CONDOMINIUM OFFERING PLAN

520 PARK AVENUE CONDOMINIUM

520 PARK AVENUE
NEW YORK, NEW YORK 10022

32 Units (including 1 Resident Manager's Unit)	**$1,206,704,000**
7 Suite Units	**$10,685,000**
15 Storage Lockers	**$1,080,000**
10 Wine Storage Lockers	**$1,865,000**
Total Offering Amount	**$1,220,334,000**

SPONSOR:	**SALES CENTER**	**SELLING AGENT:**
41-45 Property Owner, LLC **445 Park Avenue, Suite 1902** **New York, New York 10022**	**520 Park Avenue Sales Center** **650 Madison Avenue** **New York, New York 10022**	**Zeckendorf Marketing LLC** **770 Lexington Avenue, 4th Floor** **New York, New York 10065**

Filing Date of this Offering Plan: September 16, 2014. This Offering Plan may not be used September 15, 2015, unless this Offering Plan is extended by amendment.

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

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

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

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PART I

CONDOMINIUM OFFERING PLAN

520 PARK AVENUE CONDOMINIUM
520 PARK AVENUE
NEW YORK, NEW YORK 10022

SPECIAL RISKS

Building Location

1. The entrance to the Building is located on East 60th Street between Park Avenue and Madison Avenue at 45 East 60th Street, which is approximately 150 feet from the northwest corner of Park Avenue and 60th Street. The Building will be constructed on the property located at 41-45 East 60th Street between Park Avenue and Madison Avenue on building lot 28. The Building will also cantilever 25 feet over the Grolier Club (47 East 60th Street) to the east into Lot 9031 which is a vertical tax lot owned by Sponsor that is located above the Grolier Club parcel. The Building is the beneficiary of a light and air easement over the Christ Church parcel (Lot 36, 524 Park Avenue) that extends to Park Avenue (See the Section of the Plan entitled "Location and Area Information").

Building Address

2. (a) The current address of the Building is 45 East 60th Street. Sponsor has an agreement with Christ Church to issue an irrevocable license for the term of 100 years in favor of Sponsor to utilize the 520 Park Avenue address. Sponsor has obtained initial approval from the Manhattan Borough President's Office ("MBPO"), through the issuance of a reservation letter, to use 520 Park Avenue, New York, New York as the address of the Building in lieu of 45 East 60th Street. The reservation letter indicates that MBPO has found the request to be appropriate and the address can't be used by another party. In accordance with the reservation letter, following the completion of the Building's front entrance, Sponsor will re-apply to MBPO for the address to be permanently assigned at which point final approval should be provided.

(b) Upon issuance of the final approval by MBPO, the license agreement with Christ Church will commence for a term of 100 years in exchange for an annual payment of $30,000, which amount shall be included in Schedule B.

(c) See Section of the Plan entitled "Location and Area Information."

Sponsor Control of the Condominium Board

3. (a) Sponsor will have voting control over the Condominium Board until the later to occur of: (i) the Closing of Title with Purchasers under the Plan to Units representing at least 95% in number of all Units offered for sale, or (ii) the issuance of a Permanent Certificate of Occupancy ("Sponsor Control Period"). As such, it is possible that Sponsor may never relinquish control of the Condominium Board. Sponsor reserves the right to relinquish voting control of the Condominium Board prior to the expiration of the Sponsor Control Period.

(b) After the Sponsor Control Period, Sponsor shall have the right to designate 1 Member to the Condominium Board for so long as Sponsor continues to own at least 1 Unsold Unit.

(c) During the Sponsor Control Period, Sponsor will designate a majority of the members and shall have voting control of the Condominium Board. Therefore, Sponsor will have control of the maintenance and operation of, and the services to be provided by, the Condominium, and will determine the Common Charges to be paid by all Unit Owners. Notwithstanding the foregoing, Sponsor must maintain the Building with services consistent with those set forth in the Section of the Plan entitled "Schedule B - Budget for First Year of Condominium Operation." Sponsor may continue to exercise veto power over the following actions of or contemplated by the Condominium Board after the Sponsor Control Period, for so long as Sponsor shall continue to own Unsold Units representing at least 25% in number of all Units, but in no event later than 5 years after the First Closing, the Condominium Board may not take any of the following

actions without Sponsor's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit, or (b) assess any Common Charges, Common Charges or Special Assessment for the creation of, addition to or replacement of all or part of a working capital, reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, or (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services, or (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary and no other commercially reasonable alternative is available to enable the Condominium to (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer oar (iv) to ensure the health and safety of the occupants of the Building.

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

Purchase of a Condominium Unit

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

(b) Purchasers should note that the agreement pursuant to which they will purchase the Unit is referred to as an Option Agreement. This characterization is consistent with Sponsor's intention to treat the Option Agreement for purposes of applicable provisions of the Internal Revenue Code as similar to an option. If this characterization is respected, Sponsor will be able to account for the sale of the Units 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. A Purchaser is not receiving any "options" not included in a standard real estate contract and if Purchaser does not close on the Option Agreement, Purchaser will forfeit Purchaser's Premium Payment as liquidated damages. Purchasers should note that Sponsor's characterization of the Option Agreement is not binding on the Internal Revenue Services ("IRS") which may challenge such characterization. However, even if the IRS was to successfully challenge Sponsor's tax characterization of the Option Agreement and the Premium Payment, as described above, there will be no adverse tax or other consequences to Purchaser. Sponsor cannot compel specific performance as a remedy against Purchaser. Sponsor is bound, however, to sell to a Purchaser that elects to perform all of Purchaser's obligations under the Option Agreement.

(c) At the time an Option Agreement is executed, Purchaser is required to make an initial Premium Payment in an amount equal to 15% of the Purchase Price and an additional Premium Payment equal to 10% of the Purchase Price upon the earlier to occur of (i) 6 months after Purchaser executes the Option Agreement or (ii) within 15 days of the Presentation Date of the amendment declaring the Plan effective. A Purchaser executing an Option Agreement on or after the date the Plan is declared effective is required to make the full Premium Payment in an amount equal to 25% of the Purchase Price.

(d) In the event a Purchaser defaults under the Option Agreement, time being of the essence with regard to the obligations of Purchaser under the Option Agreement, Sponsor, in its sole discretion, may elect by notice to Purchaser to cancel the Agreement. If Sponsor elects to cancel, Purchaser shall have 30 days from the giving of the notice of cancellation to cure the specified default. If the default is not cured within such 30 days, TIME BEING OF THE ESSENCE, then the Option Agreement shall be

deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, (a) the entire Premium Payment and any interest earned on the Premium Payment and (b) Unit Upgrade Funds, except if Sponsor abandons or withdraws the Plan, in which case the Unit Upgrade Funds will be returned to Purchaser. Upon the cancellation of the Option Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though the Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale. (See the Section of the Plan entitled "Procedure to Purchase" for details.

(e) TIME IS OF THE ESSENCE as to Purchaser's obligations under the Option Agreement, including, without limitation, for the payment of all Premium Payments and the Exercise Price. According to Black's Law Dictionary (Revised Fifth Edition), "time is of the essence of contract" means generally that punctual performance by one party at one precise time named or within a period specified in the contract is essential to enable the party to require performance by the other party. If a check delivered by a Purchaser for the Initial Premium Payment fails for collections, the Option Agreement will be deemed void ab initio.

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

(g) If Sponsor makes an application to the Department of Law to withdraw the Premium Payments from escrow and secures the Premium Payments with a Letter of Credit or Surety Bond and such application is approved by the Department of Law, following such withdrawal, no interest will be earned on the Premium Payments. (See the Section of the Plan entitled "Escrow and Trust Fund Requirements" for details.)

(h) If a Purchaser fails for any reason to close title to the Unit on the originally Scheduled Closing Date other than due to Sponsor's failure or inability to close: (a) the Closing apportionments to be made will be made as of midnight of the day preceding the Scheduled Closing Date, regardless of when the actual closing occurs ("Actual Closing Date"), and (b) Purchaser will be required to pay to Sponsor an amount equal to .03% of the Purchase Price of the Unit for each day commencing with the Scheduled Closing Date through the Actual Closing Date, as a reimbursement of Sponsor's increased carrying costs for the Unit by virtue of the delay, in addition to the other payments to be made to Sponsor under the Option Agreement and the Plan. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

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

(j) Unit Upgrade Funds will initially be placed in the Master Escrow Account. However, Purchasers should note that such Unit Upgrade Funds may be released from the Master Escrow

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

(k) Prior to the Closing of Title to a Unit, the Option Agreement prohibits a Purchaser from advertising or otherwise offering, listing, promoting or publicizing the availability of the Unit for sale or rental. (See the Section of the Plan entitled "Procedure to Purchase" and the Option Agreement set forth in Part II of the Plan for details.)

(l) Any purported assignment of the Option Agreement in violation of the Plan shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in the Plan and the Option Agreement and shall be voidable at the option of Sponsor.

(m) Sponsor shall be entitled to deliver the 30 day closing notice to a Purchaser prior to meeting the closing prerequisites set forth in items (b) – (g) exclusive of item (e), of the Section of the Plan entitled "Terms of Sale". As a result, if any of such prerequisites have not been met by the Closing Date set forth in the 30 day closing notice, the Closing Date will be adjourned by Sponsor.

(n) Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under the Option Agreement or, in the event Purchaser defaults under the Option Agreement beyond any applicable grace period, in canceling the Option Agreement or otherwise enforcing Purchaser's obligations under the Option Agreement.

(o) Each Unit Owner who acquired a Unit from Sponsor ("Sponsor Sale") and subsequently enters into an agreement, written or oral ("Resale Agreement") to resell the Unit prior to the first anniversary of the closing of the Sponsor Sale ("Resale") shall be obligated to pay Sponsor a portion of the proceeds of the Resale ("Resale Fee"). A Unit Owner will be required to send Sponsor a copy of the Resale Agreement within 10 days of agreeing to the Resale. The Resale Fee paid to Sponsor shall be equal to 50% of the difference between: (A) the sales price of the Unit per the Resale Agreement *less* the following expenses actually paid for by Unit Owner (to the extent applicable): (1) brokerage commissions not exceeding 6% in the aggregate; (2) transfer taxes imposed by Law and (3) actual legal fees not exceeding $5,000; *and* (B) the Purchase Price paid to Sponsor in connection with the Sponsor Sale. In addition, prior to the first anniversary of the Sponsor Sale, each Unit Owner is prohibited from listing the Unit for sale with any broker or placing or authorizing any listing in any broker's listing system or other listing service or advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale, without Sponsor's prior written consent, which consent may be unreasonably withheld or delayed in Sponsor's sole and absolute discretion. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners" and the By-laws for further details.)

Conveyance of Title

5. (a) In the event of the existence of any lien, encumbrance or title defect other than Permitted Encumbrances which Sponsor fails or refuses to correct, the sole remedy of Purchaser under the Plan, provided Purchaser is not then in default, will be to either (i) take title to the Unit subject to the title defect (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (ii) terminate the Option Agreement, within 15 days after receipt of notice or an amendment disclosing such lien, encumbrance or title defect. If Purchaser fails to notify Sponsor of Purchaser's election within 15 days after Sponsor notified Purchaser of Sponsor's failure or refusal to remedy the title defect, it will be conclusively deemed that Purchaser elected to acquire title subject to the title defect. Sponsor has no obligation to institute any action or

proceeding or to expend any sum of money in excess of ½ of 1% of the Purchase Price of the affected Unit to make title insurable or to eliminate any encumbrances or title defects. (See the Section of the Plan entitled "Terms of Sale" for details.)

(b) Sponsor shall be entitled to adjourn the Closing to remove or correct any defect in title which is not set forth in Schedule A annexed to the Option Agreement. However, if such defect existed at least 10 days prior to the Closing and Purchaser, or Purchaser's attorney, failed to send Sponsor's attorney written notice of such defect in title at least 10 days prior to the Closing of Title, then Purchaser shall be deemed at fault under the terms of the Option Agreement for not having sent timely notice, and the Closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as being at the request of Purchaser.

(c) If, subsequent to the Closing of Title, Purchaser claims that Sponsor did not convey fee simple title to the Unit in accordance with the Plan, Purchaser must first seek recovery against Purchaser's title insurance company before proceeding against Sponsor. Sponsor and Purchaser agree that Sponsor's liability will be limited to any loss or damage not covered by Purchaser's title insurance company. If Purchaser did not obtain title insurance at the Closing, for purposes of this subparagraph, the amount and coverage which Purchaser could have obtained from Purchaser's title insurance company shall be deducted from the loss or damage collectable against Sponsor. Notwithstanding the foregoing, nothing contained in this paragraph shall be construed to waive any of Purchaser's rights or abrogate any of Sponsor's obligations under the Plan or Article 23-A of the General Business Law.

Risk of Loss

6. The risk of loss to any Unit by fire or other casualty prior to the Closing of Title to such Unit is assumed by Sponsor (unless and until Purchaser takes possession of the Unit, at which time Purchaser shall assume the risk of loss not covered by insurance, including the risk of loss to Purchaser's personal property) but without any obligation or liability by Sponsor to repair or restore such Unit. In the event a Purchaser is permitted to take possession of the Unit prior to Closing, such Purchaser will be required to obtain casualty and liability insurance for their own benefit covering the Unit and any Limited Common Elements appurtenant thereto in such amounts as determined by Sponsor. (See the Section of the Plan entitled "Use and Occupancy Agreements" for details.)

Sponsor's Right to Rent Unsold Units

7. (a) Sponsor intends in good faith to sell rather than rent Units. However, Sponsor reserves the unconditional right to rent Units rather than sell Units. Because Sponsor is not limiting the conditions under which it will rent rather than sell Units, Sponsor is not committed to sell more Units than the 15% necessary to declare the Plan effective and, therefore, owner-occupants may never gain effective control and management of the Condominium.

(b) Sponsor intends to offer Unsold Units for sale both to Purchasers for personal occupancy and Purchasers who are purchasing for investment or resale. Purchasers for investment or resale may, in turn, rent such Units and accordingly, such Units will not be used for the personal occupancy of the owner thereof. As a result, some and possibly many Units may be occupied by renters instead of Unit Owners. Since the Condominium Board does not have the right to approve or disapprove potential purchasers of Units, the Condominium Board is unable to limit the number of purchasers who purchase Units for investment or resale rather than for personal occupancy and there may always be a substantial percentage of Unit Owners who are not occupants. It is possible that those Unit Owners who occupy their Units may have different interests than those Unit Owners who purchased such Units as an investment.

(c) Sponsor reserves the unconditional right to make Bulk Sales of Units. The term "Bulk Sales" shall mean the transfer of 10 or more Units or 20% of the total number of Units in the

Condominium, whichever is less. Purchasers of Bulk Sales of Units shall be bound by Sponsor's representations in the Plan with regard to Sponsor's commitment to sell Units.

Transfer Taxes/Closing Fees

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

Reserve Fund and Working Capital Fund

9. (a) Sponsor has not established a reserve fund for capital repairs, replacements or improvements. Because the Building, upon completion of construction, will be entirely new construction, Sponsor does not anticipate the imminent need for capital repairs, replacements or improvements. However, no assurance or guaranty is given that such needs will not arise in the future. Unit Owners will be obligated to pay their share of the cost of repairs, replacements and/or improvements to the Common Elements as the need for such arises. The Condominium Board, in its discretion, and subject to certain restrictions contained in the By-Laws, may decide in the future to create a reserve fund by Special Assessment or by increases in Common Charges.

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

(c) Each Purchaser of a Unit will be required to make a non-refundable contribution to the Working Capital Fund of the Condominium. Such contribution, to be made at the time of Closing, shall be in an amount equal to 2 months' Common Charges with respect to the Unit based on the Condominium's budget in effect as of the Closing Date of the Unit. The payment of the Working Capital Contribution shall be required of all Purchasers of Units, whether purchased from Sponsor or on a resale.

(d) See the Section of the Plan entitled "Working Capital Fund and Apportionments" for details.

Foreign Government Purchaser

10. Any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (.i.e., diplomatic or sovereign immunity) ("Foreign Government Purchaser") shall be required to expressly and voluntarily waive such immunity and consent to any suit, action or proceeding arising out of or relating to the Option Agreement or the Condominium Documents being brought in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Option Agreement or the Condominium Documents. Any Foreign Government Purchaser shall

designate and authorize a lawful agent to receive process for and on behalf of the Foreign Government Purchaser in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Option Agreement or the Condominium Documents. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

Ancillary Amenity Licenses

11. (a) Certain portions of the sub-cellar and cellar levels of the Building will be designated as Ancillary Amenity Areas in which the Ancillary Amenities will be located. Sponsor is offering Purchasers of Units the opportunity to purchase certain Ancillary Amenity Licenses for the exclusive use of Purchaser for so long as Purchaser owns a Unit in the Condominium pursuant to the terms of a license ("Ancillary Amenity License"), the forms of which are set forth in Part II of the Plan. Purchasers should note that the Closing of an Ancillary Amenity License does not require the issuance of a Temporary Certificate of Occupancy. Purchasers will be required to consummate the purchase of the Unit and the Ancillary Amenity License simultaneously at Closing even though a Temporary Certificate of Occupancy has not been issued (and access may not be available) to the Ancillary Amenity Area in which the Ancillary Amenity is located. In such event, the proceeds from the sale of the Ancillary Amenity License will be held in escrow ("Ancillary Amenity Escrow") by Escrow Agent until such time as a Temporary Certificate of Occupancy has been issued for the Ancillary Amenity Area in which the Ancillary Amenity is located. The Ancillary Amenity Escrow will be held in an Interest-On-Lawyer's-Account ("IOLA") pursuant to New York Judiciary Law Section 497. Purchasers will earn no interest on the Ancillary Amenity Escrow. (See the Section of the Plan entitled "Terms of Sale" for details.)

(b) Although the Ancillary Amenity Areas are Common Elements, the Condominium Board has granted Sponsor the exclusive right, without charge, to sell Ancillary Amenity Licenses located therein. The Condominium will not be entitled to any of the proceeds from the sale of the Ancillary Amenity Licenses. The Condominium Board has the right to impose monthly license fees and Special Assessments in connection with the Ancillary Amenity Licenses.

(c) The Storage Lockers and Storage Locker Area will not be serviced by an emergency generator to maintain proper temperatures in the event of a power outage as a consequence of whatever cause, including, without limitation, water infiltration. Any resulting damage and/or spoilage to and/or inability to access the contents located in the Storage Lockers will be at the sole cost of the licensee of such Storage Locker. Neither Sponsor nor the Condominium Board shall be responsible for any damage and/or spoilage caused by power outages, temperature fluctuations, or other causes (whether by mechanical or as a consequence of natural causes), including, without limitation, water infiltration, in the Storage Locker Area.

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

Resident Manager's Unit

12. (a) At, or subsequent to the First Closing, but in no event later than 5 years from the date of the First Closing, Sponsor shall sell Unit 5B to the Condominium to be used by the Resident Manager and designated as the "Resident Manager's Unit". The Purchase Price for the Resident Manager's Unit will be $4,354,000. At the Closing of each Unit (exclusive of a Suite Unit), Purchaser will be required to pay on behalf of the Condominium Board, Purchaser's share of the cost of the Resident Manager's Unit including, without limitation, recording fees, title insurance, legal fees, transfer taxes and other transaction fees (estimated to be approximately $148,060) determined in accordance with the Common Interest of the Unit acquired, in proportion to the Common Interest of all Units (other than the Resident Manager's Unit and the Suite Units). The amount of each Purchaser's share of this closing cost is set forth in the Section of the Plan entitled "Schedule A – Purchase Prices and Related Information." There is no guarantee or assurance that the taxing authorities will not require that each

Purchaser's allocable portion of the cost of the Resident Manager's Unit be included in the total consideration deemed to have been paid by Purchaser at Closing, in which case additional transfer taxes may be payable by Purchaser. (See the Footnotes to Schedule A and the Section of the Plan entitled "Closing Costs and Adjustments" for details.)

(b) From the date of the First Closing until the transfer of title to the Resident Manager's Unit, (i) the Resident Manager will be permitted to reside in the Resident Manger's Unit pursuant to a use and occupancy agreement between the Condominium Board and Sponsor, and (ii) the Condominium Board shall be obligated to pay all costs and expenses associated with the Resident Manager's Unit, including, without limitation, common charges, utilities, and real estate taxes, as more specifically set forth in Schedule B.

(c) Sponsor reserves the right, prior to the First Closing, in its sole discretion, to choose a different Unit other than Unit 5B to sell to the Condominium as the Resident Manager's Unit, provided, however, that such sale shall only be made pursuant to an amendment to the Plan and shall not result in an increase of each Purchaser's share of the cost of the Resident Manager's Unit by 25% or more.

(d) See the Section of the Plan entitled "Schedule B - Budget for First Year of Condominium Operation" for details regarding the costs of housing the Resident Manager.

Suite Units

13. (a) To protect the security of the Building, a Suite Unit (with the exception of the Suite Units owned by the Grolier Club, as described in more detail hereafter) cannot be owned or leased independently of the ownership of a Unit and may be sold only to another Unit Owner or Purchaser who is simultaneously purchasing a Unit; provided however, that the foregoing restrictions shall not apply to Sponsor. The Suite Units may be used only as a residence occupied by domestic employees of a Unit Owner, as well as Family Members and non-paying guests of Unit Owners. Occupancy of the Suite Units by non-paying guests cannot exceed 3 months, without the prior written consent of the Condominium Board.

(b) The Grolier Club shall have a right of first offer to purchase two (2) Suite Units, at the purchase prices set forth in the Section of the Plan entitled "Schedule A – Purchase Prices and Related Information," which right must be exercised within thirty (30) days' notice to the Grolier Club. The Suite Units purchased by the Grolier Club, if applicable, can only be used as a residence for the superintendent of the Grolier Club. Sponsor shall have a right of first refusal to purchase such Suite Units from the Grolier Club prior to any resale by the Grolier Club of any such Suite Unit within a thirty (30) day exercise period.

Financial Performance

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

Services and Facilities

15. Prospective Purchasers are advised that any or all of the services and facilities described in the Plan may not be available until approximately 12 months after the First Closing, with the exception of the swimming pool located in the fitness center which may not be available for use until

approximately 24 months after the First Closing. Purchasers will not be entitled to any credit or abatement against the Purchase Price or the Common Charges if any of the services and/or facilities are not available for use on or after Purchaser's Closing. Purchasers should also be aware that the hours and dates for move-ins, move-outs and/or alterations, as well as the use of the passenger and/or service elevators, will be restricted during the period that Sponsor is performing work in the Building. However, at all times after the First Closing, the lobby will be attended 24 hours a day, 7 days a week by a lobby attendant. Notwithstanding the foregoing, the Condominium Board shall have the right but not the obligation, in its sole and absolute discretion, to adjust the First Year's Budget to reduce the Common Charges for the period in which such services and/or facilities are not available. (See the Section of the Plan entitled "Description of Property and Improvements" subsection "Services and Facilities" for details.)

Temporary Certificate of Occupancy

16. (a) Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a permanent certificate of occupancy ("PCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and PCOs are issued by the Buildings Department. A TCO 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 TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a PCO. Sponsor anticipates this scenario will occur. Sponsor will undertake the responsibility for extending each TCO received prior to expiration thereof, and will endeavor to obtain a PCO covering the entire Building within approximately 2 years from the date of the issuance of the first TCO, subject, however, to (i) Force Majeure, (ii) actions by Unit Owners or tenants of Unit Owners, (iii) work undertaken in a Unit by a Unit Owner, except in instances where Sponsor or Sponsor-controlled Condominium Board have given their consent to a Unit Owner to perform alterations in such Unit Owner's Unit, (iv) work undertaken in Common Elements by the Condominium Board after Sponsor no longer controls the Condominium Board or (v) any other cause over which Sponsor has no control. Sponsor makes no representation or guarantee that the Buildings Department will issue the PCO within such 2 year period. Notwithstanding the foregoing, Sponsor is obligated to procure the PCO for the entire Building, and shall exercise best efforts to obtain the PCO within such 2-year period while keeping the TCO current. Unit Owners and the Condominium Board shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

Furthermore, because Sponsor and the By-laws of the Condominium may permit Unit Owners to undertake renovations prior to the procurement of a PCO, such renovations may cause additional delays in the issuance of a PCO. Nevertheless, Sponsor is obligated to procure the PCO. However, Sponsor or the Condominium Board may refuse to permit a Unit Owner to perform alterations until such time as a PCO has been obtained.

Purchasers are advised to visit the DOB website for further recommendations when purchasing a Unit in a building that does not have a PCO. A Factsheet on Certificates of Occupancy is currently available on the DOB website at: http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details.)

(b) No Closing of a Unit will occur prior to the issuance of a TCO or PCO for the particular Unit. Notwithstanding the foregoing, Sponsor shall have the right to negotiate with an individual Purchaser of a "raw space" Unit to deliver such "raw space" Unit prior to the issuance of a Temporary or

Permanent Certificate of Occupancy. In such instance, the Purchaser of such "raw space" Unit, shall not be permitted to occupy such Unit until such time as a Temporary Certificate of Occupancy has been issued for such Unit. Purchasers of such "raw space" Unit will be obligated to comply with the provisions of the Bylaws pertaining to alterations of Units prior to commencing any build-out of such "raw space" Unit. Additionally, the Closing of Title to such "raw space" Unit shall not constitute the First Closing as defined herein, if such "raw space" Unit is delivered prior to the issuance of a Temporary Certificate of Occupancy. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details.)

(c) The only construction prerequisite to Closing is the issuance of a Temporary Certificate of Occupancy. As such, each Purchaser shall be required to close title to their particular Unit once a Temporary Certificate of Occupancy is issued irrespective of outstanding items of work, provided Sponsor has satisfied the closing conditions set forth in the Section of the Plan entitled "Terms of Sale."

On-Going Construction

17. (a) It is anticipated that for a significant period of time following the First Closing through, including and beyond the Closing of Title to any Unit, work should be expected to be undertaken and performed by or on behalf of Sponsor to complete construction of the Building, including without limitation, the Units, the amenities and facilities, Ancillary Amenities, the decoration or finishing of the lobby, corridors, elevator finishes and other portions of the Building, including installing light fixtures, painting, hanging wall coverings or laying carpeting. All of the foregoing work and conditions may create a noisy or otherwise disruptive condition in the Building. The Condominium Board may refuse to permit a Unit Owner to perform alterations in a Unit until such time as the Building has been completed and a PCO has been obtained. Certain services, such as telecommunications, and other similar services may be provided by outside suppliers and delays in providing these services shall not be the responsibility of Sponsor or the Condominium Board. Such suppliers may not provide these services until occupancy in the Building has reached certain levels. In addition, the presence of scaffolding, 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 scaffolding, hoists, elevators or temporary facilities are no longer needed and are removed. (See the Section of the Plan entitled "Description of Property and Improvements" subsection "Services and Facilities" for details.)

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

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

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

(e) Since the Building is expected to be occupied by tenants and/or Unit Owners prior to the issuance of a PCO for the Building, a tenant protection plan will be distributed to each occupant who will be occupying any dwelling units in the Building during construction if required by the Buildings Department.

(f) (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details.)

Mechanical Equipment

18. (a) The Building will contain certain major mechanical equipment, including, but not limited to, elevator machine rooms, fans, pumps, emergency generator, domestic water tanks, chillers, packaged units and cooling towers (collectively, "Equipment") located throughout the Building.

(b) The Condominium Board and Sponsor have the right to operate the emergency generator as necessary, as well as to activate the emergency generator for testing on a periodic basis, normally once per month. During such testing periods, which may occur at any time, Unit Owners may experience excessive noise and vibration, which may exceed applicable NYC noise requirements. The Condominium Board and Sponsor will attempt to minimize any potential disruption.

(c) While Sponsor will endeavor to reduce excessive noise and vibration emanating from the Equipment, it is impossible to eliminate such noise and vibration entirely.

Apportionments with the Condominium

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

Window Treatments

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

Effectiveness of the Plan

21. Pursuant to Law, Sponsor may declare the Plan effective by entering into Option Agreements for the sale of a minimum of 15% of the Units offered for sale (excluding the Resident Manager's Unit and the Suite Units) (i.e. 5 Units). Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to create a Condominium with fewer than the minimum number of sales, if Purchasers counted towards effectiveness do not ultimately close title to their Units. (See the Section of the Plan entitled "Effective Date" for details.)

Option Agreement Not Contingent on Financing

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

(b) Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include, among others, requiring that a certain percentage (such as 70% or more) of the units in a building or group of buildings be sold before a lender will consider making a loan. Thus, it may be possible for a Purchaser to experience difficulties in obtaining a loan in a building or group of buildings where the percentage of units purchased and owner-occupancy is lower than a lender's particular sales or owner-occupancy minimum. It also may be difficult for a Purchaser to resell a Unit if prospective buyers are unable to obtain a loan due to the same sales or owner-occupancy minimum requirements of lenders. Moreover, some lenders will not provide financing in a building or group of buildings where an investor other than the original sponsor has an ownership of 10% or more.

(c) Even after the Building has been submitted to a condominium regime, lenders may still impose minimum sales and/or owner-occupancy requirements before granting a loan. It then may be difficult for a Purchaser to resell a Unit if prospective buyers are unable to obtain a loan due to such minimum sales and/or owner-occupancy requirements.

(d) See the Section of the Plan entitled "Procedure to Purchaser" for details.

Special Rights of Sponsor

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

utilized by Permitted Users. Sponsor reserves the right to install additional fireplace flues and mechanical equipment on the roof of the Building. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for details.)

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

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

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

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

Lot Line Windows/Special Conditions Windows

24. (a) Lot line windows exist on the West façade of the Building. Purchasers should be advised that the following Units shall each contain lot line windows: Units 21–36, 39, 41, 43, 45, 47, 49, 51, 53, and 54; DP-PH Units 38, 40, 42, 44, 46, 48, and 50; and TRI-PH Unit 52. Purchasers wishing to identify specifically the lot line windows within each respective Unit should refer to the Floor Plans set forth in Part II of the Plan. Lot line windows are windows located on an exterior wall abutting (or less

than 30' 0" away from) a property line, where the adjacent property is owned by others. While such windows provide views, light and air to spaces in the Unit, they cannot be utilized to meet light and ventilation required by the Building Code of the City of New York. Units having lot line windows have other windows which satisfy requirements for the lawful use of such Units for habitation. Lot line windows are considered amenities that potentially can be lost. Should an abutting property owner redevelop such property with one or more buildings of different configurations, it may be necessary to close the affected lot line windows and seal them in a manner and with such materials as are acceptable to the Buildings Department and the Condominium. The cost to close-up any lot line windows, if necessary, shall be borne by the affected Unit Owner (including Sponsor with respect to Unsold Units, which cost is currently estimated to be approximately $5,000 per window. Neither Sponsor, Sponsor's architect, the Condominium Board nor any other Person who took part in this offering will have any liability or obligation if the closing-up of any or all lot line windows is required.

(b) The east and south facing windows in Units14 through TRI-PH52 are located on the tax lot line that separates the new building (lot 9031) and the adjacent lot 31. These windows will provide legal light and air to the surrounding rooms for the purpose of permissible occupancy of those rooms. These windows will be protected with sprinklers and have safety glass to a height of 60'above the highest point of the current building on adjacent lots. Louvers within that height will have fire dampers. An agreement has been signed with the Owners of Lots 31, 42, and 36 that provides a perpetual easement for light and air over its property and a limitation not to build higher than its present height.

(c) (See the "Description of Property and Improvements" set forth in Part II of the Plan for details.)

Future Construction

25. No representation is made that future construction in the neighborhood surrounding the Property will not result in obstruction of the views from any windows and/or Terraces in the Building. (See the Section of the Plan entitled "Location and Area Information" for details.)

Unit Measurements

26. (a) Each Unit (with the exception of the Suite Units and the Resident Manager's Unit) is measured horizontally from the exterior side of the exterior walls to the centerline of the partitions separating mechanical equipment spaces or any Common Elements not within a Unit or to the exterior side of the opposite exterior walls, provided, however, (i) columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits in all Units; and (ii) elevator shafts, elevator lobby, and stairwells on the floors containing full floor units are not deducted from the measurement of each Unit. Each Unit is measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling. The corridor adjacent to the stairs is part of the Unit.

(b) Each Suite Unit and the Resident Manager's Unit is measured horizontally from the exterior side of the exterior walls to the centerline of the partitions separating one Unit from another Unit, or separating one Unit from corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Unit or to the exterior side of the opposite exterior walls, provided, however, columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits in all Units are not deducted from the measurement of each Unit. Each Unit is measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling.

(c) As is customary in New York, these square foot areas exceed the usable floor area of each Unit and the usable floor area of the Unit may be substantially less than the square footage listed in the Schedule A. Measurements are approximate, within reasonable tolerances. (See the Footnotes to Schedule

A in Part I of the Plan and the "Description of Property and Improvements" set forth in Part II of the Plan for details.)

(c) Floor Plans depicting the layouts of Units and the Ancillary Amenities appear in Part II of the Plan.

Fire Door System

27. As is reflected on the Floor Plans set forth in Part II of the Plan, the Units are equipped with a fire door system as required by Law. The fire door system includes magnetic hold opens, automatic door closer, push button door open, fail open electronic strike and smoke detection system within the corridor (collectively, the "Fire Door System"). The doors are designed to automatically close in the event of a fire or alarmed event and create an emergency egress for the Building. Once closed, these doors serve as barriers to limit the spread of fire, restrict the movement of smoke and will not open until the alarmed event is rectified. Purchasers should note that since the fire doors are located within the Unit, in the event that the closing devices are activated, Purchasers who are located within the corridor at such time will not be able to re-enter the remaining sealed portions of the Unit and the corridor will become a common corridor which all Unit Owners can access until the situation is rectified. Purchasers are advised to refrain from keeping any valuables within such corridor. All maintenance and repair of the Fire Door System shall be performed by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners as a Common Expense. Unit Owners are prohibited from modifying the Fire Door System in any way without the prior written approval of the Condominium Board. (See the "Description of Property and Improvements" set forth in Part II of the Plan for details.)

Window Guards/Legally Compliant Window Stops

28. It is the responsibility of each 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 the Unit. In the event that window guards or legally compliant window stops to be installed in the Unit, such installation shall be performed at the direction of the Managing Agent and the cost thereof (for the window guards or legally compliant window stops and installation thereof and of any additional equipment required by Law) shall be charged to and paid by the Purchaser/Unit Owner of the Unit. It is the responsibility of each Unit Owner to ensure that all operable windows opening into the Unit comply with Laws relating to window guards and, if necessary, install, operate and maintain, at the Unit Owner's expense, any additional equipment required by Law. Sponsor makes no representation, warranty or assurance whether Unit Owners will comply with the foregoing obligations. (See the Section of the Plan entitled "Terms of Sale" for details.)

Development Rights

29. (a) Sponsor (X) is the owner of development rights and easements in connection with that certain real estate having a street address of 520 Park Avenue, New York, NY and as set forth on the Tax Map as Block 1375 Lot 36 pursuant to a Zoning Lot Development and Easement Agreement dated as of February 27, 2013, and recorded under CRFN 2013000125786 on March 27, 2013 between Christ Church, Methodist, of New York City and Sponsor; and (Y) as the successor in interest to 43-45 East 60th, LLC and 43-45 East 60th LLC, is the owner of: (a) development rights and easements in connection with that certain real estate having a street address of 47 East 60th Street, New York, NY and as set forth on the Tax Map as Block 1375 Lot 31 pursuant to a Zoning Lot Development and Easement Agreement dated as of May 31, 2006, and recorded under CRFN 2006000364368 on July 1, 2006 between The Grolier Club of The City of New York and 43-45 East 60th, LLC; (b) development rights and easements in connection with that certain real estate having a street address of 46 East 61st Street, New York, NY and as set forth on the Tax Map as Block 1375 Lot 42 pursuant to a Zoning Lot

Development and Easement Agreement dated as of December 21, 2010, and recorded under CRFN 2011000098344 on March 18, 2011 between New York 61st Street Estate Inc. and 43-45 East 60th LLC.

(b) Sponsor does not anticipate that any Excess Development Rights will remain upon completion of the Building. However, if the applicable provisions of the Zoning Resolution change in the future, such changes may generate transferable Excess Development Rights which will not be included in the Property and shall be the exclusive property of Sponsor. Sponsor cannot represent the amount of transferable Excess Development Rights that could result from such changes. Neither the Condominium Board nor any Unit Owner (other than Sponsor or a Development Rights Owner) shall have any right or interest in any Excess Development Rights.

(c) See the Section of the Plan entitled "Rights and Obligations of Sponsor" for details.

Use and Occupancy

30. Sponsor reserves the right with respect to any Unsold Unit, to enter into a pre-closing Use and Occupancy Agreement with the Purchaser of such Unsold Unit on an interim basis on such terms and conditions as may be agreed to between Sponsor and Purchaser. Purchasers are advised that the occupancy under such Use and Occupancy Agreement is not subject to any governmental regulations, including, without limitation, rent regulations or continued occupancy. Upon the execution of the Use and Occupancy Agreement, Sponsor will require Purchaser to execute a Stipulation of Settlement Holdover, by which Purchaser will consent to a final judgment of possession of the Unsold Unit in favor of Sponsor and to the immediate issuance of a warrant of eviction, in the event of a default under the Use and Occupancy Agreement. Purchaser should refer to the Section of the Plan entitled "Use and Occupancy Agreements" as well as the form of Use and Occupancy Agreement and Stipulation of Settlement Holdover set forth in Part II of the Plan.

Principals of Sponsor Have Executed The Certification of Sponsor and Principals for Compliance with the Martin Act and Governing Regulations

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

Insurance Premiums

32. The insurance line item set forth in the Footnotes to Schedule B, represents current insurance premiums at current rates. In recent years, premiums for insurance (especially fire, liability and flood insurance) have increased significantly. Although the projection is believed to be reasonable, Purchasers should note that insurance premiums could increase depending on market and weather conditions. It is not possible to predict whether future premiums will continue to escalate at the same substantial rate or will level off. No guaranty is given that the Budget item will not increase. (See the Footnotes to Schedule B for details.)

Marketing Materials

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

Fire Suppression Tank Room

34. At floors 48 and 49, there will be a double height room containing a fire suppression tank and accessory pumps for the Building's fire protection system ("Fire Suppression Tank Room"). The Fire Suppression Tank Room, which can only be accessed from inside Unit DP-PH 48, shall be a General Common Element. In addition to all other easements and rights granted in the Declaration, Sponsor, the Managing Agent, and the Condominium Board, and each of their respective Permitted Users shall have an easement in, through and upon both floors of Unit DP-PH 48 for the purpose of accessing, servicing, maintaining and utilizing the Fire Suppression Tank Room. It is anticipated that such easement will be exercised three (3) times per year. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" set forth in Part I of the Plan as well as the "Description of Property and Improvements" and "Declaration of Condominium" set forth in Part II of the Plan.)

Tuned Mass Damper

35. As a result of the Building's overall dimensions, a tuned mass damper will be located at the roof level of the Building in order to mitigate the lateral movement of the Building and reduce such movement to levels acceptable in the industry. The tuned mass damper will function only to improve occupant comfort to acceptable industry levels and should not be relied upon in any way to structurally reinforce the building. Sponsor has been advised by its constructional professionals that the tuned mass damper should not increase any noise levels in the Building. (See the Description of Property and Improvements set forth in Part II of the Plan for details.)

Decorative Fountains/Display Pool

36. There will be three decorative vessel stone fountains at the garden adjacent to the lobby on the first floor, providing a water overflow into a display pool. The decorative fountains and the display pool are provided solely for aesthetic value and are not designed for occupancy of any kind. (See the Section of the Plan entitled "Description of the Property and Improvements.")

Marketing Floors

37. Purchasers are advised that while construction necessitates a sequential numbering of floors for a building, common in New York City is to designate floor numbers solely for marketing purposes. Purchasers should note that the Building does not contain floors designated with the numbers 8 through 13. As such, the Units (excluding the Suite Units) will start on floor 14 (construction floor 8). Purchasers should note that a Unit may be located on floor designated with a higher number than the actual construction level that it is located on. All floor numbers referenced in the Offering Plan refer to

the marketing floors and not the construction floors. (See the Description of Property and Improvements set forth in Part II of the Plan for details.)

INTRODUCTION

Nature of the Transaction

41-45 Property Owner, LLC ("Sponsor") is a limited liability company organized and existing under the laws of the State of Delaware. Sponsor acquired the Property on February 27, 2013 from 40 East 60th Associates and 43-45 East 60th LLC.

Sponsor presents this offering plan, as the same may be amended from time to time ("Plan") for the establishment of condominium ownership of the Land and Building pursuant to the Condominium Act. The Condominium will be known as 520 Park Avenue Condominium and located at 520 Park Avenue, New York, New York 10022 ("Property").

The principals of Sponsor who will be actively involved in this offering are William Lie Zeckendorf, Arthur Zeckendorf, Rafael Nasser, and Samuel Kellner. (See the Sections of the Plan entitled "Identity of Parties" and the "Certification of Sponsor and Principals" in Part II of the Plan for details.)

The Condominium will consist of: (a) 32 Units (including 1 Resident Manager's Unit); (b) 7 Suite Units; (c) 15 Storage Lockers; and (d) 10 Wine Storage Lockers. The Storage Lockers and Wine Storage Lockers are collectively referred to as the "Ancillary Amenities."

The Offering Plan

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

Sponsor may from time to time amend the Plan by filing an amendment with the New York State Department of Law ("Department of Law") and serving such amendment on Purchasers and Unit Owners.

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

In addition, Sponsor has filed with the Department of Law, Exhibits to the Plan which, along with the Plan, constitute the entire offer of Sponsor. Copies of the Plan and all documents referred to in the Plan and all Exhibits submitted to the Department of Law in connection with the Plan shall be available for inspection by prospective Purchasers and their attorneys without charge and for copying at a reasonable charge by any Person who shall have purchased a Unit offered by the Plan at the office of the Selling Agent or the Sales Office and available for inspection and copying at the office of the Department of Law. A prospective Purchaser may borrow the Plan upon payment of a $300 deposit, which amount will be fully refunded upon either (i) the prompt return of the Plan in good condition or (ii) the execution by the prospective Purchaser of an Option Agreement subsequently accepted by Sponsor. Prospective Purchasers are also advised to consult with their own attorneys or other advisers before agreeing to purchase. All documents are important and should be carefully read by prospective Purchasers.

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

The Property

The Building will be newly constructed. Based upon the current construction schedule, Sponsor contemplates that, unless delayed by Force Majeure, construction of the Building will be sufficiently completed to permit closings of Units to begin on or about November 1, 2017. Purchasers should note however that: (i) Units will be completed at different times over a period that may begin prior to and/or extend significantly beyond such projected date, and (ii) Units on higher floors generally close later than Units on lower floors. Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to any credit, offset or reduction in the Purchase Price or otherwise be relieved from any obligations under the Option Agreement, if the First Closing occurs earlier or later than the projected date, or the time to complete or to close title to any Unit is delayed or postponed by Sponsor. Sponsor has the right to change the projected First Year of Condominium Operation from time to time by an amendment to the Plan. If the First Closing does not occur within 12 months after the date set forth in Schedule B for the commencement of the First Year of Condominium Operation in effect on the date a Purchaser and Sponsor entered into a Option Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Option Agreements for 15 days from the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame. Any Purchasers electing rescission will have their Deposits returned together with any interest earned thereon, except for any Unit Upgrade Funds.

A detailed description of the Property is contained in the Section of the Plan entitled "Description of the Property and Improvements" and in the Description of Property and Improvements set forth in Part II of the Plan.

Offering of Units for Sale

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

The Grolier Club shall have a right of first offer to purchase two (2) Suite Units, at the purchase prices set forth in Schedule A – Purchase Prices and Related Information, which right must be exercised within thirty (30) days' notice to the Grolier Club. The Suite Units purchased by the Grolier Club, if applicable, can only be used as a residence for the superintendent of the Grolier Club. Sponsor shall have a right of first refusal to purchase such Suite Units from the Grolier Club prior to any resale by the Grolier Club of any such Suite Unit within a thirty (30) day exercise period.

Offering of Ancillary Amenity Licenses for Sale

Certain portions of sub-cellar 3 will be designated as Ancillary Amenity Areas in which the Ancillary Amenities will be located. Sponsor hereby offers the Ancillary Amenities for sale pursuant to the Plan and pursuant to a licensing arrangement ("Ancillary Amenity License"). An Ancillary Amenity may only be purchased by a Purchaser of a Unit. The Purchase Price for each of the Ancillary Amenities are listed in Schedule "A." THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY. The Condominium Board has the right to impose monthly license fees in connection with Ancillary Amenity Licenses.

Purchasers should note that the Closing of an Ancillary Amenity License does not require the issuance of a Temporary Certificate of Occupancy. Purchasers will be required to consummate the purchase of the Unit and the Ancillary Amenity License simultaneously at Closing even though a Temporary Certificate of Occupancy has not been issued (and access may not be available) to the Ancillary Amenity Area in which the Ancillary Amenity is located. In such event, the proceeds from the sale of the Ancillary

Amenity License will be held in escrow ("Ancillary Amenity Escrow") by Escrow Agent until such time as a Temporary Certificate of Occupancy has been issued for the Ancillary Amenity Area in which the Ancillary Amenity is located. The Ancillary Amenity Escrow will be held in an Interest-On-Lawyer's-Account ("IOLA") pursuant to New York Judiciary Law Section 497. Purchasers will earn no interest on the Ancillary Amenity Escrow.

Sponsor reserves the right to offer as many Ancillary Amenity Licenses as it determines and to withhold one or more for future sale. Sponsor reserves the right to designate at Closing the specific Ancillary Amenity which will be subject to the Ancillary Amenity License. In addition, Sponsor has the right to limit the number of Ancillary Amenity Licenses sold to any single Purchaser of a Unit or to make bulk sales, as it deems fit.

Although the Ancillary Amenity Areas are Common Elements, the Condominium Board has granted Sponsor the exclusive right, without charge, to sell Ancillary Amenity Licenses located therein. The Condominium will not be entitled to any of the proceeds from the sale of the Ancillary Amenity Licenses. The Condominium Board has the right to impose monthly license fees and Special Assessments in connection with the Ancillary Amenity Licenses.

Conveyance of Title

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

Sponsor's Reservation of Right to Rent Rather than Sell Units

Sponsor intends, in good faith, to sell rather than rent Units. However under the Plan, Sponsor has reserved the unconditional right to rent Units rather than sell Units. Because Sponsor is not limiting the conditions under which it will rent rather than sell Units, Sponsor is not committed to sell more Units than the 15% necessary to declare the Plan effective and, therefore, owner-occupants may never gain effective control and management of the Condominium.

Sponsor intends to offer Units for sale both to Purchasers for personal occupancy and Purchasers who are purchasing for investment or resale. Purchasers for investment or resale may, in turn, rent such Units and accordingly, such Units will not be used for the personal occupancy of the owner thereof. As a result, some and possibly many Units may be occupied by renters instead of Unit Owners. Since the Condominium Board does not have the right to approve or disapprove potential purchasers of Units, the Condominium Board is unable to limit the number of purchasers who purchase Units for investment or resale rather than for personal occupancy and there may always be a substantial percentage of Unit Owners who are not occupants. It is possible that those Unit Owners who occupy their Units may have different interests than those Unit Owners who purchased such Units as an investment.

Sponsor reserves the right to offer the Units in such order of priority as it may determine, and to withhold one or more Units for future sale or rental. In addition, Sponsor has the right to limit the number of Units sold to any Purchaser and to make Bulk Sales of Units. The Purchaser of such Units shall be bound by Sponsor's representations set forth herein with regard to its commitment to sell Units. The term "Bulk Sales"

shall mean the transfer of 10 or more Units or 20% of the total number of Units in the Condominium, whichever is less.

Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include, among others, requiring that a certain percentage (such as 70% or more) of the units in a building or group of buildings be sold before a lender will consider making a loan. Thus, it may be possible for a Purchaser to experience difficulties in obtaining a loan in a building or group of buildings where the percentage of units purchased and owner-occupancy is lower than a lender's particular sales or owner-occupancy minimum. It also may be difficult for a Purchaser to resell a Unit if prospective buyers are unable to obtain a loan due to the same sales or owner-occupancy minimum requirements of lenders.

Sponsor has not yet procured financing for the construction of the Building. Subsequent to Sponsor's acquisition of construction financing, Sponsor will amend the Plan to disclose any requirements imposed by the construction lender with respect to the sale of the Units.

Basic Aspects of Condominium Ownership

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

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

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

A Unit Owner may decorate and construct the interior of the Unit in any way the Unit Owner desires, subject to compliance with the Condominium Documents and Law, and will be solely responsible for the cost of maintenance and interior repairs to the Unit after Closing.

Each Unit will be taxed as a separate tax lot for real estate tax purposes and a Unit Owner will not be responsible for the payment of, nor will the Unit be subjected to any lien arising from the non-payment of real estate taxes assessed against any other Unit. In the opinion of Tax Counsel, which opinion is set forth in full in Part II of the Plan, a Unit Owner who itemizes deductions may be eligible, under current Law, to deduct from income for income tax purposes, real estate taxes and interest paid on the Unit Owner's mortgage, subject to certain exceptions and limitations discussed in the "Attorney's Income Tax Opinion" set forth in Part II of the Plan. (See the Section of the Plan entitled "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" for details.)

Each Purchaser of a Unit will be required to pay, as a closing cost, a portion of the purchase price and associated closing costs with respect to Sponsor's sale of the Resident Manager's Unit to the Condominium Board, as set forth in Schedule A.

The statute concerning condominiums in effect in the State of New York pursuant to which the Condominium will be organized by Sponsor is Article 9-B of the Real Property Law of the State of New York, as amended, commonly known, and hereinafter referred to as the "Condominium Act." The Property will be submitted to the provisions of the Condominium Act by recording the Declaration in the Register's Office by Sponsor. The Condominium will comply with all Laws applicable to condominiums in the State of New York.

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

The Common Interests of each Unit in the Common Elements have been allocated pursuant to the method set forth in Real Property Law Section 339-i(l) based upon the approximate proportion that the floor area of the Unit at the date of the Declaration bears to the then aggregate floor area of all the Units, but such proportion reflecting the substantially exclusive advantages enjoyed by one or more but not all Units in a part or parts of the Common Elements in accordance with subsection (ii).

Unit Owners will have no interest in any rents, net profits or revenues derived from the rental or use of any Unit owned by another. The aggregate Common Interest of all Units equals 100%. The percentage of Common Interests are the basis for determining a Unit Owner's share of distribution upon termination of the Condominium with Unit Owners then sharing pro rata in the proceeds of the Condominium. Each Unit's Common Interest and estimate of the Common Charges that will be payable by the Unit Owner during the First Year of Condominium Operation of the Property subsequent to the First Closing are set forth in the Section of the Plan entitled "Schedule A – Purchase Prices of Units and Related Information."

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

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

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

A Unit shall be used for residential purposes only, including permitted "home occupation" as defined in the Zoning Resolution of the City of New York, as may be amended from time to time, (except as described below), and not more than one family may occupy a Unit at one time. A Unit may not be used for any "dormitory," "bed and breakfast" or other transient hotel-type use. A Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary or any other entity (including, but not limited to, embassies and consulates of foreign governments) may only be occupied by such individual, an officer, director, stockholder or employee of such corporation, a partner or employee of such partnership, a member of such limited liability company, the fiduciary or beneficiary of such fiduciary, a principal or employee or such other entity, respectively, or by members of the immediate family or guests of any of the foregoing. A Unit may be used for any other purpose, provided such use is permitted by, and complies with Law, does not violate the then existing Temporary or Permanent Certificate of Occupancy covering the Building, and the Condominium Board, in its sole discretion, grants permission for such use. Use and occupancy of the Unit shall be subject to the Rules and Regulations of the Condominium which may be amended from time to time.

The Suite Units may be used only as a residence occupied by domestic employees of a Unit Owner, as well as Family Members and non-paying guests of Unit Owners. Occupancy of the Suite Units by non-paying guests cannot exceed 3 months, without the prior written consent of the Condominium Board. Except for Sponsor and any Suite Units owned by the Grolier Club, no Unit Owner may own a Suite Unit independently of a Unit. Each Suite Unit will be equipped with a kitchenette and bathroom. A Suite Unit cannot be leased independently of a Unit.

A Storage Locker may be used only for the storage of personal effects of a Unit Owner, and in no event shall any food or other perishable item, or any flammable or explosive item or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance, be stored therein. Except for Sponsor and the Condominium Board, a Storage Locker may not be licensed independently of a Unit.

A Wine Storage Locker may be used only for the storage of wine and other beverages, subject to the provisions of the By-laws, and in no event shall any food or other perishable item, or any flammable or explosive item or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance, be stored therein. Except for Sponsor and the Condominium Board, a Wine Storage Locker may not be licensed independently of a Unit.

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

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

There are no limitations on who may purchase Units, except as set forth herein. Under the New York Real Property Law, a condominium unit may be owned by an individual, a corporation, a partnership, limited liability company, an association, a trust or any other entity which is permitted to take title pursuant to Law. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without the consent of any of the Condominium Board, any Unit Owner or mortgagee, to refuse to approve and execute Option Agreements for one or more Units to any Person. Sponsor shall not discriminate against any person because of race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law. No binding obligation will arise for the sale of a Unit unless and until an Option Agreement executed by both Purchaser and Sponsor has been exchanged and Sponsor has collected the funds constituting Purchaser's required Premium Payment thereunder (see the Section of the Plan entitled "Procedure to Purchase" for details). Sponsor will not accept an offer of purchase from an individual younger than 18 years of age or an incompetent under Law.

The Interstate Land Sales Full Disclosure Act, 15 U.S.C. §§1701 et seg. ("Act") is a federal statute that requires sponsors of certain new construction condominiums to file a disclosure statement or property report ("Report") with the U.S. Department of Housing and Urban Development ("HUD") and provide the Report to purchasers unless the condominium is exempt from this requirement.

Unless an exemption applies, the Report must be provided to prospective purchasers in advance of or contemporaneous with the purchaser executing an Option Agreement. Any exemption a sponsor claims is self-determined unless the sponsor states it has previously obtained an advisory opinion from HUD. If a sponsor is required to file a Report for that condominium and fails to do so, or fails to provide a purchaser with a Report in advance of the purchaser executing the option agreement, the purchaser may be entitled to rescission of the option agreement. Purchasers are advised to consult with their attorneys regarding Act and any rights that may be available to them pursuant to the Act.

The Condominium qualifies for the exemption specified in 1702(b)(1) of the Act, commonly known as the "100 lot exemption". Pursuant to the "100 Lot exemption", sales of units in a condominium building containing less than 100 residential units are exempt from the Act's registration and disclosure requirements. Since the Condominium will consist of 39 Units (including the Suite Units), this offering is exempt from those requirements and no Report will be provided to Purchasers.

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

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

DEFINITIONS

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

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

"Ancillary Amenities" shall mean the Storage Lockers and Wine Storage Lockers.

"Ancillary Amenity Area" shall mean the areas located on sub-cellar 3 containing the Wine Storage Lockers and Storage Lockers. The Ancillary Amenity Areas are General Common Elements.

"Ancillary Amenity License" shall mean the agreement pursuant to which an Ancillary Amenity is licensed to a Unit Owner.

"Ancillary Amenity Licensee" shall mean any Unit Owner who licenses an Ancillary Amenity at the time in question. All such Unit Owners are, collectively, referred to as "Ancillary Amenity Licensees."

"Appurtenant Interest" shall mean, with respect to any Unit, the undivided interest of the owner thereof, pursuant to the terms of Section 339-x of the Condominium Act, in and to: (i) the Common Elements; (ii) any other Units owned or leased at the time in question by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or rental of Units of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.

"Building" shall mean the building located at 520 Park Avenue, New York, New York 10022.

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

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

"Christ Church" shall mean the religious not-for-profit corporation Christ Church, Methodist, of New York City, which is organized under the laws of the State of New York and has an address at 524 Park Avenue, New York, New York, 10022.

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

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

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

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

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

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

"Condominium" shall mean the 520 Park Avenue Condominium which will be established pursuant to the terms of the Declaration and which is governed pursuant to the terms of the By-Laws.

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

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

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

"Declarant" shall mean 41-45 Property Owner, LLC and its successors and assigns.

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

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

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

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

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

"Exercise Price" shall mean the amount due at Closing to pay the difference between the Premium Payments under the Option Agreement and the Purchase Price for the Unit.

"Facilities" shall mean all personal property and fixtures now or hereafter existing in, on, or under the Land or the Building and either existing for the common use of one or more of the Units or the Unit Owners or necessary or convenient for the existence, maintenance, or safety of the Property. For purposes of illustrating the broad scope of such term and without intention to limit the generality of the foregoing in any respect, the term "Facilities" shall include all systems, equipment, apparatus, convectors, radiators,

heaters, converters, heat exchangers, mechanisms, devices, machinery, induction units, fan coil units, motors, pumps, controls, tanks, tank assemblies, installations, condensers, compressors, fans, dampers, blowers, thermostats, thermometers, coils, vents, sensors, shut off valves, other valves, gongs, panels, receptacles, outlets, relays, alarms, sprinkler heads, electric distribution facilities, wiring, wireways, switches, switchboards, circuit breakers, transformers, fittings, siamese connections, hoses, plumbing fixtures, lighting fixtures, other fixtures, bulbs, signs, antennae, telephones, intercom equipment, playground equipment, meters, meter assemblies, scaffolding, piping, lines, ducts, conduits, cables, risers, mains, shafts, pits, flues, locks, hardware, racks, screens, strainers, traps, drainage systems, sewers and/or storm pipes, drywalls, or detention tanks, drains, catch basins, leaders, filters, incinerators, canopies, closets, cabinets, doors, railings, copings, steps, furniture, mirrors, furnishings, appurtenances, urns, baskets, mail chutes, mail boxes, carpeting, tiles, floor coverings, sheetrock, interior walls, draperies, shades, window coverings, wallpaper, wallcoverings, trees, shrubbery, flowers, plants, horticultural tubs and horticultural boxes, sockets, davits and rigs for window cleaning.

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

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

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

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

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

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

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

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

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

"General Common Elements" shall mean those certain portions of the Property (other than the Units), as well as those Facilities therein, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property, as more particularly described in the Declaration and the Floor Plans, except with respect to the Ancillary Amenities, which are only available for use by the licensee of the particular Ancillary Amenity.

"Grolier Club" shall refer to the not-for-profit corporation The Grolier Club of The City of New York, which is organized under the laws of the State of New York and has an office at 47 East 60th Street, New York, New York 10022.

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

"Institutional Mortgage" shall mean any first mortgage covering one or more Units that is a Permitted Mortgage and the initial holder of which is either Sponsor or an Institutional Lender.

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

"Land" shall mean the land located in the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York as Block 1375, Lot 28 and Lot 9031, more particularly described in Exhibit A to the Declaration.

"Law" shall mean the laws and ordinances of any or all of the Federal, New York State, New York City, County and Borough governments, including, without limitation, the Buildings Department, the Landmarks Preservation Commission, the rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies, or offices thereof or of any other governmental, public or quasi-public authorities having jurisdiction over the Property and/or the Condominium and/or the direction of any public officer pursuant to Law which are applicable at the time in question.

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

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

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

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

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

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

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

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

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

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

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

"Plans and Specifications" shall mean the plans and specifications for the construction of the Building which (to the extent required by Law) have been or will be filed with the Buildings Department and which may from time to time be amended in accordance with the provisions of the Plan.

"Premium Payment" shall mean all downpayments, deposits, advances and payments made by Purchasers prior to the Closing of a Unit.

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

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

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

"Register's Office" shall mean the Office of the Register of the City of New York of the County in which the Property is located.

"Resident Manager's Unit" shall mean the Unit designated as the Resident Manager's Unit in the Declaration together with its Common Interest.

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

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

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

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

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

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

"Special Assessments" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata in accordance with their respective Common Interest (except as otherwise provided in the Declaration or in the By-Laws), in accordance with the By-Laws of the Condominium.

"Sponsor" shall mean 41-45 Property Owner, LLC and its successors and assigns as well as any Person(s) designated by Sponsor in a writing to the Condominium Board or by amendment to the Plan, to retain Sponsor's rights under the Plan and the Condominium Documents.

"Sponsor Control Period" shall mean the period ending on the later to occur of: (i) the Closing of Title with Purchasers under the Plan to Units representing at least 95% in number of all Units offered for sale, or (ii) the issuance of a Permanent Certificate of Occupancy.

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

"Storage Locker Area" shall mean an area located on sub-cellar 3 containing the Storage Lockers. The Storage Locker Area is a General Common Element.

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

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

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

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

"Title Company" shall mean First American Title Insurance Company, having an office at 633 Third Avenue, New York, New York 10017. (212) 551-9402, or any successor Title Company at the time in question.

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

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

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

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

"Unsold Ancillary Amenity Licensee" shall mean Sponsor or a principal of Sponsor and (if applicable) a Person designated by Sponsor.

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

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

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

"Wine Storage Locker Area" shall mean an area located on sub-cellar 3 containing the Wine Storage Lockers. The Wine Storage Locker Area is a General Common Element.

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

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

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

Location

The Property is located at 520 Park Avenue in the Borough of Manhattan, City and State of New York.

Improvements - General Description of Units

The Condominium will consist of 32 Units (including 1 Resident Manager's Unit), 7 Suite Units, 15 Storage Lockers and 10 Wine Storage Lockers located within a 57 story structure above grade with a roof level and 4 cellar levels. There will also be various amenities for the benefit of the Unit Owners, including a fitness center, playroom, multi-purpose room and various utility and service areas located throughout the Building. (See the subsection entitled "Services and Facilities" for details.)

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

Units

There will be 31 Units located on Floor 14 through Floor 54, the approximate square footages of which are set forth on Schedule A. Purchasers are advised that while construction necessitates a sequential numbering of floors for a building, common in New York City is to designate floor numbers solely for marketing purposes. Purchasers should note that the Building does not contain floors designated with the numbers 8 through 13. As such, the Units (excluding the Suite Units) will start on floor 14 (construction floor 8). Purchasers should note that a Unit may be located on floor designated with a higher number than the actual construction level that it is located on. All floor numbers referenced in the Offering Plan refer to the marketing floors and not the construction floors.

There will be 7 Suite Units located on Floors 4 and 5 and one Resident Manager's Unit located on Floor 5, the approximate square footages of which are set forth on Schedule A.

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

Ancillary Amenities

Storage Lockers will be located in the Storage Locker Area of the Building. Wine Storage Lockers will be located in the Wine Storage Locker Area of the Building. The approximate square footages and Purchase Prices of the Storage Lockers and Wine Storage Lockers are set forth on Schedule A. A Storage Locker may be used only for the storage of personal effects of a Unit Owner, and in no event shall any food or other perishable item, or any flammable or explosive item or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance, be stored therein. Sponsor shall have the right to use any unassigned Storage Locker for any purpose permitted by Law or to change the permitted use of any unassigned Storage Locker, subject, to the provisions of the By-Laws. Except for Sponsor and the Condominium Board, a Storage Locker may not be licensed independently of a Unit.

A Wine Storage Locker may be used only for the storage of wine and other beverages, subject to the provisions of the By-laws, and in no event shall any food or other perishable item, or any flammable or explosive item or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance, be stored therein. Sponsor shall have the right to use any unassigned Wine Storage Locker for any purpose permitted by Law or to change the permitted use of any unassigned Wine Storage Locker, subject to the provisions of the Bylaws. Except for Sponsor and the Condominium Board, a Wine Storage Locker may not be owned independently of a Unit.

The Storage Lockers and Storage Locker Area will not be serviced by an emergency generator to maintain proper temperatures in the event of a power outage as a consequence of whatever cause, including, without limitation, water infiltration. Any resulting damage and/or spoilage to and/or inability to access the contents located in the Storage Lockers will be at the sole cost of the licensee of such Storage Locker. Neither Sponsor nor the Condominium Board shall be responsible for any damage and/or spoilage caused by power outages, temperature fluctuations, or other causes (whether by mechanical or as a consequence of natural causes), including, without limitation, water infiltration, in the Storage Locker Area.

The Wine Storage Locker Area will be serviced by an emergency generator to maintain proper temperatures in the event of a power outage.

Suite Units

The Suite Units may be used only as a residence occupied by domestic employees of a Unit Owner, as well as Family Members and non-paying guests of Unit Owners. Occupancy of the Suite Units by non-paying guests cannot exceed 3 months, without the prior written consent of the Condominium Board. Except for Sponsor and any Suite Units owned by the Grolier Club, no Unit Owner may own a Suite Unit independently of a Unit. Each Suite Unit will be equipped with a kitchenette and bathroom.

Resident Manager's Unit

At or subsequent to, the First Closing, but in no event later than five (5) years from the First Closing, Sponsor shall sell and convey Unit 5B to the Condominium to be used by the Resident Manager and designated as the "Resident Manager's Unit". The Purchase Price for the Resident Manager's Unit will be $4,354,000. At the Closing of each Unit (exclusive of a Suite Unit), Purchaser will be required to pay on behalf of the Condominium Board, Purchaser's share of the cost of the Resident Manager's Unit, plus all closing costs associated with the purchase of the Resident Manager's Unit, including, without limitation, recording fees, title insurance, legal fees, transfer taxes and other transaction fees (estimated to be approximately $148,060) determined in accordance with the Common Interest of the Unit acquired, in proportion to the Common Interest of all Units (other than the Resident Manager's Unit and the Suite Units). The amount of this closing cost is set forth in the Section of the Plan entitled "Schedule A – Purchase Prices and Related Information". There is no guarantee or assurance that the taxing authorities will not require that each Purchaser's allocable portion of the cost of the Resident Manager's Unit be included in the total consideration deemed to have been paid by Purchaser at Closing, in which case additional transfer taxes may be payable by Purchaser. (See the Footnotes to Schedule A and the Section of the Plan entitled "Closing Costs and Adjustments" for details.)

Sponsor reserves the right prior to the First Closing, in its sole discretion, to choose a different Unit other than Unit 5B to sell to the Condominium as the Resident Manager's Unit, provided, however, that such sale shall only be made pursuant to an amendment to the Plan and shall not result in an increase of each Purchaser's share of the cost of the Resident Manager's Unit by more than 25%.

From the date of the First Closing until the transfer of title of the Resident Manager's Unit, (i) the Resident Manager will be permitted to reside in the Resident Manger's Unit pursuant to a use and occupancy agreement between the Condominium Board and Sponsor, and (ii) the Condominium Board shall be

obligated to pay all costs and expenses associated with the Resident Manager's Unit, including, without limitation, common charges, utilities, and real estate taxes, as more specifically set forth in Schedule B.

All costs and expenses attributable to the Resident Manager's Unit, including, without limitation, utilities, parking fees, real estate taxes, cost of repairs, alterations and improvements shall be borne without limitation, by all Unit Owners as a Common Expense.

See the Section of the Plan entitled "Schedule B, "Budget for First Year of Condominium Operation" for details regarding the costs of housing the Resident Manager.

Construction Data for Units and Common Elements

Sponsor has engaged SLCE Architects as architect of record, Robert A.M. Stern Architects, LLP as design architect, WSP Building Structures (f/k/a WSP Cantor Seinuk) as structural engineer and WSP Building Systems (f/k/a WSP Flack & Kurtz) as mechanical engineer. The Plans and Specifications have been prepared by such architects and engineers. (See the Section of the Plan entitled "Identity of Parties" for further detail.)

The construction of the Building will be completed in accordance with the Plans and Specifications, and applicable Law. However, Sponsor reserves the right to amend or modify, in any way, the Plans and Specifications (including, without limitation, changing materials, appliances, equipment, fixtures and other construction details) and substitute in place of any materials, appliances, equipment and fixtures set forth in the "Description of Property and Improvements," items of substantially equal or better quality, provided, however: (i) any material change shall be set forth in an amendment to the Plan; (ii) any necessary approval of any governmental authority having jurisdiction is first obtained; and (iii) no such amendments, modifications or substitutions may be made if the same would materially and adversely affect any binding Option Agreement unless the same is dictated by construction conditions at the Property, and in such event, Sponsor will, in the amendment disclosing such change and delivered to the Purchaser(s), offer the affected Purchaser(s) the right, for 15 days, to rescind their Option Agreement(s) and receive a refund of their Premium Payments, together with all interest earned thereon, except for Unit Upgrade Funds.

Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by Force Majeure, construction of the Building will be sufficiently completed to permit closings of Units to begin on or about November 1, 2017. Purchasers will not be excused from paying their full Purchase Prices (without credit or set-off), and will have no claim against Sponsor for damages or losses, in the event that the First Closing occurs earlier or later than the projected date or the time to complete or to close title to any Unit is delayed or postponed by Sponsor. Sponsor has the right to change the projected First Year of Condominium Operation from time to time by an amendment to the Plan. If the First Closing does not occur within 12 months after the date set forth in Schedule B as the commencement date for the First Year of Condominium Operation in effect on the date a Purchaser and Sponsor entered into an Option Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Option Agreements for 15 days from the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame. Any Purchasers electing rescission will have their Premium Payments returned together with any interest earned thereon, except for any Unit Upgrade Funds. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by 6 months or more, Sponsor will amend the Plan to include a revised budget with updated projections. If the Common Charges in the amended budget exceed those in the latest budget set forth in the Plan by 25% or more, Sponsor will, in the amendment disclosing such updated budget, offer all Purchasers the right, for 15 days, to rescind their Option Agreements and receive a refund of their Premium Payments, together with any interest earned thereon (provided, however, that after the Plan has been declared effective and the amendment disclosing the same has been accepted by the Department of Law, a Purchaser who is in default under the Option Agreement beyond the expiration of any applicable grace period will not have the right to rescind).

Services and Facilities

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

a. Doorman and Concierge

There will be a doorman stationed in the lobby 24 hours a day, 7 days a week. There will also be a concierge stationed in the lobby between the hours of 7:00 a.m. and 12:00 a.m. The hours and duties of the doorman and concierge may be reduced until certain occupancy levels in the Condominium are achieved. However, at all times after the First Closing of a Unit, the lobby will be attended 24 hours a day, 7 days a week by a lobby attendant.

b. Building Staff

The staff of the Condominium will be supervised by the Resident Manager. Purchasers should refer to the Footnotes to Schedule B for a completed description of the Building Staff.

c. Elevator Service

Purchasers should refer to the Description of the Property and Building Condition set forth in Part II for details concerning the elevators.

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

d. Telecommunications

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

e. Mail

All incoming mail will be delivered to the Building and will either, as determined by the Condominium Board, be delivered to the individual Units by Building Staff or placed by the United States Postal Service in mail boxes located in the lobby of the Building on Floor 1.

f. Laundry Facilities

Each Unit (excluding Suite Units and the Resident Manager's Unit) will contain a washing machine and dryer. There will be a common laundry room located at sub-cellar 2.

g. Refuse Disposal

There will be access to a refuse chute located in the kitchen of each Unit. The refuse chute will lead directly to a compactor located in the compactor rooms on sub-cellar 2. Units at the 4th and 5th Floors will share a refuse room located at the 5th floor off of the common corridor.

h. Communication Facilities and Intercom System

Each Unit will be equipped with an intercom system which will enable the occupants to communicate directly with the concierge over a standard touch tone telephone. The system will not have any video capabilities. The intercom system additionally connects the concierge desk to the main and service entrances. Sponsor reserves the right to substitute an alternate service to enable communication between the concierge and the residents.

i. Smoke and Carbon Monoxide Detector/Sprinklers

A combination smoke and carbon monoxide detector will be provided in each Unit in compliance with the Law. Additionally, the Building will be fully sprinklered in compliance with the Law.

j. Service Entrance

There will be a service entrance located on 60th Street. Hours of access to the service entrance may be regulated by the Condominium Board in its sole discretion.

k. Fitness Center

A fitness center will be located in the cellar and sub-cellar 1. The fitness center will include exercise equipment, including cardio vascular and resistance machines, as well as a swimming pool, men's and women's lockers, steam areas, a sauna and stretching room.

l. Children's Playroom

An unattended playroom will be located in the Cellar. Furnishings will not be provided by Sponsor.

m. Multi-Purpose Room

A multi-purpose room will be located in sub-cellar 3.

n. Cold Storage

There will be a refrigerated storage area located in sub-cellar 2. All perishable items and goods stored therein shall be at the Unit Owners' risk. Neither Sponsor nor the Condominium Board shall be liable for any spoilage caused by the failure of HVAC, power outages, temperature fluctuations or other causes.

o. Garden

There will be a landscaped garden containing a display pool and three decorative stone fountains at the 1st floor which is accessible from the lobby. The display pool and decorative fountains are provided solely for aesthetic value and are not designed for occupancy of any kind. A skylight will be located at the garden providing natural light to the swimming pool at the cellar level.

p. Lobby

The lobby will contain furniture and furnishings for the use and enjoyment of the residents of the Condominium. The fireplaces located within the lobby will be for decorative purposes only.

q. Sales Center Furniture, Furnishings and Equipment

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

r. Marketing Material

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

s. General

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

While it is anticipated that these services and facilities will be available at the time of the First Closing, Purchasers are advised that any or all of the services and facilities described in the Plan may not be available until approximately 12 months after the First Closing, with the exception of the swimming pool located in the fitness center which may not be available for use until approximately 24 months after the First Closing.

Purchasers will not be entitled to any credit or abatement against the Purchase Price or the Common Charges if any of the services and/or or facilities are not available for use on or after Purchaser's Closing. Notwithstanding the foregoing, the Condominium Board shall have the right, but not the obligation, in its sole and absolute discretion, to adjust the First Year's Budget to reduce the Common Charges for the period in which such services and/or facilities are not available.

Purchasers should also be aware that the hours and dates for move-ins, move-outs and/or alterations, as well as the use of the passenger and/or service elevators will be restricted during the period that Sponsor is performing work in the Building. However, at all times after the First Closing, the lobby will be attended 24 hours a day, 7 days a week by a lobby attendant.

Additionally, as more fully set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor," it is anticipated that for a significant period of time following the First Closing through, including and beyond the Closing of Title to any Unit, work should be expected to be undertaken and performed by or on behalf of Sponsor to complete construction of the Building, including without limitation, the Units, the amenities and facilities, Ancillary Amenities, the decoration or finishing of the lobby, corridors, elevator finishes and other portions of the Building, including installing light fixtures, painting, hanging wall coverings or laying carpeting. All of the foregoing work and conditions may create a noisy or otherwise disruptive condition in the Building. The Condominium Board may refuse to permit a Unit Owner to perform alterations in a Unit until such time as the Building has been completed and a PCO

has been obtained. 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. In addition, the presence of scaffolding, 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 scaffolding, hoists, elevators or temporary facilities are no longer needed.

LOCATION AND AREA INFORMATION

Location

The Property is located at 45 East 60th Street, with an expected mailing address of 520 Park Avenue, in the Borough of Manhattan in the City and State of New York.

The entrance to the Building is located on East 60th Street between Park Avenue and Madison Avenue at 45 East 60th Street, which is approximately 150 feet from the northwest corner of Park Avenue and 60th Street. The Building will be constructed on the property located at 41-45 East 60th Street between Park Avenue and Madison Avenue on building lot 28. The Building will also cantilever 25 feet over the Grolier Club (47 East 60th Street) to the east into Lot 9031 which is a vertical tax lot owned by Sponsor that is located above the Grolier Club parcel. The Building is the beneficiary of a light and air easement over the Christ Church parcel (Lot 36, 524 Park Avenue) that extends to Park Avenue.

Transportation

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

Transportation to and from the Condominium, and through New York City, is available by taxi and limousine services. Public transportation is readily available. A number of commercial parking garages are located nearby.

Medical, Educational and Religious Facilities

A number of medical centers such as New York Hospital, Cornell Medical Center, Memorial Sloan Kettering, Lenox Hill Hospital, New York University Medical Center, Mount Sinai Medical Center and Columbia Presbyterian Medical Center are readily accessible.

Numerous private schools, public schools and parochial schools on the elementary, middle school and high school levels are located in close proximity to the Condominium.

There are houses of worship of most major denominations in the vicinity of the Condominium.

Municipal Services

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

The local police station is located at 19th Precinct, 153 East 67th Street, New York, New York.

The local fire station is located at Engine 39 Ladder 16, 157 East 67th Street, New York, New York.

Mailing Address

The current address of the Building is 45 East 60th Street. Sponsor has an agreement with Christ Church to issue an irrevocable license in favor of Sponsor to utilize the 520 Park Avenue address. Sponsor has obtained initial approval from the Manhattan Borough President's Office ("MBPO"), through the issuance of a reservation letter, to use 520 Park Avenue, New York, New York as the address of the Building in lieu of 45 East 60th Street. The reservation letter indicates that MBPO has found the request to be

appropriate and the address can't be used by another party. Final approval is not provided until an inspection has been conducted following the completion of the Building's front entrance.

Upon issuance of the final approval by MBPO, the license agreement with Christ Church will commence for a term of 100 years in exchange for an annual payment of $30,000, which amount shall be included in Schedule B.

Zoning

The Property is located within C-5-1 zoning district in which residential use is permitted.

Landmark Designation

The Building does not have landmark status.

General

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

SCHEDULE A – PURCHASE PRICES OF UNITS AND RELATED INFORMATION

SCHEDULE A

520 PARK AVENUE
New York, NY 10022

OFFERING PRICES AND RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION November 1, 2017 TO October 31, 2018

Unit Number [1]	Bedrooms / Bathrooms [1]	Approx Unit Square Feet [2]	Approx. Terrace Square Feet [2]	OFFERING PRICE [3]	Net Sq. Ft. (Incl. Terrace)	Share of Purchase Price for Resident Manager's Unit 5B [4]	Common Interest Percentage [5]	Projected Monthly Common Charges [6]	Projected Monthly Real Estate Taxes [7]	Projected Total Monthly Carrying Charges [8]
5B	2 / 2	1,244	-	$ 4,354,000	1,244		0.6627%	$ 1,993.31	$ 2,687.71	$ 4,681.02
14	4 / 5.5	4,613	-	$ 16,200,000	4,613	$ 110,307	2.4613%	$ 7,403.26	$ 9,982.27	$ 17,385.53
15	4 / 5.5	4,613	-	$ 16,400,000	4,613	$ 110,307	2.4613%	$ 7,403.26	$ 9,982.27	$ 17,385.53
16	4 / 5.5	4,613	-	$ 16,600,000	4,613	$ 110,307	2.4613%	$ 7,403.26	$ 9,982.27	$ 17,385.53
17	4 / 5.5	4,613	-	$ 16,950,000	4,613	$ 110,307	2.4613%	$ 7,403.26	$ 9,982.27	$ 17,385.53
18	4 / 5.5	4,613	-	$ 17,300,000	4,613	$ 110,307	2.4613%	$ 7,403.26	$ 9,982.27	$ 17,385.53
19	4 / 5.5	4,613	-	$ 17,600,000	4,613	$ 110,307	2.4613%	$ 7,403.26	$ 9,982.27	$ 17,385.53
20	4 / 5.5	4,613	-	$ 17,950,000	4,613	$ 110,307	2.4613%	$ 7,403.26	$ 9,982.27	$ 17,385.53
21	4 / 5	4,628	-	$ 18,450,000	4,628	$ 110,666	2.4693%	$ 7,427.32	$ 10,014.71	$ 17,442.03
22	4 / 5	4,628	-	$ 18,950,000	4,628	$ 110,666	2.4693%	$ 7,427.32	$ 10,014.71	$ 17,442.03
23	4 / 5	4,628	-	$ 19,650,000	4,628	$ 110,666	2.4693%	$ 7,427.32	$ 10,014.71	$ 17,442.03
24	4 / 5	4,628	-	$ 20,850,000	4,628	$ 110,666	2.4693%	$ 7,427.32	$ 10,014.71	$ 17,442.03
25	4 / 5	4,628	-	$ 22,350,000	4,628	$ 110,666	2.4693%	$ 7,427.32	$ 10,014.71	$ 17,442.03
26	4 / 5	4,628	-	$ 23,850,000	4,628	$ 110,666	2.4693%	$ 7,427.32	$ 10,014.71	$ 17,442.03
27	4 / 5	4,628	-	$ 25,100,000	4,628	$ 110,666	2.4693%	$ 7,427.32	$ 10,014.71	$ 17,442.03
28	4 / 5	4,628	-	$ 26,350,000	4,628	$ 110,666	2.4693%	$ 7,427.32	$ 10,014.71	$ 17,442.03
29	4 / 5	4,628	-	$ 27,600,000	4,628	$ 110,666	2.4693%	$ 7,427.32	$ 10,014.71	$ 17,442.03
30	4 / 5	4,628	-	$ 28,850,000	4,628	$ 110,666	2.4693%	$ 7,427.32	$ 10,014.71	$ 17,442.03
31	4 / 5	4,628	-	$ 30,100,000	4,628	$ 110,666	2.4693%	$ 7,427.32	$ 10,014.71	$ 17,442.03
32	4 / 5	4,628	-	$ 31,350,000	4,628	$ 110,666	2.4693%	$ 7,427.32	$ 10,014.71	$ 17,442.03
33	4 / 5	4,628	-	$ 32,600,000	4,628	$ 110,666	2.4693%	$ 7,427.32	$ 10,014.71	$ 17,442.03
34	4 / 5	4,628	-	$ 33,850,000	4,628	$ 110,666	2.4693%	$ 7,427.32	$ 10,014.71	$ 17,442.03
35	4 / 5	4,628	-	$ 35,100,000	4,628	$ 110,666	2.4693%	$ 7,427.32	$ 10,014.71	$ 17,442.03
36	4 / 5	4,628	-	$ 36,350,000	4,628	$ 110,666	2.4693%	$ 7,427.32	$ 10,014.71	$ 17,442.03
DP-PH 38	6 / 7.5	9,138	-	$ 67,000,000	9,138	$ 218,509	4.8756%	$ 14,665.15	$ 19,773.92	$ 34,439.07
DP-PH 40	6 / 7.5	9,138	-	$ 70,000,000	9,138	$ 218,509	4.8756%	$ 14,665.15	$ 19,773.92	$ 34,439.07
DP-PH 42	6 / 7.5	9,138	-	$ 73,000,000	9,138	$ 218,509	4.8756%	$ 14,665.15	$ 19,773.92	$ 34,439.07
DP-PH 44	6 / 7.5	9,138	-	$ 76,000,000	9,138	$ 218,509	4.8756%	$ 14,665.15	$ 19,773.92	$ 34,439.07
DP-PH 46	6 / 7.5	9,138	-	$ 79,000,000	9,138	$ 218,509	4.8756%	$ 14,665.15	$ 19,773.92	$ 34,439.07
DP-PH 48	5 / 6.5	8,522	-	$ 74,000,000	8,522	$ 203,780	4.5469%	$ 13,676.46	$ 18,440.81	$ 32,117.27

SCHEDULE A

520 PARK AVENUE
New York, NY 10022

OFFERING PRICES AND RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION November 1, 2017 TO October 31, 2018

Unit Number [1]	Bedrooms / Bathrooms [1]	Approx Unit Square Feet [2]	Approx. Terrace Square Feet [2]	OFFERING PRICE [3]	Net Sq. Ft. (Incl. Terrace)	Share of Purchase Price for Resident Manager's Unit 5B [4]	Common Interest Percentage [5]	Projected Monthly Common Charges [6]	Projected Monthly Real Estate Taxes [7]	Projected Total Monthly Carrying Charges [8]
DP-PH 50	6 / 7.5	9,138	-	$ 83,000,000	9,138	$ 218,509	4.8756%	$ 14,665.15	$ 19,773.92	$ 34,439.07
TRI-PH 52	8 / 9 Full / 2 Half Baths	12,394	1,259	$ 130,000,000	13,653	$ 296,367	7.2846%	$ 21,911.09	$ 29,544.07	$ 51,455.16
SUITES										
4A	0 / 1	390	-	$ 1,500,000	390		0.2081%	$ 625.94	$ 843.99	$ 1,469.93
4B	0 / 1	405	-	$ 1,560,000	405		0.2161%	$ 650.00	$ 876.43	$ 1,526.43
4C	0 / 1	408	-	$ 1,575,000	408		0.2177%	$ 654.81	$ 882.92	$ 1,537.73
4D	0 / 1	398	-	$ 1,450,000	398		0.2124%	$ 638.87	$ 861.43	$ 1,500.30
4E	0 / 1	429	-	$ 1,550,000	429		0.2289%	$ 688.50	$ 928.35	$ 1,616.85
5A	0 / 1	387	-	$ 1,500,000	387		0.2065%	$ 621.12	$ 837.50	$ 1,458.62
5C	0 / 1	421	-	$ 1,550,000	421		0.2246%	$ 675.57	$ 910.91	$ 1,586.48
RESIDENTIAL Subtotal		186,165	1,259	1,217,389,000	187,424	$ 4,354,000	100.0000%	$ 300,786.51	$ 405,568.89	$ 706,355.40
TOTAL		186,165	1,259	$ 1,217,389,000	187,424	$ 4,354,000		$ 300,786.51	$ 405,568.89	$ 706,355.40
STORAGE										
S-1		46		$ 95,000						
S-2		43		$ 90,000						
S-3		26		$ 55,000						
S-4		32		$ 65,000						
S-5		38		$ 75,000						
S-6		32		$ 65,000						
S-7		30		$ 60,000						
S-8		35		$ 70,000						
S-9		31		$ 65,000						
S-10		31		$ 65,000						
S-11		31		$ 65,000						
S-12		32		$ 65,000						

SCHEDULE A

520 PARK AVENUE
New York, NY 10022

OFFERING PRICES AND RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION November 1, 2017 TO October 31, 2018

Unit Number [1]	Bedrooms / Bathrooms [1]	Approx Unit Square Feet [2]	Approx. Terrace Square Feet [2]	OFFERING PRICE [3]	Net Sq. Ft. (Incl. Terrace)	Share of Purchase Price for Resident Manager's Unit 5B [4]	Common Interest Percentage [5]	Projected Monthly Common Charges [6]	Projected Monthly Real Estate Taxes [7]	Projected Total Monthly Carrying Charges [8]
S-13		40		$ 80,000						
S-14		39		$ 80,000						
S-15		42		$ 85,000						
STORAGE Subtotal				$ 1,080,000						
WINE STORAGE										
W-1		50		$ 275,000						
W-2		22		$ 125,000						
W-3		46		$ 250,000						
W-4		36		$ 200,000						
W-5		38		$ 210,000						
W-6		28		$ 155,000						
W-7		28		$ 155,000						
W-8		28		$ 155,000						
W-9		29		$ 160,000						
W-10		32		$ 180,000						
WINE STORAGE Subtotal				$ 1,865,000						
GRAND TOTAL				$ 1,220,334,000						

Notes to Schedule A

(1) Purchasers should refer to the Floor Plans included in Part II of the Plan for an approximation of the dimensions and typical layouts of the Units. The number of bedrooms and bathrooms for each Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York. Each Unit should be inspected to determine its actual dimensions, layout and physical condition prior to Closing.

(2) The square footage and dimensions of the Units listed in Schedule A or in the Declaration are approximate and may change due to field conditions, construction variances and tolerances and were obtained by using the method customarily used in New York City to measure condominium units. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit by 5% or less (excluding interior partitions) is not a material and/or adverse change. In the absence of such proof to the contrary, Sponsor's sole obligation if the net square footage of the Unit is so decreased shall be to refund the Premium Payment made under the Option Agreement and any interest earned thereon, except for Unit Upgrade Funds. Each Unit (with the exception of the Suite Units and the Resident Manager's Unit) is measured horizontally from the exterior side of the exterior walls to the centerline of the partitions separating mechanical equipment spaces or any Common Elements not within a Unit or to the exterior side of the opposite exterior walls, provided, however, (i) columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits in all Units; and (ii) elevator shafts, elevator lobby, and stairwells on the floors containing full floor units are not deducted from the measurement of each Unit. Each Unit is measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling. The corridor adjacent to the stairs is part of the Unit.

Each Suite Unit and the Resident Manager's Unit is measured horizontally from the exterior side of the exterior walls to the centerline of the partitions separating one Unit from another Unit, or separating one Unit from corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Unit or to the exterior side of the opposite exterior walls, provided, however, columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits in all Units are not deducted from the measurement of each Unit. Each Unit is measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling.

As is customary in New York, these square footages exceed the usable floor area of each Unit. The method of measurement is applicable to all Units. Any Common Elements located within or appurtenant to any Unit shall not be considered as part of that Unit. Terraces shown on Schedule A are Limited Common Elements.

(3) The Purchase Prices and other terms of sale (as more fully set forth in the Section of the Plan entitled "Changes in Prices and Units") of Units may be negotiated by Sponsor and, therefore, may be changed. Accordingly, Purchasers may pay different Purchase Prices for similar Units. The effect of this, as well as the right of Sponsor to change Purchase Prices, is more particularly discussed in the Section entitled "Changes in Prices and Units." In addition to the payment of the Purchase Price, each Purchaser will be responsible for the payment of certain closing costs and expenses at the time of Closing, as explained in the Section of the Plan entitled "Closing Costs and Adjustments" (and for a portion of the Purchase Price and the associated closing costs for the Resident Manager's Unit as set forth on Schedule A). If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of additional closing costs and expenses relating to

such loan. There will be an apportionment of certain charges relating to the Units at the Closing. THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENT AGENCY. The Condominium Board has the right to impose license fees and Special Assessments in connection with the Ancillary Amenity License.

(4) At or subsequent to the First Closing, Sponsor will execute, acknowledge and deliver to Starr Associates LLP, a deed conveying fee title to the Resident Manager's Unit to the Condominium Board, which will own the Resident Manager's Unit on behalf of Unit Owners for use as the residence of the Resident Manager. The Purchase Price for the Resident Manager's Unit (plus all closing costs) shall be paid in the following manner: at the Closing of each Unit (except for the Suite Units), each Purchaser will be required to pay on behalf of the Condominium Board, Purchaser's share of the cost of the Resident Manager's Unit (plus closing costs) determined in accordance with the Common Interest of the Unit purchased in proportion to the Common Interest of all Units (after excluding the Common Interest attributable to the Resident Manager's Unit and the Suite Units). Each payment shall be made payable to Starr Associates LLP, as Escrow Agent who shall hold such payment in escrow for the benefit of Sponsor in an interest-bearing escrow account. Escrow Agent shall release the escrowed funds (together with all interest earned thereon) to Sponsor at such time as Sponsor delivers the deed to Escrow Agent for delivery to the Condominium Board for recording upon: (i) the Closing of Title to all Units (excluding Suite Units); and (ii) the discharge by Sponsor of all then-existing mortgage(s) encumbering the Resident Manager's Unit ("Resident Manager's Unit Release Date"). Sponsor reserves the right, in its sole discretion, to direct Escrow Agent to release the escrowed funds (together with all interest earned thereon) to Sponsor and the deed to the Condominium Board prior to the Resident Manager's Unit Release Date. Thereafter, Sponsor shall continue to receive directly from each Purchaser at the Closing, Purchaser's pro-rata portion of the Purchase Price (plus closing costs). Once the deed to the Resident Manager's Unit is delivered to the Condominium Board, all costs and expenses, including utilities, parking fees and real estate taxes attributable to the Resident Manager's Unit will be payable by the Condominium Board and included in the Common Charges payable by Unit Owners, and each Unit Owner will be individually liable therefore to the extent of the Unit's Common Interest.

(5) The Common Interest of each Unit in the Common Elements has been allocated pursuant to the method set forth in Real Property Law Section 339-i(l) based upon the approximate proportion that the floor area of the Unit at the date of the Declaration bears to the then aggregate floor area of all the Units, but such proportion reflecting the substantially exclusive advantages enjoyed by one or more but not all Units in a part or parts of the Common Elements in accordance with subsection (ii).

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

Sponsor may make an application to the New York State Public Service Commission in order to permit the Condominium Board to purchase electricity from Con Edison at a "bulk rate" (which may result in a savings to Unit Owners). In the event that such application is made, and subsequently granted, the Condominium Board will assess the cost of electricity provided to the Unit Owners. Each Unit will be billed by the Condominium Board for actual consumption on the basis of its submeter and the Condominium Board will, in turn, pay Con Edison. Alternatively, the cost of electricity supplied to each Unit will be separately metered and payable by the Unit Owner directly to Con Edison.

As discussed in the Section of the Plan entitled "Description of Property and Improvements" subsection "Services and Facilities," the full range of services and facilities described in the Plan may not be available until approximately 12 months after the First Closing, with the exception of the swimming pool located in the fitness center which may not be available for use until approximately 24 months after the First Closing.

(7) It is estimated that the aggregate real estate taxes payable with respect to all Units for the First Year of Condominium Operation will total approximately $3,973,349, assuming (a) a transitional assessed valuation for the Property of $18,891,933 for the three months of 2016/2017 tax year and a transitional assessed valuation for the property of $34,005,459 for the nine months of 2017/2018 tax year reflecting the assessment for a partially constructed property based on the real estate tax projection opinion prepared by Marcus & Pollack LLP dated January 20, 2014 set forth in Part II of the Plan, and (b) a tax rate of $13,145 per $100 of assessed valuation for the 2016/2017 and 2017/2018 tax years. However, the Schedule A reflects estimated real estate taxes of $4,966,686 based on a fully constructed assessment of the Building.

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

At such time as the Units have been separately assessed for real estate tax purposes, each Unit will be taxed as a separate tax lot for real estate tax purposes and a Unit Owner will not be responsible for the payment of, nor will the Unit be subjected to any lien arising from the non-payment of real estate taxes assessed against other Units.

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

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

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

SCHEDULE B – BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

SCHEDULE B

The 520 Park Avenue Condominium
520 Park Avenue
New York, New York
Projected Budget for
the First Year of Condominium Operation
November 1, 2017 to October 31, 2018

PROJECTED INCOME

A.	Common Charges	3,609,438

PROJECTED EXPENSES

1.	Labor	1,194,560
2.	Heat/Hot Water	606,210
3.	Electricity	602,246
4.	Cooking Gas	6,478
5.	Water & Sewer Charges	96,063
6.	Administration	53,200
7.	Repairs & Maintenance	107,500
8.	Services & Supplies	170,000
9.	Insurance	259,500
10.	Management Fee	72,000
11.	Legal, Audit & Professional Fees	20,000
12.	Amenity Operations	320,936
13.	Resident Manager's Unit	50,746
14.	Contingency	50,000
	TOTAL EXPENSES	3,609,438

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

FOOTNOTES TO SCHEDULE B

Amounts are projected on the assumption that the first year of Condominium operation will be the 12 month period from November 1, 2017 through October 31, 2018. The actual first year of operation may be earlier or later than said 12-month period. In the event the projected commencement date of the First Year of Condominium Operation is to be delayed by 6 months or more, Sponsor will amend the Plan to include a revised budget with updated projections. If the Common Charges in the amended budget exceed those in the latest budget set forth in the Plan by 25% or more, Sponsor will, in the amendment disclosing such updated budget, offer all Purchasers the right, for 15 days, to rescind their Option Agreement and receive a refund of their Premium Payment, together with any interest earned thereon. Sponsor will not declare the Plan effective if any material changes to the budget are not yet disclosed in an amendment to the Plan.

Projected Receipts

A. **Common Charges Allocable to Residential Units ($3,609,438)**

The total income projected to be required to meet Common Expenses for the first year of Condominium operation is $3,609,438. Common Charges will be used by the Board of Managers to pay the Common Expenses for the building.

Projected Expenses

1. Labor ($1,194,560)

Wages

Building Staff (#)	**Wages/Yr./Person**	**Total Wages**
Resident Manager (1)	$ 190,144	$ 190,144
Handyman (1)	$ 60,241	$ 60,241
Doormen (4)	$ 54,452	$ 217,808
Concierge (4)	$ 54,452	$ 217,808
Porters (2)	$ 54,452	$ 108,904
Subtotal		$ 794,904

Taxes and Benefits

Workers Comp @ 4.53% of applicable wages	$ 36,009
FICA @ 6.20% of applicable wages	$ 49,284
Medicare @ 1.45% of applicable wages	$ 11,526
NYS Unemployment Insurance @ 3.60% of applicable wages	$ 6,969
Federal Unemployment Insurance @ .80% of applicable wages	$ 1,549
Metro Commuter Mobility Tax @.34%	$ 2,703
Subtotal	$ 108,039

Union Welfare/Pension

Welfare	$ 212,504
Pension	$ 68,444
Annuity, Training, Legal, etc.	$ 10,668
Subtotal	$ 291,616

The projected level of staffing for the Building complies with all applicable housing and labor laws. It is anticipated that the Building staff employees will be union members. Accordingly, the Building staff wages and Welfare and Pension figures described are in accordance with the industry pattern contract currently in effect with local 32B-32J of the Service Employees International Union, AFL-CIO. It is possible that the full staff may not be employed until certain Building occupancy levels are achieved and that all employees may not, immediately upon hire, be eligible for certain union benefits.

2. **Heat and Hot Water** ($606,210)

Domestic hot water will be provided by steam fired storage type hot water heaters.

Space heating will be provided by a steam/hot water shell and tube exchanges.

Heating hot water will be provided to dwelling units through 4-Pipe Fan Coil Units. The electric cost associated with operating the fan coil units will be payable by each unit owner and does not constitute part of the common charges.

Based on estimates in a letter dated January 13, 2014 by WSP, 512 Seventh Avenue, New York, NY 10008 the following projections are made for steam consumption and cost for heat and hot water for the Residential Units and General Common Elements. The projections are based on consumption estimates provided by WSP, multiplied by the average current rate with a 10% inflation factor for the rate.

Steam for Domestic Hot Water and Heat
18,370 MLBS of Steam per year @ $33/MLBS = $606,210

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

3. **Electricity ($602,246)**

Based on estimates in a letter dated January 13, 2014 by WSP, the following projections are made for Common Area Electricity. The projections are based on consumption estimates provided by WSP, multiplied by the average current rate with a 10% inflation factor for the rate. Electricity costs can vary depending upon consumption and demand.

Common Area Electricity
2,488,618 KWH per year @ $0.242 per KHW = $602,246

The electricity estimate does not include the cost of electricity in each Residential Unit.

4. **Cooking/Fireplace/Dryer Gas ($6,478)**

Based on estimates in a letter dated January 13, 2014 by WSP, the following projections for gas consumption are made for cooking, fireplace and dryer gas. The projections are based on consumption estimates provided by WSP, multiplied by the average current rate with a 10% inflation factor for the rate.

Cooking/Fireplace Gas
4,711 Therms per Year @ $1.375 per Therm = $6,478

5. Water and Sewer Charges ($96,063)

Water provided to the Property will be measured by a single water meter. Based on estimates in a letter dated January 13, 2014 by WSP, the following projections for water and sewer consumption are made. The projections are based on consumption estimates provided by WSP, multiplied by the current rate with a 10% inflation factor for the rate.

Water & Sewer Charges	
2,596 HCF of cooling tower water consumption at a rate of $3.73 per HCF =	$ 9,683
8,942 HCF of domestic water consumption at a rate of $3.73 per HCF =	$33,354
8,942 HCF of domestic sewer usage at a rate of $5.93 per HCF =	$53,026
Total	$96,063

6. Administration & Address License ($53,200)

This figure includes anticipated costs of:

Office Supplies & Expenses	$ 2,500
Telephone & Internet	$12,000
Permits	$ 5,000
Dues	$ 1,200
Address License Fee	$30,000
Misc. Administrative	$ 2,500
Total	$53,200

7. Repairs and Maintenance ($107,500)

Since the building will be newly constructed it has no operating history upon which to project future costs of repairs and maintenance. No major capital repairs are included in this budget since all major construction and mechanical systems will be new. Future major capital repairs to the Common Elements will be borne by all unit owners.

This figure includes projected expenses for normal maintenance and repair costs of Common Elements (i.e., mechanical equipment, fans, pumps, valves, roofs, exterior walls, doors, etc.). Unit Owners will be responsible for the cost of repairs and painting in the interior of their Units.

The estimate includes projected expenses for:

Plumbing repairs	$ 10,000
HVAC Repairs	$ 50,000
Fire & Safety Equipment	$ 25,000
Pump, Motor & Fan Repairs	$10,000
Miscellaneous Repairs	$12,500
Total	$107,500

8. Services and Supplies ($170,000)

This figure represents the estimated annual cost of services and supplies (including service contracts) provided to and for the benefit of the General Common Elements. It includes the following items:

Building Supplies	$40,000
Elevator Maintenance	$50,000
Exterminating	$ 7,500
Lobby Expense	$ 6,000
Metal & Stone Maintenance	$12,000
Fire Alarm Maintenance	$12,000
Uniform Expense	$10,000
Meter Reading	$ 5,000
Landscaping	$15,000
Water Treatment	$10,000
Snow Removal Supplies	$ 2,500
Total	$170,000

All of the mechanical systems within the Building will be new, and some will be under a full service maintenance contractor for the first year of Condominium operation from the contractor who will install the system. 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 Budget Expert in operating similar buildings. While this Schedule B includes a reasonable allowance for possible increases in cost that may occur prior to and during the first year of operations, no warranty is made that the actual cost for these or other services will be in accordance with this projection. **As such, the budget in the 2nd year of Condominium operation will be increased by the necessary amount.**

9. Insurance ($259,500)

This figure is based on an estimate from Vanderbilt Properties Insurance Brokerage, LLC as detailed below:

Terrorism Coverage:

- TRIA – The Federal Terrorism Risk Insurance Act expires December 2014. As of today, it is difficult to predict the renewal of this important Federal Government reimbursement backstop, for certified acts of Terrorism. Keeping in mind that if TRIA is not renewed by Congress, one can expect an increase in Insurance cost related to Terrorism coverage for 520 Park Avenue, which is located in TIER-1 zone.

Please be guided by the fact that at this time, we are "estimating" the Insurance related expense for Terrorism coverage, that which may change by fall 2014.

Insurance Proposal
from
Vanderbilt Properties Insurance Brokerage/Risk Management
for
520 Park Avenue Condominium

INSURED LOCATION (S): 520 Park Ave, New York, NY 10022 (45 E 60th St)

RESIDENTIAL UNITS: 39
COMMERCIAL SQ. FT.: 0

I. PROPERTY- CARRIER	**TBD (A XV)**
Special Form, Replacement Cost Valuation, Agreed Amount (No Co-ins.)	
TOTAL INSURED VALUE (TIV):	$236,500,000
BUILDING LIMIT:	$232,000,000
BUSINESS INCOME LIMIT:	$3,000,000
PERSONAL PROPERTY:	$1,500,000
ORDINANCE OR LAW	
LOSS TO UNDAMAGED PORTION OF BUILDING:	Included in Building Limit
DEMOLITION:	$25,000,000
INCREASED COST OF CONSTRUCTION:	Included in Demolition Limit
EARTHQUAKE – ANNUAL POLICY AGGREGATE:	$185,000,000
FLOOD – ANNUAL POLICY AGGREGATE:	$185,000,000
(EXCLUDING LOCATIONS WITHIN FLOOD ZONES PREFIXED A, B & V, AS CLASSIFIED UNDER NAT'L FLOOD INS. PROG.)	
EXTRA EXPENSE:	$1,000,000/ OCCURRENCE
EDP EQUIPMENT:	$ 500,000/ OCCURRENCE
EDP DATA/MEDIA	$50,000/OCCURRENCE
POLLUTANT CLEANUP AND REMOVAL:	$ 100,000/ AGGREGATE
LIMITED FUNGUS COVERAGE:	$100,000/ AGGREGATE
UTILITY SERVICES TIME ELEMENT:	$500,000/ OCCURRENCE
VALUABLE PAPERS:	$ 500,000/ OCCURRENCE
ACCOUNTS RECEIVABLE:	$ 1,000,000/ OCCURRENCE
FINE ARTS:	$ 500,000/ OCCURRENCE
DEBRIS REMOVAL:	$5,000,000/ OCCURRENCE
BOILER & MACHINERY:	$200,000,000/OCCURRENCE
HAZARDOUS SUBSTANCES:	$25,000/OCCURRENCE
AMMONIA CONTAMINATION:	$25,000/OCCURRENCE
CONSEQUENTIAL DAMAGE:	$25,000/OCCURRENCE
WATER DAMAGE:	$25,000/OCCURRENCE
EXTRA EXPENSE:	$25,000/OCCURRENCE
DEDUCTIBLES – PER OCCURRENCE	
UTILITY SERVICES - TIME ELEMENT:	72-HOURS
CIVIL AUTHORITY - TIME ELEMENT:	72-HOURS
EARTHQUAKE:	$100,000
FLOOD:	$100,000
ALL OTHER COVERED PROPERTY PERILS:	$25,000

TERRORISM INSURANCE:
Terrorism Risk Insurance Act of 2002 Disclosure:
Please note that the coverages contained in this proposal do not contain an exclusion that specifically excludes coverage for *Insured Losses*. The charge for this exposure is included in the total premium for this policy. The charge that has been included for this exposure under this policy is $23,650
This coverage may be declined. If declined, the premium for this policy will be: $221,850.

TOTAL PROPERTY & BOILER & MACHINERY QUOTE: $236,500.

This is a coverage summary for your convenience, not a legal contract. It is provided to facilitate your understanding of the insurance program proposal. Please refer to the actual policies when issued for specific terms, conditions, limitations and exclusions that will govern in the event of a loss.

Insurance Proposal
from
Vanderbilt Properties Insurance Brokerage/Risk Management
for
520 Park Avenue Condominium

INSURED LOCATION (S): 520 Park Ave, New York, NY 10022 (45 E 60th St)
RESIDENTIAL UNITS: 39 **COMMERCIAL SQ. FT.: 0**

II. GENERAL LIABILITY – CARRIER	**TBD (A XV)**
GENERAL LIABILITY – GENERAL AGGREGATE:	$2,000,000
PRODUCTS/COMPLETED OPS AGGREGATE:	$1,000,000
PERSONAL/ADVERTISING INJURY:	$1,000,000
NON-OWNED/HIRED AUTOMOBILES:	$1,000,000
PER OCCURRENCE:	$1,000,000
FIRE DAMAGE LEGAL LIABILITY:	$1,000,000
MEDICAL EXPENSES:	$5,000
EMPLOYEE BENEFITS LIABILITY:	$1,000,000
Your quoted policy premium includes the following premium charge for losses resulting from certified acts of terrorism as defined in the Terrorism Risk Insurance Act of 2002: **$1,400**	
TOTAL GENERAL LIABILITY QUOTE:	**$10,000.00**
III. FIDELITY (EMPLOYEE THEFT) – CARRIER	**TBD (A XV)**
EMPLOYEE DISHONESTY / FORGERY & ALTERNATION LIMITS:	$1,000,000/OCCURRENCE
DEDUCTIBLE - ALL PERILS – PER OCCURRENCE:	$2,500
Your quoted policy premium includes the following premium charge for losses resulting from certified acts of terrorism as defined in the Terrorism Risk Insurance Act of 2002: $0	
TOTAL FIDELITY (EMPLOYEE THEFT) QUOTE:	**$2,000.00**
IV. DIRECTORS & OFFICERS LIABILITY – CARRIER	**TBD (A XV)**
LIMIT OF LIABILITY:	$1,000,000/ OCCURRENCE $1,000,000/AGGREGATE
SELF INSURED RETENTION:	$2,500
Your quoted policy premium includes the following premium charge for losses resulting from certified acts of terrorism as defined in the Terrorism Risk Insurance Act of 2002: $0	
TOTAL DIRECTORS & OFFICERS LIABILITY QUOTE	**$5,000.00**
V. UMBRELLA LIABILITY – CARRIERS	**TBD (A XV)**
LIMIT OF LIABILITY:	$200,000,000/ OCCURRENCE $200,000,000/ AGGREGATE
SELF INSURED RETENTION:	$10,000
Your quoted policy premium includes the following premium charge for losses resulting from certified acts of terrorism as defined in the Terrorism Risk Insurance Act of 2002: $0	
TOTAL $200,000,000 UMBRELLA QUOTE:	**$6,000.00**
TOTAL ANNUAL QUOTE:	**$259,500.00** **+ NY Fire Insurance Fee**

This is a coverage summary for your convenience, not a legal contract. It is provided to facilitate your understanding of the insurance program proposal. Please refer to the actual policies when issued for specific terms, conditions, limitations and exclusions that will govern in the event of a loss.

Insurance Proposal
from
Vanderbilt Properties Insurance Brokerage/Risk Management
for
520 Park Avenue Condominium

INSURED LOCATION (S): 520 Park Ave, New York, NY 10022 (45 E 60th St)
RESIDENTIAL UNITS: 39 **COMMERCIAL SQ. FT.: 0**

CONTRACTOR INSURANCE REQUIREMENTS

Building owners and managers must comply with the following requirements prior to allowing any contractor on their premises:

- Written agreements/contracts must be in place with all contractors; which require that the contractor name as Additional Insured, hold harmless and defend the owner, manager and their agents in the event of a claim; as well as provide a certificate of insurance complying with the requirements in the agreement.
- Maintain a certificate program for all contractors; expiration dates must be tracked and updated/renewal certificates must be obtained accordingly. The owner and manager must be named as Additional Insured on the contractor's policy and this must be evidenced on the certificate.

POLICY TERM

- **To Be Determined**

PAYMENT TERMS:

- **Our office must be in receipt of full payment within 30 days of binding.**

This is a coverage summary for your convenience, not a legal contract. It is provided to facilitate your understanding of the insurance program proposal. Please refer to the actual policies when issued for specific terms, conditions, limitations and exclusions that will govern in the event of a loss.

10. Management ($72,000)

At or prior to the First Closing, the Condominium will enter into a management agreement with Brown Harris Stevens Residential Management LLC having an office address at 770 Lexington Avenue, New York, NY 10065 a Real Estate management firm affiliated with certain principals of Sponsor. The management agreement will be for an initial term of 2 years. Thereafter, the agreement will be automatically renewed from month to month, but may be cancelled by either party without cause, upon not less than sixty (60) days' prior written notice. The Managing Agent will receive an annual fee of $72,000 payable in equal monthly installments of $6,000. The Managing Agent's fee for the first year of Condominium operation is comparable to the "going rate" for similar services in comparable buildings.

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

11. Legal, Audit & Professional Fees ($20,000)

This figure is budgeted to provide $10,000 for auditing and accounting fees in connection with the preparation of the first year's audited financial statements and tax returns for the Condominium, based on an estimate prepared by Kleiman & Weinshank, LLP, 2 Penn Plaza, 5th Floor, New York, NY 10121. The budget amount also projects $7,500 for minor legal services rendered in connection with the operation of the Condominium and $2,500 for other professional services.

12. Amenity Operations ($320,936)

The condominium will have an amenities facility which will include a fitness center, swimming pool, lounge, and other activities. Based on an estimate from The Wright Fit, having an address of 900 Broadway, Suite 700, New York, NY 10003, it is anticipated that the cost to operate the fitness center during the first year of Condominium operation will be approximately $310,936. This fee includes the cost of lifeguards, health club management, and supplies associated with operating the health club and pool. An additional $10,000 has been budgeted for miscellaneous repairs and operating expenses outside of the contract with the third party operator.

13. Resident Manager Unit ($50,746)

The Condominium Board will own unit 5B for the use of the Resident Manager and is responsible for all expenses associated with the Unit. The budgeted amount for the Resident Manager's Unit includes the following costs: Common Charges at approximately $23,000 per year, utilities at approximately $3,000 per year and real estate taxes at approximately $24,746 per year.

14. Operating Contingency ($50,000)

This amount, to be used at the discretion of the Board, is intended to benefit the Condominium Unit Owners by providing a fund for unanticipated expenses not included in the budget and for possible increases in one or more items of operating expense above the amounts projected.

The foregoing projected 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 these funds, it may be necessary to increase Common Charges or separately assess all Unit Owners.

. . . . . .

IN THE OPINION OF ROSE ASSOCIATES, INC. THE FOREGOING ESTIMATED COMMON CHARGES ARE SUFFICIENT TO PAY THE PROJECTED OPERATING EXPENSES FOR THE CONDOMINIUM'S FIRST YEAR OF OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE 12-MONTH PERIOD COMMENCING NOVEMBER 1, 2017. THE FOREGOING BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE BY ANYONE THAT THE ANNUAL COMMON CHARGES OR COMMON EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF CONDOMINIUM OPERATION WILL BE PRECISELY AS SET FORTH IN THIS BUDGET.

SCHEDULE B-1 - PROJECTED INDIVIDUAL ENERGY COSTS BUDGET

SCHEDULE B-1
Projected Individual Energy Costs Budget

WSP Building Systems (f/k/a WSP Flack & Kurtz), having an office at 512 Seventh Avenue, New York, New York 10018 provided the attached estimate of annual electric energy costs for lighting and for operating the typical electrical appliances located in each Unit.

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

WSP

512 Seventh Avenue
13th Floor
New York, NY 10018
Main: 212 532 9600
www.wspgroup.com/usa

April 14, 2014

Mr. Bryan Ramm
Zeckendorf Development
445 Park Avenue, Suite 1902
New York, NY 10022

Re: Residential Building at 520 Park Avenue
WSP Reference Number: N12.11480.00

Dear Mr. Ramm:

We have prepared estimated annual electric energy cost for lighting and operating the typical appliances located in each apartment.

The estimated average KWH per year per square foot and annual cost of electricity per square foot utilized by individual apartments are 6.29/KWH/Square Foot/Year and $1.39 per square foot, based on a projected Con Edison rate of $0.22 per KWH for 2013. The following table sets forth the estimated annual costs of electricity for typical Residential Units:

Apartment Type (Floor	Area (SF)	KWH/YR	Cost/Apt/YR	# of Apts.
Apartment 4A (4)	390.0	2,453.10	$539.68	1
Apartment 4B (4)	402.0	2,528.58	$556.29	1
Apartment 4C (4)	412.0	2,591.48	$570.13	1
Apartment 4D (4)	400.0	2,516.00	$553.52	1
Apartment 4E (4)	420.0	2,641.80	$581.20	1
Apartment 5A (5)	387.0	2,434.23	$535.53	1
Apartment 5B (5)	1,242.0	7,812.18	$1,718.68	1
Apartment 5C (5)	420.0	2,641.80	$581.20	1
Simplex (14-20)	4,613.0	29,015.77	$6,383.47	7
Upper Simplex (21-36)	4,628.0	29,110.12	$6,404.23	16
Duplex (DP-PH38, DP-PH40, DP-PH42, DP-PH44, DP-PH46, DP-PH50)	9,138.0	57,478.02	$12,645.16	6
Duplex (DP-PH48)	8,522.0	53,603.38	$11,792.74	1
Triplex (TRI-PH52)	13,653.0	85,877.37	$18,893.02	1

Should you have any questions, please do not hesitate to contact me directly at 212.951.3939.

Very truly yours,

WSP

George M. Santonas
Vice President

OPINION OF COUNSEL RE: REAL PROPERTY LAW SECTION 339-i

STARR ASSOCIATES LLP
ATTORNEYS AT LAW

245 FIFTH AVENUE
NEW YORK, NY 10016
TEL 212 620 2680
FAX 212 696 5013
www.starr-lawfirm.com

August 11, 2014

41-45 Property Owner, LLC
445 Park Avenue, Suite 1902
New York, New York 10022

Re: 520 Park Avenue Condominium
520 Park Avenue
New York, New York 10022 ("Property")

Ladies and Gentlemen:

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

In connection with the rendering of this opinion we have reviewed the 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. Our opinion is also based upon the factual determinations made by Rose Associates Inc. ("Real Estate Broker") 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 Real Estate Broker. Accordingly, in the event that facts presented by Real Estate Broker were or prove incorrect in no event will Starr Associates LLP be liable.

Based upon our review of the foregoing, we have determined that the method selected by Real Estate Broker to calculate the percentage of Common Interests is permissible under Real Property Law ("RPL") Section 339-i(l) based upon the approximate proportion that the floor area of the Unit at the date of the Declaration bears to the then aggregate floor area of all the Units, but such proportion reflecting the substantially exclusive advantages enjoyed by one or more but not all Units in a part or parts of the Common Elements in accordance with subsection (ii).

This opinion, while based upon existing rules of law applied to the facts and documents referred to above, is not a guarantee to Purchasers. In no event will Sponsor, Starr Associates LLP, Selling Agent, Managing Agent or the Condominium Board be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in RPL Section 339 or other applicable Law.

The opinion expressed herein is based solely on New York Law.

Very truly yours,

STARR ASSOCIATES LLP

By: _____
Name: Samantha Sheeber
Title: Partner

REAL PROPERTY LAW SECTION 339-i COMPLIANCE LETTER

ROSE ASSOCIATES
200 Madison Avenue, 5th Floor
New York, NY 10016-3912
Direct: (212) 210-6626
mgelberg@rosenyc.com
ROSENYC.COM

Mitchell S. Gelberg
Managing Director

PART 20: LETTER TO ATTORNEY GENERAL
RE: REAL PROPERTY LAW SECTION 339-i.1 COMPLIANCE

Dated: August 12, 2014

New York State Department of Law
120 Broadway, 23rd Floor
New York, New York 10271

Attention: Investment Protection Bureau

Re: Condominium Offering Plan
520 Park Avenue Condominium
520 Park Avenue
New York, New York 10022 ("Property")

Dear Sir/Madam:

The Sponsor of the Condominium Offering Plan ("Offering Plan") for the Property retained Rose Associates, Inc. ("Firm") to review the percentage of Common Interest in the Common Elements allocated to each Unit in the Property set forth in Schedule A of the Offering Plan.

The Firm is licensed as a real estate brokerage firm in the State of New York. The principals of the Firm have been engaged in the real estate and brokerage business for over 45 years and have been actively associated with sale and management of condominium and cooperative buildings.

The Firm has been advised by Sponsor that the Common Interest of each Unit has been determined in accordance with Real Property Law Section 339-i.1 based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with subsection (iv).

In the Firm's opinion, within the framework of Real Property Law Section 339-i.1, this method of determining Common Interest is reasonable and equitable.

The Firm certifies that it is not owned or controlled by Sponsor and that it has no financial interest in the offering other than its fee for services rendered in connection with the preparation of this letter (and acting as Selling Agent under the Offering Plan). The Firm understands that a copy of this letter is intended to be incorporated into the Offering Plan.

All capitalized terms not defined in this letter shall have the meaning ascribed to them in the Offering Plan.

Very truly yours,

Rose Associates, Inc.

By: _____
Mitchell S. Gelberg
Managing Director

CHANGES IN PRICES AND UNITS

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

Sponsor reserves the right to negotiate with each Purchaser the following terms and conditions of the Option Agreement among other terms: Purchase Price; the amount and timing of the Premium Payment; the availability of financing; the payment of Purchaser's financing fees and other closing costs; the availability of Common Charge rebates, Purchase Price rebates and subsidies payable as a credit against the Purchase Price or on a periodic basis; extensions of time periods within which to perform obligations under the Option Agreement; the availability of use and occupancy agreements and the amount of interim use and occupancy fees thereunder; and the application of interim use and occupancy fees towards the Purchase Price, and upgrades on extras to the Unit finishes and equipment.

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

The location in the Building, approximate size and layout of the Units are shown on the Floor Plans set forth in Part II of the Plan. In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of Purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by Law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Condominium Board, any Unit Owner or mortgagee, to (a) change the size, layout and square footage of, or number of rooms in, any Unsold Unit, (b) change the size and/or number of Unsold Units by dividing one or more such Units into two or more separate Unsold Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering any boundary walls between one or more Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Unit into such Unsold Unit without changing the percentage of Common Interest of such Unit, and (c) 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) or (c) above, such change shall be disclosed in a duly filed amendment to the Plan. No such change, including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Unit, will be made with respect to such Unsold Unit for which an Option Agreement is then in effect which increases or decreases the square footage (excluding interior partitions) or Common Interest by more than 5%, or materially changes the Unsold Unit size, the layout or Common Interest of such Unsold Unit, unless the Purchaser consents to such changes. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit, as set forth in the Schedule A, by 5% or less (excluding interior partitions) is not a

material and/or adverse change. Provided Purchaser's consent is not required, a Purchaser will not be excused from purchasing the Unit and will not have any claim against Sponsor as a result of any such change and will not affect a Purchaser's obligations under the Option Agreement or the Plan. If Purchaser's consent is required as a result of such change and such change Purchaser refuses to consent, then in such event, Sponsor's sole obligation shall be to refund to Purchaser the Premium Payment made under the Option Agreement and any interest earned thereon, except for Unit Upgrade Funds.

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

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

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

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

USE AND OCCUPANCY AGREEMENTS

Sponsor reserves the right with respect to any Unsold Unit, to enter into a pre-closing Use and Occupancy Agreement with the Purchaser of such Unsold Unit on an interim basis on such terms and conditions as may be agreed to between Sponsor and Purchaser. Purchasers are advised that the occupancy under such Use and Occupancy Agreement is not subject to any governmental regulations, including, without limitation, rent regulations or continued occupancy. Such use and occupancy fees shall be determined by Sponsor in its sole and absolute discretion. No occupancy in any Unit may commence until (i) a Temporary Certificate of Occupancy has been obtained for such Unsold Unit and (ii) the First Closing has occurred.

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

In the event (i) that Purchaser defaults under the terms of the Use and Occupancy Agreement which default is not cured within 10 days of notice (other than Purchaser's failure to make a Payment within ten (10) days of the first day of the month in which such Payment is due, in which event Sponsor shall not be required to send notice of default and the event of default shall be deemed to have occurred on the 11th day after the date on which such Payment is due) or (ii) that the term of the Use and Occupancy Agreement expires, Purchaser agrees to vacate and deliver full possession of the Unit to Sponsor in broom-clean condition within 10 days of written notice from Sponsor or its attorney. The Use and Occupancy Agreement shall be substantially in the form set forth in Part II of the Plan.

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

PROCEDURE TO PURCHASE

A Purchaser desiring to purchase a Unit will be required to execute an Option Agreement, which will be in the form set forth in Part II of the Plan. A Purchaser also interested in acquiring an Ancillary Amenity will be required to execute the form of Rider annexed to the Option Agreement set forth in Part II of the Plan.

Purchasers shall be afforded not less than 3 business days to review the Plan prior to executing an Option Agreement. A Purchaser may obtain the Plan upon payment of a $200 deposit, which amount will be fully refunded upon either (i) the prompt return of the Plan in good condition or (ii) the execution by the Purchaser of an Option Agreement subsequently accepted by Sponsor. If a Purchaser has not received the Plan at least 3 business days prior to executing an Option Agreement, a Purchaser shall have the right to rescind the Option Agreement within 7 days from the date Purchaser delivers an executed Option Agreement together with the required Premium Payment to Selling Agent. The Option Agreement sets forth in detail the terms of sale with respect to each Unit and should be read carefully by Purchaser. Purchasers should be aware that if any conflict exists between the Plan and the Option Agreement, the provisions of the Plan shall in all events control.

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

Option Agreements will not be binding on Sponsor until approved and executed by it, and delivered by Sponsor to the Purchaser. Sponsor reserves the right to request thorough identification and financial information (including credit reports and litigation searches) concerning any Purchaser, subject to any limitations and requirements imposed by Law.

Sponsor will have 30 days after delivery by Purchaser of an executed Option Agreement and the required Premium Payment, within which to accept or reject the Option Agreement. If an Option Agreement is not accepted by Sponsor within the 30 day period, the Option Agreement shall be deemed to have been rejected and cancelled and the Premium Payment shall be returned to Purchaser within 30 days thereafter. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, to refuse to approve and execute (a) an Option Agreement for any Unit, except as prohibited by Law, and (b) an Option Agreement for more than one Unit to any Person.

The signing of the Option Agreement signifies Purchaser's acceptance of the condition of the Property (as represented by Sponsor in the Plan), including, but not limited to, the Unit, the Ancillary Amenities, the Building and all Common Elements contained in the Building. In the event of any inconsistency between the provisions of the Option Agreement and the Plan, the provisions of the Plan will govern and be binding. The Option 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.

At the time of execution of an Option Agreement, Purchaser will be required to make an initial Premium Payment in an amount equal to 15% of the Purchase Price and an additional Premium Payment in an amount equal to 10% of the Purchase Price upon the earlier to occur of (i) 6 months after Purchaser

executes the Option Agreement or (ii) within 15 days of the Presentation Date of the amendment declaring the Plan effective. A Purchaser executing an Option Agreement after the date the Plan is declared effective is required to make the full Premium Payment in an amount equal to 25% of the Purchase Price by an official bank check drawn on or issued by a bank or trust company which is a member of The New York Clearinghouse Association. Sponsor may require that Purchasers of more than 1 Unit deliver a Premium Payment in excess of that set forth in the Plan, which amount shall be on terms individually negotiated with each Purchaser. All Premium Payments must be made payable to the direct order of "Starr Associates LLP, as escrow agent." All checks delivered in payment of the Premium Payment shall be accepted by Sponsor subject to collection, and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem such Option Agreement to be cancelled and of no further force or effect.

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

The Exercise Price shall be payable simultaneously with the delivery of the deed to the Unit and, if applicable, the Ancillary Amenity License by wire transfer (at Sponsor's sole option) or, official bank check drawn on or issued by a bank or trust company which is a member of The New York Clearinghouse Association and shall be payable to the direct order of Sponsor, or otherwise if Sponsor shall so notify Purchaser. Any wiring fees charged by the initiating and/or receiving bank shall be paid by Purchaser. The deed and Ancillary Amenity License will be substantially in the form as set forth in Part II of the Plan. Interest, if any, on Purchaser's Premium Payment will be credited or paid to Purchaser at Closing.

Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by Force Majeure, construction of the Building will be sufficiently completed to permit closings of Units to begin on or about November 1, 2017. Purchasers will not be excused from paying their full Purchase Prices (without credit or set-off), and will have no claim against Sponsor for damages or losses, in the event that the First Closing occurs earlier or later than the projected date or the time to complete or to close title to any Unit is delayed or postponed by Sponsor. Sponsor has the right to change the projected First Year of Condominium Operation from time to time by an amendment to the Plan. If the First Closing does not occur within 12 months after the date set forth in Schedule B for the First Year of Condominium Operation in effect on the date a Purchaser and Sponsor entered into an Option Agreement, Sponsor will offer those affected Purchasers only a right for 15 days from the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame, to rescind their Option Agreement. Any Purchasers electing rescission will have their Premium Payments returned together with any interest earned thereon, except for any Unit Upgrade Funds. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by 6 months or more, Sponsor will amend the Plan to include a revised budget with updated projections. If the Common Charges in the amended budget exceed those in the latest budget set forth in the Plan by 25% or more, Sponsor will, in the amendment disclosing such updated budget, offer all Purchasers the right, for 15 days, to rescind their Option Agreements and receive a refund of their Premium Payments, together with any interest earned thereon (provided, however, that after the Plan has been declared effective and the amendment disclosing the same has been accepted by the Department of Law, a Purchaser who is in default under the Option Agreement beyond the expiration of any applicable grace period will not have the right to rescind).

Following the Plan being declared effective, Sponsor will deliver to each Purchaser a written notice of the time and place of Closing at least 30 days prior to the Closing Date specified therein ("Scheduled Closing Date"). In the event a Purchaser defaults under the Option Agreement, time being of the essence with regard to the obligations of Purchaser under the Option Agreement, Sponsor, in its sole discretion, may elect by notice to Purchaser to cancel the Option Agreement. If Sponsor elects to cancel, Purchaser shall

have 30 days from the giving of the notice of cancellation to cure the specified default. If the default is not cured within such 30 days, TIME BEING OF THE ESSENCE, then the Option Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, (a) the entire Premium Payment and any interest earned on the Premium Payment and (b) Unit Upgrade Funds. Upon the cancellation of the Option Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though the Option Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale.

If Purchaser fails for any reason to close title to the Unit on the Scheduled Closing Date, other than due to Sponsor's failure or inability to Close: (a) the Closing apportionments described in the Section of the Plan entitled "Closing Costs and Adjustments" will be made as of midnight of the day preceding the Scheduled Closing Date, regardless of when the actual Closing occurs ("Actual Closing Date"), and (b) Purchaser will be required to pay to Sponsor an amount equal to .03% of the Purchase Price of the Unit per day commencing with the Scheduled Closing Date through the Actual Closing Date, as a reimbursement of Sponsor's increased carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Option Agreement and the Plan. If through no fault of Purchaser, Sponsor postpones the Scheduled Closing Date, these provisions shall apply to the Rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the Rescheduled Closing Date.

TIME IS OF THE ESSENCE AS TO PURCHASER'S OBLIGATIONS UNDER THE OPTION AGREEMENT, INCLUDING, WITHOUT LIMITATION, FOR THE PAYMENT OF ALL PREMIUM PAYMENTS AND THE EXERCISE PRICE. FUNDS DRAWN ON FOREIGN BANKS WILL NOT BE ACCEPTED IN PAYMENT OF THE PURCHASE PRICE.

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

Any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) ("Foreign Government Purchaser") shall be required to expressly and voluntarily waive such immunity and consent to any suit, action or proceeding arising out of or relating to the Option Agreement or the Condominium Documents being brought in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Option Agreement or the Condominium Documents. Any Foreign Government Purchaser shall designate and authorize a lawful agent to receive process for and on behalf of the Foreign Government Purchaser in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Option Agreement or the Condominium Documents.

Prior to the Closing of Title to a Unit, the Option Agreement prohibits a Purchaser from listing the Unit for sale or rental with any broker or placing or authorizing any listing in any brokers listing system or other listing service or from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or rental, without Sponsor's prior written consent, which consent may be unreasonably withheld or delayed in Sponsor's sole and absolute discretion. Any such action by Purchaser in violation of the terms of the Plan will be deemed a material default under the Option Agreement, and Sponsor may, at its option, cancel the Option Agreement and retain, as liquidated damages, the entire Premium Payment made by Purchaser, together with interest earned thereon.

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

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

The risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until Purchaser takes possession of the Unit, at which time such risk, to the extent not covered by existing insurance, shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of an Option Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Unit, the Option 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 Unit. In such event, Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of an Option Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws"), the Option Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return the Premium Payment, together with any interest earned thereon, except for Unit Upgrade Funds, to Purchaser, whereupon Sponsor and Purchaser shall be released and discharged from all obligations and liability under the Option Agreement and the Plan; provided, however, if Purchaser is then in default under the Option Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

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

Sponsor is obligated to provide only the equipment, fixtures and furnishings set forth in the "Description of Property and Improvements" set forth in Part II of the Plan. If a Person desiring to purchase a Unit requests that Sponsor perform special or additional work in the Unit or provide extra or upgraded fixtures or finishes, including, but not limited to, any deviation from the materials or specifications described in the Description of Property and Improvements set forth in Part II of the Plan, and Sponsor agrees in writing to perform such work and/or provide such fixtures and finishes, then Sponsor may require such Person to deposit an amount greater than the Premium Payment required under the Option Agreement.

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

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

At Closing, each Purchaser will be required to execute and deliver a Unit Power of Attorney in favor of the Condominium Board and Sponsor, the failure of which shall be a default under the Option Agreement entitling Sponsor to all of the remedies set forth in the Plan and the Option Agreement.

ESCROW AND TRUST FUND REQUIREMENTS

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

Sponsor will comply with the escrow and trust fund requirements of General Business Law Sections 352-e(2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto. The Department of Law may perform random reviews and audits of any records involving escrow accounts to determine compliance with statute and regulation.

Any provision of any contract or agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of Escrow Agent holding trust funds is absolutely void. The provisions of the Attorney General's regulations concerning escrow/trust funds shall prevail over any conflicting or inconsistent provision in the Plan or in the escrow agreement or Option Agreement. Purchasers shall not be obligated to pay any legal or other expense of Sponsor in connection with the establishment, maintenance or defense of obligations arising from the handling or disposition of trust funds. However, notwithstanding anything to the contrary set forth herein or anywhere else in the Plan, in the Event of Default by Purchaser, as that term is defined the Option Agreement, Purchaser shall be obligated to reimburse Sponsor for any legal fees, expenses and disbursements incurred by Sponsor in defending Sponsor's rights under the Option Agreement or otherwise enforcing Purchaser's obligations thereunder.

All Premium Payments made by Purchasers prior to the Closing of each individual transaction will be placed in a segregated special escrow account of Starr Associates LLP, the escrow agent ("Escrow Agent"), whose address is 245 Fifth Avenue, Suite 1102, New York, New York 10016 and whose telephone number is (212) 620-2680. The attorneys who are signatories on these accounts authorized to withdraw funds, acting singly, are: Allan Starr, Esq., Andrea L. Roschelle, Esq., Samantha Sheeber, Esq. and Jane Rosenberg, Esq. ("Authorized Signatories"). All Authorized Signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any Authorized Signatory is the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

Escrow Agent has established a master escrow account entitled "Starr Associates LLP, Escrow Account" ("Master Escrow Account") at JPMorgan Chase Bank located at 270 Park Avenue, New York, New York 10017 and Citibank located at 717 Sixth Avenue, New York, New York 10010 ("Escrow Banks"). Each Escrow Bank is authorized to do business in the State of New York. Premium Payments properly made payable to "Starr Associates LLP, as Escrow Agent" will be placed in one of the Master Escrow Accounts within 5 business days after tender by Purchaser to Sponsor or Selling Agent. Any subsequent Premium Payment tendered by Purchaser after the Initial Premium Payment will be placed in any one of the Master Escrow Accounts within 10 business days after tender by Purchaser to Sponsor or Selling Agent. Escrow Agent shall execute the Option Agreement Escrow Rider with respect to its obligations in this Section.

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

non-interest bearing portion of the Master Escrow Account so that checks may be drawn thereon. The Master Escrow Account is not an IOLA account.

All Premium Payments, except for Unit Upgrade Funds, are and shall continue to be the Purchaser's money, and may not be commingled with any other money or pledged or hypothecated by Sponsor, until such time as Sponsor is entitled to the Premium Payment as per GBL § 352-h. Unit Upgrade Funds will initially be placed in the Master Escrow Account. However, Purchasers should note that such funds may be released from the Master Escrow Account by Escrow Agent to Sponsor to pay, or reimburse Sponsor, for such upgrades or extras. As a result, in the event Sponsor cancels the Option Agreement or Purchaser is entitled to rescind the Option Agreement in accordance with the Plan, Purchaser will not receive a refund of any of the Unit Upgrade Funds. Escrow Agent shall be under no duty to verify that Sponsor used or committed such funds for Unit Upgrade Funds.

The sub-escrow account number and the initial interest rate, if any, will be disclosed to each Purchaser, as appropriate, in a letter from Escrow Agent to each Purchaser sent within 10 business days after the tender of the Premium Payment. If Purchaser does not receive notice that the Premium Payment has been placed in the Master Escrow Account within 15 business days after tender of the Premium Payment, Purchaser may cancel the Purchase and rescind the Option Agreement so long as the right to rescind is exercised within 90 days after tender or crediting of the Premium Payment by notice delivered to Sponsor and to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, New York 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Premium Payment was timely deposited and requisite notice was timely mailed to Purchaser in conformity with the Attorney General's regulations. Escrow Agent will not be required to send the letter referred to above to each Purchaser in connection with any additional Premium Payments tendered by Purchaser after the Initial Premium Payment (or in connection with any changes in the interest rate).

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

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

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

Acceptance of the Premium Payment by Sponsor or Selling Agent and the Premium Payment thereof by Escrow Agent into escrow shall not be deemed a binding agreement by Sponsor to sell to Purchaser unless and until Purchaser executes an Option Agreement and Sponsor or Selling Agent executes a duplicate thereof and delivers the Option Agreement to Purchaser in accordance with the terms of the Plan. All Premium Payments made by check are subject to collection.

If a Purchaser tenders a Premium Payment without an executed Option Agreement, Sponsor shall have the right to reject the Premium Payment and return it to Purchaser: (i) within 5 business days after

tender, if the Premium Payment has not been deposited into escrow, and (ii) within 10 business days, if the Premium Payment has been deposited into escrow and the Option Agreement has not yet been delivered by Purchaser. In the event a Premium Payment or portion thereof is delivered by wire transfer to Escrow Agent, any wiring fees charged by the initiating and/or receiving banks will be Purchaser's obligation.

The checking account portion of the Master Escrow Account will not be interest-bearing. The sub-escrow account portion of the Master Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Option Agreement, or (ii) Purchaser is entitled to a return of the Premium Payment. All interest will be credited to Sponsor only in the event there is a "Consummation of the Plan" (as such term is defined in the Attorney General's regulations) and Purchaser defaults. The interest rate to be earned will be the prevailing rate for these accounts. As of April 11, 2014, the interest rate for the Escrow Bank is 0.15%. The interest rate is subject to change by the Escrow Bank. Sponsor makes no guarantee of, and shall have no liability to Purchaser for changes to, the interest rate. Interest will begin to accrue within: (x) 3 business days, if the Premium Payment is cash or cash equivalent, or (y) 5 business days, if the Premium Payment is other than cash or cash equivalent, of the transfer of the Premium Payment from the checking account portion of the Master Escrow Account into the sub-escrow account portion of the Master Escrow Account, as determined by whether and when the Premium Payment clears.

All instruments shall be made payable directly to the order of "Starr Associates LLP, as escrow agent." Endorsed instruments will not be accepted.

If a check delivered by a Purchaser fails for collection, the Option Agreement will be deemed void ab initio (as if the Option Agreement had never been executed).

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

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

Escrow Agent shall release the Premium Payments if so directed:

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

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

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

If the Premium Payments are not released pursuant to this paragraph and Escrow Agent receives a request by Sponsor or Purchaser to release the Premium Payments, Escrow Agent shall give both parties prior written notice of not fewer than 30 days before releasing the Premium Payments. If Escrow Agent has not received notice of objection to the release of the Premium Payments at the expiration of the 30 day period, the Premium Payments shall be released and Escrow Agent shall provide further written notice to both parties informing them of the release of the Premium Payments. If Escrow Agent receives a written notice from either party objecting to the release of the Premium Payments within the 30 day period set forth in the notice, Escrow Agent shall continue to hold the Premium Payments until otherwise directed pursuant to subsections (i) through (iii) of this paragraph. However, Escrow Agent shall also

have the right at any time to deposit the Premium Payments with the clerk of a court in the county in which the Unit is located and shall give written notice to both parties of such Premium Payment.

Sponsor will not object to the release of the Premium Payments to:

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

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

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

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

Sponsor may, upon application approved by the Department of Law, elect to withdraw Premium Payments from the Master Escrow Account and secure all or any portion of the Premium Payments withdrawn by delivering to Escrow Agent or another escrow agent designated by Sponsor, one or more irrevocable letters of credit (collectively, "Letter of Credit") or other alternate security approved by the Department of Law, in accordance with the terms and conditions set forth below. All Premium Payments withdrawn from the Master Escrow Account shall be paid to the Construction Lender pursuant to a collateral assignment and pledge by Sponsor to the Construction Lender or disbursed to Sponsor subject to the approval by the Construction Lender of the amount of the withdrawal. The amount of the Letter of Credit will be at least 125% of the aggregate of all Premium Payments expected to be received from Purchasers, and not retained in escrow, during such period of time as the Letter of Credit will be needed. Sponsor reserves the right at any time and from time to time to increase or decrease the amount of the Letter of Credit, by a duly filed amendment to the Plan provided, however, the aggregate amount of the Letter of Credit shall at no time be less than the aggregate of all Premium Payments, if any, withdrawn by Sponsor for use in construction, less any sums returned to Purchasers or otherwise disbursed in accordance with the Plan. Premium Payments will cease to earn interest upon withdrawal from the Master Escrow Account.

PURCHASERS WILL EARN NO INTEREST ON PREMIUM PAYMENTS WHICH ARE DEPOSITED IN SPONSOR'S CONSTRUCTION FUND ACCOUNT, EXCEPT DURING SUCH PERIODS AS THE PREMIUM PAYMENTS ARE PLACED IN THE INTEREST BEARING PORTION OF THE MASTER ESCROW ACCOUNT.

The Letter of Credit shall name Escrow Agent as beneficiary to act as a fiduciary for the benefit of all Purchasers under the Plan. The Letter of Credit will provide that Escrow Agent shall have sole power to draw upon the Letter of Credit without the consent or despite the objection of Sponsor or the issuer bank, at such times or upon such events as set forth below.

The Letter of Credit will continue in effect, or shall be periodically renewed, until the Closing of Title to all Units for which Premium Payments have been placed in Sponsor's construction fund account.

Escrow Agent shall be entitled to release the Premium Payments to Sponsor provided that the Escrow Agent has documentation showing that the Letter of Credit or renewal or replacement Letter of Credit has been issued in accordance with this Section of the Plan and is in effect.

Escrow Agent, as the beneficiary of the Letter of Credit, acting as fiduciary for the benefit of Purchasers under the Plan whose Premium Payments were released from escrow, shall have the duty and the right to draw upon and collect the proceeds of the Letter of Credit, 10 business days after notice to Sponsor

and Sponsor's failure or refusal to restore such Premium Payments to Escrow Agent, without the consent or despite the objection of Sponsor or the issuer bank, upon the following events or circumstances:

(i) timely rescission of an Option Agreement by a Purchaser pursuant to an offer of rescission contained in the Plan or an amendment to the Plan;

(ii) acceptance for filing by the Department of Law of an amendment abandoning the Plan;

(iii) pursuant to terms and conditions set forth in the Plan and Option Agreement upon closing of title to the Unit;

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

(v) by a final, non-appealable order or judgment of a court;

(vi) failure by Sponsor to obtain a renewal or replacement Letter of Credit no later than 60 days prior to the expiration of the existing Letter of Credit;

(vii) direction by Sponsor upon request of Purchaser; or

(viii) notice of impending cancellation of the Letter of Credit has been given or received, or the issuer bank has filed a bankruptcy or insolvency petition or has been taken over by a federal or state authority, and no proper replacement of the Letter of Credit has been furnished.

Upon payment to Escrow Agent of a drawing under the Letter of Credit, to the extent that Escrow Agent has no further obligation to hold the proceeds of such Letter of Credit in accordance with this Section of the Plan, Escrow Agent shall remit the Premium Payments to the relevant Purchaser to the extent required by this Section of the Plan and shall remit the excess amount (if any) of such proceeds over the Premium Payment to the Construction Lender (or, if no Construction Lender shall exist, to Sponsor).

The sole obligation of the issuer bank under or in connection with the Letter of Credit is to pay to Escrow Agent the amount drawn under the Letter of Credit pursuant to a conforming drawing thereunder. In no event shall the issuer bank, or the Construction Lender be liable for the use of the proceeds of any drawing by Escrow Agent and no Purchaser shall have any recourse whatsoever to the issuer bank, or the Construction Lender with respect to the use of such Premium Payments, other than the issuer bank's liability on the fronting bank for such Letters of Credit.

Escrow Agent is acting merely as a stakeholder. Escrow Agent makes no representation with regard to and shall not be responsible for the maintenance by Sponsor of the Letter of Credit. Upon payment of the Premium Payment pursuant to the Plan, Escrow Agent shall be fully released from all liability and obligation with respect to the Premium Payment. Escrow Agent shall accept a Premium Payment made by check made payable subject to collection.

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

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

Escrow Agent may rely upon any document which may be submitted to it in connection with its duties under this Section and which is believed by Escrow Agent to be genuine and to have been signed or

presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

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

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

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

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

ASSIGNMENT OF OPTION AGREEMENTS

No Third-Party Assignment

Purchaser does not have the right to assign the Option Agreement without the prior written consent of Sponsor, which consent may be unreasonably withheld or delayed. Any purported assignment by Purchaser in violation of this Section will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel the Option Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Option Agreement, or for the addition, deletion or substitution of names on the Option Agreement, then Purchaser shall be required to pay to Starr Associates LLP a fee of $1,250, in advance, for preparation of an assignment and assumption agreement. Any purported assignment by Purchaser in violation of this Section shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in the Section of the Plan entitled "Procedure to Purchase," and shall be voidable at the option of Sponsor.

EFFECTIVE DATE

The offering by Sponsor of the Units under the Plan is contingent upon the Plan being declared effective. The First Closing shall not occur until the Plan has been declared effective. The Plan may be declared effective, at Sponsor's option by (i) an amendment to the Plan or (ii) notice to each Purchaser stating that the Plan is declared effective and submission of an amendment to the Department of Law within 5 days confirming that the Plan was declared effective on a specified date. The Plan may be declared effective, at Sponsor's option, at any time when bona fide purchasers, including investors, have executed Option Agreements with respect to not less than 15% of the Units (i.e. 5 Units) (excluding the Resident Manager's Unit and the Suite Units). The Plan must be declared effective at such time as Option Agreements have been executed and are in effect with respect to 80% of the Units (i.e. 25 Units).

The Plan will not be declared effective based on Option 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 3 business days to review the Plan and all filed amendments prior to executing an Option Agreement or, in lieu thereof, at least 7 days to rescind after executing an Option Agreement; or (iii) signed by any Purchaser who is Sponsor, Selling Agent, Managing Agent or a principal of either, or is related by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner of Sponsor, Selling Agent, Managing Agent or a principal of either, except that such a Purchaser (other than Sponsor or a principal of Sponsor) may be counted only if Sponsor has submitted proof satisfactory to the Department of Law establishing that Purchaser is bona fide.

Once the Plan has been declared effective, it may not thereafter be abandoned or withdrawn, except that, prior to the First Closing, the Plan may, at the option of Sponsor, be abandoned in the event of: (1) the existence of one or more title defects (including violations of record or work orders of a mortgagee or insurance carrier) affecting any one or more Units or the Property that cannot be removed, complied with or cured without litigation or for less than 1/2 of 1% of the total offering amount in the aggregate, and which are not waived by the Purchasers thereof; (2) a 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 1/2 of 1% of the total offering amount in the aggregate; or (3) a taking of a material portion of the Property in condemnation proceedings or by eminent domain. Excluded from the dollar amounts set forth in (1) and (2) above are attorneys fees and title defects (including violations of record or work orders) or determinations of any authority or regulatory association which existed on the Filing Date of the Plan and were either known to Sponsor or were a matter of public record.

If the Plan is abandoned and Sponsor has accepted Option Agreements, then Sponsor shall file an amendment with the Department of Law abandoning the Plan together with a form RS-3. If Sponsor has accepted Option Agreement, all Premium Payments, together with any interest earned thereon, except for Unit Upgrade Funds, will be returned to Purchasers 5 days after the Filing Date of the amendment abandoning the Plan. Upon the return of the Premium Payments, as aforesaid, the Option Agreement will be null and void and Sponsor will have no further obligation or liability to Purchaser under the Plan or the Option Agreement. If the Plan is abandoned and Sponsor has not accepted Option Agreements, then Sponsor shall file a form RS-3 with the Department of Law without an amendment.

TERMS OF SALE

The term "Closing" refers to the conveyance of title to a Unit from Sponsor to Purchaser by the delivery to Purchaser of a deed upon payment by Purchaser to Sponsor of the Exercise Price for such Unit. The Closing to each Unit shall be held at the office of Starr Associates LLP, 245 Fifth Avenue, Suite 1102, New York, New York or at such other place as Sponsor may designate.

Purchasers are required to close title upon the occurrence of the following events:

(a) the Plan has been declared effective in accordance with its terms and the amendment to the Plan disclosing same has been accepted for filing by the Department of Law.

(b) a Temporary or Permanent Certificate of Occupancy for the Unit is in effect. Issuance of a Temporary or Permanent Certificate of Occupancy for the Unit shall be deemed presumptive evidence of substantial completion of the Unit and is the only construction-related prerequisite that must occur before Sponsor may require the closing of title. A Temporary Certificate of Occupancy is not required for the closing of Ancillary Amenity Licenses. A Purchaser will be required to consummate the purchase of the Unit and an Ancillary Amenity License simultaneously at Closing even though a Temporary Certificate of Occupancy has not been issued (and access may not be available) for the Ancillary Amenity Area in which the Ancillary Amenity is located. In such event, the proceeds from the sale of the Ancillary Amenity License will be held in the Ancillary Amenity Escrow" by Escrow Agent until such time as a Temporary Certificate of Occupancy has been issued for the Ancillary Amenity Area in which the Ancillary Amenity is located. The Ancillary Amenity Escrow will be held in an Interest-On-Lawyer's Account ("IOLA") pursuant to New York Judciary Law Section 497. Purchasers will earn no interest on the Ancillary Amenity Escrow.

(c) the recording or filing of the Declaration, By-Laws, Floor Plans and architect and tax authority certifications required by Section 339-p of the New York Condominium Act or other applicable Law and such other documents as may be required by Law.

(d) the release of the Unit and its appurtenant Common Interest from the lien of all mortgages, if any.

(e) the delivery to Purchaser of written notice of the time and place of the Closing at least 30 days prior to the Closing Date specified therein, including a reasonable opportunity for Purchaser to examine the Unit, during normal business hours and in the company of Sponsor's representative, prior to Closing. So long as a Temporary Certificate of Occupancy for the Unit is in effect, Purchaser will be obligated to close title irrespective of the nature of the items that may be included on Purchaser's Inspection Statement which Sponsor agreed to complete as part of its post-closing obligations. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details regarding the Inspection Statement and Sponsor's post-closing obligations following Closing).

(f) the installation by Sponsor of a smoke and carbon monoxide detector in the Unit.

(g) the conveyance of title to the Unit free and clear of all liens and encumbrances except for (1) Permitted Encumbrances and standard printed exceptions and (2) liens and encumbrances other than Permitted Encumbrances to which the Unit's title is subject, either (a) which have been expressly accepted by Purchaser, or (b) for which the instrument required to remove it of record has been delivered to the Title Company for recording in the proper office, together with the requisite recording or filing fees or delivered to the representative of Purchaser's title insurance company (or, if none, to Purchaser's attorney); or (c) as to which the Title Company will insure (without additional premium to Purchaser) that such lien or encumbrance will not be collected out of or enforced against the Unit; or (d) as to which Sponsor, at its sole option, pays and discharges from monies paid by Purchaser at Closing.

Sponsor shall be entitled to deliver a 30 day closing notice once the Plan has been declared effective and prior to meeting the remaining Closing prerequisites set forth in this section, including, but not limited to, the issuance of a Temporary or Permanent Certificate of Occupancy.

At the Closing of Title to each Unit, each Purchaser shall execute and deliver:

(a) a bargain and sale deed with covenant against grantor's acts, substantially in the form set forth in Part II of the Plan, in proper form for recording and containing the provisions set forth in subdivision 5 of Section 13 of the Lien Law upon delivery to Sponsor of the Exercise Price and such other checks and documents required pursuant to the Plan and the Option Agreement.

(b) a Unit Owner's Power of Attorney, substantially in the form set forth in Part II of the Plan.

(c) a notice to Managing Agent indicating whether a child under the age of eleven (11) will be living or residing (even temporarily) in the Unit or if the Purchaser wants to have window guards and/or legally compliant window stops installed on the windows of the Unit even though no child under the age of eleven (11) will be living in the Unit. In the event that window guards and/or legally compliant window stops are to be installed in the Unit, such installation shall be performed at the direction of Managing Agent and the cost thereof (for the window guards and/or legally compliant window stops and installation and any additional equipment required by Law) shall be charged to and paid by the Purchaser of the Unit.

(d) certificates or other evidence of property and liability insurance for the Unit, in amounts determined by the Condominium Board.

(e) all other documents necessary and/ or customary in connection with the conveyance of a condominium unit or as directed by Sponsor's attorney.

Purchaser's failure to execute and deliver at Closing, all documents necessary and/or customary or as directed by Sponsor's attorney in connection with the conveyance of a condominium unit, including without limitation, the documents listed in (a) through (e) above, shall constitute an event of default under the terms of the Option Agreement, entitling Sponsor to the default remedies set forth in the Option Agreement.

Ongoing construction in the Building or other Units and/or the absence of a Temporary Certificate of Occupancy or Permanent Certificate of Occupancy for any other Unit or portion of the Common Elements shall not constitute a basis for Purchaser's failure or refusal to close.

Sponsor may agree with a Purchaser to deliver a Unit to Purchaser as "raw space" and not as set forth in the Plan. In such event, the Purchaser of such "raw space" Unit shall not be permitted to occupy such Unit until such time as a Temporary Certificate of Occupancy has been issued for such Unit, although such Purchaser may take possession of the Unit solely for the purpose of completing a build-out of such Unit prior to occupancy. The Closing of Title to such "raw space" Unit shall not constitute the First Closing as defined herein, if such "raw space" Unit is delivered prior to the issuance of a Temporary or Permanent Certificate of Occupancy for the Unit.

Only those fixtures, appliances and items of personal property which are described in the Plan as being included in the Unit are included in the sale.

In the event of the existence of any lien, encumbrance or title defect other than Permitted Encumbrances, which Sponsor fails or refuses to correct, the sole remedy of Purchaser under the Plan, provided Purchaser is not then in default, will be to either (i) take title subject to the title defect or (ii) terminate the Option Agreement, within 15 days after receipt of notice or an amendment disclosing such lien, encumbrance or title defect. A Purchaser electing to proceed with the purchase of the Unit will not be entitled to any credit against, or abatement of, the Purchase Price set forth in the Option Agreement and will have no claim or right of action against Sponsor for damages or otherwise by reason thereof. Sponsor has no obligation to institute any action or proceeding or to expend any sum of money in excess of ½ of 1% of the

Purchase Price of the affected Unit to make title insurable or to eliminate any encumbrances or title defects. If Purchaser elects to terminate the Option Agreement, Sponsor shall cause the Premium Payment together with any interest earned thereon, except for Unit Upgrade Funds to be returned to Purchaser, within 30 days after receipt of Purchaser's termination notice. Upon making such refund, Sponsor and Purchaser shall be relieved of all further obligations and liabilities under the Option Agreement and the Plan.

IF THE PURCHASER FAILS TO NOTIFY SPONSOR OF PURCHASER'S ELECTION WITHIN 15 DAYS AFTER SPONSOR NOTIFIED PURCHASER OF SPONSOR'S FAILURE TO REMEDY THE TITLE DEFECT, IT WILL BE CONCLUSIVELY DEEMED THAT PURCHASER ELECTED TO ACQUIRE TITLE SUBJECT TO THE TITLE DEFECT.

The existence of mortgages, liens and encumbrances other than Permitted Encumbrances shall not be objections to title, provided bonds or properly executed instruments in form for recording necessary to satisfy or release Units from such impermissible liens or encumbrances or otherwise enable the Title Company to omit such title exceptions from Purchaser's title insurance policy are delivered at Closing and proper adjustments are made for the cost of recording or filing such instruments. Sponsor will bear the responsibility and cost of recording or filing such instruments. If existing mortgages or construction loans will not be satisfied at or prior to the First Closing, each mortgagee will either (i) consent to the formation of a condominium and acknowledge that its lien will be limited to unsold condominium units; (ii) subordinate the lien of its mortgage to the Declaration; or (iii) release its lien on the Unit being conveyed and its interest in the Common Elements.

Sponsor shall be entitled to adjourn the Closing (without any credit or reduction in the Purchase Price) to remove or correct any title exception that cannot be dealt with as set forth above. Sponsor is not obligated to cause Purchaser's title company to omit any exception if the Title Company is willing to insure, without additional premium, Purchaser's title with such exception. Purchaser will be responsible to pay to the Title Company the entire premium for Purchaser's title insurance. Purchaser may obtain title insurance from any title insurance company or abstract company or not obtain any title insurance at all, at Purchaser's sole discretion (unless Purchaser's lender shall require Purchaser to purchase title insurance covering such lender).

Any personal property located within the Unit (if any) on the date the Option Agreement is executed or located within the Common Elements on the date the Declaration is filed, that is owned by Sponsor, is included in the conveyance unless specifically excluded in the Option Agreement or the Plan.

CLOSING COSTS AND ADJUSTMENTS

Closing Costs

As more particularly set forth in the Option Agreement, in addition to Purchaser's legal fees, Purchaser will pay the following estimated closing costs and expenses at the time of the Closing of Title. Purchasers are advised that the Ancillary Amenities are deemed personal property and accordingly, are not mortgageable, insurable for title insurance purposes, or otherwise subject to the imposition of transfer taxes detailed in this Section. In the event that transfer taxes are imposed on the sale of the Ancillary Amenities, payment of such taxes shall be the obligation of Purchaser. Recording charges, fees, title costs and taxes set forth below pertain to Units only and are based on rates in effect on the Filing Date of the Plan and are subject to change without notice.

(a) A non-refundable contribution to the Working Capital Fund of the Condominium in an amount equal to 2 months' Common Charges with respect to the Unit based on the Condominium budget in effect as of the Closing Date of the Unit.

(b) If Purchaser elects to obtain fee title insurance, Purchaser will pay the premium therefor, which will vary depending upon the amount requested. Purchasers are advised that because the Building will contain 10 or more Units the premium will be calculated at a discounted rate of 70% of the standard fee policy rates. **Purchasers are free to use a title company of their choice without any penalty**. First American Title Insurance Company, having an office at 633 Third Avenue, New York, New York 10017, (telephone: (212) 551-9402, fax: (212) 331-1576) ("Title Company"), has (i) reviewed the Plan and the Condominium Documents and has issued a letter to Sponsor that it is committed to insure that a valid Condominium will be created pursuant to the Condominium Act, (ii) issued the Specimen Title Policy set forth in Part II of the Plan, and (iii)provided Sponsor with the standard fee policy rates as set by the New York Insurance Department as set forth below:

FEE RATE SCHEDULE FOR INSURANCE UP TO AND INCLUDING $1,000,000

AMOUNT OF INSURANCE	PREMIUM
First $35,000 or less	$342.00
From $35,001 to $50,000	$5.67 per Thousand
From $50,001 to $100,000	$4.62 per Thousand
From $100,001 to $500,000	$3.71 per Thousand
From $500,001 to $1,000,000	$3.38 per Thousand

FEE RATE SCHEDULE FOR INSURANCE OVER $1,000,000

AMOUNT OF INSURANCE	PREMIUM
First $35,000 or less	$402.00
From $35,001 to $50,000	$6.67 per Thousand
From $50,001 to $100,000	$5.43 per Thousand
From $100,001 to $500,000	$4.36 per Thousand
From $500,001 to $1,000,000	$3.98 per Thousand
From $1,000,001 to $5,000,000	$3.66 per Thousand
From $5,000,001 to $10,000,000	$3.25 per Thousand
From $10,000,001 to $15,000,000	$3.07 per Thousand
From $15,000,001 and up	$2.76 per Thousand

(c) If Purchaser elects to simultaneously obtain both fee title insurance and mortgage title insurance, the premium for the fee title insurance will be calculated as described in paragraph (b) above. The

premium for the mortgage title insurance that does not exceed the fee policy will be calculated at a discounted rate of 30% of standard mortgage policy rates. Title Company has provided Sponsor with the standard mortgage policy rates as set forth below:

SIMULTANEOUS MORTGAGE RATE SCHEDULE

AMOUNT OF INSURANCE	PREMIUM
First $35,000	$344.00
From $35,001 to $50,000	$5.55 per Thousand
From $50,001 to $100,000	$4.54 per Thousand
From $100,001 to $500,000	$3.64 per Thousand
From $500,001 to $1,000,000	$3.31 per Thousand
From $1,000,001 to $5,000,000	$3.05 per Thousand
From $5,000,001 to $10,000,000	$2.71 per Thousand
From $10,000,001 to $15,000,000	$2.55 per Thousand
From $15,000,001 and up	$2.31 per Thousand

A form of Unit Owner's Specimen Title Policy, if title insurance is ordered from the Title Company, is set forth in Part II of the Plan.

(d) A fee for recording the deed and Unit Owner's power of attorney, being $42 for each instrument plus $5 per page together with a fee of $125 for filing the New York City Real Property Transfer Tax return ("City Tax Return").

(e) New York State Real Estate Transfer Tax ("State Transfer Tax") currently equal to $2 per $500 of Purchase Price plus, if applicable, a New York State Additional Tax ("Mansion Tax") of 1% where the Purchase Price equals $1 million or more and the New York City Real Property Transfer Tax ("RPT Tax") currently equal to 1% of the Purchase Price where the Purchase Price is $500,000 or less and 1.425% of the Purchase Price where the Purchase Price is more than $500,000.

The New York City Department of Finance has taken the position that where the purchaser of property assumes the obligation for the payment of the State Transfer Tax and the RPT Tax, which are generally an obligation borne by a Seller, the amount of the tax which would otherwise be payable if the seller were to pay such taxes, will be treated as additional consideration for the transaction subject to tax. Consequently, the amount of the RPT Tax is computed as follows:

	Purchase Price $500,000 or less	Purchase Price Greater than $500,000
Tentative City Tax:		
Consideration	$400,000	$1,500,000
Tax Rate	x 1%	x 1.425%
Tentative tax	$ 4,000	$ 21,375
Tentative State Tax:		
Net Consideration	$400,000	$1,500,000
Rounded up to nearest $500	$400,000	$1,500,000
Tentative tax ($2 per $500)	$ 1,600	$ 6,000
City Tax:		
Consideration	$400,000	$1,500,000
Tentative taxes	+ 5,600	+ 27,375
Taxable Consideration	$405,600	$1,527,375
Tax Rate	x 1%	x 1.425%
City Tax	$ 4,056	$ 21,765
State Tax:		
Net Consideration	$400,000	$1,500,000
Tentative taxes	+ 5,600	+ 27,375
Taxable Consideration	$405,600	$1,527,375
Rounded up to nearest $500	$406,000	$1,527,500
State Tax ($2 per $500)	$ 1,624	$ 6,110

Thus, the effective RPT tax rate is approximately 1.014% of the Purchase Price where the Purchase Price is $500,000 or less and 1.451% where the Purchase Price is greater than $500,000. A similar position has been taken by the New York State Department of Taxation and Finance and as a result the effective tax rate for the State Transfer Tax is $4.06 per thousand dollars of the Purchase Price where the consideration is $500,000 or less and $4.074 per thousand dollars of the Purchase Price where the consideration is greater than $500,000. When the Purchase Price is equal to or in excess of $1,000,000, payment by Purchaser of the Mansion Tax is not considered additional consideration to Sponsor for purposes of the calculation of the State Transfer Tax.

Sponsor has been advised by the Title Company that the information set forth below reflects the current position of the New York City Department of Finance with respect to real property transfer taxes that are due and payable in connection with the transfer by a seller of one or more units to the same or related purchasers, whether pursuant to one or more Option Agreements:

(1) ***Purchase of a single Unit:***

The tax on the Unit is 1% if the consideration is $500,000 or less, or 1.425% if the consideration is greater than $500,000

(2) ***Purchase of multiple Units:***

The tax on each Unit is 1.425% if the consideration is $500,000 or less, or 2.625% if the consideration is greater than $500,000

The Department of Finance currently takes the position that: (i) the lower tax rate (either 1% if the consideration is $500,000 or less, or 1.425% if the consideration is greater than $500,000) applies only in the case of a transfer of "an individual residential condominium unit;" and (ii) the higher tax rate (either 1.425% if the consideration is $500,000 or less, or 2.625% if the consideration is greater than $500,000) applies if a purchaser acquires more than one individual Unit (i.e., two Units).

(f) If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of all mortgage recording taxes, mortgage recording fees, origination, appraisal and closing costs and other expenses in connection therewith (including legal fees) in amounts determined by governmental authorities and such lender. Currently, the mortgage recording tax for mortgages under $500,000 is 2.05% of the face amount of the mortgage and 2.175% of the face amount of the mortgage if the mortgage is $500,000 or more. Of the total tax due, the mortgagee pays an amount equal to 0.25% of the face amount of the mortgage. In addition, there is a $30 exemption for residential property. No representation or warranty is made with respect to the amounts of such closing costs and expenses or the availability or cost of mortgage loans from any sources.

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

(g) Fees payable to Starr Associates LLP, in accordance with the following schedule, all of which fees will be cumulative to the extent applicable to any individual closing:

(1) $750 for the Closing of either a Storage Locker or Wine Storage Locker.

(2) $2,750 for the preparation of closing documents, calculation of adjustments, attendance at Closing at the offices of Starr Associates LLP, or such other place as Sponsor may designate and supervision of execution of closing documents;

(3) $250 for the preparation of ACRIS transfer documents required by the City of New York.

(4) If Purchaser requires that the Closing occur other than at the office of Starr Associates LLP, or such other place as Sponsor may designate, and Sponsor consents to such change (in Sponsor's sole discretion), an additional attendance fee of $750 for each Closing held within Manhattan. No Closing will be held in any borough outside Manhattan.

(5) If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Option Agreement, or for the addition, deletion or substitution of names on the Option Agreement (which request in all instances must be received by Sponsor's attorney no later than 7 business days prior to the Scheduled Closing Date), a fee of $1,250, payable in advance, for preparation of an assignment agreement.

(6) If through no fault of Sponsor, Purchaser fails to close on the date scheduled for Closing, then Purchaser shall pay an additional fee of $750 for <u>each</u> rescheduled

Closing granted at Purchaser's request to defray the cost of preparing and coordinating the Closing and recalculating the Closing apportionments.

Purchaser may pay more than one fee pursuant to (g) above with respect to a Unit. In addition to an attendance fee in connection with a completed Unit transfer, Starr Associates LLP shall also be entitled to an attendance fee in the amount set forth above if such firm's representative attends a scheduled Closing but the Closing is adjourned due to Purchaser's failure to comply with Purchaser's closing obligations. In addition, more than one assignment fee shall be payable if Sponsor consents to more than one assignment request.

(h) If Purchaser has dealt with any broker other than Selling Agent or any other broker engaged in writing by Sponsor in connection with the purchase, then Purchaser will be required to pay any commission due to such broker.

(i) If Purchaser obtains a mortgage loan, Purchaser will pay Sponsor a sum equal to the partial mortgage tax credit to which Purchaser may be entitled pursuant to Section 339-ee(2) of the Condominium Act, which sum will be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor in connection with any existing mortgage(s);

(j) Purchaser shall pay Purchaser's share of the Purchase Price of the Resident Manager's Unit (plus closing costs) allocated in accordance with the Common Interest of each Unit in the amount set forth in the Section of the Plan entitled Schedule A – Purchase Prices and Related Information.

(k) $300 administrative closing fee payable to Brown Harris Stevens Residential Management LLC.

All Legal costs, fees and expenses of Starr Associates LLP, other than those specifically set forth above, will be the sole responsibility of Sponsor.

Example of Estimated Closing Costs for a Typical Unit

A numerical example of estimated closing costs and expenses for a single Unit with a Purchase Price of $25,000,000 and a mortgage of $9,000,000 are set forth below by way of illustration only. All tax rates, title insurance premiums and recording rates are subject to change:

ITEM	DESCRIPTION	AMOUNT
Fee Insurance Premium for $25,000,000 of owner's insurance	(70% first condo bulk sale rate)	$54,843.00
Mortgage Insurance Premium for $9,000,000 of lender's insurance	(21% first condo bulk sale simultaneous rate)	$5,629.00
NYC RPT Tax	NOTE: transfer taxes are based upon bulked-up consideration of $25,456,250. The NYC RPT rate is 1.425%.	$362,751.56
NYC Mansion Tax	1% of bulked-up consideration	$254,562.50
NYS Transfer Tax	The tax rate is $2 for every $500 of consideration or fraction thereof.	$101,826.00
Mortgage Recording Tax	The tax rate is 2.175%. The borrower pays 1.925% - $30. This does not include the lender's ¼ point of mortgage tax in the amount of $22,500.	$173,220.00
Departmental and Bankruptcy Searches	Title Searches	$400.00
Estimated Recording Fees	(one deed, one mortgage and one condo power of attorney)	$600.00
Estimated Lender's Title Endorsements	Three endorsements at $25 each.	$75.00
Legal fee of Sponsor's attorney	Basic closing fee and Acris document preparation fee	$2,750.00
Working Capital Contribution	2 months' Common Charges	$14,8550.00
Share of Resident Manager's Unit	Resident Manager's Purchase Price payment	$107,513.00
Brown Harris Stevens Residential Management LLC	Administrative Closing Fee	$300.00
Total Estimated Closing Costs		$1,213,020.06

This example does not include the following costs or fees, to the extent applicable: Purchaser's financing costs, legal fees of Purchaser's attorney, additional legal fees payable to Sponsor's attorney as set forth in paragraph (g) above, recording additional documents, penalty for late closing or adjustments with Sponsor (including mortgage recording tax reimbursement), apportionment of real estate taxes and insurance as described below.

Purchasers should note that adjustments for various closing items including Common Charges and real estate taxes will be made at Closing.

The foregoing projections assume that title insurance is purchased from the Title Company and that Purchaser closes without delays or the imposition of penalties. If Purchaser obtains a mortgage loan Purchaser can expect to incur additional fees for mortgage title insurance (with benefit of simultaneous rates), mortgage recording taxes and fees and other closing fees set forth above, plus the fee of Purchaser's attorney. Purchasers are advised to consult with prospective lenders for a detailed projection of related financing costs. Furthermore, the above example does not take into account possible new taxes, increases in tax rates or recording fees or increases in the cost of title insurance.

In the event Sponsor obtains a construction or acquisition loan which satisfies certain parameters and pays a mortgage recording tax thereon, it is specifically understood that, any mortgage tax credit shall inure to

the benefit of Sponsor. Accordingly, at Closing, each Purchaser may pay all or a portion of the mortgage recording tax to Sponsor, to the extent of any mortgage tax credit allowed.

Closing Adjustments

(i) Adjustments. At Closing, adjustments between Sponsor and Purchaser will be made as of midnight of the day preceding the Closing Date with respect to (a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed) on the basis of the period for which assessed, and future real estate taxes and assessments in accordance with the terms of the subsection below entitled "Real Estate Taxes;" (b) Common Charges (if Common Charges have been assessed by the Condominium Board) and assessments for the month in which title closes; and (c) if Purchaser is occupying a Unit pursuant to a Use and Occupancy Agreement, accrued use and occupancy fees and other charges.

(ii) Penalties. If Purchaser fails for any reason to close title to the Unit on the Scheduled Closing Date, (a) the Closing adjustments described above will be made as of midnight of the day preceding the Scheduled Closing Date, regardless of when the Actual Closing Date occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's increased carrying costs by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Option Agreement and the Plan, an amount equal to .03% of the Purchase Price for each day starting from (and including) the Scheduled Closing Date to (and including) the Actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally Scheduled Closing Date, these provisions shall apply to any new Scheduled Closing Date.

(iii) Real Estate Taxes. In the event the Units have not been separately assessed for real estate tax purposes by the New York City Department of Finance ("Finance Department") prior to the First Closing. Sponsor shall deliver at the First Closing to Escrow Agent, either cash, a letter of credit or a surety bond ("Tax Security") in the amount of the real estate taxes for the next ensuing tax period ("Future Taxes"). Escrow Agent shall hold the Tax Security in escrow for the benefit of the Condominium. At each Closing prior to the date the Units are separately assessed and billed, Purchasers will be obligated to pay to Sponsor an amount equal to the Unit's pro-rata share of the Future Taxes (computed by multiplying the Common Interest of the Unit by the amount of the Future Taxes) ("Unit Tax Payment"). The Future Taxes shall be paid to the Finance Department when due by Sponsor, or by Escrow Agent using the Tax Security, either at Sponsor's direction, or upon Sponsor's failure to make such payment. If Sponsor pays the Future Taxes directly, the Tax Security shall be released to Sponsor upon delivery to Escrow Agent of proof of payment from the Finance Department of the Future Taxes. If at the time the Future Taxes are paid, the amount of the Future Taxes has been reduced by the Finance Department as a result of the implementation of real estate tax benefits, Escrow Agent shall make appropriate refunds to Sponsor and Sponsor shall in turn make such appropriate refunds to Purchasers on account of Unit Tax Payments.

In the event the Units are separately assessed and individual tax bills are issued by the Finance Department prior to the date the Future Taxes are due, Escrow Agent shall release the Tax Security to Sponsor and Sponsor shall in turn make such appropriate refunds to Purchasers, as appropriate. In such event, Sponsor and Purchasers who closed title shall be required to pay their respective tax bills directly to the Finance Department.

With respect to subsequent Future Taxes, until the Units are separately assessed and individual tax bills are issued, the Condominium Board shall collect a Unit Tax Payment from each Unit Owner which Unit Tax Payment shall constitute additional Common Charges. Unit Tax Payments shall be payable by Unit Owners within 5 days of the date billed by the Condominium Board and shall be due and payable by such Unit Owner to the Condominium Board irrespective of whether such Unit Owner is required to escrow funds with a Lender in connection with a mortgage loan on such Unit. If any Unit Owner fails to make the Unit Tax Payment as set forth above, the Condominium will have a lien on the Unit for non-payment in the same manner as Common Charges (see the Section of the Plan entitled "Rights and Obligations of Unit Owners," subsection: "Common Charges: Collection and Lien for Non-Payment" for details).

Illustration. By way of illustration only, a Purchaser closing on a Unit in the middle of December (prior to separate assessment and individual billing of real estate taxes) is obligated to: (a) adjust with Sponsor for the first-half real estate taxes (July 1 to December 31) paid by Sponsor in July for the period from Closing through December 31; and (b) deliver to Sponsor a Unit Tax Payment for the second-half Future Taxes (January 1 to June 30). Thereafter, if the Units are not separately assessed and individual tax bills are not issued prior to the next ensuing tax payment, the Condominium will have the obligation to collect from each Unit Owner a Unit Tax Payment for first-half real estate taxes (July 1 to December 31) and pay such real estate taxes directly to the Finance Department on behalf of all Unit Owners.

In the event the amount of Future Taxes is increased (due to an increase in the tax rate or otherwise) prior to the separate assessment and issuance of individual tax bills by the Finance Department, the amount of such increase shall be payable by all Unit Owners, including Sponsor (with respect to its Units), in proportion to each Unit's Common Interest, adjusted for the period of ownership of each Unit by the respective Unit Owner. Such amount of increase shall be payable to Sponsor or the Condominium Board, as the case may be, within 5 days following written notice provided to such Unit Owner. Such increase shall be deemed additional Common Charges.

Other Costs

Except as specifically set forth in the Plan, Sponsor will pay all costs and expenses incurred in connection with the promulgation and consummation of the Plan and the sale of Units by Sponsor, including, but not limited to, all selling expenses and commissions payable to Selling Agent, advertising, printing and architects' fees, the fees of Sponsor's attorneys, engineering and appraisal costs and governmental filing fees, whether incurred prior or subsequent to the effective date of the Plan, in connection with the obligations of Sponsor. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for details.)

RIGHTS AND OBLIGATIONS OF SPONSOR

Sponsor shall have the following rights and obligations and all Purchasers upon execution of their respective Option Agreements will be deemed to have accepted, approved and agreed to abide and be bound by the following:

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

(b) Sponsor has not yet procured financing for the construction of the Building. Subsequent to Sponsor's acquisition of construction financing, Sponsor will amend the Plan to disclose any requirements imposed by Construction Lender with respect to the sale of the Units.

(c) The offering by Sponsor under the Plan is contingent upon the Plan being declared effective and the First Closing shall not occur until the Plan has been declared effective. The Plan must be declared effective at such time as Option Agreements have been executed and are in effect with respect to 80% of the Units (i.e. 25 Units) . The Plan may be withdrawn or abandoned by Sponsor for any reason whatsoever at any time prior to its being declared effective (see the Section of the Plan entitled "Effective Date" for details).

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

(e) Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by Force Majeure, construction of the Building will be sufficiently completed to permit closings of Units to begin on or about November 1, 2017. Purchasers will not be excused from paying their full Purchase Prices (without credit or set-off), and will have no claim against Sponsor for damages or losses, in the event that the First Closing occurs earlier or later than the projected date or the time to complete or to close title to any Unit is delayed or postponed by Sponsor, it being understood that nothing contained in this Section will be construed so as to render Sponsor liable for money damages, nor shall Purchaser have against Sponsor any liability, suit, claim, cause of action, or demand under any legal theory. Sponsor has the right to change the projected First Year of Condominium Operation from time to time by an amendment to the Plan. If the First Closing does not occur within 12 months after the date set forth in Schedule B for the commencement of the First Year of Condominium Operation in effect on the date a Purchaser and Sponsor entered into an Option Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Option Agreement for 15 days from the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame. Any Purchasers electing rescission will have their Premium Payments returned together with any interest earned thereon, except for any Unit Upgrade Funds. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by 6 months or more, Sponsor will amend the Plan to include

a revised budget with updated projections. If the Common Charges in the amended budget exceed those in the latest budget set forth in the Plan by 25% or more, Sponsor will, in the amendment disclosing such updated budget, offer all Purchasers the right, for 15 days, to rescind their Option Agreements and receive a refund of their Premium Payments, together with any interest earned thereon (provided, however, that after the Plan has been declared effective and the amendment disclosing the same has been accepted by the Department of Law, a Purchaser who is in default under the Option Agreement beyond the expiration of any applicable grace period will not have the right to rescind).

(f) Sponsor is obligated to bear all costs and expenses incurred in connection with completing construction of the Building substantially in accordance with the Plans and Specifications. During the course of construction, Sponsor reserves the right, in its sole and absolute discretion, without prior notice to Purchasers or amendment to the Plan to (i) amend from time to time the Plans and Specifications (including changes in layouts and designs) in accordance with the Section of the Plan entitled "Changes in Prices and Units"; and/or (ii) substitute materials, appliances, equipment and fixtures that are of substantially equal or better quality in place of those described in the Plan and the Plans and Specifications. Notwithstanding the foregoing, 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 such Unsold Unit for which an Option Agreement is then in effect which increases or decreases the square footage (excluding interior partitions) or Common Interest by more than 5%, or materially changes the unit size, layout or percentage of Common Interest of such Unsold Unit, unless the Purchaser consents to such changes. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit, as set forth in the Schedule A, by 5% or less (excluding interior partitions) is not a material and/or adverse change. Provided Purchaser's consent is not required, a Purchaser will not be excused from purchasing the Unit and will not have any claim for damages or losses against Sponsor as a result of any such change and such change will not affect a Purchaser's obligations under the Option Agreement or the Plan, it being understood that nothing contained in this Section will be construed so as to render Sponsor liable for money damages, nor shall Purchaser have against Sponsor any liability, suit, claim, cause of action, or demand under any legal theory. If Purchaser's consent is required as a result of such change and Purchaser refuses to consent, then in such event, Sponsor's sole obligation shall be to refund to Purchaser the Premium Payment made under the Option Agreement and any interest earned thereon, except for Unit Upgrade Funds.

(g) At the First Closing, Sponsor will deliver, assign, or otherwise grant to the Condominium Board, on behalf of all Unit Owners, the right to proceed under any assignable warranties and other undertakings received by Sponsor from contractors, suppliers, or others in connection with the construction and equipping of the Building, except that assignable warranties and undertakings received by Sponsor which relate to appliances, equipment or fixtures located in any Unit shall be assigned to the Purchaser on the Closing Date, including the warranties and undertakings received by Sponsor which relate to appliances, equipment, or fixtures located in the Units and the Common Elements. Sponsor makes no representation as to which, if any, of the warranties and other undertakings will continue to remain in force upon the Closing of any particular Unit. Sponsor shall have no liability or responsibility in the event a warrantor is unable, unwilling or for any reason, fails to perform under its warranty.

(h) Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a permanent certificate of occupancy ("PCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and PCOs are issued by the Buildings Department. A TCO 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 TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO

expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a PCO. Sponsor anticipates this scenario will occur. Sponsor will undertake the responsibility for extending each TCO prior to its expiration, and will endeavor to obtain a PCO covering the entire Building within approximately 2 years from the date of the issuance of the first TCO, subject, however, to (i) Force Majeure, (ii) actions by Unit Owners or tenants of Unit Owners, (iii) work undertaken in a Unit by a Unit Owner, except in instances where Sponsor or Sponsor-controlled Condominium Board have given its consent to a Unit Owner to perform alterations, (iv) work undertaken in Common Elements by the Condominium Board after Sponsor no longer controls the Condominium Board or (v) any other cause over which Sponsor has no control. Sponsor makes no representation or guarantee that the Buildings Department will issue the PCO within such 2 year period. Notwithstanding the foregoing, Sponsor is obligated to procure the PCO for the Building, and shall exercise commercially reasonable efforts to obtain the PCO within such 2 year period while keeping the TCO current. Unit Owners and the Condominium Board shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

Furthermore, because Sponsor and the By-laws of the Condominium may permit Unit Owners to undertake renovations prior to the procurement of a PCO, such renovations may cause additional delays in the issuance of a PCO. Nevertheless, Sponsor is obligated to procure the PCO. However, Sponsor or the Condominium Board may refuse to permit a Unit Owner to perform alterations until such time as a PCO has been obtained.

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

(i) If Sponsor fails to obtain a Permanent Certificate of Occupancy for the Building prior to the First Closing, Sponsor will be obligated to: (i) direct the Escrow Agent to hold and maintain those monies received pursuant to all Option Agreements (see the Section of the Plan entitled "Escrow and Trust Fund Requirements") 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, engineer or other qualified expert (collectively, "Sponsors Representative") certifies that a lesser amount than the amount held in the special trust account is reasonably necessary to complete the work needed to obtain a Permanent Certificate of Occupancy, then the amount exceeding the sum so certified by Sponsor's Representative shall be released from the special escrow account to Sponsor; or (ii) Sponsor shall deposit with Escrow Agent cash or an unconditional, irrevocable letter of credit or post a surety bond in an amount Sponsor's Representative, from time to time, certifies is reasonably necessary to complete the work needed to obtain the Permanent Certificate of Occupancy. The Buildings Department advises Purchasers of houses and apartments who close title with only a Temporary Certificate of Occupancy in place to consult with their attorneys or engineers for assurance that sufficient funds are escrowed or otherwise secured for Sponsor to obtain the Permanent Certificate of Occupancy.

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

(k) The Building will contain certain major mechanical equipment, including, but not limited to, elevator machine rooms, fans, pumps, emergency generator, domestic water tanks, chillers, packaged units and cooling towers (collectively, "Equipment") located throughout the Building. The Condominium

Board and Sponsor have the right to operate the emergency generator as necessary, as well as to activate the emergency generator for testing on a periodic basis, normally once per month. During such testing periods, which may occur at any time, Unit Owners may experience excessive noise and vibration, which may exceed applicable NYC noise requirements. The Condominium Board and Sponsor will attempt to minimize any potential disruption. While Sponsor will endeavor to reduce excessive noise and vibration emanating from the Equipment, it is impossible to eliminate such noise and vibration entirely.

(l) No assurance can be given with regard to the accuracy of any projected completion dates set forth herein. It is anticipated that during the first few years of Condominium operation, construction workers and related personnel will be at the Building from time to time, completing construction of the Building and the Units, making adjustments and corrections and performing various tasks relating to the completion of construction. During this period various building systems, including but not limited to water supply, air conditioning, heating, cooling, ventilating and elevators, may require substantial time to complete and may need to be shut down temporarily. Various other adjustments to windows and elevators and other systems may require substantial time to be completed after the First Closing. In addition, the presence of scaffolding, 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 scaffolding, hoists, elevators or temporary facilities are no longer needed and are removed. A Purchaser who closes title to his or her Unit during the course of construction of the Common Elements or other Units acknowledges that construction noise, vibration, fumes, odors, dust, debris, scaffolding and other temporary interruption of services may affect Purchaser's enjoyment of the Unit during such period. With regard to the foregoing, in executing an Option Agreement, Purchaser acknowledges that Sponsor shall not be liable to Purchaser whatsoever or any third party in the event of non-completion of any item of construction on any projected date, or any interruption of services in the Building. Furthermore, Sponsor makes no representation or warranty (express or implied) that any noise, odors, fumes or vibrations, if any, emanating from mechanical equipment belonging to the Condominium will not disturb occupants of the Units, and Sponsor shall have no liability whatsoever for any such disturbance to any Unit Owner or occupant.

(m) Sponsor has no obligation to make any repairs, improvements or decorations in or to the Property, the Units, the Building, the Common Elements except as otherwise expressly provided in the Plan. Sponsor agrees to complete construction and to cause all mechanic's liens with respect to the construction of the Building to be promptly discharged or bonded or to deliver any and all requested documents to the title company necessary to insure title to the Unit at no additional cost to Purchaser, if such mechanics lien creates a defect in title (all subject to Sponsor's rights to abandon the Plan).

(n) 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 the Purchaser otherwise agree in writing. With respect to Units, upon receipt of the Initial Closing Notice, Purchaser shall arrange an appointment with a representative of Sponsor to inspect the Unit within 7 days prior to the Closing Date and shall execute at such time an Inspection Statement acknowledging the Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan. If Purchaser believes that remaining items of work must be completed in the Unit, then Sponsor or its designated representative and Purchaser will at the time of the inspection agree upon and set forth in the Inspection Statement a list of the incomplete work to be completed by Sponsor following the Closing without provision for escrow. Sponsor's obligation under the Inspection Statement shall survive delivery of the deed to the Purchaser. The failure of Sponsor to complete the work under the Inspection Statement prior to closing shall not be grounds for Purchaser to delay the Closing or to refuse to pay the full Exercise Price at Closing. Purchaser shall be obligated to provide Sponsor and its contractors, subcontractors agents and employees, unfettered access to the Unit and any Limited Common Elements appurtenant thereto after Closing in order to complete the work on the Inspection Statement, failing which Sponsor shall be relieved of its obligations to complete the work set forth on the Inspection Statement.

Notwithstanding anything set forth in this paragraph (n), at such time as a temporary certificate of occupancy for the Unit is issued, Purchaser shall be obligated to close title to the Unit and pay the Exercise Price at Closing.

(o) Article 36-B of the New York General Business Law ("Housing Merchant Implied Warranty Law") does not apply to this offering as the Building comprises more than 5 stories. Sponsor makes no other warranties, express or implied, in connection with this offering of the Units and all such warranties are excluded, except as provided in the limited warranty ("Limited Warranty") set forth in this Section. Sponsor will correct, repair, or replace any and all defects relating to new construction of the Building, Common Elements or the Units or in the installation or operation of any appliances, fixtures, or equipment therein, or will cause the same to be corrected, repaired, or replaced, but only if:

(1) such defects are due to substantially improper workmanship or construction practices or the use of materials that are substantially and materially at variance with the Plans and Specifications for the same; and

(2) Sponsor is notified by the Condominium Board or the affected Unit Owner, as the case may be, of the same in accordance with the following, which notice shall be by certified mail, return receipt requested:

(i) with respect to any latent defect (that is, a defect that is not visually ascertainable) in the construction of a Unit, within 1 year of the earlier to occur of the (a) the Closing of Title to the Unit or (b) the commencement date of any agreement by which a Purchaser is permitted to occupy the Unit prior to Closing;

(ii) with respect to any patent defect (that is, a defect that is ascertainable through inspection) in the construction of a Unit within 6 months of the earlier to occur of the (a) the Closing of Title to the Unit, or (b) the commencement date of any agreement by which a Purchaser is permitted to occupy the Unit prior to Closing, provided, in each instance such patent defect is not caused by the Unit Owner or other occupant of the Unit;

(iii) with respect to any defects (patent or latent) in the construction of the Common Elements, within 1 year from the date of substantial completion of the portion of the Common Elements claimed to be defective. The issuance of a Temporary or Permanent Certificate of Occupancy covering such Common Elements shall be presumptive evidence that the construction of the Common Elements has been substantially completed.

The method of correcting any defect will be selected by Sponsor in its sole discretion. The quality of construction as to any such correction will be comparable to local standards customary in the particular trade or trades involved and will be in accordance with the Plans and Specifications.

Sponsor will be conclusively considered to have discharged any obligation that it may have with respect to the repair of a defect or replacement of a defective item, whether patent or latent, if:

a. Sponsor is not notified of the existence of such defect, in the manner and within the appropriate time period specified above;

b. The Condominium Board and/or Managing Agent and/or the Unit Owner fails to allow prompt access to the Unit in question by Sponsor or Sponsor's contractors; or

c. Sponsor has corrected, or caused the correction of, the defect in accordance with the practice of the industry, as determined by Sponsor's general contractor, architect, or engineer, in their sole judgment.

d. Purchaser, through any act or omission is the cause of such defect or, obstructs, delays, prevents or hinders Sponsor from gaining access to the Unit to repair a defect or replace a defective item.

(3) This Limited Warranty is only available to the first Purchaser of the Unit and Sponsor shall have no liability to any subsequent Purchaser with respect to any claimed defects relating to the construction of the Units, the Common Elements or the Building.

(p) Sponsor will not be obligated to correct, and will not be liable to the Condominium Board or any Unit Owner as a result of any defects in construction, or in the installation or operation of any mechanical equipment, appliances, other equipment, finishes, materials or fixtures (including appliances and bathroom fixtures) or any other condition:

(i) with respect to which assignable warranties or other undertakings (however denoted) from manufacturers, contractors, materialpersons, or others which are assigned to the Condominium Board and/or any Unit Owner;

(ii) resulting from normal wear and tear, natural deterioration, normal settling (including, without limitation, cracks in crown molding, minor gapping in flooring, uneven ceilings or floors and floor buckling), deflection, expansion or shifting of the Building;

(iii) resulting from Purchaser's (i) failure to maintain such appliances, equipment, finishes, materials or fixtures in accordance with manufacturers' guidelines and specifications and (ii) renovations and/or alterations to a Unit or its appurtenant Limited Common Elements; or

(iv) that are not of a material nature, including, without limitation, the following:

a. death of trees or landscape improvements, cracks in roof ballast, or concrete cracks that do not impair the structural soundness of the Building, including cracks or discoloration in concrete walls and paving, leaching or color variation in colored mortar, tiles or pavers, and brick, dimensional variations in brick joints, mortar droppings on bricks, ponding, and/or controlled drainage on roof and terrace surfaces, terrace tiles or pavers not laid flat, stained tiles or color variations in tiles or pavers, and cracks in pressure treated wood used, or intended for use, outside the Building;

b. protruding dry wall fastenings, nail pops, ridging on gypsum board, slight variations in gypsum board taping visible only under certain lighting conditions, walls not square, lumber shrinkage, painting defects, electrical plates not straight, slight separation between base and floor, variations in floor and ceiling levels, carpet or floor discoloring or stretching, variations in width, length, thickness, finish, or color range of wood floors, ceiling imperfections, and stains, runs, lumps, shags, or imperfections in weave in fabric panels;

c. door or window sticking due to weather, door warpage (including warpage of the main entrance door or Terrace door to a Unit within reasonable tolerances of doors of similar size, weight and quality), adjustment of bi-fold doors, and air and water infiltration from windows or Terrace doors not in excess of industry standards;

d. variations in tone, color and texture of interior and exterior natural materials or natural stone (including the limestone used on the exterior façade of the Building), variations in tone or color of flooring, walls, countertops, backsplash, vanity tops or other natural stone, marble, ceramic or wood surfaces, slight scratches in plastic laminate, glass, metal, vitreous china, natural stone, wood, stainless steel, porcelain or other surfaces, discoloration to hardware and plumbing finishes, cracked bath tile grouting, variation in grouting thickness, and misalignment of bathroom finishes;

e. variations in tone, color and texture of ceramic, marble and stone finishings;

f. variations in wood floor stains and finishes;

g. noise, vibrations or odors from normal plumbing, heating, air-conditioning, ventilating, mechanical equipment operation and elevator operation, and floor noises and creaking;

h. repair of chips, scratches, mars, breaks, dents, cracks, and other defects in any windows and window sashes, sliding glass doors, shower doors, louvers, insulation attached to the curtain wall, electrical fixtures and globes, painted surfaces, sinks, tubs, basins, water closets, kitchen cabinets, backsplashes, and countertops, vanity tops and cabinets, tile or natural stone floors and walls, saddles, appliances, woodwork, millwork, doors, mirrors, and hardware;

i. normal wear, including chips, to passenger elevator cabs, cab doors, elevator door frames, cab panels, Unit doors and Unit door frames; and

j. pertaining to television, radio, internet or other telecommunication reception;

Notwithstanding the foregoing, Sponsor is obligated to construct the Building in accordance with the terms of the Plan and applicable Law. Sponsor will be obligated to repair abnormal scratches in plastic laminate, vitreous china, natural stone, wood, porcelain and metallic surfaces by filing or refinishing the same not caused by the use of the Units by Unit Owners, but Sponsor will not be obligated to replace any such surfaces. Additionally, during the course of construction concrete cracks and/or chips of a material nature on the exterior façade of the Building may be repaired by Sponsor by field patching.

THE ITEMS AND CONDITIONS DESCRIBED ABOVE IN (IV) 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 CONDITIONS IN THEIR UNITS OR THE COMMON ELEMENTS. SPONSOR HAS NO OBLIGATION TO CORRECT OR REPAIR ANY OF SUCH ITEMS AND CONDITIONS AND SHALL NOT BE LIABLE TO ANY PURCHASER OR CONDOMINIUM BOARD THEREFOR. IF PURCHASER OR CONDOMINIUM BOARD DESIRES TO CORRECT OR REPAIR ANY SUCH ITEMS OR CONDITIONS, TO THE EXTENT THEY CAN BE CORRECTED OR REPAIRED, THE PURCHASER OR CONDOMINIUM BOARD MUST PROCEED AT ITS SOLE COST AND EXPENSE AND/OR UTILIZE ANY WARRANTIES OR UNDERTAKINGS ASSIGNED TO IT BY SPONSOR.

(q) NOTHING CONTAINED IN THIS SECTION WILL BE CONSTRUED SO AS TO RENDER SPONSOR LIABLE FOR MONEY DAMAGES NOR SHALL PURCHASER HAVE ANY SUIT, CLAIM, CAUSE OF ACTION, OR DEMAND (WHETHER BASED ON NEGLIGENCE, BREACH OF CONTRACT, BREACH OF WARRANTY, OR OTHERWISE), IT BEING INTENDED THAT SPONSOR'S SOLE OBLIGATION UNDER THE PLAN WILL BE TO REPAIR OR REPLACE ANY DEFECTIVE ITEM OF CONSTRUCTION UPON, AND SUBJECT TO, THE TERMS AND CONDITIONS SET FORTH ABOVE. ADDITIONALLY, EXCEPT AS EXPRESSLY SET FORTH ABOVE, SPONSOR WILL HAVE NO OBLIGATION TO CORRECT OR REPAIR ANY DEFECTIVE OR OTHER CONDITION IN THE BUILDING (INCLUDING IN THE UNSOLD UNITS AND THE COMMON ELEMENTS) OR IN, OR WITH RESPECT TO, ITS INSTALLATIONS, APPARATUSES, FIXTURES, FINISHES, MATERIALS, AND APPURTENANCES. ASIDE FROM ANY SPONSOR WARRANTIES AND UNDERTAKINGS WITH RESPECT TO THE CONSTRUCTION AND COMPLETION OF THE BUILDING CONTAINED IN THIS SECTION, NO OTHER WARRANTIES

OR UNDERTAKINGS SHALL BE IMPLIED. HOWEVER, NO SUCH DISCLAIMER OR LIMITATION OF LIABILITY ON SPONSOR'S PART SHALL APPLY TO SPONSOR'S OBLIGATIONS UNDER ALL APPLICABLE STATUTES, LAWS AND REGULATIONS.

(r) Except for those warranties or guarantees provided to Sponsor by contractors, manufacturers or suppliers, which Sponsor will assign to the Condominium Board and/or Unit Owners, as necessary, Sponsor does not make any warranty of any kind, express or implied, and Sponsor hereby disclaims any and all warranties, including but not limited to, implied warranties of merchantability and fitness for a particular purpose, with respect to the construction of the Units and the Common Elements and with respect to the personal property located within the Units and the Common Elements, and the Unit Owners assume all risk and liability from the use of this personal property.

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

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

(u) Sponsor will pay or cause to be paid all contractors, subcontractors and materialpersons and all others involved in the new 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 Sponsor's construction thereof.

(v) No Closing of a Unit will occur prior to the issuance of a Temporary Certificate of Occupancy for the particular Unit unless such Unit is being sold as a "raw space" Unit as set forth in the Section of the Plan entitled "Terms of Sale." Sponsor will perform any work and/or supply any material necessary to obtain a Permanent Certificate of Occupancy.

(w) Sponsor shall be obligated to defend any suits or proceedings arising out of Sponsor's obligations set forth in the Plan and shall be obligated to indemnify the Condominium Board and Unit Owners against any such action or proceeding.

(x) At or subsequent to the First Closing, Sponsor will deliver to the Condominium Board copies of the following documents, as applicable, and as otherwise in Sponsor's possession: (i) mechanical, electrical and plumbing drawings for the Building; (ii) operating and maintenance manuals for mechanical equipment; (iii) electronic system manuals; (iv) major equipment start-up sheets and control system as-built; and (v) original test and balance report for HVAC system.

(y) In accordance with Section 339-p of the Condominium Act, a registered architect or licensed professional engineer shall certify within reasonable tolerances that the Floor Plans are an accurate copy of portions of the Plans and Specifications of the Building as filed with and approved by the municipal or other governmental authority having jurisdiction over the issuance of permits for the construction of the Building and, in addition, such architect or professional engineer shall make periodic inspections at various stages of construction to determine that the Building is built in accordance with the Plans and Specifications.

(z) Sponsor's obligations, regardless of any limitations in any warranty or in the Plan, cannot go below the duty to construct the Building in accordance with all applicable codes and the Plans and Specifications, and any conflict between any such disclaimers and Sponsor's obligation to construct the

Building in accordance with all applicable codes and the Plans and Specifications shall be resolved in favor of the latter.

(aa) Sponsor will pay all Common Charges (once Common Charges have been assessed by the Condominium Board), Special Assessments and real estate taxes allocated to any Unsold Units in accordance with the provisions of the By-Laws. Sponsor expects to have the financial resources to meet the aforesaid obligations and to fund same from income from projected sales, the rental or leasing of Unsold Units and Sponsor's other financial resources. No bond or other security will be posted by Sponsor with respect to this obligation. If the Sponsor controlled Condominium Board elects to waive Unit Owner obligations to pay Common Charges as set forth in the Section of the Plan entitled "Rights and Obligations of Unit Owners", Sponsor shall disclose such waiver of Common Charges and the expected period of time of such waiver of Common Charges in the post-closing amendment to the Plan.

(bb) At or prior to the First Closing, the Condominium Board will procure 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, the types and cost of which insurance has been reflected in the First Year's Budget. (See the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws.")

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

(dd) Sponsor will deliver to the Condominium Board copies of all books of account and records pertaining to the Building' operation which are in Sponsor's possession.

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

(ff) The risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until Purchaser takes possession of the Unit, at which time such risk, to the extent not covered by existing insurance, shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of an Option Agreement, provided Sponsor elects (which election shall be in its sole discretion as set forth in the Option Agreement) to repair or restore the Unit, the Option 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 Unit. In such event, Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of an Option Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit or if the Unit Owners do not resolve to make such repair or

restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws"), the Option Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return the Premium Payment, together with any interest earned thereon, and the Unit Upgrade Fund, to Purchaser, whereupon Sponsor and Purchaser shall be released and discharged from all obligations and liability under the Option Agreement and the Plan; provided, however, if Purchaser is then in default under the Option Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

(gg) Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and any Limited Common Elements appurtenant thereto and to all of the Common Elements for the purpose of fulfilling Sponsor's obligations under the Plan and performing certain alterations and repairs in or about the Units and the Common Elements. 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 personal property or fixtures contained therein.

(hh) Sponsor intends, in good faith, to sell rather than rent Units. However, under the Plan, Sponsor has reserved the unconditional right to rent Units rather than sell Units. Because Sponsor is not limiting the conditions under which it will rent rather than sell Units, Sponsor is not committed to sell more Units than the 15% necessary to declare the Plan effective and, therefore, owner-occupants may never gain effective control and management of the Condominium.

(ii) Sponsor intends to offer Unsold Units for sale both to Purchasers for personal occupancy and Purchasers who are purchasing for investment or resale. Purchasers for investment or resale may rent such Units rather than use such Units for personal occupancy. As a result, some and possibly many Units may be occupied by renters instead of Unit Owners. Since the Condominium Board does not have the right to approve or disapprove potential purchasers of Units, the Condominium Board is unable to limit the number of purchasers who purchase Units for investment or resale rather than for personal occupancy and there may always be a substantial percentage of Unit Owners who are not occupants. It is possible that those Unit Owners who occupy their Units may have different interests than those Unit Owners who purchased such Units as an investment.

(jj) All representations under the Plan, all obligations pursuant to the General Business Law Section 352-e, and such additional obligations under the Plan which are to be performed subsequent to the Closing Date shall survive delivery of the deed.

(kk) Sponsor does not anticipate that any Excess Development Rights will remain upon completion of the Building. However, if the applicable provisions of the Zoning Resolution change in the future, such changes may generate transferable Excess Development Rights which will not be included in the Property and shall be the exclusive property of Sponsor. Sponsor cannot represent the amount of transferable Excess Development Rights that could result from such changes. Neither the Condominium Board nor any Unit Owner (other than Sponsor or a Development Rights Owner) shall have any right or interest in any Excess Development Rights.

(ll) Since the Building is expected to be occupied by tenants and/or Unit Owners prior to the issuance of a PCO for the Building, a tenant protection plan will be distributed to each occupant who will be occupying any dwelling units in the Building during construction if required by the Buildings Department.

Obligations of Sponsor under the Plan with respect to the Building and the Units shall be enforceable by the Condominium Board on behalf of all Unit Owners. Obligations of Sponsor shall be enforceable by

individual Unit Owners if either (i) the Condominium Board fails to take reasonable action to enforce such obligations within 120 days following the giving of notice of such claim by any Unit Owner to the Condominium Board or (ii) the applicable statute of limitations with respect to any claim by a Unit Owner which would otherwise be enforceable by the Condominium Board will expire during the aforesaid 120-day period.

Obligations of Sponsor under the Plan shall inure solely to the benefit of Purchasers of Units directly from Sponsor and shall not inure to the benefit of any Purchaser or tenant upon the resale, assignment or subletting of a Unit.

To the best of Sponsor's knowledge, as of the Filing Date of the Plan, Sponsor has sufficient resources to fund its obligations set forth in the Plan. However, no bond or other security has been posted by Sponsor to secure Sponsor's obligation under the Plan. The ability of Sponsor to perform Sponsor's obligations under the Plan will partly depend upon Sponsor's financial condition at the time Sponsor is called upon to perform. Notwithstanding the foregoing, no representation is made that Sponsor will be financially able to perform any or all of such obligations.

In the event Sponsor is unable to perform its material obligations under the Plan, all sales will cease, Sponsor will promptly submit an amendment to the Plan setting forth its inability to perform such material obligations under the Plan, and will offer all Purchasers the right to rescind their Option Agreements within 15 days after the Presentation Date of the amendment. Any Purchaser electing rescission pursuant to the offer will have their Premium Payment and any interest accrued thereon returned, except for Unit Upgrade Funds.

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 Option Agreements. Sponsor makes no representations or warranties other than as set forth in the Plan.

The terms of the Plan will govern in the event of a conflict between the Plan and any other document or advertisement used in connection with the Plan.

Use of Unsold Units

Sponsor reserves the right, without prior notice or amendment to the Plan, to use any Unsold Units as sales, rental offices and model units and in any other manner in compliance with Law. In the event Sponsor thereafter elects to sell any such Unsold Unit, Sponsor may require Purchaser to purchase all or any of the furniture, furnishings, finishes, equipment or decorations, wall coverings, window treatments and carpeting and the like ("FFE") therein and pay, in addition to the Purchase Price for the Unit, such amounts as Sponsor may determine.

Sales Center/Model Unit

In no event shall the presence of any FFE in the Sales Center or any model unit imply or represent that any Unit will contain such FFE upon delivery of the Unit to Purchaser. The presence of FFE in the Sales Center or any model unit and the location, size and quantity of such FFE therein are only illustrative and will not be installed by Sponsor in any Unit. The layout, size and dimensions of the model rooms located in the Sales Center or any model unit are only illustrative of the style and feel of the Units in the Building and may not correspond to the exact layout, size or dimensions of any particular Unit.

Marketing Materials

In no event shall the presence of any FFE in any portion of the Building set forth in any marketing materials and/or advertisements, and/or websites used in connection with the sales and

marketing of the Units imply or represent that any such FFE will be located within any portion of the Building. The presence of FFE in such marketing materials are for illustrative purposes only. In addition, marketing materials may designate or label or use nomenclature to describe certain areas or rooms within Units that differs from the designations utilized on the Floor Plans of the Units set forth in Part II of the Plan, including, without limitation, closets, hallways, dens/media rooms and powder rooms. The use of such designations, labels or nomenclature is for marketing purposes only and does not obligate Sponsor to deliver such areas or rooms designed or fitted out in the manner depicted or implied in the marketing materials.

Sponsor's Easement Rights

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

In addition, as set forth in Articles 10 and 11 of the Declaration, Sponsor has been granted certain easements with respect to the use and operation of its Units.

Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for the purpose of fulfilling Sponsor's obligations under the Plan and performing certain alterations and repairs in or about the Units and Common Elements. 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.

Condominium Name

Pursuant to the Declaration, Sponsor shall own and control all rights to the name of the Condominium and/or the Building. In addition, Sponsor shall have the right to utilize other names for the Building or portion thereof for marketing and/or promotional purposes, without the consent of the Condominium Board or the Unit Owners.

Zoning Lot Development and Easement Agreement

(a) *The Church ZLDA.* Christ Church, Methodist, of New York City ("Church"), owns 520 Park Avenue (Block 1375, Lot 36) ("Church Property"). The Church Property and the Property are subject to a Zoning Lot Development and Easement Agreement dated as of February 27, 2013 between Sponsor and the Church (and any amendments thereto, the "Church ZLDA"). All subsequent owners and parties in interest with respect to the Property and the Church Property, including Sponsor, the Condominium Board and the Unit Owners, are bound by the terms and provisions of the Church ZLDA.

Pursuant to the Church ZLDA, Sponsor has a perpetual easement for light and air over the Church Property beginning at the Limiting Plane (which is defined as a height of thirty (30) feet above the roof of the Church building as it now exists), and use of certain development rights appurtenant to the Church Property as described and defined as "Excess Zoning Rights" in the Church ZLDA (collectively, "Church Excess

Zoning Rights") for use on the Property. The Church ZLDA also sets forth certain rights and restrictions relative to the Property including, but not limited to, the following:

(i) The Church granted to Sponsor an irrevocable license for a term of 100 years to use the street address of 520 Park Avenue, New York, NY at an annual cost of $30,000, which cost will be the obligation of the Condominium from and after the First Closing.

(ii) Sponsor may, at its sole cost and expense, replace sidewalks on 60th Street and Park Avenue, and erect and maintain new lighting on the Church façade, subject to reasonable approval of plans by the Church. Sponsor has a continuing obligation to pay for electricity for new lighting and maintain and clean the new sidewalk which will be the obligation of the Condominium from and after the First Closing. Any assignment and assumption with respect to the street address license shall include the obligation to maintain the lighting and pay the electricity costs.

(iii) The Church retains certain development rights in case it suffers a casualty and requires rebuilding.

(b) *The Grolier Club ZLDA.* The Grolier Club of the City of New York ("Grolier Club") owns 47 East 60th Street (Block 1375, Lot 31) ("Grolier Property"). The Grolier Property and the Property are subject to a Zoning Lot Development and Easement Agreement dated as of May 31, 2006 between the Grolier Club and 43-45 East 60th Street, LLC (the "Developer") (and any amendments thereto, the "Grolier Club ZLDA"). All subsequent owners and parties in interest with respect to the Property, including Sponsor, the Condominium Board and the Unit Owners, are bound by the terms and provisions of the Grolier Club ZLDA.

Pursuant to the Grolier Club ZLDA, Developer has: (1) perpetual easements for (x) light and air over the Grolier Property beginning at the Limiting Plane (which is defined as a height of thirty (30) feet above the roof of the Grolier building as it now exists) and (y) to cantilever above a portion of the Grolier Property above a horizontal plane having an elevation of 155.74 feet; and (2) use of certain development rights appurtenant to the Grolier Club's land as described and defined as "Excess Zoning Rights" in the Grolier Club ZLDA (collectively, "Grolier Club Excess Zoning Rights"). The Grolier Club ZLDA also sets forth certain rights and restrictions relative to the Property including, but not limited to, the following:

(i) Developer shall provide and maintain at least one opening through the eastern side of the new building (the specific location of which to be determined by Developer) to be used as emergency egress for the Grolier Club building, only in the event of a fire or similar emergency for which the Grolier Club has tripped an alarm to the New York City Fire Department.

(ii) Developer has the right to construct panels with removable grills extending from the cantilever to the roof of the Grolier building to mask mechanical equipment on the roof of the Grolier building, so long as the grills are large enough to permit the removal and replacement of the Grolier building's Rooftop Elements (as defined in the Grolier Club ZLDA). The Grolier Club has the right to approve the design of the screening, such approval not be unreasonably withheld, provided that the grills are to be removable at Grolier Club's demand and expense if the grills interfere with the proper and efficient functioning of the Rooftop Elements.

(iii) The Grolier Club retains certain development rights in case it suffers a casualty and requires rebuilding.

(c) *The Graff Holdings ZLDA.* 426 East 61st Street Estate Inc. ("Graff Holdings") owns 46 East 61st Street (Block 1375, Lot 42) ("Graff Property"). The Graff Property and the Property are subject to a Zoning Lot Development and Easement Agreement dated as of December 21, 2010 between Graff Holdings and Developer (and any amendments thereto, the "Graff Holdings ZLDA"). All subsequent owners and parties in interest with respect to the Property, including Sponsor, the Condominium Board and the Unit Owners, are bound by the terms and provisions of the Graff Holdings ZLDA.

Pursuant to the Graff Holdings ZLDA, Developer has a perpetual easement for light and air over the Property beginning at the Limiting Plane (which is defined as 164.07 feet above Datum Level) and certain development rights appurtenant to Graff Holdings' land as described and defined as "Excess Zoning Rights" in the Graff Holdings ZLDA (collectively, "Graff Holdings Excess Zoning Rights"). The Graff Holdings ZLDA also sets forth certain rights and restrictions relative to the Property including, but not limited to, the following:

(i) In no event shall any portion of the Developer's building cantilever over Graff Holdings' land or should any development interfere with certain rights of Graff Holdings, including the right to maintain a Certificate of Occupancy and to perform construction on its building.

(ii) Graff Holdings retains certain development rights in the case that it suffers a casualty and requires rebuilding.

(d) Sponsor makes no representation and does not guarantee that the Church ZLDA, the Grolier Club ZLDA, and/or the Graff Holdings ZLDA (collectively, the "ZLDAs") will or will not be modified at some future date. The development of the Property does not violate the terms of the ZLDAs. Purchaser should refer to the ZLDAs, copies of which are set forth in Part II of the Plan, for further details.

CONTROL BY SPONSOR

The Condominium Board shall initially consist of 3 persons designated from time to time by Sponsor. Sponsor presently anticipates that the initial members of the Condominium Board shall be Matt Lobron, Ephram Lustgarten and Brian Cohen, who shall serve as President, Vice President and Secretary/Treasurer, respectively. Each of these individuals is a principal of, or is affiliated with, Sponsor. Sponsor reserves the right to designate different individuals to serve on the initial Condominium Board in lieu of the above mentioned individuals. The initial Condominium Board shall conduct all affairs of the Condominium.

Sponsor will have voting control over the Condominium Board until the later to occur of (i) the Closing of Title with Purchasers under the Plan to Units representing at least 95% in number of all Units offered for sale, or (ii) the issuance of a Permanent Certificate of Occupancy ("Sponsor Control Period"). Sponsor reserves the right to relinquish voting control of the Condominium Board prior to the expiration of the Sponsor Control Period. Because Sponsor is not committed to sell more Units than the 15% necessary to declare the Plan effective, it is therefore possible that owner-occupants may never gain effective control and management of the Condominium.

At meetings of the Unit Owners, Sponsor will have the right to vote all of the Common Interests attributable to the Unsold Units as it sees fit. When voting for members of the Condominium Board, each Unit Owner shall be entitled to cast 1 vote for each .0001% of Common Interest attributable to the Unit per Member to be elected. However, at elections of members to the Condominium Board held during the Sponsor Control Period, Sponsor shall have the right to designate 3 of the 5 Members of the Condominium Board.

So long as Sponsor shall continue to own at least 1 Unsold Unit, Sponsor shall have the right to designate 1 Member to the Condominium Board, and shall have the right to vote its Common Interests attributable to the Unsold Units for the remaining Members of the Condominium Board.

Within 30 days after the expiration of the Sponsor Control Period and assuming the First Annual Meeting has not yet occurred, 1 of the 3 Members of the Condominium Board who were designated by Sponsor shall resign and a replacement shall be filled by a vote of the Unit Owners (including Sponsor) at a special meeting called for such purpose.

The number of members of the Condominium Board may not be increased or decreased without the consent of Sponsor for so long as Sponsor continues to own at least 1 Unsold Unit.

During the Sponsor Control Period, Sponsor will through its control of the Condominium Board have control of the maintenance and operation of, and the services to be provided by, the Condominium and will determine the Common Charges to be paid by all Unit Owners.

So long as Sponsor continues to own at least 25% in number of all Units, but in no event later than 5 years after the First Closing, the Condominium Board may not, without Sponsor's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit; (b) assess any Common Charges or Special Assessments for the creation of, addition to, or replacement of or addition to all or part of a working capital, reserve, contingency or surplus fund; (c) increase or decrease the number, or change the kind of employees from those described in the First Year's Budget; (d) enter into any service or maintenance contract for work or otherwise contract for work or services in excess of those described in the First Year's Budget, except as is required to reflect normal annual increases in operating services incurred in the ordinary course of business; (e) borrow money on behalf of the Condominium; or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in items (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary, and no other commercially

reasonable alternative is available, to enable the Condominium Board to (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer or (iv) to ensure the health and safety of the occupants of the Building.

The First Annual Meeting will be held approximately 30 days after the second anniversary of the First Closing.

CONDOMINIUM BOARD

The affairs of the Condominium shall be governed by the Condominium Board. The term of office of the members of the Condominium Board shall be for 1 year or until their successors are elected. Members of the Condominium Board shall serve without compensation. Any member of the Condominium Board may resign membership at any time by written notice hand delivered or sent by certified mail, return receipt requested, to the President or Secretary of the Condominium Board. Notwithstanding the term of such member's office, such resignation shall take effect at the time specified therein. (See the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws" for details.)

The First Annual Meeting will be held approximately 30 days after the second anniversary of the First Closing.

Commencing with the First Annual Meeting, the Condominium Board shall consist of 5 individuals, who shall be elected and/or designated in accordance with the terms of the By-Laws by the Unit Owners (including Sponsor) (collectively, the "Members"). The number or composition of Condominium Board members may not be changed except in accordance with the procedures described in the By-Laws. Except for members designated by Sponsor, all members designated by Sponsor, all Members of the Condominium Board shall be either (i) individual Unit Owners or adult family members of an individual Unit Owner; or (ii) individual Permitted Mortgagees; or (iii) officers, directors, shareholders, partners, principals, employees or beneficiaries of corporations, partnerships, fiduciaries, or any other entities that are Units or Permitted Mortgagees

A Member of the Condominium Board may be removed with or without cause by an affirmative vote of a majority of Unit Owners who are present at a meeting containing a quorum of Unit Owners, provided, however, that any Member designated by Sponsor may only be removed and replaced by Sponsor, who alone shall have the right to designate a replacement. No member of the Condominium Board shall continue to serve on the Condominium Board if, during the term of office, such member shall cease to be a Unit Owner or an interested party as described in the By-Laws; provided, however, that these provisions respecting Unit Ownership and occupancy, and Condominium Board membership, shall not apply to members of the Condominium Board designated by Sponsor.

A successor officer may be elected at any regular Condominium Board meeting or at any special Condominium Board meeting called for such purpose. The President may call a special meeting whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such meeting signed by Unit Owners having in aggregate no less than 40% of the Common Interest of all Unit Owners.

All officers, and members of Condominium Board and employees of the Condominium will be insured at all times from and after the First Closing under directors and officers liability insurance in favor of the Condominium. The amount and cost of the insurance has been provided for in the First Year's Budget.

To the extent permitted by Law, members of the Condominium Board will have no liability to Unit Owners except for liability for bad faith or willful misconduct. The Condominium Board may contract or effect any other transaction with any member of the Condominium Board, any Unit Owner, Sponsor, or any affiliate of any of them without incurring any liability for self-dealing, except in the cases of bad faith or willful misconduct. The Condominium Board has a fiduciary duty to act in the best interests of the Condominium. All Unit Owners shall jointly and severally, to the extent of their respective interests in their Units and their appurtenant Common Interests indemnify each member of the Condominium Board against any liability or claim except those arising out of the bad faith or willful misconduct of such member of the Condominium Board.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS

Sales and Leases of Units

Each Unit Owner may sell or lease the Unit (with the exception of the Suite Units which cannot be leased independently from a Unit) for terms of not less nor more than 1 year provided the Unit Owner ("Offering Unit Owner") first gives the Condominium Board, on behalf of all Unit Owners, notice of intention to sell or lease together with any and all application forms and documentation required by the Condominium Board, and an opportunity to purchase or lease such Unit at the same price or rental and on the same terms as were offered in good faith by a prospective Purchaser or lessee, as more specifically provided in the By-Laws. If the Condominium Board does not elect to purchase or lease the Unit within 30 days after receipt of notice, the Offering Unit Owner will have an additional 60 days to enter into a written agreement with the prospective Purchaser or lessee, as the case may be, embodying the terms set forth in such notice. In the event such written agreement is not executed by the Offering Unit Owner within such 60 day period or such sale or rental is not consummated within an additional 60 days following the expiration of such 60 day period, the Offering Unit Owner will be required to again first offer the same to the Condominium Board, provided that the Condominium Board shall be entitled to waive, or to permit an extension of, either or both of such 60 day periods. The Condominium Board may not exercise its option to purchase or lease any Unit without prior approval of a majority in interest of all Unit Owners. The By-laws permit the Condominium Board to (i) borrow money on behalf of the Condominium for the benefit of Unit Owners, (ii) increase Common Charges assessed against all Unit Owners and (iii) impose Special Assessments against all Unit Owners, in the event the Condominium Board elects to exercise its right of first refusal. Purchaser should refer to Article 7 of the By-Laws for details concerning the Condominium Board's election to exercise its right of first refusal. Any such deed given by an Offering Unit Owner shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Condominium Documents, as the same may be amended from time to time. Any such lease shall be consistent with the By-Laws and shall provide that it may not be materially modified, amended, or extended without the prior consent in writing of the Condominium Board, that the tenant shall not assign the lease or sublet the Unit or any part thereof without the prior consent in writing of the Condominium Board, and that the Condominium Board, if permitted by Law, shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease. The form of any such lease shall be a printed, reasonably applicable form of residential lease which is generally accepted in New York City such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, except for such changes therein as provided in the By-Laws.

Any purported sale or rental of a Unit in violation of this Section shall be voidable at the election of the Condominium Board. The Condominium Board may not discriminate against any person on the basis of race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law.

To protect the security of the Building, a Suite Unit (with the exception of the Suite Units owned by the Grolier Club) cannot be owned or leased independently of the ownership of a Unit and may be sold only to another Unit Owner or Purchaser who is simultaneously purchasing a Unit; provided however, that the foregoing restrictions shall not apply to Sponsor.

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

A Unit Owner may only sell or lease the entire Unit. In addition, each conveyance of a Unit by a Unit Owner shall include, as part of the property to be conveyed, the Unit Owner's undivided interest in (a) the Common Elements; (b) any Unit or Units acquired by the Condominium Board on behalf of all Unit Owners, or any proceeds of the sale or rental thereof and (c) any other assets of the Condominium. No part of the Unit Owner's interest in the Common Elements may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit or as part of a sale, transfer or other disposition of the specific interest in the Common Elements by all affected Unit Owners.

A Unit may not be sold or leased unless all unpaid Common Charges and liens against the Unit (other than Permitted Mortgages) and/or Resale Fee (as hereinafter defined) are paid and/or satisfied at or prior to the sale or rental. In addition, the Condominium Board and Managing Agent may (i) establish reasonable restrictions with respect to the sale or rental of Units and (ii) implement fees in connection with the sale or rental of Units, which shall be payable by the Offering Unit Owner. The Condominium Board has the right, in its sole discretion, to terminate a lease, if the tenant has violated the terms of the Condominium Documents, including the Rules and Regulations beyond all applicable notice and grace periods. If the tenant fails to vacate after receipt of the termination notice from the Condominium Board, the Condominium Board shall have the right to commence summary eviction proceedings against the tenant.

The restrictions upon the sale and lease of Units shall not apply to Sponsor with respect to any Unsold Units, or to Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure, and they shall be free to sell or lease without first offering to sell or lease to the Condominium Board and without payment of any fees, including the Resale Fee.

Notwithstanding anything contained herein to the contrary, prior to the Closing of Title to a Unit, the Option Agreement prohibits a Purchaser from listing the Unit for sale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or rental, without Sponsor's prior written consent, which consent may be unreasonably withheld or delayed in Sponsor's sole and absolute discretion.

Resale Fee

Each Unit Owner who acquired a Unit from Sponsor ("Sponsor Sale") and subsequently enters into an agreement, written or oral ("Resale Agreement") to resell the Unit prior to the first anniversary of the closing of the Sponsor Sale ("Resale") shall be obligated to pay Sponsor a portion of the proceeds of the Resale ("Resale Fee"). A Unit Owner will be required to send Sponsor a copy of the Resale Agreement within 10 days of agreeing to the Resale. The Resale Fee paid to Sponsor shall be equal to 50% of the difference between: (A) the sales price of the Unit per the Resale Agreement less the following expenses actually paid for by Unit Owner (to the extent applicable): (1) brokerage commissions not exceeding 6% in the aggregate; (2) transfer taxes imposed by Law and (3) actual legal fees not exceeding $5,000; and (B) the Purchase Price paid to Sponsor in connection with the Sponsor Sale. Set forth below is an example of the calculation of a Resale Fee:

Resale:	$ 6,000,000
Sponsor Sale	($ 4,500,000)
Gross Profit	$ 1,500,000
Broker	($ 360,000)
Transfer Tax	($ 110,000)
Legal Fees	($ 5,000)
Net Profit	$ 1,025,000
Resale Fee	$ 512,500

The Resale Fee shall be paid to Sponsor by wire transfer on the date the closing occurs pursuant to the Resale Agreement. Any deductions for allowable expenses paid by the Unit Owner must be supported by

documentation acceptable to Sponsor. The obligation to pay a Resale Fee shall survive the closing of the Sponsor Sale.

Prior to the first anniversary of the Sponsor Sale, each Unit Owner is prohibited from listing the Unit for sale with any broker or placing or authorizing any listing in any broker's listing system or other listing service or advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale, without Sponsor's prior written consent, which consent may be unreasonably withheld or delayed in Sponsor's sole and absolute discretion.

Sales of Ancillary Amenities

Ancillary Amenities may not be licensed independently of the ownership of a Unit and may be licensed only to another Unit Owner or Purchaser who is simultaneously purchasing a Unit. These restrictions shall not apply to Sponsor, who may sell, assign, transfer or lease any Ancillary Amenity to any party in its sole discretion. Each Unit Owner will be required to maintain insurance for the Ancillary Amenity in amounts sufficient to cover the property located therein. If the Condominium Board terminates an Ancillary Amenity License or a Unit Owner surrenders an Ancillary Amenity License without assigning the Ancillary Amenity License to another Unit Owner, the Condominium Board shall have the right to issue a new Ancillary Amenity License to another Unit Owner, in its sole discretion.

Upon the issuance of a Ancillary Amenity License to a Unit Owner (by assignment or otherwise), such Ancillary Amenity License shall be assignable as set forth above without the consent of the Condominium Board provided (i) written notification of such assignment is delivered to the Condominium Board; (ii) the assignee assumes the obligations under the Ancillary Amenity License; and (iii) all unpaid Common Charges and Special Assessments and other obligations due to the Condominium Board have been satisfied by the assignor. As set forth in the License Agreement in Part II of the Plan, the Condominium Board will be permitted to terminate any Ancillary Amenity License that is assigned in violation of the foregoing requirement, including an Ancillary Amenity License assigned without written notification to the Condominium Board. Neither Sponsor nor the Condominium Board shall have any obligations or liabilities with respect to private assignments between Unit Owners. The restrictions upon the assignment of Ancillary Amenities shall not apply to Sponsor.

Use of Units and Common Elements and Ancillary Amenities

A Unit shall be used for residential purposes only including permitted "home occupation" as defined in the Zoning Resolution of the City of New York, as same may be amended from time to time, and not more than one family may occupy a Unit at one time. A Unit may not be used for any "dormitory," "bed and breakfast" or other transient hotel-type use. A Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary or any other entity (including, but not limited to, embassies and consulates of foreign governments) may only be occupied by such individual, an officer, director, stockholder or employee of such corporation, a partner or employee of such partnership, a member of such limited liability company, the fiduciary or beneficiary of such fiduciary, a principal or employee or such other entity, respectively, or by Family Members and guests of any of the foregoing. A Unit may be used for any other purpose, provided such use is permitted by, and complies with Law, does not violate the then existing Temporary or Permanent Certificate of Occupancy covering the Building, and the Condominium Board, in its sole discretion, grants permission for such use.

The Suite Units may be used only as a residence occupied by domestic employees of a Unit Owner, as well as Family Members and non-paying guests of Unit Owners. Occupancy of the Suite Units by non-paying guests cannot exceed 3 months, without the prior written consent of the Condominium Board. The Suite Units purchased by the Grolier Club, if applicable, can only be used as a residence for the superintendent of the Grolier Club. Except for Sponsor and any Suite Units owned by the Grolier Club, no

Unit Owner may own a Suite Unit independently of a Unit. Each Suite Unit will be equipped with a kitchenette and bathroom.

The Ancillary Amenities and Ancillary Amenity Areas are located on sub-cellar 3.

A Storage Locker may be used only for the storage of personal effects of a Unit Owner, and in no event shall any food or other perishable item, or any flammable or explosive item or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance, be stored therein. All items stored in the Storage Locker shall be at the Unit Owner's risk. Sponsor shall have the right to use any unassigned Storage Locker for any purpose permitted by Law or to change the permitted use of such unassigned Storage Locker subject to the provisions of the By-Laws. Except for Sponsor and the Condominium Board, a Storage Locker may not be licensed independently of a Unit.

The Storage Lockers and Storage Locker Area will not be serviced by an emergency generator to maintain proper temperatures in the event of a power outage as a consequence of whatever cause, including, without limitation, water infiltration, and any resulting damage and/or spoilage to the contents located in the Storage Lockers will be at the sole cost of the licensee of such Storage Locker. Neither Sponsor nor the Condominium Board shall be responsible for any damage and/or spoilage caused by power outages, temperature fluctuations, or other causes (whether by mechanical or as a consequence of natural causes), including, without limitation, water infiltration, in the Storage Locker Area.

A Wine Storage Locker may be used only for the storage of wine and other beverages, subject to the provisions of the By-laws, and in no event shall any food or other perishable item, or any flammable or explosive item or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance, be stored therein. Sponsor shall have the right to use any unassigned Wine Storage Locker for any purpose permitted by Law or to change the permitted use of any unassigned Wine Storage Locker, subject to toe provisions of the Bylaws. Except for Sponsor and the Condominium Board, a Wine Storage Locker may not be owned independently of a Unit.

The Wine Storage Locker Area will be serviced by an emergency generator to maintain proper temperatures in the event of a power outage.

Use and occupancy of the Units and the Ancillary Amenities shall be subject to the Rules and Regulations of the Condominium, which may be amended by the Condominium Board from time to time. The Condominium Board has the right to impose license fees and Special Assessments in connection with the Ancillary Amenity Licenses.

Notwithstanding the foregoing, Sponsor may, without the permission of the Condominium Board: (a) use or grant permission for the use of any Unsold Unit as a professional office or for any other purpose, provided such use is permitted by Law, and does not violate the then existing Temporary or Permanent Certificate of Occupancy for the Building or any other governmental regulations; (b) retain ownership of one or more Unsold Units for use as model Units and offices for the selling, leasing, management, operation and promotion of the Unsold Units, or for any other purpose, subject only to compliance with Law.

The Common Elements shall be used only for the furnishing of the services and facilities for which they are reasonably suited and capable and which are incident to the use and occupancy of Units.

No more than one (1) pet may be kept in a Unit without the consent of the Condominium Board. As used in this Offering Plan, "pet" shall mean a dog (not more than 70 pounds at maturity), caged bird or cat (which does not cause a nuisance, health hazard or unsanitary condition). Each Unit Owner who keeps any type of pet will be required to: (a) indemnify and hold harmless the Condominium, the Condominium Board, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all Rules and Regulations of the Condominium Board adopted with respect thereto, including without limitation, the number of such pets. In no event shall any pet be permitted in any public

elevator of the Building, other than the elevator designated by the Condominium Board or the Managing Agent for that purpose, or in any of the public portions of the Building, unless carried or on leash. No pigeons or other birds or animals shall be fed from the window sills, or other public portions of the Building, or on the sidewalk or street adjacent to the Building. Purchasers should refer to paragraph 14 of the Rules and Regulations annexed to the By-laws for further restrictions governing the harboring of pets in the Units.

Each Unit Owner shall keep the Unit in a good state of preservation and cleanliness and each Unit Owner shall be obligated to maintain and keep in good order and repair the Unit in accordance with the provisions of the By-Laws and Law. The Rules and Regulations concerning the use of Units may be amended from time to time by the Condominium Board provided that copies thereof are furnished to each Unit prior to the time that they become effective (except that no amendment thereof affecting the Unsold Units may be made unless agreed to by Sponsor).

Mortgage of Units by Unit Owners

Each Unit Owner may mortgage the Unit, provided that the conditions with respect thereto set forth in the By-Laws are first complied with. As more fully set forth in the By-Laws, these conditions include the requirements that (a) the mortgage be substantially in the form of the New York Board of Title Underwriters form of mortgage, except for such changes or additions as may be required to permit a lender to make the loan, (b) the Condominium Board is notified in writing of the making of such mortgage and receives a conformed copy of the note and mortgage and (c) the owner making such mortgage first satisfies all unpaid liens against the Unit, other than Permitted Mortgages. Sponsor shall have the right to mortgage any Unsold Unit without any restriction or limitation.

As more particularly set forth in the Section entitled "Amendments to Condominium Documents," in certain instances the consent of the Mortgage Representative is necessary in order to amend the Declaration, By-Laws or Rules and Regulations. The By-Laws provide that no more than 3 Residential Mortgage Representatives shall be designated by the holders of mortgages (a) which satisfy the conditions set forth in the By-Laws (as described above) and (b) which holders of such mortgages are (i) Sponsor or Institutional Lender.

Common Charges: Determination and Assessment

Common Expenses, which are payable by Unit Owners and are included in their Common Charges, are allocated among Unit Owners in proportion to their respective Common Interest. Common Expenses include, among other things, (a) all costs and expenses (including the payment of wages) in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements, (b) water charges and sewer rents in connection with the Building; and (c) amounts for certain other items as the Condominium Board may deem proper, such as amounts for reserves for capital expenditures or in connection with the purchase or lease by the Condominium Board of any Unit. In addition, the Condominium Board has the right to impose license fees and Special Assessments in connection with the Ancillary Amenity Licenses.

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

During the Sponsor Control Period, the Condominium Board shall have the right, in its sole discretion, to waive Unit Owner obligations to pay Common Charges from and after the First Closing for a period to be determined by the Condominium Board, provided the basic operating costs of the Condominium (inclusive of insurance premiums and reserves required by lenders) are paid by Sponsor. If the Condominium Board elects to waive payment of Common Charges pursuant to the foregoing, Sponsor shall disclose such waiver of Common Charges and the expected period of time of such waiver of Common Charges ("Waiver Period") in the post-closing amendment to the Plan. In the event the Condominium Board elects to extend the

Waiver Period, Sponsor will amend the Plan to disclose the extended Waiver Period. Sponsor shall file an amendment to the Plan disclosing the expiration of the Waiver Period at least thirty (30) days prior to such expiration. Upon commencement of collection of Common Charges from all Unit Owners, there will not be a Special Assessment for any expense set forth in the approved budget for which Common Charges were not collected during the Waiver Period. The Condominium Board shall remain obligated to update Schedule B in accordance with the terms of the Plan.

The Condominium Board will furnish copies of each budget on which Common Charges are based to all Unit Owners and advise such Unit Owners of the amount of Common Charges payable by them. Unless otherwise determined by the Condominium Board, Common Charges will be payable monthly in advance on the first day of each month.

Common Charges: Collection and Lien for Non-Payment

Under the provisions of Section 339-z of the New York Real Property Law and the By-Laws, the Condominium Board, on behalf of all Unit Owners, will have a lien on each Unit for unpaid Common Charges, together with interest thereon, assessed against such Unit in proportion to the respective Common Interests. Pursuant to the provisions of Section 339-aa of the New York Real Property Law, during the Sponsor Control Period, Sponsor shall cause the Condominium Board to file a lien for unpaid Common Charges against any Unit owned by Sponsor in which Sponsor is more than 30 days in arrears. All such liens, however, to the extent permitted by Law, will be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the particular Unit. Any lien for unpaid Common Charges against a Unit will be effective from and after filing of a verified notice thereof in the Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until 6 years from the date of filing (unless foreclosure of such lien is started within such 6 year period), whichever shall occur sooner. The By-Laws provide that such liens may be foreclosed by a suit brought in the name of the Condominium Board (acting on behalf of all Unit Owners) in like manner as the foreclosure of a mortgage on real property or an action may be brought by the Condominium Board to recover unpaid Common Charges without foreclosing such lien. In addition, the Condominium Board may assess Unit Owners a late charge of $150 per month for Common Charges which remain unpaid for more than 10 days after the date when due, and interest at the rate of 1.5% per month of such unpaid amounts (less any "late charges" theretofore collected), plus all expenses of collection, including but not limited to attorneys' fees and costs.

No Unit Owner may become exempt from liability for Common Charges by waiving use of any of the Common Elements or by abandonment of the Unit. No Unit Owner, however, will be liable for the payment of any part of the Common Charges subsequent to a permissible sale, transfer or other conveyance of the Unit. In addition, as more specifically set forth in the By-Laws, a Unit Owner may, by conveying the Unit without consideration to the Condominium Board and complying with certain conditions in connection therewith, become exempt from Common Charges thereafter accruing. Such conditions include the payment of all Common Charges and assessments then due and payable with respect to the Unit and such Unit being free and clear of all liens and encumbrances other than Permitted Mortgages. However, in no event shall Sponsor be permitted to convey any Unsold Unit to the Condominium Board and thereby exempt itself from Common Charges attributable to such Unsold Unit thereafter accruing, unless: (i) the aggregate Common Interests appertaining to the Unsold Units constitutes 15% or less of the total Common Interests then appertaining to all Units; (ii) at least 5 years have elapsed from the date of the First Closing; and (iii) at the time of conveyance, Sponsor shall pay the Condominium Board a sum equal to the product of the then current monthly Common Charges for the Unsold Units being conveyed multiplied by 24.

On a resale of a Unit, the purchaser thereof will be liable for the payment of Common Charges accrued and unpaid against such Unit prior to acquisition. Prior to the permissible sale, transfer or other conveyance of a Unit, any seller or purchaser shall be entitled to a statement from the Condominium Board, setting forth the amount of the unpaid Common Charges accrued against the Unit and neither such seller nor such purchaser shall be liable for, nor shall the Unit be conveyed subject to a lien for, any unpaid Common

Charges against such Unit accrued prior to such conveyance in excess of the amount set forth in such statement. In the event of a foreclosure by the Condominium Board of its lien on any Unit for unpaid Common Charges, if the net proceeds of the foreclosure sale shall be insufficient for the payment of such unpaid charges or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the Unit Owner will remain liable for the unpaid balance. Neither (a) a Permitted Mortgagee acquiring title to a Unit at foreclosure sale nor (b) a purchaser at a foreclosure sale shall be liable, and the Unit shall not be subject to a lien, for the payment of the Common Charges assessed prior to the acquisition of title to such Unit by such Permitted Mortgagee or Purchaser. However, such Permitted Mortgagee or purchaser at a foreclosure sale shall be liable for payment of all Common Charges after the acquisition of title to such Unit. The Condominium Board will have the right to assess such unpaid balance as a Common Charge among all Unit Owners.

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

Repairs to, and Maintenance of, Units and Common Elements

Generally, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, (a) in or to any Unit (other than to the Common Elements contained therein), including all mechanical systems located in the Unit, heating and cooling systems (including HVAC filters and parts), the plumbing, appliances in the Units, the fireplace, firebox, dampers, mantel and flue, if any, and the interior side of entrance doors thereto, and the Terrace doors, shall be performed by the Unit Owner at such Unit Owner's sole cost and expense, (b) in or to the General Common Elements shall be performed by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners as a Common Expense, and (c) in or to the Limited Common Elements shall be performed (i) by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners as a Common Expense, if involving structural or extraordinary maintenance, repair or replacement, (except if necessitated by the negligent act or omission of the Unit Owner) or (ii) by the Unit Owner having direct and exclusive access thereto at such Unit Owner's sole cost and expense, if involving painting, decorating, and non-structural ordinary maintenance, repairs and replacements.

Any Unit Owner having access to a Terrace shall keep such Terrace free of snow, ice and accumulation of water. In order to promote a consistent appearance of the Building from the outside, no Unit Owner shall be permitted to enclose, erect a greenhouse and/or alter a Terrace appurtenant to a Unit in such a way that will alter the conformity of the Building, without the prior written approval of the Condominium Board. Additionally, the type, size and quantity of plantings and other installations to be placed on Terraces shall be subject to the prior written approval of the Condominium Board and shall be in compliance with Law.

The exterior and interior glass surfaces of all windows located in any Unit shall not be colored or painted and are to be washed and cleaned by the Unit Owner at such Unit Owner's sole cost and expense. The cleaning of the exterior portion of the glass surfaces of all windows must be performed by a professional window washing company. Any replacement of glass windows in any Unit because of breakage or otherwise shall be made by the Unit Owner thereof at the sole cost and expense of the Unit Owner (unless such breakage is caused by the Condominium Board or the negligence of any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board or such Unit Owner), including the expense of an exterior hoist if the replacement window does not fit into the service elevator. Notwithstanding the foregoing, prior to the replacement of any glass window the Unit Owner must obtain the prior written approval of the Condominium Board, with respect to the type of replacement windows installed.

In order to preserve the architectural harmony of the Building, the By-Laws provide that all Unit Owners shall be obligated, regardless of the type of window treatment they use, to provide for a white backing on the side facing the outside of the Building so that when the shades are down or curtains drawn, the effect from the outdoors is a visually harmonious white appearance. Use of applied films to the room side surface of the glass is prohibited, whether used for reducing glare, cutting down heat gain, providing light altering characteristics or for any reason whatsoever. Additionally, the placement of window shades, including drapes, blinds or other light reducing and/or light blocking items are to be placed and positioned in accordance with a user manual to be provided to Purchaser so that excessive heat build up will not occur between such window shades and the glass windows. High heat loads can lead to glass breakage.

If any repairs or replacements to the Common Elements, whether structural or non-structural, ordinary or extraordinary, are either (x) necessitated by the negligence, misuse or abuse of a Unit Owner or such Unit Owner's agents, workers, guests, etc., or (y) required as a result of special or custom work performed in the Unit by the Unit Owner, such maintenance, repairs or replacements will be made by the Condominium Board, and any portion of the cost thereof attributable to such Unit Owner's acts or omissions shall be paid by such Unit Owner.

The By-Laws provide that each Unit and all portions of the Common Elements shall be kept in first-class condition (and with respect to any roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof. In the event any Unit Owner fails to keep the Unit in such condition, the Condominium Board may, at the expense of such Unit Owner, enter such Unit and perform such acts as are necessary to cure such default. (See the Section of the Plan entitled "Rights of Access" for details.)

The By-Laws further require that those public or other areas of the Building exposed to public view that are required to be maintained by each Unit Owner or the Condominium Board, be kept in good appearance in conformity with the dignity and character of the Building by such Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof pursuant to the Condominium Documents.

Alterations, Additions and Improvements of Units and Common Elements

No Unit Owner may make any structural alteration, addition, improvement or repair in or to the Unit or its appurtenant Limited Common Elements, if any, without the prior written approval of the Condominium Board but, as more fully set forth in the By-Laws, this provision does not apply to an Unsold Unit. Except as otherwise permitted in the By-Laws, no Unit Owner may make any alteration, addition, improvement or repair in or to the Common Elements without the prior written approval of the Condominium Board.

To the extent that any alterations are commenced in a Unit by a Unit Owner prior to Sponsor's completion of unfinished work Sponsor agreed to perform after the Closing of the Unit, Sponsor shall be relieved of completing all such work.

Sponsor shall have the right, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or representatives of holders of Mortgages on Units to: (a) make alterations additions, improvements, or repairs in or to its Units, whether structural or non-structural, interior or exterior, ordinary or extraordinary, and (b) subdivide, combine and change the boundary walls of its Units. (See the Section of the Plan entitled "Changes in Prices and Units" for details.)

Prior to, and as a condition of, the granting of its consent to the making of a structural alteration, addition, improvement or repair in or to a Unit, or its appurtenant Limited Common Elements, each Unit Owner is required by the By-Laws to (i) obtain the written approval of the Condominium Board, (ii) obtain the written approval of the Condominium Board of the Unit Owner's contractors and suppliers, (iii) obtain such insurance as the Condominium Board may require, (iv) agree to indemnify Sponsor, the Condominium

Board, Managing Agent and the other Unit Owners against any liability arising from such alterations, additions, improvements or repairs, (v) agree to pay and reimburse the Condominium Board for all architectural, engineering, legal and other fees incurred in connection with such alterations, additions, improvements or repairs, (vi) execute and enter into an alteration agreement, in form and substance prepared by the Condominium Board, setting forth the terms and conditions under which such alterations, additions, improvements or repairs, may be made, including without limitation, the days and hours during which any work may be performed, and (vii) agree to pay a fee to the Managing Agent for processing such alteration applications. In connection with such alterations, additions, improvements and/or repairs, each Unit Owner shall employ only such laborers and other workers as shall not conflict with any other workers employed in the Building or otherwise cause disharmony with any Building service union as determined by the Condominium Board in its sole and absolute discretion. Unit Owners shall not be permitted to engage any Building staff or any contractors or sub-contractors engaged by either the Condominium Board or Sponsor unless expressly agreed to in writing by the Condominium Board or Sponsor. Under no circumstances shall a Unit Owner be allowed to commence any work until all of the conditions set forth above have been complied with. Any failure to meet these conditions shall be a default by Unit Owner under the Condominium Documents.

Any contractor performing work shall not employ any personnel or means that may cause labor disturbances or stoppage in the work of Building employees or other contractors or subcontractors employed in the Building.

No application or other document shall be filed with any governmental authority for a permit covering an addition, alteration, improvement or repair to be made in a Unit, unless approved and executed, if necessary, by the Condominium Board. The Condominium Board will not unreasonably refuse to approve and execute, if necessary, any application or other document required to be filed in connection with approved structural alterations, additions, improvements or repairs, provided that the Condominium Board and the Unit Owners shall not be subject to any expense or liability by reason of such approval and execution or, by reason of such addition, alteration or improvement, including, without limitation, liability to any contractor, subcontractor, materialperson, architect or engineer, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this paragraph shall not apply to an Unsold Unit provided any alteration to such Unsold Unit shall be in accordance with, and only as permitted by, the Condominium Act and Law.

Insurance

The Condominium Board is required to obtain and maintain the forms of insurance described in the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws." The Condominium Board is not required to obtain or maintain any insurance with respect to any property contained in any Unit or any liability with respect to occurrences in or about each Unit or its Limited Common Elements. Consequently, all Unit Owners are required to obtain casualty insurance with respect to the Unit, including the flooring, fixtures, furniture, furnishings and personal property located within the Unit, without limitation, any Limited Common Elements appurtenant thereto, any Ancillary Amenity licensed by the Unit Owner as well as liability insurance with respect to occurrences in or about the Unit, any Limited Common Elements appurtenant thereto, and any Ancillary Amenity licensed by the Unit Owner. All such certificates of insurance shall name the Condominium Board, the Condominium and Sponsor as additional insureds and shall be delivered to the Condominium at the Closing of Title to the Unit. All such policies shall contain waivers of subrogation, if available, and the liability of the carriers issuing insurance obtained by the Condominium Board shall not be affected or diminished by reason of such additional insurance carried by any Unit Owner.

Rights of Access

As more fully set forth in the By-Laws, the Condominium Board and any managing agent, manager, Resident Manager and other persons authorized by the Condominium Board, will have a right of access to any Unit and Ancillary Amenity for the purposes of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in the Unit and Ancillary Amenity or elsewhere in the Building, to remove violations, cure defaults by a Unit Owner, correct any condition originating in any Unit and Ancillary Amenity and threatening another Unit or any Common Element or Ancillary Amenity, and for any other purposes provided in the Plan, Declaration or as may be required by Law, provided that requests for entry (except in emergency situations) are made in advance and that any such entry (except in emergency situations) is at a time reasonably convenient to the Unit Owner and the occupants of any Unit. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. Provided reasonable care is exercised to safeguard the Unit Owner's property, any entry described herein shall not render the Condominium Board or its authorized agents liable for damage incurred in connection with the exercise of such right of entry. In addition, Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements (including Ancillary Amenities) for purposes of performing certain alterations and repairs in or about Unsold Units or Ancillary Amenities and in fulfilling Sponsor's obligations under the Plan, provided that access to any Unit or Ancillary Amenity may not be exercised in such a manner as will unreasonably interfere with the use of such Unit or Ancillary Amenity for its permitted purposes.

Compliance with Condominium Documents

Each Unit Owner must strictly comply with the provisions of the Condominium Documents. Pursuant to Section 339(j) of the Condominium Act, failure to comply is grounds for an action for damages or injunctive relief, or both, but such forms of relief shall not be exclusive of other remedies provided by law. The By-Laws, together with the Rules and Regulations, will be recorded with the Declaration in the Register's Office.

Examination of Books and Records

Each Unit Owner and each mortgagee of a Unit shall be permitted upon prior request, to examine the books of account of the Condominium and other records of the Condominium during normal business hours on business days at the office of the Condominium or the Managing Agent

Self-Help

In the event that any Unit Owner fails to maintain or repair the Unit or any Limited Common Elements appurtenant to such Unit, if any, or any Ancillary Amenity, if any, or in the event of any breach of the Condominium Documents, then, as set forth in Article 9 of the By-Laws, the Condominium Board shall have certain rights to perform such maintenance or repairs, or to cure such breach, at such Unit Owner's expense.

General

All restrictions and prohibitions, set forth herein with regard to the use of a Unit and its appurtenant Limited Common Elements shall not apply to Sponsor or any principal of Sponsor owning or leasing such Unit.

RIGHTS AND OBLIGATIONS OF THE CONDOMINIUM BOARD/ SUMMARY OF BY-LAWS

Condominium Board

The Condominium Board shall initially consist of 3 persons designated from time to time by Sponsor (collectively, the "Members"). The Condominium Board will call the First Annual Meeting to elect a new Condominium Board approximately 30 days after the second anniversary of the First Closing. At such meeting, the incumbent Condominium Board shall resign and, subject to the rights of Sponsor to designate members of the Condominium Board, the Unit Owners (including Sponsor) shall elect and/or or designate a new Condominium Board consisting of 5 members. (See the subsection below entitled "Meetings and Votes of Unit Owners" and the Section of the Plan entitled "Control by Sponsor" for details.) Thereafter, at each annual meeting, members of the Condominium Board shall be elected and/or designated and shall serve until the next annual meeting thereof and until a successor has been elected and/or designated.

Except for the Members of Condominium Board designated by Sponsor, all Members of the Condominium Board must be either Unit Owners or certain interested parties as described in the By-Laws. No member of the Condominium Board shall continue to serve on the Condominium Board if, during such member's term of office, such member shall cease to be a Unit Owner or an interested party. All Members of the Condominium Board shall serve without compensation.

Powers and Duties of and Determinations by the Condominium Board

The Condominium Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium. Generally, all determinations with respect to the administration of the affairs of the Condominium shall be made by the Condominium Board.

As more fully set forth in the By-Laws, all determinations required to be made by the Condominium Board shall be by majority of the votes cast at any meeting at which a quorum is present.

Notwithstanding anything to the contrary contained herein, so long as Sponsor continues to own at least 25% in number of all Units, but in no event later than 5 years after the First Closing, the Condominium Board may not, without Sponsor's prior written consent: (a) make any addition, alteration, or improvement to the Common Elements or to any Unit; (b) assess any Common Charges or Special Assessment for the creation of, addition to, or replacement of, all or part of a working capital, reserve, contingency, or surplus fund; (c) increase or decrease the number, or change the kind of employees from that described in the First Year's Budget; (d) enter into any service or maintenance contract for work or otherwise contract for work or services in excess of those set forth in the First Year's Budget, except as is required to reflect normal annual increases in operating services; (e) borrow money on behalf of the Condominium; or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that (x) Sponsor may not diminish or eliminate services or facilities or any line items set forth in the First Year's Budget; and (y) Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such action is necessary, and no other commercially reasonable alternative is available, to enable the Condominium Board to: (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer; or (iv) to ensure the health and safety of the occupants of the Building.

Meetings and Votes of Unit Owners

Annual meetings of Unit Owners shall be held within approximately 30 days of each anniversary of the First Annual Meeting. At such meetings, the Unit Owners shall elect the 5 Members to the Condominium

Board, subject to any rights of Sponsor to designate Members to the Condominium Board, and there shall also be transacted such other business as may properly come before such meetings. In addition, the President may call a special meeting whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such meeting signed by Unit Owners having in aggregate not less than 40% of the total Common Interest. The Secretary of the Condominium Board shall mail a notice of each annual or special meeting to all Unit Owners of record. The notice, which will be given at least 10 days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the By-Laws or Declaration, at all meetings of Unit Owners, the presence in person or by proxy of Unit Owners owning more than 40% of the total Common Interests shall constitute a quorum and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Unit Owners.

At all meetings, each Unit Owner (or their proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Units) shall be entitled to cast one vote for each .0001% of Common Interest attributable to the Unit.

Officers

The principal officers of the Condominium shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Condominium Board. The Condominium Board may appoint additional officers. None of the officers of the Condominium need be Unit Owners or have any interest therein or be Condominium Board members until the first organizational meeting of the Condominium Board following the First Annual Meeting. Thereafter, the President and Vice President must be members of the Condominium Board. No officer shall receive any compensation for acting as such. The By-Laws provide that all instruments of the Condominium are to be executed by any officer thereof or by such other person or persons as may be designated by the Condominium Board.

Repair or Reconstruction after Fire or Other Casualty

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

If the Building is damaged or destroyed by fire or other casualty and the insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be shared entirely by all Unit Owners in proportion to their respective Common Interests. Notwithstanding anything in this paragraph to the contrary, no payment of surplus insurance proceeds shall be made to a Unit Owner until there has first been paid out of such Unit Owner's share of such funds such amounts as may be necessary to reduce unpaid liens on the Unit, other than mortgages which are not Permitted Mortgages, in the order of priority of such liens. The provisions of this paragraph are subject to the next paragraph.

If 75% or more of the Building is destroyed or substantially damaged by fire or other casualty and if 75% or more in Common Interest of all Unit Owners do not promptly resolve to proceed with the repair or restoration thereof, the Building will not be repaired and the Property shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of the Unit Owner's share of such funds such amounts as may be necessary to discharge all unpaid liens on the Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens. Any action to terminate the legal status of the Condominium after

substantial destruction or a Taking shall require the written consent (which consent shall not be unreasonably withheld or delayed) of the Permitted Mortgagees representing at least fifty-one (51%) percent of the Common Interests of all Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any.

Notwithstanding anything contained herein to the contrary, the proceeds of all policies of physical damage insurance maintained by the Condominium Board shall be payable to the Condominium Board in the event of a loss amounting to $1,000,000 or less. In the event that such proceeds are in excess of $1,000,000, such proceeds shall be payable to a New York City bank or trust company designated by the Condominium Board as insurance trustee pursuant to the provisions of the By-Laws. The insurance trustee shall hold all such proceeds in accordance with Section 254-(4) of the New York Real Property Law.

Insurance

The Condominium Board is required to obtain and maintain, in accordance with the provisions of the By-Laws, to the extent obtainable and to the extent determined by the Condominium Board to be appropriate, the following insurance: (a) fire and casualty insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit), together with all service machinery contained therein and covering the interests of the Condominium, and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings); (b) rent insurance in an amount equal to General Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any, determined by the Condominium Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering all the Condominium Board and all officers, directors and employees of the Condominium; (i) directors and officers liability coverage; and (j) such other insurance as the Condominium Board may determine.

The fire insurance policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions described in the By-Laws.

The amount of fire insurance and all risk extended coverage to be maintained until the first Condominium Board meeting following the First Annual Meeting shall be in at least the sum set forth in the First Year's Budget.

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

The Condominium Board shall also be required to obtain and maintain, to the extent obtainable, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as the Condominium Board may from time to time determine, covering (1) the Condominium Board, Managing Agent or agents thereof, each Condominium

Board member and each officer and employee of the Condominium, and (2) each Unit Owner, except that such policy will not cover liability of a Unit Owner arising from occurrences within such Unit Owners Unit or within the Common Elements, if any, exclusive to such Unit Owners Unit. The Condominium Board shall review such limits not less than once each year. Until the first meeting of the Condominium Board following the First Annual Meeting, such liability insurance shall be in at least the sum set forth in Schedule B with respect to bodily injury and property damage, combined single limit. The insurance discussed above shall also include cross-liability claims of one insured against another.

Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Condominium Board may determine. The premiums for all insurance referred to above shall be a Common Expense.

All Unit Owners are required to obtain casualty and liability insurance for their own benefit covering their Units, any Limited Common Element appurtenant thereto, and any Ancillary Amenity. All such policies shall contain waivers of subrogation, if available, and the liability of the carriers issuing insurance obtained by the Condominium Board shall not be affected or diminished by reason of such additional insurance carried by any Unit Owner.

Liability of the Condominium Board and Unit Owners

Every contract made by the Condominium Board or by any Managing Agent or manager thereof shall state that (a) it is made only as agent for all Unit Owners and the members of the Condominium Board, Managing Agent or manager thereof shall have no personal liability thereon (except in their capacities as Unit Owners) and (b) the liability of any Unit Owner with respect to such contract shall be limited to such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interest of all Unit Owners. To the extent permitted by Law, the members of the Condominium Board shall have no liability to Unit Owners except that a member of the Condominium Board shall be liable for such members own bad faith or willful misconduct. All Unit Owners shall jointly and severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each member of the Condominium Board against any liability or claim except those arising out of such member's own bad faith or willful misconduct. The Condominium Board may contract or effect any transaction with any member of the Condominium Board, any Unit Owner, Sponsor, or any affiliate of any of them without incurring any liability for self-dealing except in cases of bad faith or willful misconduct.

Reports to Unit Owners

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

Amendments to Condominium Documents

Generally, subject to certain exceptions concerning, among other things, Sponsor and any Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights, and provided that required consents of the Mortgage Representatives, if any, are obtained (if applicable), any provision of the Declaration, By-Laws or Rules and Regulations affecting the Common Elements or all Unit Owners may be amended, modified, added to or deleted by affirmative vote of at least 66 2/3% in number and in Common Interest of all Unit Owners; provided, however, that the Common Interest appurtenant to each Unit may not be altered without the written consent of all Unit Owners directly affected thereby.

No amendment, modification, addition or deletion of the terms of the Declaration, By-Laws or Rules and Regulations, other than those required by Law, shall be effective (a) against Sponsor or any Unsold Unit

unless Sponsor has given its written consent thereto, or (b) against the holder of any mortgage, pledge or other lien or security interest covering any Unsold Unit unless such holder has given its prior written consent thereto.

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 each of at least 80% in number and in Common Interest of all Unit Owners. Such vote shall not be effective, however, without the written consent (which consent shall not be unreasonably withheld or delayed) of the Permitted Mortgagees representing at least fifty-one (51%) percent of the Common Interests of all Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any.

In the event of withdrawal, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on the Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

Units Acquired by Condominium Board

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

The purchase of any Unit by the Condominium Board on behalf of the Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Condominium Board. If the funds in such account are insufficient to effectuate any such purchase, the Condominium Board may levy an assessment against each Unit Owner in proportion to the Common Interest, as a Common Charge and/or the Condominium Board may, in its discretion, finance the acquisition of such Unit; provided, however, that financing may only be obtained when permitted by the By-Laws and that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its Common Interests.

Procedure to Review Real Estate Tax Assessments

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

Mechanics' Liens

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

Easements

In order to facilitate the operation and maintenance of the Building and the sale or leasing of Units therein, each of the Units will be subject to certain easements including easements in favor of Sponsor, other Unit Owners, the Condominium Board and the Managing Agent and each of their Permitted Users. These easements, which are more particularly set forth in the Declaration, include an easement of support and necessity in favor of all other Units and their appurtenant Limited Common Elements and the General Common Elements, and an easement in favor of each Unit Owner to use, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements provided that such easements shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes.

In addition to all other easements and rights granted in the Declaration, Sponsor, the Managing Agent, and the Condominium Board and each of their respective Permitted Users, shall have an easement in, through and upon the terrace appurtenant to Unit TRI-PH 52 for the purpose of performing maintenance work to the Building, including, without limitation, Local Law 11 work.

In addition to all other easements and rights granted herein, Sponsor, the Managing Agent, and the Condominium Board, and each of their respective Permitted Users shall have an easement in, through and upon both floors of Unit DP-PH 48 for the purpose of accessing, servicing, and utilizing the mechanical room containing the fire suppression tank located on Floors 48 and 49. It is anticipated that such easement will be exercised approximately (3) times per year.

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.

INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

The following discussion of certain income tax consequences of the ownership of Units by Purchasers who use such Units as a personal residence was prepared by Sponsor based, in part, upon the income tax opinion of Warren Gleicher, tax counsel to Sponsor ("Tax Counsel"), a copy of which is set forth in Part II of the Plan.

TAX COUNSEL IS COUNSEL TO SPONSOR AND NOT THE UNIT OWNERS. EACH PURCHASER SHOULD CONSULT PURCHASER'S OWN TAX COUNSEL AS TO THE TAX CONSEQUENCES OF UNIT OWNERSHIP UNDER THE PLAN.

Income Tax Deductions to Unit Owners

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

It is the opinion of Tax Counsel that a Unit Owner who uses the Unit as a personal residence will, under present Law, for Federal, New York State and New York City income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers, subject to certain exceptions and limitations which are more particularly discussed in the Attorney's Income Tax Opinion. Purchasers should note that deductions, if applicable, may vary in future years due to changes in the interest rate or the Unit Owner's mortgage or from changes in the allocation of the constant debt service payments to interest and principal, or due to changes in real property taxes resulting from the expiration of real estate tax benefits, or from changes in the assessed value, the tax rate or the method of assessing real property. Sponsor makes no guaranty or warranty concerning the availability of any tax deductions. Purchasers who are individuals should note that mortgage interest is deductible generally only with respect to (1) secured debt used to acquire, construct or substantially improve a principal or second residence (or which constitutes a refinancing of such debt) (up to a total indebtedness of $1 million, $500,000 for married tax payers filing separately) plus (2) other debt (not in excess of $100,000) secured by a principal or second residence. Interest on home mortgage debt in excess of these limitations would not be deductible. In addition, Unit Owners should note that special limitations may apply to the deductibility of points and prepaid interest, if any, on their mortgage loans and to the overall allowance of itemized deductions.

Tax Status of the Condominium

As discussed in the Attorney's Income Tax Opinion, the Condominium should meet the requirements for qualification as a "homeowners association," under Internal Revenue Code Section 528 and accordingly, may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Unit Owners.

If such an election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources such as interest earned on any reserve fund (less expenses directly connected with the production of such income).

If the Condominium does not qualify as a "homeowners association," or if it does but chooses not to make the necessary election, it will be taxable as a partnership or corporation for Federal and New York State

income tax purposes. Tax Counsel recommends that the Condominium file Form 8832 within 75 days of its formation so it will be taxable as a corporation for federal income tax purposes.

The qualification of an organization as a "homeowners association" is determined annually at the close of each taxable year, and it is possible that if the Condominium does not qualify in one year, it may nevertheless qualify in one or more future years.

No warranties are given that the Internal Revenue Service, the New York State Department of Taxation and Finance or the Finance Administration of the City of New York will allow the aforementioned deductions for mortgage interest and real estate taxes. There is also no assurance that the tax laws or the regulations or rulings issued thereunder, or any judicial interpretation thereof upon which Tax Counsel bases its opinion, will not change. In addition, none of the aforesaid give any warranties with respect to the tax consequences of the Plan or the tax consequences of ownership of any Units offered under the Plan, and no one has been authorized to give any warranties.

REAL ESTATE TAXES

Prospective purchasers are advised to review Footnote (6) of "Schedule A – Purchase Prices of Units and Related Information" for details concerning real estate taxes for the First Year of Condominium Operation. The information contained therein is based on the real estate tax projection opinion prepared by Marcus & Pollack LLP set forth in Part II of the Plan.

It is estimated that the aggregate real estate taxes payable with respect to all Units for the First Year of Condominium Operation will total approximately $3,973,349, assuming (a) a transitional assessed valuation for the Property of $18,891,933 for the three months of 2016/2017 tax year and a transitional assessed valuation for the property of $34,005,459 for the nine months of 2017/2018 tax year reflecting the assessment for a partially constructed property based on the real estate tax projection opinion prepared by Marcus & Pollack LLP dated January 20, 2014 set forth in Part II of the Plan, and (b) a tax rate of $13,145 per $100 of assessed valuation for the 2016/2017 and 2017/2018 tax years. However, the Schedule A reflects estimated real estate taxes of $4,966,686 based on a fully constructed assessment of the Building.

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 Declaration has been recorded and the Floor Plans are filed with the Register's Office. For purposes of Schedule A, the projected real estate taxes for the Building were apportioned among the Units based on Common Interest percentages. There is no assurance that the City of New York tax assessor will allocated taxes among Units in proportion to their respective Common Interest percentages. It is possible that the apportionment will be based in part upon the proportion the projected selling price presented in the Plan for each Unit bears to the gross sellout price for all Units available for purchase in the Condominium and in part upon extrinsic indicia of value, including location, square footage, amenities, income producing potential and existing leases on particular Units. At such time as the Units have been separately assessed for real estate tax purposes, each Unit will be taxed as a separate tax lot for real estate tax purposes and a Unit Owner will not be responsible for the payment of, nor will the Unit be subjected to any lien arising from the non-payment of real estate taxes assessed against any other Unit.

Although the estimate of New York City real estate taxes is a good faith estimate, it is not possible to estimate same with any degree of certainty. Assessed valuations, apportionment or taxes among the Units and tax rates, when actually established by the City of New York, may be lesser or greater. Accordingly, these estimates are to be considered opinions and are not intended, and should not be construed as, warranties as to future assessed valuations, tax rates or the actual real estate taxes to be assessed. In no event will Sponsor, Selling Agent, Tax Counsel, Real Estate Tax Counsel or any other person be liable to any Purchaser, nor will any Purchaser have the right to rescind the Option Agreement if the assessed valuations, tax rates or taxes, when actually established, are lesser or greater than that projected herein or if the Administrative Code and the applicable rules and regulations of the City of New York are changed in the future. Please refer to the Section of the Plan entitled "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" for more details.

The Unit Power of Attorney which each Purchaser shall be required to sign at Closing, the form of which shall be substantially as set forth in Part II of the Plan, authorizes the Condominium Board to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to the Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate, in accordance with the terms of the Bylaws.

As of the Filing Date of the Plan, there are no tax certiorari proceedings pending for the reduction of real estate taxes with respect to the Property.

ATTORNEY'S INCOME TAX OPINION

O L S H A N

PARK AVENUE TOWER • 65 EAST 55TH STREET • NEW YORK, NEW YORK 10022
TELEPHONE: 212.451.2300 • FACSIMILE: 212.451.2222

EMAIL: WGLEICHER@OLSHANLAW.COM
DIRECT DIAL: 212.451.2231

August 12, 2014

41-45 Property Owner, LLC
445 Park Avenue, Suite 1902
New York, New York 10022

Re: **520 Park Avenue Condominium**

Gentlemen:

In connection with the offering of condominium units under a plan entitled Condominium Offering Plan for 520 Park Avenue Condominium (the "Plan"), you have requested our opinion as special tax counsel to the Plan concerning certain tax matters. Specifically, you have requested our opinion as to the deductibility for federal and New York State income tax purposes of payments of mortgage interest and real estate taxes by individual Residential Unit Owners. You have also asked for our opinion as to the tax status of the condominium association.

All capitalized terms not otherwise defined herein shall have the same meaning ascribed to them in the Plan.

We understand that under the Plan each Unit Owner will hold title to his Unit and an undivided interest in the Common Elements of the Property in fee simple. Under New York State law, each Unit and its interest in the Common Elements will be taxed as a separate parcel for real estate tax purposes. Each Unit Owner may place a separate mortgage on his Residential Unit and, by doing so, incur direct liability for the interest payable on such mortgage.

In our opinion under present law, subject to the limitations discussed in the following paragraph and subject to limitations imposed on the deduction of itemized deductions, interest on a mortgage secured by a Residential Unit paid or accrued by owner of such Residential Unit who is liable for the interest payment on such mortgage and who uses the Residential Unit exclusively as his personal residence will be deductible for federal income tax purposes in the appropriate year according to his method of accounting, provided that he itemizes his deductions. In rendering this opinion we assume that such interest is not prepaid, that the mortgage proceeds were used by the Residential Unit Owner to purchase the Residential Unit, that the Residential Unit is the owner's principal residence and that the Residential Unit Owner is an individual.

Except as provided below, residential interest is deductible if paid or accrued during the taxable year on indebtedness which is secured by either the taxpayer's principal residence, as defined for purposes of exclusion of gain on sale under Internal Revenue Code ("Code") Section 121, or on certain designated second homes. However, a ceiling is placed on the amount of indebtedness which may be taken into account for purposes of this deduction. In general, with respect to indebtedness incurred in purchasing a Residential Unit, this ceiling is $1,000,000, or $500,000 in the case of a married individual filing a separate return. In addition, an individual

may deduct interest on an additional $100,000 of indebtedness in excess of the $1,000,000 limit mentioned above as interest on home equity indebtedness. However, special limitations may apply to the deductibility of points and prepaid interest if any.

It is also our opinion under present law that real estate taxes assessed against a Unit Owner's Residential Unit which are paid or accrued by such owner will be deductible for federal income tax purposes in the appropriate year according to his method of accounting, provided that he itemizes his deductions.

We note that in some cases the amount of mortgage interest deductible by an individual Residential Unit Owner subject to the alternative minimum tax may be less than the amount deductible by a Residential Unit Owner subject to the regular income tax and that no deduction is allowed for real estate taxes paid by a taxpayer subject to the alternative minimum tax.

The mortgage interest and real estate taxes described above will also be allowable as deductions for New York State income tax purposes to a resident individual. We express no opinion with respect to these items under the New York State personal income tax on nonresidents. We also express no opinion as to the taxation of Residential Unit Owners who are not individuals.

We have reviewed various documents included as exhibits in the Plan relating to the organization of the Condominium Board of 520 Park Avenue Condominium (the "Association"), including the Declaration of Condominium and By-Laws of the Condominium (which are the instruments which will create the Association).

Our opinion has been requested as to whether the Association will be eligible to qualify as a tax-exempt organization for federal income tax purposes. In order for the Association to qualify as an exempt organization for federal income tax purposes under Code Section 528, it must meet the following six conditions:

(1) The Association must be organized and operated to provide for the acquisition, construction, management, maintenance, and care of the Association's property.

(2) Sixty percent (60%) or more of the Association's gross income for the taxable year must consist solely of amounts received as membership dues, fees or assessments from owners of residential units.

(3) Ninety percent (90%) or more of the expenditures of the Association for the taxable year must be expenditures for the acquisition, construction, management, maintenance, and care of the Association's property.

(4) No part of the net earnings of the Association may inure to the benefit of any private shareholder or individual, other than by acquiring, constructing, or providing management, maintenance, and care of the Association's property and other than by a rebate of excess membership dues, fees, or assessments.

(5) The Association must qualify as a "condominium management association," which is an organization meeting the requirements of condition (1), above, with respect to a condominium project substantially all the units of which are used by individuals for residences.

(6) The Association must properly elect to have Code Section 528 apply for the taxable year.

"Substantially all the units" of a condominium management association will be considered as used by individuals for residences if at least eighty-five percent (85%) of the total square footage of all Units within the project is used by individuals for residential purposes. Units that are used for purposes auxiliary to residential use are considered as used for residential purposes. These auxiliary purposes include laundry areas, storage rooms, and areas used by maintenance personnel. A special limitation is established for transient use. No building or Unit will be considered as used for residential purposes if, for more than one half the days in the Association's taxable year, such Unit or building is occupied by a person or series of persons each of whom occupies the Unit or building for less than thirty days.

You have advised us that more than 85% of the total square footage of the Premises will be used by individuals for residential purposes and that no person may rent his Unit for a period of less than thirty (30) days. Accordingly, the "substantially all" test should initially be met.

Our review of the documents referred to above indicates that the Association meets all the organizational tests described above for qualification for exemption. Assuming the Plan is consummated in accordance with its provisions and that the Association, in its actual operation, meets the other tests set forth above, it is our opinion that the Association will be eligible to elect tax-exempt status under IRC Sec. 528. If such exempt status is properly elected, it is our opinion that the Association will not be subject to federal income tax for the taxable years in which such election is in effect, except as noted in the following paragraph.

An effective election will exempt from federal income taxation all amounts received by the Association as exempt function income. This consists of amounts received as membership dues, fees, or assessments from owners of Units. However, the Association will be subject to tax on income which is not exempt function income to the extent such income exceeds expenses properly allocable to such income. Examples of income which is not exempt function income are interest earned on reserve funds, amounts received from persons who are not members of the Association, amounts received for work done on privately owned property which is not Association property, and amounts received from members for special use of the Association's facilities, the use of which is not available to all members as a result of having paid the dues, fees, or assessments required to be paid by all members.

If the Association fails to qualify as a "homeowners association", or if it does but chooses not to make the necessary election, the present state of the law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. Tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of its income (including the nonmembership, and possibly membership, income described above less expenses related to such income) is subject to Federal corporate income tax, New

York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners. The tax treatment of the Condominium may be affected by certain United States Treasury Department regulations relating to entity classification.[1]

This opinion deals only with the specific tax matters discussed above, which do not necessarily comprise all tax matters which may be significant to purchasers of Units. We express no views as to any federal, New York State or New York City tax consequences other than as explicitly discussed in this opinion or as to the tax status or tax consequences of the Plan under the laws of any foreign jurisdiction. Accordingly, it is recommended that each prospective purchaser of a Unit consult with his own tax advisor concerning the federal, New York State, and New York City tax consequences of the purchase and ownership of a Unit.

This opinion is based solely on the facts and documents referred to above. No warranties are made that the tax laws upon which counsel bases this opinion will not change. In no event will the Sponsor, counsel to Sponsor, special tax counsel to the Sponsor, the Association, or any other person be liable if, by reason of future changes in fact or applicable law, regulations, decisional law, or Internal Revenue Service rulings, the tax consequences described previously should change.

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 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.

Sincerely yours,



OLSHAN FROME WOLOSKY LLP

[1] To remove doubt in the area, the Association may be able to elect to be treated as a corporation for federal income tax purposes if it files Form 8832 with the IRS within 75 days of its formation.

REAL ESTATE TAX PROJECTION OPINION

MARCUS & POLLACK LLP

ATTORNEYS AT LAW

INCLUDING PROFESSIONAL CORPORATIONS

708 THIRD AVENUE

11TH FLOOR

NEW YORK, NY 10017-4112

(212) 490-2900

FAX: (212) 599-3167

www.marcuspollack.com

taxappeal@marcuspollack.com

JOEL R. MARCUS

ROBERT M. POLLACK

PHILIP H. AZARIAN

BRUCE A. BRASKY

August 8, 2014

41-45 Property Owner, LLC
c/o Zeckendorf Development, LLC
445 Park Avenue, Suite 1902
New York, New York 10022

Re: 520 Park Avenue
aka 45 East 60th Street
Manhattan Block 1375 Lots 28 and 9031

Dear Sir/Madam:

You have requested that we project the real estate tax liability for the residential condominium building to be constructed on the vacant lot at 45 East 60th Street, also known as 520 Park Avenue ("520 Park Avenue").

Since tax year 1982/1983, Real Property Tax Law §1805(3) has mandated that increases in assessed valuation must be phased in over a five year period, resulting in a Transitional Assessed Value. However, the statute requires the Finance Department to include all physical (new construction, renovation, rehabilitations, or additions of square footage to existing structures) changes directly into the taxable assessed valuation without the five-year phase-in. The Actual Assessed Value is the target value which will be reached at the end of the five year period, assuming the assessment is not increased in the interim. Taxes are payable based upon the lower of the Actual and Transitional assessed values.

The total Actual (target) and Transitional Assessed Valuations for the subject property for the most recent tax year are set forth as follows:

Lot	Tax Years	Actual Assessment	Transitional Assessment
28	2014/15	$6,777,000	$3,387,600
9031	2014/15	$ 360,450	$ 332,082

MARCUS & POLLACK LLP
ATTORNEYS AT LAW
INCLUDING PROFESSIONAL CORPORATIONS
708 THIRD AVENUE
11TH FLOOR
NEW YORK, NY 10017-4112
(212) 490-2800
FAX: (212) 599-3167
JOEL R. MARCUS
ROBERT M. POLLACK
PHILIP H. AZARIAN
BRUCE A. BRASKY
taxappeal@marcuspollack.com

You have advised us of the following facts regarding this project:

1. 520 Park Avenue will be new construction held in the condominium form of ownership. Upon completion there will be thirty-nine (39) separately assessed residential condominium dwelling units with accessory use space containing approximately 251,829.30 gross square feet to be used for residential accessory use and of common elements space on 52 floors.

2. The site which comprises the subject property currently consists of the tax lots identified on the New York City Department of Finance records as Block 1375, Lots 28 and 9031 in Manhattan.

3. The construction commenced on March 1, 2013 and is projected to be completed by July 1, 2017. As the estimated completions dated would occur prior to the tax status date for tax year 2018/2019, i.e., January 5, 2018, we estimate the 2018/2019 tax year should therefore be the first tax year in which the City's assessment roll fully reflects the value of the newly constructed building.

4. Once construction has been completed, the property will consist of a single condominium building with separately assessed condominium tax lots for each residential dwelling unit.

5. The first year of condominium operation is scheduled to extend from November 1, 2017 through October 31, 2018. As this period corresponds with the City's 2016/2017 and 2017/2018 fiscal tax years, real estate taxes due for the first year of condominium operation will therefore be based on the assessed value of the tax lots for eight (8) months of tax year 2017/2018 and four (4) months of tax year 2018/2019.

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

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

The capitalization of income method is based upon the proposition that the annual net income generated by a property, when divided by the rate of return an investor at a given time would accept for his money in a competing investment, yields a close estimate of the market value of the property. In the past the Department of Finance has also utilized gross income multipliers value residential property. However, the Department of Finance has recently indicated that they will no longer utilize this approach to value.

The sales price comparison method is founded upon the belief that value can be ascertained by surveying market prices. Market value has been defined as that price which a property would bring in a competitive and open market, wherein both buyer and seller are acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. However, the addition of sale prices of individual units may not be the basis for arriving at the assessed valuation of a residential condominium or cooperative housing corporation. Real Property Tax Law Section 581 requires that the Department of Finance assess residential condominiums without regard to their form of ownership. This requirement has been interpreted to mean that cooperatives and condominiums are to be assessed as if they were rental properties, thus requiring a valuation based upon the capitalization of income utilizing rents imputed from comparable rental properties.

In arriving at the assessed valuation for each unit in the Condominium, the building is first assessed in its entirety. This overall assessment is then apportioned among the respective units, each of which will be assigned a tax lot designation once the condominium Declaration has been recorded with the City Register. In the past, the apportionment was based in part upon the proportion of the projected selling price presented in the Offering Plans for each residential unit bears to the gross sellout price for all residential units available for purchase in the project (hereinafter, "Proportionate Valuation"), and in part upon extrinsic indicia of value, including location, square footage, amenities, income producing potential and existing leases, if any, on particular units. However, more recently, the Department of Finance had enunciated a policy which has allocated assessed values for the residential unit within a condominium by utilizing each unit's respective percent interest in the common elements.

We make no representation that the Department of Finance will use any particular method to apportion assessed valuation among the units for the purpose of computing the portion of the condominium building's total assessed valuation that will be allocated to the units within the condominium building.

Reconciliation of the three approaches to valuation discussed above, for recently constructed residential apartment building throughout Manhattan, justifies an estimated overall Actual Assessed Valuation for the entire condominium building (including "land" and "building") upon completion of construction of $37,783,843 or approximately $150 per gross square foot and we estimate the billable Assessed Value to be $37,783,843. We project that the assessed value of the completed condominium building would first be reflected on the City's 2018/2019 tax assessment roll.

For our projections, we have placed greatest weight on the Comparable Assessment Study. The Comparable Assessment studies generally indicate that the City's assessment of newly constructed condominiums is often lower than what would normally be indicated by the capitalization of income method.

The most recent and currently available tax rate for residential real property is 12.855% and for commercial property is 10.684%. For purposes of the following projections, we have assumed that these overall rates will remain in effect for the 2016/2017, 2017/2018, 2018/2019 and 2019/20 tax years. The estimated taxes payable during tax years 2016/2017, 2017/2018, 2018/2019 and 2019/20 for the residential condominium units as defined above are projected as follows:

Estimated Taxes Payable During Tax Year 2016/2017– During the Course of Construction:

For purposes of this analysis, we have estimated that as of the January 5, 2016 taxable status date governing the 2016/2017 assessment roll a foundation will be in place based upon the start of construction on March 1, 2013. The property is estimated to be assessed as if 50% completed and as a residential building with a Tax Class 2 classification.

We have estimated the total Actual Assessed Valuation for the 2016/17 assessment roll to be $18,891,922. We have estimated the billable assessment to be $18,891,922 for tax year 2016/17. It is estimated that for tax year 2016/17 the property will be assessed as a single residential tax lots and will not be subdivided into condominium tax lots. The assessed valuation will be multiplied by the estimated Tax Class 2 tax rate for 2016/17 of 12.855% for the residential property to arrive at the estimated 2016/17 tax liability of $2,428,556.

Estimated Taxes Payable During Tax Year 2017/2018– During the Course of Construction:

For purposes of this analysis, we have estimated that as of the January 5, 2017 taxable status date governing the 2017/2018 assessment roll a foundation will be in place based upon the start of construction on March 1, 2013. The property is estimated to be assessed as if 90% completed and as a residential building with a Tax Class 2 classification.

We have estimated the total Actual Assessed Valuation for the 2017/18 assessment roll to be $34,005,459. We have estimated the billable assessment to be $34,005,459 for tax year 2017/18. It is estimated that for tax year 2017/18 the property will be assessed as a single residential tax lot and will not be subdivided into condominium tax lots. The assessed valuation will be multiplied by the estimated Tax Class 2 tax rate for 2017/18 of 12.855% for the residential property to arrive at the estimated 2017/18 tax liability of $4,371,402 of which eight (8) months or $2,914,268 will fall within the first year of the condominium operation.

Estimated Taxes Payable During Tax Year 2018/2019 – Upon Completion of Construction:

For purposes of this analysis, we have estimated that as of the January 5, 2018 taxable status date governing the 2018/2019 assessment roll, the building will be assessed as a complete building and the total Actual Assessed Value of 520 Park Avenue, inclusive of the 39 residential condominium units, to be $37,783,843 and the estimated total billable Assessed Value to be $37,783,843. The assessed valuation will be multiplied by the estimated Tax Class 2 tax rate for of 12.855%. The estimated real estate tax for the tax year 2018/2019 is $4,857,113 of which four (4) months or $1,619,038 will fall within the first year of the condominium operation.

Estimated Real Estate Taxes for the First Year of Condominium Operation – November 1, 2017 through October 31, 2018

For the first year of condominium operation covering the period of November 1, 2017 through October 31, 2018, we project that the real estate taxes will be based on eight (8) months of tax year 2017/2018 when the property will be under construction and not yet assessed as a complete building and four (4) months of tax year 2018/2019 when the property will be assessed as a complete building. Thus, for the first year of condominium operation, the estimated real estate tax liability for the condominium will be as follows:

November 1, 2017 to June 30, 2018
(8 months of tax year 2017/18)
$34,005,459 x 12.855% / 12 x 8 = $2,914,268

July 1, 2018 to October 31, 2018
(4 months of tax year 2018/19)
$37,783,843 x 12.855% / 12 x 4 = $1,619,038

Residential condominium first year estimated real estate taxes = $4,533,306

Estimated Real Estate Taxes for the Second Year of Condominium Operation – November 1, 2018 through October 31, 2019

For the second year of condominium operation covering the period of November 1, 2018 through October 31, 2019 we project that the real estate taxes will be based on eight (8) months of tax year 2018/19 when the property is not yet complete and four (4) months of tax year 2019/20 when the property will be assessed as a completed building. It is estimated that for tax year 2019/20 the total Actual assessed value will be $38,917,358 and the billable assessment to be $38,010,546. The estimated real estate tax liability for the condominium would be as follows:

November 1, 2018 to June 30, 2019
(8 months of tax year 2018/2019)
$37,783,843 x 12.855% / 12 x 8 = $3,238,075

July 1, 2019 to October 31, 2019
(4 months of tax year 2019/20)
$38,010,546 x 12.855% / 12 x 4 = $1,628,752

Residential condominiums second year estimated real estate taxes = $4,866,827

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

Prospective Purchasers are advised that while there is a formula which has been utilized by the Real Property Assessment Department in assessing such properties in the past, it has not be 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 further 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 significantly more or less than as estimated herein.

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, policies and practices 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 constructed properties held in the condominium form of ownership. Application of a particular approach to valuation by an individual assessor may yield a substantially different result.

We hereby consent to the inclusion of this letter in the Offering Plan.

Very truly yours,

Marcus & Pollack LLP

Marcus & Pollack LLP

MP:sm

WORKING CAPITAL FUND AND APPORTIONMENTS

Each Purchaser of a Unit shall be required to make a non-refundable contribution at the Closing to the working capital fund of the Condominium ("Working Capital Fund") in an amount equal to 2 months' Common Charges with respect to the Unit based on the Condominium budget at the time of Closing. The payment of the Working Capital Fund contribution shall be required of all Purchasers of Units, whether purchased from Sponsor or on a resale. No payment to the Working Capital Fund will be made by the Condominium Board as Purchaser of the Resident Manager's Unit.

At or subsequent to the First Closing, Sponsor will apportion with the Condominium the following items as of midnight of the day preceding the First Closing, to the extent applicable:

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

(2) deposits with utility companies, if any, and fees for assignable permits and licenses, if any.

(3) charges for electricity and other utilities for the Common Elements.

(4) cost of fuel on hand (plus sales tax), if any.

(5) charges and receipts in connection with service, maintenance and concession contracts.

(6) water charges and sewer rents on the basis of the fiscal or calendar year for which assessed (unless separately assessed to individual Units).

(7) cost of building supplies on hand at Sponsor's cost (including sales tax).

(8) premiums for transferable insurance policies, if any.

(9) janitorial service fees, if any.

(10) management fees.

(11) building supplies (including, but not limited, to uniforms, cleaning supplies, carts, luggage).

(12) other customary closing adjustments.

If any of the foregoing items to be apportioned cannot be adjusted at the First Closing because they are not fully ascertainable, they shall be apportioned and adjusted to the extent reasonably possible at the First Closing, and final adjustment will be made as soon thereafter as the undetermined amounts are ascertained. Except as set forth above, the customs in respect to title closings adopted by the Real Estate Board of New York, Inc., as amended, shall apply to apportionments and the other matters mentioned above.

If the result of the Closing adjustments is a net credit in favor of the Condominium, Sponsor will contribute the amount of such net credit to the Working Capital Fund. If the result of the Closing adjustments is a net credit in favor of Sponsor, the payment of any net credit shall be evidenced by an unsecured, negotiable promissory note, without interest, to be executed by the Condominium Board and delivered to Sponsor at the First Closing to be repaid on the first anniversary of the First Closing. The promissory note may be prepaid by the Condominium in full at any time, or in part from time to time, without penalty.

In addition to the foregoing, all closing costs, without exception, including but not limited to, origination and application fees, recording fees, mortgage recording taxes, mortgage and fee title insurance,

legal fees and transfer taxes due in connection with the transfer and mortgage of the Resident Manager's Unit (estimated, assuming the Resident Manager's Unit is transferred at the First Closing, to be approximately $148,060) will be paid from the Working Capital Fund. In the event that the Working Capital Fund is not sufficient to pay these closing costs, Sponsor will advance the funds necessary on behalf of the Condominium in exchange for an interest-free promissory note in favor of Sponsor secured by the Working Capital Fund in the amount of the funds so advanced ("Resident Manager's Unit Advance"), providing for repayments of principal only from the Working Capital Fund.

The Working Capital Fund will be used for working capital, a reserve for repairs or for such other appropriate purposes as will be determined by the Condominium Board and may be augmented by allocations from the monthly Common Charges. While Sponsor controls the Condominium Board, the Working Capital Fund will not be used to reduce Common Charges. (See the Section of the Plan entitled "Control By Sponsor" for details.)

The Condominium Board will be able to utilize the funds in the Working Capital Fund at any time and, accordingly, no representation or warranty can be made and no assurance can be given as to the exact amount of funds available at any specific time. However, in no event shall any portion of the Working Capital Fund be used to pay any Common Charges attributable to Unsold Units. In addition, within 3 months following the end of the Sponsor Control Period, Sponsor shall deliver to the Condominium Board a statement from an officer of Sponsor, certifying in reasonable detail as to any changes in the amount of the Working Capital Fund which have occurred since the First Closing.

No representation or warranty is made that the Working Capital Fund will be, or is intended to be, adequate to cover current or future expenses, including repairs, replacements or major improvements, for the first or any subsequent year of Condominium operation. If additional funds are required over and above the Working Capital Fund to cover expenses of the Building operation, it may be necessary to increase Common Charges or make Special Assessments. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

RESERVE FUND

Sponsor has not established a reserve fund for capital repairs, replacements or improvements. Because the Building, upon completion of construction will be entirely new construction, Sponsor does not anticipate the imminent need for capital repairs, replacements and/or improvements. However, no warranty or guaranty is given that such needs will not arise in the future. Therefore, Unit Owners will be obligated to pay their share of the cost of repairs, replacements and/or improvements to the Common Elements as the need for such arises, unless there are sufficient Working Capital Funds or other funds available. The Condominium Board, in its discretion, and subject to certain restrictions contained in the By-Laws, may decide in the future to create a reserve fund by Special Assessment or by increases in Common Charges.

MANAGEMENT AGREEMENT

At the First Closing, Sponsor will assign, and the Condominium Board will assume, the Management Agreement for the Condominium between Sponsor and Brown Harris Stevens Residential Management LLC ("Managing Agent"), having an office at 770 Lexington Avenue, New York, New York 10065 ("Management Agreement"). Sponsor may, in the alternative, have the Condominium Board enter into the Management Agreement directly with Managing Agent.

The Management Agreement will provide for an initial term of 2 years commencing on the date of the First Closing ("Commencement Date"). Thereafter, the Management Agreement will be automatically renewed on a month to month basis, but may be cancelled by either party without cause, upon not less than 60 day's prior written notice.

Managing Agent will receive an annual fee of $72,000, payable in equal monthly installments during the initial term of the Management Agreement. The management fee is comparable to the rate for similar services in comparable buildings. In addition, for services rendered to Unit Owners (other than Sponsor), in connection with processing applications to (i) sell, lease or otherwise transfer Units and obtaining necessary waivers of the right of first refusal by the Condominium Board, (ii) mortgage or refinance of an existing mortgage on a Unit and (iii) alter or renovate a Unit, Managing Agent shall receive a fee from the Unit Owner in such amounts as shall be determined, time to time, by the Condominium Board.

The duties and services to be rendered by Managing Agent include, among others:

(1) billing and collecting Common Charges.

(2) causing the Common Elements to be maintained, repaired and altered in the manner deemed advisable by the Condominium Board.

(3) contracting for necessary services and repairs and purchasing all supplies necessary to properly maintain and operate the Building and its Common Elements.

(4) checking all bills received in connection with the maintenance and operation of the Common Elements and causing all such bills and other expenses to be paid.

(5) supervising, hiring, discharging and paying employees necessary for the proper maintenance and operation of the Building.

(6) rendering monthly statements of receipts and disbursements to Sponsor or other designated entity, upon request.

(7) maintaining payroll records and filing withholding tax statements for employees.

(8) maintaining accurate sets of books for the Condominium Board.

(9) cooperating with the Condominium Board's accountants in preparing and submitting annually to the Condominium Board an operating budget of the anticipated income and expenses for the ensuing year.

(10) attending meetings of the Condominium Board and Unit Owners, and preparing agendas and sending notices relating to such meetings.

(11) causing to be obtained and maintained insurance for the Condominium in amounts deemed advisable by the Condominium Board.

(12) processing applications of Unit Owners for permission to alter the Units.

(13) processing applications for waivers of the right of first refusal.

(14) generally, doing all things deemed reasonably necessary or desirable by the Condominium Board for the proper management of the Building.

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

The Management Agreement provides that the Condominium Board shall indemnify Managing Agent with respect to claims in connection with Managing Agent's carrying out the provisions of the Management Agreement or acting under the express or implied directions of the Condominium Board, unless arising from the gross negligence, bad faith or willful misconduct of Managing Agent in carrying out its duties.

Sponsor reserves the right during the Sponsor Control Period to designate any other reputable managing agent to perform all of the duties and services to be performed by Managing Agent under the Plan and if Sponsor does so, Sponsor will cause such other managing agent to accept employment on terms substantially similar to the terms specified above. The Management Agreement may not be assigned by Managing Agent without the prior written consent of the Condominium Board. The Condominium Board may not assign the Management Agreement.

There are presently no contracts or leases binding on the Condominium.

William Lie Zeckendorf and Arthur Zeckendorf, two of the principals of Sponsor, are affiliated with the Managing Agent.

IDENTITY OF PARTIES

Sponsor

41-45 Property Owner, LLC is a limited liability company organized under the laws of the State of Delaware, with an office at 445 Park Avenue, Suite 1902, New York, New York 10022 ("Sponsor").

The principals of Sponsor who will be actively involved in this offering are William Lie Zeckendorf, Arthur Zeckendorf, Samuel Kellner and Rafael Nasser, each of which have an address at c/o 41-45 Property Owner LLC, 445 Park Avenue, Suite 1902, New York, New York 10022.

William Lie Zeckendorf and Arthur Zeckendorf have been active in the real estate business for over 23 years. They have been involved in the development of over 2000 condominium apartments in Manhattan with a value exceeding $2 billion. Some of the Zeckendorf family's best known condominium projects include 50 United Nations Plaza, 18 Gramercy Park Condominium, Fifteen Central Park West Condominium, 515 Park Avenue, Millennium Tower located at 101 West 67th Street, the Belaire located at 524 East 72nd Street, Central Park Place located at 301 West 57th Street, Zeckendorf Towers on Union Square and the Copley Condominium located at 2000 Broadway. William Lie Zeckendorf and Arthur Zeckendorf are also co-owners and co-chairman of Terra Holdings, LLC, parent company of Brown Harris Stevens, LLC and Halstead, LLC, two of Manhattan's leading residential real estate management and brokerage firms.

Samuel Kellner is President of Eastgate Realty, a division of O.S.L. Shipping and Development, Inc. Mr. Kellner was a principal in Fifteen Central Park West Condominium and is currently a principal in 50 United Nations Plaza and The Greenwich Lane Condominium. Mr. Kellner has over 25 years' experience in commercial real estate investment and management in New York City and other locations.

Rafael Nasser has over 25 years, New York City, property specific experience and has been involved in the ownership, development and management of over 1.5 million square feet of property across all asset classes.

Prior Offerings

Neither Arthur Zeckendorf nor Rafael Nasser have taken part in any prior public offerings which were initially offered during the past 5 years.

William Lie Zeckendorf has taken part in the following prior public offerings which were initially offered during the past 5 years:

Project:	Date Filed:
18 Gramercy Park	May 23, 2012
50 United Nations Plaza	September 18, 2013

Samuel Kellner has taken part in the following prior public offerings, which were initially offered during the past 5 years:

Project:	Date Filed:
The Greenwich Lane 140-160 West 12th St & 133-155 West 11th St	April 29, 2013
50 United Nations Plaza	September 18, 2013

William Lie Zeckendorf and Samuel Kellner are current in their financial obligations with respect to these projects.

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 15 years prior to the submission of the Plan.

Sponsor and those principals of Sponsor who reside outside of the State of New York have designated the Secretary of State for service of process.

Attorneys for Sponsor

Sponsor has retained the law firm of Starr Associates LLP, having an office at 245 Fifth Avenue, Suite 1102, New York, New York 10016 to represent it in connection with the Plan and to serve as Escrow Agent. Allan Starr, Esq. participated in and supervised the preparation of the Plan. Starr Associates LLP will serve as Escrow Agent and will represent Sponsor in connection with matters relating to the sale and closing of Units.

Sponsor has retained the law firm of Olshan Frome Wolosky LLP, having an address at 505 Park Avenue, New York, New York 10022 to prepare the Income Tax Opinion for the Condominium and Unit Owners under the direction of Warren Gleicher, Esq.

Sponsor has retained the law firm of Marcus & Pollack LLP, having an office at 708 Third Avenue, New York, New York 10017, to provide Real Estate Tax Opinion Letter set forth in Part II of the Plan.

Selling Agent

Selling Agent for the Condominium will be Zeckendorf Marketing LLC, having an address at 770 Lexington Avenue, 4th Floor, New York, New York 10065. Selling Agent is a licensed real estate broker whose principals have been engaged in the sale of real estate for many years.

There have been no prior felony convictions of Selling Agent, or any principals of Selling Agent and no prior convictions, injunctions and judgments against Selling Agent, or any principals of Selling Agent that may be material to the Plan or an offering of securities generally that occurred within 15 years prior to the submission of the Plan.

Managing Agent

Managing Agent for the Condominium will be Brown Harris Stevens Residential Management LLC, having an office at 770 Lexington Avenue, New York, New York 10065. Managing Agent is a real estate and management firm that has been in business for many years. Managing Agent is a licensed real estate brokerage and management firm, which has been engaged in the management of residential real estate for over 100 years. It currently provides property management services for many residential cooperatives and condominiums.

There have been no prior felony convictions of Managing Agent, or any principals of Managing Agent, and no prior convictions, injunctions and judgments against Managing Agent, or any principals of Managing Agent that may be material to the Plan or any offering of securities generally that occurred within 15 years prior to the submission of the Plan.

Construction Professionals

Sponsor has retained the following professionals in connection with the construction of the Building:

a) Architect of Record

SLCE Architects, having an office at 1359 Broadway, 14th Floor, 14th Floor, New York, New York 10018 is the architect of record for the Building ("Architect"). The Architect prepared the Floor Plans of Units set forth in Part II of the Plan and the Floor Plans which will be filed with the New York City Real Property Assessment Department required in order to create the Condominium. Architect has also examined the physical condition of the Building and has rendered its report thereof and a Certification which is set forth in Part II of the Plan. Architect has been providing architectural services for 50 years and has been the architect of many buildings including Fifteen Central Park West, One Beacon Court, the Knickerbocker and Metropolitan Tower.

b) Design Architect

Robert A.M. Stern Architects, LLP, having an office at 460 West 34th Street, New York, New York 10017, is the design architect for the Building ("Design Architect"). The Design Architect has been providing architectural services for many years and has been the design architect of the following buildings: 15 Central Park West, 18 Gramercy Park and the Chatham.

c) Structural Engineer

WSP Building Structures (f/k/a WSP Cantor Seinuk), having an office at 228 East 45th Street, New York, New York 10017, is the structural engineer for the Building ("Structural Engineer"). The Structural Engineer has been providing structural engineering services for many years and has been the structural engineer of the following buildings: 50 United Nations Plaza, 515 Park Avenue, Trump World Towers and the Time Warner Center.

d) Mechanical Engineer

WSP Building Systems (f/k/a WSP Flack & Kurtz), having an office at 512 Seventh Avenue, New York, New York 10018, is the mechanical engineer for the Building. Founded in 1969, WSP Building Systems has worked with some of the world's most prominent corporations, developers, institutions and acclaimed architects. WSP Building Systems, with offices in New York, San Francisco, Seattle, Washington DC, Hong Kong, London and Paris provides complete design and construction engineering services for building systems including mechanical engineering.

Condominium Budget Expert

Sponsor has engaged Rose Associates Inc., having an address at 200 Madison Avenue, 5th Floor, New York, New York 10016, as Sponsor's Budget Expert. The Budget Expert estimated all amounts of income and expenses in "Schedule B - Estimated Budget for Projected First Year of Condominium Operation" in consultation with Sponsor. The Budget Expert has rendered a certification as to the adequacy of the First Year's Budget, which may be found in Part II of the Plan.

Related Parties

Sponsor and its principals have no affiliation with Sponsor's Attorneys, the Architects/Engineers or the Budget Expert, the Construction Professionals, or any person or firm who will provide services to the Condominium subsequent to the First Closing. Neither the Condominium Budget Expert, the Construction Professionals nor the Attorneys have any financial interest in the Property, the Units, the Condominium, or this offering, except for their fees for services rendered.

William Lie Zeckendorf and Arthur Zeckendorf are affiliated with Managing Agent, Vanderbilt Properties Insurance Company, Sponsor's insurance broker and Selling Agent.

No Pre-Sales

Neither Sponsor nor its principals have entered into contracts or agreements, written or oral (with the exception of the agreement with the Grolier Club pertaining to the Suite Units), or accepted any Premium Payments or advances of funds for the purchase of Units as of the Filing Date of the Plan.

REPORTS TO UNIT OWNERS

It is the obligation of the Condominium Board to give all Unit Owners annually:

1. A financial statement of the Condominium prepared by a certified public accountant or public accountant, within approximately 120 days after the end of each fiscal year of the Condominium. Such statement shall be certified while Sponsor is in control of the Condominium Board.

2. At least 30 days' prior notice of the annual Unit Owners' meeting.

3. A copy of the proposed annual budget of the Condominium at least 30 days prior to the date set for adoption thereof by the Condominium Board. While Sponsor is in control of the Condominium Board, such budget shall be certified in compliance with Section 20.4 of the Regulations of the Department of Law.

DOCUMENTS ON FILE

Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan, all documents referred to herein and all Exhibits submitted to the Department of Law in connection with the filing of the Plan shall be kept on file and available for inspection by Purchasers and their attorneys without charge, and for copying at a reasonable charge, at Sponsor's office for a period of 6 years after the First Closing. In addition, a set of Floor Plans showing the layout, locations and approximate dimensions of each Unit and its Unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the Register's Office following the recording of the Declaration, and an additional set will be furnished to the Condominium Board.

The Declaration and the By-Laws will be recorded in the Register's Office in advance of or concurrently with the First Closing. The recording of all deeds conveying individual Units will also be recorded in the Register's Office.

GENERAL

The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact. Sponsor believes that the Plan contains a fair summary of the material provisions of the documents referred to in the Plan, including those documents contained in Part II of the Plan. Copies are contained in Part II of the Plan of the forms of Declaration, By-Laws, Option Agreement, Unit Deed, Power of Attorney and other documents. Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to in the Plan, copies of which are on file with Sponsor, are not necessarily complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such document executed by or with the written consent of a Purchaser pursuant to the Plan, any rider or separate agreement changing or adding provisions to such document.

Neither Sponsor nor its principals have entered into any contracts or agreements, written or oral, for the sale of the Units offered in the Offering Plan nor taken any Premium Payments or advances of funds by or on behalf of Sponsor, prior to the acceptance for filing of the Offering Plan.

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.

Since the Building is new construction there are neither commercial nor residential tenants occupying the Building as of the date of the Plan.

No party other than Purchasers shall have any right or benefit herein or herefrom, including without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of Sponsor's obligations hereunder and no such third party shall be deemed to have received any benefit as a result of any of the provisions of the Plan.

Sponsor reserves the right, from time to time prior to the First Closing, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor and Purchasers. However, Sponsor may not unilaterally cancel an Option 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 Option Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a substantial amendment to the Plan that materially and adversely affects Purchasers, except as otherwise provided herein, Purchasers will have a right of rescission which may only be exercised within 15 days from the Presentation Date of such amendment. Sponsor shall promptly return any Premium Payment, together with any interest earned thereon to Purchasers who rescind, except that Sponsor shall retain the Premium Payment of any Purchaser who is in default under the Option Agreement beyond any applicable grace period.

In accordance with the provisions of the Laws of the State of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person in the sale of Units offered by the Plan or in the leasing of any such Units because of such person's race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law.

Unless the context otherwise requires, words used in the singular in Part I of the Plan include the plural and vice versa, and a reference herein to any one gender, masculine, feminine or neuter, includes the other two.

No person has been authorized to make any statement or representation or furnish any information not expressly contained herein. Any information, data, or representations not contained herein or in the documents and exhibits referred to herein must not be relied upon. The Plan may not be changed or modified orally.

The Property has not been the subject of a prior public offering.

SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor adopts the "Description of Property and Improvements" 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 Building except as set forth in the Description of Property and Improvements.

PART II

CONDOMINIUM OFFERING PLAN

520 PARK AVENUE CONDOMINIUM
520 PARK AVENUE
NEW YORK, NEW YORK 10022

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

DESCRIPTION OF PROPERTY AND SPECIFICATIONS
520 PARK AVENUE
New York, New York
09-08-14

A. LOCATION AND USE OF PROPERTY

1.	ADDRESS	520 PARK AVENUE (aka 45 East 60th Street) New York, New York
2.	BLOCK No	1375
	LOT Nos	28, 31, 36, 42 and 9031 The proposed new building will be constructed on lot 28 and it will project onto lot 9031. No new construction is proposed for lots 31, 36 or 42. Lot 9031 is a parcel located above lot 31 having its base above a horizontal plane at elevation of 155.74" above Manhattan datum. Lot 9031 is described in the ZELDA agreement. The terms of the Zelda agreement are fully disclosed in the section of the Plan entitled Rights and Objectives of Sponsor, sub-section Zoning Development and Easement Agreement.
3.	ZONING DISTRICT	The zoning lot is partially located in the C5-1 district and partially in the R-10 district (Special Park Improvement District). The new construction will be completely located in the C5-1 district. No new construction is proposed for the R-10 section.
4.	PERMISSIBLE USES	Use Groups 1-6 and 9-11 in district C5-1 and 1-4 in district R-10 as per New York Zoning Resolution, which permits Residential, Community Facility in the R district and Residential, Community Facility and Commercial uses in the C district. The proposed uses will comply with all zoning and use requirements.

B. STATUS OF CONSTRUCTION

1.	YEAR BUILT	The project is new construction. The construction started in March of 2013 and based on current construction schedule, it is anticipated that the first residential Temporary Certificate of Occupancy will be in or about July of 2017, unless delayed

by weather, strikes, lockouts, acts of God, shortages of, or inability to obtain materials, equipment or labor, governmental restrictions or preemption, damage by fire or the elements or any other cause over which the Sponsor has no control.

2. CLASS OF CONSTRUCTION

The Building will be classified as Class I-B (Non-Combustible) and will conform to all applicable regulations of the 2008 Building Code of the City of New York ("Building Code"). Class I-B construction includes all buildings and spaces in which bearing walls and other major structural elements are two-hour fire resistance rating.

3. CERTIFICATE OF OCCUPANCY

After completion of construction of a building that will comply with all applicable laws, codes, rules and regulations, the Sponsor will apply for a Certificate of Occupancy for the Building from the Department of Buildings of the City of New York ("Department of Buildings"). The Sponsor will obtain a Temporary Certificate of Occupancy for each Unit prior to its closing.

4. NEW BUILDING PERMIT NUMBER

The plans were filed and approved under number NB # 121 329 213 with the Department of Buildings, in compliance with all applicable laws. The project was not self certified.

C. <u>SITE</u>

1. SIZE

In accordance with the Survey prepared by Harwood Surveying, PC Licensed Land Surveyors, 132 Nassau Street, New York, New York, the lot for the development site has a frontage of 60'-0" along East 60th Street, and 100'-5" in depth. The area of lot 28, where the building stands, is approximately 6,025 SF.
The Property will cantilever 25'-0" over lot 31, which in accordance with the same survey is 31'-0" along 60th Street and 100'-5" in depth. The cantilever portion of the property will be built within lot 9031 which is situated above lot 31.
The area of the total zoning lot is 21,943 SF. The zoning lot includes air rights purchased from lots 31, 36 and 42. No work will be done on these three lots.

1a. DEVELOPMENT RIGHTS

Sponsor is the owner (X) of development rights and easements in connection with that certain real estate having a street address of 520 Park Avenue, New York, NY and as set

forth on the Tax Map as Block 1375 Lot 36 pursuant to a Zoning Lot Development and Easement Agreement dated as of February 27, 2013, and recorded under CRFN 2013000125786 on March 27, 2013 between Christ Church, Methodist, of New York City, and Sponsor; and (Y) as successor in interest to 43-45 East 60th, LLC and 43-45 East 60th LLC, is the owner of:
(a) development rights and easements in connection with that certain real estate having a street address of 47 East 60th Street, New York, NY and as set forth on the Tax Map as Block 1375 Lot 31 pursuant to a Zoning Lot Development and Easement Agreement dated as of May 31, 2006, and recorded under CRFN 2006000364368 on July 1, 2006 between The Grolier Club of The City of New York, and 43-45 East 60th, LLC.
(b) development rights and easements in connection with that certain real estate having a street address of 46 East 61st Street, New York, NY and as set forth on the Tax Map as Block 1375 Lot 42 pursuant to a Zoning Lot Development and Easement Agreement dated as of December 21, 2010, and recorded under CRFN 2011000098344 on March 18, 2011 between New York 61st Street Estate Inc. and 43-45 East 60th LLC.

2. NUMBER AND BUILDING USES

The new building will consist of a single residential building, 51 construction floors high with 4 Cellars, containing 31 Residential Units, 7 Suite Units and 1 Resident Manager's Units, totaling 39 units for residential use. (Original DOB records indicated that the building would have 40 residential units. This information has been corrected to read 39 units via a post approval amendment)

All floor plans, Unit drawings and other references to floors in this report will utilize the marketing numbers of floors in lieu of the construction floor number.
See G.4. NUMBER OF FLOORS

The 1st Floor will contain the Residential Lobby and the Service Entrance to the building, both with access from East 60th Street. Also at the 1st Floor there will be a landscaped garden off the Lobby

The 2nd Floor will contain Mechanical Rooms and a convenience corridor for the adjacent Grolier Club.

The 3rd Floor will contain mechanical and electrical equipment as well as ConEdison transformer vaults serving the building and the emergency generator.

Floors 4 and 5 will contain Suite Units. The Resident Manager's Unit will be located on the 5th Floor. Floors 14 to 36 and 38 to 54 will be occupied by Residential Units.

Floors 6, 7 and 37 will contain Mechanical Rooms. There will be a fire suppression tank and accessory pumps located on floors DP-PH 48 and 49. There will be an Elevator Machine Room at the 7th Floor. Floors 55 to 57 will contain Mechanical Equipment, Elevator Machine Rooms and the Tuned Mass Damper.

Cellar and Sub- Cellar 1 will contain a Fitness Center accessory to Residential Units consisting of a Lobby, Exercise Rooms, Pool Room, Women's and Men's Lockers, Sauna, Stretching Room. There will also be a Children's Playroom at the Cellar. Utility Rooms will be located at the south side of the Cellar.

A common Laundry Room, the Resident Manager's Office, the Employee's Locker Room and Lounge Area and other Storage and Mechanical Rooms will be located at Sub-Cellar 2.

A Multipurpose Room with accessory Pantry and Storage Rooms, Storage Lockers, Wine Storage Lockers and Bicycle Storage will be located at Sub-Cellar 3.

3. STREETS OWNED OR MAINTAINED BY THE PROJECT

The property fronts on East 60th Street. The street is paved with asphalt and is owned and maintained by the City of New York. No Street is owned by the project.

4. DRIVES, SIDEWALK AND RAMPS

(i) Paving — The sidewalks adjacent to the building will be replaced with new concrete sidewalks running full width from the property line along to the street and will be pitched to drainage at the curb. Sidewalks will be free of tripping hazards and sloped towards the street to mitigate ponding. The Condominium will be responsible for the sidewalk maintenance.
There are existing New York City Transit Authority subway ventilation grilles at East 60th Street sidewalk in front of the property. The NYCTA will be responsible for the maintenance and repair of the grilles.

(ii) Curbing — All curbs will be new, and shall be steel and concrete. There will be no curb cuts.

(iii) Drainage — The streets are presently pitched to existing catch basins and drain into New York City storm drainage system. There is one existing catch basin to remain on 60th Street near the corner of Park Avenue.

(iv) Street lighting — The street lighting shall be provided, operated and maintained by the City of New York.

(v) Conformity

The new sidewalk paving and new curbs will be in compliance with all applicable codes.

D. UTILITIES

1. ELECTRICITY

Electricity will be provided by the ConEdison Company, a regulated company. The total electricity consumed for the building will be master metered. Each Unit will be individually metered using an electronic computerized metering system. This will include the electricity required to power a Unit's HVAC equipment. The cost of the electricity consumed for the common building support elements and spaces will be borne by all Unit Owners as a Common Expense.

2. GAS

Gas will be provided by the Con Edison Company. Gas for the Units will be master metered. The cost of the gas consumed in the residential section (including all gas used for cooking and fireplaces) will be borne by all Unit Owners as a Common Expense.

3. WATER & SEWER

Water and Sewer service will be provided by the New York City Department of Environmental Protection. Water will be supplied by one (1) incoming domestic water service and one (1) incoming fire water service. The new domestic water service will be centrally metered inside the building and will be provided with a meter and backflow prevention device in accordance with requirements of the New York Department of Environmental Protection. The cost of water and sewer will be borne by the Unit Owners as a Common Expense. Water makeup to the cooling towers will be separately metered and subtracted from the overall building water usage for purposes of calculating the sewer charge (which is calculated based upon the overall building water usage).

4. TELEPHONE

Telephone services will be provided for all Units. The building will have back bone infrastructure for multiple service providers, but it will be the Unit Owner's obligation to arrange for the service for the Unit. All charges for telephone service (including installation and subscription charges) will be paid by each Unit Owner, who subscribes directly to the telephone company.

The telephone charges with respect to the public areas of the building (such as the concierge's desk, maintenance offices, etc.) will be borne by all Unit Owners as a Common Expense.

5. TELEVISION

Television service will be available for all Units. The building will have back bone infrastructure for this service but it will be the Unit Owner's obligation to arrange for the service for the Unit. All charges for television service (including installation and subscription charges) will be paid by each Unit Owner, who subscribes directly to the television company.

6. STEAM

Steam will be provided by the ConEdison Company from East 60th Street. Two (2) meters in Sub-Cellar 2 will be provided. A PRV station will provide steam to the air handlers in the 2nd Floor Mechanical Equipment Room. Steam will also be supplied to the 6th Floor to domestic hot water heaters and to an air handler. Steam will also be supplied to heat exchangers on the 7th floor. The main steam riser continues up the building and supplies steam to heat exchangers, domestic hot water heaters and air handlers on the 37th floor. The main steam riser continues further up the building and supplies steam to domestic hot water heaters on the 55th floor and to a heat exchanger on the 56th floor.

E. SUB-GRADE CONDITIONS

1. SOIL CONDITION

In general, the subsurface conditions at the site consist of superficial fill over compressible clay, underlain by sand and silt, glacial till, and decomposed rock overlying bedrock. Bedrock exhibits a profile of weathering that does not improve with depth. Strata are summarized in order of their general occurrence with depth as follows:

Stratum F – Fill (NYC Class 7) - A layer of loose to compact fine to coarse sand, with trace silt, gravel, clay, brick fragments, and gravel was encountered across the site. N-values ranged from 4 to 100 bpf, averaging about 26 bpf.

Stratum C – Clay (NYC Class 4a) - A deposit of medium stiff gray to black silty clay with trace fine sand was encountered in all of the Langan borings. N-values ranged from 6 to 100 bpf, averaging about 24 bpf.

Stratum S/M – Sand and Silt (NYC Class 5a) - This is a layer of loose to medium compact dark gray to brown fine to coarse sand, occasionally varved, with some silt, gravel, and mica. The sand and silt is the shallowest natural soil and is 3 to 39 ft thick. N-values range from 5 to 100 blows per foot (bpf), averaging about 28 bpf.

Stratum T – Glacial Till (NYC Class 3a) - A glacial till deposit was encountered in several borings, and underneath stratum S/M. The till consists of compact to very compact brown fine to coarse sand with some silt and gravel. Rock fragments are present within this stratum. The thickness of this layer ranges from 2 ft to 7 feet. N-values range from 26 to 81 bpf, averaging about 51 bpf.

Stratum DR – Decomposed Rock (NYC Class 3a) - A layer of compact to very compact decomposed rock was encountered above weathered in most of the borings. The decomposed rock consists of light to dark gray very compact medium to fine sand with trace coarse sand, rock fragments, and silt. The thickness of this layer ranges from 2 ft to 11 ft. N-values range from 68 to 100 bpf, averaging about 83 bpf.

Stratum WR – Weathered Rock (NYC Class 1d) - Rock core samples recovered in the borings indicate that bedrock at the site is slightly to highly weathered gray schistose gneiss with occasional pink pegmatite intrusions, closely jointed to broken, with weathered and occasionally soil-filled joints. The top of bedrock is defined as the elevation at which coring began, and ranges from Elev. +7.5 to -12.5.

2. GROUNDWATER

Stabilized groundwater levels averaged approximately Elev. +21. The site is not located in a flood zone. A design groundwater level of Elev. +25 was used to account for seasonal fluctuations. However, below grade walls along East 60th Street were checked for temporary water level increase to street level, El. 44.5 due to water main break.

3. BUILDING FOUNDATIONS

The foundations supporting the tower columns and central shear core walls will consist of mat footings resting on 2800 ton caissons to rock. Since the adjacent buildings have "shallow" foundations that are bearing above the proposed sub-grade elevation, a foundation secant pile system will be installed around the perimeter of the site. This secant pile system will serve the dual purpose of a foundation retaining wall that supports the tower structure above (SW-1 & SW-3) in the permanent case and to ensure stability/adequate support of excavation during the construction. Permanent lateral support to the walls will be provided by the cellar slabs, designed to resist earth and groundwater pressures, building and street surcharges, and seismic pressures.

The proposed structure, with four cellar levels, will be founded in Stratum WR, Weathered Rock, Class 1D. Due to high column loads from a relatively narrow, tall structure, the building loads will be supported by caissons and the secant pile walls along the east, west and north property lines. The caissons and secondary secant piles will be socketed into bedrock to derive their foundation support. The design strength for the bond along the surface area of the sockets

and the rock was determined from an Osterberg (O-Cell) Load test.

Foundation walls and the pressure slab require waterproofing, given that the proposed basement is significantly below the recorded groundwater levels. Prior to constructing the invert slab, a waterproofing membrane will be installed over a mud slab. The secant pile walls will be treated post excavation to achieve a smooth finish and a Mira-DRAIN will be installed on these walls. To collect and dispose of water that has permeated through joints in the foundation system, the pressure slab will be topped with a drainage course and a final topping slab. A chase between the secant pile wall and a liner wall will be provided to allow water that may permeate through joints in the secant wall to reach the drainage system.

4. FEMA FLOOD ZONE — The site is not in a flood zone.

F. LANDSCAPING AND ENCLOSURE

1. GRASS COVER — There will be no grass cover.

2. PLANTINGS — There will be a landscaped garden at the 1st Floor on the North side of the property. The landscaped garden will be planted with a combination of trees, shrubs and ground cover.

3. TREES — There will be trees planted at the landscaped garden such as Heritage River Birch or similar.

No street trees will be planted in the sidewalk in front of the property because the sidewalk is occupied by the grates that provide ventilation to the subway. In order to comply with NYC Zoning Resolutions, Sponsor will plant the required amount of street trees in alternate off-site locations or as recommended by the Parks Department.

4. FENCING — There will be a fence surrounding the rear yard garden provided in the North section of the development site at the 1st Floor. The lower section of the fence will be cladded in limestone and the upper section will be a metal trellis. The fence will be located adjacent to the property lines and to the site walls of the neighboring buildings.

5. GATES — No gates will be provided.

6. GARDEN WALLS — There will be a new 8' high metal trellis surrounding the 1st Floor garden areas.

7. RETAINING WALLS

There will be no retaining walls other than the foundation walls.

8. DISPLAY POOLS AND FOUNTAINS

There will be three decorative vessel stone fountains at the garden providing a water overflow into a display pool. Water will be recirculated and the required equipment and controls will be located at the Sub-Cellar 2 level.

G. BUILDING SIZE

1. TOTAL HEIGHT

The approximate total height of the building is approximately 779.25'. This height is measured from the building lobby finished floor elevation of 44.75' over Manhattan Datum to the top of the main roof enclosure at 824.0'over the same datum.

The building cantilever over the adjacent lot 31 starts at height 155.74'. A 3hr rated slab is provided at this elevation. A composite screen extends from elevation 121.0' above Manhattan datum to the bottom of the cantilever.

2. CRAWL SPACE

No crawl space will be provided.

3. NUMBER OF SUB- CELLARS AND CELLARS

There will be one Cellar and three Sub-Cellars occupying the full development site. The height of the Cellar and Sub-Cellars varies according to location.
The Cellar floor to floor height will be approximately 10'-7"
The Sub-Cellar 1 floor to floor height will be approximately 15'-0"
The Sub-Cellar 2 floor to floor height will be approximately 11'-9"
The Sub- Cellar 3 floor to floor height will be approximately 10'-4"

4. NUMBER OF FLOORS

There will be 51 construction floors above grade.
For the purposes of Marketing, the floor numbers 8 to 13 have been excluded while construction necessitates a realistic numbering of floors that include those floors. Therefore, two different methods of numbering floors exist, and are shown below:

Construction Floor	Marketing Floor
SC3	SC3
SC2	SC2
SC1	SC1

C	C
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	14
9	15
10	16
11	17
12	18
13	19
14	20
15	21
16	22
17	23
18	24
19	25
20	26
21	27
22	28
23	29
24	30
25	31
26	32
27	33
28	34
29	35
30	36

31	37
32	DP-PH 38
33	39
34	DP-PH 40
35	41
36	DP-PH 42
37	43
38	DP-PH 44
39	45
40	DP-PH 46
41	47
42	DP-PH 48
43	49
44	DP-PH 50
45	51
46	TRI-PH 52
47	53
48	54
49	55
50	56
51	57
52	ROOF

Please note that all floor plans, Unit drawings, and other references to floors in this report will utilize the marketing numbering of floors.

5. EQUIPMENT ROOMS

There will be rooms occupied by Mechanical, Plumbing and/ or Electrical equipment at the Cellar, Sub- Cellars 2 and 3, 2nd, 3rd, 6th, 7th and 37th floors. There will also be mechanical equipment areas at the top of the building at floors 55 to 57 and the roof. At floors 48 and 49 there will be a double height room occupied by a fire suppression tank and accessory pumps for the fire protection system.

6. PARAPET

The top of the building will be enclosed with parapet-walls with a height of 42'

The terrace on the 4th Floor will have a 3'-6" parapet above finished roof
The terrace at 54th Floor will have a 3'-6" parapet above finished roof.

H. STRUCTURAL SYSTEM

The structural design of the foundations and superstructure will be in accordance with the New York City Building Code, including all regulations for wind and seismic loads.

The structure will consist of a reinforced cast in place concrete flat plate construction and will be supported by columns and shear walls.

The stability of the building will be considered for wind loads, seismic loads, code defined notional loads as well as occupancy loads.

Lateral wind acting on the building is transferred to the floor slabs from the façade system. The floor slabs act as stiff diaphragms connecting all structural and non-structural elements while transferring the in-plane lateral loads to the main stability system.

The concrete core walls will house the elevator shafts and act as the structure's center spine. The outrigger systems will provide further stability to the building by engaging the perimeter columns to assist the core in resisting the lateral load. The outriggers are primarily in the mechanical spaces. The outriggers consist of concrete walls that span from the core walls to the perimeter columns. A Concrete "Belt" Perimeter Wall will engage these outriggers to distribute the load and engage more columns.

Wind tunnel testing performed by Rowan Williams Davies and Irwin, Inc, an independent laboratory, was conducted to accurately assess the wind loading and occupant comfort levels. A tuned mass damper (TMD) is employed at the roof level in order to increase the building's ability to dissipate energy and consequently reduce lateral motion. The TMD will function only to improve occupant comfort to acceptable industry levels, and is not relied upon in any way to structurally reinforce the building.

A number of column transfers will be required to accommodate the architectural layouts. Some transfers will be achieved by using "walking columns." In other instances reinforced concrete transfer girders will be used. Double story cantilever transfer walls, from the 6th floor to the underside of the 8th floor, will be used to transfer the eastern

most columns and accommodate a reduction in the building footprint moving towards the base of the building.

1. EXTERIOR OF BUILDING

(i) Exterior Walls

The façade is composed of natural stone cladding integrally cast-into architectural precast concrete panels, aluminum panel cladding and aluminum and glass windows. The joints between precast concrete panels will be caulked.

All exterior wall assemblies, roofs and terraces shall have insulation values in compliance with the New York State Energy Code and fire resistance ratings in compliance with the New York City Building Code. In the opaque walls, mineral wool insulation with foil facing vapor retarder will be used, with a minimum average value of R-11.4. In the terrace and roof areas, extruded polystyrene and/or polyisocyanurate insulation will be used with an average value of R-20.

Local Law 11/ 1998 is applicable. Following construction, the exterior building façade will have to be inspected by a licensed professional engineer or architect every 5 years during standard reporting periods established by the City of New York.

Exterior Screen
An exterior screen creating a view buffer from the street and the surrounds will be located in lot 31 extending from elevation 121.0' to elevation 155.74' at the north, east and south facades of the cantilever. The screen will be totally supported from the new building and will be provided with large grated openings to allow ventilation for the mechanical equipment situated at the roof of the Grolier Club.

(ii) Windows

The window system will have thermally-broken aluminum frames and insulating glass with a low emissivity coating.

Natural ventilation to habitable spaces is provided by in-swinging casement windows with multi-point latching and single lever hardware. All operable windows will have a childproof stop limiting the opening of the windows to a maximum of 4".

All exterior fasteners will be corrosion resistant.

The windows will have either vision glass, vision glass in a shadow box configuration or spandrel glass. All glass will be heat treated or as required by Code.

The window system will have a general warranty for labor and material for a period of five (5) years with separate

product warranties for insulating glass (10 years), paint finishes (10 years), and perimeter sealants (20 years).

All windows will be washed from inside the building. No central window washing system will be provided.

Windows and doors to terraces will be manufactured by Oldcastle Building Envelope, Zimmcor Glazing Systems or equivalent.

Lot Line Windows:

Windows on the West façade are located on the property line and are lot line windows. There will be decorative windows visible only from the outside on floors 15th to 20th. There will be a combination of decorative windows visible only from the outside and windows that provide light to the rooms at floors 21st to 54th. None of these windows will provide legal light and air to the surrounding rooms for the purpose of permissible occupancy of those rooms. These windows will be operable only for maintenance purpose. All windows that open into rooms are more than 60' above the roof of the adjacent building and do not need sprinkler protection. If in the future the adjacent building is extended in height these windows may have to be closed with a solid and rated enclosure. The cost of the required changes will be paid by the owner of the affected Unit. A restrictive declaration will be recorded for these windows.

Special Windows:

Windows on the South and East façades in the section of the building that cantilevers over lot 31 are located on the tax lot line that separates it with lot 9031. An agreement has been signed with the Owners of lots 31, 42 and 36 that provides a perpetual easement for light and air over its property and a limitation not to build higher than its present height. These windows will provide legal light and air to the surrounding rooms for the purpose of permissible occupancy of those rooms per approval received from the Department of Building. Windows at these tax lot lines are required to be protected with sprinklers and have safety glass to a height of 60' above the highest point of the current building on adjacent lots. Louvers within that height will have fire dampers.

(iii) Landmark Status Not a Landmark building or within the Historical District.

2. PARAPETS AND COPINGS

The terrace and roof parapets will be part of the precast concrete panel system and will have the same warranty as the rest of the opaque wall.

3. CHIMNEYS AND CAPS

The building has one refuse chute with rated doors opening at the Units. At duplex and triplex Units the chute will only be accessible at the level that contains the kitchens. Units at 4th and 5th floor will share a refuse room located at the 5th floor off the common corridor.

The lobby will contain three non-operational fireplaces for architectural purposes.

There is no boiler flue.

There will be dual fuel fireplaces located at DP- PH 38 to 50 and TRI-PH 53. The chimneys of these fireplaces will extend to the highest point of the building and they will be manufacturer's standard insulated flue systems and caps. manufacturer's for fireplaces, chimneys and caps will be Montigo, Dimplex Inc, Superior Inc or equivalent.

4. BALCONIES AND TERRACES

There will be no balconies other than Juliet balconies with decorative metal railings at selected windows at floors 21 and 37 on the east elevation, floors 2, 15, 23, 37, DP-PH 38 and 54 on the south elevation, floors 22 and DP-PH 38 on the west elevation and floors 15, DP-PH 38 and 54 on the north elevation. The doors that open to these balconies will be manufactured by the window manufacturer.

There will be a residential terrace for the sole use of the Triplex Unit Owner at floor 54. It will have stone pavers, manufactured by Hanover or equal over a roofing system and a combination of limestone cladded parapet and limestone coping and painted aluminum railings. The doors to the terrace will have thermally-broken aluminum with insulating glass and will be manufactured by the window manufacturer.

5. EXTERIOR ENTRANCES

(i) Exterior Doors and Frames

Residential Entrance:
The main residential entrance will have a vestibule with outer and inner double doors. Both double doors, as well as the glass sidelights and transoms will be made with decorative metal trim and tempered glass.

Garden Entrance

The garden entrance will be through three pairs of decorative metal and tempered glass doors with sidelights and transoms.

(ii) Vestibule Doors and Frames

See item 5(i)

(iii) Exterior Stairs

There will be no exterior stairs

(iv) Railings

There will be metal railings at all the Juliet balconies mentioned above, and at the terrace of the Triplex Unit.

The top of all required railings will be at least 3'-6"above the highest point of adjacent surface and will support the vertical and horizontal loads required by NYC Building Code.

(iv) Mailboxes

Individual residential mailboxes will be provided at the 1st Floor level.

(v) Lighting

Main Entrance
Recessed light fixtures will be provided at the canopy above the main entrance and wall mounted fixtures will be located at both sides of the main door.

(vi) Intercom

No intercom system will be provided from site entrance to individual Units. The concierge will have direct communication to all Units. There will be an intercom from the Main Entrance to the Concierge Desk and from the Concierge Desk to the individual Units.

6. SERVICE ENTRANCE

(i) Exterior Doors and Frames

The Service Entrance will have a vestibule with outer and inner double doors. The outer doors will be insulated and manufactured in decorative metal to match the main entrance. The inner door will be a hollow metal door. Both doors open out and are always open from the inside.

(ii) Gates

No gates will be provided.

(iii) Exterior Stairs

There will be no exterior stairs at Service Entrance

(iv) Railings

There will be no railings at Service Entrance.

(vii) Intercom

There will be an intercom from the Service Entrance to the Concierge Desk.

7. ROOF AND ROOF STRUCTURE

(i) Type of Roofs for All Areas

a. Roofing Material

Garden and Triplex Terrace

The roofing system at the terraces will be an inverted roof membrane assembly (IRMA) roof comprised of a waterproofing membrane (cold fluid applied resin or modified bitumen) installed under rigid insulation. Pavers will be installed over a cementitious setting bed.

Main Roof and Bulkhead

The roofing system at the Main Roof and bulkheads will be composed of an exposed waterproofing membrane over polyisocyanurate insulation

Setback Roof on the 4th Floor

The setback will not be accessible to the occupants. It will have grating over the ConEdison vaults on the 3rd Floor. The access will be through a glass and metal door similar to the building windows.

b. Insulation

Garden and Triplex Terrace

There will be 4" of rigid insulation or equivalent with an R value of 20 in compliance with New York State Energy Code.

Main Roof and Bulkhead

There will be 6" of polyisocyanurate insulation or equivalent with an R value of 20 or in compliance with New York State Energy Code.

c. Surface Finish

Garden: Stone pavers

Triplex Terrace: Stone pavers

Main Roof and Bulkhead: Roofing and walkway pads

d. Warranty:

The roofing system shall have a 20 year labor and materials warranty beginning after the date of final TCO.

The pedestrian access waterproofing system at the 3rd floor Air Plenum and at the 4th floor terrace will have a 10 year labor and material warranty beginning after the date of final TCO.

e. Flashing Material

The flashing membranes will be cold-applied reinforced resin and/or modified bitumen.

No metal cap flashing will be provided.

(ii) Drains

a. Location, Material and Type
Cast iron drains will be provided at all roof areas, which will discharge through internal leaders into the building storm drain system.

b. Gutters and Leaders
There will be a continuous formed aluminum gutter at the bottom and along the perimeter of the East cantilever skirt located between the 4th and 5th floors.
The gutter will remove façade rainwater collected from the cantilevered portions of the façade piped back to the building storm riser.

(iii) Skylights

Three circular shaped thermally glazed skylights will be located at the garden providing natural light to the pool at the Cellar.
No skylights are proposed above the stairs. Windows and louvers, in compliance with the alternate requirements of the Multiple Dwelling Law are provided at top of each stair.

(iv) Bulkhead:

a. Stairs
The stair enclosure will be part of roof bulkhead which will enclosed by concrete shear walls and gypsum board partitions or concrete block walls with exterior aluminum panels.

b. Elevator:
The Elevator Machine Room will be part of roof bulkhead; it will be which will enclosed by concrete shear walls and gypsum board partitions or concrete block walls with exterior aluminum panels.

c. Others
Mechanical equipment rooms and equipment will be located at the roof level.

All rooftop equipment that so requires shall be mounted on vibration isolators comprised of neoprene or /and springs to control vibration and structural borne noise transmitted to the Units below.

(v) Metal Work at Roof Levels

a. Exterior Metal Stairs
No exterior metal stairs will be provided.

b. Vertical Ladders
No vertical ladders will be provided.

c. Railings

Painted aluminum railings will be provided between stone piers. Railings will be 3'-6" above high point of roof.

d. Hatches to Roof Level
No hatches will be provided.

All exterior metal including exposed fasteners will be corrosion resistant.
All metal dunnage will be provided with a primer and two coats of paint or galvanized.

8. FIRE ESCAPES

No fire escapes will be provided.

9. YARDS AND COURTS

A rear yard is provided in the North section of the development site at the 1st Floor. It will be designed as a common garden for the use of the building residents. It will be accessed directly from the Lobby.

It will be landscaped and there will be built-in planters, fountains, a skylight providing natural light to the floor below and site lighting

(i) Paving

It will have pavers over a roofing system at the garden.

(ii) Drainage

Cast iron drains will be provided at the garden areas and in the planters, storm water will discharge through internal leaders into the building storm drain system.

(iii) Railings

There will be no railings in the Garden.

(iv) Stairs

There will be no stairs in the Garden.

(v) Fencing

See item F-6

10. INTERIOR STAIRS

(i) Number of Stairs of Each Type

There will be 2 (two) scissors exit stairs which extend from the Sub-Cellar 3 up to the Roof Bulkhead.

The Duplex Units in floors 38, 40, 42, 44, 46, 48 and 50 and the Triplex Unit in floor 52 will have one interior stair each joining the upper and lower levels of the Unit.

A stair will be provided at the Fitness Center joining Sub-Cellar 1 and Cellar.

(ii) Enclosure

The scissors egress stairs will be enclosed with two hour rated enclosure consisting of painted concrete shear wall on the west side and painted gypsum board partitions meeting impact classification level 2 at all other sides.
A window with fixed louvers in compliance with Multiple Dwelling Law will be provided for each stair at the Roof level.

The scissors stairs open into a public corridor on floors 4 and 5.

The scissors stairs doors open directly into the Private Intervening Corridor of all other Residential Units. Operation of these doors is described further in 11 (iii).

The Duplex Unit and Triplex Unit stairs will be open to the Unit gallery.

The Fitness Center stair will be un-enclosed.

(iii) Stair construction

Scissors stairs will be poured in place concrete, painted.

The Duplex Unit and Triplex Unit stairs will be of wood construction. The wood for the stairs will be white oak or equal.

The Fitness Center stair will have stainless steel stringers, glass treads, open risers and glass balustrade.

(iv) Grolier Club Convenience Corridor

The owner of lot 31 will be permitted one opening through the eastern façade of the Property on the 2nd Floor. A rated convenience corridor will be constructed connecting the opening to stair A on the western side of the Property. The corridor will be secured with security cameras, local alarms and position switches that will activate and notify a lobby attendant when the corridor is accessed. Stair A will provide access to the street without allowing entrance to any other location in the building. The corridor and stair A will be used by the occupants of lot 31 only in an emergency situation.

(iv) Guard rails

Exit Stairs: Painted steel rails will be provided.

Duplex and Triplex Stairs: Decorative metal railings will be provided.

Fitness Center Stairs: Stainless steel handrail and tempered glass railing will be provided.

11. INTERIOR DOORS AND FRAMES

(i) Unit Entrance and Interior Doors and Frames

All Unit entrance doors shall be solid core wood 1 1/2 hour fireproof self closing doors with hollow metal frames with wood cladding and will meet all Building Code requirements including noise transmission requirements.

The Unit interior doors shall be solid core flush paint grade wood doors with wood frames. Doors and frames will be painted.

All doors will be custom doors as manufactured by Supa, Long Island doors or equivalent.

(ii) Corridor Doors and Frames

Public corridor doors at floors 4 and 5 will be solid wood and the frames shall be hollow metal with wood cladding 1 1/2 hour fireproof self closing and will meet the Building Code requirements.

Private Corridor doors at all of the other Residential Units will be solid wood doors and the frames shall be hollow metal with wood cladding 1 1/2 hour fireproof self closing and will meet the Building Code requirements. These doors will be connected to a fire emergency system which includes magnetic hold opens, automatic door closers, push button door open, fail open electronic strike and smoke detection system within the corridor. During the event of activation of any automatic fire detection system or elevator recall, doors with or without hold openers at the end of the Private Corridor will close at the same time restricting access to the rest of the Unit. Once closed, these doors serve as barriers to limit the spread of fire, restrict the movement of smoke and create a common corridor for the Property. The doors will not reopen until the alarmed event is rectified.
Unit exits from bedrooms to the private corridor will be provided with magnetic door hold open devices. These doors will close upon activate of the fire alarm system.

Corridor doors at Mechanical, Cellars and Bulkhead floors will be fireproof self closing hollow metal doors and frames.

Corridor doors at Fitness Center, Pool Room, Multipurpose Rooms and accessory spaces will be wood doors in wood frames, rated as required by Code.

(iii) Stair Doors and Frames

All stair doors shall be solid wood and the frames shall be hollow metal with wood cladding, 1 1/2 hour fireproof self closing and will meet the Building Code requirements, except

that stair doors at Mechanical and Bulkhead floors will be fireproof self closing hollow metal doors and frames.

These doors will be locked from the stair side and will be equipped with an automatic fail safe system that would allow the door to open in the event of activation of any automatic fire detection system or elevator recall and create a common corridor in the Property for an emergency egress.

A telephone communication system in the stairwell will be connected to an attended station in the lobby.

(iv) Roof Doors and Frames

These doors and frames shall be hollow-metal and will meet the Building Code requirements.

12. ELEVATORS

(i) Number of Passenger and Service Elevators

There shall be:

PE-1	One (1) overhead gearless traction swing service/ passenger elevator servicing SC-3, SC-2, SC-1, C, 1ST, 4th to 7th, 14th to 55th floors.
PE-2	One (1) overhead gearless traction passenger elevator serving SC-3, SC-2, SC-1, C, 1ST, 4th to 7th, 14th to 54th floors.
SE-3	One (1) overhead geared traction service elevator serving SC-3, SC-2, SC-1, C, 1ST to 6th floors.
RPE-1/ RPE-7	Seven (7) holeless roped hydraulic private passenger elevators for the use of the Duplex Units.
RPE-8	One (1) holeless roped hydraulic private passenger elevator for the use of the triplex Penthouse.

(ii) Manufacturer

The elevator manufactured by Otis, Theissen Krupp, Schindler or equivalent.

(iii) Capacity

1. PE-1	3,000 lbs (14 people)	1,200 fpm
2. PE-2	2,500 lbs (12 people)	1,200 fpm
3. SE-3	2,500 lbs (12people)	350 fpm.
4. RPE-1 /RPE-7	750 lbs	40 fpm.
5. RPE-8	750 lbs	40 fpm.

(iv) Operation type:

PE-1 & PE-2	Duplex Selective Collective Automatic Operation with IR riser for PE-1 when used as service elevator only.
SE-3	Simplex Selective Collective

RPE-1 thru RPE-7	Single Automatic Push button
RPE-8	Single Automatic Push button

(v) Type of controls
Variable voltage variable frequency AC.

(vi) Floors Served
See item 12(i)

(vii) Elevators type:

PE-1 & PE-2	Gearless Traction Overhead Type
SE-3	Geared Traction Overhead Type
RPE-1/ RPE-8	Holeless Roped Hydraulic Private Residence Type

(viii) Doors:

PE-1	Single slide-type door and a double slide door.
PE-2	Double slide-type door.
SE-3	Double slide door and another double slide door.
RPE-1 / RPE-8	Swing doors.

(ix) Location of Machine Rooms

PE-1	56th Floor
PE-2	56th Floor
SE-3	7th Floor

(x) Elevator Safety
The elevators have been designed in accordance with the ASME A17.1 Safety Code for Elevators and Escalators as modified by Appendix K.

13. ELEVATOR CABS

(I) Kind:
Residential cabs to be manufactured by the elevator manufacturer or equivalent.

(ii) Floor material:

PE-1 & PE-2	Stone
SE-3	Rubber
RPE-1 / RPE-8	Plain cab shells to be finished by the Unit Owner

(iii) Wall material:

PE-1 & PE-2	Combination of wood, bronze grilles, mirrors, and stone.
SE-3	Stainless Steel upper panels diamond plate wainscoting.
RPE-1 / RPE-8	Plain cab shells to be finished by the Unit Owner

(iv) Ceiling:

PE-1 & PE-2	Painted and wood soffit.
SE-3	Painted
RPE-1 / RPE-8	Plain cab shells to be finished by the Unit Owner

(iv) Lighting

PE-1 & PE-2	Light fixtures in perimeter cove.
SE-3	Fluorescent cove light
RPE-1 / RPE-8	Plain cab shells to be finished by the Unit Owner

(iv) Alarm and Safety System

PE-1 & PE-2 & SE-3	Cabs will have Emergency Lighting. Fire Recall will be integrated with the building Fire Alarm System.
RPE-1 / RPE-8	Cabs will have a telephone system connected to the concierge desk and alarm device operable from the inside and audible outside the hoistway.

I. AUXILIARY FACILITIES

1. LAUNDRY ROOM

(i) Location and Number of Rooms

There will be one Laundry Room located in the Sub- Cellar 2 to be used by the building residents.

(ii) Clothes Washers , Number and Type

There will be three heavy duty washing machines and three heavy duty drying machines as manufactured by Whirlpool, Duet front loaded or equivalent.

(iii) Room Ventilation

Room conditioning and ventilation is provided by 150 CFM supply air from AHU-0-2-1 located in 2nd Floor Mechanical Equipment Room. Ventilation air intake is located in the 2nd floor. The room is exhausted with 210 CFM to the 3rd floor fan on the north side LX-1.

(iv) Dryer Ventilation

Dryers exhaust is ducted from Sub- Cellar 2 to the 2nd floor mechanical room connecting to louvers on the north wall of the building.

2. REFUSE DISPOSAL

(i) Incinerators

There will be no incinerators.

(ii) Compactors.

There will be one Refuse Chute for the building.

The chutes will lead to the compactor room located at Sub-Cellar 2.

There will be one hydraulically operated horizontal extruded type compactor machine as manufactured by MetroPak or equal. The capacity of the compactor machine will be 2500 lbs per hour and it will have a one year warranty

(iii) Approvals by Authorities having Jurisdiction

The compactor equipment and installation be approved by all authorities having jurisdiction.

(iv) Initial Storage Location

Compacted bags will be stored at the refrigerated compactor room. The recyclable products will be stored at the same room.

(v) Pick-up Schedule

The bags from the compactor will be brought by building personnel to the curb at East 60th Street to be picked up by the New York City Department of Sanitation.

3. FITNESS CENTER

There will be a Fitness Center located in the Cellar and Sub-Cellar 1 for the use of the building residents. The Fitness Center will be part of the Common Elements and the costs and expenses to operate and maintain the facility will be included in the Common Expenses. The Exercise Room in the Fitness Center will be furnished with cardio vascular and resistance machines. There will also be a Pool, Sauna, Steam Room and Stretching Room and locker rooms with toilets and showers for men and women.

4. STORAGE

There will be 15 Storage Lockers and 10 Wine Storage Lockers at Sub-Cellar 3. The Storage Lockers and the Wine Storage Lockers will be available to the Unit Owners pursuant to licensing arrangements as set forth in the offering plan.

5. DOG WASH

There will be a common dog wash floor sink with spray faucet in the Sub-Cellar 2.

6. CHILDREN'S PLAYROOM

A room dedicated to children's play area will be located in the Cellar. Furnishings will not provided by Sponsor.

J. PLUMBING AND DRAINAGE

1. WATER SUPPLY:

A 6-inch domestic water service with a Reduced Pressure Zone (RPZ) backflow preventer and water meter will be provided from the public water main to three (3) House Pumps each rated at 199 GPM located on the Cellar level. Two of the pumps will be in operation and one will be locked to facilitate general maintenance. Pumps to be Peerless manufacture model # MSM50B-5, or equivalent. Pumps will supply two Wood Roof Tanks that will serve both Domestic Water Supply and Fire Reserve. The capacity of each wood roof tank shall be a total of 13,750 gallons with a fire reserve capacity of 11,250 gallons and a domestic capacity of 2,500 gallons. The Building will be supplied by seven pressure zones of cold water, hot water and hot water circulation. The

minimum pressure delivered to the fixture will be 30PSI and maximum 85 PSI. The top eight floors along with the roof (DP-PH 50 to roof) will be supplied by a triplex constant pressure 150GPM system. Two of the pumps will be in operation and one will be locked to facilitate general maintenance. Each domestic water pump will be Peerless manufacture model # MSL50A-2, located on 55th floor along with a PVI Steam to domestic Water Storage Heater. The six other zones will be supplied by gravity from the roof tanks. For five of the gravity zones PRV stations will be provided in order to prevent more than 85PSI pressure at the fixtures. Duplex PVI Steam to Water Storage Heaters will be provided for each zone. Material of water pipes will be Type "L" copper. 1" Fiberglass insulation will be provided on ALL domestic water piping.

Equipment Schedule:

Equipment	Designation	Location	Service	Manufacturer	Model No.
House tank Fill pump	P-1	Cellar Level	(3) Pumps, 199gpm ea, 75hp ea., 740ft head,, 480v, 3p	Peerless	MSM50B-5
Domestic water booster pump	P-2	55th floor	(3) Pumps, 75gpm each , 3hp each, 80ft head, 480v, 3p	Peerless	C615JM
Sewage Ejector Pumps	P-EJ-1	Sub- Cellar 3 level	(2) Pumps 150 GPM each 55ft head, 7.5HP	Flyght	Model # NP-3127.489
Sump Pumps	P-SP-1	Sub- Cellar 3 level	(2) Pumps 100 GPM each 55ft head, 4HP	Flyght	Model # NP-3085-256
Elevator Sup Pumps	ESP-1	Sub- Cellar 3 level	(2) Pumps 50 GPM each 20ft head, 0.5HP	STANCOR	Model # STANCOR SE-50

2. FIRE PROTECTION SYSTEMS:

a. Fire Water Services: One (1) 8-inch fire service will supply water to the fire protection system from the main in East 60th Street. This service will supply a 750 GPM automatic fire pump located at Cellar 1 level.

b. Combination system: The building will be protected by a combined automatic wet fire standpipe and sprinkler system. The combined risers will be 6 inch black steel (Schedule 10 or 40) and located in each fire stair. A hose connection will be provided in the stair at each floor. Sprinklers will only be provided where required by Code. The Building will be fully sprinklered except for transformer vaults, switch gear rooms, elevator machine rooms, electrical closets, closets (less than 12 square feet in area), and bathrooms (less than 55 square feet in area) noted as exceptions in code. The trash chute will be provided with sprinkler at every other floor. Fire Department Siamese connections will be provided for the combined automatic wet

standpipe and sprinkler system. A three way roof manifold will be provided

c. Equipment Schedule:

Equipment	Designation	Location	Service	Manufacturer	Model No.
Automatic Fire Pump	FP-1	Sub-Cellar 1 Level	750gpm, 163psi head, 125hp, 208v, 3p	Peerless or equivalent	4AEF10
Automatic fire pump	FP-2	37th floor	750gpm, 80psi head, 50hp, 480v, 3p	Peerless or equivalent	5AEF8
Automatic fire pump	FP-3	48th floor	750gpm, 132si head, 100hp, 480v, 3p	Peerless or equivalent	4EF10
Automatic fire pump (Special Service)	FP-4	57th floor	750gpm, 70psi head, 40hp, 480v, 3p	Peerless or equivalent	5AEF8

3. DOMESTIC WATER SYSTEM: Domestic water pressure will be maintained by a combination of Constant Pressure Booster pumps and gravity feed from house tanks in order to provide a minimum of 30 psi at all fixtures. Maximum pressure will be limited to 85psi through the use of pressure regulating devices.

4. SANITARY SEWAGE SYSTEM:

a. Sewage Piping: Sanitary sewage will be conveyed by gravity via vented soil and waste branches, stacks and house drains to combined house sewer.

Drainage and vent piping will be no-hub cast iron piping with stainless steel couplings and rubber gaskets.

Fixtures above sewer level will discharge to the 15 inch New York City Combined Sewer in East 60th Street by gravity. Fixtures below street sewer level will discharge to an ejector pit with a duplex pump system rated at 150 gpm (each pump) that will dispose of sanitary originating below street level.

c. Sewage Disposal: One (1) 8 inch combined sewer connected to street municipal sewer at East 60th Street.

d. Equipment Schedule:

Equipment	Designation	Location	Service	Manufacturer	Model No.
Sewage Ejector Pump	P-EJ-1	Sub- Cellar 3 level	150gpm, 55ft head, 7.5hp, 480v, 3p	FLYGT	NP-3127.489

5. PERMITS REQUIRED: All permits will be obtained by the plumbing contractor.

6. STORM DRAINAGE SYSTEM: Storm drainage from all roofs and setbacks will be conducted down the building in cast iron piping and will be conveyed to approved DEP storm water detention tanks located on the 7th floor and the Cellar 1 level. Rainwater will be captured in the storm water detention tanks and will discharge to the city sewer in east 60th Street by gravity.

a. Storm Detention Tanks: There will be two (2) tanks that will retain water for DEP requirements. The tanks are located in the Cellar 1 level and at the 7th floor. The tank required capacities are 1,264 gallons (Cellar 1 level) and 3,299 gallons (7th floor tank). Storm water will be discharge via gravity in a 2" orifice pipe which will increase to an 8" connection to the sewer in East 60th Street.

b. Roof and Terrace Roof and terrace drains will be located on the roof and terraces.

c. Storm Piping: Cast iron pumping with hub and spigot fittings and push-on joints.

d. Sump Pumps: One duplex sump pump is provided at the Sub- Cellar 3 level to collect and dispose of groundwater as well as areas not able to be conveyed to the city sewers through gravity. All elevator pits are also provided with simplex sump pumps.

Equipment	Designation	Location	Service	Manufacturer	Model No.
	ESP-1	Sub- Cellar 3 level	(2) Pumps, 10gpm, 20ft head, 0.5hp, 115v, 1p	Stancor	SE-50
Sump Pump (groundwater / storm water pit)	P-SP-1	Sub- Cellar 3 level	(2) Pumps 100 GPM each 55ft head, 4HP	Flyght	Model # NP-3085-256

K. HEATING

1. DOMESTIC HOT WATER HEATING: Domestic hot water will be provided by steam fired storage type hot water heaters. The heaters will be located at the 6th floor, 37th floor and the 55th floor Mechanical Room. Each domestic water zone will be provided with duplex domestic water heaters. There will be three duplex heaters on the 6th floor, two duplex heaters on the 37th floor and two duplex heaters on the 55th floor.

a. Equipment Schedule:

Equipment	Designation	Location	Service	Manufacturer	Model No.
Duplex Domestic Hot Water Heaters	DWH-1	6th Floor	ZONE-1 (SC3 - 3rd Floor)	PVI	450 L 150A-QS (AQUAPLEX)
Duplex Domestic Hot Water Heaters	DWH-2	6th Floor	ZONE-2 (4th - 10th Floor)	PVI	450 L 250A-QS (AQUAPLEX)
Duplex Domestic Hot Water Heaters	DWH-3	6th Floor	ZONE-3 (17th - 26th Floor)	PVI	1200 L 300A-QS (AQUAPLEX)
Duplex Domestic Hot Water Heaters	DWH-4	37th Floor	ZONE-4 (27th - 36th Floor)	PVI	1200 L 300A-QS (AQUAPLEX)
Duplex Domestic Hot Water Heaters	DWH-5	37th Floor	ZONE-5 (37th – 45th Floor)	PVI	700 L 250A-QS (AQUAPLEX)
Duplex Domestic Hot Water Heaters	DWH-6	55th Floor	ZONE-6 (DP-PH 46th – 49th Floor)	PVI	450 L 150A-QS (AQUAPLEX)
Duplex Domestic Hot Water Heaters	DWH-7	55th Floor	ZONE-7 (DP-PH 50th – 55th Floor)	PVI	450 L 150A-QS (AQUAPLEX)

2. SPACE HEATING:

Space heating will be provided by two steam/hot water shell and tube exchangers each pair located on the 7th floor, 37th floor and 56th floor Mechanical Equipment Rooms. Steam shall be provided by Consolidated Edison (Con Ed) from East 60th street. Two (2) meters will be provided. A PRV station on the 2nd floor will be provided to reduce the steam from high pressure to low pressure for all uses.

a. Equipment Schedule:

Equipment	Designation	Location	Service	Manufacturer	Model No.
Shell & Tube Steam Converter	HX-07-1	7th Floor MER	LOW RISE FCUS	TACO	H06208-S
Shell & Tube Steam Converter	HX-07–2	7th Floor MER	LOW RISE FCUS	TACO	H16208-S
Shell & Tube Steam Converter	HX-07-3	7th Floor MER	LOW RISE HEATING	TACO	H06212-S
Shell & Tube Steam Converter	HX-07-4	7th Floor MER	LOW RISE HEATING	TACO	H06212-S
Shell & Tube Steam Converter	HX-31-1	37th Floor MER	HIGH RISE FCUS	TACO	H10208-S
Shell & Tube Steam Converter	HX-31-2	37th Floor MER	HIGH RISE FCUS	TACO	H10208-S
Shell & Tube Steam Converter	HX-31-3	37th Floor MER	HIGH RISE HEATING	TACO	H08206-S
Shell & Tube Steam Converter	HX-31-4	37th Floor MER	HIGH RISE HEATING	TACO	H08206-S
Shell & Tube Steam Converter	HX-50-1	56th Floor MER	HIGH RISE HEATING	TACO	Go6406-S

Hot water will be provided to the Units through 4-Pipe Fan Coil Unit System. The electric cost associated with operating fan coil for heating will be payable by each Unit Owner to the Utility Company and does not constitute part of the Common Expenses. Supplemental perimeter heating shall be provided in selective rooms of the Units via a perimeter heating system

using electric radiators. Power shall be provided to this equipment via risers located in each Unit that connect to the panels. The Perimeter Heating System is designed to meet the New York City and State Energy Code. Total heating and cooling capacities of the fan coil equipment serving the Units shall be as shown on the schedule below.

Operation and Maintenance (O&M) manuals shall be provided by sponsor.
Original balancing report shall be provided by sponsor

The fan-coil equipment will be provided in various sizes as indicated on the plans. The total capacities in each of the various Units are as follows:

Level	Unit Type	Total Heating per Unit BTU	Total Cooling per Unit BTU
4 & 5	Suite Units, Resident Manager Unit	57040	49770
14 to 20	Low Rise Simplex Units	116,713	109,513
21 to 36	Mid Rise Simplex Units	104428	94665
DP-PH 38 to DP-PH 50	Duplex Units	210094	195513
TRI-PH 52	Triplex Unit	251186	236999

Air Handling Equipment will serve Public Areas, Lobby, Fitness Center, Residential Corridors, the main Lobby Vestibule will be supplied with a four pipe fan coil system.

Public stair bulkhead and other miscellaneous common areas requiring heat during the winter season are heated with hot water unit heaters.

3. PIPING, INSULATION SCHEDULE

40 steel and/or copper tubing with standard weight fittings will be used. Hot water, chilled water and steam piping is insulated.

L. GAS SUPPLY

1. TYPE:

A (2) two inch gas service will enter the building at East 60th Street. Gas meter will be provided by Con Edison with sizes. Gas meter will be in the Cellar 1 level. The gas will supply Unit cooking ranges and fireplaces.

2.	METERS:	One master meter will be provided to collectively meter resident cooking and fireplaces.
3.	PIPING MATERIAL:	Black steel Schedule 40 pipe with malleable fittings.

M. AIR CONDITIONING

1.	TYPE OF SYSTEM:	Four (4) Pipe Fan Coil. The Fan Coil Equipment shall be manufactured by International Environmental (or equal) 115 volts, 1 Ph, 60Hz, as follows: a. Horizontal Hideaway Ceiling Units shall be either IEC Model HPY or CPY Series.
2.	COOLING TOWER AND PUMPS:	There will be one (1) two (2) cell open cooling tower at the roof level. The Cooling Tower shall be manufactured by SPX Model NC 8402 460V, 3Ph, 60 Hz, 1,200 GPM. Cooling Tower is capable of handling complete building cooling loads under conditions of NYS Energy Code.
3.	CHILLERS	There will be two (2) modular chillers. Each chiller will have 10 modules for a total of twenty (20) 30 ton modules in both chillers located on the 7th floor. The chillers shall be manufactured by Clima-Cool Model UCW 030 AF 300 tons each, 460V, 3Ph, 60 Hz. The chillers are capable of handling complete building cooling loads under conditions of NYS Energy Code. Three (3) split coupled vertical in-line pumps provided, three (3) Chilled water pumps (one standby) at 520 GPM each and three (3) condenser water pumps (one standby) at 600 GPM each. The pumps shall serve all floors The cooling tower plant and water circulating pumps are based on peak "bulk" cooling load for the residential areas of the Building in accordance with ASHRAE Guide recommendations. Cooling tower and rooftop equipment are provided with spring isolators and structural dunnage to mitigate vibration and noise from reverberating into the Units. Condenser water exposed on the roof is provided with 2" glass fiber insulation and covered with aluminum jacket for protection.
4.	INDIVIDUAL HVAC EQUIPMENT	Individual Equipment is designed to meet all requirements of NY State Energy Code.

HVAC equipment will provide air conditioning for the Main Entrance Lobby, Elevator Machine Rooms, Telephone Rooms, Pool, Wine Storage Lockers, Multipurpose Room, Fitness Center and Back-of the House Rooms with chilled water coils.

Equipment will be provided with four-pipe fan coil units of capacities shown on Plans and Specifications. Numbers of units of each type are shown on Construction Documents plans, EER ratings meet requirements of State Energy Code dated 2002. Fan Coil units are sized for the calculated individual peak cooling requirements. Each fan coil unit will be thermostatically controlled.

Cooling and heating of corridor ventilation air will be provided by packaged air conditioning units located in the 37th and 2nd floor mechanical spaces. Each unit will have chilled water cooling coil and steam heating coil.

The building HVAC systems shall be capable of maintaining the following environmental standards:

1. Outdoor design conditions:

Summer	Winter
89°F DB	5°F DB
73°F WB	
(78°F WB cooling tower design)	

2. Units design conditions

Summer	Winter
72°F	72°F DB
50% RH	Not Controlled

N. VENTILATION

1. KITCHENS:

Kitchens at residential floors 14th to 54th will be exhausted with a centrally ducted system through the hood over the stove top. When the user activates the hood exhaust fan, a motorized damper will open and conditioned ventilation air will be provided to the residence. The outside air will provide make up air to offset the air being exhausted through the kitchen exhaust system. When the hood is not activated by the user, air will be exhausted at a reduced rate through the kitchen exhaust system.

Kitchens at floors 4th and 5th will have recirculating kitchen hoods.

3. UNIT BATHROOMS:

Unit bathrooms will be ventilated with an exhaust ventilation system exhausting 125 cubic feet of air per minute

from master bathrooms and 75 cubic feet of air per minute from secondary bathrooms and powder rooms.
Conditioned make-up air is supplied to each Unit ranging from 160 CFM to 600 CFM per Unit corresponding to the number of bathrooms installed.

4. NON-RESIDENTIAL BATHROOMS: Interior non-residential bathrooms located at 1st Floor, Cellar and Sub-Cellars will be ventilated with an exhaust ventilation system exhausting a minimum of 75 cubic feet of air per minute for each water closet.

5. LOCKER ROOMS: Locker rooms will be ventilated with exhaust ventilation capable of exhausting a minimum of 75 cubic feet of air per minute per room.

6. PUBLIC CORRIDORS: Interior corridors are provided with heating and air-conditioned supply air at a minimum of 0.5 cubic feet of air per square foot. This is in accordance with code requirements.

7. RESIDENTIAL LAUNDRY ROOM: Individual washer/dryers are provided in all Units except at those Suite Units located in floors 4 and 5. Units on floors 14th through TRI-PH 52 will be provided with ducted dryer exhaust of 180 CFM.

8. COMMON LAUNDRY ROOM: Individual commercial washer/dryers for the building residents only, are provided in the building Sub-Cellar 2. The dryers will be ventilated with an exhaust ventilation system exhausting 600 cubic feet of air per minute.

9. TRASH ROOM: A nominal 2 ton water cooled air conditioning unit cools this room and a 500 CFM exhaust fan located in the 6th Floor ventilates the room.

10. GAS METER ROOM: Gas meter room will be vented to the outside.

11. EMERGENCY GENERATOR The emergency generator room on the 3rd floor will be provided with one (1) exhaust louver and two (2) intake louvers on the North facade of the building. A generator exhaust flue will run vertically from the emergency generator room and exhaust through the 6th floor facade.

12. Equipment Schedule:

Equipment	Designation	Location	Service	Manufacturer	Model No.
Toilet Exhaust Fan	TX-06-1	6th Floor MER	LOW RISE TX	GREENHECK	SWB
Toilet Exhaust Fan	TX-06--2	6th Floor MER	LOW RISE TX	GREENHECK	SWB
Toilet Exhaust Fan	TX-06-3	6th Floor MER	LOW RISE TX	GREENHECK	SWB
Kitchen Exhaust Fan	KX-06-1	6th Floor MER	LOW RISE KX	GREENHECK	SWB

Dryer Exhaust Fan	DX-06-1	6st Floor MER	LOW RISE DX	GREENHECK	SWB
Toilet Exhaust Fan	TX-31-1	37th Floor MER	HIGH RISE TX	GREENHECK	SWB
Toilet Exhaust Fan	TX-31-2	37th Floor MER	HIGH RISE TX	GREENHECK	SWB
Toilet Exhaust Fan	TX-31-2	37th Floor MER	HIGH RISE TX	GREENHECK	SWB
Toilet Exhaust Fan	TX-31-3	37th Floor MER	HIGH RISE TX	GREENHECK	SWB
Toilet Exhaust Fan	TX-31-4	37th Floor MER	HIGH RISE TX	GREENHECK	SWB
Toilet Exhaust Fan	TX-52-1	Roof MER	HIGH RISE TX	GREENHECK	SWB
Toilet Exhaust Fan	TX-49-1	55th Floor MER	HIGH RISE TX	GREENHECK	SWB
Toilet Exhaust Fan	TX-52-3	Roof MER	HIGH RISE TX	GREENHECK	SWB
Toilet Exhaust Fan	TX-52-4	Roof MER	HIGH RISE TX	GREENHECK	SWB
Toilet Exhaust Fan	TX-31-2	37th Floor MER	HIGH RISE TX	GREENHECK	SWB
Toilet Exhaust Fan	TX-31-2	37th Floor MER	HIGH RISE TX	GREENHECK	SWB
Kitchen Exhaust Fan	KX-31-1	37th Floor MER	HIGH RISE KX	GREENHECK	SWB
Kitchen Exhaust Fan	KX-52-1	Roof MER	HIGH RISE KX	GREENHECK	SWB
Kitchen Exhaust Fan	KX-52-2	Roof MER	HIGH RISE KX	GREENHECK	SWB
Dryer Exhaust Fan	DX-31-1	37th Floor MER	HIGH RISE DX	GREENHECK	SWB
Dryer Exhaust Fan	DX-49-1	55th Floor MER	HIGH RISE DX	GREENHECK	SWB

O. ELECTRICAL SYSTEM

1. SERVICE FROM MAIN SWITCHGEAR: Electrical service will be provided at 208/120V – 3 phase, via one 5000A distribution board to be located on the 3rd floor. Three Con Edison transformer vaults and one bus compartment will be constructed on the 3rd floor. Two primary (13.2KV) services will enter the Cellar level at a cable support box and rise to a second box on the 2nd floor, and from there to the transformer vaults. Distribution to all electrical panel boards and distribution panels will be provided. All feeders to be insulated copper conductors in metal conduits. One service utility take-off will be provided with dedicated utility meters for common spaces, public spaces, and each Unit.

2. SERVICE TO UNITS: Feeders are to run to each Unit from distribution centers. Feeders vary in size as required by load and voltage drop.

3. COMPARTMENT SWITCHGEAR: The distribution centers are provided on mechanical floors, 3, 6, 37, and 56.

4. UNIT SERVICE ADEQUACY: The equipment will be rated to comply with the New York City Electrical Code and takes into account all equipment provided in Units such as washing machines, clothes

dryers, dishwashers, and microwaves

a.	Service:	Capacity provided for each Unit will be in accordance with Code requirements in various sizes from 100 to 200A at 120/208V, single phase or three phase, 3 wire or 4 wire. Number of circuits per Unit panel board will be an average of 42 circuits. Service will be adequate to meet normal Unit appliance load and lighting.
b.	Lighting and fixtures	Switched lighting fixtures will be provided in bathrooms, foyers, galleries, and kitchens. Fixtures will be incandescent or fluorescent type. Junction boxes dedicated for light fixtures will be provided in ceilings in bedrooms and living rooms
c.	Convenience outlets, appliance outlets:	Receptacles will be provided in all rooms to meet the New York City Electrical Code. Ground fault receptacles will be provided in kitchens and bathrooms. Arc fault circuit interrupters will be provided for Unit branch circuits that supply 125-volt, single-phase, 15 amperes and 20 ampere receptacles. All receptacles in Units will be provided with tamper-proof receptacles.
d.	Lightning Protection	A complete UL Master Label lightning protection system will be provided.

5. EMERGENCY GENERATOR: A 600 kW diesel generator will be provided on the 3rd Floor. Fuel oil is provided from a 1,000 gallon tank located on the Sub-Cellar 3. The generator serves the following loads if the utility power is not available.

1. All exit lights, egress lighting and stair lighting.
2. Smoke exhaust fans.
3. Fire alarm system.
4. Elevators (all will be connected, but only one (1) will run at one time).
5. Security system.
6. Telecommunication systems.
7. Fire pump for below grade building.
8. Sump pump.
9. Sewage ejector pump.
10. Building Maintenance System (BMS).

11. Wine Storage Lockers A/C unit.
12. HPS PRV station and A/C.
13. Cooling tower basin heater.
14. Heat tracing of roof piping.
15. Circulating pumps for heating and cooling.

P. TELEPHONE, INTERNET, TELEVISION, AND INTERCOM

Telephone, internet and television services will enter the building from 60th Street and be fed to a telephone room located in the Cellar level. It will then be distributed throughout the Building through risers and sleeves. Each Unit will receive telephone, Internet and television services pre-wired to a riser closet located within their Unit on their floor. The cost to activate the Unit network to the service provider will be at the Owner's expense.

In each Unit, outlets for television, data and telephone will be provided in the living room, bedrooms, and library and kitchen areas.

Each Unit will be provided with an intercom linked to concierge's desk through a telephone line by Trigon or equivalent.

There will be an intercom from the Main Entrance and from the Service Entrance to the Concierge Desk and from the Concierge Desk to the individual Units.

There will be a surveillance system with cameras monitored at the concierge desk and located at the mechanical floors, elevators and certain areas of the amenity spaces.

Q. PUBLIC AREA LIGHTING

Lighting will be furnished to the public areas of the building. Fluorescent light fixtures will be provided at all Mechanical and Utility Rooms, back of the house areas and service corridors. Typical light fixtures for these areas will be manufactured by Lightolier, Bartco, Lucifer or equivalent.
The Corridors and Elevator Lobbies at amenities areas in the Cellars will be provided with recessed LED downlights as manufactured by Specialty Lighting or equivalent.
The Pool Room, the Exercise Rooms, the Lobby , the Vestibule will have a combination of LED downlights as manufactured by Specialty Lighting and custom decorative sconces or

pendant lanterns as manufactured by Crenshaw or equivalent.

R. GARAGE

No garage or parking areas will be provided.

S. SWIMMING POOL

1. TYPE AND LOCATION IN PROPERTY

There will be an approximately 33'-6" by 13'-8" pool located at the Fitness Center at the Sub-Cellar 1 for use of the building residents. The pool vessel will be made of stainless steel with tile finish. The approximate water depth will be four feet. The pool will be surrounded on four sides with a deck with a minimum dimension of five feet.

T. RECREATION FACILITIES

Indoor recreation space is provided in the Fitness Center located at the Cellar level, as described in I.3.

U. UNIT INFORMATION

1. UNIT INFORMATION:

There will be 31 Residential Units, 7 Suite Units and 1 Resident Manager Unit.

Except in areas with dropped ceilings and soffits, the heights of the residential levels from top of floor slab to underside of slab above, based on marketing floor numbers, are approximately as follows:

4th and 5th	21'-0"
14th to 36th	11'-0"
Duplex PH 38 /50	
Lower Level	15'-0"
Upper Level	11'-0"
Triplex PH 52	
Lower Level	15'-0"
Intermediate Level	15'-0"
Upper Level	15'-0"

Ceiling heights from finished floor to finished ceiling at bathrooms, kitchens, halls and public corridors in the Units may vary from 8'-0" to 9'-0

2. DIMENSION OF THE UNITS:

Each unit is measured horizontally from the exterior side of the exterior walls to the centerline of the partitions separating one Unit from another Unit, or separating one Unit from corridors, stairs, elevators and other mechanical equipment spaces or any common elements not within a Unit

or to the exterior side of the opposite exterior walls; provided, however (i) columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits in all Units; and (ii) elevator shafts, elevator lobby and stairwells on the full floor units and units containing multiple floors are not deducted from the measurement of each Unit.

Each Unit consists of the area measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling. The corridor adjacent to the stairs is part of the Unit.

The Terraces will be measured from the exterior face of the curtain wall to the exterior face of the parapet.

Each Storage Locker and Wine Storage Locker will consist of the area measured horizontally from the innermost face of the foundation wall or centerline of partition to the centerline of the partitions or enclosure separating one locker from another locker or one locker from the common elements. Columns, mechanical pipes and shafts are not deducted for the purpose of floor area measurements.

Each Storage Locker and Wine Storage Locker will consist of a volume measured vertically from the top of the concrete floor to the underside of the locker enclosure except that any common elements located within any locker shall be considered as part of that locker.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall within a room or space, not subtracting cutouts.

3. FINISH SCHEDULE FOR TYPICAL UNITS

SPACE	FLOOR	BASE	WALL	CEILING
Foyer	Stone, Polished	WD	P GWB***	K/GWB
Living Room	Solid Wood Floor *	WD	P GWB***	K/GWB
Dining Room	Solid Wood Floor *	WD	P GWB***	K/GWB
Bedrooms	Solid Wood Floor *	WD	P GWB***	K/GWB
Kitchen	Solid Wood Floor *	WD	P GWB***	K/GWB
Master Bathroom	Marble **	Marble**	Marble** and P GWB***	K /GWB
Secondary Bathroom	Marble **	Marble**	Marble ** and P GWB***	K /GWB
Powder Room	Marble **	Marble**	Marble ** and P GWB***	K/ GWB
Closets	Solid Wood Floor *	WD	P GWB***	K/GWB
Washer/dryer closet	CT	CT	P GWB***	K/GWB

*Standing water will cause cupping, swelling, and subsequent gapping.

** Maintenance and cleaning of all stone by Unit Owners should be done in accordance with the recommendations of the Marble Institute of America

*** 2 Coats of paint over a primer.

4. FINISH SCHEDULE FOR 1st FLOOR

SPACE	FLOOR	BASE	WALL	CEILING
LOBBY SITTING AREA	Polished Stone	Stone	P/ Stone / Wood	GWB
SERVICE ENTRANCE	Ceramic Tiles	CT	CT / Steel Plate	ACT

5. FINISH SCHEDULE FOR COMMON SPACES

SPACE	FLOOR	BASE	WALL	CEILING
STAIRS	DP	P	P	P Concrete
PUBLIC CORRIDOR	CPT: Broadloom carpet on underlayment	WD	P	GWB
SERVICE LOBBY	CT	CT	P	GWB

6. FINISH SCHEDULE FOR AUXILIARY SPACES

SPACE	FLOOR	BASE	WALL	CEILING
MULTIPURPOSE ROOM	CARPET	WD	WALL COVER/ P GWB***	ACT
RESIDENT STORAGE LOCKERS	DP	VINYL	P CMU / CONCRETE	P CONCRETE
WINE STORAGE LOCKERS	CORK FLOOR	WD	P GWB***	P GWB ***
BIKE STORAGE ROOM	DP	VINYL	P CMU / CONCRETE	P CONCRETE
LAUNDRY ROOM	CT	CT	CT	
EXERCISE ROOMS	RUBBER FLOOR	WD	P GWB *** and	P GWB***

			Mirrors, Glass	
POOL ROOM	STONE		STONE & P GWB ***	P GWB***
LOCKER ROOMS	STONE	STONE	STONE, GLASS, WD. P GWB ***	P GWB ***
CHILDREN'S PLAY ROOM	CARPET	WD	P GWB***	PGWB ***

7. BATHROOM FIXTURES & FITTINGS

Subject to Sponsor's right to make substitutions as set forth in the Offering Plan, the Units will be equipped with the following fixtures:

BATHROOMS AT FLOORS 4 AND 5			
FIXTURE	**MANUFACTURER**	**DESCRIPTION**	**MODEL**
WC	TOTO	ELONGATED CAROLINA FLOOR MTD.	
LAVATORY	KOHLER		K-2210
LAVATORY TRIM	DORNBRACHT	POLISHED CHROME	20.700.370 11.170.370
TUB	KOHLER		MAESTRO
TUB TRIM	DORNBRACHT	WALL MOUNTED POLISHE CHROME	36900370 35901970-90 36104370 36104970-90 11170370 13801380
SHOWER TRIM	DORNBRACHT	POLISHED CHROME	28508380

MASTER BATHROOMS AT FLOORS 14 TO 36 (Bath 1)			
FIXTURE	**MANUFACTURER**	**DESCRIPTION**	**MODEL**
WC	DURAVIT	HAPPY D Wall Mounted	017109
LAVATORY	KOHLER		K-2210
LAVATORY TRIM	DORNBRACHT	PLATINUM	20.700.370 11.170.370
TUB	KOHLER		TEA FOR TWO
TUB TRIM	DORNBRACHT	PLATINUM	27.502.370 35.910.970-90 11.170.370

SHOWER TRIM	DORNBRACHT	PLATINUM	36.416.977 35.517.970-90 36.310.370 35.627.970-90 11.170.370 28.508.360 28.518.360

MASTER BATHROOMS AT PENTHOUSES (Bath 1)			
FIXTURE	**MANUFACTURER**	**DESCRIPTION**	**MODEL**
WC	DURAVIT	HAPPY D Wall Mounted	017109
LAVATORY	KOHLER		K-2210
LAVATORY TRIM	DORNBRACHT	PLATINUM	20.700.370 11.170.370
TUB	VICTORIA AND ALBERT	Free Standing	AMALFI
TUB TRIM	DORNBRACHT	PLATINUM	25.943.360 35.944.970-90 35.910.970-90 11.170.370
SHOWER TRIM	DORNBRACHT	PLATINUM	36.416.977 35.517.970-90 36.310.370 35.627.970-90 11.170.370 28.508.360 28.518.360

MASTER BATHROOMS AT ALL FLOORS (Bath 2)			
FIXTURE	**MANUFACTURER**	**DESCRIPTION**	**MODEL**
WC	DURAVIT	HAPPY D Wall Mounted	017109
LAVATORY	KOHLER		K-2210
LAVATORY TRIM	DORNBRACHT	PLATINUM	20.700.370 11.170.370
SHOWER TRIM	DORNBRACHT	PLATINUM	36.416.977 35.517.970-90 36.310.370 35.627.970-90 11.170.370

			28.508.360 28.518.360

SECONDARY BATHROOM w/ TUB, ALL RESIDENTIAL UNITS			
FIXTURE	**MANUFACTURER**	**DESCRIPTION**	**MODEL**
WC	DURAVIT	HAPPY D Wall Mounted	017109
LAVATORY	KOHLER		K-2210
LAVATORY TRIM	DORNBRACHT	POLISHED CHROME	20.700.370 11.170.370
TUB	KOHLER		MAESTRO
TUB TRIM	DORNBRACHT	POLISHED CHROME	36.900.370 35.901.970-90 11.170.370 28.508.360 27.803.370 13.801.380 36.104.370 35.104.970.90

SECONDARY BATHROOM w/ SHOWER, ALL RESIDENTIAL UNITS			
FIXTURE	**MANUFACTURER**	**DESCRIPTION**	**MODEL**
WC	DURAVIT	HAPPY D Wall Mounted	017109
LAVATORY	KOHLER		K-2210
LAVATORY TRIM	DORNBRACHT	POLISHED CHROME	20.700.370 11.170.370
SHOWER TRIM	DORNBRACHT	POLISHED CHROME	36.900.370 35.901.970-90 11.170.370 26.403.370 36.104.370 35.104.970.90

POWDER ROOM ALL UNITS			
FIXTURE	**MANUFACTURER**	**DESCRIPTION**	**MODEL**
WC	TOTO	ELONGATED CAROLI FLOOR MTD.	
LAVATORY	KOHLER		K-2210
LAVATORY TRIM	DORNBRACHT	DURABRASS	20700370 11170370

8. KITCHEN APPLIANCES

Subject to Sponsor's right to make substitutions as set forth in the Offering Plan, the Units will be equipped with the following appliances:

KITCHENS	APPLIANCE	MANUFACTURER	DESCRIPTION	UNIT @ FLOOR
	REFRIGERATOR	SUB-ZERO	700 TCI	14 to 20 21 to 36
	REFRIGERATOR	SUB-ZERO	736 TC (2)	D-PH 38 to D-PH 50 T-PH 52 Pantry 54
	REFRIGERATOR DRAWER	SUB-ZERO	700 BR	D-PH 38 to D-PH 50 T-PH 52 Pantry 54
	WINE STORAGE	MIELE	KWT 4145 UG.1	14 to 20 21 to 36
	WINE STORAGE	MIELE	KWT-1611 SF	D-PH 38 to D-PH 50 T-PH 52 Pantry 54
	ICE MAKER	SUB- ZERO	UC-15IP	Pantry 54
	DISHWASHER	MIELE	DIAMOND G5975 SCVI	14 to 20 21 to 36 D-PH 38 to D-PH 50 T-PH 52 Pantry 54
	DISHWASHER	MIELE	SLIMLINE G4580SCVI	14 to 20 21 to 36 D-PH 38 to D-PH 50 T-PH 52

	RANGE W/ OVEN	WOLF	DF486 G	14 to 20 21 to 36 Pantry 54
	SEALED BURNER RANGETOP	WOLF	SRT486 G	D-PH 38 to D-PH 50 T-PH 52
	OVEN	MIELE	H4884 BP	14 to 20 21 to 36
	OVEN	MIELE	H4886 BP	D-PH 38 to D-PH 50 T-PH 52
	SPEED OVEN	MIELE	H4084 BM	14 to 20 21 to 36
	SPEED OVEN	MIELE	H4086 BM	D-PH 38 to D-PH 50 T-PH 52
	STEAM OVEN	MIELE	DG4086	D-PH 38 to D-PH 50 T-PH 52
	WARMING DRAWER	MIELE	ESW4824	14 to 20 21 to 36
	WARMING DRAWER	MIELE	ESW4826	D-PH 38 to D-PH 50 T-PH 52 Pantry 54
	HOOD	WOLF	PI543418	21 to 36 D-PH 38 to D-PH 50 T-PH 52
	HOOD	WOLF	PW542418	14 to 20 Pantry 54
	GARBAGE DISPOSAL	KITCHEN AID	KBDS100 T	All Units
	WASHER	ELECTROLUX	EWFLS70JSS	All Units
	DRYER	ELECTROLUX	EWMGD70J SS/IW	All Units
	SINK	JUST MFG	USXD 1830 A	All Units
	SINK	JUST MFG	US 1616-A	14 to 20 T-PH 52

	TRIM	DORNBRACHT	33.826.888 27.718.970 PLATINUM MATTE	All Units
	UNIT KITCHEN	DWYER	SACO66BHR	4A & 5A
	UNIT KITCHEN	DWYER	SASO86BBR	4B, 4C, 4D, 4E & 5C
	UNIT KITCHEN	DWYER	SASO81BBR	5B

ABBREVIATIONS FOR FINISHES

AT	ACOUSTICAL TILE
CMU	CONCRETE MASONRY UNIT
CT	CERAMIC TILE
CPT	CARPET
CONC	CONCRETE
DP	DUSTPROOFING AND HARDENER
DE	DECK ENAMEL
GT	GRANITE TILE
GWB	GYPSUM WALLBOARD
HC	HUNG CEILING
K	KADEX
L	LIMESTONE
LWP	LIQUID WATERPROOFING
MT	MARBLE TILE
MP	METAL PAN
P	PAINT
POR	PORCELIN
QT	QUARRY TILE
SP	SPRAY PAINT
ST	STUCCO
T	TILE
TCP	TEXTURED CEILING PAINT
TER	TERRAZO
V	VINYL
VCT	VINYL COMPOSITION TILE
VWC	VINYL WALL COVERING
GWB	GYPSUM WALL BOARD
WRWB	WATER RESISTANT GYPSUM WALLBOARD
WD	WOOD

W. FIRE ALARM AND SMOKE DETECTING DEVICES

1. FIRE ALARM: The building will be provided with a high rise residential fire alarm system. The system shall be manual and automatic type in accordance with the 2008 New York City Building Code. The system will include control panels,

	sprinkler tamper and waterflow switches, smoke detection, and audio/visual communication systems as required by the Code.
2. UNIT SMOKE AND CARBON MONOXIDE DETECTION SYSTEM:	Each Unit will be provided with a hard-wired local smoke and carbon monoxide detection device located in bedrooms and within 15 feet outside of bedrooms as per Code. The detector will be wired to a 120-volt local power supply and will be self-contained with its own sounding device. Combination smoke/carbon monoxide detectors will also be provided at fireplaces.
Emergency Voice Communication in Units :	Units and stairwells will be provided with speakers for emergency voice communication. The speakers will be connected to the building fire alarm control system.

Documents to be transferred from the Sponsor to the Condo Board:

(i) Final as-built drawings, i.e. mechanical, electrical, plumbing and sprinklers
(ii) Operation and Maintenance manuals, as applicable
(iii) Electronic system manuals
(iv) Equipment warranties
(v) Manufacturer's roof warranty
(vi) Major equipment commissioning start-up sheets
(vii) Original test and balance report for HVAC system

General Note: In accordance with the terms of the Offering Plan, the Sponsor reserves the right to make any substitutions of equipment, materials, finishes or fixtures as stated herein, provided that the changes are substantially equal or better quality as recognized by industry standards of performance, efficiency, longevity and other classifications as applicable.

GLORIA B. GLAS, AIA

PARTNER
SLCE ARCHITECTS LLP

REGISTERED ARCHITECT GLORIA B. GLAS 020204 STATE OF NEW YORK

Sign before me this 8th day

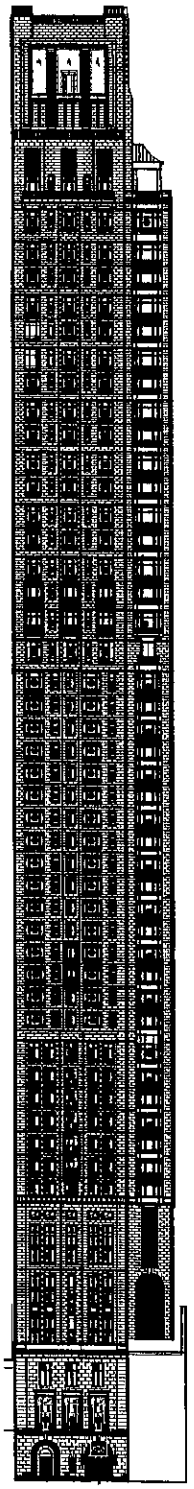
Of September 2014

PUBLIC NOTARY

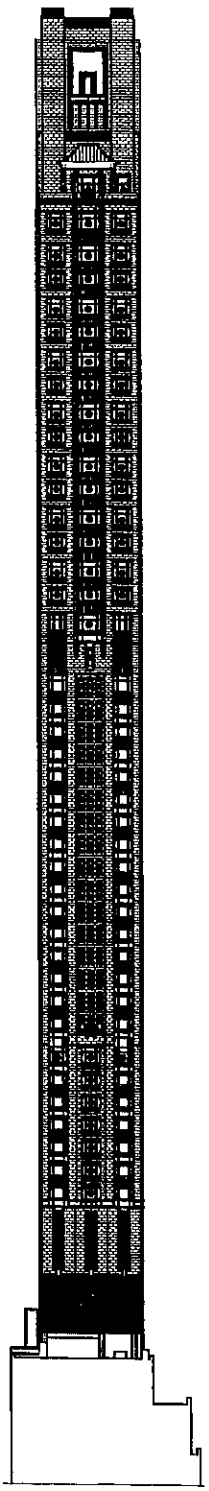
SHERRY LYNN ESD
Notary Public, State of New York
No. 01ES6113413
Qualified in New York County
Commission Expires July 26, 2016

FLOOR PLANS

520 PARK AVENUE



South Elevation



East Elevation

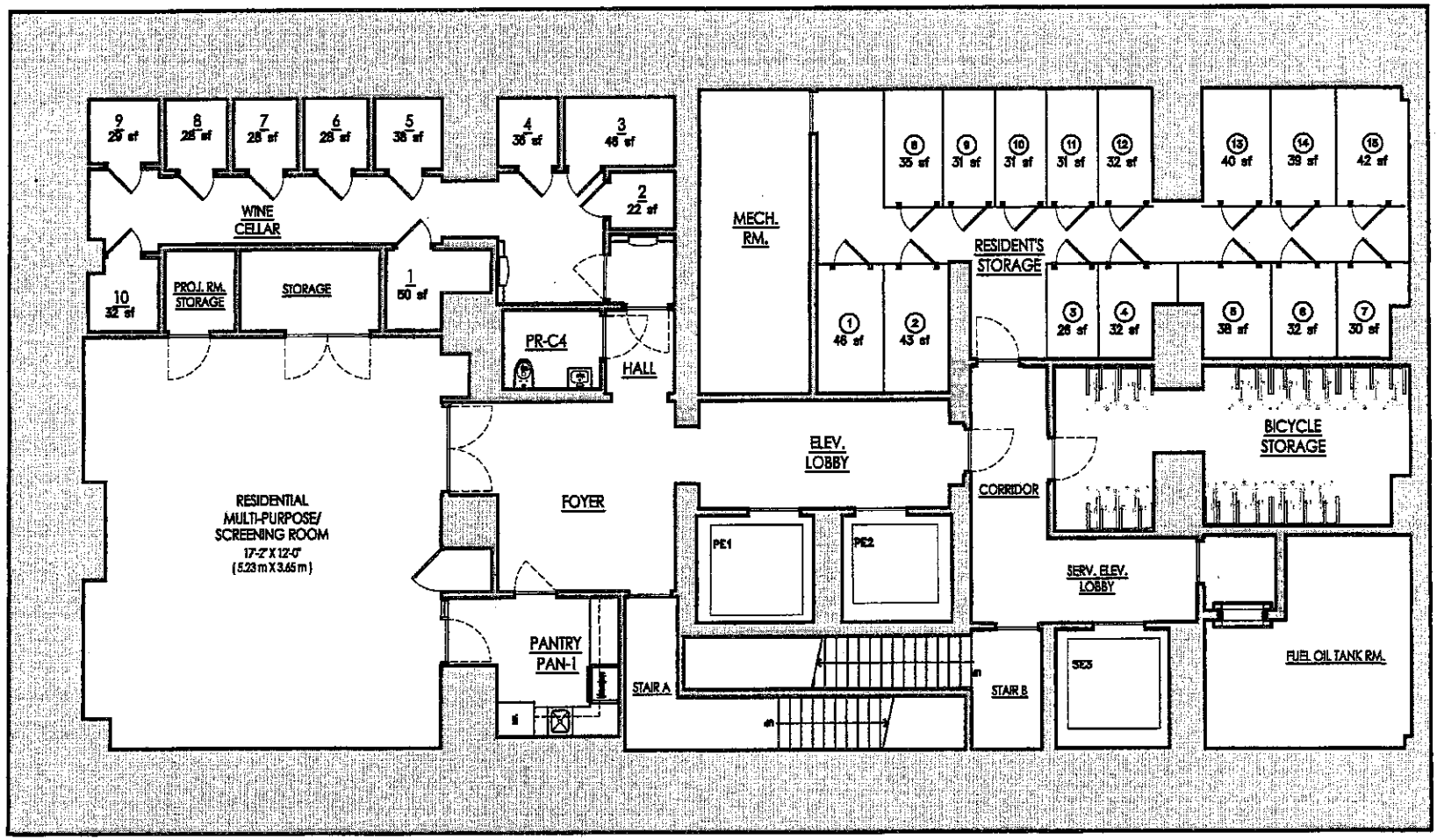
NOTE:
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

Condominium:
520 Park Avenue Condominium
520 Park Avenue
New York, NY 10022

Sponsor:
41-45 Property Owner, LLC
445 Park Avenue, Suite 1902
New York, NY 10022

09-08-14

SUB CELLAR 3



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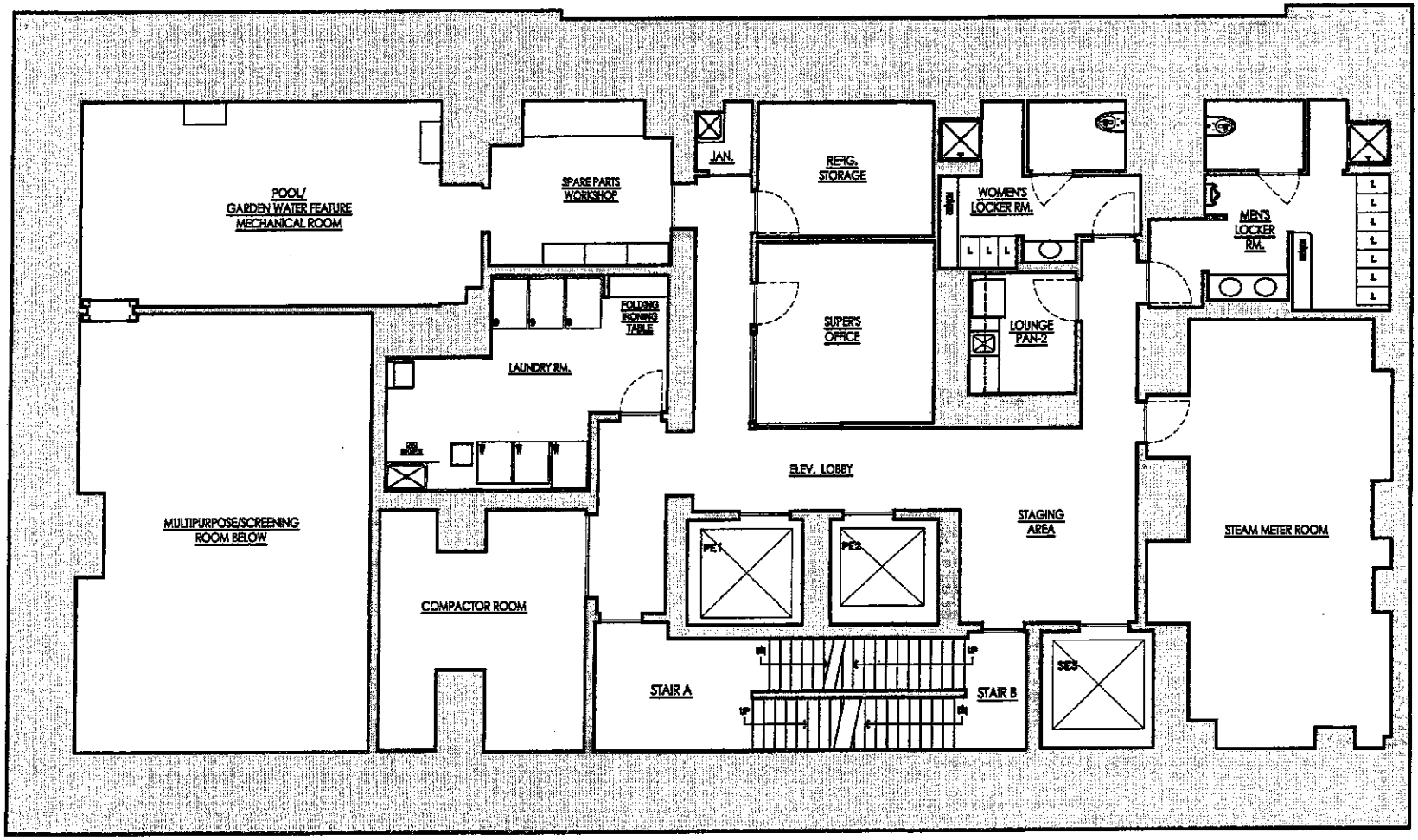
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New York, NY 10022

Sponsor:
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New York, NY 10022

06-06-14

SUB CELLAR 2

SCALE
0 4' 8' 12'



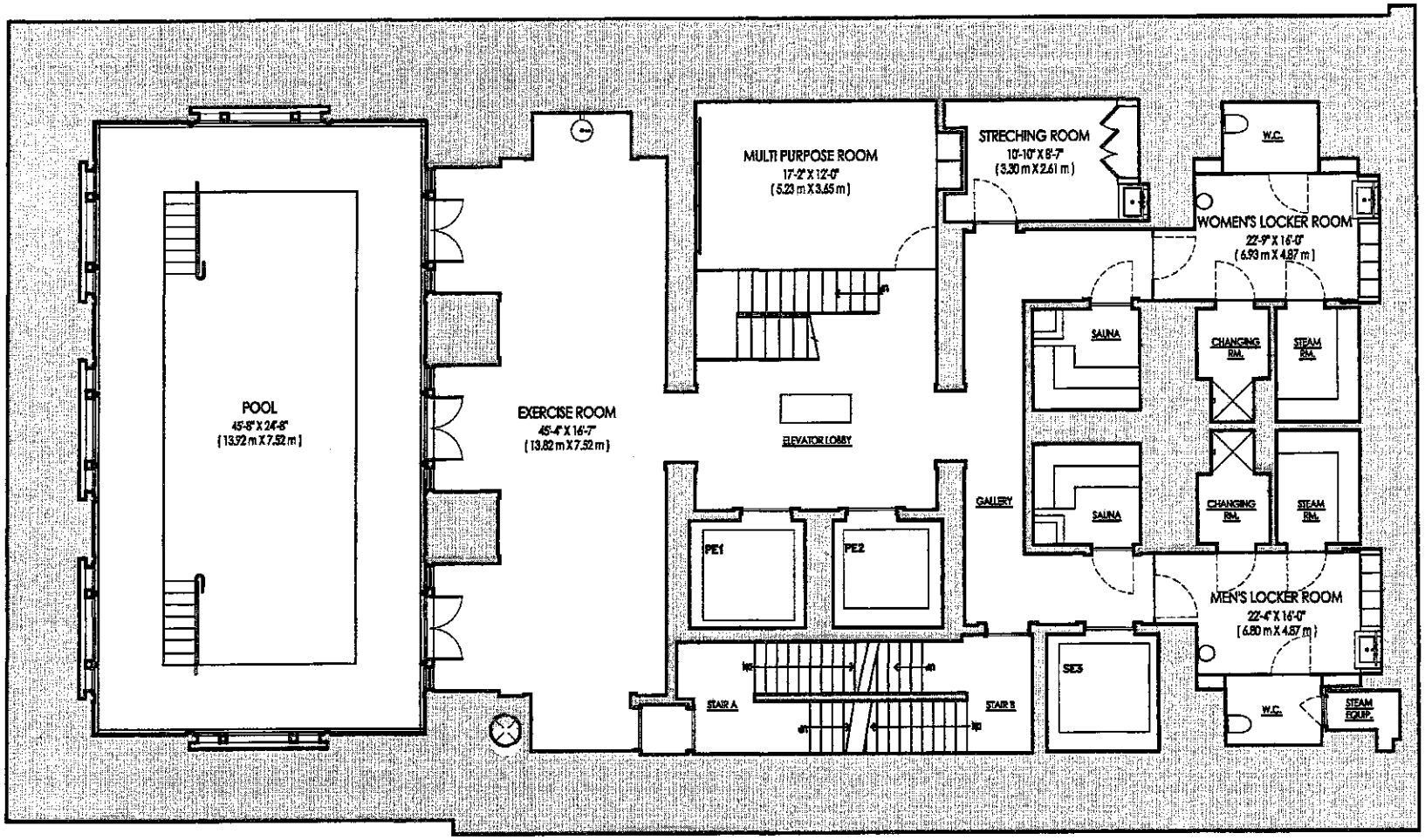
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09-05-14

SUB CELLAR 1



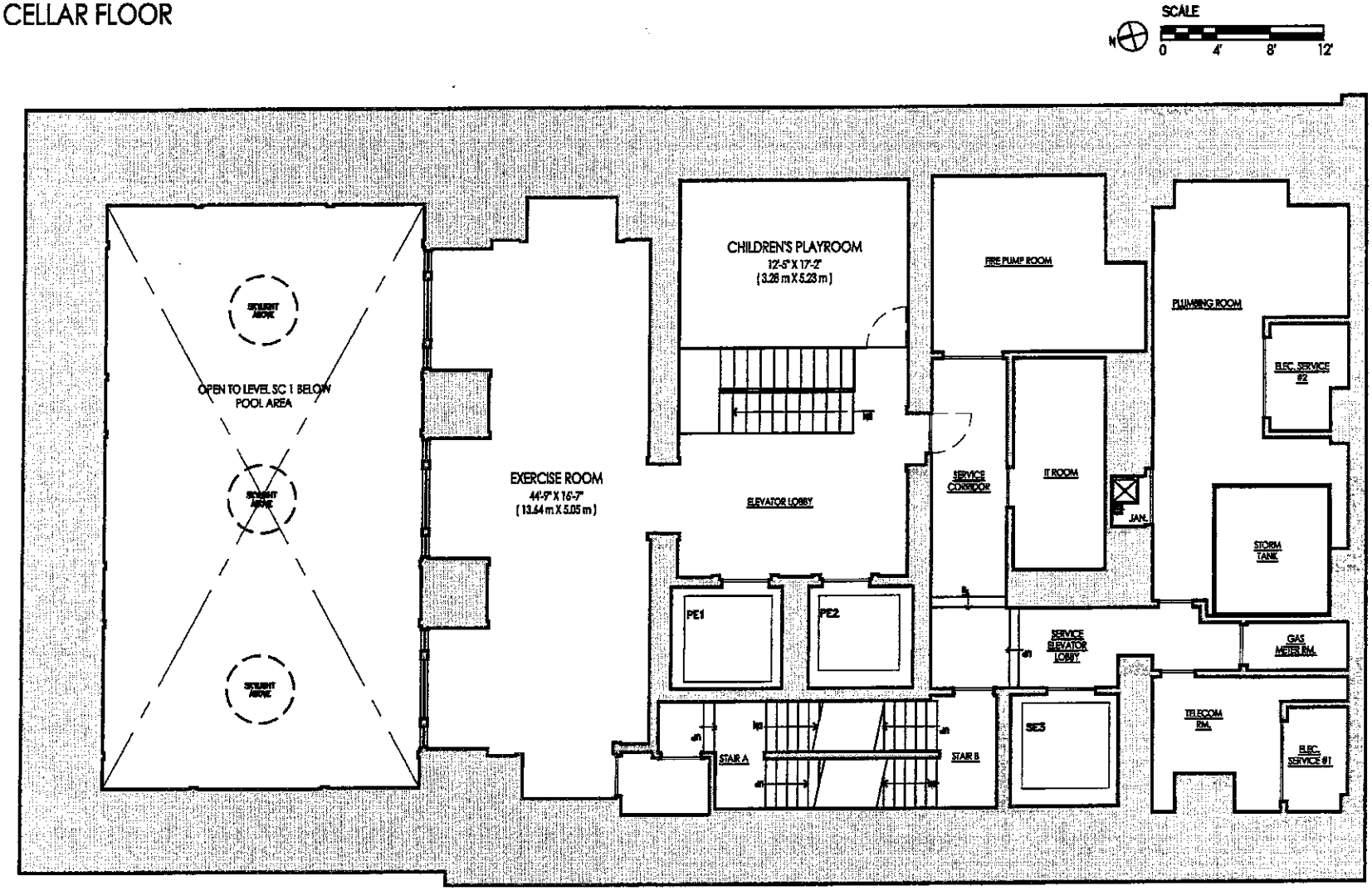
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09-08-14

CELLAR FLOOR



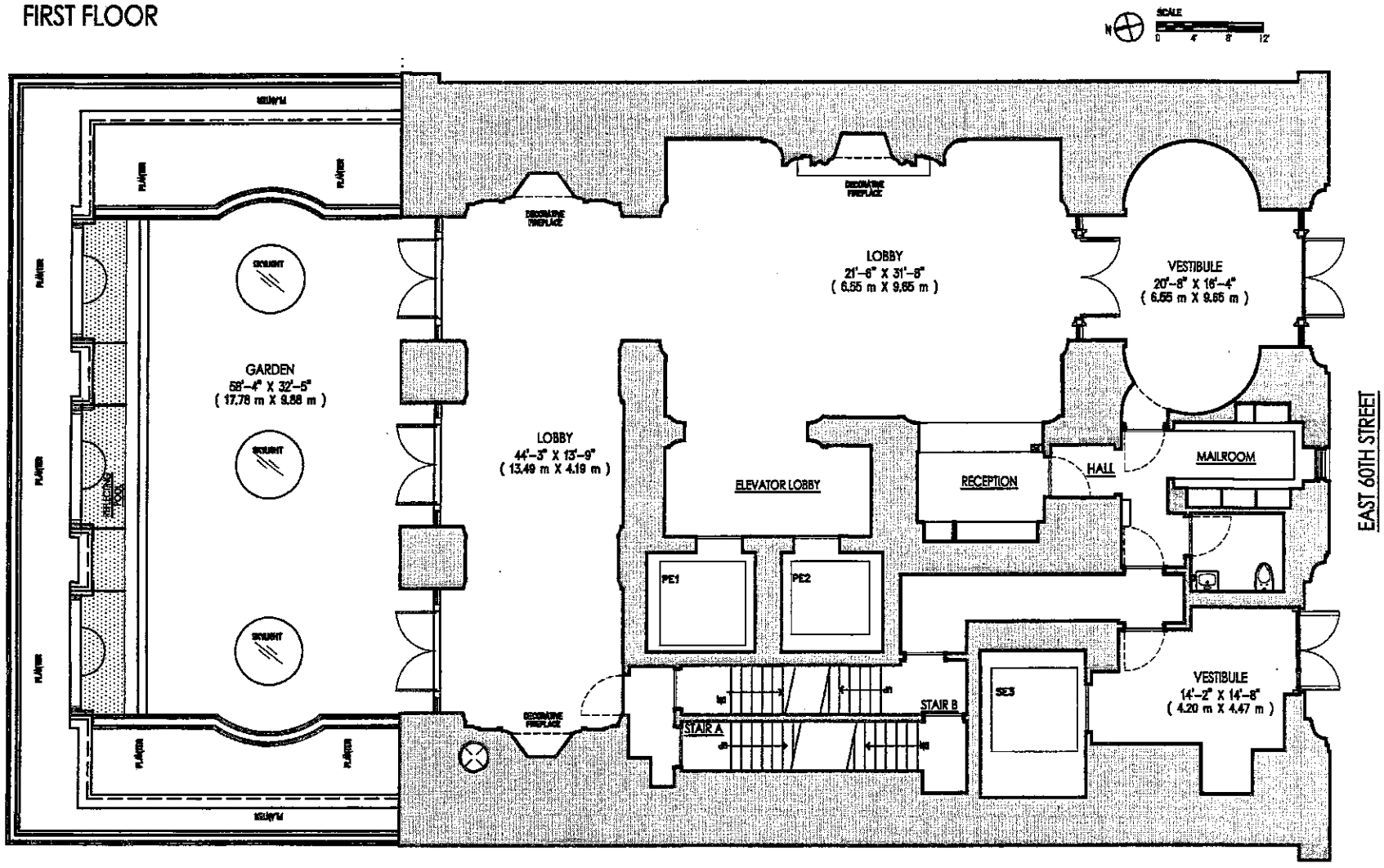
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09-08-14

FIRST FLOOR



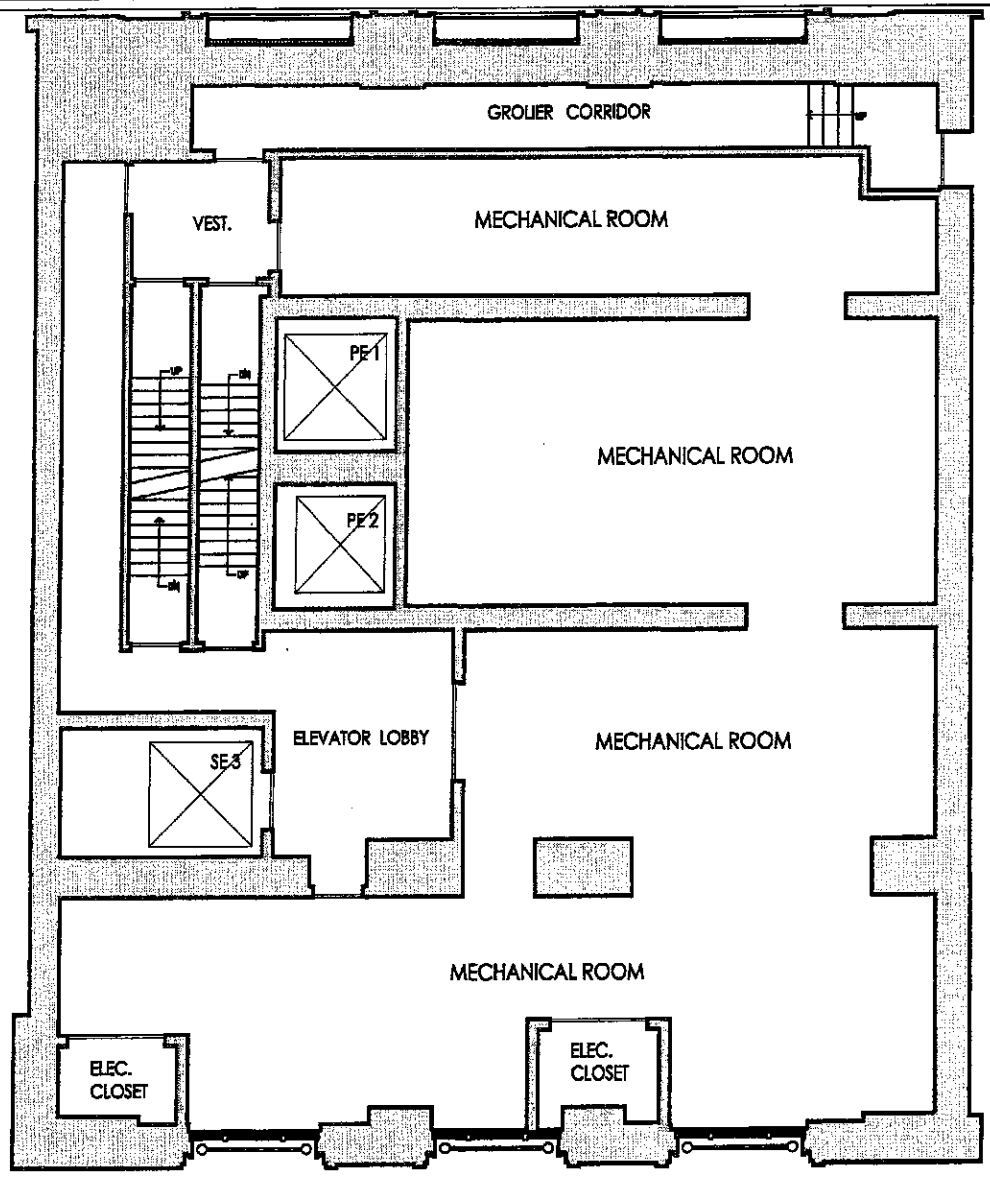
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Sponsor:
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New York, NY 10022

09-08-14

2ND FLOOR - MECHANICAL



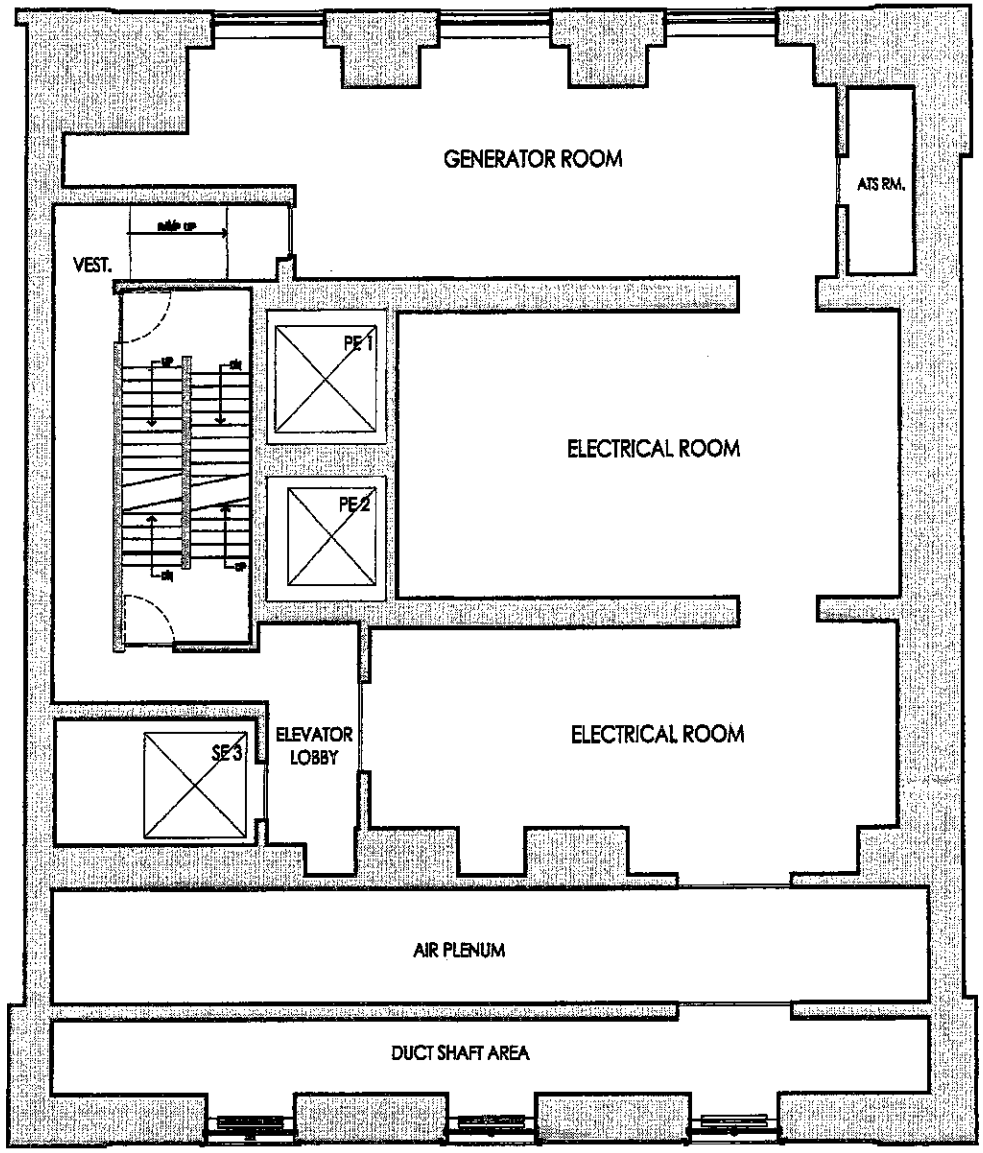
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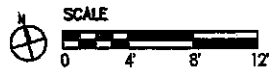
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520 Park Avenue
New York, NY 10022

Sponsor:
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445 Park Avenue, Suite 1902
New York, NY 10022

09-08-14

3RD FLOOR - MECHANICAL





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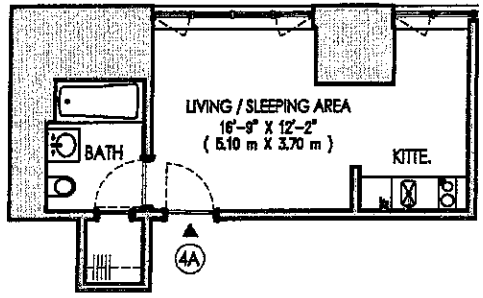
Sponsor:
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New York, NY 10022

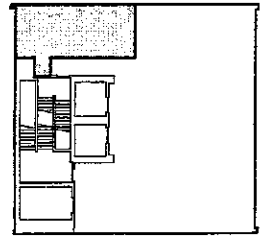
02-06-14

SUITE UNIT
4TH FLOOR
APARTMENT 4A

LIVING / SLEEPING AREA
1 BATH

390 SF
36 M²





EAST 60th STREET

KEY PLAN

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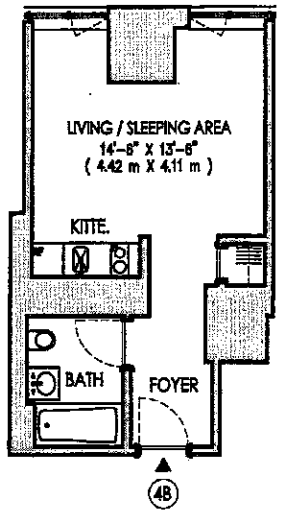
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New York, NY 10022

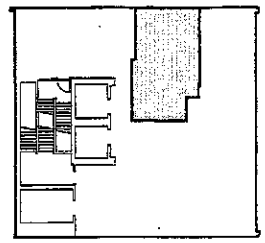
08-08-14

SUITE UNIT
4TH FLOOR
APARTMENT 4B

LIVING / SLEEPING AREA
1 BATH

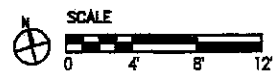
405 SF
38 M²





EAST 80th STREET

KEY PLAN



NOTE:
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New York, NY 10022

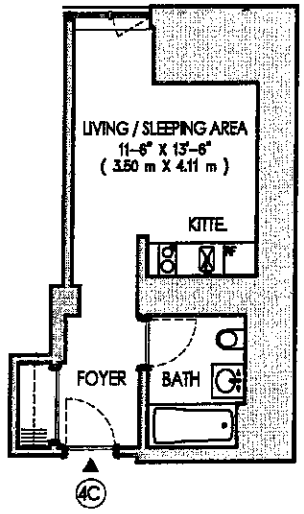
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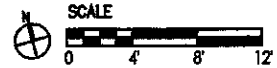
09-05-14

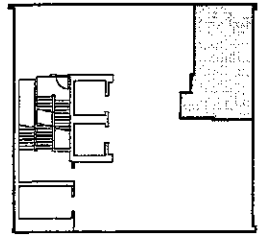
SUITE UNIT
4TH FLOOR
APARTMENT 4C

LIVING / SLEEPING AREA
1 BATH

408 SF
38 M²







EAST 80th STREET

KEY PLAN

NOTE:
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New York, NY 10022

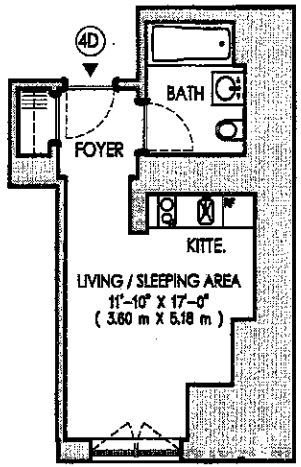
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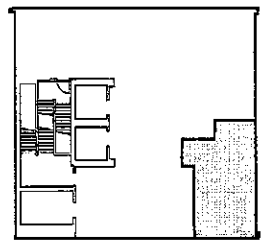
08-08-14

SUITE UNIT
4TH FLOOR
APARTMENT 4D

LIVING / SLEEPING AREA
1 BATH

398 SF
37 M²





EAST 60th STREET

KEY PLAN

SCALE
0 4' 8' 12'

NOTE:
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New York, NY 10022

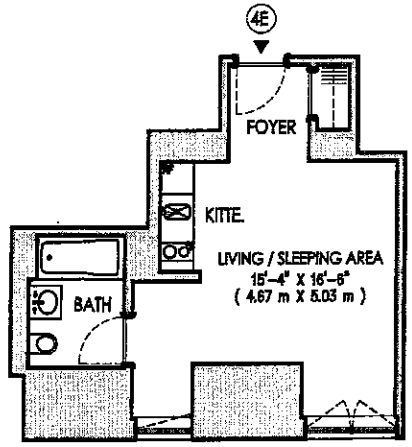
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445 Park Avenue, Suite 1902
New York, NY 10022

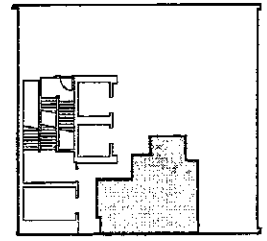
09-08-14

SUITE UNIT
4TH FLOOR
APARTMENT 4E

LIVING / SLEEPING AREA
1 BATH

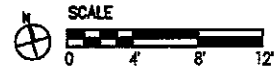
429 SF
40 M²





EAST 69th STREET

KEY PLAN



NOTE:
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

Condominium:
520 Park Avenue Condominium
520 Park Avenue
New York, NY 10022

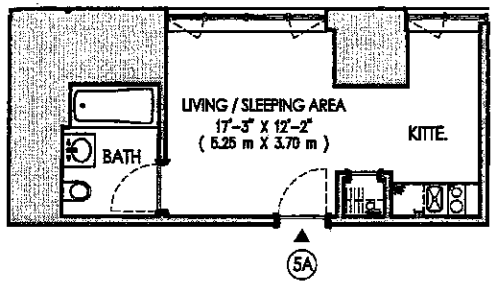
Sponsor:
41-45 Property Owner, LLC
445 Park Avenue, Suite 1902
New York, NY 10022

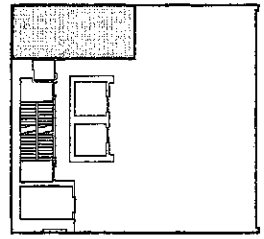
08-08-14

SUITE UNIT
5TH FLOOR
APARTMENT 5A

LIVING / SLEEPING AREA
1 BATH

387 SF
36 M²





EAST 60th STREET

KEY PLAN

SCALE
0 4' 8' 12'

NOTE:
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Condominium:
520 Park Avenue Condominium
520 Park Avenue
New York, NY 10022

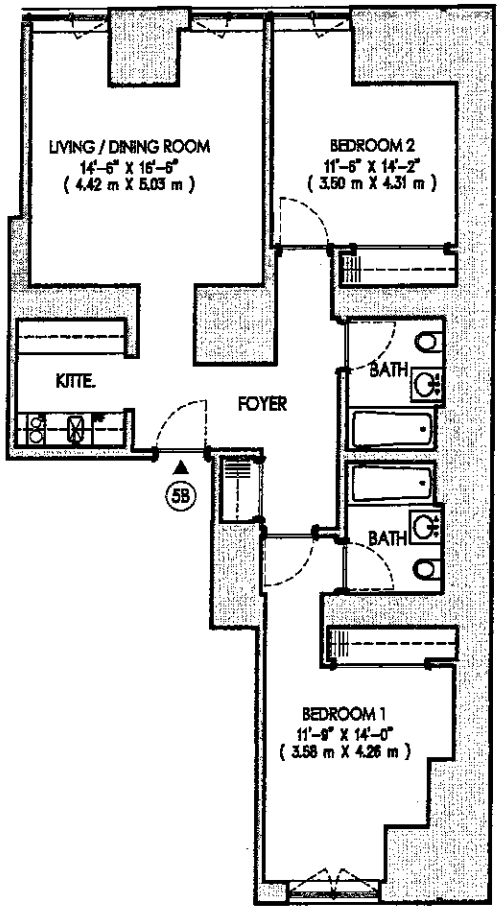
Sponsor:
41-45 Property Owner, LLC
445 Park Avenue, Suite 1902
New York, NY 10022

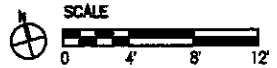
05-06-14

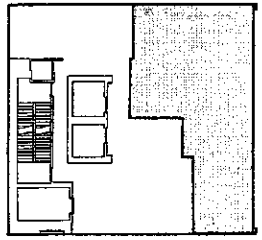
RESIDENT MANAGER UNIT
5TH FLOOR
APARTMENT 5B

2 BEDROOMS
2 BATHS

1,244 SF
116 M²







EAST 60th STREET

KEY PLAN

NOTE:
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Condominium:
520 Park Avenue Condominium
520 Park Avenue
New York, NY 10022

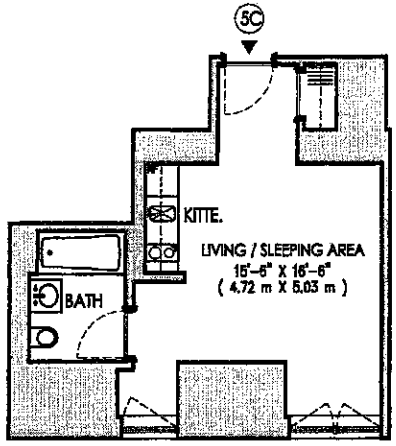
Sponsor:
41-45 Property Owner, LLC
445 Park Avenue, Suite 1902
New York, NY 10022

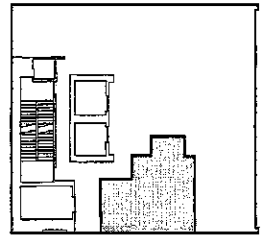
06-06-14

SUITE UNIT
5TH FLOOR
APARTMENT 5C

LIVING / SLEEPING AREA
1 BATH

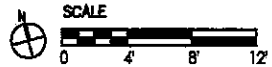
421 SF
39 M²





EAST 60th STREET

KEY PLAN



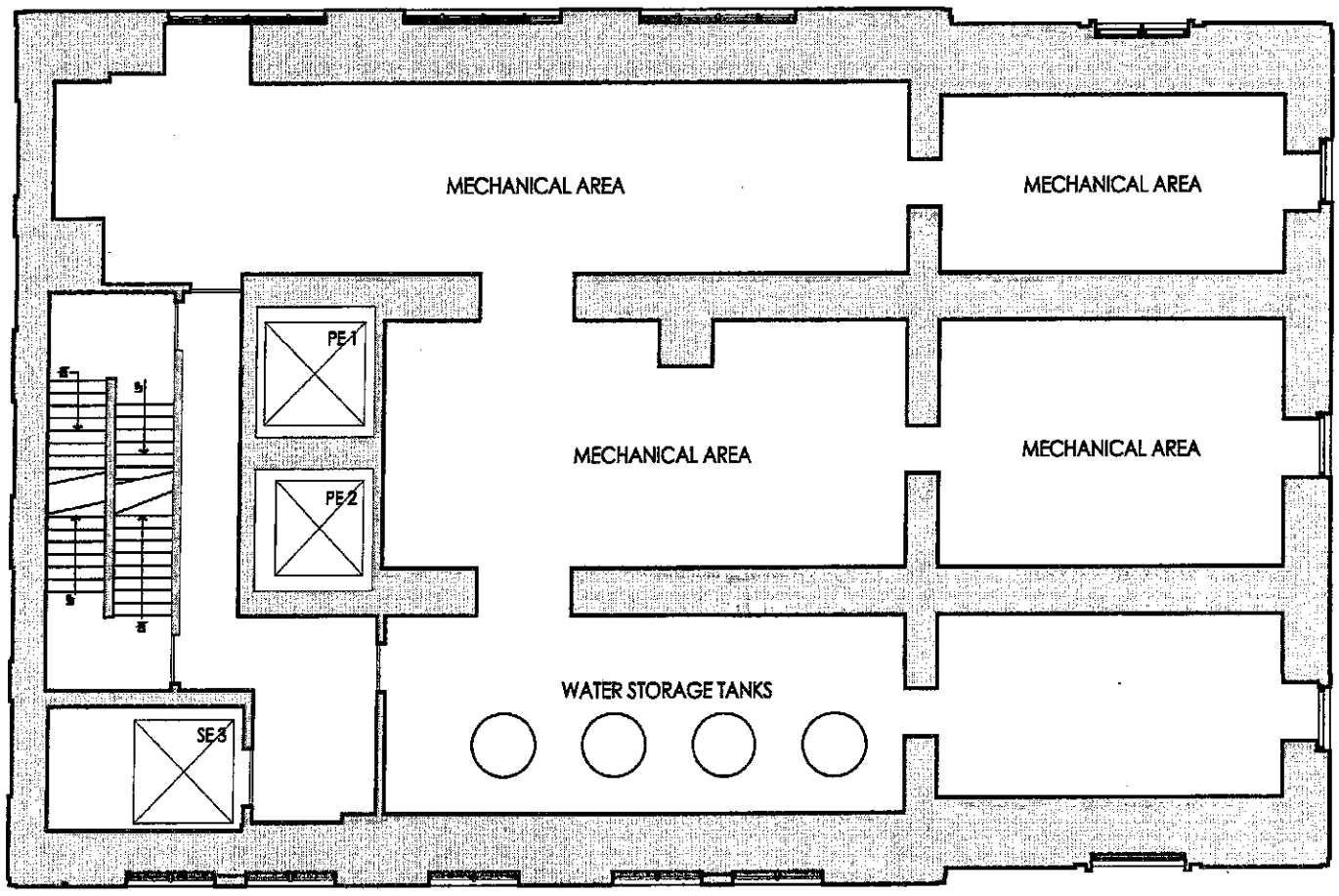
NOTE:
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Condominium:
520 Park Avenue Condominium
520 Park Avenue
New York, NY 10022

Sponsor:
41-45 Property Owner, LLC
445 Park Avenue, Suite 1902
New York, NY 10022

09-08-14

6TH FLOOR - MECHANICAL



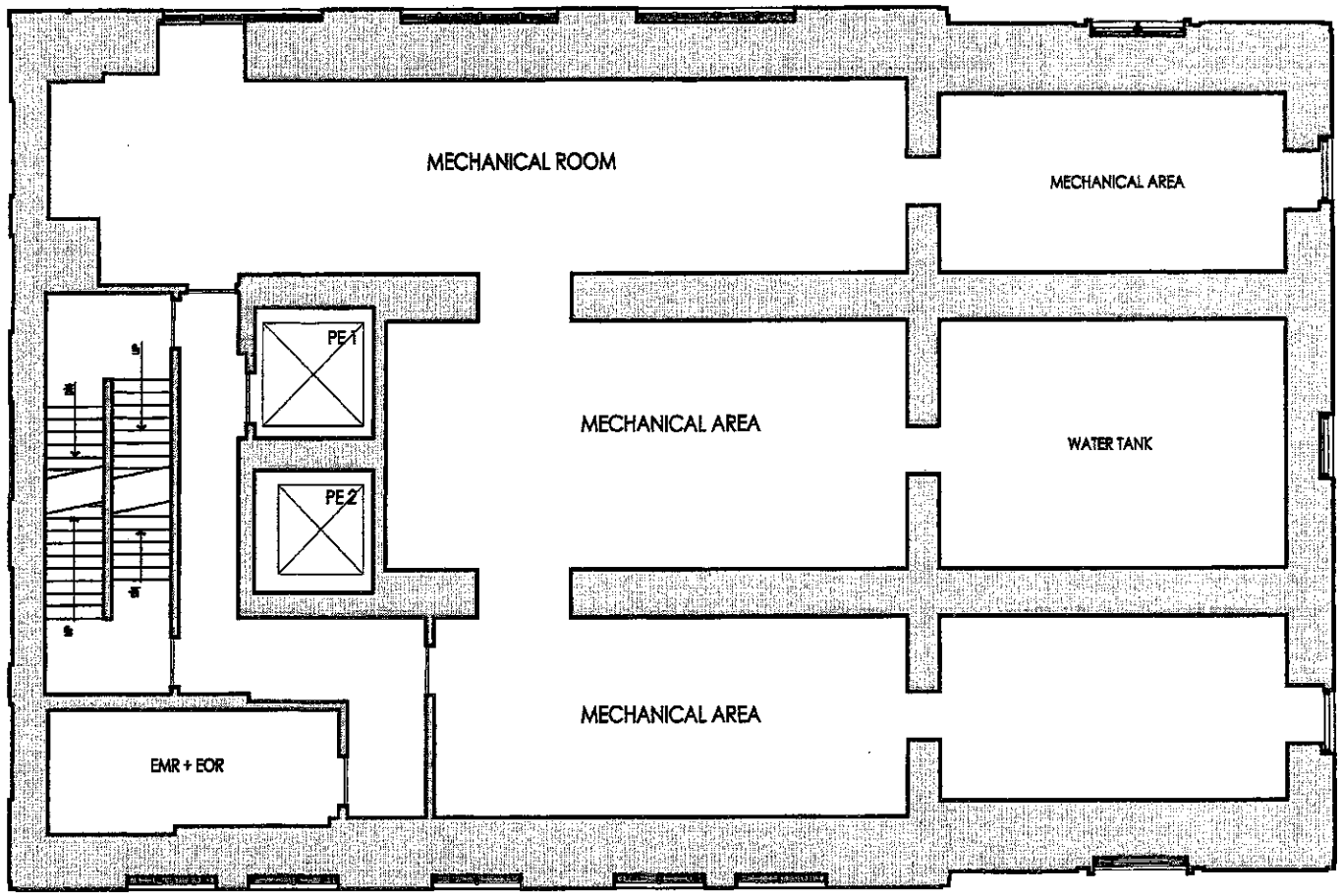
NOTE:
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Condominium:
520 Park Avenue Condominium
520 Park Avenue
New York, NY 10022

Sponsor:
41-45 Property Owner, LLC
445 Park Avenue, Suite 1902
New York, NY 10022

03-06-14

7TH FLOOR - MECHANICAL



NOTE:
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Condominium:
520 Park Avenue Condominium
520 Park Avenue
New York, NY 10022

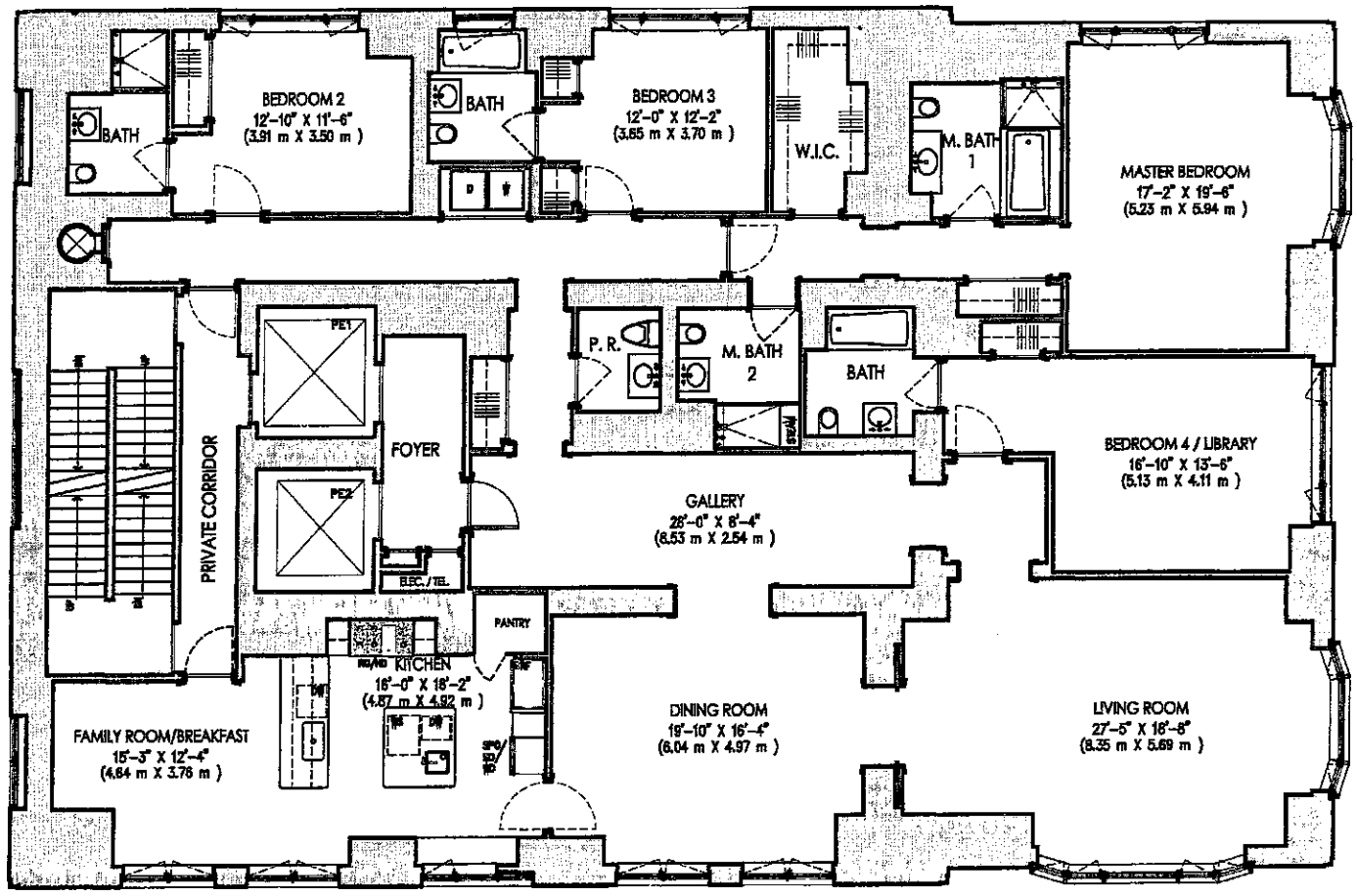
Sponsor:
41-45 Property Owner, LLC
445 Park Avenue, Suite 1902
New York, NY 10022

06-06-14

14TH - 20TH FLOORS

4 BEDROOMS
5 BATHS
1 POWDER ROOM

4,613 SF
429 M²



NOTE:
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Condominium:
520 Park Avenue Condominium
520 Park Avenue
New York, NY 10022

Sponsor:
41-45 Property Owner, LLC
445 Park Avenue, Suite 1902
New York, NY 10022

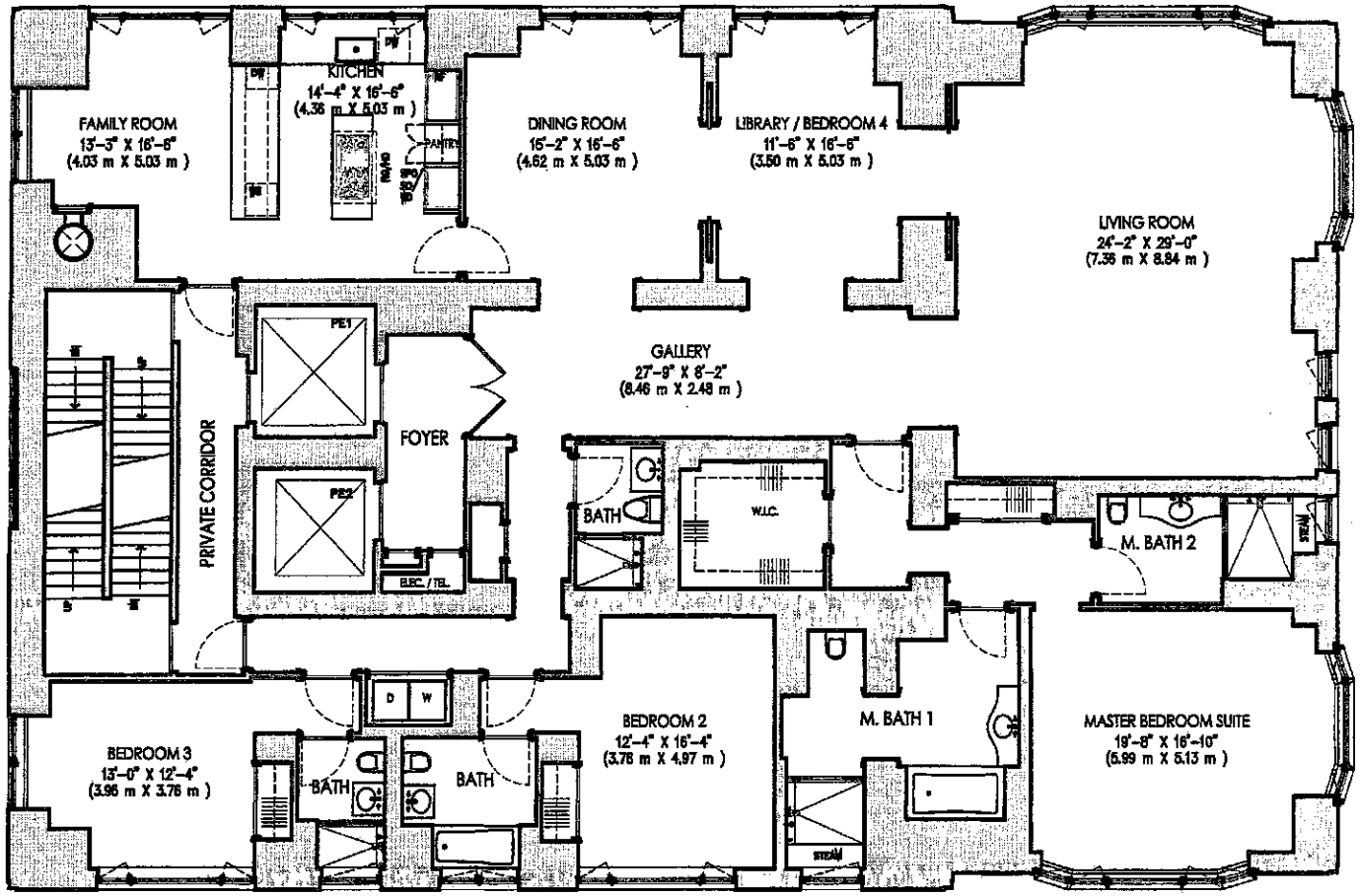
09-08-14

21ST - 36TH FLOORS

SCALE
0 4' 8' 12'

4 BEDROOMS
5 BATHS

4,628 SF
430 M²



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Condominium:
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520 Park Avenue
New York, NY 10022

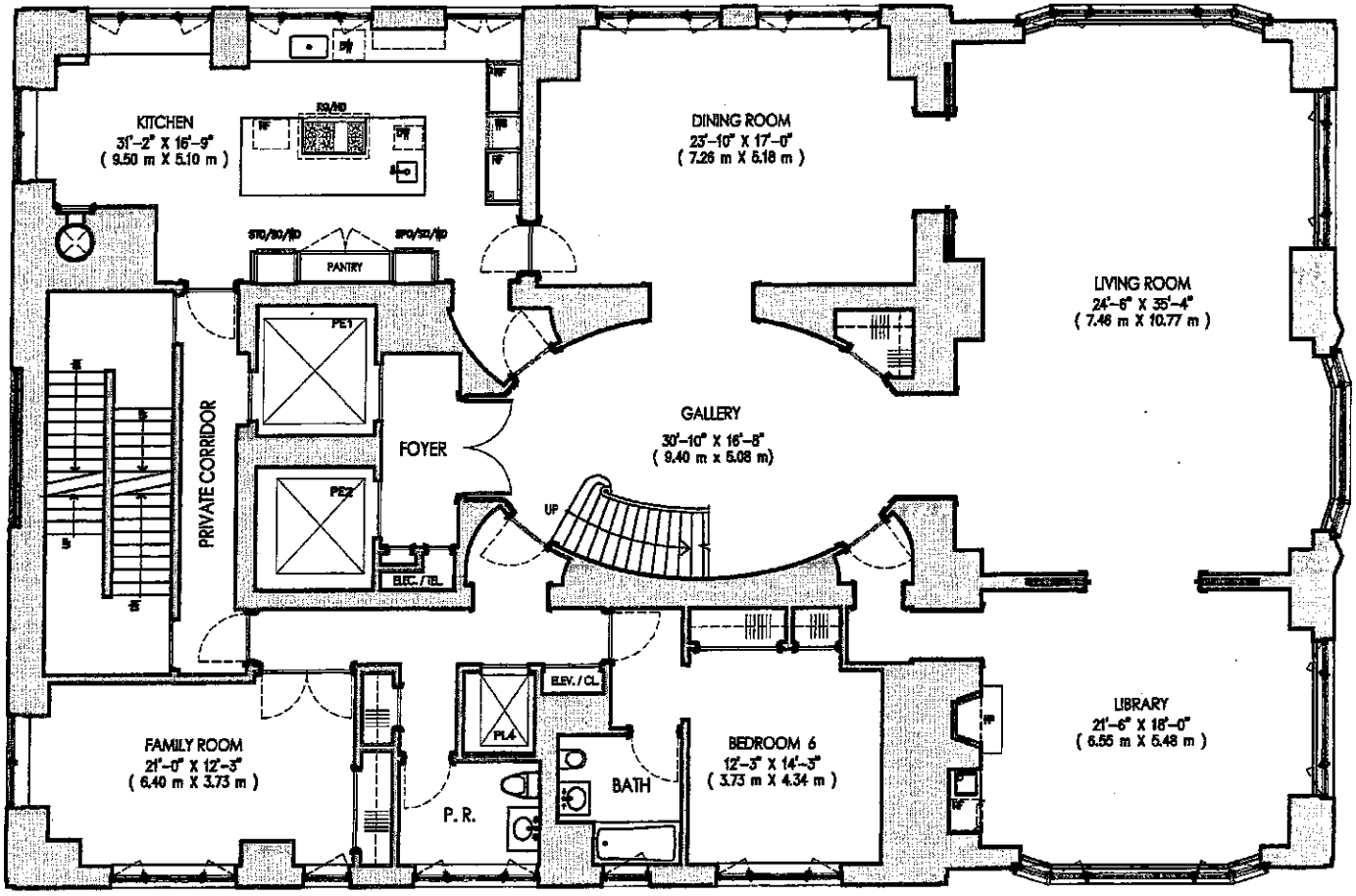
Sponsor:
41-45 Property Owner, LLC
445 Park Avenue, Suite 1902
New York, NY 10022

09-08-14

DUPLEX
LOWER FLOOR
38, 40, 42, 44, 46 & 50TH FLOORS

6 BEDROOMS
7 BATHS
1 POWDER ROOM

9,138 SF
849 M²



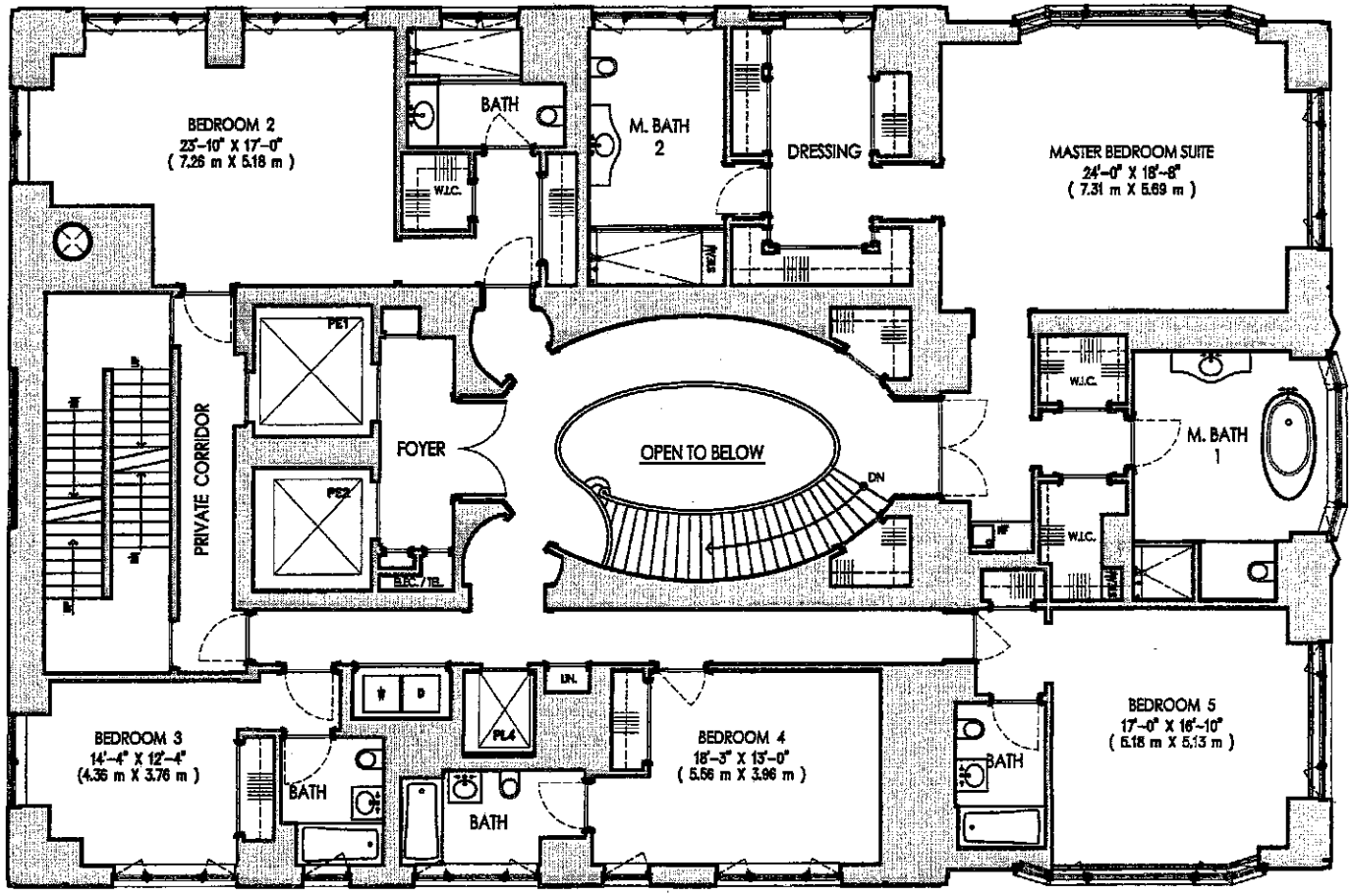
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Condominium:
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520 Park Avenue
New York, NY 10022

Sponsor:
41-45 Property Owner, LLC
445 Park Avenue, Suite 1902
New York, NY 10022

09-08-14

DUPLEX
UPPER FLOOR
39, 41, 43, 45, 47 & 51TH FLOORS



NOTE:
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New York, NY 10022

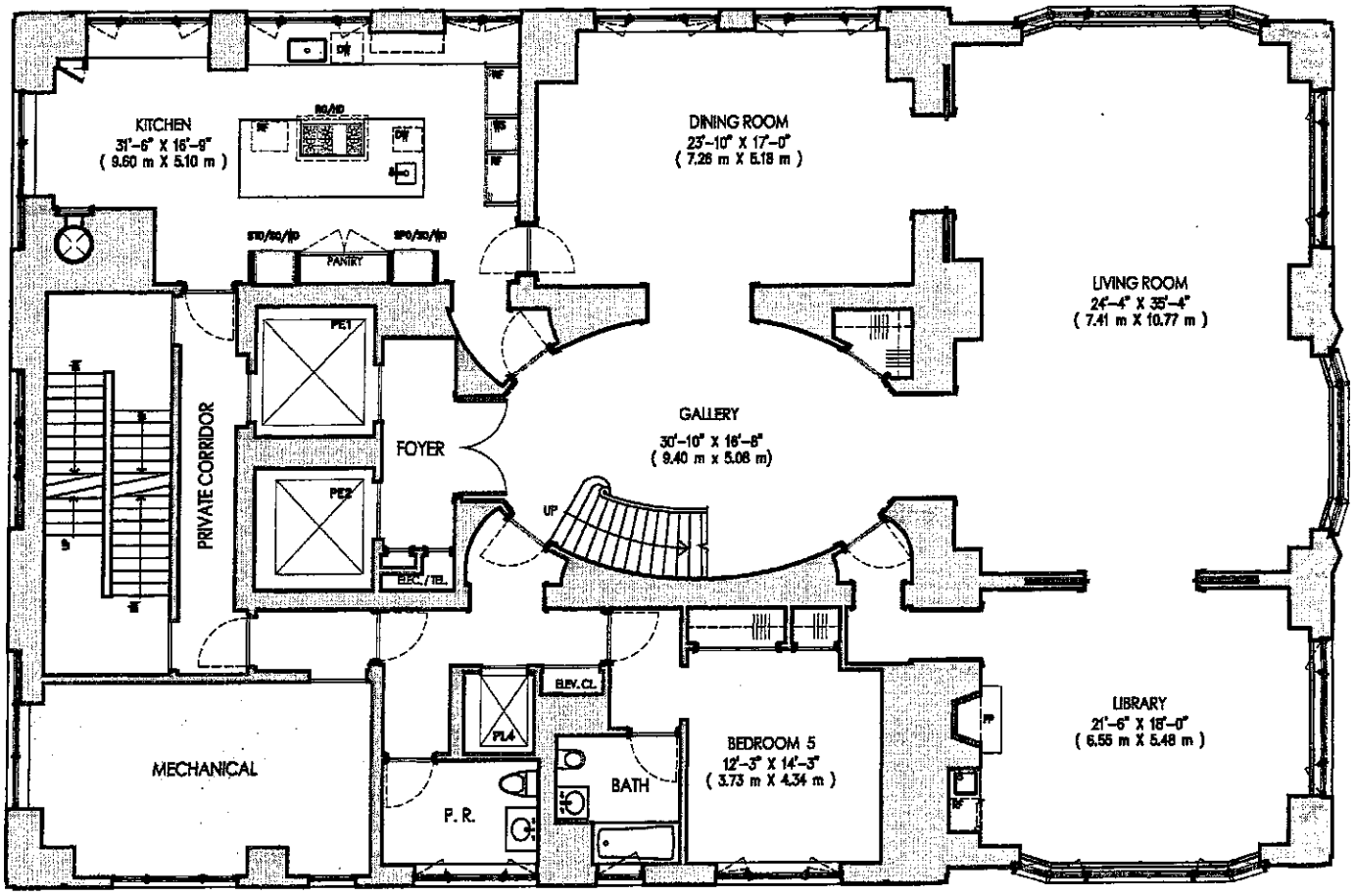
Sponsor:
41-45 Property Owner, LLC
445 Park Avenue, Suite 1902
New York, NY 10022

09-08-14

DUPLEX
LOWER FLOOR
48TH FLOOR

5 BEDROOMS
6 BATHS
1 POWDER ROOM

8,522 SF
792 M²



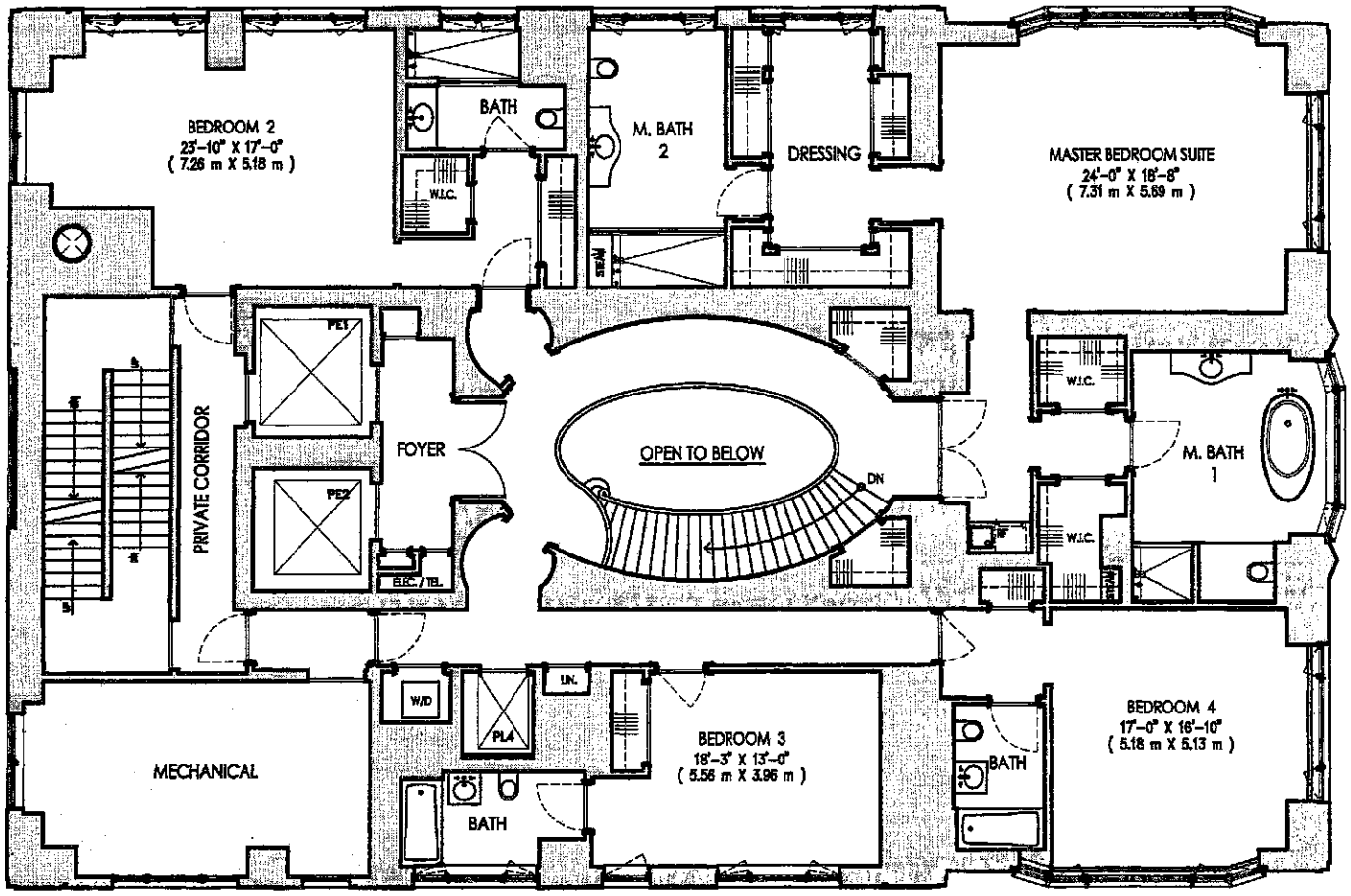
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Condominium:
520 Park Avenue Condominium
520 Park Avenue
New York, NY 10022

Sponsor:
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445 Park Avenue, Suite 1902
New York, NY 10022

09-08-14

DUPLEX
UPPER FLOOR
49TH FLOOR



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520 Park Avenue Condominium
520 Park Avenue
New York, NY 10022

Sponsor:
41-45 Property Owner, LLC
445 Park Avenue, Suite 1902
New York, NY 10022

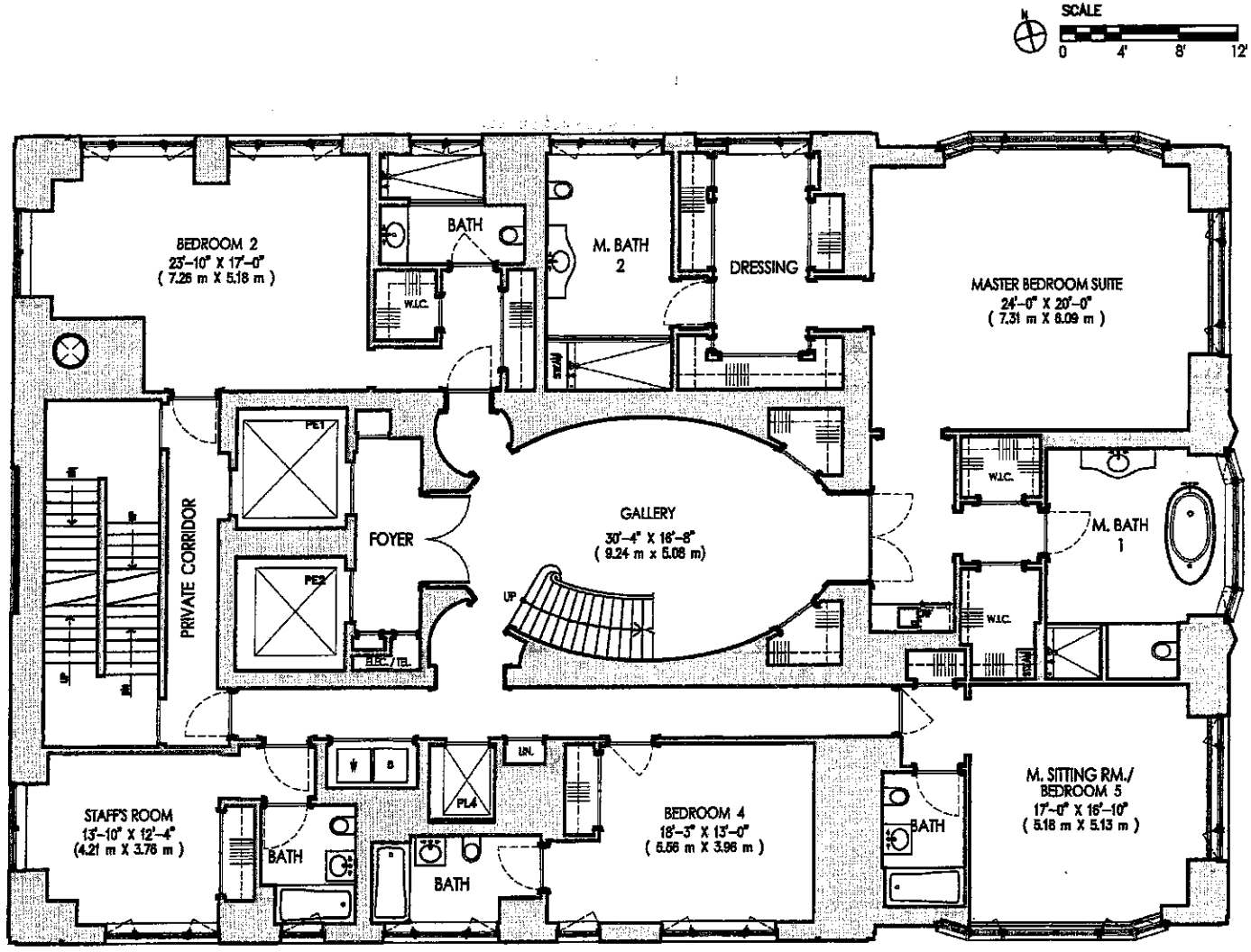
09-08-14

TRIPLEX
LOWER FLOOR
52ND FLOOR

8 BEDROOMS
9 BATHS
2 POWDER ROOM

INTERIOR AREA
12,394 SF
1,152 M²

EXTERIOR AREA
1,259 SF
117 M²



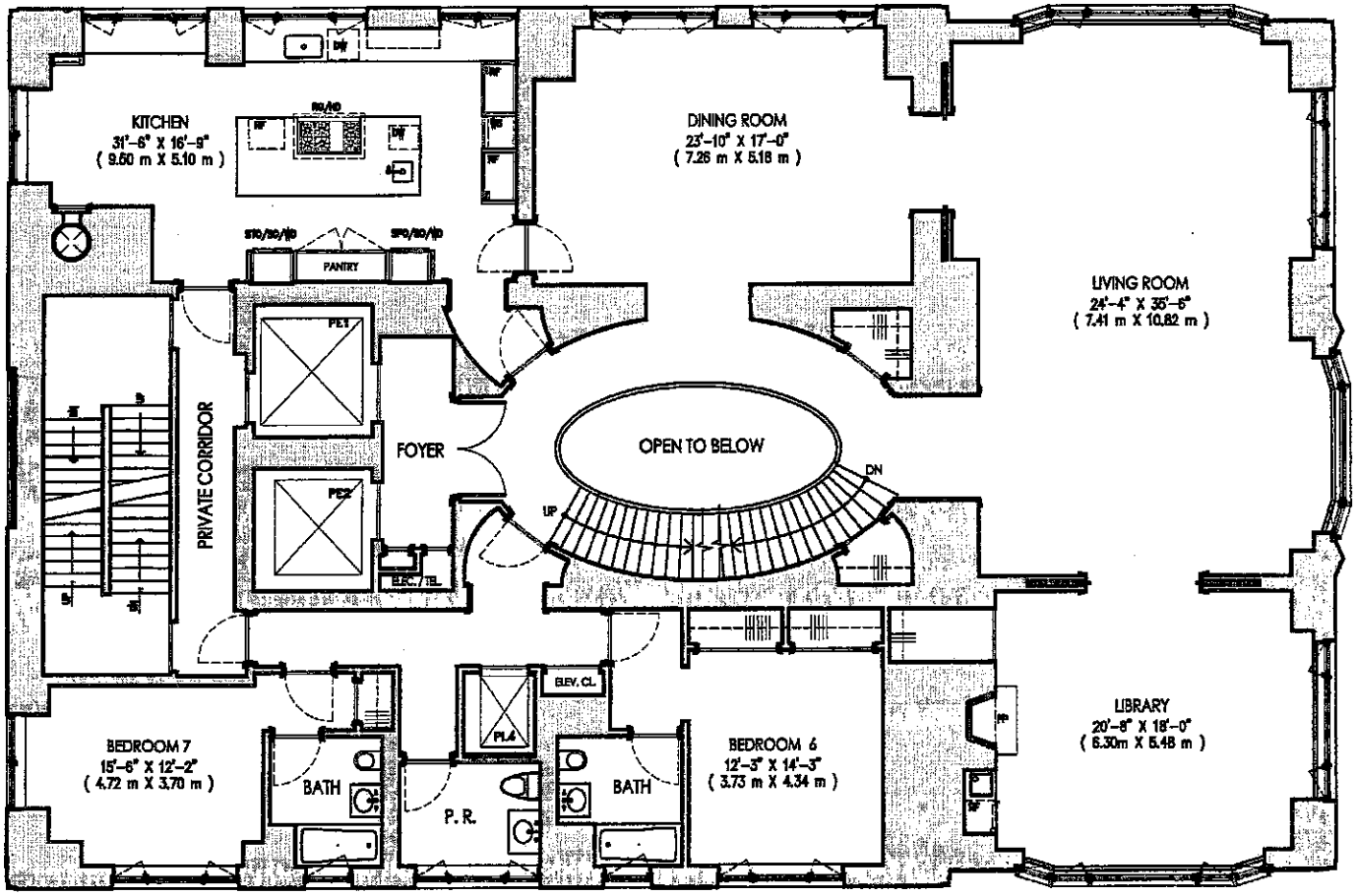
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Condominium:
520 Park Avenue Condominium
520 Park Avenue
New York, NY 10022

Sponsor:
41-45 Property Owner, LLC
445 Park Avenue, Suite 1902
New York, NY 10022

09-08-14

TRIPLEX
MID FLOOR
53RD FLOOR



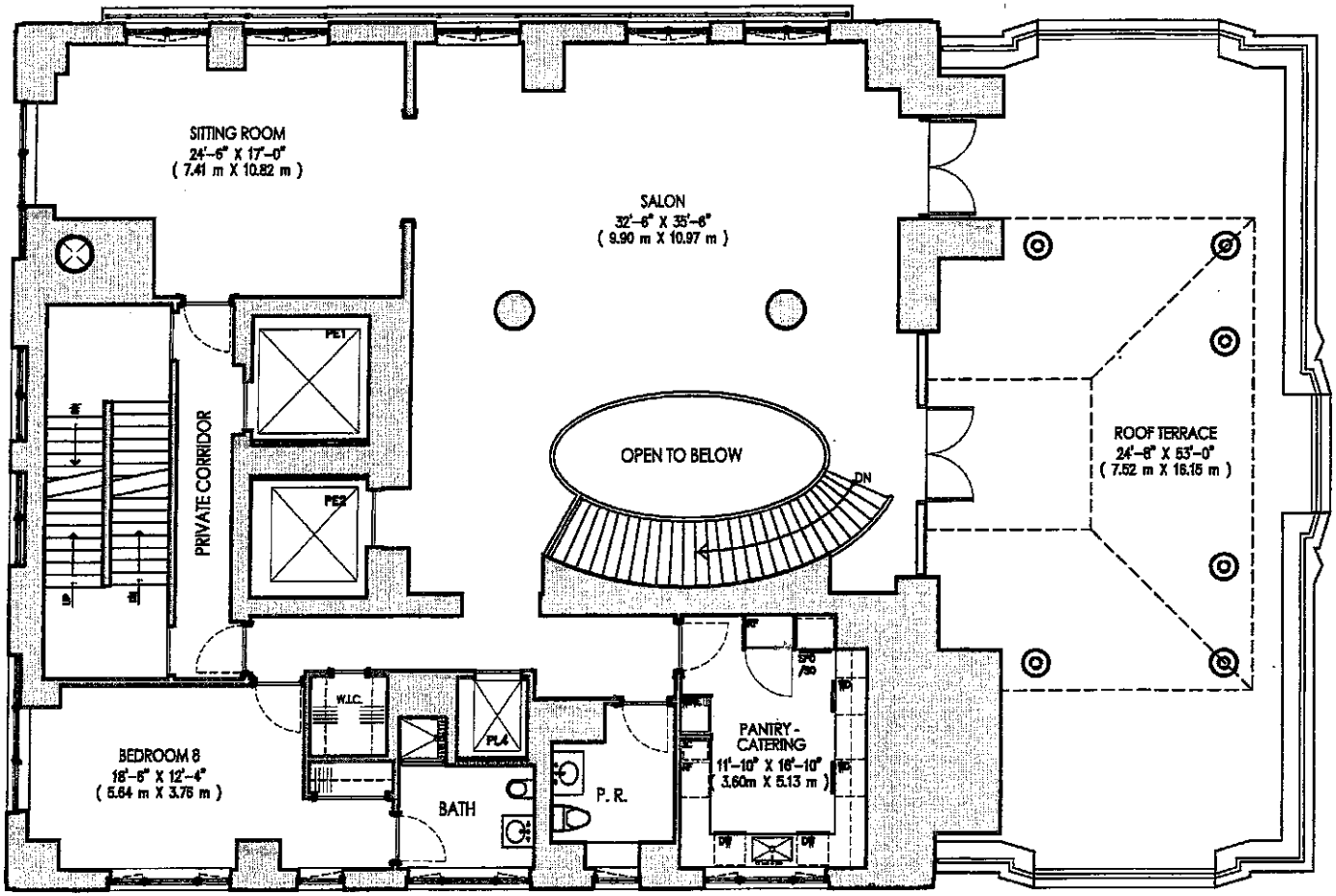
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Condominium:
520 Park Avenue Condominium
520 Park Avenue
New York, NY 10022

Sponsor:
41-45 Property Owner, LLC
445 Park Avenue, Suite 1902
New York, NY 10022

09-06-16

TRIPLEX
UPPER FLOOR
54TH FLOOR



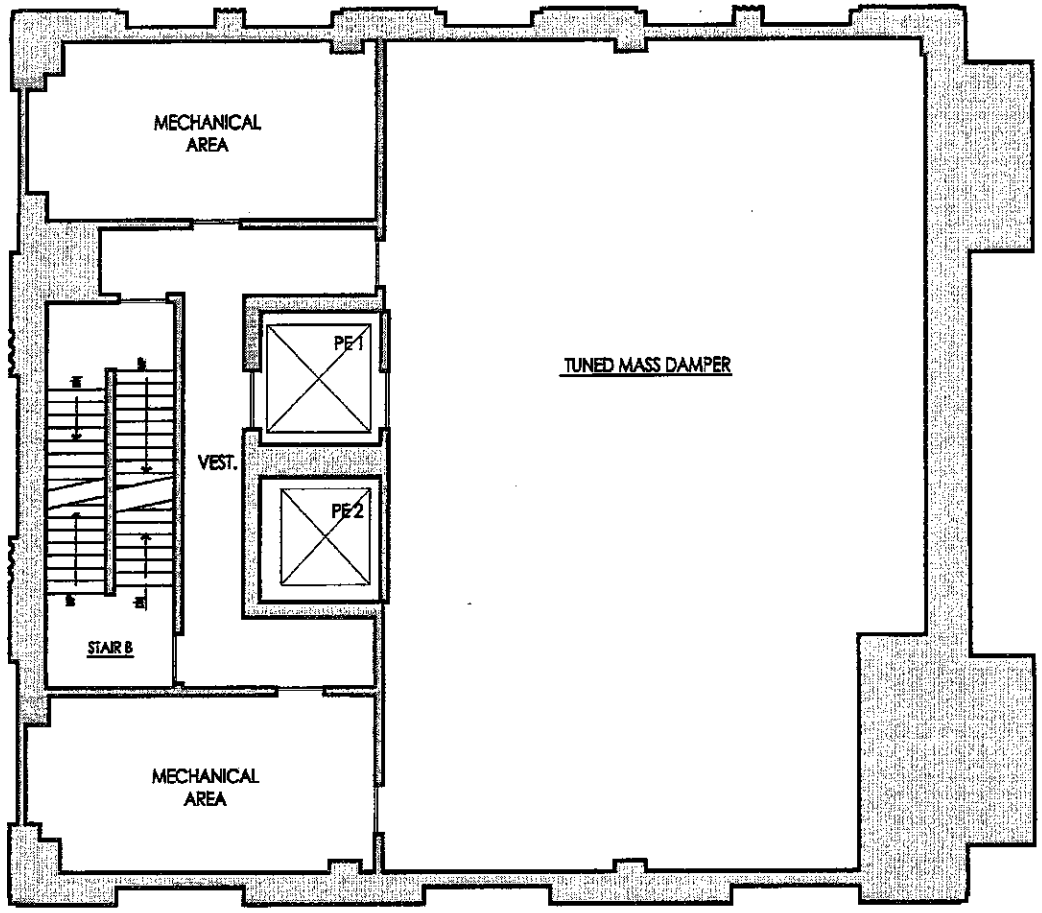
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Condominium:
520 Park Avenue Condominium
520 Park Avenue
New York, NY 10022

Sponsor:
41-45 Property Owner, LLC
445 Park Avenue, Suite 1902
New York, NY 10022

09-08-14

55TH FLOOR - MECHANICAL



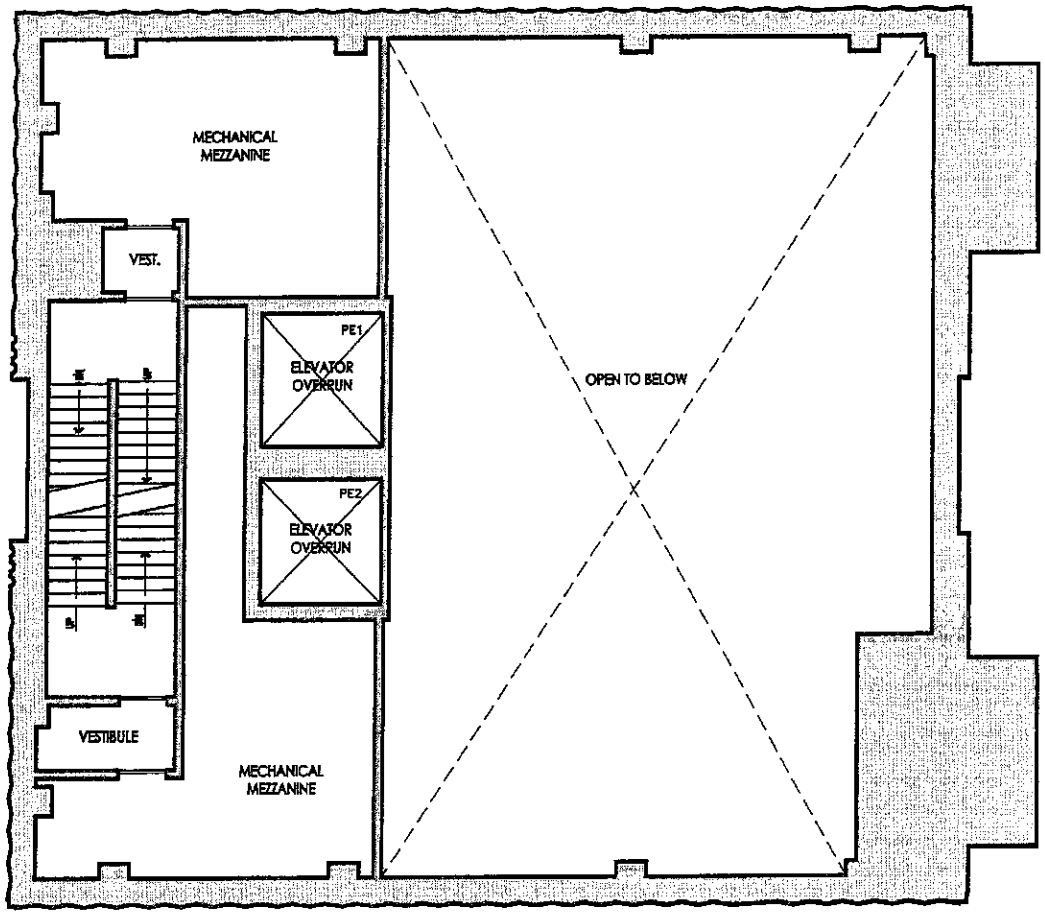
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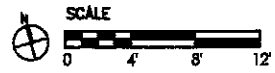
Condominium:
520 Park Avenue Condominium
520 Park Avenue
New York, NY 10022

Sponsor:
41-45 Property Owner, LLC
445 Park Avenue, Suite 1902
New York, NY 10022

09-08-16

56TH FLOOR - MECHANICAL





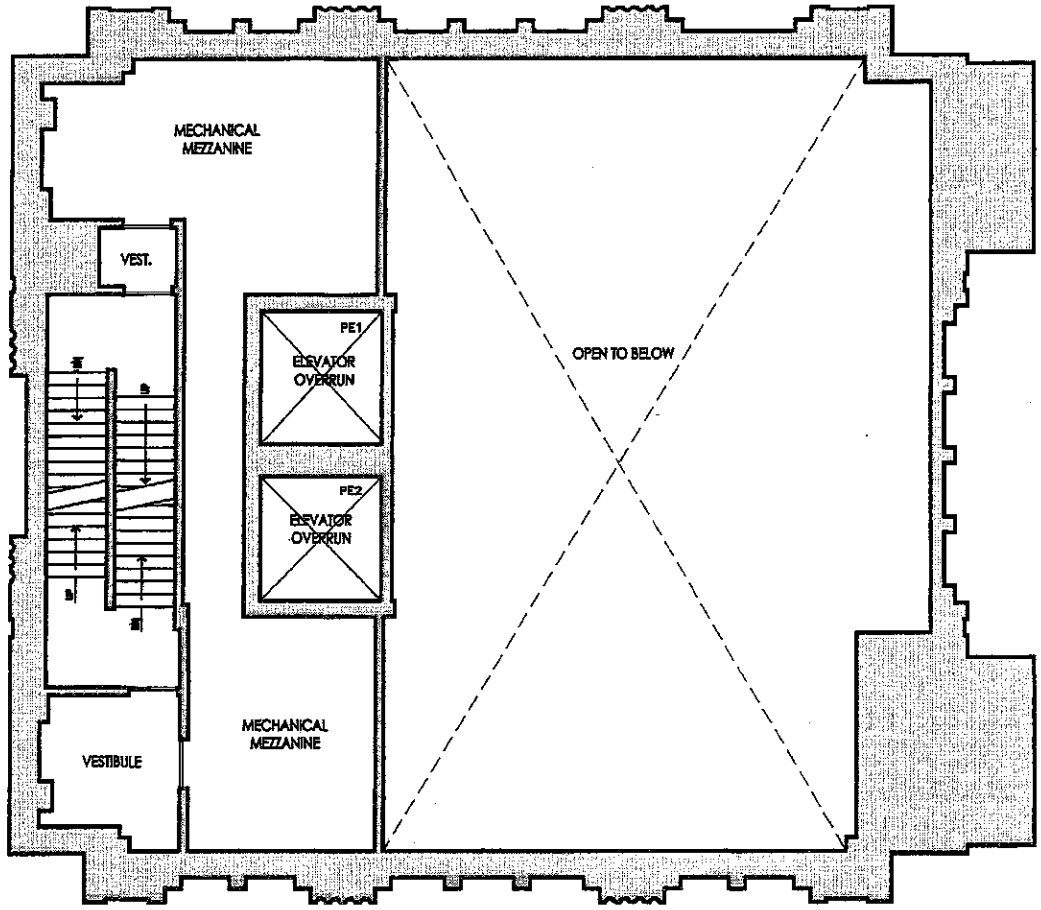
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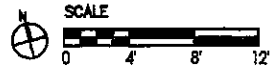
Condominium:
520 Park Avenue Condominium
520 Park Avenue
New York, NY 10022

Sponsor:
41–45 Property Owner, LLC
445 Park Avenue, Suite 1902
New York, NY 10022

09-08-14

57TH FLOOR - MECHANICAL





NOTE:
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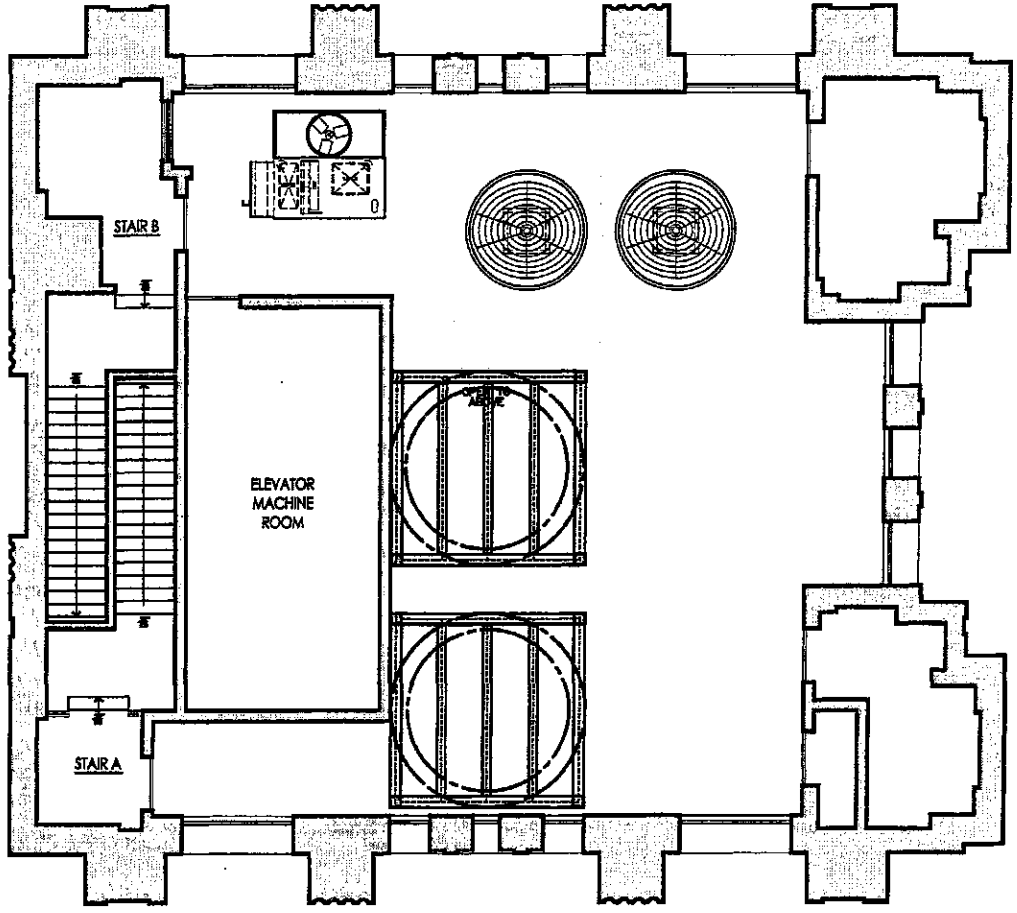
Condominium:
520 Park Avenue Condominium
520 Park Avenue
New York, NY 10022

Sponsor:
41-45 Property Owner, LLC
445 Park Avenue, Suite 1902
New York, NY 10022

08-08-14

MAIN ROOF

SCALE
0 4' 8' 12'



NOTE:
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Condominium:
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520 Park Avenue
New York, NY 10022

Sponsor:
41-45 Property Owner, LLC
445 Park Avenue, Suite 1902
New York, NY 10022

09-05-14

USE AND OCCUPANCY AGREEMENT

USE AND OCCUPANCY AGREEMENT

This use and occupancy agreement ("Use and Occupancy Agreement") for Unit _____ ("Unit") at the 520 Park Avenue Condominium, located at 520 Park Avenue, New York, New York 10022 ("Premises") is made as of _____, 20___ between 41-45 Property Owner, LLC ("Sponsor") and _____ ("Purchaser") (collectively the "Parties").

BACKGROUND

A. Sponsor is the sponsor of an offering plan to convert the Premises to condominium ownership ("Offering Plan").

B. The Parties executed an Option Agreement for the Unit dated _____, 20___ as the same may be amended from time to time ("Option Agreement").

C. The Parties executed a Rider to the Option Agreement ("Rider") pursuant to which Purchaser was granted the right to enter into a Use and Occupancy Agreement and obtain pre-closing occupancy of the Unit.

NOW THEREFORE, it is agreed by the Parties as follows:

1. All capitalized terms used in this Use and Occupancy Agreement shall have the same meanings ascribed to them in the Offering Plan, the Option Agreement and Rider as amended.

2. The term ("Term") of the Use and Occupancy Agreement shall commence on _____, 20___ ("Occupancy Date") and end on a date occurring on the earlier of: (a) the Closing of Title to the Unit pursuant to the terms of the Option Agreement, (b)_____, 20___, unless such date is extended in accordance with the terms of this Agreement or (c) the date that either Sponsor or Purchaser cancels the Option Agreement in accordance with the terms thereof.

3. Purchaser shall pay to Sponsor payments (each a "Payment") in the amount of $_____ per month to be paid on the first day of each month of the Term. If this Use and Occupancy Agreement terminates as result of the Closing of Title to the Unit, any Payment received by Sponsor for the month in which the Closing of Title takes place shall be adjusted between Sponsor and Purchaser at Closing.

4. Purchaser warrants that the Unit has been inspected and examined and Purchaser shall accept title to the Unit at Closing in the same condition "as is" on the Occupancy Date, except for any items set forth on the Inspection Statement executed by Purchaser prior to the Occupancy Date, if any.

5. During the Term, Purchaser shall keep the Unit clean and in good condition and no other persons other than Purchaser and Purchaser's family may occupy the Unit (subject in all events to the Declaration of Condominium, the By-Laws and the Rules and Regulations of the Condominium) and the Unit may not be sublet, and/or occupied by any other person without the express prior written consent of Sponsor. Purchaser shall not be permitted to harbor any pets in the Unit without Sponsor's prior written consent. Purchaser shall not be permitted to perform any alterations, modifications, renovations and/or repairs to or in the Unit without Sponsor's prior written consent. Purchaser acknowledges that while the Unit may be legally occupiable, certain other services and facilities in the Building may be subject to shut-off or otherwise unavailable as a result of ongoing construction. Purchaser agrees that the interruption or failure of any such services or facilities shall not be an objection or defense by Purchaser to any of the conditions or obligations stated hereunder or under the Option Agreement.

6. It is specifically understood and agreed that Sponsor and the Condominium Board shall be exempt from any and all liability for any damage or injury to persons or property or arising from any cause or happening whatsoever in, on, or to the Unit from and after the Occupancy Date, except if caused by the willful, affirmative acts on the part of Sponsor, the Condominium Board or their respective agent(s). Commencing on the Occupancy Date and throughout the Term, Purchaser shall obtain and maintain (a) personal general liability insurance against any and all claims for bodily injury death or property damage (including, but not limited to, loss due to water damage) occurring in, upon or from the Unit thereto or any part thereof, with limits not less than $_____for bodily injury or death arising out of any one occurrence and $_____for damage to property plus at least $_____ 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 personal property). Such insurance shall name Sponsor and the Condominium Board as additional insureds and may not be cancelable without prior notification to Sponsor. Purchaser shall indemnify, defend and hold Sponsor and the Condominium Board harmless from and against any and all expenses, liabilities and/or obligations (including, without limitation, reasonable attorneys' fees and disbursements) arising therefrom except if caused by the willful, affirmative acts on the part of Sponsor or the Condominium Board or their respective agents.

7. It is specifically understood and agreed that nothing contained herein shall waive or modify the rights of Sponsor or Purchaser under the Option Agreement in the event the parties hereto fail to close title in accordance with the terms of the Option Agreement.

8. The Parties acknowledge that this Use and Occupancy Agreement is not a lease and that a landlord/tenant relationship is not established by virtue of Purchaser's occupancy of the Unit, which occupancy is provided as an accommodation to Purchaser only.

9. In the event (i) that Purchaser defaults under the terms of this Use and Occupancy Agreement which default is not cured within 10 days of notice (other than Purchaser's failure to make a Payment within ten (10) days of the first day of the month in which such Payment is due, in which event Sponsor shall not be required to send notice of default and the event of default shall be deemed to have occurred on the 11th day after the date on which such Payment is due) or (ii) of the expiration of the Term, Purchaser agrees to vacate and deliver possession of the Unit to Sponsor in broom-clean condition within 10 days of written notice from Sponsor or its attorney ("Vacate Date").

10. In the event Purchaser fails to surrender possession of the Unit to Sponsor in accordance with the terms of this Use and Occupancy Agreement by the Vacate Date:

    a. Purchaser shall pay Sponsor, an additional sum of $____ per day, as penalty (and not as an occupancy charge), for each day or part thereof that Purchaser remains in possession of the Unit beyond the Vacate Date. At Sponsor's option, such amount may be deducted from the Security Deposit (defined below). This penalty shall be in addition to the Payment and any other charges set forth in this Agreement and all of the Sponsor's remedies under the Option Agreement, without limitation; and

    b. Purchaser agrees (i) that Sponsor, without notice, may forthwith commence a summary holdover proceeding for the purpose of enforcing this Use and Occupancy Agreement; (ii) to agree in said holdover proceeding to consent to the personal and subject matter jurisdiction of the court and to waive any and all substantive defenses to the proceeding; and (iii) that Sponsor may file the Stipulation of Settlement (a copy of which is annexed

hereto) with a court of competent jurisdiction and prepare a final judgment of possession and execute a warrant of eviction forthwith without any further notices to Purchaser; and

c. Purchaser shall be liable for any and all actual and incidental costs incurred by Sponsor in recovering possession of the Unit, including, but not limited to, storage and/or disposal fees for Purchaser's belongings and reasonable attorneys' fees. At Sponsor's option, such amounts may be deducted from the Security Deposit, and Purchaser shall be liable for the remainder of such costs in excess of the Security Deposit.

11. As security for the performance of Purchaser's obligations hereunder including, without limitation, attorneys' fees, occupancy charges, repairs to the Unit caused by Purchaser's occupancy, penalties and other incidental costs and expense, Sponsor hereby acknowledges receipt of $_____ ("Security Deposit"). The Security Deposit will be returned to Purchaser (less deductions for any charges, fees outstanding payments or reimbursements permitted under this Use and Occupancy Agreement) either upon Closing or, if the Option Agreement has been terminated, within 15 days after the Unit is surrendered to Sponsor.

12. Any default by Purchaser under the Use and Occupancy Agreement (which is not cured as set forth herein) shall constitute an Event of Default by Purchaser under the Option Agreement entitling Sponsor, to exercise any remedies provided for in the Option Agreement on account of such Event of Default, provided however that any default by Purchaser under the Option Agreement (which is not cured as set forth in the Option Agreement) shall constitute a default by Purchaser under the Use and Occupancy Agreement entitling Sponsor, in its sole option, to terminate the Use and Occupancy Agreement in accordance with Law. In addition to the foregoing, simultaneously with the execution of this Agreement, Purchaser shall execute and deliver to Sponsor a stipulation in the form annexed hereto ("Stipulation"), the terms of which are incorporated herein. It is expressly understood that upon any default under this Use and Occupancy Agreement or under the Option Agreement beyond their respective cure periods, Sponsor may commence without further notice a summary holdover proceeding in the Civil Court, New York County based on the terms of this Use and Occupancy Agreement. Purchaser consents to the jurisdiction of the Court and to the entry of a judgment of possession in favor of Sponsor and to the immediate entry of a warrant of eviction in accordance with the Stipulation.

13. Purchaser expressly acknowledges Purchaser's obligation to comply with the Condominium Declaration, By-laws and Rules and Regulations.

14. If any Payment due under this Use and Occupancy Agreement is received after the 10th of the month, Purchaser shall pay to Sponsor a $_____ late fee. If any check delivered by Purchaser to Sponsor is uncollectible for any reason, Purchaser shall pay to Sponsor a $___ returned check fee.

15. This Use and Occupancy Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New York.

16. In the event of any inconsistency between the provisions of this Use and Occupancy Agreement and those contained in the Plan, the provisions of the Plan shall govern and be binding.

17. This Use and Occupancy Agreement may be executed in any number of original, pdf or facsimile counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same Use and Occupancy Agreement.

PURCHASER(S):

_____

_____

SPONSOR:

41-45 Property Owner, LLC

By: _____
Name:
Title:

CIVIL COURT OF THE CITY OF NEW YORK
COUNTY OF NEW YORK

41-45 Property Owner, LLC
Petitioner-Owner/Landlords,

- against -

Premises: 520 Park Avenue Condominium
520 Park Avenue, Unit _____
New York, New York

Respondent-Tenant.

Index No.
L&T -

STIPULATION OF SETTLEMENT
HOLDOVER

WHEREAS, Petitioner and Respondent entered into a certain Option Agreement ("Option Agreement"), dated as of _____, 20___, pursuant to which Petitioner agreed to convey and Respondent agreed to purchase the captioned Premises; and

WHEREAS, Respondent has been occupying the Premises pursuant to an use and occupancy agreement ("Use and Occupancy Agreement"); and

WHEREAS the term under the Use and Occupancy Agreement have expired, but Respondent continues to occupy and possess the Premises without the permission of the Petitioner after the expiration of said term; and

WHEREAS, Respondent has agreed to vacate the Premises;

NOW, THEREFORE, in for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and of the mutual covenants contained herein, the parties hereto wish to settle all claims and resolve all disputes and differences among them and do hereby stipulate and agree as follows:

1. Respondent acknowledges having received and having been duly served with the Notice of Petition and Petition Holdover by which the Petitioner seeks a final judgment of possession for and a warrant of eviction removing Respondent from the Premises.

2. Respondent accepts service, waives traverse and all objections to personal and subject matter jurisdiction, if any. Respondent admits as true each and every allegation set forth in the petition, waive trial by jury, waive all defenses, affirmative defenses and counterclaims of any kind or nature and the service of any notice before the Warrant may be executed.

3. Respondent expressly acknowledges the following: (i) Respondent waives any and all objections of any kind or nature to the service, substance or sufficiency of notices, if any, served prior to the commencement of this proceeding, (ii) the term granted to Respondent under the Agreement has expired; (iii) Respondent has no further right, title or interest in and to the Premises and (iv) Respondent remains in possession of the Premises as a "holdover Tenant".

4. Respondent consents to and Petitioner may enter a final judgment of possession for the Premises and to the immediate issuance of a warrant of eviction. Any personal property remaining in the Premises upon eviction shall be deemed abandoned.

5. The terms of the Agreement shall govern the obligations of the parties, except as modified by the terms of this Stipulation.

6. Respondent hereby waives, abandons, relinquishes and surrenders any rights they may have to (i) an extension of time to cure any breach of condition as set forth in this Stipulation and Order (ii) any stay, order or injunction preventing the execution of the Warrant (iii) judicial intervention of any kind or nature to extend, modify, toll the time periods set forth herein or collaterally attack the enforceability of any of the terms or provisions hereunder (iv) appeal from any order of the Court resulting from this Stipulation and Order.

7. If Petitioner shall employ counsel to enforce any of Respondent's obligations under this Stipulation and Order or to defend any litigation commenced by Respondent seeking (i) an extension of time to cure any breach of condition as set forth in this Stipulation and Order (ii) any stay, order or injunction preventing the execution of the Warrant, (iii) judicial intervention of any kind or nature to extend, modify, toll the time periods set forth herein or collaterally attack the enforceability of any of the terms or provisions hereunder (iv) to appeal from any order of the Court

resulting from this Stipulation and Order, notwithstanding the prohibition of seeking any such relief as set forth herein, and if Petitioner shall be compelled to enforce Petitioner's rights hereunder, respondents shall pay all of the Petitioner's costs and expenses in connection therewith, including, without limitation, reasonable attorneys' fees and disbursements.

8. The parties hereto expressly agree that the Court shall retain jurisdiction over the enforcement of the provisions of this Stipulation.

9. The parties hereto shall cooperate fully so as to facilitate the compliance with all of the obligations set forth in this Stipulation. All documents required to be executed by Respondent shall be delivered to the Petitioner so requesting within three (3) business days, delivery to be made by hand or overnight courier.

10. In the event of a conflict between the terms of the Agreement and those of this Stipulation and Order, the terms of this Stipulation and Order shall prevail.

11. This Stipulation and Order constitutes the entire agreement between the Petitioner and Respondent with respect to the subject matter hereof and there are no oral representations existing between the parties with respect thereto. This Stipulation and Order shall constitute an Order of the Court, subjecting a party who violates its provisions to all rights and remedies available for the violation of a Court order.

12. This Stipulation and Order is the product of substantial negotiations between the parties and, as such, no negative inferences shall be drawn against either party as the drafter hereof.

13. This Stipulation and Order shall be filed with the Court and shall become an Order of the Court upon signature of any judge sitting in the civil court without further notice to either party.

Dated: New York

_____, 20___

_____

By: _____ By: _____

STARR ASSOCIATES LLP

Attorneys for Petitioner By: _____

245 Fifth Avenue, Suite 1102

New York, New York 10016

(212) 620-2680

SO ORDERED:

_____

JUSTICE OF THE CIVIL COURT

OPTION AGREEMENT

OPTION AGREEMENT

41-45 PROPERTY OWNER, LLC

Sponsor

With

_____

Purchaser

Unit Number _____

520 PARK AVENUE CONDOMINIUM
520 PARK AVENUE
NEW YORK, NEW YORK 10022

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OPTION AGREEMENT

UNIT NUMBER _____

520 PARK AVENUE CONDOMINIUM
520 PARK AVENUE
NEW YORK, NEW YORK 10022

AGREEMENT, made as of _____, _____, between Sponsor and Purchaser (defined below).

W I T N E S S E T H :

1. THE PLAN

Purchaser acknowledges having received and read a copy of the Offering Plan for the 520 Park Avenue Condominium and all amendments thereto, if any, filed prior to the date hereof with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") at least 3 business days prior to Purchaser's signing this Agreement. If Purchaser has not received and read the Plan and all amendments thereto at least 3 business days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement, by sending written notice of such rescission to Sponsor by certified or registered mail, return receipt requested, or by personal delivery, in either case within 7 days from the date Purchaser delivers an executed Option Agreement together with the required Premium Payment to the Selling Agent. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the Declaration, By-laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Sponsor.

2. DEFINITIONS

Terms used herein which are also used in the Plan shall have the same meanings as they do in the Plan, unless the context requires otherwise.

2.1 "Sponsor" means 41-45 Property Owner, LLC, having an office at 445 Park Avenue, Suite 1902, New York, New York 10022. Sponsor's taxpayer identification number is 46-1878456.

2.2. "Purchaser" means _____ having an address at _____, _____, _____ . Purchaser's social security number is _____.

2.3 "Attorney for Sponsor" means Starr Associates LLP, having an address at 245 Fifth Avenue, Suite 1102, New York, New York 10016; Attention: Samantha Sheeber, Esq. Telephone Number: (212) 620-2682. Fax Number: (212) 696-5013. E-mail address: ssheeber@starr-lawfirm.com.

2.4 "Attorney for Purchaser" means _____, having an address at _____, _____, _____. Attention: _____, Esq. Telephone Number: (_____) _____. Fax Number (_____) _____. E-mail address: _____.

2.5 "Selling Agent" means Zeckendorf Marketing, LLC, having an address at 770 Lexington Avenue, New York, New York 10065. Telephone Number: (212) _____. Facsimile Number: (212) _____. E-mail address: _____.

2.6 "Co-Broker" means _____.

2.7 "Escrow Agent" means Attorney for Sponsor.

2.8 "Title Company" means First American Title Insurance Company, having and office at 633 Third Avenue, New York, New York 10017. Telephone Number: (212) 551-9402.

3. THE UNIT

Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser hereby acquires from Sponsor, an option to purchase the Unit designated as Unit _____ in the Declaration ("Unit"), together with its undivided _____% interest in the Common Elements appurtenant to such Unit.

4. PURCHASE PRICE

4.1 The Purchase Price for the Unit ("Purchase Price") is $_____.

The Purchase Price is payable as follows:

(a) $_____, ("Initial Premium Payment"), due upon Purchaser's signing and delivering this Agreement, by check (subject to collection), receipt of which is hereby acknowledged;

(b) $_____ ("Additional Premium Payment;" the term "Premium Payment," as used herein, refers to both the Initial Premium Payment and, if the same has been paid at the time in question, the Additional Premium Payment), is due upon the earlier to occur of (i) 6 months after Purchaser executes this Agreement, or (ii) within 15 days of the Presentation Date of the amendment declaring the Plan effective.

(c) $_____ ("Exercise Price"), by good certified check of Purchaser or official bank check, payable on the delivery of the deed as hereinafter provided.

(d) If Purchaser is signing this Agreement after the Plan is declared effective, the Initial Premium Payment and Additional Premium Payment shall be due upon Purchaser's signing this Agreement.

4.2 All checks shall represent United States currency, be drawn on or issued by a United States Bank or trust company which is a member of the New York Clearing House Association and shall be unendorsed. The Premium Payment shall be made payable to the direct order of "Starr Associates LLP, as Escrow Agent." The Balance shall be made payable to the direct order of "41-45 Property Owner, LLC"(or such other party as Sponsor directs to Purchaser, in writing, at least 1 business day prior to the date of Closing of Title). If any check is returned for insufficient funds or any other reason, such return shall be deemed to be a default by Purchaser under this Agreement and shall entitle Sponsor to exercise any of the remedies set forth in Article 13 hereof. Notwithstanding the foregoing, if the check representing the Initial Premium Payment is returned for insufficient funds or any other reason, such return shall be deemed to be a non-curable default by Purchaser and this Agreement shall automatically be deemed cancelled. Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale.

5. PREMIUM PAYMENT TO BE HELD IN TRUST

All Premium Payments made pursuant to this Agreement are subject to the requirements of Sections 352-e(2) (b) and 352-h of the New York General Business Law and the Attorney General's regulations

promulgated pursuant thereto. All monies received from Purchaser towards the Premium Payment shall be delivered to Escrow Agent and shall be held in accordance with the Section of the Plan entitled "Escrow and Trust Fund Requirements" a copy of which is annexed hereto as Schedule C and made a part hereof. 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 Premium Payment to Sponsor in the event Sponsor and Purchaser close title under this Agreement. In the event Sponsor cannot convey title to the Unit to Purchaser by reason other than Purchaser's default, the Premium Payment shall be returned to Purchaser, within 30 business days of Sponsor's notification to Purchaser that it cannot convey title.

6. CLOSING DATE AND PLACE

6.1 The Closing of Title shall be held at the offices of Starr Associates LLP, 245 Fifth Avenue, Suite 1102, New York, New York (or such other place in the City and State of New York as Sponsor may designate to Purchaser) and on such date and hour as Sponsor may designate to Purchaser on not less than 30 days' prior notice ("Initial Closing Notice"). After the Initial Closing Notice, Sponsor may, from time to time, adjourn and reschedule the date and hour for Closing at any time on notice to Purchaser, which new Closing notice shall fix a new date, hour and place for the Closing. The rescheduled Closing shall not be earlier than: (a) the date set forth in the Initial Closing Notice or, (b) 5 days from the date of Sponsor's Closing adjournment notice. These notice provisions may be modified or waived by an agreement signed by Sponsor and Purchaser. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Attorney for Sponsor at Closing an extra fee as set forth in the Plan.

6.2 The term "Closing Date" "Closing" "Closing of Title" or words of similar import, whenever used herein, shall mean the date on which the deed to the Unit is delivered to Purchaser.

7. DELIVERY OF THE DEED AND UNIT POWER OF ATTORNEY

7.1 At the Closing of Title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenant against grantor's acts conveying fee simple title to the Unit to Purchaser, subject only to the liens, encumbrances, and title conditions set forth on Schedule A annexed hereto and made a part hereof. The deed shall be prepared by Sponsor substantially in the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes, and Sponsor and Purchaser shall duly complete and execute before a notary public the New York City and New York State Transfer Tax Return Forms and any other forms then required by law, all of which shall be prepared by Sponsor.

7.2 At the Closing of Title 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 prepared by Sponsor substantially in the form set forth in Part II of the Plan, as well as whatever other documents are reasonably necessary or customary in connection with the conveyance of a condominium unit, including but not limited to title affidavits, real property transfer tax forms, etc.

7.3 The executed deed, transfer tax forms and power of attorney shall be delivered at the Closing to the representative of the Title Company insuring Purchaser's title (or, if no such representative is present, then to the Attorney for Sponsor) for recording in the Office of the City Register, which recording shall be at Purchaser's expense. After being recorded the deed shall be returned to Purchaser and the power of attorney shall be returned to the Condominium Board.

7.4 Purchaser's payment of the Exercise Price and acceptance of a deed to the Unit shall constitute Purchaser's recognition that Sponsor has satisfactorily performed those obligations stated in the Plan and this Agreement to be performed by Sponsor prior to closing. However, nothing herein contained shall excuse Sponsor from performing those obligations (if any) expressly stated herein or in the Plan to be performed subsequent to the Closing, and nothing herein shall be in derogation of the rights of purchasers

under Article 23-A of the General Business Law, the Plan, and Part 20 of the Regulations issued by the Department of Law.

8. STATUS OF TITLE

8.1 At the Closing of Title, Sponsor shall convey to Purchaser fee simple title to the Unit, free and clear of all liens and encumbrances other than those expressly agreed to by Purchaser or set forth in Schedule A annexed hereto and made a part hereof. Any lien and encumbrance or condition to which title is not to be subject shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to the Closing of Title to the proper party or to Purchaser's title insurance company, together with the attendant recording or filing fee, if any, or (b) Title Company (or such other title insurance company as Purchaser may utilize), is or would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien. Sponsor shall not be obligated to cause Purchaser's title company to omit any exceptions if the Title Company is willing to insure, without additional premium, Purchaser's title with such exception.

8.2 Sponsor shall be entitled to adjourn the Closing to remove or correct any defect in title which is not set forth in Schedule A. However, if such defect existed at least 10 days prior to the Closing and Purchaser, or Purchaser's attorney, failed to send Sponsor's attorney written notice of such defect in title at least 10 days prior to the Closing of Title, then, for purposes of Article 13 below, Purchaser shall be deemed at fault for not having sent timely notice, and the Closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as being at the request of Purchaser.

8.3 If, subsequent to the Closing of Title, Purchaser claims that Sponsor did not convey fee simple title to the Unit in accordance with the Plan, Purchaser must first seek recovery against Purchaser's title insurance company before proceeding against Sponsor. Sponsor and Purchaser agree that Sponsor's liability will be limited to any loss or damage not covered by Purchaser's title insurance company. If Purchaser did not obtain title insurance at the Closing, for purposes of this subparagraph, the amount and coverage which Purchaser could have obtained from Purchaser's title insurance company shall be deducted from the loss or damage collectable against Sponsor. Nothing contained in this subparagraph shall be construed to waive any of Purchaser's rights or abrogate any of Sponsor's obligations under the Plan or Article 23-A of the General Business Law. This provision shall survive Closing.

9. CLOSING ADJUSTMENTS

9.1 The following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Unit:

(a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed;

(b) common charges (if common charges have been assessed by the Condominium Board) and assessments for the month in which title closes; and

(c) if Purchaser is allowed to occupy the Unit prior to Closing, accrued rent and any other charges pursuant to a use and occupancy agreement, if any, covering the Unit.

9.2 If the Unit has been separately assessed for real estate taxes but the Closing of Title occurs before the tax rate is fixed, adjustment of real estate taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for real estate tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title. If the Unit has not been separately assessed for real estate taxes as of the Closing Date for the then current tax period, the adjustment under subsection 9.1(a) hereof shall be based upon the assessment for the Property and the percentage interest in the Common Elements appurtenant to the Unit. In addition, Purchaser shall pay the

Unit's proportionate share of real estate taxes for the next ensuing tax period and Sponsor or the Condominium will pay such real estate taxes directly to the City of New York. Sponsor shall not be obligated to reimburse Purchaser after the Closing on account of any difference between the amount of real estate taxes for the then current tax period paid by Purchaser at Closing calculated according to the above formula and the amount of real estate taxes subsequently billed by the City of New York to such Purchaser (as Unit Owner).

9.3 Purchaser agrees that, if Sponsor obtains a refund for real estate taxes paid (or a credit for such real estate taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this subsection shall survive the Closing of Title.

9.4 Provided Sponsor is ready, willing and able to close title in accordance with this Agreement, if Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing Date (a) the Closing apportionments described in Section 9.1 of this Agreement will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing of Title occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's increased carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under this Agreement and the Plan, an amount equal to .03% of the Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing Date.

9.5 Adjustments and apportionments shall be calculated on the basis of the actual number of days in the period for which payments were made or are due, as the case may be. The "Customs in Respect of Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned except as otherwise provided herein in the Plan.

9.6 Any errors or omissions calculating apportionments at Closing shall be corrected and, any payment shall be made to the proper party promptly after discovery. This provision shall survive the Closing of Title.

10. MORTGAGE TAX CREDIT

In the event a mortgage recording tax credit becomes available pursuant to Section 339- ee(2) of the New York Condominium Act, it is specifically understood that such credit shall enure to the benefit of Sponsor. Accordingly, at Closing, a Purchaser who elects mortgage financing will be responsible to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. At the Closing of Title, Sponsor will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed.

11. CLOSING COSTS

In addition to those costs and adjustments described in Articles 9 and 10 herein, Purchaser shall be required to pay the other closing costs which are Purchaser's responsibility as more particularly described in the Section of the Plan entitled "Closing Costs and Adjustments." All such Closing Costs shall be paid by Purchaser, at Closing, by Purchaser's unendorsed personal certified check or by official bank check, in either event drawn upon a bank that is a member of the New York Clearing House Association.

12. AGREEMENT NOT A LIEN OR ENCUMBRANCE

No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any monies deposited hereunder, except as hereinafter set forth. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage heretofore or hereafter made, including, but not limited to, any construction or Building loan mortgage, and any advances heretofore or hereafter made thereon and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof, without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

13. DEFAULT BY PURCHASER

13.1 The following shall constitute "Events of Default" hereunder:

(i) Purchaser's failure to close title to the Unit on the scheduled Closing Date; or

(ii) Purchaser's failure to pay when due the Additional Premium Payment, the Exercise Price, any closing adjustment, closing cost or fee, including, without limitation, attorneys' fees required to be paid by Purchaser as set forth in the Plan or in this Agreement, or the dishonor of any check given by Purchaser to Sponsor; or

(iii) Purchaser's failure to pay, perform or observe any of Purchaser's other obligations under this Agreement or the Plan; or

(iv) if Purchaser is permitted to become the tenant or occupant of the Unit, Purchaser's failure to pay rent or to otherwise comply with some other lease or occupancy obligation; or

(v) Purchaser's assignment or transfer of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or

(vi) if a non-bankruptcy trustee or receiver is appointed over Purchaser or Purchaser's property, or an involuntary petition in bankruptcy is filed against Purchaser; or

(vii) if a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the judgment or lien; or

(viii) Purchaser's assignment or transfer of this Agreement without the prior written consent of Sponsor; or

(ix) Purchaser's listing the Unit for sale or rental with any broker or placing or authorizing any listing in any broker's listing system or any other listing service or advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or rental without Sponsor's prior written consent; or

(x) an Event of Default by Purchaser beyond any applicable grace period under an Option Agreement between Purchaser and Sponsor for another Unit at the Property.

13.2 **TIME IS OF THE ESSENCE** with respect to Purchaser's obligations to pay the Additional Premium Payment, the Exercise Price and to pay, perform or comply with Purchaser's other obligations under this Agreement. Upon the occurrence of an Event of Default, Sponsor, in its sole discretion, may elect by notice to Purchaser to cancel this Agreement. If Sponsor elects to cancel, Purchaser shall have 30 days from the giving of the notice of cancellation to cure the specified default. If the default is not cured within such 30 days, TIME BEING OF THE ESSENCE, then this Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, (a) the entire Premium Payment and any interest earned on the Premium Payment and (b) Unit Upgrade Funds. Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale.

14. AGREEMENT SUBJECT TO PLAN BEING EFFECTIVE

The performance by Sponsor of its obligations under this Agreement is contingent upon the Plan having been declared effective in accordance with the terms and provisions of the Plan. The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in the Plan. If the Plan is abandoned or if, after being declared effective, the Plan is not consummated for any reason and Purchaser is not in default under this Agreement beyond any applicable grace period, this Agreement shall be deemed cancelled and the Premium Payment, together with interest earned thereon, shall be returned to Purchaser within 30 days from the filing date of the amendment abandoning the Plan. Upon such return, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan.

15. SPONSOR'S INABILITY TO CONVEY THE UNIT

If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan by reason of a defect in title, substantial damage or destruction of the Building by fire or other casualty, or the taking of any material portion of the Property by condemnation or eminent domain, Sponsor shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability. If Sponsor is not so obligated under the Plan and notifies Purchaser of its election or inability to cure such title defect, and if Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such title defect (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within 30 days after receipt of notice of termination from Purchaser, return to Purchaser all sums Premium Payments and all other sums deposited by Purchaser hereunder, together with interest earned thereon, if any. Upon making such payment, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan. The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within 15 days after the giving of Sponsor's notice of election not to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the remedy described in clause (a) above (i.e., to acquire title subject to such inability).

16. FIXTURES, APPLIANCES AND PERSONAL PROPERTY

Only those fixtures, appliances and items of personal property which are described in the Plan as being included in the Unit are included in this sale. No portion of the Purchase Price shall be attributable to such items.

17. NEW CONSTRUCTION

17.1 The construction of the Building and the Unit, including the materials, equipment and fixtures to be installed therein, shall be substantially in accordance with the Plan and the Plans and Specifications, subject to the right of Sponsor to amend the Plan and the Plans and Specification in order to substitute materials, equipment or fixtures of equal or better quality, provided that the approval of any governmental authorities having jurisdiction is first obtained (if required). The issuance of a Permanent Certificate of Occupancy for the Building shall be deemed presumptive evidence that the Building and the Unit have been fully completed in accordance with the Plan and the Plans and Specifications. However, nothing herein contained shall excuse Sponsor from its obligation to correct any defects in construction in accordance with the conditions set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor."

17.2 The new construction of the Building and the Unit and the correction of any defects in the construction thereof to the extent required under the Plan are the sole responsibility of Sponsor. Purchaser acknowledges and agrees that Sponsor will not be liable for, and will have no obligation to correct, certain variations from the Plan and Plans and Specifications as indicated in the Section of the Plan entitled "Rights and Obligations of Sponsor" and will only be responsible to correct any construction defects to the extent, and on the terms and conditions, set forth in such Section.

17.3 The Closing of Title shall occur only after, or concurrently with, compliance with the prerequisites set forth under "Terms of Sale" in Part I of the Plan. As a result, if all such prerequisites are met, Purchaser shall be obligated to close and complete payment of the full Purchase Price (without provision for escrow), notwithstanding any construction items noted on Purchaser's Inspection Statement (as hereinafter defined) remaining for Sponsor to complete and/or correct in accordance with its obligation under the Plan, and notwithstanding the incomplete construction and/or decoration of any other portions of the Building or the Unit.

17.4 The actual date for the First Closing is not guaranteed or warranted, and may be earlier or later depending on the progress of construction and compliance with the other prerequisites recited in the Section of the Plan entitled "Terms of Sale." Purchaser acknowledges that construction may be delayed by late delivery of material or equipment, labor difficulties, unavailability of Building trades, casualty, inclement weather and other events beyond Sponsor's reasonable control. Purchaser further acknowledges that the Units in the Building will be completed at varying times over a period that could extend well beyond the First Closing. The order in which these Units will be completed is in the discretion of Sponsor. Purchaser acknowledges that except as otherwise provided in the Plan, Purchaser shall not be excused from paying the full Purchase Price, without credit or set-off, and shall have no claim against Sponsor for damages or losses, in the event that the First Closing occurs substantially later than the projected date or the time to complete or to close title to the Unit is delayed or is postponed by Sponsor.

18. INSPECTION OF THE UNIT

18.1 Upon receipt of the Initial Closing Notice, Purchaser shall arrange an appointment with a representative of Sponsor to inspect the interior of the Unit within the 7 days prior to the Closing Date. Purchaser or Purchaser's duly authorized agent shall attend such inspection and shall complete, date and sign the Inspection Statement (in the form set forth as Schedule B to this Agreement) and deliver same to Sponsor's representative at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the interior of the Unit within 7 days prior to the Closing Date or to so sign and deliver the completed Inspection Statement shall not excuse Purchaser from paying the Exercise Price when due and shall constitute Purchaser's full acceptance of the Unit as is. However, nothing herein shall relieve Sponsor of its obligations as set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor."

18.2 Any work set forth on the Inspection Statement shall be completed by Sponsor in a reasonable period of time following the Closing and shall not be grounds for delaying the Closing. Purchaser will be obligated to provide Sponsor and its contractors, subcontractors agents and employees, unfettered access to the Unit and any Limited Common Elements appurtenant thereto after Closing in order to complete the work on the Inspection Statement, failing which Sponsor shall be relieved of its obligations to complete the work set forth on the Inspection Statement. Sponsor has no obligation under the Plan to deposit any monies in escrow at Closing as a result of any work set forth on the Inspection Statement.

19. DAMAGE TO THE UNIT

If between the date of this Agreement and the Closing of Title the Unit is damaged by fire or other casualty, the following shall apply:

19.1 The risk of loss to the Unit by fire or other casualty until the earlier of Closing of Title or possession of the Unit by Purchaser is assumed by Sponsor; provided that Sponsor shall have no obligation or liability to repair or restore the Unit. If Sponsor elects to repair or restore the Unit (which election shall be made within 60 days of the damage to the Unit), this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners if the Declaration has 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.

19.2 In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit (which election shall be made within 60 days of the damage to the Unit), or, if the Declaration has been recorded prior thereto, the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-laws, this Agreement shall be deemed cancelled and of no further force and effect and Sponsor shall return to Purchaser all Premium Payments and other sums deposited by Purchaser hereunder, together with interest earned thereon, if any, and neither party hereto shall have any further rights, obligations or liability to or against the other hereunder or under the Plan, except that if Purchaser is then in default hereunder (beyond any applicable grace period), Sponsor shall retain all Premium Payments and other such sums deposited by Purchaser hereunder, together with any interest earned thereon, as and for liquidated damages.

20. NO REPRESENTATIONS

Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes 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 has relied solely on Purchaser's own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor except as 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. Except as otherwise set forth in the Plan, Purchaser agrees (a) to purchase the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof,

or of the Common Elements, as shown on the Floor Plans is accurate or correct, and (b) that Purchaser shall not be relieved of any Purchaser's obligations hereunder by reason of any immaterial or insubstantial inaccuracy or error. The provisions of this Article shall survive the Closing of Title.

21. PROHIBITION AGAINST ADVERTISING

21.1 Prior to the Closing of Title, Purchaser agrees not to list the Unit for sale or rental with any broker or place or authorize any listing in any broker's listing system or other listing service or to advertise or otherwise offer, promote or publicize the availability of the Unit for sale or rental, without Sponsor's prior written consent, which consent may be unreasonably withheld or delayed in Sponsor's sole and absolute discretion. Any such action by Purchaser prior to Closing of title shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement.

21.2 Prior to the first anniversary of the Sponsor Sale, Purchaser is prohibited from listing the Unit for sale with any broker or placing or authorizing any listing in any broker's listing system or other listing service or advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale, without Sponsor's prior written consent, which consent may be unreasonably withheld or delayed in Sponsor's sole and absolute discretion. The provisions of this Section shall survive the Closing of Title.

22. BROKER

Purchaser represents to Sponsor that Purchaser has not dealt with any broker in connection with this transaction other than the Selling Agent and the Co-Broker, if any, named in this Agreement, whose commissions shall be paid by Sponsor. Purchaser shall pay the commission of any broker with whom Purchaser may have dealt, other than the Selling Agent and the Co-Broker. Purchaser agrees that, should any claim be made against Sponsor for commissions by any broker, other than the Selling Agent or the Co-Broker, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including legal fees. The provisions of this Article shall survive the Closing of Title.

23. AGREEMENT MAY NOT BE ASSIGNED

Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor, which consent may be unreasonably withheld or delayed. Any purported assignment by Purchaser in violation of this Agreement will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement, then Purchaser shall have such right, provided that (i) Purchaser designates such assignee at least 10 business days prior to the Closing Date; (ii) Purchaser delivers to Attorney for Sponsor the fee set forth in the Plan for its services required in connection with the preparation of the assignment and assumption agreement; (iii) the Closing is not delayed as a result of such assignment , (iv) the assignee of this Agreement assumes in writing, by an instrument prepared by Attorney for Sponsor, the obligations of Purchaser under this Agreement and (v) the assignment is made without consideration. Any purported assignment by Purchaser in violation of this Agreement shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement, and shall be voidable at the option of Sponsor.

24. BINDING EFFECT

The submission of this Agreement to Purchaser does not create a binding obligation on the part of Sponsor. This Agreement shall not be binding on Sponsor until a fully executed counterpart hereof has been delivered to Purchaser or the Attorney for Purchaser. If this Agreement is not accepted within 30 days from the delivery to Sponsor of this Agreement executed by Purchaser together with the Premium Payment by the

delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed to have been rejected and cancelled and the Premium Payment shall be returned to Purchaser within 30 days thereafter. Upon such refund being made, neither party shall have any further rights, obligations liability to or against the other hereunder or under the Plan. Prior to Sponsor's countersigning and returning this Agreement to Purchaser, and at any time thereafter, Purchaser agrees upon request to provide Sponsor with written information about Purchaser's employment, financial and rental/ownership history. Such information obtained prior to countersignature may be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law.

25. NOTICES

25.1 Any notice, election, demand, request, letter, consent or other communication hereunder or under the Plan shall be in writing and either delivered in person or sent, postage prepaid, by registered or certified mail return receipt requested or by Federal Express or other reputable overnight courier, with receipt confirmed to the Attorney for Purchaser at the address given at the beginning of this Agreement with a copy to the Purchaser at the address given at the beginning of this Agreement by regular mail, and to the Attorney for Sponsor at the address given at the beginning of this Agreement, with a copy to Sponsor at the address given at the beginning of this Agreement by regular mail. Either party may hereafter designate to the other in writing a change in the address to which notices are to be sent. Except as otherwise expressly provided herein, a notice shall be deemed given when personal delivery or delivery by overnight courier is effected, or in the case of mailing, the 3 business days after the date of mailing, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself.

25.2 Sponsor hereby designates and empowers both the Selling Agent and Attorney for Sponsor, as Sponsor's agents to give any notice to Purchaser under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself.

25.3 Purchaser hereby designates and empowers the Attorney for Purchaser, as Purchaser's agent to give any notice to Sponsor under this Agreement in Purchaser's name, which notice so given shall have the same force and effect as if given by Purchaser.

26. 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.

27. LIABILITY OF SPONSOR

Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, weather, fire, flood, explosion, war, riot, sabotage, epidemics, quarantine, acts of terrorism, freight embargos, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, unavailability of utilities, failure of transportation, governmental restrictions, preemptions or approvals, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the control of Sponsor. Sponsor's time to perform such obligations or undertaking shall be tolled for the length of the period during which such performance was excused.

28. FURTHER ASSURANCES

Either party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

29. 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), and Purchaser understands and agrees that Purchaser's failure to obtain such financing will not relieve Purchaser of Purchaser's obligations hereunder. Purchaser further understands and agrees that if Purchaser chooses to finance the purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in Purchaser's financial status or condition shall release or relieve Purchaser of Purchaser's obligations pursuant to this Agreement and Sponsor shall have no liability as a result of any scheduling or adjournment of the Closing beyond the expiration of the loan commitment.

30. COSTS OF ENFORCING AND DEFENDING AGREEMENT

Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under this Agreement or, in the event Purchaser defaults under this Agreement beyond any applicable grace period, in canceling this Agreement or otherwise enforcing Purchaser's obligations hereunder.

31. 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.

32. STRICT COMPLIANCE

Any failure by either party to insist upon the strict performance by the other of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and each party, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the other party of any and all of the provisions of this Agreement to be performed by such party.

33. GOVERNING LAW

The provisions of this Agreement shall be governed by and construed in accordance with the internal laws of the State of New York applicable to agreements made and to be performed wholly in the State of New York, without regard to principles of conflicts of law.

34. WAIVER OF JURY

Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, or connected with, or relating to, this Agreement or the relationship created hereby or in the Plan. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert

any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived.

35. ENTIRE AGREEMENT

This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them with respect to the subject matter hereof.

36. 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.

37. 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.

38. SUCCESSORS AND ASSIGNS

The provisions of this Agreement shall bind and enure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and enure to the benefit of Sponsor and its successors and assigns.

39. CONFIDENTIALITY

Sponsor and Purchaser hereby acknowledge and agree to keep all of the terms and conditions of this Agreement confidential, except that Sponsor shall be permitted to disclose that an Option Agreement has been executed for the Unit and the purchase price thereunder, but not the identity of Purchaser or its principals. Sponsor and Purchaser agree that any information which is required to be disclosed to the parties respective lawyers, brokers, architects/engineers, accountants, individuals who "need to know" or governmental agencies shall not be deemed to be a breach by Sponsor or Purchaser of the parties undertaking of confidentiality contained in this Agreement. Any failure by Purchaser to keep the terms and conditions of this Agreement confidential shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement.

40. LETTER OF CREDIT IN LIEU OF PREMIUM PAYMENTS IN ESCROW

Purchaser acknowledges and agrees that Sponsor has the right, in its sole discretion, to elect to withdraw the Premium Payment and secure it with a Letter of Credit as more fully set forth in the Plan and Purchaser hereby consents to such withdrawal of the funds from escrow.

41. NO ORAL CHANGES

This Agreement cannot be changed or terminated orally. Any changes or additional provisions must be set forth in a rider attached hereto or in a separate written agreement signed by the parties hereto or by an amendment to the plan.

42. PERFORMANCE

Where this Agreement by its terms requires the payment of money or the performance of a condition on a Saturday, Sunday or public holiday, such payment may be made or condition performed on the next business day succeeding such Saturday, Sunday or such public holiday, with the same force and effect as if made or performed in accordance with the terms of this Agreement.

43. COUNTERPARTS

This Agreement may be executed in any number of original, email, pdf or facsimile counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same Agreement.

44. WAIVER OF DIPLOMATIC OR SOVEREIGN IMMUNITY.

44.1 The provisions of this Article shall survive the Closing of Title or the termination of this Agreement for the purpose of any suit, action, or proceeding arising directly or indirectly, out of or relating to this Agreement or the Condominium Documents.

44.2 If Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to diplomatic or sovereign immunity, Purchaser expressly and voluntarily waives such immunity and consents to any suit, action or proceeding arising out of or relating to this Agreement or the Condominium Documents being brought in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement or the Condominium Documents, and hereby designates and authorizes a lawful agent to receive process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement or the Condominium Documents.

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

45. CERTIFICATION OF SPONSOR AND PRINCIPAL

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

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

41-45 Property Owner, LLC

By: 41-45 Land Assemblage, LLC, its sole member

By: Z East 60th Mgr., LLC, its manager

By: AZ East 60th Street Manager, LLC, its member

By:_____
Name: Arthur Zeckendorf
Title: Member

By: WLZ 43-45 East 60th, LLC, its member

By:_____
Name: William Lie Zeckendorf
Title: Member

By: 41 East 60th Street Associates, L.P., its member

By: 41-60 Genpar Corp., its general partner

By:_____
Name: Peter Allen
Title: Vice President

By: Park Sixty LLC, its member

By:_____
Name: Rafael Nasser
Title: Member

SCHEDULE A

PERMITTED ENCUMBRANCES

1. Building restrictions and zoning and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted.

2. Any state of facts which an accurate survey or personal inspection of the Property would show, provided such state of facts would not render title uninsurable without additional premium to Purchaser and would not prevent the use of the Unit for dwelling purposes.

3. The terms, burdens, covenants, restrictions, conditions, easements and Rules and Regulations, all as set forth in the Declaration, the By-laws (and the Rules and Regulations made thereunder), the Power of Attorney from the Purchaser to the Condominium Board, and the Floor Plans as all of the same may be amended from time to time.

4. Consents by Sponsor or any former owner of the Land for the erection of any structure or structures on, under or above any street or streets on which the Property may abut.

5. Any easement or right of use in favor of any utility company for construction, use, maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

6. Revocability of licenses for vault space, if any, under the sidewalks and streets.

7. Any easement or right of use required by Sponsor or its designee to obtain a temporary, permanent or amended Certificate of Occupancy for the Building or any part of same.

8. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings and similar projections, if any, on, over, or under the Property or the streets or sidewalks abutting the Property, and the rights of governmental authorities to require the removal of any such projections and variations.

9. Leases and service, maintenance, employment, concessionaire and Ancillary Amenity Licenses, if any, of other Units or portions of the Common Elements.

10. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, or vault charge, provided the same are adjusted at the Closing of Title.

11. The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board), except that Sponsor shall pay all such assessments due prior to the Closing Date (with the then current installment to be apportioned as of the Closing Date) and the Purchaser shall pay all assessments due from and after the Closing Date.

12. Any declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building.

13. Any encumbrance as to which the Title Company (or such other New York Board of Title Underwriters member title insurance company which insures the Purchaser's title to the Unit) would be willing, in a fee policy issued by it to the Purchaser, to insure the Purchaser that such

encumbrance (a) will not be collected out of the Unit if it is a lien or (b) will not be enforced against the Unit if it is not a lien.

14. Any other encumbrance, covenant, easement, agreement, or restriction against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for dwelling purposes.

15. Any lease covering the Unit(s) made from Sponsor to the Purchaser.

16. Any violation against the Property (other than the Unit) which is the obligation of the Condominium Board, or another Unit Owner to correct.

17. Standard printed exceptions contained in the form of fee title insurance policy then issued by the Title Company.

18. Any Temporary or Permanent Certificate of Occupancy for the Building, so long as the same permits, or does not prohibit, use of the Unit for its stated purposes.

19. Any encumbrance, covenant, easement, agreement, or restriction against the Property set forth in the form of Unit Owner's Specimen Title Policy prepared by the Title Company set forth in Part II of the Plan, as the same may be updated from time to time.

SCHEDULE B

INSPECTION STATEMENT

Date: _____

41-45 Property Owner, LLC
445 Park Avenue, Suite 1902
New York, New York 10022

Re: Unit No: _____ ("Unit")
520 Park Avenue Condominium
520 Park Avenue
New York, New York 10022 ("Condominium")

Ladies and Gentlemen:

1. On the date hereof, the undersigned purchaser(s) ("Purchaser") inspected the Unit which Purchaser is acquiring from Sponsor and have found the Unit to be in good condition, except as otherwise noted below.

2. Purchaser acknowledges that to prevent pilferage, certain items such as medicine cabinet doors, shower heads, toilet seats, kitchen cabinets, vanity knobs and mechanical chimes will be installed just prior to the date Purchaser moves into the Building. Purchaser agrees to sign-off each item requiring adjustment, or repairs, if any, as they are completed.

3. In the event Purchaser performs work in the Unit of any kind affecting any of the areas or items listed above after the Closing, Sponsor will be relieved of any and all obligations related to the items listed herein.

PURCHASER(S):

_____
(signature)

_____
(signature)

_____
Sponsor's Representative

SCHEDULE C

RIDER TO OPTION AGREEMENT RE: ESCROW PROVISIONS

This Rider is made as of _____, _____ between Sponsor, Purchaser and Escrow Agent.

Re: Unit No: _____ ("Unit")
520 Park Avenue Condominium
520 Park Avenue
New York, New York 10022 ("Condominium")

1. ESCROW AND TRUST FUND REQUIREMENTS

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

Sponsor will comply with the escrow and trust fund requirements of General Business Law Sections 352-e(2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto. The Department of Law may perform random reviews and audits of any records involving escrow accounts to determine compliance with statute and regulation.

Any provision of any contract or agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of Escrow Agent holding trust funds is absolutely void. The provisions of the Attorney General's regulations concerning escrow/trust funds shall prevail over any conflicting or inconsistent provision in the Plan or in the escrow agreement or Option Agreement. Purchasers shall not be obligated to pay any legal or other expense of Sponsor in connection with the establishment, maintenance or defense of obligations arising from the handling or disposition of trust funds. However, notwithstanding anything to the contrary set forth herein or anywhere else in the Plan, in the Event of Default by Purchaser, as that term is defined the Option Agreement, Purchaser shall be obligated to reimburse Sponsor for any legal fees, expenses and disbursements incurred by Sponsor in defending Sponsor's rights under the Option Agreement or otherwise enforcing Purchaser's obligations thereunder.

All Premium Payments made by Purchasers prior to the Closing of each individual transaction will be placed in a segregated special escrow account of Starr Associates LLP, the escrow agent ("Escrow Agent"), whose address is 245 Fifth Avenue, Suite 1102, New York, New York 10016 and whose telephone number is (212) 620-2680. The attorneys who are signatories on these accounts authorized to withdraw funds, acting singly, are: Allan Starr, Esq., Andrea L. Roschelle, Esq., Samantha Sheeber, Esq. and Jane Rosenberg, Esq. ("Authorized Signatories"). All Authorized Signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any Authorized Signatory is the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

Escrow Agent has established a master escrow account entitled "Starr Associates LLP, Escrow Account" ("Master Escrow Account") at JPMorgan Chase Bank located at 270 Park Avenue, New York, New York 10017 and Citibank located at 717 Sixth Avenue, New York, New York 10010 ("Escrow Banks"). Each Escrow Bank is authorized to do business in the State of New York. Premium Payments properly made payable to "Starr Associates LLP, as Escrow Agent" will be placed in one of the Master Escrow Accounts within 5 business days after tender by Purchaser to Sponsor or Selling Agent. Any subsequent Premium Payment tendered by Purchaser after the Initial Premium Payment will be placed in any

one of the Master Escrow Accounts within 10 business days after tender by Purchaser to Sponsor or Selling Agent.

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

All Premium Payments, except for Unit Upgrade Funds, are and shall continue to be the Purchaser's money, and may not be commingled with any other money or pledged or hypothecated by Sponsor, until such time as Sponsor is entitled to the Premium Payment as per GBL § 352-h. Unit Upgrade Funds will initially be placed in the Master Escrow Account. However, Purchasers should note that such funds may be released from the Master Escrow Account by Escrow Agent to Sponsor to pay, or reimburse Sponsor, for such upgrades or extras. As a result, in the event Sponsor cancels the Option Agreement or Purchaser is entitled to rescind the Option Agreement in accordance with the Plan, Purchaser will not receive a refund of any of the Unit Upgrade Funds. Escrow Agent shall be under no duty to verify that Sponsor used or committed such funds for Unit Upgrade Funds.

The sub-escrow account number and the initial interest rate, if any, will be disclosed to each Purchaser, as appropriate, in a letter from Escrow Agent to each Purchaser sent within 10 business days after the tender of the Premium Payment. If Purchaser does not receive notice that the Premium Payment has been placed in the Master Escrow Account within 15 business days after tender of the Premium Payment, Purchaser may cancel the Purchase and rescind the Option Agreement so long as the right to rescind is exercised within 90 days after tender or crediting of the Premium Payment by notice delivered to Sponsor and to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, New York 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Premium Payment was timely deposited and requisite notice was timely mailed to Purchaser in conformity with the Attorney General's regulations. Escrow Agent will not be required to send the letter referred to above to each Purchaser in connection with any additional Premium Payments tendered by Purchaser after the Initial Premium Payment (or in connection with any changes in the interest rate).

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

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

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

Acceptance of the Premium Payment by Sponsor or Selling Agent and the Premium Payment thereof by Escrow Agent into escrow shall not be deemed a binding agreement by Sponsor to sell to Purchaser unless and until Purchaser executes an Option Agreement and Sponsor or Selling Agent executes a duplicate thereof and delivers the Option Agreement to Purchaser in accordance with the terms of the Plan. All Premium Payments made by check are subject to collection.

If a Purchaser tenders a Premium Payment without an executed Option Agreement, Sponsor shall have the right to reject the Premium Payment and return it to Purchaser: (i) within 5 business days after tender, if the Premium Payment has not been deposited into escrow, and (ii) within 10 business days, if the Premium Payment has been deposited into escrow and the Option Agreement has not yet been delivered by Purchaser. In the event a Premium Payment or portion thereof is delivered by wire transfer to Escrow Agent, any wiring fees charged by the initiating and/or receiving banks will be Purchaser's obligation.

The checking account portion of the Master Escrow Account will not be interest-bearing. The sub-escrow account portion of the Master Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Option Agreement, or (ii) Purchaser is entitled to a return of the Premium Payment. All interest will be credited to Sponsor only in the event there is a "consummation of the Plan" (as such term is defined in the Attorney General's regulations) and Purchaser defaults. The interest rate to be earned will be the prevailing rate for these accounts. As of December 31, 2012 , the interest rate for the Escrow Bank is .15%. The interest rate is subject to change by the Escrow Bank. Sponsor makes no guarantee of, and shall have no liability to Purchaser for changes to, the interest rate. Interest will begin to accrue within: (x) 3 business days, if the Premium Payment is cash or cash equivalent, or (y) 5 business days, if the Premium Payment is other than cash or cash equivalent, of the transfer of the Premium Payment from the checking account portion of the Master Escrow Account into the sub-escrow account portion of the Master Escrow Account, as determined by whether and when the Premium Payment clears.

All instruments shall be made payable directly to the order of "Starr Associates LLP, as escrow agent." Endorsed instruments will not be accepted.

If a check delivered by a Purchaser fails for collection, the Option Agreement will be deemed void ab initio (as if the Option Agreement had never been executed).

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

Under no circumstances shall Sponsor seek the release of the Premium Payments of a defaulting Purchaser until after consummation of the Plan (i.e., the Effective Date). Consummation of the Plan does not relieve Sponsor of its obligations pursuant to General Business Law Section 352-h.

Escrow Agent shall release the Premium Payments if so directed:

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

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

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

If the Premium Payments are not released pursuant to this paragraph and Escrow Agent receives a request by Sponsor or Purchaser to release the Premium Payments, Escrow Agent shall give both parties prior written notice of not fewer than 30 days before releasing the Premium Payments. If Escrow Agent has not received notice of objection to the release of the Premium Payments at the expiration of the 30 day period, the Premium Payments shall be released and Escrow Agent shall provide further written notice to both parties informing them of the release of the Premium Payments. If Escrow Agent receives a written notice from either party objecting to the release of the Premium Payments within the 30 day period set forth in the notice, Escrow Agent shall continue to hold the Premium Payments until otherwise directed pursuant to subsections (i) through (iii) of this paragraph. However, Escrow Agent shall also have the right at any time to deposit the Premium Payments with the clerk of a court in the county in which the Unit is located and shall give written notice to both parties of such deposit.

Sponsor will not object to the release of the Premium Payments to:

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

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

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

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

Sponsor may, upon application approved by the Department of Law, elect to withdraw Premium Payments from the Master Escrow Account and secure all or any portion of the Premium Payments withdrawn by delivering to Escrow Agent or another escrow agent designated by Sponsor, one or more irrevocable letters of credit (collectively, "Letter of Credit") or other alternate security approved by the Department of Law, in accordance with the terms and conditions set forth below. All Premium Payments withdrawn from the Master Escrow Account shall be paid to the Construction Lender pursuant to a collateral assignment and pledge by Sponsor to the Construction Lender or disbursed to Sponsor subject to the approval by the Construction Lender of the amount of the withdrawal. The amount of the Letter of Credit will be at least 125% of the aggregate of all Premium Payments expected to be received from Purchasers, and not retained in escrow, during such period of time as the Letter of Credit will be needed. Sponsor reserves the right at any time and from time to time to increase or decrease the amount of the Letter of Credit, by a duly filed amendment to the Plan provided, however, the aggregate amount of the Letter of Credit shall at no time be less than the aggregate of all Premium Payments, if any, withdrawn by Sponsor for use in construction, less any sums returned to Purchasers or otherwise disbursed in accordance with the Plan. Premium Payments will cease to earn interest upon withdrawal from the Master Escrow Account.

PURCHASERS WILL EARN NO INTEREST ON PREMIUM PAYMENTS WHICH ARE DEPOSITED IN SPONSOR'S CONSTRUCTION FUND ACCOUNT, EXCEPT DURING SUCH PERIODS AS THE PREMIUM PAYMENTS ARE PLACED IN THE INTEREST BEARING PORTION OF THE MASTER ESCROW ACCOUNT.

The Letter of Credit shall name Escrow Agent as beneficiary to act as a fiduciary for the benefit of all Purchasers under the Plan. The Letter of Credit will provide that Escrow Agent shall have sole power to draw upon the Letter of Credit without the consent or despite the objection of Sponsor or the issuer bank, at such times or upon such events as set forth below.

The Letter of Credit will continue in effect, or shall be periodically renewed, until the Closing of Title to all Units for which Premium Payments have been placed in Sponsor's construction fund account.

Escrow Agent shall be entitled to release the Premium Payments to Sponsor provided that the Escrow Agent has documentation showing that the Letter of Credit or renewal or replacement Letter of Credit has been issued in accordance with this Section of the Plan and is in effect.

Escrow Agent, as the beneficiary of the Letter of Credit, acting as fiduciary for the benefit of Purchasers under the Plan whose Premium Payments were released from escrow, shall have the duty and the right to draw upon and collect the proceeds of the Letter of Credit, 10 business days after notice to Sponsor and Sponsor's failure or refusal to restore such Premium Payments to Escrow Agent, without the consent or despite the objection of Sponsor or the issuer bank, upon the following events or circumstances:

(i) timely rescission of an Option Agreement by a Purchaser pursuant to an offer of rescission contained in the Plan or an amendment to the Plan;

(ii) acceptance for filing by the Department of Law of an amendment abandoning the Plan;

(iii) pursuant to terms and conditions set forth in the Plan and Option Agreement upon closing of title to the Unit;

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

(v) by a final, non-appealable order or judgment of a court;

(vi) failure by Sponsor to obtain a renewal or replacement Letter of Credit no later than 60 days prior to the expiration of the existing Letter of Credit;

(vii) direction by Sponsor upon request of Purchaser; or

(viii) notice of impending cancellation of the Letter of Credit has been given or received, or the issuer bank has filed a bankruptcy or insolvency petition or has been taken over by a federal or state authority, and no proper replacement of the Letter of Credit has been furnished.

Upon payment to Escrow Agent of a drawing under the Letter of Credit, to the extent that Escrow Agent has no further obligation to hold the proceeds of such Letter of Credit in accordance with this Section of the Plan, Escrow Agent shall remit the Premium Payments to the relevant Purchaser to the extent required by this Section of the Plan and shall remit the excess amount (if any) of such proceeds over the Premium Payment to the Construction Lender (or, if no Construction Lender shall exist, to Sponsor).

The sole obligation of the issuer bank under or in connection with the Letter of Credit is to pay to Escrow Agent the amount drawn under the Letter of Credit pursuant to a conforming drawing thereunder. In no event shall the issuer bank, or the Construction Lender be liable for the use of the proceeds of any drawing by Escrow Agent and no Purchaser shall have any recourse whatsoever to the issuer bank, or the Construction Lender with respect to the use of such Premium Payments, other than the issuer bank's liability on the fronting bank for such Letters of Credit.

Escrow Agent is acting merely as a stakeholder. Escrow Agent makes no representation with regard to and shall not be responsible for the maintenance by Sponsor of the Letter of Credit. Upon payment of the Premium Payment pursuant to the Plan, Escrow Agent shall be fully released from all liability and obligation with respect to the Premium Payment. Escrow Agent shall accept a Premium Payment made by check made payable subject to collection.

Set forth in Part II of the Plan is a copy of the form of escrow agreement between Sponsor and Escrow Agent which incorporates the terms of the Attorney General's regulations. Purchaser's execution of the Option Agreement shall be deemed to constitute Purchaser's acceptance of the terms of the escrow

provisions set forth herein and the escrow agreement set forth in the Plan. Escrow Agent shall be a signatory to the Option Agreement solely with respect to Escrow Agent's obligations as set forth herein and the escrow agreement set forth in the Plan

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

Escrow Agent may rely upon any document which may be submitted to it in connection with its duties under this Section and which is believed by Escrow Agent to be genuine and to have been signed or presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

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

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

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

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

2. DEFINITIONS

All capitalized terms used in this Rider not defined herein shall have the same meanings ascribed to them in the Option Agreement to which this Rider is annexed or in the Plan.

3. CONFLICTS

In the event of any inconsistency between the provisions of this Rider and those contained in the Option Agreement to which this Rider is annexed, the provisions of this Rider shall govern and be binding.

4. FULL FORCE AND EFFECT

Except as set forth in this Rider, all of the terms and conditions of the Option Agreement remain unchanged and in full force and effect.

5. COUNTERPARTS

This Rider may be executed in any number of original, e-mail, pdf or facsimile counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same Rider.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

41-45 Property Owner, LLC

By: 41-45 Land Assemblage, LLC, its sole member

By: Z East 60th Mgr., LLC, its manager

By: AZ East 60th Street Manager, LLC
its member

By:_____
Name:Arthur Zeckendorf
Title: Member

By: WLZ 43-45 East 60th, LLC, its member

By:_____
Name:William Lie Zeckendorf
Title: Member

By: 41 East 60th Street Associates, L.P.
its member

By: 41-60 Genpar Corp., its general partner

By:_____
Name:Peter Allen
Title: Vice President

By: Park Sixty LLC, its member

By:_____
Name: Rafael Nasser
Title: Member

ESCROW AGENT:

Executed solely in connection with the provisions set forth in this Escrow Rider.

STARR ASSOCIATES LLP

By:_____
Name: Samantha Sheeber
Title: Partner

SCHEDULE D

RIDER TO OPTION AGREEMENT RE: ANCILLARY AMENITY

This Rider is made as of _____, _____ between Sponsor and Purchaser.

Re: Unit No: _____ ("Unit")
520 Park Avenue Condominium
520 Park Avenue
New York, New York 10022 ("Condominium")

1. ANCILLARY AMENITY LICENSE

Sponsor agrees to sell and Purchaser agrees to purchase [ANCILLARY AMENITY TYPE] #_____ for a Purchase Price of $_____. The Ancillary Amenity License to use the [ANCILLARY AMENITY TYPE] shall be prepared by Sponsor substantially in the form set forth in Part II of the Plan.

The Purchase Price is payable as follows:

(a) $_____ ("Initial Premium Payment"), due upon Purchaser's signing and delivering this Agreement, by check (subject to collection), receipt of which is hereby acknowledged;

(b) $_____ ("Additional Premium Payment;" the term "Premium Payment," as used herein, refers to both the Initial Premium Payment and, if the same has been paid at the time in question, the Additional Premium Payment), is due upon the earlier to occur of (i) 6 months after Purchaser executes this Agreement, or (ii) within 15 days of the Presentation Date of the amendment declaring the Plan effective; and

(c) $_____ (the "Exercise Price"), by good certified check of Purchaser or official bank check, payable on the delivery of the deed as hereinafter provided.

(d) If Purchaser is signing this Agreement after the Plan is declared effective, the Initial Premium Payment and Additional Premium Payment shall be due upon Purchaser's signing this Agreement.

2. RE-DESIGNATION OF [ANCILLARY AMENITY TYPE]

Sponsor reserves the right at or prior to Closing to designate a different [ANCILLARY AMENITY TYPE] in lieu of the [ANCILLARY AMENITY TYPE] set forth above, provided the new [ANCILLARY AMENITY TYPE] is equal to or greater in size and has the same Purchase Price.

3. TEMPORARY CERTIFICATE OF OCCUPANCY

Purchaser will be required to consummate the purchase of the Unit and the [ANCILLARY AMENITY TYPE] simultaneously at Closing, even though a Temporary Certificate of Occupancy has not been issued, and access may not be available for the [ANCILLARY

AMENITY TYPE] Area of the Building. In such event, the proceeds from the sale of the Ancillary Amenity License will be held in escrow ("Ancillary Amenity Escrow") by Escrow Agent until such time as a Temporary Certificate of Occupancy has been issued for the [ANCILLARY AMENITY TYPE] Area in which the [ANCILLARY AMENITY TYPE] is located. The Ancillary Amenity Escrow will not be held in an interest bearing escrow account for the benefit of Purchaser. Purchaser will earn no interest on the Ancillary Amenity Escrow.

4. DAMAGE TO THE [ANCILLARY AMENITY TYPE] AREA

If there is a fire or other casualty to the [ANCILLARY AMENITY TYPE] Area and Sponsor does not elect to repair or restore such area following such fire or casualty, then the Option Agreement shall be deemed modified to provide for the Closing of Title with respect to the Unit only. In such event, the Exercise Price of the Unit shall be reduced by the amount of the Premium Payment paid pursuant to the terms of this Rider.

5. WITHDRAWAL OF [ANCILLARY AMENITY TYPE]

As set forth in the Plan, Sponsor reserves the right to withdraw the offering of the [ANCILLARY AMENITY TYPE]. The withdrawal of the offering of the [ANCILLARY AMENITY TYPE] will be disclosed by Sponsor in an amendment to the Plan and Purchaser shall only be relieved of Purchaser's obligation to purchase the [ANCILLARY AMENITY TYPE], but shall remain obligated to purchase the Unit. At Closing, Purchaser will receive a credit against the Exercise Price equal to the amount allocated to the withdrawn [ANCILLARY AMENITY TYPE], to the extent any such money has been delivered to Sponsor.

6. DEFINITIONS

All capitalized terms used in this Rider not defined herein shall have the same meanings ascribed to them in the Option Agreement to which this Rider is annexed or in the Plan.

7. CONFLICTS

In the event of any inconsistency between the provisions of this Rider and those contained in the Option Agreement to which this Rider is annexed, the provisions of this Rider shall govern and be binding.

8. FULL FORCE AND EFFECT

Except as set forth in this Rider, all of the terms and conditions of the Option Agreement remain unchanged and in full force and effect.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

41-45 Property Owner, LLC

By: 41-45 Land Assemblage, LLC, its sole member

By: Z East 60th Mgr., LLC, its manager

By: AZ East 60th Street Manager, LLC, its member

By:_____
Name: Arthur Zeckendorf
Title: Member

By: WLZ 43-45 East 60th, LLC, its member

By:_____
Name: William Lie Zeckendorf
Title: Member

By: 41 East 60th Street Associates, L.P., its member

By: 41-60 Genpar Corp., its general partner

By:_____
Name: Peter Allen
Title: Vice President

By: Park Sixty LLC, its member

By:_____
Name: Rafael Nasser
Title: Member

UNIT DEED

UNIT DEED

THIS INDENTURE, made the ____ day of _____, ____, between 41-45 Property Owner, LLC, having an office at 445 Park Avenue, Suite 1902, New York, New York 10022 ("Grantor") and _____ having an address at _____ ("Grantee").

W I T N E S S E T H :

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit ("Unit") known as Unit No. ____ in the building ("Building") known as the 520 Park Avenue Condominium ("Condominium") and by the street number 520 Park Avenue, Borough of Manhattan, County of New York, City and State of New York, said Unit being designated and described by the above Unit number in a certain declaration dated _____, made by Grantor pursuant to Article 9-B of the Real Property Law of the State of New York ("Condominium Act") establishing a plan for condominium ownership of the Building and the land ("Land") upon which the Building is situate (which Land is more particularly described in Exhibit A annexed hereto and by this reference made a part hereof), which declaration was recorded in the Office of the Register of The City of New York of the County of New York ("Register's Office") on _____, as CRFN# _____ ("Declaration"). The Unit is also designated as Tax Lot _____ in Block 1375 of Section _____ of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans of the Building, certified by SLCE Architects on _____, and filed with the Real Property Assessment Department of The City of New York on _____, as Condominium Plan No. _____ and also filed in the Register's Office on _____, as Condominium Map No. _____;

TOGETHER with an undivided _____% interest in the Common Elements (as such term is defined in the Declaration);

TOGETHER with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

TOGETHER with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-laws of the Condominium (the "By Laws"), as the same may be amended from time to time, all of which constitute covenants running with the Land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein.

SUBJECT also to such other liens, agreements, covenants, easements, restrictions, consents and other matters of record as pertain to the Unit, to the Land and/or to the Building (which Land and Building are collectively referred to as the "Property").

TO HAVE AND TO HOLD the same unto the Grantee and the heirs or successors and assigns of the Grantee forever.

If any provision of the Declaration or the By-laws is invalid under, or would cause the Declaration or the By-laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Declaration and the By-laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-laws, or if the Declaration and the By-laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration shall control.

Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration or the By-laws, the Unit is intended for residential use only.

Grantor represents that the Grantor is the same party as the Grantee of the Property under deed dated [redacted] and recorded in the Register's office on [redacted] as CRFN [redacted].

Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, except as set forth in the Declaration and the By-laws (and any Rules and Regulations adopted under the By-laws).

Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

Grantee accepts and ratifies the provisions of the Declaration and the By-laws (and any Rules and Regulations adopted under the By-laws) and agrees to comply with all the terms and provisions thereof.

This conveyance is made in the regular course of business actually conducted by the Grantor.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

All capitalized terms used herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or the By-laws of the Condominium.

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this Indenture as of the day and year first above written.

* * * * *

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this Indenture as of the day and year first above written.

SPONSOR:

41-45 Property Owner, LLC

By: 41-45 Land Assemblage, LLC, its sole member

By: Z East 60th Mgr., LLC, its manager

By: AZ East 60th Street Manager, LLC, its member

By:_____
Name: Arthur Zeckendorf
Title: Member

By: WLZ 43-45 East 60th, LLC, its member

By:_____
Name: William Lie Zeckendorf
Title: Member

By: 41 East 60th Street Associates, L.P., its member

By: 41-60 Genpar Corp., its general partner

By:_____
Name: Peter Allen
Title: Vice President

By: Park Sixty LLC, its member

By:_____
Name: Rafael Nasser
Title: Member

GRANTEE:

_____

_____

(ACKNOWLEDGEMENTS)

STATE OF NEW YORK)
) ss.:
COUNTY OF New York)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary

STATE OF NEW YORK)
) ss.:
COUNTY OF New York)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary

STATE OF NEW YORK)
) ss.:
COUNTY OF New York)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary

EXHIBIT A
TO UNIT DEED

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, bounded and described as follows:

[See the Schedule A – Description of the Land in the Specimen Title Report set forth in Part II of the Plan.]

ANCILLARY AMENITY LICENSE

ANCILLARY AMENITY LICENSE

AGREEMENT made this _____ day of _____, _____ ("Agreement") by and between 41-45 Property Owner, LLC, having an office at 445 Park Avenue, Suite 1902, New York, New York 10022 ("Sponsor"), and the Condominium Board of the 520 Park Avenue Condominium on behalf of all Unit Owners, having an address at 520 Park Avenue, New York, New York 10022 ("Condominium Board") (Sponsor and the Condominium Board are sometimes collectively referred to as the ("Licensor") and _____ having an address at _____, _____ ("Licensee");

W I T N E S S E T H :

WHEREAS, the 520 Park Avenue Condominium ("Condominium") is governed by a certain Declaration of Condominium, recorded in the Office of the Register of the City of New York, County of New York as the same has been or may be amended from time to time ("Declaration"), the by-laws of the Condominium, as the same has been or may be amended from time to time ("By-Laws") and the Rules and Regulations of the Condominium, as the same has been or may be amended from time to time ("Rules and Regulations") ("Declaration," the "By-Laws" and the "Rules and Regulations" are collectively, referred to as the "Condominium Documents"); and

WHEREAS, in a portion of the Building of the Condominium there are Common Elements ("_____ Area") in which _____ have been installed for use by permitted Unit Owners; and

WHEREAS, Licensee, owns or simultaneously herewith is acquiring Unit No. _____ in the Condominium; and

WHEREAS, the Condominium Board granted Sponsor the exclusive right to sell, without charge, the _____ pursuant to an Ancillary Amenity license and the Condominium will not be entitled to any of the proceeds from such sale; and

WHEREAS, Licensee desires the right to the exclusive use of a _____ ("Ancillary Amenity") for so long as Licensee owns a Unit in the Condominium;

NOW THEREFORE, in consideration of the sum of $10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Licensor hereby grants to Licensee, its successors and assigns, a license for the exclusive use of _____ #____ ("_____ License") and Licensee hereby accepts such Ancillary Amenity License from Licensor for a term commencing on the date hereof.

2. Licensee shall pay a monthly license fee to Licensor in the amount of $_____ **[OR]** [the Condominium Board has the right to impose license fees on licensee in accordance with the By-Laws]. Any license fee and/or Special Assessment due hereunder or imposed by the Condominium Board in the future, shall constitute "additional Common Charges" under the terms of the Condominium Documents. Licensee's failure to pay the license fee and/or Special Assessment due hereunder or imposed by the Condominium Board in the future shall constitute a material default under the terms of the Condominium Documents.

3. The Storage Locker may be used only for the storage of personal effects of a Unit Owner and in no event shall any food or perishable items or any flammable or explosive item or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance be stored in the Storage Locker. The Storage Locker and the Storage Locker Area will not be served by an emergency generator to maintain proper cooling temperatures in the event of a power outage and any resulting spoilage will be the sole cost of Licensee. Neither Sponsor nor the Condominium Board shall be liable for any spoilage caused by power outages, temperature fluctuations or other causes in the Storage Locker Area.

4. The Wine Storage Locker may be used only for the storage of wine and other beverages only.

5. Except for Sponsor and the Condominium Board, a Unit Owner may not own the Ancillary Amenity without also owning a Unit.

6. Licensee shall not (a) store any property outside of the Ancillary Amenity; or (b) allow any other Person to use the Ancillary Amenity except in accordance with the terms hereof.

7. This Ancillary Amenity License may be assigned by Licensee at any time provided the assignee (i) is a Unit Owner at the Condominium, (ii) assumes the obligations hereunder in the form annexed hereto, (iii) notification of the assignment is delivered in writing to the Condominium Board in compliance with its requirements as the same may be modified from time to time, and (iv) no outstanding monies are owed to the Condominium by Licensee and/or assignee. This Ancillary Amenity License shall automatically terminate at such time as Licensee no longer owns a Unit in the Condominium unless this Ancillary Amenity License is assigned to and assumed by another Unit Owner.

8. Licensee represents that Licensee has made a thorough inspection of the Ancillary Amenity and the Ancillary Amenity Area and agrees to take same in its "as is" condition as of the date of this Ancillary Amenity License. Ancillary Amenity Licensee shall throughout the term of this Ancillary Amenity License, take good care of and maintain the Ancillary Amenity. All repairs and replacements to the Ancillary Amenity as well as the Ancillary Amenity Area shall be performed by the Condominium Board and the cost thereof shall be a Common Expense, unless such repair or replacement is necessitated by the negligence, misuse, or abuse of a particular licensee, then the entire cost and expense of such repair or replacement shall be borne by such licensee.

9. Licensor nor Licensor's agents or employees shall be liable for any theft or damage to any property stored in the Ancillary Amenity Area.

10. The terms of this Ancillary Amenity License are subject to the terms of the Condominium Documents. Nothing contained herein shall be construed as limiting the rights and obligations of the parties under the Condominium Documents. Any conflict between the provisions of this Ancillary Amenity License and the Condominium Documents shall be resolved in favor of the Condominium Documents.

11. Licensee acknowledges that the Condominium Board shall have the right to impose a monthly license fee payable to the Condominium. The monthly license fee, if imposed, shall constitute "additional Common Charges" under the terms of the Condominium Documents. Licensee's failure to pay the monthly license fee, if imposed, shall constitute a default under the terms of the Condominium Documents.

12. If Licensee defaults in its obligations hereunder or under the Condominium Documents, the Condominium Board may, in addition to the rights and remedies set forth in the Condominium Documents, (i) deny access to and use of the Ancillary Amenity until Licensee cures such default or (ii) terminate this Ancillary Amenity License upon written notice to Licensee.

13. The Condominium Board or its agents shall have the right, but not the obligation, to open the Ancillary Amenity in an emergency at any time, and, at other reasonable times upon prior notice to Licensee, to inspect and examine the Ancillary Amenity Area and to make such repairs, replacements and improvements as the Condominium Board shall deem necessary.

14. This Ancillary Amenity License shall constitute a license only and shall not be construed under any circumstances to be a sale of the Ancillary Amenity or conveyance of title thereto. In no event shall a landlord/tenant relationship exist between Licensor and Licensee with respect to this Ancillary Amenity License.

15. Licensee shall indemnify and hold Licensor and their respective officers, directors, shareholders, unit owners, members, agents and employees, harmless from and against any and all liabilities, claims, penalties and judgments, together with any related costs and expenses, including legal fees and expenses, asserted against or sustained by any of them in connection with any act, omission, or negligence of Licensee or Licensee's family members, servants, employees, agents, guests and invitees in connection with this Ancillary Amenity License.

16. Licensee shall be obligated at its sole cost and expense to obtain and maintain insurance covering the Ancillary Amenity in amounts sufficient to cover the property located therein.

17. Licensee shall be obligated to reimburse Licensor for any legal fees and disbursements incurred by Licensor in defending the rights of Licensor under this Ancillary Amenity License or, in the event Licensee defaults under this Ancillary Amenity License beyond any applicable grace period, enforcing Licensee's obligations hereunder.

18. Neither this Ancillary Amenity License nor any provision hereof may be waived, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, amendment, discharge or termination is sought and then only to the extent set forth in such instrument.

19. It is understood and agreed that all understandings and agreements heretofore had between the parties hereto are merged in this Ancillary Amenity License, which alone fully and completely express their agreement and that this Ancillary Amenity License supersedes any and all such understandings and agreements with respect to the subject matter hereof.

20. If any provision of this Ancillary Amenity License is invalid or unenforceable as against any party or under certain circumstances, the remainder of this Ancillary Amenity License and the applicability of such provision to other parties or circumstances shall not be affected thereby. Each provision of this Ancillary Amenity License, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by Law.

21. Either party shall execute, acknowledge and deliver to the other party such instruments and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Ancillary Amenity License or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

22. Any failure by Licensor to insist upon strict performance by Licensee of any of the provisions of this Ancillary Amenity License shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and Licensor, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Licensee of any and all of the provisions of this Ancillary Amenity License to be performed by Licensee.

IN WITNESS WHEREOF, the undersigned have executed this Ancillary Amenity License as of the day and year first above written.

Agreed to and Acknowledged by:

LICENSOR:

520 Park Avenue Condominium

By: _____
Name:
Title:

LICENSEE:

_____

_____

SPONSOR:

41-45 Property Owner, LLC

By: 41-45 Land Assemblage, LLC, its sole member

By: Z East 60th Mgr., LLC, its manager

By: AZ East 60th Street Manager, LLC, its member

By:_____
Name: Arthur Zeckendorf
Title: Member

By: WLZ 43-45 East 60th, LLC, its member

By:_____
Name: William Lie Zeckendorf
Title: Member

By: 41 East 60th Street Associates, L.P., its member

By: 41-60 Genpar Corp., its general partner

By:_____
Name: Peter Allen
Title: Vice President

By: Park Sixty LLC, its member

By:_____
Name: Rafael Nasser
Title: Member

ASSIGNMENT AND ASSUMPTION OF ANCILLARY AMENITY LICENSE

ASSIGNMENT AND ASSUMPTION OF ANCILLARY AMENITY LICENSE

THIS ASSIGNMENT AND ASSUMPTION OF _____ made as of the _____ day of _____, _____ by and between _____ ("Assignor"), having an address at _____, and _____ ("Assignee"), having an address at _____.

W I T N E S S E T H :

WHEREAS, Assignor executed a certain Ancillary Amenity License dated _____, _____ ("Ancillary Amenity License") to have the exclusive right to use _____ # ___ ("Ancillary Amenity") located in the Building known as the 520 Park Avenue Condominium, located at 520 Park Avenue, New York, New York 10022, in accordance with the terms of the Condominium Offering Plan for the Building ("Plan"), as amended; and

WHEREAS, Assignor desires to assign to Assignee all of Assignor's right, title and interest in and to the Ancillary Amenity License; and

WHEREAS, Assignee desires to assume all of the obligations and responsibilities of Assignor in and to the Ancillary Amenity License; and

WHEREAS, the parties hereto wish to set forth their agreements with respect to this Assignment and Assumption of this Ancillary Amenity License.

NOW, THEREFORE, in consideration of the mutual promises herein contained, and other good and valuable consideration, the parties hereto agree as follows:

1. ASSIGNMENT: Assignor hereby assigns to Assignee, from and after the date hereof, all of Assignor's right, title and interest in and to the Ancillary Amenity License, a copy of which is attached hereto and made a part hereof, for a Purchase Price of $_____.

2. ASSUMPTION: Assignee hereby assumes all of the obligations, promises, covenants and responsibilities of Assignor in and to the Ancillary Amenity License as if Assignee had signed the Ancillary Amenity License originally as "Licensee."

3. AUTHORIZATION AND DIRECTION: Assignor and Assignee hereby authorize and direct the Condominium to have the books and records of the Condominium reflect that Assignee has the exclusive right to use the Ancillary Amenity.

4. EFFECTIVE DATE: This Assignment shall not be deemed effective unless and until signed by each of the parties hereto.

5. DEFINED TERMS: All terms not defined herein shall have the meanings ascribed to them in the Plan.

IN WITNESS WHEREOF, Assignor and Assignee have duly executed this Assignment and Assumption of Ancillary Amenity License on the day and year first above written.

APPROVED BY:

520 Park Avenue Condominium

By: _____
Name:
Title:

ASSIGNOR:

_____
(signature)

ASSIGNEE:

_____
(signature)

DECLARATION OF CONDOMINIUM

DECLARATION

Establishing a Plan for Condominium Ownership of the Premises Known as

520 PARK AVENUE CONDOMINIUM

and having a street address of

520 PARK AVENUE
NEW YORK, NEW YORK 10022

Pursuant to Article 9-B of the Real Property Law of the State of New York

Name: **520 Park Avenue Condominium**

Sponsor: **41-45 Property Owner, LLC**
445 Park Avenue, Suite 1902
New York, New York 10022

Date of Declaration:

_____, _____

Prepared by:

STARR ASSOCIATES LLP
Attorneys At Law
245 Fifth Avenue
New York, New York 10016
(212) 620-2680

The land affected by the within instrument lies in Section _____, Block 1375 F/K/A Lot _____, N/K/A Lots _____ - _____ on the Tax Map of the Borough of Manhattan, County of New York, City and State of New York

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Exhibits

A – DESCRIPTION OF THE LAND

B – DESCRIPTION OF THE UNITS

C – DEFINITIONS

D – BY-LAWS OF THE CONDOMINIUM

E – UNIT POWER OF ATTORNEY

DECLARATION

OF

520 PARK AVENUE CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

41-45 Property Owner, LLC, a limited liability company organized under the laws of the State of Delaware, having an office at 445 Park Avenue, Suite 1902, New York, New York 10022 ("Sponsor"), does hereby declare as follows:

ARTICLE 1

DEFINITIONS

All capitalized terms used in this Declaration that are not otherwise defined in the Articles hereof shall have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used shall otherwise require. All capitalized terms used in this Declaration that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the said capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

ARTICLE 2

SUBMISSION OF THE PROPERTY

2.1 Sponsor hereby submits the Property to the provisions of the Condominium Act and pursuant thereto, does hereby establish a regime for the condominium ownership of the Property as more particularly set forth herein and in the By-Laws.

2.2 Excluded from the Property are any Excess Development Rights, which shall be retained by Sponsor, who shall have the exclusive right to utilize, sell or otherwise transfer any Excess Development Rights. Excess Development Rights shall inure solely to the benefit of Sponsor or other Development Rights Owner.

ARTICLE 3

NAME OF THE CONDOMINIUM

The Condominium shall be known as the 520 Park Avenue Condominium.

ARTICLE 4

THE LAND

Included in the Property is the Land which is more particularly described in Exhibit A annexed hereto.

ARTICLE 5

THE PROPERTY AND THE BUILDING

5.1 Included in the Property are: 32 Units (including 1 Resident Manager's Unit), 7 Suite Units, 15 Storage Lockers and 10 Wine Storage Lockers, contained in a 57 story structure above grade with a roof level and 4 cellars. There is no Floor 8-13 designation.

5.1.1 The Units will be located on Floors 14 through 54.

5.1.2 The Suite Units will be located on Floors 4 and 5.

5.1.3 The Storage Lockers will be located on sub-cellar 3.

5.1.4 The Wine Storage Lockers will be located on sub-cellar 3.

5.2 The Building is classified as being of fire proof construction. The Building structural system consists of a reinforced cast in place concrete flat plate construction and will be supported by columns and shear walls. The roof consists of an exposed waterproofing membrane over polyisocyanurate insulation.

ARTICLE 6

THE UNITS

6.1 Exhibit B annexed hereto sets forth the following data with respect to each Unit necessary for the proper identification thereof: Unit designation; tax lot number; approximate location in the Building; approximate square footage; number of rooms; the portions of the Common Elements to which such Unit has immediate access; and the Common Interest appurtenant to such Unit. The precise location of each Unit is shown on the Floor Plans.

6.2 Each Unit (with the exception of the Suite Units and the Resident Manager's Unit) is measured horizontally from the exterior side of the exterior walls to the centerline of the partitions separating mechanical equipment spaces or any Common Elements not within a Unit or to the exterior side of the opposite exterior walls, provided, however, (i) columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits in all Units; and (ii) elevator shafts, elevator lobby, and stairwells on the floors containing full floor units are not deducted from the measurement of each Unit. Each Unit is measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling. The corridor adjacent to the stairs is part of the Unit.

Each Suite Unit and the Resident Manager's Unit is measured horizontally from the exterior side of the exterior walls to the centerline of the partitions separating one Unit from another Unit, or separating one Unit from corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Unit or to the exterior side of the opposite exterior walls, provided, however, columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits in all Units are not deducted from the measurement of each Unit. Each Unit is measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling.

6.3 Each Unit includes, and each Unit Owner shall be responsible for, the front entrance door and any other entrance doors to the Unit including Terrace doors (including, without limitation, all locks, peepholes, doorknobs and hardware), hallway exclusively serving such Unit, the interior walls, partitions, floors and floor coverings and ceilings affixed, attached or appurtenant to the Unit, smoke/carbon monoxide detectors, window panes, fireplace, firebox, dampers, mantel and flue, all mechanical systems located in the Unit, heating and cooling systems (including HVAC filters and parts), all plumbing, gas and heating fixtures

and equipment, including but not limited to, refrigerators, dishwashers, washers and dryers, heating, ventilating and air conditioning Units (including the fans inside the Units), heating equipment, ranges and other appliances, sinks, bathtubs, waterclosets and all other Facilities as may be affixed, attached or appurtenant to the Unit and serving the Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, water spigots located on Terraces, and any special pipes or equipment which a Unit Owner may install within the walls, ceilings, or floors, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors, unless such installations were made by the Unit Owner after the Unit Owners acquired title to the Unit, in which event Unit Owner shall be responsible for such installations. Each Unit shall also include all lighting and electrical fixtures and appliances within the Unit, including those located on Terraces and any special equipment, fixtures or Facilities affixed, attached or appurtenant to the Unit, to the extent located within a Unit from the electrical panel (including electrical branch wiring but excluding electrical service riders) and serving or benefiting only that Unit.

6.4 Any Common Elements located within a Unit shall not be considered a part of such Unit.

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

6.6 As of the date of the filing of this Declaration with the Register's Office, fee simple absolute title shall automatically vest in Sponsor in all Units individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

ARTICLE 7

THE COMMON ELEMENTS

7.1 The Common Elements consist of the entire Property, including the Land and all parts of the Building and improvements thereon other than the Units. The Common Elements are comprised of the General Common Elements and the Limited Common Elements. The Common Elements do not include the Developmental Rights which shall be initially retained by Sponsor.

7.2 The General Common Elements consist of the Land and those rooms, areas, corridors and other portions of the Building (other than the Units), as well as those Facilities therein, either currently or hereafter existing for the common use of the Units or of the Unit Owners or necessary for, or convenient to, the existence, maintenance, management, operation, or safety of the Property. Without intending to limit the generality of the foregoing in any respect, the General Common Elements include:

(i) the Land (including the landscaping appurtenant thereto) and any improvements thereon, together with all easements, rights and privileges appurtenant thereto, except for the Development Rights.

(ii) all foundations, columns, beams, joists, supports, piles, footings, pillars, girders, exterior walls, interior walls, partitions, floor slabs and ceilings, window casements and frames, roofs and ceilings in, on, or under the Building, separating a Unit from a General Common Element, and that portion of all such interior walls, partitions, floors and

ceilings separating a General Common Element from a Unit and/or General Common Element and/or a Limited Common Element, from the midpoint of any such wall, partition, floor or ceiling to the boundary line of such General Common Element, to the extent that the same are not expressly included as part of the Limited Common Elements pursuant to the terms of Paragraph 7.3 below or a Unit pursuant to the terms of Article 6 hereof.

(iii) all stairways, passenger elevators and their respective bulkheads, shafts, pits, elevator machine rooms and equipment rooms and the residential hallways.

(iv) lobby, service entrances, exit corridors, concierge station, package storage room, parlor, cart room, mail room, each of which are located on Floor 1.

(v) the landscaped garden and the skylight thereon located adjacent to the lobby on Floor 1.

(vi) mechanical rooms, and all equipment, finishings, and furniture contained therein, located on Floors 2, 6, 7, and 37.

(vii) the steam meter room located on Floor 2.

(viii) mechanical rooms, electrical switch gear room, electrical equipment and Con-Edison transformer vaults located on Floor 3.

(ix) elevator machine room, and all equipment contained therein, located on Floor 7.

(x) the mechanical room located on Floors 48 and 49 containing the fire suppression tank, and all equipment contained therein.

(xi) mechanical equipment, elevator machine rooms and all equipment, finishings, and furniture contained therein, and tuned mass damper, located on Floors 55, 56, and 57.

(xii) cooling tower and chillers located on the roof.

(xiii) the pump room, domestic water room, located on the cellar, subcellar 3, Floor 55 of the Building.

(xiv) gas meter room, telephone room, and all equipment contained in each, each of which is located on subcellar 1.

(xv) children's playroom located on cellar.

(xvi) utility rooms located on cellar.

(xvii) fitness center and all equipment, finishings and furniture contained therein, exercise rooms, swimming pool, women's and men's lockers, sauna and stretching room located on cellar and sub-cellar 1.

(xviii) storm detention tanks located on subcellar 1 and Floor 7.

(xix) fire pump rooms and equipment located on subcellar 1 and Floors 37, 42 and 51 of the Building.

(xx) common laundry room, resident manager's office, employee locker room and lounge area, storage rooms, and mechanical rooms located on sub-cellar 2.

(xxi) compactor rooms located on subcellar 2 and their respective shafts and equipment.

(xxii) multi-purpose room with accessory pantry, storage rooms, and bicycle storage rooms located on sub-cellar 3.

(xxiii) the storage locker area, all storage lockers contained therein, the wine storage locker area, and all wine storage lockers contained therein located on sub-cellar 3.

(xxiv) the exterior screen (if any) serving as a view buffer from the street and located on the façade of the Building.

(xxv) all masonry walls, partitions, floors and ceilings in, on or under the Building, separating a Unit from another Unit or a Limited Common Element and that portion of all such masonry walls, partitions, floors and ceilings separating a Limited Common Element from a General Common Element, from the midpoint of any such wall, partition, floor or ceiling to the boundary line of such General Common Element.

(xxvi) all central and appurtenant installations and Facilities for services such as power, light, telephone, intercom, gas, sewer, plumbing, drainage, hot and cold water distribution, heat, garbage disposal, master and cable television and other mechanical and electrical systems which serve the Units and/or the General Common Elements and/or the Limited Common Elements only.

(xxvii) all other parts of the Property, and all apparatus and installations now existing or hereafter constructed in the Building or on the Property, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to the existence, maintenance or safety of the Property, to the extent that the same are not expressly included as part of the Limited Common Elements pursuant to the terms of Paragraph 7.3 below or a Unit pursuant to the terms of Article 6 hereof.

7.3 The Limited Common Elements consist of all portions of the Land and Building (other than the Units) that are for the use of one or more specified Units to the exclusion of all other Units. Without intending to limit the generality of the foregoing in any respect, the Limited Common Elements include: the Terrace appurtenant to PH 52 as more particularly set forth on Exhibit "B" to this Declaration entitled "Description of Units".

7.4 The Common Elements shall remain undivided, and no Unit Owner or any other Person shall bring, or shall have the right to bring, any action for partition or division thereof, except as is expressly permitted pursuant to the terms of Article 15 hereof and Section 5.5 of the By-laws.

ARTICLE 8

DETERMINATION OF COMMON INTEREST

The undivided percentage interest of each Unit in the Common Elements is based upon based upon the approximate proportion that the floor area of the Unit at the date of the Declaration bears to the then aggregate floor area of all the Units, but such proportion reflecting the substantially exclusive advantages enjoyed by one or more but not all Units in a part or parts of the Common Elements in accordance with subsection (ii) of Real Property Law Section 339-i(1).

ARTICLE 9

USE OF UNITS AND ANCILLARY AMENITIES

9.1 As more particularly set forth in, and subject to the provisions of, the By-laws, the Units shall be used for residential purposes only (excluding "dormitory," "bed and breakfast" or other transient hotel-type use). A Unit owned or leased by an individual, corporation, partnership, fiduciary or any other entity (including, but not limited to, the federal or state government and any instrumentality thereof and foreign governments and any embassy, consulate, or other instrumentality thereof, may only be occupied (unless the Condominium Board otherwise consents in writing) by such individual, or by an individual officer, director, stockholder or employee of such corporation, or by an individual partner or employee of such partnership, or by such individual fiduciary (including directors, officers, stockholders or employees of corporate fiduciaries and partners or employees of partnership fiduciaries) or by an individual beneficiary of said fiduciary, or an individual principal or employee of such other entity, respectively, or by Family Members or guests of any of the foregoing, however, the foregoing restrictions shall not apply to Unsold Units.

Upon the prior written consent of Sponsor (1) (with respect to Unsold Units) or the Condominium Board (with respect to sold Units), any Unit may be used for any other lawful purposes, subject, however, to (2) the terms and conditions of the then existing Temporary or Permanent Certificate of Occupancy for the Building and the By-laws, and (3) applicable Law.

9.2 The Wine Storage Lockers may be used only for the storage of wine and other beverages and in no event shall any food or other perishable item, or any flammable or explosive item, or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance, be stored therein. Sponsor shall have the right to use any unassigned Wine Storage Locker for any purpose permitted by Law or to change the permitted use of any unassigned Wine Storage Locker for any purpose permitted by Law or to change the permitted use of any unassigned Wine Storage Locker, subject, however, to the provisions of the By-laws. Except for Sponsor and the Condominium Board, a Wine Storage Locker may not be licensed independently of a Unit.

9.3 The Storage Lockers may be used only for the storage of personal effects of a Unit Owner, and in no event shall any food or other perishable item, or any flammable or explosive item, or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance, be stored therein. Sponsor shall have the right to use any unassigned Storage Locker for any purpose permitted by Law or to change the permitted use of any unassigned Storage Locker, subject, however, to the provisions of the By-laws. Except for Sponsor and the Condominium Board, a Storage Locker may not be licensed independently of a Unit. The Storage Lockers and Storage Locker Areas will not be serviced by an emergency generator to maintain proper temperatures in the event of a power outage as a consequence of whatever cause, including, without limitation, water infiltration, and any resulting damage and/or spoilage to the contents therein will be at the sole cost of the licensee(s) of such Storage Lockers. Neither Sponsor nor the Condominium Board shall be responsible for any damage and/or spoilage caused by power outages, temperature fluctuations, or other causes (whether by mechanical or as a consequence of natural causes), including, without limitation, water infiltration, in the Storage Locker Areas

9.4 The Suite Units may be used only as a residence occupied by domestic employees of a Unit Owner, as well as Family Members and non-paying guests of Unit Owners. Occupancy of the Suite Units by non-paying guests cannot exceed 3 months, without the prior written consent of the Condominium Board. Except for Sponsor and any Suite Units owned by the Grolier Club, no Unit Owner may own a Suite Unit independently of a Unit. Each Suite Unit will be equipped with a kitchenette and bathroom.

9.5 Any Suite Units purchased by the Grolier Club, if applicable (as set forth in detail in Section 7.14 of the By-Laws) may only be used as a residence for the superintendent of the Grolier Club.

9.6 Notwithstanding the foregoing or anything contained in the By-laws or the Rules and Regulations to the contrary, Sponsor may, without the permission of the Condominium Board, (1) use or grant permission for the use of any Unsold Unit as a professional office or for any other purpose, provided such use is permitted by Law, and does not violate the then existing certificate of occupancy for the Building or any other governmental regulations, (2) use any Unsold Units as model Units and offices for the selling, leasing, management, operation and promotion of the Unsold Units or for any other purpose, subject only to compliance with Law, (3) use any Ancillary Amenity for any purpose permitted by Law, and (4) lease any Unsold Unit to third parties for either long term or short term stays.

ARTICLE 10

EASEMENTS FOR THE ENJOYMENT OF THE COMMON ELEMENTS

10.1 Subject to the terms of this Declaration, the By-laws and the Rules and Regulations, if applicable, Sponsor, the Unit Owners, the Selling Agent, the Managing Agent, the Condominium Board and all Permitted Users of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the General Common Elements, and the General Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no Person shall use or enjoy the General Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other Persons to do so.

10.2 Subject to the terms of the By-laws and the Rules and Regulations, if applicable, Sponsor, the Unit Owners, the Selling Agent, the Managing Agent, the Condominium Board and all Permitted Users of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the General Common Elements, and the General Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no person shall use or enjoy the General Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other persons to do so.

10.3 Each Unit Owner whose Unit has one or more appurtenant Limited Common Elements shall have an exclusive easement for the use thereof. The Units having the same are indicated on Exhibit B.

10.4 Sponsor and its Permitted Users shall have an easement in, over, under, through and upon the General Common Elements (including but not limited to, lobbies, hallways and corridors), to use the same, without being subject to any fee or charge, for all purposes and activities in connection with the sale or renting of Unsold Units including, without limitation, the right to erect, maintain, replace and/or repair any sign and/or lighting permitted by Law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit or the operation of any business of a tenant or occupant of any Unit.

10.5 In addition to all other easements and rights granted herein, Sponsor, the Managing Agent, and the Condominium Board, and each of their respective Permitted Users shall have an easement in, through and upon the terrace appurtenant to Unit TRI-PH 52 at floor 54 for various maintenance purposes, including, without limitation, Local Law 11 work.

10.6 In addition to all other easements and rights granted herein, Sponsor, the Managing Agent, and the Condominium Board, and each of their respective Permitted Users shall have an easement in, through and upon both floors of Unit DP-PH 48 for the purpose of accessing, servicing, and utilizing the mechanical room containing the fire suppression tank located on Floors 48 and 49.

ARTICLE 11

OTHER EASEMENTS

11.1 Subject to the terms of the By-laws and to the Rules and Regulations, if applicable, each Unit Owner shall have an easement in common with all other Unit Owners to use, maintain, repair, alter and replace all Common Elements located in any of the other Units or elsewhere on the Property which serve such Unit Owner's Unit, including an easement to connect to existing utilities, including without limitation, utilities for gas, electricity, steam and ventilation. Each Unit (including any Common Elements located therein) shall be subject to an easement in favor of all Unit Owners to use, maintain, repair, alter and replace all Common Elements located in such Unit or elsewhere on the Property which serve other Units. All easements and rights of access described in this Section shall be exercised by the Condominium Board on behalf of all Unit Owners. The Condominium Board shall have an easement and a right of access to each Unit and to the Common Elements contained therein and appurtenant thereto to inspect the same, to remove violations therefrom and to install, operate, maintain, repair, alter, rebuild, restore and replace any of the Common Elements located in, over, under, through, adjacent to, or upon the same, and each Unit and the Common Elements shall be subject to such easement and right of access. Such easements and rights of access shall be exercised by the Condominium Board and/or Sponsor, and each of their Permitted Users, as the case may be, to the extent practicable, in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted on reasonable prior notice based on the nature of the repair or replacement but in no event on less than two days' notice, except that no notice will be necessary in the case of an "emergency" (i.e., a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building). Plans and specifications with respect to any such proposed work shall be submitted by the Unit Owner who has requested that the Condominium Board exercise any such easement or right of access, to the Unit Owner whose Unit is to be accessed and all work is to be prosecuted diligently to completion. Notwithstanding any other provision of this Declaration, the By-laws or the Rules and Regulations, if applicable, any alterations carried out in connection with the easements granted hereinabove shall be such that neither the configuration nor the usable area of the affected Unit shall be materially adversely affected.

11.2 Sponsor for so long as it shall own any Unsold Unit, shall have the right to grant such additional electric, gas, steam, cable television, telephone, water, storm drainage, sewer and other utility easements in, or to relocate any existing utility easements to, any portion of the Property as Sponsor shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or for the general health or welfare of the Unit Owners and their Permitted Users, provided that the granting of such additional utility easements or the relocation of existing utilities will not prevent or unreasonably interfere with the normal use of the Units for their permitted purposes, and shall not result in the imposition of any mechanic's lien against any of the Units. Any utility company and its employees and agents shall have the right of access to each Unit or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the normal conduct of business or with the use of the Units for their permitted purposes. Notwithstanding any other provision of this Declaration, the By-laws or the Rules and Regulations, any alterations carried out in connection with the easements granted hereinabove shall be such that neither the configuration nor the usable area of the affected Unit shall be materially adversely affected. In addition, Sponsor reserves the right to install additional fireplace flues and mechanical equipment on the roof of the Building.

11.3 Sponsor and its Permitted Users for so long as Sponsor shall own any Unsold Unit, shall have an easement for ingress and egress through all of the Common Elements in order to make alterations, additions, or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon the Unsold Units and the Common Elements.

11.4 Each Unit and the Common Elements shall have easements of subjacent support and necessity, and the same shall be subject to such easements in favor of all of the other Units and the Common Elements.

11.5 Sponsor, and its Permitted Users shall have an exclusive right and easement for so long as the Condominium shall remain in existence, to erect, use, lease, maintain, repair, replace and operate (a) antennae, satellite dishes and other communications equipment, and (b) any pipes, risers, ducts, flues and equipment necessary or desirable to provide heat, air-conditioning, exhaust, or ventilation as required or, as permitted by Law, on any part of the roof and/or façade of the Building and elsewhere on the Common Elements (excluding Terraces and Ancillary Amenities) and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith. The exercise of the easement and these rights do not require the consent of the Condominium Board or the Unit Owners and shall be without charge to Sponsor. Any obligations of Sponsor under any lease, license or other right of use granted by Sponsor with respect to the roof and/or the façade of the Building shall be the obligation of Sponsor and not of the Condominium, and any rights of Sponsor, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, shall be the right of Sponsor, and not of the Condominium or any other Unit Owner. In connection with such easement and related rights, Sponsor and its Permitted Users shall each have, to the extent necessary or advisable for such erection, use, lease, maintenance, repair, replacement and operation, an easement in common with all Unit Owners for ingress, egress and the use of any Common Elements. The Units shall each be subject to such easement.

11.6 Sponsor and any Development Rights Owner shall have an easement for ingress and egress through all of the Common Elements for any purpose in connection with Sponsor's or Development Rights Owner's utilization, sale or transfer of any Excess Development Rights, including without limitation (i) effecting a zoning lot merger or division; or (ii) creating a Combined Zoning Lot or any enlargement or subdivision thereof; or (iii) effecting a sale or transfer of Excess Development Rights in any manner permitted by Law.

11.7 The Condominium and Building shall be designated and known as the 520 Park Avenue Condominium. Sponsor shall own and control all rights and interest, appurtenant to the name of the Condominium and/or the Building and any intellectual property relating thereto, including without limitation, any logos, marks, websites, trademarks, copyrights or names relating to or referring to the name of the Condominium or the Building, unless otherwise prohibited by Law. Only Sponsor shall have the right to change or assign the name of the Condominium subject to the consent of the Condominium Board. Sponsor shall have an exclusive easement for so long as the Condominium shall remain in existence to erect, maintain, repair and replace, from time to time, a plaque and/or sign ("Plaque"), without charge, on the exterior portion of the Building setting forth the name and address of Sponsor, or such other information as Sponsor desires in its sole discretion. Only Sponsor shall the right to remove the Plaque, unless mandated by Law.

11.8 If (a) any portion of the Common Elements encroaches upon any Unit or upon any other portion of the Common Elements, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements or (c) any such encroachment shall hereafter occur as a result of (i) the settling or shifting of the Building, (ii) any alteration, repair or restoration of the Common Elements made by or with the consent (when required by the By-laws) of the Condominium Board, or made by Sponsor in accordance with this Declaration or the By-laws or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand.

11.9 Sponsor and the Condominium Board have the obligation to allow the Grolier Club to use a door on the eastern side of the Building that accesses the Building's easternmost fire stair in case of an emergency. In compliance therewith, the convenience corridor located on the 2nd Floor of the Building is provided for the benefit of the Grolier Club, which connects to a stairway providing direct access the street.

11.10 In addition to the specific easements set forth in this Article 11 and in Article 10 hereof, the Property and every portion thereof shall be subject to all easements made with the City of New York or with any utility companies or other Persons in effect prior to the recording of this Declaration.

ARTICLE 12

ALTERATIONS, ADDITIONS, IMPROVEMENTS AND CHANGES TO UNSOLD UNITS

12.1 Except to the extent prohibited by Law, Sponsor shall have the right, without the vote or consent or approval of the Condominium Board, other Unit Owners, the Selling Agent, the Managing Agent or the Mortgage Representatives, if any, to:

(a) make alterations, additions, improvements, or repairs, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon Unsold Units and their appurtenant Limited Common Elements, if any;

(b) change the layout of, or number of rooms in, any Unsold Units;

(c) amend the Certificate of Occupancy for the Building as it relates to the Unsold Units;

(d) change the size and/or number of Unsold Units by (w) subdividing one or more Unsold Units into two or more separate Units, (x) combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Units, (y) altering the boundary walls between any Unsold Units, or (z) otherwise, including incorporating Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Unit) which exclusively benefit an Unsold Unit into such Unsold Unit without changing the percentage of Common Interest of such Unit; and

(e) if appropriate, reapportion among the Unsold Units affected by such change in size or number pursuant to the preceding clauses their Common Interest;

provided, however, that, with respect to any such alteration, addition, improvement, or change in, to, of, or upon any Unsold Unit:

(i) no physical modifications shall be made to any other Unit and the Common Interest or interior dimensions of any other Units (other than Unsold Units) shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto;

(ii) Sponsor shall comply with Law;

(iii) Sponsor shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and

(iv) such alteration, addition, improvement, repair or change shall not jeopardize the soundness, mechanical systems or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property.

In addition to the foregoing, with respect to the exterior screen constructed at the north, east, and south facades of the Building, covering the space between the Building's cantilever and the Grolier Club's building (the "Exterior Screen"), Sponsor shall have the right, without the vote or consent or approval of the Condominium Board, other Unit Owners, the Selling Agent, the Managing Agent or the Mortgage Representatives, if any, to replace, remove, or make alterations, additions, repairs, improvements, or changes to the Exterior Screen, provided that:

(i) the Exterior Screen (if any) consists of removable grills large enough to permit removal and replacement of the equipment and fixtures located on the roof of the Grolier Club's building;

(ii) the Grolier Club's building is not required for structural support of the Exterior Screen (if any); and

(iii) consent of the Grolier Club is obtained with respect to the design of the Exterior Screen, which is not to be unreasonably withheld or delayed.

Notwithstanding the foregoing, however, the aggregate amounts of the Common Interests of all the Units shall always remain at 100%, and no reapportionment of the Common Interest appurtenant to any Unit, as the case may be, shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest and, if applicable, Common Interest of the affected Unit has been based upon the factors set forth in Article 8 hereof. The certification referred to in the preceding sentence shall be delivered by Sponsor or any other Person reasonably acceptable to the Condominium Board. By written permission of the Condominium Board, which permission shall not be unreasonably withheld or delayed, any other Unit Owner may be given with respect to such Unit the same rights and be subject to the same limitations and conditions as are set forth in this Article with respect to Unsold Units. Notwithstanding the other provisions of this Article, no reapportionment of the Common Interests appurtenant to any Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest of the affected Unit has been based upon the factors set forth in Article 8 hereof. The certification referred to in the preceding sentence shall be delivered by the Unit Owner or any other Person reasonably acceptable to the Condominium Board. The provisions of this Article may not be added to, amended, modified, or deleted without the prior written consent of Sponsor.

ARTICLE 13

ACQUISITION OF UNIT BY THE CONDOMINIUM BOARD

If (a) any Unit Owner surrenders the Unit, together with its Appurtenant Interests to the Condominium Board pursuant to the terms of the By-laws or Section 339-x of the Condominium Act, or (b) the Condominium Board, pursuant to the By-laws or otherwise, either acquires or leases a Unit, together with its Appurtenant Interests, purchases, a Unit, together with its Appurtenant Interests, at a foreclosure or other similar sale, then, in any such event, title to any such Unit and such Appurtenant Interests shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests. Any lease or sublease of any Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests.

ARTICLE 14

POWER OF ATTORNEY TO SPONSOR AND THE CONDOMINIUM BOARD

14.1 Each Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owner's attorney in-fact, coupled with an interest and with power of substitution, Sponsor, to:

(a) amend the Condominium Documents pursuant to the terms thereof, and to effectuate the rights of Sponsor under the Condominium Documents ; and

(b) effectuate Sponsor's or any Development Rights Owner's utilization, sale or transfer of all or any portion of the Excess Development Rights, as set forth in this Declaration.

14.2 Each Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owner's attorney in-fact, coupled with an interest and with power of substitution, the Persons who shall from time to time constitute the Condominium Board, jointly, to:

(a) employ counsel for purposes of protesting the New York City real property tax assessments with the Tax Commission and commencing, pursuing, appealing, settling and/or terminating administration and tax certiorari proceedings on behalf of the Unit Owners for the reduction of the assessed valuation of their Units, such Unit Owners agreeing not to protest said assessments and bring such tax certiorari proceedings at their own initiative and on their own behalf;

(b) acquire, lease or license any Unit (including, but not limited to, the Resident Managers Unit), together with its Appurtenant Interests whose owner desires to sell, convey, transfer, assign, lease, sublease or surrender the same or acquire any Unit, together with its Appurtenant Interests that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners;

(c) acquire, mortgage, lease, sublease, license, convey or otherwise deal with (but not to vote the Common Interest, appurtenant to) any Unit so acquired or to sublease any Unit so leased; and

(d) acquire, mortgage, lease, sublease, license, convey or otherwise deal with the Resident Manager's Unit, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners; and

(e) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Property or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Property which the Condominium Board deems necessary or appropriate or (3) any protest and tax certiorari proceeding documentation affecting Units.

14.3 In confirmation of the foregoing power of attorney, each Unit Owner, upon the request of either Sponsor or the Condominium Board, shall duly execute, acknowledge and deliver to the requesting party, for recording in the Register's Office, a Unit Power of Attorney, substantially in the form set forth as Exhibit E to this Declaration.

ARTICLE 15

TERMINATION OF CONDOMINIUM

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-laws) until such time as the Property is withdrawn from the provisions of the Condominium Act is authorized by a vote of 80% in number and in Common Interest of all Unit Owners. No such vote shall be effective, however, without the written consent (which consent shall not be unreasonably withheld or delayed) of the Permitted Mortgagees representing at least fifty-one (51%) percent of the Common Interests of all Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any. In the event the withdrawal is authorized as aforesaid, but only in such event, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of Unit Owner's share of such net proceeds all liens on the Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

ARTICLE 16

COVENANT OF FURTHER ASSURANCES

16.1 Any Person who is subject to the terms of this Declaration, whether such Person is a Unit Owner, a Member or officer of the Condominium Board or a Permitted User of either or otherwise, shall, upon prior reasonable written request at the expense of any such other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request to effectuate the provisions of 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.

16.2 If any Unit Owner, the Condominium Board or any other Person who is subject to the terms of this Declaration fails or refuses, within 10 days (or 60 days, with respect to a Permitted Mortgagee) after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which the Condominium Board, Unit Owner or other Person is required to execute, acknowledge and deliver or to take pursuant to this Declaration, or (ii) to deliver a written notice to the Person requesting such execution, acknowledgement or delivery, and to the Condominium Board stating the reasons why such Unit Owner, Condominium Board or other Person refuses to execute, acknowledge or deliver such instrument or take such action, then the Condominium Board or other Person is hereby authorized as attorney-in-fact for such Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, Condominium Board or other Person and such document or action shall be binding on such Unit Owner, Condominium Board or other Person.

16.3 If any Unit Owner, the Condominium Board or other Person that is subject to the terms of this Declaration fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days (or 60 days, with respect to a Permitted Mortgagee) after request therefor, to execute, acknowledge or deliver any instrument which such Unit Owner, Condominium Board or other Person is required to execute, acknowledge or deliver pursuant to this Declaration at the request of Sponsor or a Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights as the case may be, then Sponsor or a Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights as the case may be, is hereby authorized, as attorney-in-fact for the Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, in the name of the Unit Owner, Condominium Board or other Person, and such instrument shall

be binding on the Unit Owner, Condominium Board or other Person. The Condominium Board shall not unreasonably withhold or delay its consent or approval with respect to any matter contained in this Declaration which requires the consent or approval of the Condominium Board.

ARTICLE 17

COVENANTS RUNNING WITH THE LAND

17.1 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 and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and owner's heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public. All present and future owners, tenants, subtenants, licensees, and other occupants of Units shall be subject to and shall comply with the provisions of 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.

17.2 If any provision of this Declaration or the By-laws is invalid under, or would cause this Declaration and the By-laws to be insufficient to submit the Property to the provisions of, the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-laws, then such provision shall be deemed included as part of this Declaration or the By-laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

17.3 Subject to Section 17.2, 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 18

EXCESS DEVELOPMENT RIGHTS

18.1 Any Excess Development Rights shall be retained by Sponsor, who shall have the exclusive right to utilize, sell or otherwise transfer any Excess Development Rights. Excess Development Rights shall inure solely to the benefit of Sponsor or other Development Rights Owner. Neither the Condominium Board nor any Unit Owner (other than Sponsor or a Development Rights Owner) shall have any right or interest in any Excess Development Rights.

18.2 In connection with its utilization of Excess Development Rights, Sponsor or Development Rights Owner, among other rights, may cause the Property to be divided into two or more parcels which collectively are referred to as the "Combined Zoning Lot."

18.3 Each Unit Owner by accepting a deed or otherwise succeeding to title to a Unit, and the Condominium Board, shall be deemed to have consented to and agreed that, if Sponsor or a Development Rights Owner seeks to enlarge the Combined Zoning Lot by adding other parcels of real property ("Additional Parcels") so as to create an enlarged Combined Zoning Lot, or seeks to utilize or transfer Excess Development Rights for the purposes and in accordance with the provisions of the Zoning Resolution or other applicable Law, the Condominium Board and the Unit Owner have (i) waived the right to execute any declaration of zoning lot restrictions, zoning lot development agreement, easement for light and air or other document or instrument and the right to appear in opposition before any community board or governmental or quasi-governmental authority to oppose in any manner the utilization, sale or transfer of Excess Development Rights or the establishment of the Combined Zoning Lot or any enlargement, division or proposed use thereof; and (ii) consented as a party in interest, to any declaration or other agreement utilizing the Excess Development Rights in any manner, including by effecting a transfer of Excess Development Rights or a merger or division of any of the parcels comprising the Combined Zoning Lot with any other tax lots in order to form a single zoning lot for the purpose of transferring all or any portion of the Excess Development Rights from Sponsor or a Development Rights Owner.

18.4 Notwithstanding the provisions of the immediately preceding paragraph, each Unit Owner by accepting a deed or otherwise succeeding to title to a Unit, and the Condominium Board, shall be deemed to have granted to Sponsor and any Development Rights Owner an irrevocable power of attorney coupled with an interest, to execute, acknowledge and deliver any such declaration of zoning lot restrictions, zoning lot development agreement, easement for light and air, or other document or instrument necessary or expedient to carry out the exercise of any rights, reserved, retained or granted to Sponsor or Development Rights Owner . Alternatively, upon demand of Sponsor or a Development Rights Owner, each Unit Owner and the Condominium Board shall execute any declaration of zoning lot restrictions, zoning lot development agreement, easement for light and air, or other document or instrument requested by Sponsor or Development Rights Owner in order that (i) Sponsor or Development Rights Owner may effectively utilize, sell or otherwise transfer Excess Development Rights to any Person designated by Sponsor or Development Rights Owner, and (ii) such Person may effectively utilize such Excess Development Rights.

18.5 Notwithstanding the foregoing, neither Sponsor nor any Development Rights Owner may utilize Excess Development Rights to increase the size, height, bulk or density of any portion of the Property.

18.6 All rights and obligations of Sponsor set forth in this Declaration with respect to the Excess Development Rights shall apply equally to any Development Rights Owner.

ARTICLE 19

AMENDMENTS TO THIS DECLARATION

19.1 Subject to the provisions contained herein or in the By-laws with respect to amendments, modifications, additions or deletions affecting Sponsor or a Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights, any provision of this Declaration affecting the Common Elements or all Unit Owners may be added to, amended, modified or deleted by the affirmative vote of at least 66-2/3% in number and in Common Interest of all Unit Owners, taken in accordance with the provisions of the By-laws; provided, however, that the Common Interest appurtenant to each Unit as expressed in this Declaration shall not be altered without the written consent of all Unit Owners directly affected. Subject to the provisions contained herein or in the By-laws with respect to amendments, modifications, additions or deletions affecting Sponsor or a Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights, no amendment, modification, addition or deletion shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives (as defined in the By-laws), if any. No such amendment, modification, addition or deletion shall be effective until recorded in the Register's Office. Subject to the provisions contained herein or in the By-laws with respect to amendments, modifications, additions or deletions affecting Sponsor or a Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights, any such amendment, modification, addition or deletion shall be executed by either the Condominium Board as attorney-in-fact for the Unit Owners, coupled with an interest, and the Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact. Subject to the rights of Sponsor set forth herein, this Section 19.1 of the Declaration may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, if any, as set forth above) 80% in number and in Common Interest of all Unit Owners affected thereby, approve such amendment, modification, addition or deletion in the manner set forth above.

19.2 Sponsor and a Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute, acknowledge and record (or, at Sponsor's or a Development Rights Owner's sole option, to require the Condominium Board or any other Unit Owners to execute, acknowledge and record) in the Register's Office and elsewhere, if required by Law, one or more amendments to this Declaration, the By-Laws, the Rules and Regulations and the Floor Plans of the Condominium as Sponsor or a Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights deems appropriate to effectuate the same:

(i) to reflect any changes in Unsold Units and/or the reapportionment of the Common Interest of the affected Unsold Units resulting therefrom made by Sponsor in accordance with the terms of Article 12 hereof; or

(ii) required by (x) an Institutional Lender designated by Sponsor to make a loan secured by a mortgage on any Unsold Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Sponsor to insure title to any Unsold Unit,

(iii) to correct any inconsistencies or scrivener's errors in the Declaration, the By-Laws and/or Floor Plans.

(iv) with respect to Excess Development Rights, to effectuate Sponsor's or any Development Rights Owner's utilization, sale or transfer of any Excess Development Rights in any manner permitted by Law,, provided that no such amendment shall enable Sponsor or

Development Rights Owner to utilize Excess Development Rights to increase the size, height, bulk, configuration and/or density of the Property; or

(v) to relinquish any rights granted to Sponsor hereunder.

Provided, however, that any amendment made pursuant to the terms of subparagraph (i) or (ii) of this Section shall not (1) change the Common Interest of any Unit other than a Unit owned by Sponsor, or (2) require a material, physical modification of any Unit other than a Unit owned by Sponsor, or (3) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender unless the owner of such affected Unit (in the event described in subparagraph (1) or (2) of this Section) or the holder of such mortgage (in the event described in subparagraph (3) of this Section) shall consent thereto by joining in the execution of such amendment.

19.3 Any amendment to this Declaration may be executed; (i) if on behalf of Sponsor or a Development Rights Owner pursuant to the terms of Section 19.2 hereof, by Sponsor or a Development Rights Owner, (ii) if on behalf of the Unit Owners or by the Condominium Board, by any officer of the Condominium. If the amendment requires the approval of a specific percentage of Unit Owners pursuant to the terms of this Declaration or the By-laws, then there shall be attached to such amendment an original executed Secretary's Certificate, certifying that the requisite number and percentage of Unit Owners approved the amendment at a duly constituted meeting or (when permitted in this Declaration or the By-laws) in writing without a meeting, in which Certificate shall be described the number and percentage of Unit Owners so consenting and (if voted upon at a meeting) the date and time of the meeting.

19.4 Notwithstanding anything contained in the Condominium Documents to the contrary, if any Unit Owner, with the prior written approval of the Condominium Board changes the size and/or number of Units owned by such Unit Owner by either (i) subdividing a Unit(s) into two or more separate Units, (x) combining a Unit into one or more Units, (y) altering the boundary walls between any adjacent Units owned by such Unit Owner, or (z) otherwise, including incorporating Common Elements (such as a portion of a hallway used exclusively by the owner of such Unit) which exclusively benefit a Unit into such Unit, then the Condominium Board on behalf of such Unit Owner and at the Unit Owner's sole cost and expense, shall have the right to execute, and record in the City Register's Office and elsewhere, if required by Law, any amendment to this Declaration and other documents which are necessary or appropriate to reflect the changes made by the Unit Owner, all without the approval of the other Unit Owners, provided, however, that any such amendment shall not (1) change the Common Interest of any other Unit, or (2) require a physical modification of any other Unit, or (3) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender, unless the owner of such affected Unit (in the event described in (1) or (2)) or the holder of such mortgage (in the event described in (3)) shall consent thereto by joining in the execution of such amendment.

19.5 Notwithstanding anything contained in the Condominium Documents to the contrary, but subject to any limitation imposed by the Condominium Act, no amendment to the Condominium Documents shall be effective in any respect against Sponsor or a Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights if the same would (i) unreasonably interfere with the sale, lease, or other disposition of any Unit owned by either of them or of Excess Development Rights, as the case may be, (ii) abridge, modify, suspend, eliminate, or otherwise affect any right, power, easement, privilege, or benefit granted to Sponsor or a Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights unless Sponsor or the Development Rights Owner shall consent to such amendment in writing, or (iii) impose any discriminatory charge or fee against Sponsor or a Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights, unless Sponsor or the Development Rights Owner shall consent to such amendment in writing.

19.6 The provisions of this Article may not be modified, amended, added to or deleted, in whole or in part, without the consent of Sponsor if the same relate to Sponsor.

19.7 No amendment to the Condominium Documents which would materially and adversely affect the holder of any Permitted Mortgage shall be effective without the prior written consent of 51% of the Permitted Mortgagees or a majority of the Mortgage Representatives, if any. If the Permitted Mortgagees or Mortgage Representatives fail to respond within 60 days after written receipt of the proposed amendment, delivered by either certified or registered mail, "return receipt" requested, the implied approval of such Permitted Mortgagees or Mortgage Representative shall be assumed.

ARTICLE 20

CONSENTS BY SPONSOR

When the consent, approval, satisfaction, or permission of Sponsor is required under this Declaration or the By-laws, such consent, approval, satisfaction, or permission shall not be required when (i) Sponsor no longer owns any Units; (ii) Sponsor has completed all of its obligations under the terms of the Offering Plan and (iii) a Permanent Certificate of Occupancy has been issued for the Property.

ARTICLE 21

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.

ARTICLE 22

INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the table of definitions annexed hereto as Exhibit C; (iv) the By-laws annexed hereto as Exhibit D; (v) the Unit Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans are, by this reference, each incorporated herein and made a part of this Declaration as if set forth at length in the text hereof.

ARTICLE 23

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 24

SEVERABILITY

Subject to the provisions of Section 17.2 and 17.3 of Article 17 hereof, if any provision of the Condominium Documents is invalid or unenforceable as against any Person or under certain circumstances, the remainder of the Condominium Documents and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of the Condominium Documents shall, except as

otherwise herein provided, be valid and enforced to the fullest extent permitted by Law. Any conflict between any provisions of the Condominium Documents and the Condominium Act, or any questions regarding the interpretation of any of the Condominium Documents, shall be governed by the Condominium Act.

ARTICLE 25

SUCCESSORS AND ASSIGNS

The rights and/or obligations of Sponsor as set forth in this Declaration and the By-laws shall inure to the benefit of and be binding upon any successor or assignee or designee of Sponsor. Sponsor shall have the right, at any time, in its sole discretion, to assign or otherwise transfer its interest therein, whether by merger, consolidation, lease, assignment, or otherwise.

ARTICLE 26

CAPTIONS

The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

ARTICLE 27

CERTAIN REFERENCES

26.1 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.

26.2 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.

26.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

ARTICLE 28

GENERAL

Except as required by Law, neither Sponsor nor any of its principals shall be subject to any of the restrictions and/or prohibitions with regard to the Units and/or Ancillary Amenities set forth in this Declaration or the By-laws annexed hereto.

IN WITNESS WHEREOF, Sponsor has caused this Declaration to be executed as of the ___ day of _____, _____.

* * * * *

SPONSOR:

41-45 Property Owner, LLC

By: 41-45 Land Assemblage, LLC, its sole member

By: Z East 60th Mgr., LLC, its manager

By: AZ East 60th Street Manager, LLC, its member

By:_____
Name: Arthur Zeckendorf
Title: Member

By: WLZ 43-45 East 60th, LLC, its member

By:_____
Name: William Lie Zeckendorf
Title: Member

By: 41 East 60th Street Associates, L.P., its member

By: 41-60 Genpar Corp., its general partner

By:_____
Name: Samuel Kellner
Title: Member

By: Park Sixty LLC, its member

By:_____
Name: Rafael Nasser
Title: Member

(ACKNOWLEDGEMENT)

STATE OF NEW YORK)
) ss.:
COUNTY OF New York)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary

STATE OF NEW YORK)
) ss.:
COUNTY OF New York)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary

EXHIBIT A TO THE DECLARATION

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, bounded and described as follows:

[See the Schedule A – Description of the Land in the Specimen Title Report set forth in Part II of the Plan.]

EXHIBIT B TO THE DECLARATION

DESCRIPTION OF THE UNITS

520 Park Avenue Condominium
520 Park Avenue
New York, New York 10022

DESCRIPTION OF THE UNITS

UNIT	NUMBER OF BEDROOMS/BATHS	APPROXIMATE TOTAL SQ. FT. UNIT	APPROXIMATE TOTAL SQ. FT. TERRACE	BLOCK 1375 TAX LOT NO.	PERCENTAGE OF COMMON INTEREST	LOCATION IN PORTION OF BUILDING FACING DIRECTION SET FORTH BELOW	COMMON ELEMENTS TO WHICH UNIT HAS IMMEDIATE ACCESS

EXHIBIT C

DEFINITIONS

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

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

"Ancillary Amenities" shall mean the Storage Lockers and Wine Storage Lockers.

"Ancillary Amenity Area" shall mean the areas located on sub-cellar 3 containing the Wine Storage Lockers and Storage Lockers. The Ancillary Amenity Areas are General Common Elements.

"Ancillary Amenity License" shall mean the agreement pursuant to which an Ancillary Amenity is licensed to a Unit Owner.

"Ancillary Amenity Licensee" shall mean any Unit Owner who licenses an Ancillary Amenity at the time in question. All such Unit Owners are, collectively, referred to as "Ancillary Amenity Licensees."

"Appurtenant Interest" shall mean, with respect to any Unit, the undivided interest of the owner thereof, pursuant to the terms of Section 339-x of the Condominium Act, in and to: (i) the Common Elements; (ii) any other Units owned or leased at the time in question by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or rental of Units of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.

"Building" shall mean the building located at 520 Park Avenue, New York, New York 10022.

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

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

"Christ Church" shall mean the religious not-for-profit corporation Christ Church, Methodist, of New York City, which is organized under the laws of the State of New York and has an address at 524 Park Avenue, New York, New York, 10022.

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

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

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

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

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

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

"Condominium" shall mean the 520 Park Avenue Condominium which will be established pursuant to the terms of the Declaration and which is governed pursuant to the terms of the By-Laws.

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

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

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

"Declarant" shall mean 41-45 Property Owner, LLC and its successors and assigns.

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

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

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

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

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

"Exercise Price" shall mean the amount due at Closing to pay the difference between the Purchase Price under the Option Agreement and the Purchase Price for the Unit.

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

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

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

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

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

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

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

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

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

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

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

described in the Declaration and the Floor Plans, except with respect to the Ancillary Amenities, which are only available for use by the licensee of the particular Ancillary Amenity.

"Grolier Club" shall refer to the not-for-profit corporation The Grolier Club of The City of New York, which is organized under the laws of the State of New York and has an office at 47 East 60th Street, New York, New York 10022.

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

"Institutional Mortgage" shall mean any first mortgage covering one or more Units that is a Permitted Mortgage and the initial holder of which is either Sponsor or an Institutional Lender.

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

"Land" shall mean the land located the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York as Block 1375, Lot 28 and Lot 9031 more particularly described in Exhibit A to the Declaration.

"Law" shall mean the laws and ordinances of any or all of the Federal, New York State, New York City, County and Borough governments, including, without limitation, the Buildings Department, the Landmarks Preservation Commission, the rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies, or offices thereof or of any other governmental, public or quasi-public authorities having jurisdiction over the Property and/or the Condominium and/or the direction of any public officer pursuant to Law which are applicable at the time in question.

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

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

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

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

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

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

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

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

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

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

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

"Plans and Specifications" shall mean the plans and specifications for the new construction of the Building which (to the extent required by Law) have been or will be filed with the Buildings Department and which may from time to time be amended in accordance with the provisions of the Plan.

"Premium Payment" shall mean all deposits, advances and payments made by Purchasers prior to the Closing of a Unit.

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

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

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

"Register's Office" shall mean the Office of the Register of the City of New York of the County in which the Property is located.

"Resident Manager's Unit" shall mean the Unit designated as the Resident Manager's Unit in the Declaration together with its Common Interest.

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

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

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

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

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

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

"Special Assessments" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata in accordance with their respective Common Interest (except as otherwise provided in the Declaration or in the By-Laws), in accordance with the By-Laws of the Condominium.

"Sponsor" shall mean 41-45 Property Owner, LLC and its successors and assigns as well as any Person(s) designated by Sponsor in a writing to the Condominium Board or by amendment to the Plan, to retain Sponsor's rights under the Plan and the Condominium Documents.

"Sponsor Control Period" shall mean the period ending on the later to occur of: (i) the Closing of Title with Purchasers under the Plan to Units representing at least 95% in number of all Units offered for sale, or (ii) the issuance of a Permanent Certificate of Occupancy.

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

"Storage Locker Area" shall mean an area located on sub-cellar 3 containing the Storage Lockers. The Storage Locker Area is a General Common Element.

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

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

"Title Company" shall mean First American Title Insurance Company, having an office at 633 Third Avenue, New York, New York 10017. (212) 551-9402, or any successor Title Company at the time in question.

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

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

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

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

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

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

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

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

"Wine Storage Locker Area" shall mean an area located on sub-cellar 3 containing the Wine Storage Lockers. The Wine Storage Locker Area is a General Common Element.

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

BY-LAWS OF THE CONDOMINIUM

EXHIBIT D

TO THE DECLARATION

BY-LAWS

OF

520 PARK AVENUE CONDOMINIUM

Prepared by:

STARR ASSOCIATES LLP
ATTORNEYS AT LAW
245 FIFTH AVENUE
NEW YORK, NEW YORK 10016
(212) 620-2680

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BY-LAWS

ARTICLE 1

GENERAL

Section 1.1 *Purpose.* The purpose of these By-laws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium. The Condominium covers the Property, which consists of: (i) the Land, which is more particularly described in Exhibit A to the Declaration; (ii) the Building, which includes, without limitation, the Units, the Common Elements and all easements, rights and appurtenances belonging thereto; and (iii) all other property, real, personal, or mixed, intended for use in connection therewith. The Property has been submitted to the provisions of the Condominium Act by the recording of the Declaration in the Register's Office, of which Declaration these By-laws form a part. The purpose of the Condominium is to carry on the acquisition, construction, management, maintenance and care of the Common Elements and to perform related functions with respect to the other portions of the Property.

Section 1.2 *Definitions.* All capitalized terms used in these By-laws that are not otherwise defined in any of the Articles hereof shall have the meanings set forth in Exhibit C to the Declaration, unless the context in which the same are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the aforedescribed capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

Section 1.3 *Applicability of By-laws.* These By-laws are applicable to the Property and to the use and occupancy thereof.

Section 1.4 *Application of By-laws.* All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units, and employees and guests of Unit Owners, as well as all other Persons who may use the Property, are and shall be subject to the Declaration, these By-laws and the Rules and Regulations, as each of the same may be amended from time to time. The acceptance of a deed or other instrument of conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of the Declaration, these By-laws and the Rules and Regulations, as each of the same may be amended from time to time, are accepted, ratified and will be complied with.

Section 1.5 *Principal Office of the Condominium.* The principal office of the Condominium shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

ARTICLE 2

CONDOMINIUM BOARD

Section 2.1 *General.* As more particularly set forth in Sections 2.4, 2.5 and 2.6 hereof, the affairs of the Condominium shall be governed by the Condominium Board. In exercising its powers and performing its duties under the Declaration and these By-laws, the Condominium Board shall act as, and shall be, the Agent of the Unit Owners, subject to, and in accordance with, the terms of the Declaration and these By-laws.

Section 2.2 *Status of the Condominium Board.* Unless and until the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the

extent permitted by Law, the status conferred upon unincorporated associations under, or pursuant to, the terms of the General Association Law of the State of New York. If the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon it under, or pursuant to, the terms of the applicable statutes of the State of New York. In either event, however, the Condominium Board shall also have the status conferred upon it under, or pursuant to, the terms of the Condominium Act.

Section 2.3 *Principal Office of the Condominium Board.* The principal office of the Condominium Board shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

Section 2.4 *Powers and Duties of the Condominium Board*

(A) The Condominium Board shall have all of the powers and duties necessary for, or incidental to, the administration of the affairs of the Condominium, provided, however, that the Condominium Board shall not have such powers and duties that by Law, or pursuant to the terms of the Declaration and these By-laws, may not be delegated to the Condominium Board by the Unit Owners. Without intention to limit the generality of the foregoing in any respect, the Condominium Board shall have the following specific powers and duties:

(i) to operate, maintain, repair, restore, add to, improve, alter and replace the Common Elements, including, without limitation, as the Condominium Board shall deem necessary or proper in connection therewith, (a) the purchase and leasing of supplies, equipment and material and (b) the employment, compensation and dismissal of personnel.

(ii) to acquire, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of the Unit Owners, all rights, titles and interests in real and personal property deemed necessary or proper by the Condominium Board for use in connection with the ownership and operation of the Property as a condominium.

(iii) to maintain complete and accurate books and records with respect to the finances and the operation of the Condominium, including without limitation: (a) detailed accounts, in chronological order, of receipts and expenditures affecting the Property; (b) detailed books of account of the Condominium Board; (c) other financial records, as well as other books of account of the Condominium, as may be required to be kept pursuant to the terms of these By-laws; and (d) minutes and other records of all meetings held pursuant to the terms of these By-laws.

(iv) to adopt a budget for the Condominium for each fiscal year thereof, setting forth, without limitation: (a) a detailed accounting of the anticipated Common Expenses for the ensuing fiscal year and (b) a detailed projection of all sources and amounts of income necessary to discharge the same.

(v) to approve the amount and the means and methods of payment of, and collection of, the Common Charges and Special Assessments from the Unit Owners; provided, however, that in no event shall Common Charges or Special Assessments or other funds received by the Condominium Board in connection with the General Common Elements be utilized to defray any Common Expenses and in no event shall Common Charges or Special Assessments or other funds received by the Condominium Board in connection with the Common Elements be utilized to defray any Common Expenses.

(vi) to borrow money on behalf of the Condominium in accordance with Section 339-jj of the Real Property Law when required in connection with the operation,

maintenance, repair, restoration, improvement, alteration and replacement of the Common Elements, provided, however, that: (a) the affirmative consent of at least 66 2/3% of the Members of the Condominium Board shall be required for the borrowing of any sum in excess of $500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (b) with respect to the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Common Elements, the affirmative consent of at least 66 2/3%, in aggregate Common Interest, of all Unit Owners shall be required for the borrowing of any sum in excess of $500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (c) no lien to secure repayment of any sum borrowed may be created on any Unit or its Appurtenant Interests without the consent of the owner of such Unit; and (d) the documentation executed in connection with any such borrowing shall provide that, if any sum borrowed by the Condominium Board pursuant to this subparagraph (vi) shall not be repaid by the Condominium Board, any Unit Owner who pays to the creditor thereunder such proportion of the then outstanding indebtedness represented or secured thereby as such Unit Owner's Common Interest bears to the aggregate Common Interests of all Unit Owners, shall be entitled to obtain from the creditor a release of any judgment or other lien that the said creditor shall have filed, or shall have the right to file against such Unit Owner's Unit.

(vii) to open and maintain bank accounts on behalf of the Condominium and to designate the signatories required therefor which shall at no time be less than two and that each check drawn on such account shall need at least two signatures.

(viii) to use the Common Charges and Special Assessments collected from Unit Owners, as well as all other funds held by the Condominium Board or received in connection with the operation of the Property, for the administration of the Condominium, including, without limitation: (a) the payment of Common Expenses and (b) the making of restorations, additions, alterations and improvements to the Common Elements.

(ix) to obtain insurance for the Property, including the Units, pursuant to the terms of Section 5.4 hereof.

(x) to adjust and settle claims under insurance policies obtained pursuant to the terms of Section 5.4 hereof, and to execute and deliver releases upon such adjustment and settlement on behalf of: (a) all Unit Owners (except as otherwise provided herein); (b) all holders of mortgages and other liens on Units; and (c) all holders of any other interest in the Property.

(xi) to make, or to contract with others for the making of, repairs, maintenance, additions and improvements to, and alterations, restorations and replacements of, the Property after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these By-laws.

(xii) to obtain and keep in force fidelity bonds, in amounts deemed appropriate by the Condominium Board, but in no event less than $100,000, for: (a) all Members of the Condominium Board; (b) all officers and employees of the Condominium; and (c) the Managing Agent, and the premiums on all such fidelity bonds shall constitute a part of the Common Expenses.

(xiii) to accept the surrender of any Unit pursuant to the terms of paragraph (C) of Section 6.2 hereof, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners.

(xiv) to purchase, lease, or otherwise acquire Units offered for sale, lease or assignment by their owners, in the name of the Condominium Board or its designee, corporate or

otherwise, and on behalf of all Unit Owners but only with the consent of a Majority of Unit Owners.

(xv) to purchase Units at foreclosure or other judicial sales, in the name of the Condominium Board or its designee, corporate or otherwise and on behalf of all Unit Owners but only with the consent of a Majority of Unit Owners.

(xvi) to sell, lease, license, mortgage and otherwise deal with Units and Ancillary Amenities acquired by, and to sublease Units leased by, the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, provided, however, that the Condominium Board or its designees shall in no event be entitled to vote the interest appurtenant to any such Unit.

(xvii) to adopt and amend the Rules and Regulations and to levy and authorize collection of fines against Unit Owners for violations of the Rules and Regulations and these By-laws (any such fines and fees shall be deemed to constitute Common Charges payable by Unit Owners of the Unit against which they are levied).

(xviii) to enforce by legal means the terms, covenants and conditions contained in the Condominium Documents and to bring or defend against any proceedings that may be instituted on behalf of, or against, the Unit Owners.

(xix) to incorporate, to the extent and in the manner provided in the Condominium Act, provided, however, that: (a) the certificate of incorporation and By-laws of any such resulting corporation shall conform as closely as practicable to the terms of the Declaration and these By-laws and (b) the terms of the Declaration and these By-laws shall prevail in the event of any inconsistency or conflict between the terms thereof and the terms of such certificate of incorporation and By-laws.

(xx) to organize corporations to act as the designees of the Condominium Board in acquiring title to, or leasing of, Units and in acquiring rights, titles and interests in real and personal property for use in connection with the ownership and operation of the Property as a condominium.

(xxi) to execute, acknowledge and deliver: (a) any and all declarations (including a declaration of single zoning lot) or other instrument affecting the Property that the Condominium Board deems necessary or appropriate to comply with any law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Building, and (b) any consent, covenant, restriction, easement, or declaration affecting the Property that the Condominium Board deems necessary or appropriate, and (c) any and all declarations, consents, waivers or other instruments requested by Sponsor or a Development Rights Owner, with respect to Sponsor's or a Development Rights Owner's utilization, sale or transfer of Excess Development Rights.

(xxii) to prepare, execute, acknowledge and record on behalf of all Unit Owners, as their attorney in fact, coupled with an interest, a restatement of the Declaration or these By-laws, whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modification, additions and deletions theretofore made to the same.

(xxiii) to prepare, execute, acknowledge and institute on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, protests of real property tax assessments and tax certiorari proceedings with respect to all Units and to assess any costs incurred thereby as a Common Expense.

(xxiv) to commence summary eviction proceedings in the name of or on behalf of the Condominium Board and/or a Unit Owner or Unit Owners, as the case may be, against an authorized guest and/or a Tenant of a Unit Owner if such authorized guest and/or Tenant does not conform to the Rules and Regulations of the Condominium, annexed hereto as Schedule A, as said Rules and Regulations may at any time and from time to time, be modified, amended or added to in accordance with the terms of these By-laws. All costs in connection with the removal of the authorized guest and/or Tenant, including attorneys' fees, shall be borne by the Unit Owner.

(xxv) to establish policies and procedures and impose fees in connection with the sale, lease or alteration of a Unit.

(xxvi) to acquire, finance the acquisition of, lease, sublease, license and maintain the Resident Manager's Unit and otherwise deal in any way with respect to such Resident Manager's Unit in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, including without limitation the execution, replacement or refinance of the purchase money mortgage(s) and note(s) with respect to the acquisition of such Resident Manager's Unit from Sponsor including, without limitation, the right to (i) assign to Sponsor and/or the institutional lender as additional collateral for the loan, the Condominium's rights in and to receive future income of all types, including the Common Charges; (ii) create a security interest in, assign, pledge, mortgage or otherwise encumber funds or other real or personal property that it holds; (iii) agree to increase Common Charges to the extent necessary to pay the amounts due under the loans; and (iv) agree that Common Charges be treated as trust funds to the extent necessary to make required payments to either Sponsor or the institutional lender.

(xxvii) to establish policies and procedures with respect to the services and facilities of the Condominium, including, without limitation, the right to impose usage fees and restrictions on hours of access and use.

(xxviii) to prepare, execute and administer Ancillary Amenity Licenses and assignments thereof and to impose license fees and/or Special Assessments in connection therewith, which shall constitute Additional Common Charges.

(xxvix) to carry out any other duties imposed upon the Condominium Board pursuant to the Declaration and these By-laws.

(xxx) to acquire in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners, Ancillary Amenity Licenses terminated or surrendered to the Condominium.

(xxxi) to adjust the First Year's Budget to reduce the Common Charges if the services or facilities are not available at the First Closing.

(B) The Condominium Board shall be responsible for carrying out the duties imposed upon it under the Condominium Documents regardless of whether a Unit is vacant or occupied by the owner thereof or by a permitted lessee or other permitted occupant.

Section 2.5 *Certain Limitations on the Powers of the Condominium Board.*

Notwithstanding anything to the contrary contained in these By-laws, so long as Sponsor shall continue to own at least 25% in number of all Units, but in no event later than 5 years after the First Closing, the Condominium Board may not, without Sponsor's prior written consent:

(i) make any addition, alteration, or improvement to the Common Elements or to any Unit, unless the same shall be required by Law;

(ii) assess any Common Charges or Special Assessments for the creation or replacement of, or the addition to, all or any part of a reserve, contingency, or surplus fund;

(iii) increase or decrease the number of, or change the kind of employees from those described in the First Years Budget;

(iv) enter into any service or maintenance contracts for work or otherwise contract for work or otherwise provide services in excess of those described the First Year's Budget set forth in the Plan, except as is required to reflect normal annual increases in operating services incurred in the ordinary course of business;

(v) borrow money on behalf of the Condominium; or

(vi) exercise a right of refusal to lease or purchase a Unit.

The written consent of Sponsor shall not be necessary to perform any function or take any action described in clauses (i) through (vi) above, if, and only if, the performance of such action or the carrying out of such action is necessary (and no other commercially reasonable alternative is available) to enable the Condominium Board to: (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer or (iv) to ensure the health and safety of the occupants of the Building.

Section 2.6 *Exercise and Delegation of Powers and Duties.*

(A) Any act within the power of the Condominium Board to perform, and deemed necessary or desirable to be performed by the Condominium Board, shall be performed by the Condominium Board or shall be performed on its behalf and at its direction by the agents, employees, or designees of the Condominium Board.

(B) The Condominium Board may appoint an Executive Committee by duly adopted resolution, which Executive Committee shall have, and may exercise, all of the powers of the Condominium Board, subject to both the exceptions and limitations as the Condominium Board may from time to time deem appropriate, during the intervals between the meetings of the Condominium Board. In addition, the Condominium Board may from time to time appoint, by duly adopted resolutions, such other committees as the Condominium Board may deem appropriate to perform such duties and services as the Condominium Board shall direct, each of which committees shall have, and may exercise, all of the powers delegated to it in its enabling resolution, subject, however, to the exceptions and limitations contained in paragraph (D) of this Section 2.6. The Executive Committee and each other committee shall consist of 3 Members of the Condominium Board.

(C) The Condominium Board may employ a Managing Agent to serve at a compensation approved by the Condominium Board and to perform such duties and services as the Condominium Board shall direct. Subject to the exceptions and limitations contained in paragraph (D) of this Section 2.6, the Condominium Board may delegate to the Managing Agent any of the powers granted to the Condominium Board in these By-laws.

(D) Notwithstanding anything to the contrary contained in this Section 2.6, the Executive Committee and the Managing Agent shall neither have nor be entitled to exercise, and the Condominium Board shall not delegate to either of them or to any other committee, the powers or duties described in subparagraphs (ii), (iv), (v), (vi), (xiii), (xiv), (xv), (xvi) and (xvii) of paragraph (A) of

Section 2.4 hereof. In addition, neither the Managing Agent nor any of the committees described in paragraph (B) of this Section 2.6 shall have, or be entitled to exercise, any of the powers of the Condominium Board, except to the extent permitted by Law.

Section 2.7 *Number, Election and Qualification of Members.* Until the First Annual Meeting held pursuant to the terms of Section 4.1 hereof, the Condominium Board shall consist of 3 individuals, all of which are to be designated from time to time by Sponsor. From and after the First Annual Meeting and for so long as Sponsor continues to own at least 1 Unsold Unit, the Condominium Board shall consist of 5 individuals who shall be elected and/or designated in accordance with the terms of these By-laws by the Unit Owners (including Sponsor) (collectively, the "Members"). Except for Members designated by Sponsor pursuant to the terms of this Section 2.7 or of Section 2.10 or 4.9 hereof, all Members of the Condominium Board shall be either: (i) individual Unit Owners or adult family members of an individual Unit Owner; or (ii) individual Permitted Mortgagees; or (iii) officers, directors, shareholders, partners, principals, employees, or beneficiaries of corporations, partnerships, fiduciaries, or any other entities that are Unit Owners or Permitted Mortgagees. After the Sponsor Control Period, a majority of the Members of the Condominium Board must be owner-occupants of the Building who are unrelated to Sponsor or its principals. In addition, no individual may be elected to serve on the Condominium Board, (nor may continue to serve on the Condominium Board) if the Condominium Board has perfected a lien against such Unit and the amount necessary to release such lien has not been paid at the time of such election, or so long as such lien remains unpaid. In no event may more than one individual of a designated Unit (including any Suite Unit owned by such Unit Owner) serve on the Condominium Board or as an officer of the Condominium Board at the same time during the term of office.

Section 2.8 *Term of Office of Members.* The term of office of the 3 Members of the Condominium Board designated by Sponsor prior to the First Annual Meeting shall expire when the 5 individuals to be elected and/or designated at such meeting are so elected and qualified or designated, as the case may be. The term of office of each of the 3 individuals elected and qualified or designated, as the case may be, at the First Annual Meeting pursuant to the terms of Section 4.9 hereof, shall be fixed at 1 year. Notwithstanding anything to the contrary contained in this Section 2.8, however, each Member of the Condominium Board shall serve until a successor shall be elected and qualified or designated, as the case may be.

Section 2.9 *Removal and Resignation of Members.*

(A) Any Member of the Condominium Board who was elected thereto either by the Unit Owners, pursuant to the terms of Section 4.9 hereof, or by the Condominium Board, pursuant to the terms of Section 2.10 hereof, may be removed from office, with or without cause, by a vote of a Majority of Unit Owners. Any Member of the Condominium Board who was designated as such by Sponsor pursuant to the terms of Section 2.7, 2.10, or 4.9 hereof, may be removed, with or without cause, only by Sponsor. If any Member of the Condominium Board who was designated by Sponsor is removed, the successor shall also be designated by Sponsor. Any Member of the Condominium Board whose proposed removal is to be acted upon at a meeting of the Unit Owners shall be given prior written notice thereof and an opportunity to be present and heard thereat.

(B) Any Member of the Condominium Board may resign such Member's membership at any time by giving written notice thereof to the Condominium Board. In addition, any Member of the Condominium Board who shall cease to be qualified for membership pursuant to the terms of Section 2.7 hereof shall be deemed to have resigned such Member's membership effective as of the date upon which such qualification shall cease.

Section 2.10 *Vacancies.*

(A) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a Member who was elected thereto by the Unit Owners shall be filled by an individual who is qualified to be a Member pursuant to the terms of Section 2.7 hereof and who is elected by a vote of the majority of the Members of the Condominium Board elected or designated by the Unit Owners then in office. A special meeting of the Condominium Board shall be held for the purpose of filling any such vacancy promptly after the occurrence thereof, and the election held thereat shall be effective to fill such vacancy even if the number of Members present at such meeting shall not constitute a quorum.

(B) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a Member who was designated as such or elected by Sponsor shall be filled by an individual designated by Sponsor.

(C) Each Member of the Condominium Board who is elected thereto or designated as such to fill a vacancy pursuant to the terms of paragraph (A) or (B), respectively, of this Section 2.10 shall serve as a Member of the Condominium Board for the remainder of the term of the Member replaced and until a successor shall be selected and qualified at the appropriate annual meeting of the Unit Owners pursuant to the terms of Section 4.9 hereof.

Section 2.11 *Organizational Meeting of the Condominium Board.* The first meeting of the Condominium Board following each annual meeting of the Unit Owners shall be held within 10 days of such annual meeting, at such time and place as shall be both fixed informally by a majority of the Members of the Condominium Board and designated by the Secretary in a written notice given to all Members thereof by personal delivery, mail, or telegram not later than five business days prior to such date. At such meeting, the officers of the Condominium Board shall be elected.

Section 2.12 *Regular Meetings of the Condominium Board.* Regular meetings of the Condominium Board may be held at such time and place as shall be determined from time to time by a majority of the Members thereof, provided that at least 4 such meetings shall be held during each fiscal year. Written notice of all regular meetings of the Condominium Board shall be given by the Secretary to each Member thereof by personal delivery, mail, overnight courier, facsimile or e-mail, at least 5 business days prior to the day named for such meeting.

Section 2.13 *Special Meetings of the Condominium Board.* The President may call a special meeting of the Condominium Board whenever the President deems the same to be necessary or desirable. However, the President shall call such a meeting upon the written request of 3 or more Members of the Condominium Board. Written notice of all special meetings shall be given by the Secretary to each Member thereof by personal delivery, mail, overnight courier, facsimile, or e-mail at least 3 business days prior to the day named for such meeting, which notice shall state the time, place and purpose of the meeting.

Section 2.14 *Waiver of Notice of Meetings.* Any Member of the Condominium Board may, at any time, waive notice of any meeting thereof in writing, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Member of the Condominium Board at any meeting thereof shall constitute a waiver by the Member of notice of the time and place thereof. If all of the Members of the Condominium Board are present at any meeting thereof, no notice of such meeting shall be required and any business may be transacted at such meeting.

Section 2.15 *Quorum of the Condominium Board.* A quorum of the Condominium Board is required to be present at a Condominium Board meeting in order to make any determination or to transact any business. To constitute a quorum of the Condominium Board, attendance of a majority of all of the Members of the Condominium Board will be required for any business relating to the Common Elements, the Common Expenses, or all or a portion of the Units.

In connection therewith, one or more Members of the Condominium Board may participate in any meeting thereof by means of a conference telephone or similar communications equipment permitting all individuals participating in the meeting to hear each other at the same time, and such participation shall constitute presence at such a meeting for all purposes. If, at any meeting of the Condominium Board, there shall be less than a quorum present, a majority of the Members of the Condominium Board in attendance may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business that might have been transacted at the meeting originally called but for the lack of a quorum may be transacted without further notice.

Section 2.16 *Conduct of Meetings.* The President shall preside at all meetings of the Condominium Board, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Condominium Board and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure from time to time acceptable to a majority of the Condominium Board, shall govern the conduct of the meetings of the Condominium Board unless the same shall be in conflict with the terms of the Declaration, these By-laws, or the Condominium Act.

Section 2.17 *Decisions by the Condominium Board.* Except as otherwise provided in the Declaration or these By-laws, the vote of a majority of the Members attending a duly constituted meeting of the Condominium Board at which a quorum is present shall decide all matters on behalf of the Condominium Board relating to the Common Elements, the Common Expenses, and all or any portion of the Units.

Alternatively, any decision that is required or permitted to be made by the Condominium Board may be made without a meeting thereof if all of the Members of the Condominium Board shall individually or collectively consent in writing to such decision, and all such written consents shall be duly filed by the Secretary of the Condominium in the minutes of the Condominium Board.

Section 2.18 *Compensation of Members.* No Member of the Condominium Board shall receive any compensation from the Condominium for acting as such.

Section 2.19 *Common or Interested Members of the Condominium Board.* Each Member of the Condominium Board shall perform duties, and shall exercise powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by Law, no contract or other transaction between the Condominium Board and either (i) any of its Members or (ii) any corporation, partnership, fiduciary, firm, association, or other entity in which any of the Members of the Condominium Board are officers, directors, employees, partners, fiduciaries, beneficiaries, or principals, or are otherwise interested, pecuniarily or otherwise, shall be deemed either void or voidable because either (a) any such Member of the Condominium Board was present at the meeting or meetings of the Condominium Board during which such contract or transaction was discussed, authorized, approved, or ratified, or (b) the vote of any such Member was counted for such purpose, provided, however, that either: (x) the fact thereof is disclosed to, or known by, the Condominium Board or a majority of the Members thereof and noted in the minutes thereof, and the Condominium Board shall authorize, approve, or ratify such contract or transaction in good faith by a vote of a majority of the entire Condominium Board, less the number of such Members; or (y) the fact thereof is disclosed to, or known by, a Majority of Unit Owners, and a Majority of Unit Owners shall authorize, approve, or ratify such contract or transaction.

Any such Member of the Condominium Board may be counted in determining the presence of a quorum of any meeting of the Condominium Board that authorizes, approves, or ratifies any such contract or transaction, but no such Member shall be entitled to vote thereat to authorize, approve, or ratify such contract or transaction.

Section 2.20 *Indemnification.*

2.20-1 Indemnification of Board Members and Officers.

2.20-1.1To the extend permitted by Law, the Members of the Condominium Board shall have no personal liability with respect to any contract, act or omission of the Condominium Board or of any Managing Agent or manager in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as set forth in Section 4.13 hereof. Every contract made by the Condominium Board or by the Managing Agent shall state that it is made by the Condominium Board or the Managing Agent, only as agent for all Unit Owners and that the Members of the Condominium Board or the Managing Agent shall have no personal liability thereon (except in their capacities as Unit Owners). Any such contract may also provide that it covers the assets, if any, of the Condominium Board. To the extent permitted by Law, the Members of the Condominium Board shall have no liability to Unit Owners except that a Member of the Condominium Board shall be liable for such Member's own bad faith or willful misconduct. All Unit Owners shall jointly and severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Member of the Condominium Board against any liability or claim except those arising out of such Member's own bad faith or willful misconduct. The Condominium Board may contract or effect any other transaction with any Member of the Condominium Board, any Unit Owner, Sponsor or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct.

2.20-1.2Neither the Condominium Board nor any Member thereof shall be liable for either:

(i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, the Condominium Board or to be paid for as a Common Expense except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of the Condominium Board or any Member thereof; or

(ii) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or the Common Elements and either: (a) caused by the elements, by any Unit Owner, or by any other Person; (b) resulting from electricity, water, snow, or ice that may leak or flow from a Unit or any portion of the Common Elements; or (c) arising out of theft or otherwise.

ARTICLE 3

OFFICERS

Section 3.1 *General.* The principal officers of the Condominium shall be the President, the Vice President, the Secretary and the Treasurer. The Condominium Board may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its discretion may be necessary or desirable. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed, upon the direction of the Condominium Board, by any two officers of the Condominium or by such lesser number of officers or by such other Person or Persons as may be designated from time to time by the Condominium Board.

Section 3.2 *President.* The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Unit Owners and of the Condominium Board. The President shall have all of the general powers and duties that are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York (hereinafter referred to as the "BCL"), including, but not limited to, the power to appoint the members of all committees created by the

Condominium Board from amongst the Unit Owners from time to time as the President may decide, in the President's discretion, are appropriate to assist in the conduct of the affairs of the Condominium.

Section 3.3 *Vice President.* The Vice President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act. If both the President and the Vice President are unable to act, the Condominium Board shall appoint some other Member of the Condominium Board to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall be imposed upon the Vice President from time to time by the Condominium Board or by the President.

Section 3.4 *Secretary.* The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Condominium Board shall direct and, in general, shall perform all of the duties that are incident to the office of secretary of a stock corporation organized under the BCL.

Section 3.5 *Treasurer.* The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof, showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Condominium Board or in the name of the Managing Agent in such depositories as may from time to time be designated by the Condominium Board and, in general, shall perform all of the duties incident to the office of treasurer of a stock corporation organized under the BCL.

Section 3.6 *Election, Term of Office and Qualification of Officers.* Each of the officers of the Condominium shall be elected annually by a majority vote of all Members of the Condominium Board taken at the organizational meeting of each new Condominium Board, and shall serve at the pleasure of the Condominium Board. The President, Vice President, and the Treasurer shall be elected from amongst the Members of the Condominium Board. Such officers need not be Unit Owners and need not have any interest in the Condominium if they are designated by Sponsor. Such officers must be Unit Owners if they are elected by the other Unit Owners. The other officers of the Condominium Board need not be Unit Owners and need not have any interest in the Condominium.

Section 3.7 *Removal and Resignation of Officers.* Any officer of the Condominium Board may be removed from office, with or without cause, by an affirmative vote of a majority of the Members of the Condominium Board. In addition, any officer may resign at any time by giving written notice to the Condominium Board. Finally, if the President, Vice President, or the Treasurer of the Condominium shall cease to be or shall be suspended as a Member of the Condominium Board during their term of office, such officer shall be deemed to have resigned office effective upon the date upon which the membership shall cease.

Section 3.8 *Vacancies.* Any vacancy in an office shall be filled by a majority vote of the Condominium Board at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose.

Section 3.9 *Compensation of Officers.* No officer of the Condominium shall receive any compensation from the Condominium for acting as such.

Section 3.10 *Indemnification of Officers.* Each officer shall be indemnified as set forth in Paragraph 2.20.

ARTICLE 4

UNIT OWNERS

Section 4.1 *Annual Meetings of the Unit Owners.* The First Annual Meeting shall be held approximately 30 days after the second anniversary of the First Closing. At such meeting, a 5 Member Condominium Board shall be elected, as provided both in this Article 4 and in Article 2 hereof. Thereafter, annual meetings of the Unit Owners shall be held on or about the anniversary date of the First Annual Meeting. At each such subsequent meeting, the Unit Owners (including Sponsor) shall elect successors to the Members of the Condominium Board whose term of office expires on the day of such meeting and shall transact such other business as may properly come before such meeting.

Section 4.2 *Special Meetings of the Unit Owners.* The President shall call a special meeting of the Unit Owners whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such a meeting signed by Unit Owners having, in the aggregate, not less than 40% of the Common Interests of all Unit Owners. Each such resolution or petition shall set forth, in reasonable detail, the purposes for calling such a meeting, and no business shall be transacted at such special meeting except business reasonably related to such stated purposes.

Section 4.3 *Place of Meetings.* Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place in the Borough in which the Property is located as may be designated by the Condominium Board.

Section 4.4 *Notice of Meetings.*

(A) The Secretary of the Condominium shall give notice of each annual or special meeting of the Unit Owners to all Unit Owners then of record entitled to vote at such meeting, which notice shall set forth the purpose, time and place of such meeting. Such notice may be given to any Unit Owner by personal delivery, mail, or telegram addressed to the Unit Owner's address at the Property, not less than 10 nor more than 40 days prior to the day fixed for the meeting. Any Unit Owner may designate an address for the giving of notice other than such Unit Owner's address at the Property by giving written notice thereof to the Secretary of the Condominium not less than 10 days prior to the giving of notice of the applicable meeting.

(B) If the business to be conducted at any meeting of the Unit Owners shall include the consideration of a proposed amendment to the Declaration or to these By-laws, the notice of such meeting shall be mailed to all Unit Owners at least 30 days prior to the day fixed for such meeting and shall be accompanied by a copy of the text of such proposed amendment.

Section 4.5 *Quorum of the Unit Owners.* Except as otherwise provided in these By-laws, the presence, in person or by proxy, of Unit Owners owning Units to which 40% or more of the aggregate Common Interests appertain shall constitute a quorum at all meetings of the Unit Owners. If, at any meeting of the Unit Owners, there shall be less than a quorum present, a majority of the Unit Owners present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

Section 4.6 *Conduct of Meetings.* The President shall preside at all meetings of the Unit Owners, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Unit Owners and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure acceptable to a majority of the Unit Owners present at any meeting, in person or by proxy, shall govern the conduct of the meetings of the Unit Owners, unless the same shall be in conflict with the terms of the Declaration, these By-

laws, or the Condominium Act. All votes of the Unit Owners shall be tallied by the persons appointed by the presiding officer of the meeting.

Section 4.7 *Order of Business.* The order of business at all meetings of the Unit Owners shall be as follows:

(A) Roll call;

(B) Proof of notice of meeting;

(C) Reading of the minutes of the preceding meeting (unless waived);

(D) Reports of officers of the Condominium;

(E) Reports of Members of the Condominium Board;

(F) Reports of committees;

(G) Election of inspectors of election (when so required);

(H) Election of Members of the Condominium Board (when so required);

(I) Unfinished business; and

(J) New business.

The order of business at meetings of Unit Owners can be adjusted in the sole discretion of the Condominium Board.

Section 4.8 *Voting.*

(A) Subject to the terms of Section 4.9 hereof, each Unit Owner (including Sponsor for so long as Sponsor shall own any Unsold Unit) shall be entitled to cast 1 vote at all meetings of the Unit Owners for each percentage of Common Interest attributable to such Unit Owner's Unit(s).

(B) Notwithstanding the terms contained in paragraph (A) hereof, no Unit Owner may vote at any meeting of the Unit Owners if the Condominium Board has perfected a lien against such Unit Owner's Unit and the amount necessary to release such lien has not been paid at the time of such meeting. In addition, neither the Condominium Board nor any designee thereof shall be entitled to vote the Common Interest appurtenant to any Unit owned by the Condominium Board or such designee. The Common Interests of all Units whose owners are precluded from voting pursuant to the terms of this paragraph (B) will be excluded when computing the aggregate Common Interests of all Unit Owners for voting purposes.

(C) A fiduciary shall be the voting Member with respect to a Unit owned in a fiduciary capacity. In addition, if 2 or more Persons own a Unit, they shall designate 1 Person amongst them to vote the Common Interest appurtenant to their Unit in a writing given to the Secretary of the Condominium, and the vote of such designee shall be binding upon all of such Persons. Failing such a designation, all of such Persons shall mutually vote such Common Interest under 1 ballot without division, and the concurrence of all such Persons shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the Common Interest appurtenant to such Unit shall be counted solely for the purpose of determining whether a quorum is present for such voting.

(D) The owner of any Unit may designate any Person to act as a proxy on such Unit Owner's behalf. The designation of any such proxy shall be made in a written notice both signed and dated

by the designator and delivered to the Secretary of the Condominium at or before the appointed time for the meeting(s) during which the same is to be effective. Any such designation shall be revocable at any time upon written notice given to the Secretary of the Condominium; however, no revocation of such designation shall be effective with respect to any votes cast by such proxy prior to the receipt of such revocation notice by the Secretary of the Condominium or, if such revocation is made at a meeting of the Unit Owners during which the Secretary of the Condominium is not in attendance, by the individual acting as the secretary of such meeting, except with respect to the designation of a Permitted Mortgagee to act as the proxy of its mortgagor(s), no designation to act as a proxy shall be effective for a period in excess of 6 months after the date thereof.

Section 4.9 *Election of Members to the Condominium Board.*

(A) When voting for Members of the Condominium Board, each Unit Owner (including Sponsor for so long as Sponsor shall own any Unsold Units) shall be entitled to cast 1 vote for each .0001% of Common Interest attributable to the Unit(s) per Member to be elected. However, nothing contained herein shall be deemed either to permit any Unit Owner to cumulate the votes attributable to the ownership of a Unit in favor of any 1 or more Members to be elected. In addition, the terms of paragraphs (B), (C) and (D) of Section 4.8 hereof shall apply to all elections of Members of the Condominium Board.

(B) All elections of Members of the Condominium Board shall be by written ballot, and each ballot cast shall state: (i) the name of the voting Unit Owner and, if such ballot is cast by proxy, the name of the proxy; (ii) the designation number(s) of the Unit(s) owned by the voting Unit Owner; (iii) the percentage(s) of the Common Interest appurtenant to such Unit(s); and (iv) the names of the candidates for whom such ballot is cast (the number of which names shall not exceed the number of Members to be elected). Any ballot that is not cast in conformity with this paragraph (B) shall not be counted. All election ballots shall be retained in the records of the Condominium, appropriately segregated by election for a period of 2 years.

(C) Subject to the terms of paragraph (D) of this Section 4.9, all elections of Members of the Condominium Board shall be determined by plurality vote of Unit Owners present, in person or by proxy, at a duly convened meeting.

(D) At meetings of the Unit Owners, Sponsor will have the right to vote all of the Common Interests attributable to the Unsold Units as it sees fit. However, at elections of Members to the Condominium Board held during the Sponsor Control Period, Sponsor shall have the right to designate 3 of the 5 Members to the Condominium Board, and Sponsor, and all other Unit Owners shall have the right to vote for the remaining Members of the Condominium Board.

Subsequent to the Sponsor Control Period, and for so long as Sponsor continues to own at least 1 Unsold Unit, Sponsor shall have the right to designate 1 Member to the Condominium Board, and shall have the right to vote its Common Interest attributable to the Unsold Units for the remaining Members of the Condominium Board. There is no restriction on the right of Sponsor to vote for Members of the Condominium Board who are not related to or affiliated with Sponsor.

(E) Within 30 days after the Sponsor Control Period, 2 of the 3 Members of the Condominium Board who were designated by Sponsor shall resign and their replacements shall be filled by a vote of the Unit Owners (including Sponsor for so long as Sponsor shall own any Unsold Unit) at a special meeting called for such purpose.

Section 4.10 *Action Without a Meeting.* Any action required or permitted to be taken by the Unit Owners at a duly constituted meeting may be taken without such a meeting if the number of Unit Owners sufficient (both in absolute number and aggregate Common Interests whenever applicable) to approve such an action at a duly constituted meeting of the Unit Owners pursuant to the Declaration or to these By-laws

consent in writing to the adoption of a resolution approving such action. All written consents given by Unit Owners pursuant to this Section 4.11 shall be retained in the records of the Condominium together with a true copy of the resolutions to which they relate.

Section 4.11 *Title to Units.* Title to any Unit may be taken by any Person or by any two or more Persons as joint tenants, tenants in common, or tenants by the entirety, as may be appropriate. The sale of a Unit to a corporation, partnership, limited partnership, trust or any other entity (including any entity or person entitled to diplomatic or sovereign immunity) shall require the delivery to the Condominium Board or its managing agent at Closing (i) any and all documents as are reasonably requested by the Condominium Board, including without limitation, a personal guaranty, a subjection to jurisdiction, occupancy agreement and escrow agreement; and (ii) an amount equal to the current common charge for such Unit for a period of 2 years, to be held in escrow by the Condominium Board, as security for the faithful observance by such Unit Owner of the terms, provisions and conditions contained in these By-laws.

Section 4.12 *Contractual Liability of Unit Owners.* Every contract made by the Condominium Board, by any officer of the Condominium, or by any superintendent or Managing Agent of the Building shall state (if obtainable and in addition to the limitation of liability of the Members of the Condominium Board and the officers of the Condominium pursuant to the terms of Sections 2.20 and 3.10 hereof, respectively) that the liability of any Unit Owner with respect thereto shall be limited to: (i) such proportionate share of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners in the case of a contract relating to the Common Elements, and (ii) such Unit Owner's interest in the Unit and its Appurtenant Interests, unless otherwise provided by Law.

ARTICLE 5

OPERATION OF THE PROPERTY

Section 5.1 *Maintenance and Repairs.*

(A) Except as otherwise provided in the Declaration or in these By-laws, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary:

(i) in or to any Unit and all portions thereof (including, but not limited to, the interior walls, partitions, ceilings and floors in the Unit, kitchen and bathroom fixtures and appliances, mechanical systems located in the Unit (including HVAC filters and parts), window panes, fireplace, firebox, dampers, mantel and flue, all entrance doors and terrace doors and their frames and saddles, exposed plumbing, gas and heating fixtures and equipment, heating and cooling systems, air conditioning units, lighting and electrical fixtures and any Common Elements incorporated therein pursuant to paragraph (B) of Section 5.8 hereof, but excluding any other Common Elements contained therein), shall be performed by the owner of such Unit at such Unit Owner's sole cost and expense (except for fireplace flues located in the Unit which shall be performed by the Condominium Board at the sole cost and expense of the Unit Owner); and

(ii) in or to the Common Elements (other than any General Common Elements incorporated into one or more Units pursuant to the terms of paragraph (B) of Section 5.8 hereof) shall be performed by the Condominium Board and the cost and expense thereof shall be charged to all Unit Owners as a Common Expense;

(iii) in or to the Limited Common Elements shall be performed (a) by the Condominium Board as a Common Expense, if involving structural or extraordinary maintenance, repairs, or

replacements (including, but not limited to, the repair of any leaks that are not caused by the acts or omissions of the Unit Owner having direct and exclusive access thereto), or (b) by the Unit Owner having direct and exclusive access thereto at such Unit Owner's sole cost and expense, if involving painting, decorating and non-structural ordinary maintenance, repairs or replacements, (including without limitation, the removal of snow, ice and accumulation of water on any Terrace).

Promptly upon obtaining knowledge thereof, each Unit Owner shall report to the Condominium Board or to the Managing Agent any defect or need for repairs for which the Condominium Board is responsible pursuant to the terms hereof. All painting, decorating, maintenance, repairs and replacements performed hereunder or otherwise, whether by or at the behest of a Unit Owner or the Condominium Board, shall be performed in such a manner as shall not unreasonably disturb or interfere with any Unit Owners or the tenants and occupants of any Units.

(B) Notwithstanding anything to the contrary provided in paragraph (A) of this Section 5.1, if any painting, decorating, maintenance, repairs, or replacements to the Property or any part thereof, whether structural or non-structural, ordinary or extraordinary, are necessitated by the negligence, misuse, or abuse of (i) any Unit Owner, the entire cost and expense thereof shall be borne by such Unit Owner, or (ii) the Condominium Board, the entire cost and expense thereof shall be borne by the Condominium as a Common Expense attributable to all Unit Owners if relating to the Common Elements, except, in all events, to the extent that such cost and expense is covered by the proceeds of any insurance maintained pursuant to the terms of these By-laws. Similarly, each Unit Owner shall be responsible for any and all damage to any Unit or to the Common Elements resulting from such Unit Owner's failure to maintain, repair, or replace the Unit or any portion thereof as required herein.

(C) Each Unit and all portions of the Common Elements shall be kept in first-class condition, order and repair (and free of snow, ice and accumulation of water with respect to any roof, Terrace, or other part of the Property exposed to the elements) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Condominium Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work, including, without limitation, painting, repairs and replacements that is necessary in connection therewith. The Condominium Board shall be responsible for the maintenance and repair of all sidewalks surrounding the Building (including, cleaning and snow and ice removal) as if the sidewalks were General Common Elements. The exterior and interior glass surfaces of all windows located in any Unit shall not be colored or painted by the Unit Owner. All exterior and interior glass surfaces located in any Unit shall be washed and cleaned by the Unit Owner at such Unit Owner's sole cost and expense. The cleaning of the exterior portion of the glass surfaces of all windows must be performed by a professional window washing company engaged by the Condominium Board, the cost and expense of which shall be borne by all Unit Owners as a Common Expense. Any replacement of glass windows in any Unit because of breakage or otherwise shall be made by the Unit Owner thereof (except curtain wall glass windows which shall be made by the Condominium Board), at the sole cost and expense of the Unit Owner (unless such breakage is caused by the Condominium Board or any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board or such Unit Owner). Notwithstanding the foregoing, prior to the replacement of any glass window the Unit Owner must obtain the prior written approval of the Condominium Board, with respect to the type of replacement windows installed. In addition, the public areas of the Building and those residential areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, as determined by the Condominium Board in its sole discretion, by (i) the Condominium Board, with respect to such parts of the Building required to be maintained by it, and (ii) each Unit Owner, with respect to the interior surfaces of windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to such Unit Owners Unit. To promote a consistent appearance of the Building from the outside, (x) no Unit Owner shall be permitted to enclose, erect a greenhouse and/or alter a Terrace appurtenant to a Unit, in such a way that will alter the conformity of the Building, without the prior written approval of the Condominium Board; and

(y) all window treatments in a Unit must contain white backing on the side facing the outside of the Building so that when the shades are down or curtains drawn, the effect from the outdoors is a visually harmonious white appearance. Additionally, the type, size, weight and quantity of plantings and other installations to be placed on Terraces shall be subject to the prior written approval of the Condominium Board and shall be in compliance with Law.

(D) In the event that any Unit Owner, after receipt of written notice from the Condominium Board, fails or neglects in any way to perform any of its obligations with respect to the painting, decorating, maintenance, repair or replacement of its Unit as provided in this Section 5.1 (or of any Common Elements for which such Unit Owner is responsible under the Declaration or these By-laws), the Condominium Board may perform or cause to be performed such painting, decorating, maintenance, repair or replacement unless such Unit Owner, within 5 days after receiving notice of such default by the Condominium Board, cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such painting, decorating, maintenance, repair or replacement in such Unit Owner's Unit or to any such Common Element for which such Unit Owner is responsible, together with interest thereon at the rate of 2% per month (but in no event in excess of the maximum rate permitted by Law), shall be immediately payable by such Unit Owner to the Condominium Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

Section 5.2 *Alterations, Additions, Improvements, or Repairs in and to Units.*

(A) Subject to the terms of paragraph (B) of this Section 5.2, no Unit Owner may make any structural alteration, addition, improvement or repair, in or to the Unit or its appurtenant Limited Common Elements without the prior written approval of the Condominium Board. Prior to, and as a condition of, the granting of any such approval, the Condominium Board may, at its sole option, require the Unit Owner to: (i) procure and agree to maintain during the course of such work such insurance as the Condominium Board may reasonably prescribe; and (ii) execute an alteration agreement, in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions under which such alteration, addition, improvement or repair, may be made, including, without limitation, the indemnity referred to in paragraph (D) hereof and the days and hours during which any such work may be done. The Condominium Board shall have the right to approve Unit Owner's contractors and materialmen. In connection with such alterations, additions, improvements and/or repairs, each Unit Owner shall employ only such laborers and other workers as shall not conflict with any other worker employed in the Building or otherwise cause disharmony with any Building service union. Unit Owners shall not be permitted to engage any Building staff or any contractors or sub-contractors engaged by either the Condominium Board or Sponsor in connection with a Unit Owner's alterations, additions, improvements or repairs to such Unit. The Condominium may impose charges upon the Unit Owner to reimburse the Condominium for architectural, engineering, legal and other fees incurred in reviewing the Unit Owner's request for approval and in monitoring the work performed until completion and a fee payable to the Managing Agent for processing the alteration application.

(B) Notwithstanding anything to the contrary contained in paragraph (A) of this Section 5.2, however, Sponsor shall have the right, pursuant to the terms of Article 12 of the Declaration, to (i) make any alterations, additions, improvements, or repairs in or to any Unsold Unit or its appurtenant Limited Common Elements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, and (ii) subdivide, combine and change the boundary walls of any Unsold Units, all without the approval of the Condominium Board. Notwithstanding the foregoing, all Unit Owners, including Sponsor, prior to the making of any alteration, addition, improvement or repair in or to their respective Unit and its appurtenant Limited Common Elements, if any, must (i) procure and maintain such insurance as the

Condominium Board may reasonably require, (ii) indemnify the Condominium Board and the Managing Agent against any liability arising from the work and (iii) comply with Law.

(C) All alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with Law. In connection therewith, the Condominium Board shall execute applications to any departments of the City of New York, or to any other governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements, or repairs in or to a Unit provided that, with respect to all such work of a structural nature to a Unit or its appurtenant Limited Common Elements (but other than that of the nature described in paragraph (B) hereof), the same was approved by the Condominium Board pursuant to the terms of paragraph (A) hereof.

(D) Neither the Condominium Board nor any Unit Owner (other than the Unit Owner making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to the Unit and appurtenant Limited Common Elements) shall incur any liability, cost, or expense either (i) in connection with the preparation, execution, or submission of the applications referred to in paragraph (C) hereof; (ii) to any contractor, subcontractor, materialperson, architect, or engineer on account of any alterations, improvements, additions, or repairs made or caused to be made by any Unit Owner; or (iii) to any Person asserting any claim for personal injury or property damage arising therefrom. Any Unit Owner making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to the Unit and appurtenant Limited Common Elements, if any, shall agree (in a writing executed and delivered to the Condominium Board, if the Condominium Board shall so request), and shall be deemed to agree (in the absence of such writing), to indemnify and hold the Condominium Board, the Members of the Condominium Board, the officers of the Condominium, the Managing Agent and all other Unit Owners harmless from and against any such liability, cost and expense.

(E) In addition to the requirements set forth above in this Section 5.2, until a Permanent Certificate of Occupancy is obtained for the Building, no Unit Owner shall make any alterations in or to the Unit or its appurtenant Common Elements without first notifying Sponsor in writing and complying with Sponsor's requirements with respect to the alterations. Such requirements may include, but need not be limited to, the requirements that:

(i) such work not include any change that would result in a delay in obtaining a Temporary or Permanent Certificate of Occupancy for the Building, or any amendment to, or extension of, the Temporary or Permanent Certificate of Occupancy if theretofore issued;

(ii) the Unit Owner post a bond or other similar security that is reasonably acceptable to Sponsor in any amount sufficient (in Sponsor's reasonable judgment) to insure the diligent completion of the work and the filing of any required notices or certificates with all governmental authorities having jurisdiction with respect to such work and the completion of the work;

(iii) such work not be commenced until the Unit Owner causes all required plans, specifications, notices and/or certifications to be filed with all governmental authorities having jurisdiction, procures all required permits and licenses with respect to the same, and delivers copies of all such plans, specifications, notices, certifications, permits and licenses to Sponsor;

(iv) such work be diligently prosecuted to completion in compliance with all plans, specifications, notices and/or certifications and in conformity with all permits and licenses;

(v) Sponsor and its representatives shall be given reasonable opportunity, from time to time, to inspect such work as it progresses;

(vi) promptly after the completion of such work, all necessary inspections and approvals of the work shall be obtained, all necessary notices and/or certifications shall be filed with

the appropriate governmental authorities and Sponsor shall be given a copy of all such inspections, approvals, notices and certifications;

(vii) the Unit Owner shall indemnify and hold Sponsor harmless from any cost, expense, claim, or liability arising, directly or indirectly, from such work, including, without limitation, any cost, expense, claim, or liability incurred or suffered by Sponsor due to any violation of Law or due to any delay in obtaining a Temporary or Permanent Certificate of Occupancy for the Building (or any amendment to, or extension of, the Temporary or Permanent Certificate of Occupancy if theretofore issued) as a result of such work or the failure to make all appropriate governmental filings in connection with same; and

(viii) all contractors shall be duly licensed to the extent required by applicable Law and, if required under any contract with any union whose members are performing services at the Building (including, without limitation, services directly or indirectly at the behest, for the benefit, or for the account of Sponsor, any other Unit Owner, or the Condominium Board), such work shall be performed solely by union members.

If any Unit Owner commences any such alterations in violation of the foregoing terms and conditions, or fails to comply with the reasonable requirements of Sponsor in connection with the alterations, Sponsor shall be entitled to cause such work by the Unit Owner to be halted, including, without limitation, to cause the Managing Agent to deny access to the Building to the Unit Owner's workers and suppliers, until the Unit Owner complies with the same. During the period until the Unit Owner is permitted hereunder to resume its work, Sponsor shall have the right to perform any and all work in and to the Unit as shall be necessary, in Sponsor's sole judgment, in order to avoid any delay in obtaining a Temporary or Permanent Certificate of Occupancy for the Building (or any amendment to, or extension of, the Temporary or Permanent Certificate of Occupancy), whether or not such work shall be in compliance with the plans and specifications for the work theretofore performed by, or on behalf of, such Unit Owner. The cost and expense of any such work performed by Sponsor shall be borne by such Unit Owner and shall be paid to Sponsor within 15 days of Sponsor's written demand therefore.

Section 5.3 *Alterations, Additions, or Improvements to the Common Elements.* Except as otherwise provided in the Declaration or in these By-laws, all necessary or desirable alterations, additions, or improvements in or to any of the Common Elements shall be made by the Condominium Board, and the cost and expense thereof shall constitute a Common Expense attributable to all Unit Owners, if relating to the General Common Elements and/or Limited Common Elements. Notwithstanding the foregoing, however, whenever the cost and expense of such alterations, additions, or improvements would, in the judgment of the Condominium Board, exceed $500,000 with respect to the General Common Elements and/or the Limited Common Elements, at any one time, in any fiscal year, such proposed alterations, additions or improvements shall not be made unless first approved by the Unit Owners if relating to the General Common Elements, or the Unit Owners, if relating to the Common Elements and/or the Limited Common Elements (including Sponsor if Sponsor then owns any Unsold Unit) owning 66 2/3% of the aggregate Common Interests at a duly constituted meeting of the Unit Owners or the Unit Owners, as applicable, and by the Mortgage Representatives, if any. Except as otherwise provided in the Declaration and in these By-laws, all such alterations, additions, or improvements costing $500,000 or less, in any fiscal year may be made as aforesaid without the approval of either the Unit Owners or any Mortgage Representatives. Notwithstanding the foregoing, no additions, alterations, or improvements shall be made to any of the Common Elements, regardless of the cost thereof, unless the prior written consent of Sponsor is first obtained, provided, however, that Sponsor's written consent is not necessary if such additions, alterations, or improvements to the Common Elements is required to (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's issuer. In no event will the limitations imposed in the preceding sentence continue beyond the earlier to occur of (i) 5 years from the First Closing or (ii) until such time as Sponsor no longer owns 25% in number of Units.

Section 5.4 *Insurance.*

(A) If the same shall be obtainable, the Condominium Board shall obtain, and shall maintain in full force and effect, special multi-peril insurance policies including fire with extended "all risk" coverage, replacement cost coverage and agreed valuation, vandalism and malicious mischief endorsements, insuring the entire Building (other than the space defined by the dimensions of the Units and any appliances, fixtures, improvements or any furniture, furnishings, decorations, belongings, or other personal property contained therein) together with all service machinery contained therein and covering the interests of the Condominium, the Condominium Board, all of the Unit Owners and all Permitted Mortgagees, as their respective interest may appear. Each of the said policies shall contain:

(i) waivers of (a) subrogation, (b) any defense based upon co-insurance or other insurance, (c) invalidity arising out of any acts of the insured, and (d) pro-rata reduction of liability;

(ii) a provision that any adjustment of loss will be made by the Condominium Board and that all proceeds thereof shall be paid to either the Condominium Board or the Insurance Trustee, as provided in Section 5.5 hereof.

(iii) a New York standard mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the proceeds thereof shall be paid to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Condominium Board and the Insurance Trustee set forth in subparagraph (ii) above and in Section 5.5 hereof; and

(iv) a provision that such policy may not be either canceled or substantially modified except upon at least 30 days prior written notice to the Condominium Board and all insureds who may have requested such notice, including Permitted Mortgagees.

Duplicate originals or certificates of insurance of all such policies and of all renewals thereof, together with proof of payment of premiums, shall be on file at the office of the Managing Agent. Copies thereof shall be delivered to any Unit Owner or Permitted Mortgagee on written request thereof.

(B) The Condominium Board, at for prior to the First Closing, shall also obtain and maintain, to the extent it deems practicable:

(i) comprehensive general liability insurance, covering all claims for personal injury or property damage arising out of any occurrence on the Property and listing as co-insureds (a) the Condominium Board and each Member thereof, (b) the Managing Agent or manager (if any), (c) each officer and employee of the Condominium and (d) each Unit Owner (except, however, that such insurance shall not cover any liability of a Unit Owner arising from occurrences within the own Unit or its Limited Common Elements or Ancillary Amenity, if any);

(ii) rent insurance;

(iii) worker's compensation and New York State disability benefits insurance;

(iv) boiler and machinery insurance;

(v) water damage insurance;

(vi) officers and directors liability insurance;

(vii) fidelity insurance and bonds covering all officers, directors and employees of the Condominium and Managing Agent;

(viii) plate glass insurance;

(ix) elevator liability and collision insurance;

(x) commercial umbrella insurance; and

(xi) such other insurance as the Condominium Board shall from time to time determine.

Each of the aforementioned policies of insurance shall also cover cross-liability claims of one insured against another.

(C) All policies of insurance to be maintained by the Condominium Board shall contain such limits as the Condominium Board shall from time to time determine, provided, however, that:

(i) with respect to insurance policies maintained by the Condominium Board pursuant to paragraph (A) hereof, the coverage shall be in an amount equal to not less than 80% of the full replacement cost of the Building, exclusive of footings and foundations, without deduction for depreciation, as approved by a fire insurance company, a qualified insurance broker, or another qualified source;

(ii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (i) of paragraph (B) hereof, such policies shall contain single limits of not less than $1,000,000 in the aggregate; and

(iii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (ii) of paragraph (B) hereof, the coverage shall be in an amount equal to the aggregate of all of the Unit Owners' Common Charges for one year.

Any insurance policies maintained by the Condominium Board may also provide for such deductible amounts as the Condominium Board shall determine. The Condominium Board shall review the limits of each insurance policy, as well as the amount of any deductible sum thereunder, at least once each year.

(D) The cost of all insurance maintained by the Condominium Board pursuant to this Section 5.4, together with the fees and disbursements of any Insurance Trustee appointed by the Condominium Board pursuant to the terms of these By-laws, shall be borne by the Unit Owners as a Common Expense.

(E) For so long as Sponsor owns at least 1 Unsold Unit, unless Sponsor's prior written consent is obtained, the Condominium Board must maintain, at a minimum, the types and coverage amounts of insurance set forth in the First Year's Budget.

(F) Unit Owners are required to carry other insurance, at their expense, in amounts determined by the Condominium Board in its sole discretion, insuring the contents of their Units, the Limited Common Elements appurtenant thereto, and any Ancillary Amenities as well as liability insurance with respect to acts occurring therein. All such policies shall contain waivers of subrogation and provide that the liability of the carriers issuing the insurance maintained by the Condominium Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. All such certificates of insurance shall name the Condominium Board, the Condominium and Sponsor as additional insureds. For so long as Sponsor owns at least 1 Unsold Unit, any change or elimination of such requirement may only be made upon Sponsor's prior written consent.

Section 5.5 *Casualty or Condemnation.*

(A) In the event that either (i) the Building or any part thereof is damaged or destroyed by fire or other casualty ("Casualty Loss") or (ii) the General Common Elements and/or Limited Common Elements, or any part thereof is taken in condemnation or by eminent domain ("Taking"), the net insurance proceeds payable under the insurance policies maintained by the Condominium Board pursuant to the terms of Section 5.4 hereof by reason of such Casualty Loss or the net condemnation awards receivable by reason of such Taking, as the case may be, shall be payable either to the Condominium Board, if the same shall be $1,000,000 or less in the aggregate, or to the Insurance Trustee, if the same shall exceed $1,000,000 in the aggregate. In either instance, all such monies actually received ("Trust Funds") shall be held in trust for the benefit of all Unit Owners, with respect to the portion thereof allocated to a Casualty Loss to or Taking of the General Common Elements and the Units, and for the benefit of all Unit Owners with respect to the portion thereof allocated to a Casualty Loss to or Taking of the Common Elements, the Limited Common Elements and the Units, and their Permitted Mortgagees and shall be disbursed pursuant to the terms of this Section 5.5. Notwithstanding anything to the contrary contained either in this paragraph (A) or elsewhere in this Section 5.5, however, no Unit Owner whose Unit, its appurtenant Limited Common Elements, if any, or any portion thereof are taken in condemnation or by eminent domain (whether or not all or a part of the Common Elements are contemporaneously taken) shall be deemed to have waived whatever rights that the Unit Owner may have to pursue a separate claim against the condemning authority by reason thereof.

(B) Subject to the terms of paragraph (D) hereof, the Condominium Board shall arrange for the prompt repair or restoration ("Work") of: (i) in the event of a Casualty Loss, the portion(s) of the Building (including all Units and the bathroom and kitchen fixtures installed therein on the date of recording the Declaration and all service machinery contained therein, but not including appliances, fixtures, improvements made therein by a Unit Owner, or any furniture, furnishings, decorations, belongings, or other personal property supplied or installed by either Unit Owners or the tenants of Unit Owners) affected by such Casualty Loss, or (ii) in the event of a Taking, the portion(s) of the Common Elements or the Units affected by such Taking. If, pursuant to the immediately preceding sentence, Work is to be performed in or to Units, Common Elements that service or enclose Units and other Common Elements, or any combination of the foregoing, the Work shall be performed to the extent practicable, first in or to the Units, next in or to the Common Elements that service or enclose Units and then in or to the balance of the Common Elements. Each Unit Owner whose Unit, its appurtenant Limited Common Elements, if any, or any portion thereof, shall be the subject of all or part of any Work shall have the right subject to the terms of Section 5.2 hereof, to supervise any redecorating of the Unit or of such Limited Common Element, if any.

(C) In the event that Work shall be performed pursuant to the terms of paragraphs (B) and (D) of this Section 5.5, the Condominium Board or the Insurance Trustee, as the case may be, shall disburse the Trust Funds to the contractors engaged in the Work in appropriate progress payments. If the Trust Funds shall be less than sufficient to discharge the cost and expense of performing the Work, the Condominium Board shall levy a Special Assessment against all Unit Owners for the amount of such deficiency in proportion to their respective Common Interests, for Work to the General Common Elements and against all Unit Owners, and all proceeds of such Special Assessment shall become part of the Trust Funds. If, conversely, the Trust Funds shall prove to be more than sufficient to discharge the cost and expense of performing the Work, such excess shall be paid to all Unit Owners in proportion to their respective Common Interests, with respect to Work to the Common Elements, except that no payment shall be made to a Unit Owner until there has first been paid, out of such Unit Owner's share of such excess, such amounts as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens. Notwithstanding the foregoing, however, in the event that the Unit Owners are assessed pursuant to the terms of the second sentence of this paragraph (C) for any projected deficiency in the amount of the Trust Funds available to the Condominium Board and, after the payment of all costs and expenses incurred in connection with the Work, any portion of the Trust Funds remaining unspent, such excess Trust Funds shall, to the extent of such Special Assessment, be deemed to be, and shall constitute, an unspent Special Assessment and shall be paid to the Unit Owners so assessed in

proportion to their respective Common Interests, with respect to Work to the Common Elements, free of any claim of any lienor (including without limitation, any Permitted Mortgagee).

(D) If either 75% or more of the Building is destroyed or substantially damaged by fire or other casualty or 75% or more of the Common Elements are taken in a Taking, the Work shall not be performed unless 75% or more of all Unit Owners (including Sponsor if Sponsor shall then own any Units), in aggregate Common Interests, shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the Work shall be performed pursuant to the terms of paragraphs (B) and (C) hereof. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the Work shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, shall be paid to all Unit Owners in proportion to their respective Common Interest, to the extent allocated to destroyed or damaged portions of the General Common Elements and to all Unit Owners in proportion to their respective Common Interest, to the extent allocated to destroyed or damaged portions of the Units or the Common Elements or the Limited Common Elements, except that no payment shall be made to a Unit Owner until there first has been paid, out of such Unit Owner's share of such funds, such amounts as may be necessary to pay off any Permitted Mortgage and other unpaid liens on the Unit Owner's Unit in the order of priority of such liens. Notwithstanding anything to the contrary set forth herein, any action to terminate the legal status of the Condominium after substantial destruction or a Taking shall require the written consent (which consent shall not be unreasonably withheld or delayed) of the Permitted Mortgagees representing at least fifty-one (51%) percent of the Common Interests of all Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any. The Condominium Board shall not be required to take any action to obtain the consent of the Permitted Mortgagees or Mortgage Representatives as set forth in this Section 5.5(D) other than the requirements set forth in Section 8.7 of these By-Laws. The provisions of this Section 5.5(D) may not be amended, modified or deleted without the prior written consent of Sponsor for so long as Sponsor continues to own at least 1 Unsold Unit.

(E) In the event that the damage resulting from a Casualty Loss shall (i) render one or more Units wholly or partially unusable for the purposes permitted and in the Declaration or (ii) destroy the means of access to one or more Units, the installments of Common Charges otherwise payable by the owner of any Unit so affected thereby shall proportionately abate until such Unit shall again be rendered usable for such purposes and/or until the means of access thereto shall be restored, as the case may be. Notwithstanding the foregoing, however, if such Casualty Loss shall be caused by the act, the omission to act, or the negligence of the owner of a Unit so affected thereby, by a Family Member of such Unit Owner, or by a tenant or other occupant of such Unit, such installments of Common Charges shall abate only to the extent of any proceeds of rent insurance actually collected by the Condominium Board with respect to such Unit.

(F) If (i) a portion of any Unit shall be taken in condemnation or by eminent domain and (ii) the Condominium shall not be terminated by reason of a simultaneous Taking pursuant to the terms of paragraph (D) hereof, the Common Interest appurtenant to such Unit shall be adjusted in the proportion that the total floor area of such Unit and its appurtenant Limited Common Elements, if any, after such Taking bears to the total floor area of such Unit and its appurtenant Limited Common Elements, if any, prior to such Taking. The Condominium Board shall promptly prepare and record an amendment to the Declaration reflecting the new Common Interest appurtenant to such Unit, which amendment shall be executed by the owner of such Unit together with the holders of record of any liens thereon (or, in lieu of execution by such Unit Owner and lienors, the same may execute a consent to such amendment in recordable form). Following the Taking of a portion of a Unit and the recording of the aforementioned amendment to the Declaration, the votes appurtenant to such Unit shall be based upon the new Common Interest of such Unit, and, in the event of a Taking of an entire Unit, the right to vote appurtenant to such Unit shall wholly terminate. In either event, the Common Interests of the other remaining Units shall be adjusted accordingly and reflected in an

amendment to the Declaration duly executed and acknowledged by the Condominium Board and the owners of all of the other or remaining Units together with the holders of the Permitted Mortgages.

(G) As used in this Section 5.5, the terms:

(i) "Prompt repair or restoration" shall mean that the Work is to be commenced not more than either: (a) 60 days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds sufficient to discharge the estimated cost and expense of the Work, or (b) 90 days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds insufficient to discharge the estimated cost and expense of the Work, or (c) in the event that the Trust Funds are payable to the Condominium Board pursuant to the terms of paragraph (A) of this Section 5.5, 60 days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work;. In the event there are insufficient Trust Funds to discharge the estimated cost and expense of the Work, the Condominium Board shall levy a Special Assessment for the amount of such deficiency in accordance with paragraph (C) of this Section 5.5; and

(ii) "Promptly resolve" shall mean that a resolution shall be duly made not more than 60 days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds and that the same are or are not sufficient to discharge the estimated cost and expense of the Work, as the case may be.

(H) Any dispute that may arise under this Section 5.5 between Unit Owners or between any Unit Owner(s) and the Condominium Board shall be resolved by arbitration pursuant to the terms of Article 10 hereof.

Section 5.6 *Use of the Property.*

(A) No nuisance shall be allowed on the Property, nor shall any use or practice be allowed that either is a source of annoyance to its residents or interferes with the peaceful possession or proper use of the Property by its residents or occupants. No immoral, improper, offensive, or unlawful use shall be made of the Property or any portion thereof, and all valid Laws relating to any portion of the Property shall be complied with at the sole cost and expense of the respective Unit Owners or the Condominium, whoever shall have the obligation to maintain or repair such part of the Property.

(B) Nothing shall be done or kept in any Unit or in any of the Common Elements that would increase the rate of insurance for the Property, except upon the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in a Unit or in the Common Elements that will result in the cancellation of insurance on the Property or the contents thereof, or that would be in violation of any Law. No waste shall be committed in the Common Elements.

(C) Nothing shall be done in any Unit or in, on, or to the Common Elements that will impair the structural integrity of the Property or will structurally change the Building, except as is otherwise provided in the Declaration or in these By-laws. In no event shall interior partitions contributing to the support of any Unit or the Common Elements be altered or removed.

Section 5.7 *Use of the Units.*

(A) In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of Units shall be restricted to, and shall be in accordance with, the terms contained in the balance of this Section 5.7.

(B) Subject to the terms of paragraphs (D) and (E) of this Section 5.7, each Unit shall be used for residential use only and not more than one family may occupy a Unit at any one time. A Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary, or any other entity (including, but not limited to, any federal or state agency, any foreign government and any embassy, consulate or other official representative thereof) may only be occupied (unless the Condominium Board otherwise consents in writing) by such individual, or by an individual officer, director, stockholder, or employee of such corporation, or by an individual partner or employee of such partnership, or a member of such limited liability company, or by such individual fiduciary (including directors, officers, stockholders, or employees of corporate fiduciaries and partners or employees of partnership fiduciaries), or by an individual beneficiary of said fiduciary, or by an individual principal or employee of such other entity, respectively, or by Family Members and guests of any of the foregoing (and nothing herein contained shall be deemed to prohibit the exclusive occupancy of any such Unit by such Family Members). Notwithstanding the foregoing, Sponsor (with respect to the Unsold Units) or the Condominium (with respect to sold Units) may, in their sole discretion, permit Persons other than those set forth above to occupy a Unit. In no event, however, shall a portion of a Unit (as opposed to the entire Unit) be sold, conveyed, leased, or subleased.

(C) The Suite Units may be used only as a residence occupied by domestic employees of a Unit Owner, as well as Family Members and non-paying guests of Unit Owners. Occupancy of the Suite Units by non-paying guests cannot exceed 3 months, without the prior written consent of the Condominium Board. Except for Sponsor, and the Suite Units that are owned by the Grolier Club, no Unit Owner may own a Suite Unit independently of a Unit. Each Suite Unit will be equipped with a kitchenette and bathroom.

(D) Any Suite Units purchased by the Grolier Club, if applicable (as set forth in detail in Section 7.14 of these By-Laws) may only be used as a residence for the superintendent of the Grolier Club.

(E) The Condominium Board may, in its sole discretion, consent to the use of a Unit as a professional or business office or for any purpose other than that set forth in paragraph (B) hereof, provided that the nature and manner of such use is permitted by, and complies with Law and does not violate the Temporary or Permanent Certificate of Occupancy covering the Building. Any such consent shall be in writing and shall be personal to such Unit Owner. Any lessee of, or successor in title to, such Unit Owner shall be required to obtain the prior written consent of the Condominium Board before using such Unit for any purpose other than that set forth in paragraph (B) hereof.

(F) Notwithstanding anything to the contrary contained in this Section 5.7, Sponsor may, without the consent of either the Condominium Board or the Unit Owners:

(i) grant permission for the use of any Unsold Unit as a professional or business office or for any other purpose, provided that the nature and manner of such use complies with Law and the user thereof complies with all applicable governmental regulations; and

(ii) use any one or more Unsold Unit as model Units and offices for the sales promotion, rental, management and operation of the Unsold Units or for any other purpose, subject only to compliance with Law.

Section 5.8 *Use of the Common Elements.*

(A) Subject to the terms of paragraphs (B) and (C) of this Section 5.8, the Common Elements (including, without limitation, the electrical, heating, gas, plumbing and other mechanical systems and equipment of the Building and the Facilities) may be used only for the furnishing of the services and facilities, and for the other uses, for which they are reasonably suited and capable. In addition, no furniture, packages, or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators, or any other part of the Common Elements (except for those areas designated as Ancillary Amenity

Areas) without the prior written consent of the Condominium Board. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them. Accordingly, all Unit Owners shall require their tradesperson to utilize exclusively the elevator and entrance designated by the Condominium Board for transporting packages, merchandise, or other objects.

(B) The owner or owners of any 2 or more Units, which Units are the only Units serviced or benefited by any General Common Element adjacent or appurtenant to such Units (for example, that portion at the end of any residential hallway that is directly adjacent to any such Units located on opposite sides of such hallway) shall, with the consent of the Condominium Board (which consent shall not be unreasonably withheld or delayed), have the right to use such General Common Elements exclusively, 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 or reallocation of Common Interests shall be made by reason thereof. In such event, however, such owner or owners shall, at such owner's or their sole cost and expense, both (i) operate, maintain and repair such General Common Element for so long as such owner or owners exercise such exclusive right of use and (ii) restore such General Common Element to its original condition, reasonable wear and tear excepted, after such owner or owners cease to exercise such exclusive right of use.

(C) The terms of paragraph (A) of this Section 5.8 shall not apply to Sponsor for so long as there are any Unsold Units. Sponsor shall have the right, without charge or limitation, to: (i) erect and maintain signs, of any size or content determined by Sponsor on or about any portion of the Common Elements chosen by Sponsor including, the area adjacent to the main entrance of the Building; (ii) have its employees, contractors, subcontractors and sales agents present on the Property; and (iii) do all things necessary or appropriate, including the use of the Common Elements (such as lobbies, corridors and the like), to sell, lease, manage, or operate Unsold Units, to complete any work or repairs to the Building expressly undertaken by Sponsor and to comply with Sponsor's obligations under the Plan and the Condominium Documents. In no event, however, shall Sponsor be entitled to use any Common Elements in such a manner as will unreasonably interfere with the use of any Unit for its permitted purposes.

(D) Sponsor, for so long as Sponsor continues to own any Unsold Unit, and the Condominium Board shall have the right, to lease, sublease, license, sell or otherwise convey to a Unit Owner any portion of the Common Elements which either Sponsor or the Condominium Board determines is no longer needed for the furnishing of the services and facilities (including reasonable access) for which such Common Elements are reasonably intended. Any revenue received for the sale, leasing, subleasing, licensing or other conveyance of such Common Elements shall be retained solely by Sponsor or the Condominium Board, as applicable.

Section 5.9 *Use of the Ancillary Amenities.*

(A) A Storage Locker may be used only for the storage of personal effects of a Unit Owner, and in no event shall any food or other perishable item, or any flammable or explosive item, or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance, be stored therein. Sponsor shall have the right to use any unassigned Storage Locker for any purpose permitted by Law or to change the permitted use of any unassigned Storage Locker, subject, however, to the provisions of the By-laws. Except for Sponsor and the Condominium Board, a Storage Locker may not be licensed independently of a Unit. The Storage Lockers and Storage Locker Areas will not be serviced by an emergency generator to maintain proper temperatures in the event of a power outage as a consequence of whatever cause, including, without limitation, water infiltration, and any resulting damage and/or spoilage to the contents therein will be at the sole cost of the licensee(s) of such Storage Lockers. Neither Sponsor nor the Condominium Board shall be responsible for any damage and/or spoilage caused by power outages, temperature fluctuations, or other causes (whether by mechanical or as a consequence of natural causes), including, without limitation, water infiltration, in the Storage Locker Areas.

(B) A Wine Storage Locker may be used only for the storage of wine and other beverages, and in no event shall any food or other perishable item, or any flammable or explosive item, or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance, be stored therein. Sponsor shall have the right to use any unassigned Wine Storage Locker for any purpose permitted by Law or to change the permitted use of any unassigned Wine Storage Locker for any purpose permitted by Law or to change the permitted use of any unassigned Wine Storage Locker, subject, however, to the provisions of the By-laws. Except for Sponsor and the Condominium Board, a Wine Storage Locker may not be licensed independently of a Unit.

(C) The Condominium Board has the authority to promulgate additional rules regarding the use of, insurance coverage for, and access to the Ancillary Amenities and Ancillary Amenity Areas and the procedures for assigning such Ancillary Amenities including restrictions on the hours of access and use. A Unit Owner may transfer or surrender an Ancillary Amenity License to the Condominium Board which shall be authorized to reissue such Ancillary Amenity License to another Unit Owner for such consideration as the Condominium Board shall deem appropriate.

(D) Sponsor may, without the consent of either the Condominium or the Unit Owners, use any Unsold Ancillary Amenity for any purpose, provided such use is permitted by Law.

Section 5.10 *Rights of Access.*

(A) Each Unit Owner shall grant to the Condominium Board, to the Managing Agent or manager (if any), to the Resident Manager or to any other Person authorized by any of the foregoing a right of access (including the right of forced entry if required in the discretion of the party seeking such entry) to the Unit and its appurtenant Limited Common Elements, if any, and any Ancillary Amenity and Ancillary Amenity Area for the purposes of:

(i) making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property;

(ii) curing defaults hereunder or under the Declaration or violations of the Rules and Regulations committed by such Unit Owner or correcting any conditions originating in the Unit and threatening another Unit or all or a portion of the Common Elements;

(iii) performing maintenance, installations, alterations, repairs, or replacements to the structural elements, mechanical or electrical services, or other portions of the Common Elements located within the Unit, Ancillary Amenity or elsewhere in the Building;

(iv) reading, maintaining, or replacing utility meters relating to the Common Elements, to the Unit, or to any other Unit; or

(v) correcting any condition that violates the provisions of any Permitted Mortgage encumbering another Unit.

Except in cases of emergency (that is, a condition requiring repairs or replacement immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals, or required to avoid the suspension of any necessary service in the Building), the foregoing rights of access shall be exercised only upon not less than 1 day's advance notice and only in such a manner as will not unreasonably interfere with the use of the Units and their appurtenant Limited

Common Elements for their permitted purposes. In cases of emergency, however, such rights of access may be exercised immediately, without advance notice and whether or not the Unit Owner is present.

(B) Each Unit Owner shall grant a right of access to the Unit and its appurtenant Limited Common Elements, if any, and the Condominium Board shall grant rights of access to the General Common Elements, to Sponsor and its contractors, subcontractors, agents and employees for the purpose of fulfilling Sponsor's obligations as set forth in the Plan or in any amendment thereto, provided that access thereto shall not be exercised, with respect to any Unit and its appurtenant Limited Common Elements, if any, in such a manner as will unreasonably interfere with the use of such Unit and its appurtenant Limited Common Elements, if any, for their permitted purposes.

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

Section 5.11 *Modification of the Rules and Regulations.* The Condominium Board shall have the right to amend, modify, add to, or delete any of the Rules and Regulations from time to time, provided, however, that any such amendment, modification, addition, or deletion may be overruled by a vote of at least 66 2/3% of all Unit Owners, in number and Common Interest. Copies of the text of any amendments, modifications, additions, or deletions to the Rules and Regulations shall be furnished to all Unit Owners not less than 30 days prior to the effective date thereof. Notwithstanding the foregoing, the Condominium Board shall not have the right to amend, modify, add to, or delete any of the Rules and Regulations if the same would materially and adversely affect Sponsor without the prior written consent of Sponsor.

Section 5.12 *Real Estate Taxes.* Unless and until real estate taxes are billed directly to Unit Owners by the City Collector, the Condominium Board shall promptly pay such taxes as a Common Expense. In the event of a proposed sale of any Unit, the Condominium Board (for so long as the Condominium Board is still paying such real estate taxes) shall, upon the written request of the selling Unit Owner, execute and deliver to the purchaser of such Unit, or to such purchaser's title company, a letter agreeing to promptly pay all such real estate taxes affecting such Owner's Unit to the date of the Closing of Title to such Unit.

Section 5.13 *Fuel.* Unless and until fuel is billed directly to Unit Owners by the supply company, in accordance with and subject to the provisions of the Plan, the cost and expense of fuel (for heating and cooling) serving or benefiting any Unit and/or Common Element shall be: (i) considered part of the expense of maintaining such Unit and/or Common Element, (ii) determined by the Condominium Board, (iii) paid by the Condominium Board, and (iv) charged to the Unit Owners as a Common Expense for such portion attributable to the Units and/or the General Common Elements and/or the Limited Common Elements. In the event there is a particular or unique use being made of a Unit and/or Common Element, the Condominium Board shall cause a new survey to be made the cost of which shall be borne by the Unit Owners as a Common Expense.

Section 5.14 *Water Charges and Sewer Rents.* Unless and until water is separately metered in a Unit and water charges and sewer rents are billed directly to a Unit Owner by the City Collector, in accordance with and subject to the provisions of the Plan, the cost and expense of water serving or benefiting a Unit and/or Common Element shall be: (i) considered part of the expense of maintaining such Unit and/or Common Element, (ii) determined by the Condominium Board, (iii) paid by the Condominium Board, and

(iv) charged to the Unit Owners as a Common Expense for such portion attributable to the Units and/or the General Common Elements and/or the Limited Common Elements. In addition, the cost of submetering shall be a Common Expense.

Section 5.15 *Electricity.*

(A) Electricity for each Unit shall be either individually direct metered or submetered for each Unit (or portion thereof).

(B) If individually direct metered, each Unit Owner shall be required to pay the billing utility directly for electricity consumed in such Unit Owner's Unit (or portion thereof) and in the Limited Common Elements to which such Unit has exclusive access.

(C) If the Units are submetered, each Unit Owner shall be required to pay bills for electricity consumed in such Unit Owner's Unit either to the Condominium Board or to the utility company or to the servicing company engaged by the Condominium Board to perform such services all at the direction of the Condominium Board. The Common Expenses shall include fees for administering and servicing the submeters. In the event that a Unit Owner fails to pay for its submetered electricity, the Condominium Board shall be responsible to pay such expense on the Unit Owner's behalf and such electricity charges shall be deemed Common Charges allocable to the defaulting Unit Owner and the Condominium Board shall have a lien for non-payment of the expense as provided in Article 6.5 of these By-laws.

(D) Electricity for the Common Elements shall be supplied through one or more separate meters therefore and the cost thereof will be paid by the Condominium Board and will be borne by the Unit Owners as Common Charges. In addition, the cost of submetering shall be a Common Expense.

(E) Any disputes with respect to submetering rates and billing must be submitted to Arbitration pursuant to Article 10 of these By-laws."

Section 5.16 *Record and Audits.*

(A) The Treasurer of the Condominium, or the Managing Agent under the supervision of such Treasurer, shall keep full, detailed and accurate records and books of account with respect to the financial affairs of the Condominium, which records and books of account shall include, without limitation, (i) a listing of all receipts of and expenditures by the Condominium Board and the Managing Agent and (ii) a separate listing for each Unit, setting forth, among other things, the amount of each assessment of Common Charges and Special Assessments levied against such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid, as well as all Permitted Mortgages having an interest in such Unit.

(B) Within 4 months after the end of each fiscal year of the Condominium, the Condominium Board shall submit to each Unit Owner, and, if so requested, to any Permitted Mortgagee, an annual report of the receipts and expenditures of the Condominium prepared and certified by an independent certified public accountant. The cost of preparing and distributing each such report shall be borne by the Condominium Board as a Common Expense. The fiscal year of the Condominium shall be a calendar year.

ARTICLE 6

COMMON CHARGES

Section 6.1 *Determination of Common Expenses and Fixing of Common Charges.*

(A) From time to time, but not less frequently than once a year, the Condominium Board shall: (i) prepare and adopt a budget for the Condominium, subject, in all respects, to the strictures set

forth in Section 2.5 hereof; (ii) determine the aggregate amount of Common Charges necessary to be charged to the Unit Owners in order to meet the Common Expenses; and (iii) allocate and assess such Common Charges amongst the Unit Owners in accordance with allocations set forth in the First Year's Budget. The Condominium Board shall advise all Unit Owners promptly thereafter in writing of the amount of Common Charges payable by each of them, not later than 10 days prior to the date upon which the first installment of newly-determined Common Charges is due, shall furnish copies of the budget (in a reasonably itemized form) upon which such Common Charges are based to all Unit Owners and to their respective Permitted Mortgagees whenever requested in writing by such Permitted Mortgagees. The Condominium Board may, subject to paragraph (E) of this Section 6.1, at its sole discretion, from time to time increase or decrease the amount of Common Charges allocated to the Units and payable by the Unit Owners and may modify its prior determination of the Common Expenses for any fiscal year so as to increase or decrease the amount of Common Charges payable for such fiscal year or portion thereof; however, no such revised determination of Common Expenses shall have a retroactive effect on the amount of Common Charges payable by Unit Owners for any period prior to the date of such new determination. Notwithstanding the foregoing, however, the Condominium Board shall not reduce the Common Charges payable during any fiscal year occurring within the Sponsor Control Period solely as a result of either reducing the number of employees of the Condominium below the number employed (or anticipated in the First Year's Budget) for the Property on the date of recording the Declaration except with Sponsor's prior written consent, or eliminate or reduce the insurance coverage below that provided for the Property on such date, except with the concurrence of a majority of the Members of the Condominium Board elected by Unit Owners other than Sponsor. All Unit Owners will be given a copy of the proposed annual budget of the Condominium at least 10 days prior to the date set for adoption thereof by the Condominium Board.

(B) The failure or delay of the Condominium Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the Common Charges payable by the Unit Owners until a new determination of the Common Expenses shall be made.

(C) In addition to the foregoing duty to determine the amount of and assess Common Charges, the Condominium Board shall have the right, subject, in all respects, to the strictures contained in Section 2.5 hereof, to levy Special Assessments to meet the Common Expenses. All Special Assessments relative to the General Common Elements shall be levied against all Unit Owners in proportion to their respective Common Interests and all Special Assessments relative to the Limited Common Elements shall be levied against all Unit Owners in proportion to their Limited Common Interests. Special Assessments relating to the Ancillary Amenities shall be levied solely against all Unit Owners owning such Ancillary Amenities. Special Assessments may be payable either in one lump sum or in installments, as the Condominium Board shall determine, provided, however, that the Condominium Board shall give each Unit Owner not less than 15 days' written notice prior to the date upon which such Special Assessment, or the first installment thereof, shall be due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. The Condominium Board shall have all rights and remedies for the collection of Special Assessments as are provided herein for the collection of Common Charges (including, without limitation, the provisions of Section 6.5 hereof).

(D) The excess of all rents, profits and revenues derived from the rental or use of any space forming a part of, or included in, any, General Common Element remaining after deduction of all expenses incurred in connection with generating the same shall constitute income of the Unit Owners and shall be collected on behalf of the Unit Owners by the Condominium Board and applied against the Common Expenses attributable to the General Common Elements or the Limited Common Elements for the fiscal year in which collected. In the event that such net rents, profits and revenues, together with the Common Charges

and any Special Assessments collected from the Unit Owners, for any year of operation shall exceed the Common Expenses for such year, then such excess shall be applied by the Condominium Board against the Common Expenses attributable to the General Common Elements or the Limited Common Elements depending on whether the excess relates to the General Common Elements or the Limited Common Elements for the next succeeding year(s) of operation. No Unit Owner shall be entitled to a distribution of any portion of such excess unless the Condominium Board shall determine to distribute all or part of such excess to all Unit Owners pro-rata, in proportion to their respective Common Interests, or Limited Common Interests, as appropriate, and any such distributions must be made out of the Common Charges collected from Unit Owners.

Section 6.2 *Payment of Common Charges*

(A) All Unit Owners (including Sponsor with respect to Unsold Units for so long as the same are owned thereby) shall be obligated to pay Common Charges and Special Assessments assessed by the Condominium Board pursuant to the terms of Section 6.1 hereof at such time or times (but not less than annually) as the Condominium Board shall determine. Unless otherwise determined by the Condominium Board, Common Charges shall be payable in installments on the first day of every month in advance. To the extent permitted by Law, the Condominium Board shall have a lien on each Unit, on behalf of all Unit Owners, for unpaid Common Charges and Special Assessments assessed against such Unit. Such lien, however, shall be subordinate, to the extent required by Law, to any liens for real estate taxes assessed against such Unit and any sums unpaid on a Permitted Mortgage recorded against the Unit.

(B) Notwithstanding anything to the contrary contained in paragraph (A) above, during the Sponsor Control Period, the Condominium Board, in its sole discretion, shall have the right to waive Unit Owner's obligations to pay Common Charges from and after the First Closing for a period to be determined by the Condominium Board, provided during such period, the basic operating costs of the Condominium (exclusive of reserves) are paid by Sponsor. Upon commencement of the collection of Common Charges from all Unit Owners, no assessment will be imposed for any item set forth in the approved budget for the Condominium. The Condominium Board, which shall be under Sponsor's control during the Sponsor Control Period, shall remain obligated to update the budget for the Condominium in accordance with Law.

(C) No Unit Owner shall be liable for the payment of any part of the Common Charges and any Special Assessments assessed against the Unit subsequent to a sale, transfer, or other conveyance by Unit Owner of such Unit, together with its Appurtenant Interests, made in compliance with the terms of Article 7 hereof. A purchaser or other successor-in-title to the owner of a Unit shall be liable for the payment of all Common Charges and any Special Assessments accrued and unpaid against such Unit prior to such purchaser's acquisition thereof, except that, to the extent permitted by Law, a Permitted Mortgagee acquiring title to a mortgaged Unit or a purchaser at a mortgage foreclosure sale held with respect to a Permitted Mortgage shall not be liable, and such mortgaged Unit shall not be subject to a lien, for the payment of any Common Charges and Special Assessments assessed subsequent to the recording of such Permitted Mortgage and prior to the acquisition of title to such Unit by the Permitted Mortgagee or by such purchaser. However, in the event of a foreclosure of a Permitted Mortgage (whether by sale, deed in lieu of foreclosure, or otherwise), the defaulting Unit Owner shall remain fully liable for the payment of all unpaid Common Charges and Special Assessments that accrued prior to such foreclosure or sale. Any excess proceeds from such foreclosure or sale shall be paid directly to the Condominium Board in payment of all unpaid Common Charges and Special Assessments. In the case of a Unit, any remaining unpaid Common Charges and Special Assessments that are not collected from such foreclosure sale or from the defaulting Unit Owner shall be deemed a Common Expense, collectible from all those who are Unit Owners at the time the same is levied.

(D) Subject to the terms and conditions contained in these By-laws, any Unit Owner may convey the Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, without being compensated therefor, and, in such event,

be exempt from the payment of Common Charges and Special Assessments thereafter accruing, provided, however, that: (i) all Common Charges and any Special Assessments then due and payable with respect to such Unit have been paid; (ii) such Unit is free and clear of all liens and encumbrances other than a Permitted Mortgage and the statutory lien for unpaid Common Charges and Special Assessments; and (iii) no violation of any provision of the Condominium Documents then exists with respect to such Unit. However, in no event shall Sponsor be permitted to convey any Unsold Unit to the Condominium Board and thereby exempt itself from Common Charges and any Special Assessments attributable to such Unit thereafter accruing unless the aggregate Common Interests then appertaining to the Unsold Units constitute 15% or less of the total Common Interests then appertaining to all Units, at least five years shall have elapsed from the date of the First Closing and, at the time of conveyance, Sponsor shall pay to the Condominium Board an amount equal to the product of the then current monthly Common Charges for the Unsold Unit(s) being conveyed multiplied by 24.

(E) No Unit Owner shall be exempted from liability for the payment of Common Charges or Special Assessments by waiving the use or enjoyment of any or all of the Common Elements or by abandoning the Unit (except with respect to a conveyance of the same to the Condominium Board, without compensation, pursuant to the terms of paragraph (C) hereof). Except as expressly provided to the contrary in paragraph (E) of Section 5.5 hereof, no Unit Owner shall be entitled to a diminution or abatement in the Common Charges or Special Assessments payable thereby for any inconvenience or discomfort arising from: (i) the failure or interruption of any utility or other services; (ii) the making of repairs or improvements to the Common Elements or any Unit (including, without limitation, such Unit) pursuant to the terms of Section 5.1, 5.2, or 5.3 hereof; or (iii) any action taken by the Condominium Board or the officers of the Condominium to comply with Law.

Section 6.3 *Statement of Common Charges.* The Condominium Board shall promptly provide a written statement of unpaid Common Charges due from any Unit Owner upon its receipt of a written request therefor from such Unit Owner.

Section 6.4 *Common Charge Deposit for Foreign Owners.* Any Unit Owner that is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) shall deposit with the Condominium Board an amount equal to two (2) times the then current annual Common Charges for such Unit, subject to increase from time to time as such Common Charges increase, together with the full amount of any Special Assessment levied against, or allocable to, such Unit, as security for the faithful observance by such Unit owner of the terms, provisions and conditions of these By-laws. In the event that such Unit Owner defaults in respect of the terms, provisions and conditions of these By-laws, the Condominium Board may use, apply or retain the whole or any part of the security so deposited, to the extent required for the payment of any Common Charges or any other sum to which such Unit Owner is in default. In the Condominium Board applies or retains any part of said security, the Unit Owner in question, within ten (10) days after notice from the Condominium Board, shall deposit with the Condominium Board the amount so applied or retained so that such Condominium Board has the full amount of said security on hand at all times.

Section 6.5 *Default in Payment of Common Charges.*

(A) The Condominium Board shall take prompt action to collect any Common Charges due to the Condominium Board that remain unpaid for more than 15 days after the due date for the payment thereof, including, but not limited to the imposition of late charges, notice fees and the institution of such actions for the recovery of interest and expenses as provided in this Article 6. All costs and expenses incurred by the Condominium Board (including attorney's fees) as a result of its attempt to collect unpaid Common Charges and/or Special Assessments shall be borne by the Unit Owner and shall constitute

Common Charges payable by such Unit Owner. In connection therewith, the Condominium Board shall have the right and obligation to cause liens for all sums due and owing to the Condominium Board to be filed in the Register's Office pursuant to the terms of Section 339-z of the Condominium Act, to cause such liens to be foreclosed in the manner provided in Section 339-aa of the Condominium Act and/or to institute all other proceedings deemed necessary or desirable by the Condominium Board to recover all such unpaid Common Charges, together with all additional sums of money collectible by the Condominium Board by reason of such nonpayment pursuant to the terms of paragraph (B) hereof. A suit to recover a money judgment for unpaid Common Charges, however, shall be maintainable without foreclosing or waiving the lien securing such charges.

(B) In the event that any Unit Owner shall fail to make prompt payment of Common Charges, such Unit Owner shall be obligated to pay: (i) interest thereon at the rate of 1.5% per month of such unpaid amounts (less any late "charges" theretofore collected), to be computed from the due date thereof until paid in full, together with all costs and expenses paid or incurred by the Condominium Board, the Managing Agent, or the manager (if any) in connection with collecting such unpaid Common Charges with interest as aforesaid and/or in foreclosing the aforementioned lien, including, without limitation, attorneys' fees and disbursements and court costs; (ii) a late charge of $150 per month for Common Charges which remain unpaid for more than 10 days after the date when due, plus all expenses of collection including but not limited to attorney's fees, in such amount as may be determined by the Condominium Board from time to time, to be computed from the due date thereof until paid in full. In addition, if the Condominium Board shall bring an action to foreclose the aforementioned lien, the defaulting Unit Owner will be required to pay a reasonable rental for the use of the Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. All such late charges, interest, costs and expenses and rentals shall be added to and shall constitute Common Charges payable by such Unit Owner.

(C) In any action brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges, the Condominium Board shall have, on behalf of all Unit Owners, the power to purchase such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Unit (but not to vote the votes appurtenant to the same). In the event that the net proceeds received on such foreclosure (after deduction of all legal fees and disbursements, advertising costs, brokerage commissions, court costs and other costs and expenses paid or incurred in connection therewith) shall be insufficient to satisfy the defaulting Unit Owner's obligations to the Condominium, such Unit Owner shall remain liable for the deficit. Any surplus on such foreclosure shall be paid to the defaulting Unit Owner after first paying all liens on such Unit Owner's Unit in the order of priority of such liens.

(D) If the Unit Owner shall at any time lease the Unit and shall default in the payment of any Common Charges or additional Common Charges, the Condominium Board may, at its option, so long as such default shall continue, demand and receive from the tenant the rent due or becoming due from such tenant to the Unit Owner, and apply the amount to pay sums due and to become due from the Unit Owner to the Condominium. Any payment by a tenant to the Condominium shall constitute a discharge of the obligation of such tenant to the Unit Owner, to the extent of the amount so paid. The acceptance of rent from any tenant shall not be deemed a consent to or approval of any leasing by the Unit Owner, or a release or discharge of any of the obligations of the Unit Owner hereunder. In the event the tenant fails to pay the rent to the Condominium after demand by the Condominium Board, the Condominium Board shall have the right to commence summary eviction proceedings in the name of or on behalf of the Unit Owner, against the tenant. All costs and expenses incurred by the Condominium Board (including attorney's fees) in connection therewith, shall be borne by the Unit Owner and shall constitute Common Charges payable by such Unit Owner.

ARTICLE 7

SELLING AND LEASING OF UNITS AND ASSIGNMENT OF ANCILLARY AMENITY LICENSES

Section 7.1 *General.* Subject to the terms of Section 7.5 hereof, each Unit Owner may (i) sell the Unit and (ii) lease the Unit (with the exception of the Suite Units which cannot be leased independently from a Unit) for periods of not less nor more than 1 year, provided however, no Unit Owner may sell or lease the Unit except in compliance with the applicable provisions of this Article 7 and the policies and procedures established by the Condominium Board. Any purported sale or rental consummated in default in the applicable terms hereof shall be voidable at the sole election of the Condominium Board, and, if the Condominium Board shall so elect, the selling or renting Unit Owner shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to eject the purported purchaser (in the event of an unauthorized sale) or to evict the purported tenant (in the event of an unauthorized lease) in the name of such Unit Owner. Such Unit Owner shall reimburse the Condominium Board for all costs and expenses paid or incurred in connection with such proceedings, including, without limitation, attorneys' fees and disbursements and court costs.

Section 7.2 *Right of First Refusal.*

(A) Subject to the terms of Sections 7.5 and 7.9 hereof, any contract to sell a Unit together with its Appurtenant Interests and any lease of a Unit ("Sale Agreement" or "Lease Agreement") shall contain the following language: "THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE HEREBY MADE EXPRESSLY SUBJECT TO THE RIGHTS IF ANY, OF THE CONDOMINIUM BOARD OF THE CONDOMINIUM WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN PURSUANT TO THE TERMS OF SECTIONS 7.2 AND 7.3 OF THE BY-LAWS OF THE CONDOMINIUM, AS THE SAME MAY HAVE BEEN AMENDED." Promptly after any such bona fide Sale Agreement or Lease Agreement shall be fully executed, the Unit Owner executing the same ("Offeree Unit Owner") shall send written notice thereof to the Condominium Board by certified or registered mail, return receipt requested, which notice shall be accompanied by a fully executed, original counterpart of the Sale Agreement or Lease Agreement, as the case may be, containing all of the terms offered in good faith by the prospective purchaser or tenant ("Outside Offeror").

(B) The sending of the notice referred to in paragraph (A) of this Section 7.2 shall constitute an offer by the Offeree Unit Owner to sell the Unit, together with its Appurtenant Interests, or to lease the Unit, as the case may be, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, subject, however, to any variance therefrom provided in Section 7.3 hereof. The giving of such notice shall further constitute a representation and warranty by the Offeree Unit Owner to the Condominium Board, on behalf of all Unit Owners, that such Offeree Unit Owner believes the Sale Agreement or Lease Agreement to be bona fide in all respects. Thereafter, upon the written demand of the Condominium Board, the Offeree Unit Owner shall submit to the Condominium Board, in writing, such further information with respect to the Outside Offeror and the Sale Agreement or Lease Agreement as the Condominium Board may reasonably request.

(C) The Condominium Board may elect, by sending written notice thereof to the Offeree Unit Owner by certified or registered mail not later than 30 days (in the event of a proposed sale) and 30 days (in the event of a proposed lease) after receipt of the notice referred to in paragraph (A) hereof together with such further information as may have been requested pursuant to the terms of paragraph (B) hereof, to purchase such Unit together with its Appurtenant Interests or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise) on behalf of all Unit Owners upon the same terms and conditions as were contained in the Sale Agreement or Lease Agreement

and stated in the response(s) by the Offeree Unit Owner to any requests for additional information pursuant to the terms of paragraph (B) hereof. Notwithstanding anything to the contrary contained herein, however, the Condominium Board shall not exercise any option set forth in this Section 7.2 to purchase or lease any Unit without the prior approval of a Majority of all Unit Owners.

(D) The Condominium Board may not discriminate against any person on the basis of race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law in connection with its exercise of its right of first refusal with respect to the sale or rental of a Unit.

Section 7.3 *Acceptance of Offer*

(A) In the event that the Condominium Board shall elect, within the time and in the manner provided in Section 7.2 hereof, to purchase a Unit together with its Appurtenant Interests, to lease such Unit, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed, in either event in accordance with the terms of the Sale Agreement or Lease Agreement, at the office of the attorneys for the Condominium Board within 45 days after the day upon which the Condominium Board shall give notice of its election to accept such offer.

(B) If such Unit and its Appurtenant Interests are to be purchased by the Condominium Board or its designee on behalf of all Unit Owners, such purchase may be made from the funds deposited in the capital and/or expense accounts of the Condominium. If the funds in such accounts are insufficient to effectuate such purchase, the Condominium Board may levy a Special Assessment against each Unit Owner (other than the Offeree Unit Owner) in accordance with the terms of paragraph (C) of Section 6.1 hereof and/or the Condominium Board may, in its discretion, finance the acquisition of such Unit; provided, however, that no such financing may be secured by an encumbrance on or a hypothecation of any portion of the Property other than the Unit to be purchased together with its Appurtenant Interests. In addition, if the Outside Offeror was to assume or to take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages pursuant to the Sale Agreement, the Condominium Board may purchase the Unit and assume or take title thereto subject to such mortgage or mortgages as the case may be. At the Closing of Title, the Offeree Unit Owner shall convey the Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, on behalf of all Unit Owners, by deed in the form required by Section 399-o of the Condominium Act with all tax and/or documentary stamps affixed at the expense of the Offeree Unit Owner, who shall also pay all other transfer taxes arising out of such sale (including, if applicable, all New York State and New York City Transfer Taxes) notwithstanding any terms of the Sale Agreement to the contrary. Real estate taxes, mortgage interest (if applicable) and Common Charges shall be apportioned between the Offeree Unit Owner and the Condominium Board or its designee as of the Closing date, notwithstanding any terms of the Sale Agreement to the contrary. Thereafter, such Unit shall be held, so long as the same is owned by the Condominium Board or its designee, on behalf of all Unit Owners, as tenants-in-common, and all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Unit and the entire Property, as herein provided.

(C) In the event that such Unit is to be leased by the Condominium Board or its designee on behalf of all Unit Owners, the Offeree Unit Owner shall execute and deliver to the Condominium Board or such designee a lease covering such Unit by and between the Offeree Unit Owner, as landlord, and the Condominium Board or such designee, as tenant. Such lease shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., and shall contain all of the terms and conditions of the Lease Agreement not in conflict with such form of lease, including, without limitation, the rental and term provided for therein. Notwithstanding anything to the contrary set forth hereinabove or in the Lease Agreement, however, such lease shall expressly provide that the Condominium Board or such designee may enter into a sublease of the premises demised thereunder without consent of the landlord.

Section 7.4 *Failure to Accept Offer.*

(A) In the event that the Condominium Board shall fail to accept an offer made pursuant to the terms of Section 7.2 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 60 days after (i) notice of refusal is sent to the Offeree Unit Owner by the Condominium Board or (ii) the expiration of the period within which the Condominium Board or its designee might have accepted such offer, as the case may be. If the Offeree Unit Owner shall fail to consummate the transaction embodied in the Sale Agreement or Lease Agreement within such 60 day period, then, should the Offeree Unit Owner thereafter elect to sell such Unit together with its Appurtenant Interests or to lease such Unit, the Offeree Unit Owner shall be required again to comply with all of the terms and provisions of Section 7.2, 7.3 and 7.4 hereof, but not more often than once in any 12 month period, except the Condominium Board shall have the right to waive this for good cause shown, in its sole discretion.

(B) Any deed of a Unit and its Appurtenant Interests to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee shall constitute an assumption of all of the terms of the Condominium Documents, and, in the absence of such express language, the same shall be conclusively deemed to have been included herein.

(C) Each lease of a Unit to an Outside Offeror shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., subject to such modifications as may be approved in writing by the Condominium Board or such other form approved in writing by the Condominium Board. Notwithstanding the foregoing, however, each such lease shall be consistent with the Condominium Documents and shall expressly provide that:

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

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

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

Section 7.5 *Termination of, and Exceptions to, the Right of First Refusal.*

(A) A certificate executed and acknowledged by the Secretary of the Condominium or the Managing Agent, stating that the provisions of Section 7.2 hereof have been met by a Unit Owner or that the right of first refusal provided for therein has been duly released or waived by the Condominium Board and that, as a result thereof, the rights of the Condominium Board thereunder have terminated, shall be conclusive upon the Condominium Board and all Unit Owners in favor of all persons who rely upon such certificate in good faith. After the due issuance of such a certificate, the Unit to which the same shall relate, together with its Appurtenant Interests, may be sold, conveyed, or leased free and clear of the terms and conditions contained in Section 7.2 hereof. The Condominium Board shall furnish or cause the Managing Agent to furnish without charge, such certificate upon written request to any Unit Owner in respect to whom the provisions of Sections 7.2 hereof have, in fact, been terminated. In no event, however, shall the right of first refusal described in Section 7.2 hereof be deemed released or waived by the Condominium Board (as opposed to satisfied pursuant to the express terms of Sections 7.2, 7.3 and 7.4 hereof) in the absence of the

certificate that has been duly executed, acknowledged and issued by the Secretary of the Condominium or the Managing Agent as aforesaid.

(B) The terms and conditions contained in Section 7.2, 7.3 and 7.4 hereof shall not apply with respect to any sale, lease or conveyance of a Unit, together with its Appurtenant Interests, by:

(i) the Unit Owner thereof to any adult Family Members, to any combination of the same, or to a trust for the benefit of any of them (in which case the Condominium Board shall have the right to review the trust documents and provide for such terms and restrictions on such transfer as the Condominium Board deems advisable), provided, however, that if the succeeding Unit Owner is an infant or a person judicially declared incompetent of managing affairs, then such Unit shall be held by the personal representative of such infant or incompetent, or in the case of a 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 Unit Owner or to any entity with respect to which such Unit Owner (individual or otherwise) owns more than 50% of the legal and beneficial interest thereof;

(ii) Sponsor;

(iii) the Condominium Board;

(iv) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure; or

(v) any Permitted Mortgagee or its nominee, who has acquired title to any Unit at any foreclosure sale of its Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction;

(C) provided, however, that each succeeding Unit Owner shall be bound by, and the Unit shall be subject to, all of the terms and conditions of this Article 7.

Section 7.6 *No Severance of Ownership.* No Unit Owner shall execute any deed or other instrument conveying title to the Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, conveyed, or otherwise disposed of, except as part of a sale, conveyance, or other disposition of the Unit to which such interests are appurtenant or as part of a sale, conveyance, or other disposition of such part of the Appurtenant Interests of all Units. Nothing contained in this Section 7.6, however, shall prohibit the lease of any Unit without the simultaneous lease of its Appurtenant Interests.

Section 7.7 *Payment of Common Charges.* No Unit Owner shall be permitted to convey or lease the Unit unless (i) the Unit Owner shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Unit and (ii) paid in full all fees charged by the Condominium Board and/or the Managing Agent in connection with the sale or rental of Units, including, without limitation, any working capital fund contribution imposed by the Condominium Board and (iii) paid in full to Sponsor the Resale Fee set forth in Section 7.13 of these By-laws. However, where the payment of such unpaid Common Charges and/or Special Assessments is made by the grantee or provided for out of the proceeds of the sale, a sale may take place notwithstanding the foregoing. Notwithstanding the foregoing, the imposition of any fees by the Condominium Board and/or the Managing Agent in connection with the sale or rental of Units shall not apply to the sale lease, sublease, license or conveyance of a Unit by the reasons set forth in subsections 7.5(B) (ii), (iii), (iv) and (v) of this Article 7.

Section 7.8 *Power of Attorney.* At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and deliver to the representative of the title insurance company (or, if no such representative is present, to the Condominium Board) for recording in the Register's Office (at such Unit Owner's sole cost and expense), the Unit Owner's Power of Attorney required in Article 14 of the Declaration, in the form set forth as Exhibit E to the Declaration.

Section 7.9 *Gifts and Devises, Etc.* Any Unit Owner shall be free to convey or transfer the Unit, together with its Appurtenant Interests, by gift, or to devise the same by will or to have the same pass by intestacy, without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and the Unit shall be subject to, the provisions of this Article 7.

Section 7.10 *Commencement of Time.* The period of time set forth in Section 7.2 for which the Condominium Board has to waive its right of first refusal shall not commence until such time as the Condominium Board or its managing agent has received a completed sales or lease package, including all fees set forth therein, as the case may be, from a Unit Owner. If the information provided by the Unit Owner or prospective purchaser or tenant, as the case may be, is incomplete, the Condominium Board shall have the right to request additional information and the 30 day period will commence on receipt by the Condominium Board of the additional information.

Section 7.11 *Costs and Expenses.* All costs and expenses incurred by the Condominium Board, including, without limitation, attorneys' fees and disbursements paid or incurred by the Condominium Board or by its Managing Agent in connection with any action taken by the Condominium Board with regard a violation of this Article 7, shall be borne by the Unit Owner as an Additional Common Charge.

Section 7.12 *Assignment of Ancillary Amenity Licenses.*

(A) Except for Sponsor, No Unit Owner shall be permitted to assign, convey or lease an Ancillary Amenity to anyone other than a Unit Owner. An Ancillary Amenity License may be assigned by a Unit Owner at any time (and not subject to any right of first refusal by the Condominium Board) provided (i) the assignee is another Unit Owner at the Condominium; (ii) the assignee assumes the obligations under the Ancillary Amenity License; (iii) notification of the assignment is promptly delivered to the Condominium Board in compliance with its requirements; and (iv) all unpaid Common Charges and Special Assessments and other obligations due to the Condominium have been paid in full.

(B) If the Condominium Board terminates an Ancillary Amenity License or a Unit Owner surrenders an Ancillary Amenity License without assigning the Ancillary Amenity License to another Unit Owner, the Condominium Board shall have the right to issue a new Ancillary Amenity License for the Ancillary Amenity to another Unit Owner, in its sole discretion and the surrendering Unit Owner shall not be entitled to any compensation.

Section 7.13 *Resale Fee .*

(A) Each Unit Owner who acquired a Residential Unit from Sponsor ("Sponsor Sale") and subsequently enters into an agreement, written or oral ("Resale Agreement") to resell the Unit prior to the first anniversary of the closing of the Sponsor Sale ("Resale") shall be obligated to pay Sponsor a portion of the proceeds of the Resale ("Resale Fee"). A Unit Owner will be required to send Sponsor a copy of the Resale Agreement within 10 days of agreeing to the Resale. The Resale Fee paid to Sponsor shall be equal to 50% of the difference between: (A) the sales price of the Unit per the Resale Agreement less the following expenses actually paid for by Unit Owner (to the extent applicable): (1) brokerage commissions not exceeding 6% in the aggregate; (2) transfer taxes imposed by Law and (3) actual legal fees not exceeding $5,000; and (B) the Purchase Price paid to Sponsor in connection with the Sponsor Sale. Set forth below is an example of the calculation of a Resale Fee:

Resale:	$ 6,000,000
Sponsor Sale	($ 4,500,000)
Gross Profit	$ 1,500,000
Broker	($ 360,000)
Transfer Tax	($ 110,000)
Legal Fees	($ 5,000)
Net Profit	$ 1,025,000
Resale Fee	$ 512,500

(B) The Resale Fee shall be paid to Sponsor by wire transfer on the date the closing occurs pursuant to the Resale Agreement. Any deductions for allowable expenses paid by Residential Unit Owner must be supported by documentation acceptable to Sponsor. The obligation to pay a Resale Fee shall survive the closing of the Sponsor Sale.

(C) Prior to the first anniversary of the Sponsor Sale, each Unit Owner is prohibited from listing the Unit for sale with any broker or placing or authorizing any listing in any broker's listing system or other listing service or advertising or otherwise offering, promoting or publicizing the availability of the Residential Unit for sale, without Sponsor's prior written consent, which consent may be unreasonably withheld or delayed in Sponsor's sole and absolute discretion.

Section 7.14 *The Grolier Club's Right of First Offer*.

(A) The Grolier Club shall have a right of first offer to purchase two (2) of the Suite Units, which right must be exercised within thirty (30) days' notice to the Grolier Club. The Suite Units purchased by the Grolier Club, if applicable, may only be used as a residence for the superintendent of the Grolier Club.

(B) If the Grolier Club exercises such right, for so long as Sponsor continues to own an Unsold Unit, Sponsor will have a right of first offer to purchase such Suite Units from the Grolier Club. Sponsor shall have a right of first refusal (with a thirty (30) day exercise period) to purchase such Suite Units from the Grolier Club prior to any resale by the Grolier Club of any such Suite Unit.

ARTICLE 8

MORTGAGING OF UNITS

Section 8.1 *General.* Each Unit Owner shall have the right to mortgage the Unit, subject only to the terms and conditions contained in Section 8.2 hereof. Any Unit Owner who mortgages the Unit, or the holder of such mortgage, shall supply the Condominium Board with the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Condominium Board. Any Unit Owner who satisfies a mortgage covering the Unit shall so notify the Condominium Board and shall file a conformed copy of the satisfaction of mortgage with the Condominium Board. The Secretary of the Condominium shall maintain such information in a book entitled "Mortgages of Units."

Section 8.2 *Restrictions on Mortgaging*

(A) No Unit Owner shall be permitted to mortgage, pledge, or hypothecate the Unit unless and until the Unit Owner shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, except the liens of Permitted Mortgages levied against such Unit.

(B) No Unit Owner shall execute any mortgage or other document mortgaging, pledging, or hypothecating title to the Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein.

(C) Any mortgage covering a Unit shall be substantially in the form used by any Institutional Lender.

(D) Any mortgage covering a Unit shall be made by an Institutional Lender, Sponsor, or by a Unit Owner providing purchase money financing in connection with the sale of the Unit.

Section 8.3 *Notice of Unpaid Common Charges and Default.* The Condominium Board shall promptly report to Permitted Mortgagee any default by the Permitted Mortgagee's mortgagor in the payment of Common Charges or Special Assessments for more than 60 days or whenever requested in writing by a Permitted Mortgagee any default by the Permitted Mortgagee's mortgagor in the observance or performance of any of the provisions of the Condominium Documents as to which the Condominium Board has knowledge then exists. The Condominium Board shall, when giving notice to a Unit Owner of any such default, also send a copy of such notice to the Permitted Mortgagee, if so requested. However, the Condominium Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of any default by the mortgagor under the Condominium Documents, provided that (i) the Condominium Board shall advise such Permitted Mortgagee of the default promptly after discovering such failure and (ii) if the Condominium Board shall foreclose a lien on such mortgagor's Unit Pursuant to the terms of Section 6.5 hereof by reason of such default, the Condominium Board shall pay to such Permitted Mortgagee any net proceeds of any foreclosure sale of such Unit (after retaining all sums due and owing to the Condominium Board pursuant to the Condominium Documents) or such lesser sum as shall be due and owing to such Permitted Mortgagee.

Section 8.4 *Performance by Permitted Mortgagees.* Any sum of money to be paid or any act to be performed by a Unit Owner pursuant to the terms of the Condominium Documents may be paid or performed by the Permitted Mortgagee, and the Condominium Board shall accept such Permitted Mortgagee's payment or performance with the same force and effect as if the same were paid or performed by such Unit Owner.

Section 8.5 *Examination of Books.* Each Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 8.6 *Consent of Mortgagees; Designation of Mortgage Representatives.*

(A) Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Condominium Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against Unit Owner's mortgagor. In the event that any such consent or approval shall be expressly required pursuant to the terms of the Declaration or these By-laws, the decision of a majority of the Mortgage Representatives, if any are designated pursuant to the terms of paragraph (B) of this Section 8.6, shall be deemed binding upon the holders of all mortgages encumbering Units.

(B) The holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages may, if they so elect, designate not more than 3 Mortgage Representatives by giving written notice thereof to the Condominium Board, which Mortgage Representatives shall thereby be

empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgagees under the Declaration or these By-laws. Any designation of a Mortgage Representative pursuant to the terms of this paragraph (B) shall be effective until any successor Mortgage Representative is designated pursuant to the terms hereof and written notice thereof is given to the Condominium Board. Unless otherwise required by Law, no holders of mortgages (which are not Institutional Mortgages) shall be entitled to participate in the designation of Mortgage Representatives, but all holders of mortgages encumbering Units shall be subject to all determinations made by the Mortgage Representatives pursuant to the terms of the Declaration or these By-laws.

Section 8.7 *Notice to Permitted Mortgagees.*

(A) Whenever requested by a Permitted Mortgagee, the Condominium Board shall provide timely written notice to such Permitted Mortgagee of (i) any condemnation or casualty loss that affects either (x) a material portion of the Condominium or (y) a material portion of a Unit, (ii) a lapse, cancellation or material modification of any insurance policy maintained by the Condominium, and (iii) any proposed action by the Condominium Board that requires the consent of a specified percentage of Permitted Mortgagees or the approval of the majority of the Mortgage Representatives.

(B) In no event, however, shall the Condominium Board (including its members, officers, agents, attorneys and employees) and Unit Owners be liable for any claims or liabilities and expenses for any failure, through oversight or negligence, in giving a Permitted Mortgagee any notice required under (A) above. Nonetheless, the Condominium Board shall give such missed notice with reasonable promptness after discovering such failure.

(C) Where the consent of the Permitted Mortgagees or Mortgage Representatives is required pursuant to the terms of the Declaration or By-laws, if the Permitted Mortgagees or Mortgage Representatives fail to respond within 60 days after written receipt of the required consent, delivered by either certified or registered mail, "return receipt" requested, the implied approval of such Permitted Mortgagees or Mortgage Representative shall be assumed.

ARTICLE 9

CERTAIN REMEDIES

Section 9.1 *Self Help.* If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on Unit Owner's part to be observed or performed, including, without limitation, any breach of Unit Owner's obligation to paint, decorate, maintain, repair, or replace the Unit or its appurtenant Limited Common Elements, if any, pursuant to the terms of Article 5 hereof, and shall fail to cure such violation or breach within 5 days after receipt of written notice of the same from the Condominium Board, the Managing Agent, or any manager (or, with respect to any violation or breach of the same not reasonably susceptible to cure within such period, to commence such cure within such 5 day period and, thereafter, to prosecute such cure with due diligence to completion), the Condominium Board shall have the right to enter such Unit Owner's Unit and/or its appurtenant Limited Common Elements, if any, and summarily to abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. In addition, in the event that the Condominium Board shall determine that the abatement, removal, or cure of any such violation or breach is immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals or is required to avoid the suspension of any necessary service in the Building, the Condominium Board may take such action immediately, without prior notice and without allowing the said Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

Section 9.2 *Abatement and Enjoinment.*

(A) In the event that any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on Unit Owner's part to be observed or performed, the Condominium Board shall have the right (i) to enter any Unit or Common Elements in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Condominium Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity, provided that the Condominium Board gives the Unit Owner notice (which may be by telephone or in writing) that such violation exists, that repairs or replacements are necessary and that the Condominium Board will complete such repairs or replacements in the event the Unit Owner does not promptly act or complete the repairs or replacements, and/or (iii) to levy such fines and penalties as the Condominium Board may deem appropriate, and the Condominium Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

(B) The violation or breach of any of the terms of the Condominium Documents with respect to any rights, easements, privileges, or licenses granted to Sponsor shall give to Sponsor the right to enjoin, abate, or remedy the continuation or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity.

Section 9.3 *Remedies Cumulative.* The remedies specifically granted to the Condominium Board or to Sponsor in this Article 9 or elsewhere in the Condominium Documents shall be cumulative, shall be in addition to all other remedies obtainable at law or in equity and may be exercised at one time or at different times, concurrently or in any order, in the sole discretion of the Condominium Board or Sponsor, as the case may be. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

Section 9.4 *Costs and Expenses.* All sums of money expended, and all costs and expenses incurred, by (i) the Condominium Board in connection with the abatement, enjoinment, removal, or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of Section 9.1 or paragraph (A) of Section 9.2 hereof or (ii) Sponsor in connection with any abatement, enjoinment, or remedy of any violation or breach of the Condominium Documents pursuant to the terms of paragraph (B) of Section 9.2 hereof, shall be immediately payable by (a) in the event set forth in subparagraph (i) hereof, such Unit Owner to the Condominium Board or (b) in the event set forth in subparagraph (ii) hereof, the offending party (i.e., the Condominium Board or the Unit Owner) to Sponsor, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of 2% per month (but in no event in excess of the maximum rate chargeable to such Unit Owner pursuant to Law). All sums payable by a Unit Owner to the Condominium Board pursuant to the terms of this Section 9.3 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

ARTICLE 10

ARBITRATION

Section 10.1 *Procedure.* Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in the City of New York in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in the City of New York before 1 arbitrator appointed, upon the application of any party, by any Justice

of the highest court of appellate jurisdiction then located in the City of New York. The decision of the arbitrator so chosen shall be given within 10 days after selection or appointment. Any arbitrator appointed or selected in connection with any arbitration to be conducted hereunder shall be a member of a law firm having at least 5 Members whose principal office is located in the City of New York.

Section 10.2 *Variation by Agreement.* The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of Section 10.1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes."

Section 10.3 *Binding Effect.* The decision in any arbitration conducted pursuant to the terms of Section 10.1 and 10.2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

Section 10.4 *Costs and Expenses.*

(A) The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of disputant's counsel and expert witnesses.

(B) All costs and expenses paid or incurred by the Condominium Board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, shall constitute Common Expenses, to be borne by all Unit Owners.

ARTICLE 11

NOTICES

Section 11.1 *General.* All notices required or desired to be given hereunder (except for notices of regular annual or special meetings of the Unit Owners and except all meetings of the Condominium Board) shall be sent by registered or certified mail, return receipt requested, postage prepaid addressed:

(i) if to the Condominium Board, to the Condominium Board at its principal office as set forth in Section 1.5 hereof, with a copy sent by regular first class mail to the Managing Agent (if any) at its principal office address as aforesaid;

(ii) if to a Unit Owner other than Sponsor, to such Unit Owner at Unit Owner's address at the Property;

(iii) if to Sponsor, to Sponsor at its principal office as set forth in the Plan;

(iv) if to a Permitted Mortgagee, to such Permitted Mortgagee at its latest address designated in writing to the Condominium Board.

Any of the foregoing parties may change the address to which notices are to be sent, or may designate additional addresses for the giving of notice, by sending written notice to the other parties as aforesaid. All notices sent pursuant to the terms of this Section 11.1 shall be deemed given when mailed in the State of New York, provided, however, that notices of change of address, notices designating additional

addresses and notices deposited in a United States Postal Service depository located outside of the State of New York shall be deemed to have been given when received.

Section 11.2 *Waiver of Service of Notice.* Whenever any notice is required to be given by Law or pursuant to the terms of the Condominium Documents, a waiver thereof in writing, signed by the Persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 12

AMENDMENTS TO BY-LAWS

Section 12.1 *General.*

(A) Subject to the terms of paragraph (B) hereof and subject, further, to any provisions contained in the Declaration or these By-laws with respect to any amendments ("Special Amendments") affecting or in favor of Sponsor and/or any Permitted Mortgagee, any provision of these By-laws may be amended, modified, added to, or deleted by the affirmative vote of not less than 66 2/3% in number and aggregate Common Interest of all Unit Owners either taken at a duly constituted meeting thereof or given in writing without a meeting as provided in Section 4.10 hereof. Each duly adopted amendment, modification, addition, or deletion hereof or hereto shall be effectuated in an instrument executed and recorded in the Register's Office by or on behalf of the Condominium Board as attorney-in-fact of all Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Secretary's Certification, certifying that the requisite number and percentage (where applicable) of Unit Owners approved the amendment, modification, addition, or deletion set forth therein either at a duly constituted meeting of Unit Owners or in writing without a meeting pursuant to the terms of Section 4.10 hereof, in which Secretary's Certification there shall be described the number and percentage (where applicable) of Unit Owners approving the same and, if voted at a meeting, the date, time and place of such meeting. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) Notwithstanding anything to the contrary contained in paragraph (A) hereof, but still subject to any provision contained in the Declaration or these By-laws with respect to Special Amendments:

(i) the Common Interest and Limited Common Interest, if any, appurtenant to any Unit, as set forth in the Declaration, shall not be altered without the consent of the Unit Owner thereof, except as otherwise provided in paragraph (F) of Section 5.5 hereof; and

(ii) the terms of Section 5.7 hereof may not be amended, modified, added to, or deleted unless not less than 80% in number and aggregate Common Interests of all Unit Owners affected thereby shall approve such amendment, modification, addition or deletion in writing.

Section 12.2 *Special Amendments.*

(A) Any amendment, modification, addition, or deletion of or to any of the provisions of these By-laws that, pursuant to the terms of the Declaration or these By-laws, may be effected by Sponsor, without the consent of the Condominium Board or the Unit Owners, shall be embodied in an instrument executed and recorded in the Register's Office by Sponsor, as attorney-in-fact of both the Condominium Board and all Unit Owners, which power-of-attorney shall be deemed to be irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Certification by Sponsor certifying that the amendment, modification, addition, or deletion set forth therein was effectuated by Sponsor pursuant to the terms of the Declaration and/or these By-laws, in which Certification there shall be set forth the Article and/or Section of the Declaration or these By-laws pursuant to which the same was effectuated. No such

amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition, or deletion of or to these By-laws shall be effective in any respect against Sponsor unless and until Sponsor shall consent to the same in writing.

(C) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition, or deletion of or to Section 5.4 or 5.5, paragraph (B) or paragraph (C) of Section 6.2, subparagraph (iv) or (v) of paragraph (B) of Section 7.5 or Article 8 hereof shall be effective with respect to the holder of any Permitted Mortgage theretofore made unless and until such Permitted Mortgagee shall have given its written consent thereto. In addition, no amendment to the Condominium Documents which would materially and adversely affect the holder of any Permitted Mortgage shall be effective without the prior written consent of 51% of the Permitted Mortgagees or a majority of the Mortgage Representatives, if any. If the Permitted Mortgagees or Mortgage Representatives fail to respond within 60 days after written receipt of the proposed amendment, delivered by either certified or registered mail, "return receipt" requested, the implied approval of such Permitted Mortgagees or Mortgage Representative shall be assumed.

ARTICLE 13

FURTHER ASSURANCES

Section 13.1 *General.* Any Person that is subject to the terms of these By-laws, whether such Person is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a Member of the Condominium Board, an officer of the Condominium, or otherwise, shall, at the expense of any other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request in order either to effectuate the provisions of these By-laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

Section 13.2 *Failure to Deliver or Act.*

(A) If any Unit Owner or other Person that is subject to the terms of these By-laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days (or 60 days, with respect to a Permitted Mortgagee) after request therefor, to take any action that such Unit Owner or Person is required to execute, acknowledge and deliver or to take pursuant to these By-laws, then the Condominium Board is hereby authorized, as attorney-in-fact for such Unit Owner or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person.

(B) If any Unit Owner, the Condominium Board or other Person that is subject to the terms of these By-laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days (or 60 days, with respect to a Permitted Mortgagee) after request therefor, to execute, acknowledge or deliver any instrument which such Unit Owner, Condominium Board or other Person is required to execute, acknowledge or deliver pursuant to these By-Laws at the request of Sponsor or a Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights, as the case may be, then Sponsor, or a Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, as the case may be, is hereby authorized, as attorney-in-fact for the Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, in the name of the Unit Owner, Condominium Board or other Person, and such instrument shall be binding on the Unit Owner, Condominium Board or other Person. The Condominium Board shall not unreasonably withhold or delay its consent or approval with

respect to any matter contained in these By-Laws which requires the consent or approval of the Condominium Board.

ARTICLE 14

MISCELLANEOUS

Section 14.1 *Inspection of Documents.* Copies of the Declaration, these By-laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours. Each Unit Owner shall be permitted to examine the books of account of the Condominium during reasonable business hours, but not more frequently than once a month.

Section 14.2 *Waiver.* No provision contained in these By-laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches that may occur.

Section 14.3 *Conflict.* In the event that any provision of these By-laws or of the Rules and Regulations shall be construed to be inconsistent with any provision of the Declaration or of the Condominium Act, the provision contained in the Declaration or in the Condominium Act shall control.

Section 14.4 *Severability.* If any provision of these By-laws is invalid or unenforceable as against any Person or under certain circumstances, the remainder of these By-laws and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of these By-laws shall, except as otherwise provided herein, be valid and enforced to the fullest extent provided by Law.

Section 14.5 *Successors and Assigns.* The rights and/or obligations of Sponsor as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignee of Sponsor.

Section 14.6 *Gender.* A reference in these By-laws to any one gender, masculine or feminine, includes the other one, and the singular includes the plural, and vice-versa, unless the context otherwise requires.

Section 14.7 *Captions.* The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of these By-laws or the intent of any provision hereof.

ARTICLE 15

TAX STATUS AS A HOMEOWNERS ASSOCIATION

Section 15.1 *General.* The Condominium Board intends to act in a manner consistent with enabling the Condominium to be eligible to elect to be treated as a "homeowners association" under Section 528 of the Internal Revenue Code of 1986, as amended.

Section 15.2 *Organization.* The Condominium is and will be organized and operated to provide for the acquisition, construction, management, maintenance and care of the Property.

Section 15.3 *Inurement.* No part of the Condominium's net earnings shall inure, and the Condominium Board will act in a manner such that no part of such earnings will inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or providing management,

maintenance, and care of the Property, and other than by rebate of excess membership dues, fees, or assessments).

Section 15.4 *Residential Use.* Substantially all of the Units are and will be used by individuals for residences.

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ADDENDUM TO THE BY-LAWS

RULES AND REGULATIONS

1. The sidewalks, entrance passages, public halls, elevators, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Units.

2. No bicycles, rollerblades, scooters, skateboards or similar vehicle shall be taken into or from the Building through the main entrance or shall be allowed in any of the elevators of the Building other than the elevator designated by the Condominium Board or the Managing Agent for such purpose or ridden in the Building or the courtyard. No baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the public halls, passageways, or other public areas of the Building.

3. All service and delivery persons will be required to use the service entrances or such other entrances of the Building designated by the Condominium Board or the Managing Agent. In addition, all domestic employees, messengers and tradespeople visiting the Building shall use the elevator designated by the Condominium Board or the Managing Agent for the purposes of ingress and egress, and shall not use any of the other elevators for any purpose, provided, however, that care-givers in the employ of Unit Owners or their Family Members, guests, tenants, subtenants, licensees, or invitees may use any of the other elevators when accompanying said Unit Owners, Family Members, guests, subtenants, licensees, or invitees.

4. Trunks and heavy baggage shall be taken in or out of the Building only by the elevator designated by the Condominium Board or the Managing Agent for the purpose and only through the service entrances.

5. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the halls or on any of the staircases or fire tower landings of the Building, nor shall any fire exit thereof be obstructed in any manner.

6. No Unit may be used for the storage of any flammable materials or any other materials the storage of which may constitute a Building code violation or which will increase the insurance requirements for the Building.

7. No refuse from the Units shall be sent to the service area of the Building, except at such times and in such manner as the Condominium Board or the Managing Agent may direct. Nothing shall be hung or shaken from any doors, windows, or placed upon the window sills, of the Building, and no Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom.

8. There shall be no playing or lounging in the entrances, passages, public halls, elevators, vestibules, corridors, stairways, or fire towers of the Building.

9. The Condominium Board or the Managing Agent may, from time to time, curtail or relocate any portion of the Common Elements devoted to storage or service purposes in the Building.

10. Nothing shall be done or kept in any Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof. No Unit Owner shall permit anything to be done or kept in the Unit or in the Common Elements that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. No Unit Owner or any Family Members, agents, servants, employees, licensees, or visitors shall, at any time, bring into or keep in the

Unit any inflammable, combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of the Unit.

11. Supplementing Section 5.4(F) of the By-laws, Unit Owners shall, at their own cost and expense, obtain and keep in full force and effect for each Unit, Storage Locker and Wine Storage Locker owned by them (a) comprehensive personal liability insurance coverage against claims of bodily injury, property damage (including water damage and personal injury), with a minimum combined single limit of liability of $1,000,000 per occurrence, and (b) all risk personal property insurance coverage (including coverage for water damage) for the replacement value of the furniture, fixtures, and other contents, and improvements and betterments. Each insurance policy shall name the Condominium as an additional insured. Upon twenty (20) days' written notice from the Condominium Board, the Unit Owner shall deliver to the Condominium Board either a duplicate original of the aforesaid policies or certificates evidencing such insurance. The insurance required above shall be written in a 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. The Condominium Board may, from time to time, increase the amounts or types of insurance required hereunder to reflect changes in economic conditions; provided that said increased amounts or types of insurance are then, in the reasonable judgment of the Condominium Board, customarily required by boards of comparable properties. In the event the Unit Owner fails to provide, maintain and keep in force the insurance required hereunder, the Condominium Board may, on ten (10) days' notice to the Unit Owner, procure insurance on behalf of the Unit Owner and the Unit Owner shall pay all premiums thereof within five (5) days after demand by the Condominium Board.

12. There shall be no barbecuing in the Units, in their appurtenant Limited Common Elements, if any, or in the Common Elements.

13. No Unit Owner shall make, cause, or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from the Unit or its appurtenant Limited Common Elements, if any, or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of the other Unit Owners. No Unit Owner shall play upon or suffer to be played upon any musical instrument, or shall operate or permit to be operated a phonograph, radio, television set, or other loudspeaker in such Unit Owner's Unit or its appurtenant Limited Common Elements, if any, between 11:00 P.M. and the following 9:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall any Unit Owner practice of suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M. No construction, repair work, or other installation involving noise shall be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 9:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency.

14. a. No more than one (1) pet may be kept in a Unit without the consent of the Condominium Board. As used in this Offering Plan, "pet" shall mean a dog (not more than 70 pounds at maturity), caged bird or cat (which does not cause a nuisance, health hazard or unsanitary condition). Each Unit Owner who keeps any type of pet will be required to: (a) indemnify and hold harmless the Condominium, the Condominium Board, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all Rules and Regulations of the Condominium Board adopted with respect thereto, including without limitation, the number of such pets. In no event shall any pet be permitted in any public elevator of the Building, other than the elevator designated by the Condominium Board or the Managing Agent for that purpose, or in any of the public portions of the Building, unless carried or on leash. No pigeons or other birds or animals shall be fed from the window sills, or other public portions of the Building, or on the sidewalk or street adjacent to the Building.

b. No "visiting" or "guest" pets shall be permitted in the Building.

c. Permission to harbor any additional pet must be granted by the Condominium Board and all pets must be registered with the Condominium Board. Failure to register a pet or harboring a prohibited pet or any infraction of this Rule 14 shall be construed as a violation of the Rules and Regulations and shall result in a $100 fine per infraction or per day until such violation is cured.

d. Pet owners must be respectful of those residents and guests who may be uncomfortable with dogs and all dog owners must wait for an empty elevator if requested to do so. A pet owner may be requested to muzzle certain pets when in public spaces or common areas.

e. Dobermans, Pit Bulls, Danes, German Shepherds, Huskies, Saint Bernards, Mastiffs, Rhodesian Ridgebacks, or similar dogs are specifically prohibited.

f. Subject to approval by the Condominium Board in each instance, no more than 2 cats or 2 birds may be harbored in any Unit at any time.

g. No pet may cause conditions which are a nuisance to residents, their children, employees and guests, and the staff of the building including, but not limited to defecation or urination in any common area of the building, the grounds and plantings, the entrances; causing damage to property; aggressive behavior towards people and/or other pets; and, in the case of dogs, continuous barking. It is the pet owner's responsibility to clean up after their pet in the event of an "accident" and to advise the building staff immediately to prevent odors and minimize damage to the building.

h. In no event shall any pet be permitted in any portion of the common areas unless carried on a leash or in a container. In no event shall any pet be permitted in any gardening plot under any circumstances.

i. Subject to approval by the Condominium Board in each instance, a Unit Owner may install a fresh water fish tank with a capacity not to exceed 50 gallons of water. For purposes of this paragraph, combined units shall constitute a single Unit. No salt water fish tanks will be permitted. No Unit Owner will be permitted to install a direct hook up to the building's water supply.

15. No group tour, open house or exhibition of any Unit or its contents shall be conducted, nor shall any auction sale be held in any Unit, without the consent of the Condominium Board or the Managing Agent in each instance. In the event that any Unit shall be used for home occupation purposes in conformance with the Declaration and the By-laws, no patients, clients, or other invitees shall be permitted to wait in any lobby, public hallway, or vestibule.

16. Subject to approval by the Condominium Board in each instance, a Unit Owner may install a water feature (e.g., a waterfall installation) using fresh water with a capacity not to exceed 50 gallons of water. For purposes of this paragraph, combined units shall constitute a single Unit. No Unit Owner will be permitted to install a direct hook up to the building's water supply.

17. a. Unless expressly authorized by the Condominium Board in each instance, not less than 80% of the total floor area of each room of each Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting, or equally effective noise reducing material.

b. No Unit Owner shall install any granite, ceramic tile, marble, stone or other hard-surfaced flooring in a Unit without the prior written approval of the Condominium Board and without compliance with the provisions of the Unit Alteration Agreement of the Condominium Board then in effect. No granite, ceramic tile, marble, stone or other hard-surfaced flooring may be installed except within the original demising walls of the entry foyer, kitchen, bathrooms, pantry and laundry room and that no removals of floor slab materials may take place in those locations. The Condominium Board may

require installation of a sound retardant underlayment beneath such flooring and/or such other requirements as may be directed by the Condominium Board's architect or engineer.

18. No window guards or other window decorations shall be used in or about any Unit, except such as shall have been approved in writing by the Condominium Board or the Managing Agent, which approval shall not be unreasonably withheld or delayed. In no event, however, shall any windows of any Unit be colored or painted.

19. No ventilator or air conditioning device shall be installed in any Unit or its appurtenant Limited Common Elements, if any, without the prior written approval of the Condominium Board, which approval may be granted or refused in the sole discretion of the Condominium Board.

20. No radio or television aerial shall be attached to or hung from the exterior of the Building, and no sign, notice, advertisement, or illumination (including, without limitation, "For Sale," "For Lease," or "For Rent" signs) shall be inscribed or exposed on or at any window or other part of the Building, except such as are permitted pursuant to the terms of Declaration and/or the By-laws or shall have been approved in writing by the Condominium Board or the Managing Agent. Nothing shall be projected from any window of a Unit without similar approval.

21. All radio, television, or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements, or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment.

22. Water-closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit shall be repaired and paid for by the owner of the Unit.

23. Each Unit Owner shall keep the Unit and its appurtenant Limited Common Elements, if any, in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-laws.

24. The access doors located in various portions of the ceiling of the Units shall not be obstructed in any manner which would prevent access to the ceiling hung units located within such ceilings.

25. The agents of the Condominium Board or the Managing Agent, and any contractor or workperson authorized by the Condominium Board or the Managing Agent, may enter any room or Unit at any reasonable hour of the day, on at least 1 day's prior notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Unit for its permitted purposes.

26. The Condominium Board or the Managing Agent may retain a pass-key to each Unit. If any lock is altered or a new lock is installed, the Condominium Board or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to the Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-laws, and has not furnished a key to the Condominium Board or the Managing Agent, then the Condominium Board or Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Condominium

or an officer of the Managing Agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Unit Owner's property).

27. If any key or keys are entrusted by a Unit Owner, by any Family Member thereof, or by an agent, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for the 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 Condominium Board nor the Managing Agent shall (except as provided in Rule 26 above) be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

28. Unit Owners and their respective Family Members, guests, servants, employees, agents, visitors, or licensees shall not at any time or for any reason whatsoever, enter upon, or attempt to enter upon, the roof of the Building unless such roof is part of a lawful terrace.

29. No occupant of the Building shall send any employee of the Condominium or of the Managing Agent out of the Building on any private business.

30. Any consent or approval given under these Rules and Regulations may be amended, modified, added to, or repealed at any time by resolution of the Condominium Board. Further, any such consent or approval may, in the discretion of the Condominium Board or the Managing Agent, be conditional in nature.

31. a. No Unit Owner shall install any awning, planting, planter, fence, structure, lattice, tile, brick work, statuary or the like ("Structure") on any Terrace or roof without the prior written approval of the Condominium Board. The placement of any items on the juliette balconies shall be prohibited other than approved planters and plantings.

b. No Unit Owner shall install any fountains, garden pools or gazebos on any Terrace or roof.

c. No automatic sprinklers, irrigation or other automated systems designed for the emission of water, or other liquid substance, shall be permitted without the prior written approval of the Condominium Board.

d. Plantings shall be placed in containers impervious to dampness and standing on supports at least four inches from the Terrace or roof surface, and if adjoining a wall, at least four inches from such wall. Suitable weep holes shall be provided in the containers to draw off water. In special locations, such as a corner abutting a parapet wall, plantings may be contained in containers which shall be at least four inches from the parapet and flashing, with the floor of drainage tiles and suitable weep holes at the sides to draw off water. Such masonry planting beds shall not, however, rest directly upon the surface of such Terrace or roof but shall stand on supports at least four inches above such surface. No Structure shall be permanently affixed to a Terrace or roof surface but shall be able to be easily moved. It shall be the responsibility of the Unit Owner to maintain any Structure in good condition, and the drainage tiles and weep holes in operating condition. Such Unit Owner shall pay the cost of any repairs rendered necessary by or damage caused by such plantings. The Condominium Board shall have an easement and a right of access to the Terrace appurtenant to the a Unit to inspect the same and to remove violations therefrom and to install, operate, maintain, repair, alter, build, restore, and replace any of the Common Elements located in, over, under through, adjacent to, or upon the same.

e. No stereo equipment, speakers or other device used to project sound shall be placed or installed on a Terrace appurtenant to a Unit.

f. Any Unit Owner seeking to place a Structure on a Terrace or roof shall be required to enter into the alteration agreement then in effect if the request for same is granted by the

Condominium Board. The Condominium Board will have the right to inspect any such installations, may require that any growth be cut or trimmed periodically and may require that the Unit Owner enter into a maintenance contract with a landscape architect or other competent professional to maintain a Structure.

32. No Unit Owner shall enclose, erect a greenhouse and/or alter the Terrace appurtenant to a Unit in any way, without the prior written consent of the Condominium Board. No Unit Owner may install or place speakers on a Terrace appurtenant to a Unit.

33. Complaints regarding the service of the Condominium shall be made in writing to the Condominium Board and the Managing Agent.

34. When leaving the Unit for extended periods of time, Unit Owners and their respective Family Members, guests, domestic employees, agents, visitors, or licensees shall keep the Unit at a maximum of 80 degrees Fahrenheit from May 15 to October 15 and shall keep the Unit at a minimum of 60 degrees Fahrenheit from October 15 to May 15. Any damage resulting from a Unit Owner's or their respective Family Member, guests, domestic employees, agents, visitors or licensees failure to abide by the provisions of this paragraph shall be borne solely by the owner of such Unit causing the damage.

35. Unit Owners and their respective Family Members, guests, domestic employees, employees, agents, visitors, or licensees shall abide by any additional rules and regulations adopted by the Condominium Board.

36. Each Unit is equipped with a fire door system which includes magnetic hold opens, automatic door closer, push button door open, fail open electronic strike and smoke detection system (collectively, the "Fire Door System"). Unit Owners are prohibited from modifying the Fire Door System in any way without the prior written approval of the Condominium Board.

37. a. Unit Owners are required to obtain and maintain a maintenance, service and repair contract ("Maintenance Contract") with an HVAC vendor approved by the Condominium Board (the "Vendor") qualified to perform maintenance services on the heating, ventilation and air conditioning system and humidification system, if any, located in their Unit (the "HVAC") in accordance with guidelines established, from time to time, by the Condominium Board. A copy of the Maintenance Contract shall be delivered to the managing agent. Renewal Maintenance Contracts shall be delivered to the managing agent prior to the date on which the then current Maintenance Contract expires.

b. Each Vendor shall maintain insurance in such form as the Condominium Board shall direct with limits of liability as follows: Commercial General Liability including Product and Completed Operations with limits of not less than $2,000,000 annual aggregate; Workers Compensation in compliance with all statutory requirements with Employers Liability Limits of not less than $1,000,000; Business Automobile Liability with a Combined Single Limit of not less than $2,000,000; and Umbrella/Excess Liability in amounts not less than $5,000,000 per occurrence. All insurance certificates shall name, as additional insureds, the Unit Owner and "the Condominium, the Board of Managers, their affiliates, agents and assigns". A copy of the insurance certificate shall be delivered to the managing agent. Renewal insurance certificates shall be delivered to the managing agent prior to the date on which the then current certificate expires.

c. **In accordance with the Condominium Board's authority pursuant to Section 2.4(A)(xvii) of the By-Laws, any Unit Owner who violates Rule 37(a) and/or 37(b) shall be fined $1,000 per month which shall be deemed to constitute Common Charges payable by Unit Owners of the Unit against which they are levied.**

EXHIBIT E

TO THE DECLARATION

UNIT POWER OF ATTORNEY

UNIT POWER OF ATTORNEY

Terms used in this Unit Power of Attorney which are used (a) in the declaration ("Declaration") establishing a plan for condominium ownership of the premises known as the 520 Park Avenue Condominium ("Condominium") and by the street number 520 Park Avenue, New York, New York 10022 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 of the County of New York ("Register's Office") on _____, as CRFN# _____ ("Declaration"), or (b) in the By-Laws of 520 Park Avenue Condominium ("By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned, _____, (having an office) (residing at) _____, the owner of a Unit _____ ("Unit") in the Condominium which is designated and described as the Unit in the Declaration and also designated as Tax Lot _____ in Block 1375 of Section _____ of the Borough of Manhattan on the Tax Map of the Division of Land Records of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as Members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-laws then in effect, to:

(a) employ counsel for purposes of protesting the New York City real property tax assessments with the Tax Commission and commencing, pursuing, appealing, settling and/or terminating administration and tax certiorari proceedings on behalf of the Unit Owners for the reduction of the assessed valuation of their Units, such Unit Owners agreeing not to protest said assessments and bring such tax certiorari proceedings at their own initiative and on their own behalf;

(b) acquire, lease or license any Unit (including, but not limited to, the Resident Managers Unit), together with its Appurtenant Interests whose owner desires to sell, convey, transfer, assign, lease, sublease or surrender the same or acquire any Unit, together with its Appurtenant Interests that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners; and

(c) acquire, mortgage, lease, sublease, license, convey or otherwise deal with (but not to vote the Common Interest, appurtenant to) any Unit so acquired or to sublease any Unit so leased; and

(d) acquire, mortgage, lease, sublease, license, convey or otherwise deal with the Resident Manager's Unit, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners; and

(e) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Property or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Property which the Condominium Board deems necessary or appropriate or (3) any protest and tax certiorari proceeding documentation affecting Units.

(f) amend the Condominium Documents pursuant to the terms thereof, and to effectuate the rights of Sponsor under the Condominium Documents, including without limitation, when such amendment (1) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the affected Unsold Units resulting therefrom made by Sponsor in accordance with the

Declaration, or (2) shall be required by (a) an Institutional Lender designated by Sponsor to make a mortgage loan secured by a mortgage on any Unit, (b) any governmental agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by Sponsor to insure title to any Unit; or (3) shall be required to correct any inconsistencies or scriveners' errors in the Declaration, the By-Laws and/or the Floor Plans; or (4) relinquish Sponsor's rights under the Condominium Documents, provided, however, that any amendment made pursuant to the terms of subdivision (1) or (2) of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material, physical modification to the Undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender covering the Undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment. The terms, covenants and conditions contained in, and the powers granted pursuant to, this paragraph shall remain in full force and effect until such time as (i) Sponsor shall cease to own any Unit in the Condominium; (ii) Sponsor has completed all of its obligations under the terms of the Offering Plan; and (iii) a Permanent Certificate of Occupancy has been issued for the Property; and

(g) to effectuate Sponsor's and/or Development Rights Owner's utilization, sale or transfer of all or any portion of the Excess Development Rights, as set forth in the Declaration.

The acts of a majority of such persons constituting the Condominium Board shall constitute the acts of said attorneys-in-fact.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ____ day of _____, ____.

_____

(ACKNOWLEDGEMENT)

UNIT OWNER'S SPECIMEN TITLE POLICY

Form No. 1402.06
ALTA Owner's Policy (6-17-06)
1100302P050600

Policy Page 1
Policy Number: Y 3020-651110
SPECIMEN

OWNER'S POLICY OF TITLE INSURANCE

ISSUED BY

First American Title Insurance Company

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at the address shown in Section 18 of the Conditions.

COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS, FIRST AMERICAN TITLE INSURANCE COMPANY, a California corporation (the "Company") insures, as of Date of Policy and, to the extent stated in Covered Risks 9 and 10, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
   (a) A defect in the Title caused by
      (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
      (ii) failure of any person or Entity to have authorized a transfer or conveyance;
      (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
      (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
      (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
      (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
      (vii) a defective judicial or administrative proceeding.
   (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
   (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
   (a) the occupancy, use, or enjoyment of the Land;
   (b) the character, dimensions, or location of any improvement erected on the Land;
   (c) the subdivision of land; or
   (d) environmental protection
   if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. Title being vested other than as stated in Schedule A or being defective
   (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
   (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
      (i) to be timely, or
      (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.
10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this policy, but only to the extent provided in the Conditions.

First American Title Insurance Company

BY _____ PRESIDENT

ATTEST _____ SECRETARY

FIRST AMERICAN TITLE INSURANCE COMPANY * INCORPORATED * SEPTEMBER 24, 1963 * CALIFORNIA *

PRO FORMA

PRO FORMA

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
   (i) the occupancy, use, or enjoyment of the Land;
   (ii) the character, dimensions, or location of any improvement erected on the Land;
   (iii) the subdivision of land; or
   (iv) environmental protection;

   or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
   (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
   (a) created, suffered, assumed, or agreed to by the Insured Claimant;
   (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
   (c) resulting in no loss or damage to the Insured Claimant;
   (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risks 9 and 10); or
   (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
   (a) a fraudulent conveyance or fraudulent transfer; or
   (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

CONDITIONS

1. DEFINITION OF TERMS

The following terms when used in this policy mean:

(a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Sections 10 and 11 of these Conditions.
(b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.
(c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.
(d) "Insured": The Insured named in Schedule A.
   (i) The term "Insured" also includes
      (A) successors to the Title of the Insured by operation of law as distinguished from purchase, including heirs, devisees, survivors, personal representatives, or next of kin;
      (B) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;
      (C) successors to an Insured by its conversion to another kind of Entity;
      (D) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title
         (1) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,
         (2) if the grantee wholly owns the named Insured,
         (3) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity, or
         (4) if the grantee is a trustee or beneficiary of a trust created by a written instrument established by the Insured named in Schedule A for estate planning purposes.
   (ii) With regard to (A), (B), (C), and (D) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured.
(e) "Insured Claimant": An Insured claiming loss or damage.
(f) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.
(g) "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.
(h) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.
(i) "Public Records": Records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.
(j) "Title": The estate or interest described in Schedule A.
(k) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) of these Conditions, (ii) in case Knowledge shall come to an Insured hereunder of any claim of title or interest that is adverse to the Title, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

4. PROOF OF LOSS

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

5. DEFENSE AND PROSECUTION OF ACTIONS

(a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs, or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.
(b) The Company shall have the right, in addition to the options contained in

Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.

(c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal any adverse judgment or order.

6. DUTY OF INSURED CLAIMANT TO COOPERATE

(a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

(b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection, and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect, and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance.

To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay.

Upon the exercise by the Company of this option, all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in this subsection, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

(b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.

(i) To pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or

(ii) To pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

8. DETERMINATION AND EXTENT OF LIABILITY

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

(a) The extent of liability of the Company for loss or damage under this policy shall not exceed the lesser of

(i) the Amount of Insurance; or

(ii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.

(b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title, as insured,

(i) the Amount of Insurance shall be increased by 10%, and

(ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.

(c) In addition to the extent of liability under (a) and (b), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

9. LIMITATION OF LIABILITY

(a) If the Company establishes the Title, or removes the alleged defect, lien, or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title, as insured.

(c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY

All payments under this policy, except payments made for costs, attorneys' fees, and expenses, shall reduce the Amount of Insurance by the amount of the payment.

11. LIABILITY NONCUMULATIVE

The Amount of Insurance shall be reduced by any amount the Company pays under any policy insuring a Mortgage to which exception is taken in Schedule B or to which the Insured has agreed, assumed, or taken subject, or which is executed by an Insured after Date of Policy and which is a charge or lien on the Title, and the amount so paid shall be deemed a payment to the Insured under this policy.

12. PAYMENT OF LOSS

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

13. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT

(a) Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise, or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies.

If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.

(b) The Company's right of subrogation includes the rights of the Insured to indemnities, guaranties, other policies of insurance, or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

14. ARBITRATION

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is $2,000,000 or less shall be arbitrated at the option of either the Company or the Insured. All arbitrable matters when the Amount of Insurance is in excess of $2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT

(a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage that arises out of the status of the Title or by any action asserting such claim shall be restricted to this policy.

(c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.

(d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance.

16. SEVERABILITY

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid, but all other provisions shall remain in full force and effect.

17. CHOICE OF LAW; FORUM

(a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefore in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located.
Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title that are adverse to the Insured and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.

(b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

18. NOTICES, WHERE SENT

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at 1 First American Way, Santa Ana, CA 92707, Attn: Claims Department.

POLICY OF TITLE INSURANCE



SCHEDULE A

First American Title Insurance Company

Name and Address of the issuing Title Insurance Company:
First American Title Insurance Company
633 Third Avenue
New York, NY 10017

Policy No.: **Y 3020-651110 SPECIMEN**
Address Reference: 41/45 East 60th Street, Unit ____, 520 Park Avenue Condominium, New York, NY 10065 **(For Information Only)**
Amount of Insurance: $_____
Date of Policy: __/__/____

1. Name of Insured:

   _____

2. The estate or interest in the Land that is insured by this policy is:

   Fee Simple

3. Title is vested in:

   _____ by means of a deed made by 41-45 PROPERTY OWNER, LLC, recited as being a Delaware limited liability company dated __/__/____ and being duly recorded in the Office of the City Register, New York County.

4. The Land referred to in this policy is described as follows:

   Real property in the City of New York, County of New York, State of New York, described as follows:

   THE CONDOMINIUM UNIT (THE "UNIT") KNOWN AS UNIT NO. ____ IN THE PREMISES KNOWN AS 520 PARK AVENUE CONDOMINIUM, SAID UNIT BEING DESIGNATED AND DESCRIBED IN THE 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 "NEW YORK CONDOMINIUM ACT") DATED _____RECORDED _____IN THE NEW YORK COUNTY REGISTER'S OFFICE AS CRFN _____, AND ALSO DESIGNATED AS TAX LOT_____ IN BLOCK 1375 OF THE BOROUGH OF MANHATTAN AND ON THE TAX MAP OF THE REAL PROPERTY ASSESSMENT DEPARTMENT OF THE CITY OF NEW YORK AND ON THE FLOOR PLANS OF SAID BUILDING CERTIFIED BY _____, ARCHITECT, ON _____ AND FILED WITH THE REAL PROPERTY ASSESSMENT DEPARTMENT OF THE CITY OF NEW YORK ON _____ AS CONDOMINIUM PLAN NO. _____ AND FILED IN THE REGISTER'S OFFICE ON _____ AS MAP NO. _____.

   TOGETHER WITH A TOTAL UNDIVIDED _____% INTEREST IN THE COMMON ELEMENTS (AS SUCH TERM IS DEFINED IN THE DECLARATION).

   THE PREMISES WITHIN WHICH THE UNIT IS LOCATED ARE MORE PARTICULARLY DESCRIBED AS FOLLOWS:

   ALL THAT CERTAIN PLOT, PIECE OR PARCEL OF LAND, SITUATE, LYING AND BEING IN THE CITY, COUNTY AND STATE OF NEW YORK, BOUNDED AND DESCRIBED AS FOLLOWS:

   BEGINNING AT A POINT ON THE NORTHERLY SIDE OF 60TH STREET, DISTANT 189 FEET ½

INCH, MORE OR LESS, EASTERLY FROM THE NORTHEASTERLY CORNER OF MADISON AVENUE AND 60TH STREET;

RUNNING THENCE NORTHERLY PARALLEL WITH MADISON AVENUE AND PART OF THE DISTANCE THROUGH THE CENTER OF A PARTY WALL, 100 FEET 5 INCHES TO THE CENTER LINE OF THE BLOCK BETWEEN 60TH AND 61ST STREET;

THENCE EASTERLY ALONG THE CENTER LINE , 20 FEET ½ INCH;

THENCE SOUTHERLY AGAIN PARALLEL WITH MADISON AVENUE AND PART OF THE DISTANCE THROUGH THE CENTER OF A PARTY WALL, 100 FEET 5 INCHES TO THE NORTHERLY LINE OF 60TH STREET;

THENCE WESTERLY ALONG THE SAME, 20 FEET ½ INCH TO THE POINT OR PLACE OF BEGINNING.

AND ALSO ALL THAT CERTAIN PLOT, PIECE OR PARCEL OF LAND, SITUATE, LYING AND BEING IN THE CITY, COUNTY AND STATE OF NEW YORK, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHERLY LINE OF EAST 60TH STREET, WHICH SAID POINT IS DISTANT 209 FEET 1 INCH EASTERLY FROM THE CORNER FORMED BY THE INTERSECTION OF THE NORTHERLY LINE OF EAST 60TH STREET WITH THE EASTERLY LINE OF MADISON AVENUE;

RUNNING THENCE NORTHERLY PARALLEL WITH MADISON AVENUE AND PART OF THE DISTANCE THROUGH A PARTY WALL, 100 FEET 5 INCHES TO THE CENTER LINES OF THE BLOCK;

THENCE EASTERLY ALONG SAID CENTER LINE OF BLOCK, 40 FEET.

THENCE SOUTHERLY AGAIN PARALLEL WITH MADISON AVENUE AND PART OF THE DISTANCE THROUGH ANOTHER PARTY WALL, 100 FEET 5 INCHES TO THE NORTHERLY LINE OF EAST 60TH STREET;

THENCE WESTERLY ALONG THE NORTHERLY LINE OF EAST 60TH STREET, 40 FEET TO THE POINT OR PLACE OF BEGINNING.

AND ALSO ALL THAT CERTAIN VOLUME OF AIR SITUATE, LYING AND BEING IN THE BOROUGH OF MANHATTAN, CITY, COUNTY AND STATE OF NEW YORK, AT AND ABOVE A HORIZONTAL PLANE THAT IS DRAWN AT AN ELEVATION 155.74 FEET ABOVE THE DATUM USED BY THE DEPARTMENT OF HIGHWAYS, TOPOGRAPHICAL BUREAU, BOROUGH OF MANHATTAN WHICH IS 2.75 FEET ABOVE THE NATIONAL GEODETIC SURVEY VERTICAL DATUM OF 1929 (UNITE STATES COAST AND GEODETIC SURVEY), MEAN SEA LEVEL, SANDY HOOK, NEW JERSEY, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT 10 FEET 2½ INCHES NORTH OF THE NORTHERLY SIDE OF EAST 60TH STREET AND 150 FEET 11 INCHES WEST OF THE WESTERLY SIDE OF PARK AVENUE;

RUNNING THENCE EASTWARDLY ALONG A LINE PARALLEL WITH THE NORTHERLY SIDE OF EAST 60TH STREET 25 FEET TO A POINT;

THENCE NORTHWARDLY ALONG A LINE PARALLEL WITH THE WESTERLY SIDE OF PARK AVENUE 90 FEET 2½ INCHES TO A POINT IN THE CENTER OF THE BLOCK;

THENCE WESTWARDLY ALONG THE CENTER LINE OF THE BLOCK 25 FEET TO A POINT;

THENCE SOUTHWARDLY ALONG A LINE PARALLEL WITH THE WESTERLY SIDE OF PARK AVENUE 90 FEET 2½ INCHES TO THE POINT AND PLACE OF BEGINNING.

TOGETHER WITH THE BENEFITS AND SUBJECT TO THE BURDENS OF A CERTAIN NEGATIVE LIGHT AND AIR EASEMENT RECITED IN A ZONING LOT DEVELOPMENT AND EASEMENT AGREEMENT BY AND BETWEEN THE GROLIER CLUB OF THE CITY OF NEW YORK AND 43-45 EAST 60TH, LLC DATED AS OF 5/31/2006 AND RECORDED 7/1/2006 AS CRFN 2006000364368.

TOGETHER WITH THE BENEFITS AND SUBJECT TO THE BURDENS OF A CERTAIN NEGATIVE LIGHT AND AIR EASEMENT RECITED IN A ZONING LOT DEVELOPMENT AND EASEMENT AGREEMENT BY AND BETWEEN NEW YORK 61ST STREET ESTATE INC. AND 43-45 EAST 60TH, LLC DATED AS OF 12/21/2010 AND RECORDED 3/18/2011 AS CRFN 2011000098344.

TOGETHER WITH THE BENEFITS AND SUBJECT TO THE BURDENS OF A CERTAIN NEGATIVE LIGHT AND AIR EASEMENT RECITED IN A ZONING LOT DEVELOPMENT AND EASEMENT AGREEMENT BY AND BETWEEN CHRIST CHURCH, METHODIST, OF NEW YORK CITY AND 41-45 PROPERTY OWNER, LLC DATED AS OF 2/27/2013 AND RECORDED 3/27/2013 AS CRFN 2013000125786.

SCHEDULE B

Policy No.: **Y 3020-651110 SPECIMEN**

EXCEPTIONS FROM COVERAGE

This Policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees, or expenses that arise by reason of:

1. AS TO THE BUILDING: Any state of facts which a guaranteed survey of current date would disclose.

   AS TO THE UNIT: With respect to Condominium Unit No. ____, the title to which is to be insured herein, policy excepts any state of facts which an accurate survey would disclose. Policy insures, however, that any encroachment of the Unit onto other Units or onto any part of the common elements may remain undisturbed as long as the Unit insured hereunder exists.

2. Terms, Restrictions and Conditions set forth in the Declaration of Condominium and By - Laws of the 520 Park Avenue Condominium dated _____, recorded _____ in(as) CRFN _____; but the Policy insures against loss or damage occasioned by the premises not being a part of a Condominium validly created pursuant to Article 9-B of the Real Property Law, as amended.

3. Power of Attorney to the Board of Managers of the 520 Park Avenue Condominium, and their successors in office dated __/__/_____ and to be recorded in the office of the Register, New York County, as provided in the Declaration and By - Laws of the 520 Park Avenue Condominium.

4. Stairway and Elevator Agreement recorded 1/4/1932 in Liber 3823 Cp 128 (affects the former lots at 41, 43 and 45 East 60th Street). Policy insures that the same will not prevent the use of the Unit for residential purposes.

5. Facilities Agreement recorded 1/4/1932 in Liber 4205 Cp 128 (affects the former lots at 43 and 45 East 60th Street). Policy insures that the same will not prevent the use of the Unit for residential purposes.

6. Zoning Lot Development and Easement Agreement by and between The Grolier Club of the City of New York and 43-45 East 60th, LLC dated as of 5/31/2006 and recorded 7/1/2006 as CRFN 2006000364368 (benefits old lot 129 and burdens lot 31).

   WITH REGARD THERETO: Waiver of Declaration of Zoning Lot Restrictions and Consent and Subordination of Mortgage to Zoning Lot Development and Easement Agreement by Ariston Investments Limited dated 6/12/2006 and recorded 6/20/2006 as CRFN 2006000347626.

7. Zoning Lot Development and Easement Agreement by and between New York 61st Street Estate Inc. and 43-45 East 60th, LLC dated as of 12/21/2010 and recorded 3/18/2011 as CRFN 2011000098344 (benefits old lot 129 and burdens lot 42).

   WITH REGARD THERETO: Waiver of Declaration of Zoning Lot Restrictions and Consent and Subordination of Mortgage to Zoning Lot Development and Easement Agreement by Ariston Investments Limited dated 12/21/2010 and recorded 3/18/2011 as CRFN 2011000098346.

8. Zoning Lot Development and Easement Agreement by and between Christ Church, Methodist, of New York City and 41-45 Property Owner, LLC dated as of 2/27/2013 and recorded 3/27/2013 as CRFN 2013000125786 (benefits old lots 28, 129 and lot 9031 and burdens lot 36).

   WITH REGARD THERETO: Waiver of Declaration of Zoning Lot Restrictions and Consent and Subordination of Mortgage to Zoning Lot Development and Easement Agreement by Apple Bank for Savings dated 2/26/2013 and recorded 3/27/2013 as CRFN 2013000125784.

9. Light and Air and Easement Agreement by and between Christ Church, Methodist, of New York City and 41-45 Property Owner, LLC dated as of 2/27/2013 and recorded 3/27/2013 as CRFN 2013000125788 (benefits old lots 28, 129 and lot 9031 and burdens lot 36).

10. Light and Air and Easement Agreement by and between The Grolier Club of the City of New York and 41-45 Property Owner, LLC dated as of 4/5/2013 and recorded 4/23/2013 as CRFN 2013000161164 (benefits old lots 28, 129 and lot 9031 and burdens lot 31).

11. Light and Air and Easement Agreement by and between New York 61st Street Estate Inc. and 41-45 Property Owner, LLC dated as of 5/20/2013 and recorded 10/29/2013 as CRFN 2013000447248 (benefits old lots 28, 129 and lot 9031 and burdens lot 42).

12. Terms, covenants, conditions and agreements contained in a lease made by and between Crystal Management, Inc., Lessor, and Blue Apple Associates, Lessee, a memorandum of which dated as of 5/1/1985 was recorded on 5/10/1985 in (as) Reel 909 page 427 (term for 30 years commencing on 5/1/1985 and terminating 4/30/2015) (affects former lot 129).

    A copy of the aforementioned lease and any amendments thereto must be submitted to this Company for consideration prior to closing.

    WITH REGARD THERETO:

    (a) Amendment of Lease made by and between Crystal Management, Inc. and Blue Apple Associates dated as of 9/21/1987 and recorded on 10/14/1987 in (as) Reel 1303 page 455.

13. Real Estate Taxes to be allocated to each condominium unit.

First American

STANDARD NEW YORK ENDORSEMENT
(OWNER'S POLICY)

Issued by

First American Title Insurance Company

Attached to and made part of Policy No.: Y 3020-651110 SPECIMEN

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.

Dated: __/__/_____

FIRST AMERICAN TITLE INSURANCE COMPANY INCORPORATED SEPTEMBER 24, 1968 CALIFORNIA

First American Title Insurance Company

Dennis J. Gilmore
President

Timothy Kemp
Secretary

By:
Authorized Countersignature

FORM W-8
(CERTIFICATION OF FOREIGN STATUS)

Form **W-8BEN**
(Rev. February 2006)
Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding

► Section references are to the Internal Revenue Code. ► See separate instructions.
► Give this form to the withholding agent or payer. Do not send to the IRS.

OMB No. 1545-1621

Do not use this form for: **Instead, use Form:**

- A U.S. citizen or other U.S. person, including a resident alien individual W-9
- A person claiming that income is effectively connected with the conduct of a trade or business in the United States W-8ECI
- A foreign partnership, a foreign simple trust, or a foreign grantor trust (see instructions for exceptions) . . . . . W-8ECI or W-8IMY
- A foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession that received effectively connected income or that is claiming the applicability of section(s) 115(2), 501(c), 892, 895, or 1443(b) (see instructions) . . . . . W-8ECI or W-8EXP

Note: *These entities should use Form W-8BEN if they are claiming treaty benefits or are providing the form only to claim they are a foreign person exempt from backup withholding.*

- A person acting as an intermediary W-8IMY

Note: *See instructions for additional exceptions.*

Part I Identification of Beneficial Owner (See instructions.)

1 Name of individual or organization that is the beneficial owner

2 Country of incorporation or organization

3 Type of beneficial owner: ☐ Individual ☐ Corporation ☐ Disregarded entity ☐ Partnership ☐ Simple trust ☐ Grantor trust ☐ Complex trust ☐ Estate ☐ Government ☐ International organization ☐ Central bank of issue ☐ Tax-exempt organization ☐ Private foundation

4 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address.**

City or town, state or province. Include postal code where appropriate.

Country (do not abbreviate)

5 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate.

Country (do not abbreviate)

6 U.S. taxpayer identification number, if required (see instructions) ☐ SSN or ITIN ☐ EIN

7 Foreign tax identifying number, if any (optional)

8 Reference number(s) (see instructions)

Part II Claim of Tax Treaty Benefits (if applicable)

9 **I certify that (check all that apply):**

a ☐ The beneficial owner is a resident of ..... within the meaning of the income tax treaty between the United States and that country.

b ☐ If required, the U.S. taxpayer identification number is stated on line 6 (see instructions).

c ☐ The beneficial owner is not an individual, derives the item (or items) of income for which the treaty benefits are claimed, and, if applicable, meets the requirements of the treaty provision dealing with limitation on benefits (see instructions).

d ☐ The beneficial owner is not an individual, is claiming treaty benefits for dividends received from a foreign corporation or interest from a U.S. trade or business of a foreign corporation, and meets qualified resident status (see instructions).

e ☐ The beneficial owner is related to the person obligated to pay the income within the meaning of section 267(b) or 707(b), and will file Form 8833 if the amount subject to withholding received during a calendar year exceeds, in the aggregate, $500,000.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article ..... of the treaty identified on line 9a above to claim a ..... % rate of withholding on (specify type of income): ..... .

Explain the reasons the beneficial owner meets the terms of the treaty article: .....

Part III Notional Principal Contracts

11 ☐ I have provided or will provide a statement that identifies those notional principal contracts from which the income is **not** effectively connected with the conduct of a trade or business in the United States. I agree to update this statement as required.

Part IV Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

1 I am the beneficial owner (or am authorized to sign for the beneficial owner) of all the income to which this form relates,

2 The beneficial owner is not a U.S. person,

3 The income to which this form relates is (a) not effectively connected with the conduct of a trade or business in the United States, (b) effectively connected but is not subject to tax under an income tax treaty, or (c) the partner's share of a partnership's effectively connected income, **and**

4 For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner.

Sign Here ► ..... Signature of beneficial owner (or individual authorized to sign for beneficial owner) ..... Date (MM-DD-YYYY) ..... Capacity in which acting

FORM W-9
(REQUEST FOR TAXPAYER IDENTIFICATION NUMBER)

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.

ESCROW AGREEMENT

ESCROW: AGREEMENT FOR OFFERING PLAN

AGREEMENT made as of the filing date of the Offering Plan (defined below), between 41-45 Property Owner, LLC("SPONSOR") as SPONSOR of the Offering Plan and Starr Associates LLP ("ESCROW AGENT") as escrow agent.

WHEREAS, SPONSOR is the SPONSOR of an offering plan for premises known as 520 Park Avenue Condominium and located at 520 Park Avenue, New York, NY 10022 ("Offering Plan"); and

WHEREAS, ESCROW AGENT is authorized to act as an escrow agent hereunder in accordance with New York General Business Law ("GBL") Sections 352-e(2-b) and 352-h and the New York Department of Law's regulations promulgated thereunder; and

WHEREAS, SPONSOR desires that ESCROW AGENT act as escrow agent for deposits and payments by purchasers or subscribers, pursuant to the terms of this Agreement and the Offering Plan, and in accordance with the provisions contained in the Escrow Rider to the Purchase Agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1. ESCROW AGENT will establish a master escrow account for the purpose of holding deposits, down payments, advances or payments ("Deposits") made by purchasers or subscribers ("Purchasers") pursuant to the Offering Plan at a commercial or savings bank authorized to do business in the State of New York entitled "Starr Associates LLP, Escrow Account" ("Master Escrow Account").

1.2. All Deposits will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. If ESCROW AGENT receives a completed and signed Form W-9 (Request for Taxpayer Identification Number) or Form W-8 (Certificate of Foreign Status), as applicable, from a Purchaser at the time the Deposit is delivered to ESCROW AGENT, the Deposit of such Purchaser will be promptly transferred from the non-interest bearing checking portion of the Master Escrow Account into an individual interest bearing sub-escrow account in the name of such Purchaser. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the Master Escrow Account so that checks may be drawn thereon.

1.3. ESCROW AGENT has designated the following attorneys to serve as signatories for the Master Escrow Account: Allan Starr, Esq., Andrea L. Roschelle, Esq., Samantha Sheeber, Esq. and Jane Rosenberg, Esq. ("Authorized Signatories"). All Authorized Signatories are admitted to practice law in the State of New York. ESCROW AGENT and all Authorized Signatories have an address of 245 Fifth Avenue, Suite 1102, New York, New York 10016, and a telephone number of (212) 620-2680.

1.4. Neither ESCROW AGENT nor any Authorized Signatories on the Master Escrow Account are the Sponsor, Selling Agent, Managing Agent (as those terms are defined in the Offering Plan), or any principal thereof, or have any beneficial interest in any of the foregoing.

1.5. ESCROW AGENT and all signatories designated herein hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of this Agreement or otherwise concerning the maintenance of or release of the Deposit from escrow.

1.6. The Master Escrow Account is not an IOLA account established pursuant to Judiciary Law Section 497.

1.7. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement (defined below), or (ii) Purchaser is entitled to a return of the Deposit. All interest will be credited to SPONSOR only in the event there is a consummation of the Offering Plan (i.e., the Offering Plan is declared effective) and Purchaser defaults.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1. All Deposits received from Purchasers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited into the Master Escrow Account. All instruments to be deposited into the Master Escrow Account shall be made payable directly to the order of "Starr Associates LLP, Escrow Agent". Endorsed instruments will not be accepted. Any instrument payable other than as required hereby, and which cannot be deposited into the Master Escrow Account, shall be returned to the Purchaser promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of Deposits, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2. Within ten (10) business days after tender of the Deposit submitted with the purchase agreement or subscription agreement ("Purchase Agreement"), ESCROW AGENT shall notify the Purchaser of the placement of the Deposit into the Master Escrow Account, provide the account number, and disclose the initial interest rate. If the Purchaser does not receive such notification within fifteen (15) business days after tender of the Deposit, the Purchaser may cancel the Purchase Agreement and rescind within ninety (90) days after tender of the Deposit. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, New York, 10271 ("Department of Law"). Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited in accordance with the Department of Law's regulations concerning the Deposit and requisite notice was timely mailed to the Purchaser.

3. RELEASE OF FUNDS.

3.1. Under no circumstances shall Sponsor seek the release of the Deposits of a defaulting Purchaser until after consummation of the Offering Plan (i.e., the Effective Date). Consummation of the Offering Plan shall not relieve SPONSOR of its fiduciary and statutory obligations pursuant to GBL §§ 352(e)(2-b) and GBL Section 352-h.

3.2. ESCROW AGENT shall release the Deposit if so directed:

3.2.1. pursuant to terms and conditions set forth in the Offering Plan and Escrow Rider to the Purchase Agreement, upon closing of title to the Unit; or

3.2.2. in a subsequent writing signed by both SPONSOR and the Purchaser; or

3.2.3. by a final, non-appealable order or judgment of a court.

3.3. If the Deposits are not released pursuant to paragraph 3.2 and ESCROW AGENT receives a request by SPONSOR or Purchaser to release the Deposits, ESCROW AGENT shall give both parties prior written notice of not fewer than 30 days before releasing the Deposits. If ESCROW AGENT has not received notice of objection to the release of the Deposits at the expiration of the 30 day period, the Deposits shall be released and ESCROW AGENT shall provide further written notice to both parties informing them of the release of the Deposits. If ESCROW AGENT receives a written notice from either party objecting to the release of the Deposits within the 30 day period set forth in the notice, ESCROW AGENT shall continue to hold the Deposits until otherwise directed pursuant to paragraph 3.2. However, ESCROW AGENT shall also have the right at any time to deposit the Deposits with the clerk of a court in the county in which the Unit is located and shall give written notice to both parties of such deposit.

3.4. SPONSOR shall not object and will be deemed to have agreed, without the need for a written agreement, to the release of the Deposit to:

3.4.1. a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Offering Plan or an amendment to the Offering Plan, or

3.4.2. all Purchasers after an amendment abandoning the Offering Plan is accepted for filing by the Department of Law.

3.5. In the event SPONSOR and a Purchaser close title under the Purchase Agreement, ESCROW AGENT shall be entitled to release the Deposit to SPONSOR without the need for a written agreement from Purchaser.

4. RECORDKEEPING.

4.1. ESCROW AGENT shall maintain all records concerning the Master Escrow Account for seven (7) years after release of the funds.

4.2. Upon the dissolution of ESCROW AGENT, the former partners of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

4.3. ESCROW AGENT shall make available to the Attorney General, upon request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1. ESCROW AGENT shall maintain the Master Escrow Account under its direct supervision and control.

5.2. A fiduciary relationship shall exist between ESCROW AGENT and Purchasers, and ESCROW AGENT acknowledges its fiduciary and statutory obligations under GBL §§ 352(e)(2-b) and 352(h).

5.3. ESCROW AGENT shall not be liable to SPONSOR for any error in judgment, mistake of fact or law or for any act or omission on ESCROW AGENT'S part, including, without limitation, any act or omission which permits a Purchaser to rescind a Purchase Agreement, unless taken or suffered in bad faith or in willful disregard of this Agreement or involving gross negligence on the part of ESCROW AGENT.

5.4. ESCROW AGENT shall be permitted to act as counsel for SPONSOR in any dispute as to the disbursement of the Deposit or any other dispute between SPONSOR and a Purchaser whether or not ESCROW AGENT is in possession of the Deposit and continues to act as ESCROW AGENT.

5.5. ESCROW AGENT may rely upon any document which may be submitted to it in connection with its duties under this Agreement and which is believed by ESCROW AGENT to be genuine and to have been signed or presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

5.6. ESCROW AGENT may consult with legal counsel selected by it and the opinion of such counsel shall be full and complete authorization and protection to ESCROW AGENT in respect of any action taken or omitted in good faith by ESCROW AGENT hereunder in accordance with the opinion of such counsel.

5.7. The provisions of paragraphs 5.5 and 5.6 shall apply only to SPONSOR and nothing contained therein shall be in derogation of the rights of a Purchaser under Article 23-A of the GBL.

6. RESPONSIBILITIES OF SPONSOR.

6.1. SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall deliver all Deposits received by them prior to closing of an individual transaction to a designated attorney who is a partner of, or attorney or legal assistant employed by, ESCROW AGENT within two (2) business days of tender of the Deposit by a Purchaser, using such transmittal forms as required by ESCROW AGENT from time to time.

6.2. SPONSOR agrees that it shall not interfere with ESCROW AGENT'S performance of its fiduciary and statutory obligations set forth in GBL §§ 352(e)(2-b) and 352(h) and the Department of Law's regulations promulgated thereto.

6.3. SPONSOR shall obtain or cause the selling agent under the Offering Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from each Purchaser and deliver such form to ESCROW AGENT together with the Deposit and Purchase Agreement.

7. TERMINATION OF AGREEMENT.

7.1. This Agreement shall remain in effect unless and until it is cancelled by either:

7.1.1. Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor escrow agent. Purchaser shall be deemed to have consented to such cancellation; or

7.1.2. The resignation of ESCROW AGENT upon giving notice to SPONSOR of its desire to so resign. Such resignation shall take effect on the date set forth in the notice from ESCROW AGENT, except such resignation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor escrow agent with respect to Deposits held in the Master Escrow Account on the date of such resignation. Such amendment shall disclose the identity of the successor escrow agent, the bank in the State of New York where the Deposit is being held, and the account number in which the Deposits will be held, and shall be served on all Purchasers by SPONSOR; or

7.1.3. All units offered by SPONSOR pursuant to the Offering Plan have been sold and no Deposits of Purchasers from SPONSOR remain in the Master Escrow Account.

7.2. Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1.1 or 7.1.2, ESCROW AGENT shall deliver any and all funds held by ESCROW AGENT in escrow and any and all Purchase Agreements or documents maintained by ESCROW AGENT relating to such funds to the successor escrow agent.

8. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their respective successors and assigns.

9. GOVERNING LAW.

This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION.

SPONSOR agrees to pay ESCROW AGENT for services rendered by its attorneys and paralegals and expenses incurred by ESCROW AGENT in connection with this Agreement, including, without limitation, disputes arising with respect to the Deposit. SPONSOR shall not be charged with any administrative costs for maintenance of the Master Escrow Account. Prior to release of the Deposits, ESCROW AGENT'S fees and disbursements shall neither be paid by SPONSOR from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

11. SEVERABILITY.

If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. INDEMNIFICATION

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

13. ALTERNATE SECURITY

In the event SPONSOR is authorized by the Department of Law to post a Letter of Credit or Surety Bond as alternate security to secure all or a portion of the Deposits, ESCROW AGENT agrees to be the beneficiary of the Letter of Credit or Surety Bond and to act as fiduciary with respect to such Letter of Credit or Surety Bond for the benefit of Purchasers under the Offering Plan whose Deposits were released from escrow in accordance with the "Escrow and Trust Fund" section of the Offering Plan or an amendment to the Offering Plan.

14. ENTIRE AGREEMENT.

This Agreement, read together with GBL Sections 352-e(2-b) and 352-h, the Department of Law regulations, and the Escrow Rider to the Purchase Agreement, constitutes the entire agreement between the parties with respect to the subject matter hereof.

[SIGNATURE PAGES TO FOLLOW]

[ESCROW AGENT SIGNATURE PAGE RE: ESCROW AGREEMENT]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:

STARR ASSOCIATES LLP

By: _____
Name: Allan Starr, Esq.
Title: Partner

[SIGNATURE PAGE 1 TO RE: ESCROW AGREEMENT]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

SPONSOR:

41-45 Property Owner, LLC

By: 41-45 Park Land Assemblage, LLC, its sole member

By: AZ EAST 60TH Street, LLC

By: _____
Name: Arthur Zeckendorf
Title: Member

[SIGNATURE PAGE 2 TO RE: ESCROW AGREEMENT]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

SPONSOR:

41-45 Property Owner, LLC

By: 41-45 Park Land Assemblage, LLC, its sole member

By: WLZ 43-45 EAST 60TH, LLC

By: _____
Name: William Lie Zeckendorf
Title: Member

[SIGNATURE PAGE 3 TO RE: ESCROW AGREEMENT]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

SPONSOR:

41-45 Property Owner, LLC

By: 41-45 Park Land Assemblage, LLC, its sole member

By: PARK SIXTY LLC

By: _____
Name: Rafael Nasser
Title: Authorized Signatory

[SIGNATURE PAGE 4 TO RE: ESCROW AGREEMENT]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

SPONSOR:

41-45 Property Owner, LLC

By: 41-45 Park Land Assemblage, LLC, its sole member

By: 41 EAST 60TH STREET ASSOCIATES, L.P.

By: 41-60 Genpar Corp., its general partner

By: _____
Name: Peter Allen
Title: Vice President

CERTIFICATION OF SPONSOR AND PRINCIPALS

PART 20: CERTIFICATION OF SPONSOR AND PRINCIPALS

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

Re: Condominium Offering Plan
520 Park Avenue Condominium
520 Park Avenue
New York, NY 10022

We are the sponsor and the principals of sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

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

(vii) not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

[SIGNATURE PAGES TO FOLLOW]

[SIGNATURE PAGE 1 TO CERTIFICATION OF SPONSOR AND PRINCIPALS]

SPONSOR:

41-45 Property Owner, LLC

By: 41-45 Park Land Assemblage, LLC, its sole member

By: AZ EAST 60TH Street, LLC

By: _____
Name: Arthur Zeckendorf
Title: Member

PRINCIPAL OF SPONSOR:

_____
Arthur Zeckendorf

Sworn to before me this
13th day of August 2014

_____
Notary Public

RONALD U. NOLL
Notary Public, State of New York
No. 31-4674496
Qualified in New York County
Commission Expires 1/29/2015

[SIGNATURE PAGE 2 TO CERTIFICATION OF SPONSOR AND PRINCIPALS]

SPONSOR:

41-45 Property Owner, LLC

By: 41-45 Park Land Assemblage, LLC, its sole member

By: WLZ 43-45 EAST 60TH, LLC

By: _____
Name: William Lie Zeckendorf
Title: Member

PRINCIPAL OF SPONSOR:

_____
William Lie Zeckendorf

Sworn to before me this
13th day of August 2014

_____
Notary Public

RONALD U. NOLL
Notary Public, State of New York
No. 31-4674496
Qualified in New York County
Commission Expires 1/28/2015

[SIGNATURE PAGE 3 TO CERTIFICATION OF SPONSOR AND PRINCIPALS]

SPONSOR:

41-45 Property Owner, LLC

By: 41-45 Park Land Assemblage, LLC, its sole member

By: PARK SIXTY LLC

By: _____
Name: Rafael Nasser
Title: Authorized Signatory

PRINCIPAL OF SPONSOR:

_____
Rafael Nasser

Sworn to before me this
15th day of January 2014

_____
Notary Public
KENNETH S. MAGIDA
Notary Public, State of New York
No. 02MA4518188
Qualified in Nassau County
Commission Expires Dec. 31, 20 14

[SIGNATURE PAGE 4 TO CERTIFICATION OF SPONSOR AND PRINCIPALS]

SPONSOR:

41-45 Property Owner, LLC

By: 41-45 Park Land Assemblage, LLC, its sole member

By: 41 EAST 60TH STREET ASSOCIATES, L.P.

By: 41-60 Genpar Corp., its general partner

By: _____
Name: Peter Allen
Title: Vice President

PRINCIPAL OF SPONSOR:

_____
Samuel Kellner

Sworn to before me this
24th day of February 2014

_____
Notary Public

Anna Maria Roumie
Notary Public State of New York
No. 01RO6124387
Qualified in Queens County
Certificate Filed in New York County
Commission Expires March 28, 2017

CERTIFICATION OF ARCHITECT

SLCE*Architects*, LLP

PART 20: CERTIFICATION OF ARCHITECT
RE: NEWLY CONSTRUCTED OR VACANT UNITS

1359 Broadway
New York, NY 10018
212 979 8400 telephone
212 979 8387 telefax
www.slcearch.com
info@slcearch.com

Saky Yakas, AIA
James S. Davidson, AIA
Luigi Russo, AIA
Robert Laudenschlager, AIA
Gloria B. Glas, AIA
Mario Yao, AIA

New York State Department of Law
Investment Protection Bureau
120 Broadway, 23rd Floor
New York, New York 10271

Re: Condominium Offering Plan
520 Park Avenue Codominium
520 Park Avenue
New York, New York 10022

The sponsor of the condominium offering plan to convert the captioned property to condominium ownership retained our firm to prepare a report describing the construction of the property (the "Report"). We examined the building plans and specifications that were prepared by us dated 10-30-13 and prepared the Report dated 09-08-14 a copy of which is intended to be incorporated into the amended and restated offering plan so that prospective purchasers may rely on the Report.

We are a 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 Department of Law in Part 20 insofar as they are applicable to this Report.

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

We certify that the Report:

(i) sets forth in narrative form the description and/or 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 we examined;

(ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or

SLCE*Architects*, LLP

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 we examined;

(iii) does not omit any material fact;

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

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

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

(vii) does not contain any representation or statement which is false, where we:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representation or statement made.

1359 Broadway
New York, NY 10018
212 979 8400 telephone
212 979 8387 telefax
www.slcearch.com
info@slcearch.com

Saky Yakas, AIA
James S. Davidson, AIA
Luigi Russo, AIA
Robert Laudenschlager, AIA
Gloria B. Glas, AIA
Mario Yao, AIA

We further certify that we are not owned or controlled by and have no beneficial interest in the sponsor and that my/our compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

SLCE ARCHITECTS

By: _____
Name: Gloria B. Glas, AIA
Title: Partner

(Architect's Seal)

REGISTERED ARCHITECT
GLORIA B. GLAS
020204
STATE OF NEW YORK

Sworn to before me this
8 day of Sept., 2014

_____
Notary Public

SHERRY LYNN EID
Notary Public, State of New York
No. 01EI6113413
Qualified in New York County
Commission Expires July 26, 2016

CERTIFICATION OF BUDGET EXPERT

ROSE ASSOCIATES
200 Madison Avenue, 5th Floor
New York, NY 10016-3912
Direct: (212) 210-6626
mgelberg@rosenyc.com
ROSENYC.COM

Mitchell S. Gelberg
Managing Director

August 12, 2014

PART 20: CERTIFICATION BY EXPERT
AS TO ADEQUACY OF CONDOMINIUM BUDGET

New York State Department of Law
Investment Protection Bureau
120 Broadway - 23rd Floor
New York, New York 10271

Re: Condominium Offering Plan
520 Park Avenue Condominium
520 Park Avenue
New York, New York 10022

The sponsor of the condominium amended and restated offering plan for the captioned property retained our firm to prepare Schedules B and review Schedule B-1 (collectively, "Schedules") containing projections of income and expenses for the first year of condominium operation. Our experience includes the development and sale of cooperative and condominium apartments for the past twenty years and management of cooperative, condominium and residential rental apartment buildings over the past forty years. The firm is currently engaged in the management of over 45 condominium and cooperative properties in New York.

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

We have reviewed the Schedules and investigated the facts set forth in the Schedules and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in the Schedules appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedules:

(i) set forth in detail the projected income and expenses for the first year of condominium operation

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the amended and restated offering plan. This statement is not intended as a guarantee or warranty of the income or expenses for the first year of condominium operation. This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

ROSE ASSOCIATES INC.

By: _____
Name: Mitchell S. Gelberg
Title: Managing Director

Sworn to before me this
12th day of August, 2014

Notary Public

KATHLEEN PANARO
Notary Public, State of New York
No. 01PA6306384
Qualified in Queens County
Commission Expires Jun. 23, 2018

REAL PROPERTY LAW SECTION 339-kk

NEW YORK REAL PROPERTY LAW § 339-kk

§ 339-kk. Rents.

(a) For the purposes of this section, "non-occupying owner" shall mean a unit owner in a condominium association who does not occupy the dwelling unit.

(b) If a non-occupying owner rents any dwelling unit to a rental tenant and then fails to make payments due for Common Charges, assessments or late fees for such unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with subdivision (c) of this section, all rental payments from the tenant shall be directly payable to the condominium association.

(c) If the Common Charges, assessments or late fees due for any unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the board of managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for Common Charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the board of managers have been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for Common Charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim.

(d) Nothing in this section shall limit any rights of unit owners or of the board of managers existing under any other law or agreement.

(e) Payment by a rental tenant to the condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

§HISTORY: Add, L 1998, ch 422, § 3, eff July 22, 1998 (see 1998 note below).

EDITOR'S NOTES:

Laws 1998, ch 422, §§ 4, 5, eff July 22, 1998, provide as follows:

§ 4. This act may be enforced by any party by means of a special proceeding brought pursuant to article 4 of the civil practice law and rules.

§5. This act shall take effect immediately, and is applicable to all cooperative corporations and condominiums in existence on or after such date.

*