its forces and subcontractors, (ii) trained as safety officers and (iii) in numbers sufficient to properly supervise all work.

r. **Adjacent Premises**. The Sponsor or Board may require that Unit Owner give not less than fourteen (14) days' written notice, setting forth the date the Unit Owner plans to commence the Work and the duration of the Work, to residents in the Units that are adjacent to, above and below the Unit (the "Adjacent Premises") in the form of Exhibit "D" hereto, a copy of which shall be delivered to the Managing Agent or such other form then adopted by the Sponsor or Board.

11. **Unit Owner to Comply with Laws, etc**. Unit Owner shall not do or permit any act or thing to be done contrary to law, or which will invalidate or be in conflict with any provision of any liability, casualty or other insurance policies carried by Unit Owner or for Unit Owner's benefit. Unit Owner shall comply with all federal, state and local laws, rules and regulations pertaining to the Work, including any such laws, rules and regulations pertaining to lead-based paint, asbestos and other hazardous material.

12. **Maintenance and Repair of the Work**. Notwithstanding anything to the contrary contained in the By-Laws, Unit Owner shall be responsible for the maintenance, repair and replacement of the Work and any portions of the Unit affected by the Work, and for all costs incurred by Sponsor and/or the Board or Unit Owner in connection therewith. Furthermore, Unit Owner releases the Board, the Managing Agent, Sponsor, Sponsor's agents and employees and the Board's agents and employees from any liability for damage to the Work or any portion of the Unit affected by the Work however arising.

13. **Unit Owner's Security Deposit**. As security for the faithful performance and observance by Unit Owner of the terms and conditions of this Agreement, Unit Owner has deposited the sum indicated in Section l(b) with the Board and/or provided payment and performance bonds and maintenance bonds in an amount established by the Board. Unit Owner agrees that the Board may use, apply or retain the whole or any part of the security so deposited and the interest earned thereon, if any, to the extent required for the payment of any sums due to the Board under this Agreement as determined in the discretion of the Board. If the deposit is diminished by one-half of the original amount, Unit Owner shall replenish it to the full amount within (3) days after written demand. Unit Owner's failure to so replenish the security deposit shall be a material breach of this Agreement and shall entitle Sponsor or the Board to stop the Work, and/or exercise any remedies it has hereunder. If Unit Owner shall comply with all of the terms and conditions of this Agreement, the security deposit and interest or remaining balance thereof, if any, shall be returned to Unit Owner after completion of the Work. The Board's release of the security deposit shall not constitute acceptance of the Work by Sponsor or the Board or a waiver of any of Sponsor or the Board's rights under this Agreement. Any sums due to the Board under this Agreement and not recovered by application of the security deposit shall be deemed obligations chargeable and collectable as additional common charges to Unit due by Unit Owner to the Board pursuant to the By-Laws.

14. **Security; Construction Locks**. It shall be the General Contractor's responsibility to safeguard its own materials, tools and equipment at all times and to bear the risk of loss and/or damage thereto, and General Contractor hereby waives any claims against any property damage insurance coverage of the Building, Sponsor or the Board. Construction locks will be required and must be provided by the General Contractor. One key to the Unit must be provided to Sponsor and /or the Board for access to the Unit.

15. **Miscellaneous**. This Agreement represents the only agreements between Sponsor, the Board and Unit Owner relative to the subject matter hereto. Sponsor and the Board reserve the right to update and amend the requirements governing the Work from time to time. Any changes will be provided to Unit Owner and General Contractor and General

Contractor will be required to acknowledge receipt of such update(s). This Agreement may not be changed orally. None of Sponsor, the Board, Manager or Managing Agent or any of their principals, agents, employees, contractors or subcontractors, will be responsible for failure or inefficient performance of Building Services to the Unit resulting from the Work. Unit Owner acknowledges that it has not relied upon any representations, warranties, architect's plans or statements of any nature whatsoever, whether written or oral, made by Sponsor, Sponsor's selling agent, the Managing Agent, or otherwise, including, without limitation, any representations, warranties, architect's plans, statements or estimates relating to the cost, feasibility, safety or compliance with all legal requirements pertaining to the Work, it being understood that approval of the Plans by Sponsor or the Board is not an express or implied warranty as to any such matter. This Agreement shall be binding on legal representatives, successors and authorized assigns. Captions are for the purposes of convenience of reference only and are not to be considered in interpreting this Agreement. SPONSOR, THE BOARD, UNIT OWNER AND GENERAL CONTRACTOR WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING UNDER THIS AGREEMENT.

16. **Notices, Assignment**. Any notice, request, consent or other communication hereunder shall begin in writing and sent by registered mail or certified mail, to Unit Owner at the address given at the beginning of this Agreement and to Sponsor and Board at the respective address given at the beginning of this Agreement, with a copy, in each case to Stroock & Stroock & Lavan LLP, 180 Maiden Lane New York, New York 10038, Attn: Michel Evanusa, Esq., or to such other address as either party may hereafter designate to the other in writing. The date of mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. If, at any time, Unit Owner shall require the consent or approval of Sponsor or the Board to any proposed action hereunder, Unit Owner shall make a written request therefor, requesting such consent or approval. In no event whatsoever may Unit Owner rely on any consents, approvals, communications, statements or notices given by any person (including, without limitation, the Managing Agent or the resident manager or superintendent of the Building or any representative of either) who is not a member of Sponsor or the Board or which are not in writing. This Agreement may not be assigned by Unit Owner.

17. **Amendment to Condominium Documents.** If the Work involves the combination or further division of a Unit or Units, upon completion of the Work and upon receipt of all applicable certifications and approvals, the Sponsor or Board agrees to amend the Declaration of the Condominium ("Declaration") and the Condominium tax lot drawings ("Floor Plans") to reflect the modifications to the Unit. Unit Owner agrees to provide the Sponsor or Board with all information and execute all documentation required to amend the aforesaid documents and to pay all costs incurred by the Sponsor or the Board or otherwise associated with the amendment of the Declaration and Floor Plans.

18. **Assumption by Purchaser**.

a. The Unit Owner (a) shall advise the person or persons to whom it transfers the Unit ("Purchaser") of the Work undertaken by the Unit Owner pursuant to this

Agreement; (b) shall provide copies of the Plans and this Agreement to the Purchaser; and (c) shall cause the Purchaser to execute and deliver to the Board an agreement substantially in the form of Exhibit C hereto pursuant to which the Purchaser shall assume all of the obligations of Unit Owner under this Agreement, including the obligation under this Section with respect to any transfer of the Unit by the Purchaser.

b. The Unit Owner hereby waives any claim against the Board on account of (a) the Board advising a potential Purchaser of the provisions of this Agreement, including this Section and/or (b) refusing to accept the sales package with respect to its waiver of its right of first refusal unless and until such potential Purchaser shall execute and deliver to the Board an agreement in the form of Exhibit C hereto.

19. **Unit Owner's Breach and Board's and Sponsor's Remedies**.

a. Any breach by Unit Owner of any of the provisions of this Agreement shall constitute a breach of the Declaration and By-Laws and shall entitle the Sponsor and/or the Board to exercise all of the rights and remedies therein provided. In addition, the Sponsor and/or the Board shall also have the right (a) to suspend the Work and prevent workers from entering the Unit for any purpose other than to remove their tools, and/or (b) to revoke its consent to the Work, and/or (c) to complete or remove all or any part of such Work and restore the Unit to its condition prior to the commencement of the Work at Unit Owner's sole cost and expense, and/or (d) to exercise any of the rights and remedies provided for herein. The remedies provided for herein and in the By-Laws shall not be exclusive and the Sponsor and/or the Board shall also be entitled to exercise any of the remedies provided by applicable law.

b. The Board and Unit Owner acknowledge that Sponsor is Sponsor of the offering plan for the Property, pursuant to which Sponsor has certain obligations to complete the Building and that a breach by Unit Owner of any of the provisions of this Agreement could adversely affect Sponsor's ability to perform its obligations. Accordingly the Board hereby assigns to Sponsor all of the rights of the Board pursuant to the Declaration and the By-Laws as may be asserted with respect to the Work and this Agreement until such time as Sponsor has obtained a PCO for the Building. Until such time as Sponsor has obtained a PCO for the Building, the Board shall not consent to any request hereunder which would have the effect of delaying or interfering with or increasing the cost to perform Sponsor's Work.

c. Notwithstanding anything to the contrary set forth herein, to the extent notices or documents are required to be delivered to Sponsor or the consent or approval of Sponsor is required hereunder, such delivery, consent or approval shall not be required after the later of (i) such time as Sponsor no longer owns any Unsold Units in the Building, or (ii) a PCO is obtained. Sponsor, in its sole discretion,

may waive its right, in writing, to receive notices or give approvals or consents hereunder.

IN WITNESS WHEREOF, Unit Owner, Sponsor and the Board have executed this Agreement.

THE [RESIDENTIAL][CONDOMINIUM]
BOARD OF MANAGERS OF THE
42 CROSBY STREET CONDOMINIUM

By: _____
Name:
Title:

BROOME STREET OWNER LLC

By: _____
Name:
Title:

UNIT OWNER

By: _____
Name:
Title:

EXHIBIT A

Date

The [Residential][Condominium] Board of Managers of The 42 Crosby Street Condominium
c/o _____

_____

New York, New York _____

Re: Unit ___ (the "Unit")
_____ (the "Unit Owner")
New York, New York 10012 (the "Property")

Gentlemen:

The undersigned acknowledges being the general contractor for the Work to be performed in the referenced Unit ("Contractor") pursuant to the Plans, as such terms are defined in the alteration agreement (the "Alteration Agreement") entered into between The Board of Managers of the Condominium (the "Board"), the above referenced Unit Owner and Broome Street Owner LLC ("Sponsor") Contractor acknowledges that it has received a copy of the Alteration Agreement (including. without limitation, the Contractor's Instructions annexed thereto), the Declaration, By-Laws and rules and regulations of the Condominium (collectively the "Requirements") and has reviewed the Requirements, understands them and will in all cases abide by all of the terms, conditions and requirements contained herein while completing the Work at the Building on behalf of Unit Owner. Contractor will be responsible for conveying these Requirements to any of its employees, suppliers and subcontractors who will be bound by these Requirements. Contractor will incorporate by reference the terms hereof into any contract or agreement with any Subcontractor employed by or retained by Contractor in connection with the Work and will deliver copies of all such subcontracts to the Board and/or Sponsor upon request. In all cases, Contractor will be solely responsible for the compliance by its employees, suppliers and subcontractors with the Requirements.

Contractor agrees that it will not make any claim against, or seek to recover against the Board, the Board's officers, directors, Sponsor, other unit owners, servants, agents, partners, guests, licensees, invitees, tenants or employees or any of their respective agents, servants, employees, tenants, guests, licensees, invitees, officers, directors, shareholders and partners of the foregoing (collectively, the "Indemnitees") for any damage to persons or property by the perils within the scope of the policies described in the Alteration Agreement, unless the loss or damage is due to the gross negligence or willful misconduct of the Indemnitees. Contractor further agrees to defend, indemnify and hold harmless the Indemnitees against any and all liability, including legal costs and expenses on account of loss of life or injury to any person or damage to property, happening in or arising out of or in any way relating to the performance of the Work, unless such injury or loss of life or loss or damage to property is caused by the gross negligence or willful misconduct of the Indemnitees.

Contractor agrees:

(A) Contractor will, prior to the commencement of the Work, shall have submitted to the Board a list containing the names of all contractors, subcontractors and suppliers (collectively the "Subcontractors') which will be performing the Work or providing materials and supplies with respect thereto. Such list (the "Subcontractor's List") must be updated within forty-eight hours after any additional Subcontractors are engaged or retained. The General Contractor must submit notification to the Managing Agent (each a "Notice") containing the name of any Subcontractor requiring access to the Property in furtherance of the Work, no less than forty-eight (48) hours in advance of the time that such access is required. The Notice shall include (a) the list of the individuals employed by the Subcontractor (the "Subcontractor's Employees") and (b) the period of time that the Subcontractor seeks to "book" the elevators to bring the Subcontractor's Employees and materials and supplies to the Unit. No Subcontractor will be permitted access to the Building unless the name of such Subcontractor is on the Subcontractor's list and a copy of the subcontract for such Subcontractor has been provided to the Board. The General Contractor acknowledges that the allocation of elevator "time" shall be made by the Managing Agent, in its discretion, subject to the availability of elevators.

(B) Each Subcontractor's Employee identified in the Notice will be given an access pass. Such pass must be worn by the Subcontractor's Employees whenever they are in the Building and must be returned at the end of each work day. All persons gaining access to the work site must wear hard hats and such other safety gear as may be required by Sponsor or the Board.

(C) The party to whom communications are required to be made hereunder and under the Alteration Agreement, including, without limitation, the submission of the Subcontractor's List and the Notices is _____. The Managing Agent reserves the right to change the aforementioned individual upon written notice to the General Contractor and Unit Owner.

Any terms not otherwise defined in this letter will have the meaning ascribed thereto in the Alteration Agreement. By execution of this letter below, the General Contractor hereby acknowledges and agrees to the foregoing and agrees to comply with those provisions of the Alteration Agreement which are the obligation of the General Contractor to perform.

[GENERAL CONTRACTOR]

By: _____
Name:
Title:

EXHIBIT B

Each of Unit Owner's contractors shall provide insurance of the types and in not less than the limits set forth below with a company or companies satisfactory to the Sponsor and/or the Board, licensed to do business in the State of New York, and all such policies shall name the Board, the Board's officers, directors and Unit Owners, the Designated Engineer, Sponsor and the Managing Agent as additional insureds. No diminution of limits of insurance will be permitted.

(i) **WORKER'S COMPENSATION** as required by law together with Employer's Liability Insurance and Disability Benefits Insurance as required by the State of New York.

(ii) **COMMERCIAL GENERAL LIABILITY** including Contractor's Liability and Blanket Contractual Liability (oral or written), all on an occurrence basis with Personal Injury Coverage, which shall include mental anguish as well as standard conditions, and Broad Form Property Damage, Completed Operations without any exclusion relating to Explosion, Collapse and Underground Property Damage and without exclusion or exception for any New York Labor Law claims.

a. The policy will contain the "Broad Form Comprehensive General Liability" endorsement in Section 1 in such form; the exclusion pertaining to liability assumed by the Contractor under any contract or agreement (Section II Section B(l) is to be deleted). The Completed Operations Coverage is to extend for a period of one year following termination of the Work and Contractual Indemnity Coverage is also to extend for one year following termination of the Work. The policy is also to include (a) the Unit owners, the Condominium Managing Agent, and the Boards, (b) Knowledge of Occurrence and Notice of Occurrence endorsements; (c) Unintentional Errors and Omissions clause; (d) a primary and non-contributory endorsement; (e) waiver of subrogation endorsement; and (f) an additional insured endorsement. The policy shall also include coverage with respect to asbestos exposure if the Work involves any asbestos-containing material, and shall not include a sunset clause without the Board's consent.

b. The limits of coverage shall be no less than $1,000,000 each occurrence, $2,000,000 per project general aggregate, $1,000,000 products/completed operations aggregate.

c. The Contractor's insurance policy shall also contain in substance the following endorsement:

This insurance shall not be invalidated should the insured waive, in writing, prior to a loss, any or all right of recovery against any party for the loss occurring to the property described herein.

Nothing in this Exhibit B shall constitute a waiver of or limitation of any other rights or remedies the Board may have for consequential damages or otherwise.

(iii) **COMPREHENSIVE AUTOMOBILE LIABILITY**, including non-ownership and hired car coverage, as well as owned vehicles:

$1,000,000 BODILY INJURY & PROPERTY DAMAGE
(combined single limit)

(iv) **UMBRELLA LIABILITY, BODILY INJURY, PERSONAL INJURY AND PROPERTY DAMAGE** If umbrellas are written in more than one company any layers above the first one shall follow the form of the primary umbrella.

$5,000,000 COMBINED[1]
(combined single limit)

Prior to the commencement of any work hereunder, detailed certificates of insurance shall be furnished to the Board showing that such insurance is in full force and the premiums due thereunder have been paid. Such certificates shall provide that the said insurance may not be canceled, terminated or modified without ten (10) days written advance notice thereof to the Board. The Contractor shall promptly furnish the Board with copies of any endorsements subsequently issued amending insurance coverage or limits.

In the event of the failure of the Contractor to furnish and maintain such insurance, the Board shall have the right, at its option, at any time:

(a) to revoke permission to perform the work and to deny entry into the Building of all workers, except that if such workers are escorted by a member of the Building's staff, they shall be permitted to remove their tools and supplies, or

(b) to take out and maintain the said insurance for and in the name of the Board, the Contractor or Unit Owner and, in such a case, Unit Owner agrees to pay the cost thereof and to furnish all information and consents necessary to permit the Board to take out and maintain such insurance for and in the name of the Board, the Contractor or Unit Owner.

Compliance with the foregoing requirements to carry insurance and furnish certificates shall not relieve Unit Owner from liability assumed under any provisions of this Agreement.

Receipt and review by the Sponsor and/or the Board, or their agents of any copies of insurance policies or insurance certificates, or failure to request such evidence of insurance, shall not relieve the Contractor and/or the Unit Owner of its obligation to strictly comply with the insurance provisions of this Agreement. Contractor and/or Unit Owner's failure to strictly comply with the insurance provisions of this Agreement, unless otherwise agreed by Sponsor and/or the Board, shall be deemed a default by the Unit Owner and/or the Contractor of the terms of this Agreement.

---

[1] Amounts of insurance required may be higher for major renovations as designated by the Sponsor and/or the Board.

EXHIBIT C

ASSUMPTION OF ALTERATION AGREEMENT

WHEREAS, simultaneously with its execution and delivery of this Assumption of Alteration Agreement the undersigned is becoming the owner of Unit ____ in the building known as The 42 Crosby Street Condominium and located at 42 Crosby Street, New York, New York 10012; and

WHEREAS, a prior owner of the Unit and the Condominium Board entered into an Alteration Agreement dated _____, ____ ("Alteration Agreement"), a copy of which is attached hereto,

WHEREAS, the Alteration Agreement (1) provides that any person acquiring the Unit shall assume the obligations of the Unit Owner under the Agreement and (2) authorizes the Condominium Board not to accept the sales package in connection with its waiver of its right of first refusal unless and until such person assumes the obligations of the Unit Owner under the Agreement,

NOW, THEREFORE, in order to induce the Condominium Board to accept the sales package and waive its right of first refusal, the undersigned hereby ASSUMES AND AGREES TO PERFORM AND OBSERVE all the terms, covenants and conditions of the Alteration Agreement to be performed or observed by the Unit Owner thereunder (including the provisions of Section 18 thereof pertain to future transfers).

Henceforth, the term "Unit Owner" as used in the Alterations Agreement shall include the undersigned. Any breach of this Assumption of Alterations Agreement or of the Alterations Agreement shall constitute a breach of the By-Laws of the Condominium. This Assumption of Alteration Agreement shall be binding on the undersigned and [her][his] estate, heirs, executors, administrators, personal representatives, successors and assigns.

New York, New York
Date: _____

_____

_____

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 she executed the same in her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

EXHIBIT D

TO: [Addressed to the Unit Owners
or residents of the units
adjacent to, above and below,
the Unit Owner's unit]

DEAR _____:

In accordance with the Alteration Agreement between me and the Board of Managers (the "Board") of the _____ (the "Condominium") covering the alterations to be performed in unit ___, you are advised as follows:

1. Alterations will be performed in unit ___ commencing on or about _____. The alteration agreement with the Board permits me an aggregate of ___ days to complete the alterations.

2. I hereby agree to indemnify you for any damage whatsoever to your unit caused by the alterations performed in my apartment as determined by the Condominium's architect. I agree to pay the reasonable cost of repair of such damage. At your option, such repair may be performed, at my expense, by contractors of your choice or by my contractors.

3. In order to take advantage of the foregoing indemnification, you must permit my designated representatives to inspect your apartment prior to the commencement of my alterations. Please call me at _____ to arrange the inspection. You must also permit my designated representative to inspect any damage you claim my alterations have caused.

Very truly yours,

_____
Unit Owner

Unit No.: _____

Date: _____

EXHIBIT "19"

LIEN LAW §71-a(3)

1. (a) The initial advance pursuant to a contract of sale which by its terms provides for or is incidental to a contract providing for the construction on the subject real property of residential condominium unit or any structure designed solely for residential occupancy of not more than two families living separately, on property to be purchased shall, at the vendee's option, be deposited within five business days thereafter by the recipient in an interest bearing escrow account in a bank, trust company, savings bank, state or federal savings and loan association, located in this state. Such deposit, together with the interest accumulated thereon, shall remain the property of the vendee except as otherwise provided herein. The recipient shall advise the vendee in writing of the name of the depositary where the funds have been placed within ten business days after such deposit has been made.

(b) In lieu of making the deposit of such moneys in an escrow account as provided in paragraph (a) of this subdivision, the recipient may post with the vendee a bond or contract of indemnity, issued by a surety company licensed to execute such an instrument in this state, guaranteeing the return of the moneys which otherwise would be required to be deposited in such escrow account, in which case the recipient shall not be required to deposit such money in an escrow account. Said bond or contract of indemnity shall be delivered to the vendee within ten business days after receipt of the initial advance.

(c) At any time after making the deposit of such moneys in the escrow account, the recipient may post with the vendee a bond or contract of indemnity issued by a surety company licensed to execute such an instrument in this state guaranteeing the return of such moneys, in which case the recipient shall not be required to maintain the deposit of such moneys in such account.

(d) Such advance shall be retained in the escrow account or such bond or contract of indemnity continued in effect until the trust is terminated (i) by the recipient's performance of the terms of the contract of sale, or (ii) by default of the vendee excusing the recipient's performance of the terms of the contract of sale, or (iii) by release or discharge of the recipient's liability to refund such advance to the vendee, or (iv) upon transfer of title of the real property to the vendee.

(e) Every contract of sale which by its terms provides for or is incidental to a contract providing for the construction on the subject real property of a residential condominium unit or a structure designed solely for the residential occupancy by not more than two families living apart, shall contain a statement advising the vendee of the provisions of this subdivision. Such statement shall be printed in bold type which is at least two points larger than any other printing contained thereon and shall read as follows:

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

EXHIBIT "20"

CONDOMINIUM NON-DISTURBANCE AGREEMENT

CONDOMINIUM NON-DISTURBANCE AGREEMENT

CONDOMINIUM NON-DISTURBANCE AGREEMENT (this "Agreement"), dated as of _____, 201_, between The Condominium Board of Managers of The 42 Crosby Street Condominium (the "Board"), having an address at c/o Atlas Capital Group, 505 Fifth Avenue, New York, New York, acting as agent for the owners of all Units and _____ (the "Tenant"), having an address at _____.

WITNESSETH

WHEREAS, _____ (the "Landlord"), and the Tenant have entered into a lease dated as of _____ (the "Lease") demising to the Tenant Unit _____ together with its appurtenant interest in the General Common Elements (the "Demised Premises") in the condominium known as The 42 Crosby Street Condominium (the "Condominium") created by that certain declaration ("Declaration) and all exhibits annexed thereto, including without limitation, the by-laws ("By-Laws") dated _____ recorded on _____ in the City Register of the City of New York for the County of New York at CRFN _____ subjecting the land described on Exhibit A hereto the provisions of Article 9-B of the Real Property Law of the State of New York;

WHEREAS, capitalized terms not defined herein are used as defined in the Declaration and By-Laws;

WHEREAS, the Board and the Tenant desire to enter into certain agreements with respect to the Lease and related matters;

NOW, THEREFORE, the Board and the Tenant hereby agree as follows:

1. Subordination. The Tenant hereby agrees that the Tenant's interest in the Lease is subject to the terms of this Agreement and is subject and subordinate to the Declaration and By-Laws, and that notwithstanding that a memorandum of lease with respect to the Lease may be recorded prior to the recording of the Declaration and By-Laws, the Declaration and By-Laws shall be deemed to have been recorded prior to such memorandum of lease.

2. Non-Disturbance. So long as there no event of default exists under said lease, as would entitle the owner of Commercial Unit [__] (the "Commercial Unit Owner"), or any successor landlord under the lease, to terminate the lease or dispossess the tenant thereunder, the tenant shall not be named or joined in any action or proceeding to foreclose the Condominium Board's lien for Common Charges on a Commercial Unit or any other sums of any sort, recognize all of tenant's rights under the lease and will not diminish, terminate or disturb tenant's possession or rights under the lease, expand any of tenant's obligations under the lease or under the Condominium Declaration or the By-Laws, or obligate tenant to comply with any of the provisions of the Declaration or the By-Laws, except as expressly provide herein, and will recognize tenant as the direct tenant of the Condominium Board or its successor on the same terms and conditions as are contained in the lease and the tenant's use, possession, or enjoyment of the Unit in question shall not be interfered with, nor shall the leasehold estate granted by the lease be affected in any manner, nor shall any of the rights of the tenant granted under the lease be affected in any manner, in any foreclosure or other action or proceeding instituted under or in

connection with such lien or in the exercise of any rights of the Condominium Board, or, in case the Condominium Board takes possession of said Commercial Unit pursuant to any provision of the Declaration or By-Laws, or otherwise; provided however that if the Condominium Board or any other party succeeds to the interests of the Commercial Unit Owner under the lease the tenant will agree to be bound to the Condominium Board or party under all of the terms, covenants and conditions of the lease and the tenant will attorn to the Condominium Board or party as its landlord.

3. Attornment. If the Board or any other party succeeds to the interests of the Landlord under the Lease the Tenant agrees that it will be bound to the Board or other party under all of the terms, covenants and conditions of the Lease and the Tenant will attorn to the Board or other party as its landlord and the parties acknowledge and agree that the Board shall not be (v) liable for any previous act or omission of the Landlord under such Lease; (w) subject to any abatements, deductions, claims, offsets or defenses, which theretofore accrued to the Tenant against the Landlord; (x) bound by any previous prepayment (other than a scheduled prepayment provided for in such Lease) of more than one month's rent; or (y) obligated to repair, replace, rebuild or restore the premises covered by the Lease (or any portion thereof) in the event of a casualty or condemnation, except to the extent that the same can be accomplished from the proceeds of insurance or condemnation awards actually received by or made available to the Board (or its designee)

4. Consent and Approval of Lease. The Board hereby consents to and approves the Lease and the terms thereof, and agrees that the exercise by Tenant of any of its rights, remedies and options therein, shall not constitute a default under the Condominium Declaration and By-Laws.

5. Notices. All notices, consent, approvals or other communications given under or pursuant to this Agreement shall be in writing and shall be given by registered or certified mail, return receipt requested, postage prepaid, or by a recognized overnight courier service that provides proof of receipt (a) if to the Board, at the address of the Board set forth above or at such other address as the Board may designate by notice to Landlord and Tenant, (b) if to Landlord, at the address of Landlord set forth above or at such other address as Landlord may designate by notice to the Board and Tenant, or (c) if to Tenant, at the address of Tenant set forth above or at such other address as Tenant may designate by notice to the Board and Tenant.

6. Binding Effect. This Agreement shall run with the land and bind all future Boards and Commercial Unit Owner. No amendment hereafter made to the Declaration or to the By-Laws of the Condominium and no other act of the Board shall be valid or effective to diminish any of the Tenant's rights hereunder, unless the Tenant shall give its written consent thereto, regardless of whether or not the Landlord shall consent thereto or join therein.

7. Miscellaneous. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto or their respective successors in interest. This Agreement shall inure to the benefit of and be binding upon the parties hereto, their respective heirs, representatives, successors and assigns.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

THE BOARD OF MANAGERS OF THE
42 CROSBY STREET CONDOMINIUM

By: _____
Name:
Title:

TENANT:

By: _____
Name:
Title:

[ACKNOWLEDGMENTS ON FOLLOWING PAGE]

STATE OF)
)
COUNTY OF)

On the ____ day of _____, in the year 201_, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF)
)
COUNTY OF)

On the ____ day of _____, in the year 201_, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

Exhibit A

DESCRIPTION OF THE LAND

[INSERT METES AND BOUNDS DESCRIPTION FROM DECLARATION]