
CONDOMINIUM OFFERING PLAN

37 EAST 12TH STREET CONDOMINIUM

**37 EAST 12TH STREET
NEW YORK, NY 10003**

Total Offering Amount (6 Units) \$85,200,000

SPONSOR:

37 East 12th Street Condominiums
LLC
c/o Edward J. Minskoff Equities,
Inc., 1325 Avenue of the Americas,
23rd Floor
New York, NY 10019

SELLING AGENT:

Douglas Elliman, LLC
515 Madison Avenue
New York, NY 10022
(212) 891-7000

Filing Date of this Offering Plan: October 24, 2014. This Offering Plan may not be used after October 23, 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

**37 EAST 12TH STREET CONDOMINIUM
37 EAST 12TH STREET
NEW YORK, NY 10003**

SPECIAL RISKS

Sponsor Control of the Condominium Board

1. (a) Sponsor will have voting control over the Condominium Board for 5 years from the date of the First Closing. Sponsor reserves the right to relinquish voting control of the Condominium Board prior to the expiration of the Initial Control Period.

(b) After the Initial 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 Initial 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. Sponsor may continue to exercise veto power over certain actions of, or contemplated by, the Condominium Board after the Initial 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 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) ensure the health and safety of the occupants of the Condominium.

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

Purchase of a Condominium Unit

2. (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) At the time a Purchase Agreement is executed, Purchaser is required to make an initial Deposit ("Initial Deposit") in an amount equal to 15% of the Purchase Price and an additional Deposit ("Additional Deposit") equal to 5% of the Purchase Price upon the earlier to occur of (i) 6 months after Purchaser executes the Purchase Agreement or (ii) within 15 days of the Presentation Date of the amendment declaring the Plan effective. A Purchaser executing a Purchase Agreement on or after the date the Plan is declared effective is required to make the full Deposit in an amount equal to 20% of the Purchase Price.

(c) In the event a Purchaser defaults under the Purchase Agreement, time being of the essence with regard to the obligations of Purchaser under the Purchase Agreement, Sponsor, in its sole

discretion, may elect by notice to Purchaser to either: (i) cancel the Purchase Agreement or (ii) seek specific performance. If Sponsor elects to cancel, Purchaser shall have 30 days from the giving of 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 Purchase Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, (a) the entire Deposit and any interest earned on the Deposit and (b) Unit Upgrade Funds. Upon the cancellation of the Purchase 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 Purchase Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale. If Sponsor elects to seek specific performance, then Purchaser shall have 30 days from the giving of notice of Sponsor's election to close title to the Unit in accordance with the Purchase Agreement, without prejudice to Sponsor's right to recover from Purchaser all damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled under the Purchase Agreement (including, but not limited to, attorneys' fees, disbursements and costs of collection). (See the Section of the Plan entitled "Procedure to Purchase" for details.

(d) TIME IS OF THE ESSENCE as to Purchaser's obligations under the Purchase Agreement, including, without limitation, for the payment of all Deposits and the Balance of the Purchase 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.

(e) Under current law, if a Purchaser makes a Deposit 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 Deposit, 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 Deposit shall remain in the non-interest bearing portion of the Escrow Account. While the Deposit is in the non-interest bearing portion of the Escrow Account, the Deposit may not be federally insured even if the Deposit 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.)

(f) 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 0.03% 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 by virtue of the delay, in addition to the other payments to be made to Sponsor under the Purchase Agreement and the Plan. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

(g) The signing of the Purchase 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 Storage Rooms, the Building and all Common Elements contained in the Building. Sponsor has no obligation to make any repairs, improvements or decorations in or to the Property, the Unit, the Storage Rooms, 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.)

(h) Unit Upgrade Funds will initially be placed in the Escrow Account. However, Purchasers should note that such Unit Upgrade Funds may be released from the 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 Purchase Agreement or Purchaser is entitled to rescind the Purchase 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.)

(i) Prior to the Closing of Title to a Unit, the Purchase 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 Purchase Agreement set forth in Part II of the Plan for details.)

Conveyance of Title

3. 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 Purchase 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 $\frac{1}{2}$ of 1% of the Purchase Price of the affected Unit to make title insurable or to eliminate any lien encumbrance or title defect. (See the Section of the Plan entitled "Terms of Sale" for details.)

Sponsor's Right to Rent Unsold Units

4. (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 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 Unit Owners who occupy Units may have different interests than those Unit Owners who do not occupy Units.

(c) Sponsor reserves the unconditional right to make Bulk Sales of Units. 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.

Closing Fees

5. 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 bulked up consideration and the RPT Tax is currently equal to 1% of the bulked up consideration where the bulked up consideration is \$500,000 or less, and 1.425% where the bulked 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

6. (a) Sponsor has not established a reserve fund for capital replacements or repairs. Because the Building, upon completion of substantial renovation will be predominately 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) Each Purchaser of a Unit will be required to make a non-refundable contribution to the Working Capital Fund of the Condominium at Closing, in an amount equal to 2 months' Common Charges assessed against the Unit at Closing. The payment of the Working Capital Contribution shall be required of all Purchasers of Units, whether purchased from Sponsor or on a resale. See the Section of the Plan entitled "Working Capital Fund and Apportionments" for details.

(c) The contingency line item provided for in the Schedule B – First Year's Budget is intended to provide a fund for unanticipated expenses not included in the First Year's 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.

Foreign Government Purchaser

7. 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 Purchase 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 Purchase 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 Purchase Agreement or the Condominium Documents. A Foreign Government Purchaser will be required to deposit with the Condominium at Closing an amount equal to 2 years' Common Charges with respect to the Unit based on the Condominium budget in effect as of the Closing Date, which will be in addition to the required contribution to the Working Capital Fund. Such amount shall 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 the By-Laws of the Condominium. In the event that such Foreign Government Unit Owner defaults in respect of the terms, provisions and conditions of the 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 Foreign Government Unit Owner is in default. Thereafter, the Foreign Government Unit Owner 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. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

No Bond or Other Security Posted

8. 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. 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. 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

9. Purchasers are advised that some of the services and facilities described in the Plan (such as a full staff of Building personnel and usage of certain amenity areas) may not be available until approximately 12 months after the First Closing. Purchasers will not be entitled to any credit or abatement against the Purchase Price or 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 elevator, 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. 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

10. (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 prior to its expiration, and ultimately for obtaining a PCO covering the entire Building within 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 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. Sponsor shall not be responsible for any costs or liabilities suffered by Unit Owners on account of delays in obtaining the PCO due to the circumstances set forth in (i)-(v) above.

(b) 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. Notwithstanding the foregoing, Sponsor is obligated to procure the PCO. Notwithstanding the foregoing, the Condominium Board may refuse to permit a Unit Owner to perform alterations in a Unit until such time as a PCO has been obtained.

(c) 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.)

(d) No Closing of a Unit will occur prior to the issuance of a TCO for the particular Unit. Sponsor shall have the right to negotiate with an individual Purchaser of a "raw space" Unit to deliver a "raw space" Unit prior to the issuance of a TCO or PCO. In such instance, the Purchaser of a "raw space" Unit, shall not be permitted to occupy the Unit until such time as a TCO has been issued for such Unit. Purchasers are advised that a Purchaser must install a stove prior to the issuance of a TCO and Sponsor will provide Purchaser access to the Unit for the purpose of installing a stove. Purchasers of a "raw space" Unit will be obligated to comply with the provisions of the Bylaws prior to commencing any build-out of a "raw space" Unit. Additionally, the Closing of Title to a "raw space" Unit shall not constitute the First Closing, if a "raw space" Unit is delivered prior to the issuance of a TCO or PCO.

(e) The only construction prerequisite to Closing is the issuance of a TCO for the Unit or a PCO for the Building. As such, each Purchaser shall be required to close title to their particular Unit once a TCO 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

11. (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, 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. 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 elevator, may require substantial time to complete and may need to be shut down temporarily. Various other adjustments to windows and the elevator and other systems may require substantial time to be completed after the First Closing. With regard to the foregoing, in executing a Purchase Agreement, Purchaser acknowledges that Sponsor shall not be liable to Purchaser or any third party, nor will Purchaser be entitled to any credit, offset, a reduction in the Purchase Price of the Unit or otherwise be relieved from any obligation under the Purchase 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. Notwithstanding the foregoing, no such disclaimer of limitation of liability on Sponsor's part shall apply to Sponsor's obligations to construct the Building in accordance with Law and the Plans and Specifications. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for details.)

(d) 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 on the Cellar floor and the Roof. 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, at least 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. It is impossible to eliminate such noise and vibration entirely.

(e) As is typical and customary in newly constructed or renovated 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 or renovation, 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. Notwithstanding the foregoing, no such disclaimer of limitation of liability on Sponsor's part shall apply to Sponsor's obligations to construct the Building in accordance with Law and the Plans and Specifications. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details.)

Apportionments with the Condominium

12. At the First Closing, certain apportionments will be made between Sponsor and the Condominium. If the result of 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 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

13. 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

14. Pursuant to Law, Sponsor may declare the Plan effective by entering into Purchase Agreements for the sale of a minimum of 15% of the Units offered for sale (i.e. 1 Unit based on 6 Units offered for sale). 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.

Purchase Agreement Not Contingent on Financing

15. (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 form of financing. Purchasers may want to finalize their financing arrangements before signing a Purchase Agreement. While the First Closing is projected to occur on or around July 1, 2015, 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 Purchase Agreement, Sponsor has the right to adjourn the Closing Date from time to time and 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. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

(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.

(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) 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. Alternatively, Sponsor may require, in its sole discretion, that a Purchaser, who is financing the purchase of the Residential Unit with a purchase money loan secured by a mortgage (the "Purchase Money Mortgage"), must cause the lender making such loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to the Purchase Money Mortgage as determined by Sponsor. Upon such assignment, the Purchase Money Mortgage will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. Sponsor will be solely entitled to the benefits of any mortgage tax credit which Purchaser receives as a result of such assignment. Accordingly, at the Closing, Purchaser will pay to Sponsor an amount equal to the mortgage recording tax which would have otherwise been due in connection with the recording of the Purchase Money Mortgage.

Special Rights of Sponsor

16. (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 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 such Common Element was not offered in the Plan as an amenity for the shared use of the Unit Owners of the Condominium. Any such sale, lease, license or transfer will not materially and adversely affect the common interest of any other Purchaser and shall 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 Initial 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, 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 the budget 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 Units, or due to structural, architectural or mechanical

considerations. However, any such amendments, additions, or changes shall not materially and adversely affect a Unit Owner or Purchaser use of a Unit, materially and adversely increase any obligation of a Unit Owner or Purchaser. Sponsor shall have the right to substitute appliances, equipment or materials of substantially equal or better quality. Any such material and adverse modification, 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 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.)

Future Construction

17. 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

18. (a) Floor Plans depicting the layouts of Units and the Storage Rooms appear in Part II of the Plan. Each Unit has been horizontally measured, on each of one or more floors, from the exterior side of the exterior Building walls, at the Building line and/or Property line, to the midpoint of the interior walls and partitions separating the Unit from another Unit, if any, or the exterior side of the interior walls and partitions separating a unit from public corridor, stairs, elevators, or any other public spaces. Columns and mechanical pipes, ducts, shafts (whether along the perimeter, along the corridor, or within the Unit), elevators and stairs that are exclusively serving the unit on each floor are not deducted from the square foot area of the Unit.

Outdoor floor areas of the gardens appurtenant to the unit are measured horizontally from the exterior side of the adjoined perimeter of the unit to the exterior side of the exterior Building walls and/or fences, at the Building line and/or Property line, or to the exterior side of the walls, partitions, fences and/or planters separating the outdoor area from a public corridor or pathway, stairs, or any other interior or exterior public spaces.

Each Storage Room 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 unit from another unit or one unit from the common elements. Columns, mechanical pipes and shafts are not deducted for the purpose of floor area measurements.

(b) As is customary in New York, these square footages exceed the usable floor area of each Unit. 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

Window Guards / Legally Compliant Window Stops

19. 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 live(s) or reside(s) (even temporarily) 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 the Managing Agent and the cost thereof (for the window guards and/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/or legally compliant window stops 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 further details.)

Vault Space

20. The Cellar contains a city vault ("Vault Space") which will be used for incoming utilities and designated as a General Common Element. The City of New York has the right to repossess the Vault Space, in which event the Condominium will no longer have the right to utilize the Vault Space. In such event, the Condominium Board will be required to move the incoming utilities to a different location in the Building. Sponsor makes no representation or guarantee that such substitute location will be available. The Storage Rooms will not be located in the Vault Space but will be located in the portion of the Cellar adjoining the Vault Space, and as such, are not affected by any change to the Vault Space.

Lead-Based Paint and/or Lead-Based Hazards

21. Under applicable Federal and local law, lead-based paint can no longer be used in the construction of a building. Under Federal Law, Sponsor must provide Purchasers with all available records and material pertaining to lead-based paint and/or lead-based hazards in the Building. Sponsor will comply with applicable Law concerning the use of lead-based paint and/or lead-based paint hazards. Set forth as an Exhibit in Part II of the Plan is a copy of the booklet issued by the United States Environmental Protection Agency, EPA 747-K-95-001, which details certain information regarding lead-based paint. In accordance with the terms of the rider annexed to the Agreement, Purchasers have the right to inspect their Units for the presence of lead-based paint. While Sponsor has, to the best of its knowledge, received no specific reports regarding lead based paint in the Building, given the age of the Building and the widespread use of lead-based paint in preceding decades, it can be assumed that there is lead-based paint present in previously painted parts of the Building which will not or cannot be demolished. For example, there are numerous layers of paint on the walls and façade of the original building and fire escapes. Sponsor makes no representation as to the existence or non-existence of lead-based paint in these locations. Purchasers are advised that, in the event they remove sheetrock at any time in the future, they may be responsible for removing and abating lead-based paint in accordance with Law at their sole cost and expense. Set forth in Part II. See the Sections of the Plan entitled "Procedure to Purchase" and "Sponsor's Statement of Building Condition" and the Agreement set forth in Part II of the Plan for further details.

Marketing Materials

22. 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 the Units. The presence of FFE in such marketing materials is for illustrative purposes only. In addition, marketing materials may use designations, labels or 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.

Wood Materials

23. Purchasers should note that natural materials used as finishes have certain inherent risks associated with such use. All references in the Plan to wood products shall be deemed references to engineered wood products unless otherwise specified. The Units will be delivered with wood floors, which should not be washed with water and need to be maintained in accordance with the manufacturer's recommendations. Risks associated with all wood products (including, without limitation, wood flooring, furniture, cabinetry or interior of cabinetry may or may not be the same material and/or color as the exterior and molding) include, but are not limited to, the following: appearance of cracks between the floor boards, squeaks, variation in color, variation in wood grain, texture, occurrence of knots, and cupping. Purchasers should also note that since wood is a product of nature, it can have a great deal of variability in color, grain, texture and appearance. Cracks, occurrence of knots, and grain variation are more noticeable in light colored wood flooring. Furthermore, wood flooring is affected by sunlight and often fades and changes with use and age. Some woods darken and some lighten when exposed to light. Wood flooring can also dent. Protective felt pads and protective sheeting such as plywood or masonite should always be used when placing furniture or appliances. A wet mop should never be used on wood flooring because it can cause warping and cracking. Standing water will cause cupping, swelling, and subsequent gapping. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" and "Rights and Obligations Unit Owners" as set forth in the Plan.)

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

24. 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).

Flood Zone

25. In accordance with the disclosure set forth in the "Description of Property and Improvements" in Part II of the Plan, the site upon which the Building is located is not within the flood zone per FEMA map c.5/2013.

Cellar Level Townhouse

26. The Townhouse Unit contains a media room located on the Cellar level of the Building. The media room may not be legally used as a bedroom, dining room or any other use considered to be a "habitable space" as defined by the New York State Building Code. Use of the media room as such is a violation of Law that may result in violations being posted against the Unit and the Building. Any and all costs and expenses, including reasonable attorneys' fees incurred by the Condominium as a result of an improper or unlawful use of the media room shall be borne by the Owner of the Townhouse Unit and shall constitute and be collectible as Common Charges payable immediately by such Owner.

Emergency Generator

27. A natural-gas emergency generator will be installed on the Roof of the Building. The Condominium Board has the right to operate the emergency generator as necessary, as well as to activate the emergency generator for testing at least once per month. During such testing periods, excessive noise and vibration, which may exceed applicable NYC noise requirements, may occur. (See the Description of Property and Improvements set forth in Part II of the Plan for details.)

Storage Room

28. (a) Each Purchaser of a Unit will have the exclusive use of a Storage Room located in the Cellar. A Storage Room constitutes a Limited Common Element appurtenant to a Unit. A Storage Room may not be transferred independently of the Unit.

(b) Purchasers will be required to consummate the purchase of the Unit at Closing even if a TCO has not been issued for the Storage Room Area in which the Storage Room is located. In such event, Purchasers will not be able to access or use the Storage Room until such time as a TCO has been issued for the Storage Room Area.

(c) See the Section of the Plan entitled "Rights and Obligations of Unit Owners," subsection "Use of Units and Common Elements and Storage Rooms" for details.

Terraces

29. Purchasers should note that if the drains on the Terraces appurtenant to Units become blocked by snow, ice or debris, ponding may occur on such Terraces and water may enter the Unit. Purchasers should ensure that the drains on the Terraces are unobstructed at all times.

INTRODUCTION

Nature of the Transaction

37 East 12th Street Condominiums LLC ("Sponsor") is a limited liability company organized and existing under the laws of the State of Delaware. Sponsor acquired the Property on January 22, 2014 from 37 East 12th Street Associates.

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 37 East 12th Street Condominium and located at 37 East 12th Street, New York, NY 10003 ("Property").

The principal of Sponsor who will be actively involved in this offering is Edward J. Minskoff. (See the Sections of the Plan entitled "Identity of Parties" and the "Certification of Sponsor and Principal" in Part II of the Plan for details.)

The Condominium will contain of 6 Units and 6 Storage Rooms.

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 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 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 a Purchase Agreement subsequently accepted by Sponsor. 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 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 substantially renovated. 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 July 1, 2015. 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 Purchase 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 First Year of Condominium Operation in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Purchase 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.

Storage Rooms

Each Purchaser of a Unit will have the exclusive use of an assigned Storage Room, which shall constitute a Limited Common Element appurtenant to the Unit. The Storage Rooms will contain lighting and an electrical outlet. The Storage Room assigned to each Unit is designated on the Floor Plans set forth in Part II of the Plan and is not transferable independently of the Unit.

Purchasers will be required to consummate the purchase of the Unit even though a TCO has not been issued to the Storage Room Area in which the Storage Room is located.

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 Purchase 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 lien, encumbrance or title defect, it will be conclusively deemed that Purchaser elected to acquire title subject to the lien, encumbrance or 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 lien, encumbrance or title defect. (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 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 Unit Owners who occupy Units may have different interests than those Unit Owners who do not occupy Units.

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 20% of the total number of Units in the Condominium.

Sponsor has procured an agreement from Capital One ("Construction Lender") for financing the construction and renovation of the Building. Sponsor will receive advances from the Construction Lender each month, so long as Sponsor complies with the provisions of the construction loan regarding its responsibilities to use the funds advanced in the agreed manner and generally to proceed with the construction as agreed to in the loan documents. The construction loan documents do not (i) limit Sponsor's rights with respect to renting rather than selling Units or (ii) require Sponsor to enter into a specific minimum number of Purchase Agreements prior to declaring the Plan effective. The construction loan documents require Sponsor to meet certain minimum release prices prior to the Construction Lender's release of its lien against each Unit.

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. Each Unit Owner is obligated to comply with the Condominium Documents and other requirements of the Board. 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 elevator, 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 right 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 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 to Sponsor, 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.)

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 (Real Property Law Sections 339 (i) and (m)).

The Common Interest of each Unit in the Common Elements have been allocated pursuant to the method set forth in 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).

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, as well as liability insurance with respect to occurrences in or about the Unit, any Limited Common Elements appurtenant thereto. The Condominium Board will be solely responsible for maintaining casualty and liability insurance with respect to the Common Elements (except for the contents of the Storage Rooms), 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 may 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 of 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 TCO or PCO 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.

A Storage Room 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 Room may not be owned independently of a Unit. The use of a Storage Room for Prohibited Uses can result in violations being posted against the Building. Any and all costs or expenses incurred by the Condominium or other Unit Owners as a result of such Prohibited Uses shall be borne by the Unit Owner of the Unit to which such Storage Room is appurtenant.

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 Unit Owners who occupy Units may have different interests than those Unit Owners who do not occupy Units. (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 such Unit Owner's 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 Purchase 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 a Purchase Agreement executed by both Purchaser and Sponsor has been exchanged and Sponsor has collected the funds constituting Purchaser's required Deposit (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 seq. ("Act") is a federal statute that requires sponsors of certain new construction condominiums to file a disclosure statement or property report with the Consumer Financial Protection Bureau and provide the Report to purchasers unless the condominium is exempt from this requirement. The Condominium is fully exempt from all registration and disclosure requirements under §1702(a) of the Act, inasmuch as its provisions do not apply to the sale or lease or lots (units) in a subdivision containing less than twenty-five units. Since the Condominium will consist of 6 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.

"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 37 East 12th Street, New York, NY 10003.

"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.

"Closing" or "Closing of Title" or "Close" 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 Purchase 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 37 East 12th Street 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 37 East 12th Street Condominiums 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.

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

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

"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.

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

"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, emergency generator, 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, step siblings, aunts, uncles, 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.

"Initial Control Period" shall mean the period ending 5 years from the date of the First Closing, unless relinquished by Sponsor on an earlier date.

"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, or (iv) 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, or (v) 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 (vi) 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 0564, Lot 30 and more particularly described in Exhibit A to the Declaration.

"Law" shall mean any of the following which are applicable at the time in question: laws, ordinances and codes 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.

"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.

"Permanent Certificate of Occupancy" or "PCO" 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 Purchase 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 and renovation 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.

"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 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.

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

"Purchaser" shall mean any Person named as a Purchaser in a Purchase 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.

"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 any sales office for Sponsor or Selling Agent, at a location 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 37 East 12th Street Condominiums 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.

"Storage Room" shall mean any Storage Room located in the Storage Room Area and shall include the structural framework and materials out of which the Storage Room is constructed. Each Storage Room is a Limited Common Element.

"Storage Room Area" shall mean an area located in the Cellar of the Building containing the Storage Rooms. The Storage Room Area is a General Common Element.

"Temporary Certificate of Occupancy" or "TCO" 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 Commonwealth Land Title Insurance Company, having an office at 140 East 45th Street, 22nd Floor, New York, NY 10017. (212) 949-0100, (212) 682-2930, 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 requested by Purchaser and agreed to in writing 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.

"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 37 East 12th Street in the Borough of Manhattan, City and State of New York.

Improvements - General Description of Units

The Condominium will consist of 6 Units located within a 8 story structure with a Cellar. Purchasers should refer to the Description of Property and Improvements contained in Part II of the Plan for more details.

Units

There will be 6 Units located on the Cellar through Floor 8, 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.

Storage Rooms

Storage Rooms will be located in the Cellar. Each Storage Room is assigned to a Unit and the purchase of a Unit includes the exclusive right to use the designated Storage Room appurtenant to such Unit. The Storage Rooms will contain lighting and an electrical outlet. The approximate square footages of the Storage Rooms are set forth on the Floor Plans contained in Part II of the Plan.

A Storage Room 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 (excluding sealed wine and alcohol bottles), 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, nor may they be used for sleeping, dining or other occupancy uses (collectively, "Prohibited Uses"). The use of the Storage Rooms for Prohibited Uses can result in violations being posted against the Building. Any and all costs or expenses incurred by the Condominium of other Unit Owners as a result of such Prohibited Uses shall be borne by the Unit Owner to which such Storage Room is appurtenant. Sponsor, however, shall have the right to use any Storage Room for any purpose permitted by Law or to change the permitted use of any Storage Room, subject, to the provisions of the By-Laws.

Sponsor, however, shall have the right to use any assigned Storage Room appurtenant to an Unsold Unit for any purpose permitted by Law, subject to the provisions of the By-Laws

Construction Data for Units and Common Elements

Sponsor has engaged Malcom Kaye Architecture, P.C. as architect of record, CS Architecture LLC as design architect, A Degree of Freedom as structural engineer and Glickman Engineering Associates 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 substantial renovation of the Building will be completed in accordance with the Plans and Specifications, and 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 Purchase 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 Purchase Agreement(s) and receive a refund of their Deposits, 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 July 1, 2015. 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 a Purchase Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Purchase 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. 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 Purchase Agreements and receive a refund of their Deposits, 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 Purchase Agreement beyond the expiration of any applicable grace period will not have the right to rescind).

Local Law 11

New York City Local Law 11 of 1998 ("Local Law 11") which requires periodic examinations of the physical condition of certain exterior walls applies to the Building. Set forth in Part II of the Plan is a copy of the current Local Law 11 Report ("Local Law 11 Report") issued for the Building.

Sponsor shall, at its sole cost and expense, make all necessary repairs to the Building as indicated in the Local Law 11 Report and in accordance with Law as follows:

- (a) all unsafe conditions shall be promptly corrected; and
- (b) all safe conditions with a repair and maintenance program shall be corrected by the earlier of
 - (i) the due date on the next Local Law 11 report filing, or
 - (ii) the Closing of the last Unit by Sponsor.

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. Concierge

There will be a concierge stationed in the lobby 24 hours a day, 7 days a week. The hours of access may be modified by the Condominium Board, in its sole discretion. The hours and duties of the 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 a non-resident manager. Purchasers should refer to the Footnotes to Schedule B for a completed description of the building staff.

c. Elevator Service

An automatic passenger elevator will be in service 24 hours a day, 7 days a week. Purchasers should refer to the Description of the Property and Building Condition set forth in Part II for details concerning the passenger elevator.

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 ("Telecommunication Services"). Charges for activating, installing and attaching appropriate receptacles, additional installations and monthly usage charges for Telecommunication Services will be determined by and payable directly to the service provider. 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 be placed by the United States Postal Service in mail boxes located in the lobby of the Building.

f. Laundry Facilities

Each Unit will contain a washing machine and dryer. There will not be a common laundry room located in the Building.

g. Refuse Disposal

A recycle system with compactor will be provided at the base of a trash chute which will have openings in the mechanical room of each Unit.

h. Communication Facilities and Intercom System

Each Unit will be equipped with an intercom telephone 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. Sponsor reserves the right to substitute an alternate service to enable communication between the concierge and 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. Fitness Center

An unattended Fitness Center will be located in the Cellar.

k. Lobby

The lobby will contain furniture and furnishings for the use and enjoyment of the residents of the Condominium.

l. Furniture, Furnishings and Equipment

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

m. 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 the Units. The presence of FFE in such marketing materials is for illustrative purposes only. In addition, marketing materials may use designations, labels or 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.

n. General

Use of the services and facilities shall be available only to individuals who reside in a Unit (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 usage 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 some of these services and facilities (such as a full staff of Building personnel and usage of the amenity areas) may not be available until approximately 12 months after the First Closing. Purchasers will not be entitled to any credit or abatement against the Purchase Price or Common Charges if any of the services and/or amenities 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 elevator 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, 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 and are removed.

LOCATION AND AREA INFORMATION

Location

The Property is located at 37 East 12th Street in the Borough of Manhattan in the City and State of New York. The Property is bounded by University Place and Broadway.

Surrounding Area, Shopping, Museums, Theatre and Parks

There are many universities, museums, libraries, theaters and cultural institutions in the New York area.

Located in close proximity to the Condominium are luxury residences, office buildings, museums, art galleries, hotels, schools, churches and retail establishments, including supermarkets, drugstores, dry cleaners and banks.

Transportation

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

Transportation to and from the Building, and throughout New York City, is available by taxi, limousine service, private automobiles, subway and bus. A number of commercial parking garages are located nearby.

Medical, Educational and Religious Facilities

A number of medical centers are located within close proximity to the Building, such as New York Hospital, Cornell Medical Center, Memorial Sloan Kettering, Lenox Hill Hospital, and New York University Medical Center.

Private schools, public schools and parochial schools on the elementary, middle school and high school levels are located within walking distance of the Building. There are many colleges available in the New York City area.

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

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 230 East 21st Street, New York, New York.

The local fire station is located at 108 East 13th Street, New York, New York.

Mailing Address

The mailing address for the Building is 37 East 12th Street, New York, NY 10003.

Zoning

The Property is located within a C1-6 zoning district in which residential use is permitted.

Landmark Designation

The Building does not have landmark status nor is the Building located within a historic landmark district.

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

37 EAST 12th STREET CONDOMINIUM
NEW YORK, NEW YORK

OFFERING PRICES AND RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR
THE FIRST YEAR OF CONDOMINIUM OPERATION July 1, 2015 - June 30, 2016

(1) UNIT	(1) UNIT TYPE	(1) NUMBER OF BEDROOMS/ BATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE TERRACE SQUARE FOOTAGE	(2) STORAGE UNIT	(2) APPROXIMATE STORAGE ROOM SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(5) PROJECTED MONTHLY COMMON CHARGES	(6) PROJECTED MONTHLY REAL ESTATE TAXES	(6) PROJECTED ANNUAL REAL ESTATE TAXES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES
Townhouse	Duplex + Accessory Cellar	3+BR/3.5BA	5,886	540	TH	209	\$ 17,750,000.00	24.4470%	\$ 12,308.66	\$ 5,088.13	\$ 61,057.61	\$ 17,396.79
Unit 3	Simplex	2BR/2.5BA	3,028	0	3	60	\$ 9,250,000.00	9.8521%	\$ 4,960.39	\$ 2,050.52	\$ 24,606.21	\$ 7,010.91
Unit 4	Simplex	2BR/2.5BA	3,028	0	4	65	\$ 9,350,000.00	10.8178%	\$ 5,446.60	\$ 2,251.51	\$ 27,018.07	\$ 7,698.10
Unit 5	Simplex	2BR/2.5BA	3,028	0	5	75	\$ 9,450,000.00	11.7835%	\$ 5,932.80	\$ 2,452.49	\$ 29,429.92	\$ 8,365.30
Unit 6	Simplex	2BR/2.5BA	3,022	0	6	77	\$ 9,550,000.00	12.7254%	\$ 6,407.02	\$ 2,648.52	\$ 31,782.27	\$ 9,055.54
Penthouse	Duplex + Accessory Roof	4+BR/4.5BA	6,325	1,188	PH	156	\$ 29,850,000.00	30.3741%	\$ 15,292.87	\$ 6,321.74	\$ 75,860.91	\$ 21,614.61
Total Building			24,317	1,728		642	\$ 85,200,000.00	100.0000%	\$ 50,348.33	\$ 20,812.92	\$ 249,755.00	\$ 71,161.25

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. The Townhouse Unit will contain a media room located on the Cellar which may not be used as a legal bedroom, dining room or any other use considered to be a "habitable space" as defined by the New York State Building Code.
- (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 Deposit made under the Purchase Agreement and any interest vertically earned thereon, except for Unit Upgrade Funds.

Each Unit has been horizontally measured, on each of one or more floors, from the exterior side of the exterior Building walls, at the Building line and/or Property line, to the midpoint of the interior walls and partitions separating the Unit from another Unit, if any, or the exterior side of the interior walls and partitions separating a unit from public corridor, stairs, elevators, or any other public spaces. Columns and mechanical pipes, ducts, shafts (whether along the perimeter, along the corridor, or within the Unit), elevators and stairs that are exclusively serving the unit on each floor are not deducted from the square foot area of the Unit. Measured vertically, each Unit consists of the volume from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab or arches above including any beams or projections.

Outdoor floor areas of the terraces/gardens appurtenant to the unit are measured horizontally from the exterior side of the adjoining perimeter of the unit to the exterior side of the exterior Building walls and/or fences, at the Building line and/or Property line, or to the exterior side of the walls, partitions, fences and/or planters separating the outdoor area from a public corridor or pathway, stairs, or any other interior or exterior public spaces.

Each Storage Room 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 unit from another unit or one unit from the common elements. Columns, mechanical pipes and shafts are not deducted for the purpose of floor area measurements.

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". 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.

- (4) 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 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).
- (5) The estimated monthly Common Charges for each Unit are based on the Schedule B - First Year's Budget prepared by Sponsor's Condominium Budget Expert on the assumption that the First Year of Condominium Operation will be the year from July 1, 2015 - June 30, 2016. 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 and gas 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, cable television 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.

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.

- (6) Based on the opinion of Real Estate Tax Counsel the real estate tax estimate for the First Year of Condominium Operation will be based upon the taxable assessed valuation of the Property in 2015/2016 tax year. The 2015/2016 actual assessed valuation of the Property is estimated at \$1,900,000 and the taxable assessed valuation of the Property is estimated at \$1,900,000. The residential tax rate is estimated at \$13.15 per \$100 of the assessed value. Purchasers should note that it is estimated that the real estate taxes for the Units will total approximately \$249,755, assuming no change in the tax rates or assessments.

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 Units were based on 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. There is no assurance that the City of New York tax assessor will allocate taxes among Units based upon

Common Interest percentages. 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, its principals, Selling Agent, Real Estate Tax Counsel, Tax Counsel or any offeror 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 Income Tax Counsel, 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.)

- (7) 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"
37 East 12th Street Condominium
Projected Budget for the First Full Year of Condominium Operation
July 1, 2015-June 30, 2016

PROJECTED INCOME:

Common Charges (1).....	<u>\$604,180</u>
TOTAL PROJECTED INCOME.....	\$604,180

PROJECTED EXPENSES:

Salary, Wages, Payroll Taxes & Benefits (2).....	\$392,520
Heat (3).....	\$ 9,936
Electricity (4).....	\$ 8,468
Water & Sewer (5).....	\$ 4,256
Repairs & Maintenance (6).....	\$ 10,000
Services & Supplies (7).....	\$ 65,000
Insurance (8).....	\$ 44,000
Management Fee (9).....	\$ 35,000
Legal & Auditing Fees (10).....	\$ 10,000
Administration (11).....	\$ 15,000
Contingency (12).....	<u>\$ 10,000</u>
TOTAL PROJECTED EXPENSES (13).....	\$604,180

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

Notes to Schedule B

(1) COMMON CHARGES - (Budget-\$604,180)

The estimated Common Charges to be collected from Unit Owners during the first year of Condominium operation are based upon the assumption that the first year of Condominium operation will be the twelve months commencing July 1, 2015. The actual first year of operation may be earlier or later.

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

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

(2) SALARIES, WAGES, PAYROLL TAXES & BENEFITS - (Budget - \$392,520)

The budgeted amount includes base wages, worker's compensation and disability insurance, welfare and pension costs, payroll taxes and the cost of sick days, holidays and vacation pay for a projected building staff of a non Resident Manager, 24 hour per day, 7 days per week concierge, and an 8 hour per day porter for Saturday and Sunday. The projected level of staffing for the Building complies with all applicable housing and labor laws. It is anticipated that such employees will be non-union members.

<u>Position</u>	<u>Base Wage Rate</u>
(1) Manager	\$60,000 per annum
(4.6) Concierge (24 hours per day, seven days per week), .4 porters (Saturday, Sunday 8 hours per day)	\$22 per hour
Total Base Wages	\$291,303
FICA @ 7.65% of Base Wages	\$ 22,285
Worker's Compensation @ 5.5% of total wages	\$ 16,022
FUI and FUTA-NYS Unemployment, @ \$425 per employee	\$ 2,550
NYS Disability @ \$60 per employee	\$ 360
(Health) @ \$12,000 per full time employee	\$ 60,000
Total Benefits	\$101,217
TOTAL WAGES TAXES & BENEFITS	\$392,520

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

(3) HEAT - (Budget - \$9,936)

The budgeted amount is based upon a letter from GEA Consulting Engineers located at 545 Eighth Avenue, New York, NY 10018, sponsor's consulting engineers, dated March 14, 2014. It is anticipated that the annual consumption of gas for heating the ventilation air for the common elements will be approximately 5982 gallons at \$1.51 per therm for a total cost of \$9,033. A 10% inflation factor has been added.

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

(4) ELECTRICITY - (Budget -\$8,468)

The electricity consumption for the first year of Condominium operation for the Common Areas was estimated by GEA Consulting Engineers in a letter dated March 14, 2014, at 38,880 kilowatt hours of electricity, at an average rate of \$.198 per kilowatt hour of electricity including applicable sales tax, resulting in an annual cost of \$7,698. This is based on common area loads being supplied through a single house meter at Con Edison rate SC-9. Costs are calculated based on current effective rates and will vary month to month based on fuel adjustment and surcharge.

This estimate includes costs for the common area air conditioning units, distribution pumps, miscellaneous floor loads, lobby, amenity space, elevators, and lighting. Electricity costs can vary depending upon consumption and demand factors. A 10% inflation factor has been added.

(5) WATER & SEWER – (Budget - \$4,256)

The building will have a single main water meter, which will measure actual water usage. Based upon a letter from GEA Consulting Engineers dated March 14, 2014, water and sewer charges are based upon a combined charge of \$9.27 per 100 Cu. Ft. and estimated consumption of 410 C.C.F.

The total cost of water and sewer for the first year of Condominium operation is expected to be \$3,800. A 12% inflation factor has been added.

(6) REPAIRS & MAINTENANCE – (Budget - \$10,000)

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

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

(7) SERVICE & SUPPLIES - (Budget - \$65,000)

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

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

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

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

Heating and Cooling System	\$10,000
Elevator Maintenance & Inspections	\$10,000
Sprinkler System/ Fire Protective Alarm System	\$10,000
Exterminator	\$ 5,000
Uniform Cleaning & Maintenance	\$10,000
Water Treatment	\$ 5,000
Miscellaneous Supplies	\$15,000

(8) INSURANCE - (Budget - \$44,000)

Based upon the proposal dated April 30, 2014, from Alliant having an office address at 320 West 57th Street, New York, NY 10019 the following insurance coverage will be obtained for the Building for the first year of Condominium operation:

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

Property Policy

\$30,000,000	Building and Business Personal Property "All Risk" Special Form, Agreed Amount, Co-insurance Waived, Replacement Cost, \$10,000 Deductible
\$ 720,000	All Risk Business Income Limit/Common Charge (2 years)
\$5,000,000	Earthquake & Flood - \$25,000 deductible
Included	Boiler & Machinery

General Liability Policy

\$1,000,000	Each Occurrence
\$2,000,000	General Aggregate-Per Location

\$1,000,000	Personal & Advertising Injury
Included	Notice and Acknowledge of Occurrence
Included	Unintentional Errors & Omissions
Included	Products/Completed Operations aggregate
\$50,000	Fire Damage legal Liability
\$1,000,000	Water damage Legal Liability
\$5,000	Medical Payments-each person
\$1,000,000	Hired Car/Non-owned automobile
\$1,000,000	Directors & Officers Liability-wrongful act/aggregate-Retention-\$1,000
\$300,000	Fidelity/Crime-Employee Dishonesty-deductible \$50,000

Umbrella Liability

\$100,000,000 Per Occurrence/Aggregate-Deductible/SIR - \$10,000

The annual premium for the above mentioned insurance policy is estimated to be \$44,000.

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

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

- fire or casualty losses to the contents of his unit and any replacements, additions, upgraded fixtures and improvements therein; and
- liability for personal injury or property damage as a result of occurrences in his Unit, including water damage legal liability to cover damage arising from leaks or other conditions within the Unit.

(9) MANAGEMENT FEE - (Budget - \$35,000)

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

The Managing Agent will receive an annual fee of \$35,000 payable in equal monthly installment of \$2,916.66. The Managing Agent's fee for the first year of Condominium operation is comparable to the "going rate" for similar services in comparable buildings.

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

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

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

(11) ADMINISTRATION – (Budget - \$15,000)

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

(12) CONTINGENCY – (Budget - \$10,000)

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

(13) TOTAL PROJECTED EXPENSES – (Budget - \$604,180)

The projections set forth in this budget assume that the first year of Condominium operation will cover the period from July 1, 2015 through June 30, 2016.

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

SCHEDULE B-1 - PROJECTED INDIVIDUAL ENERGY COSTS BUDGET

SCHEDULE B-1
Projected Individual Energy Costs Budget

Glickman Engineering Associates, having an office at 545 Eighth Avenue, New York, New York 10018 provided the following estimate of annual electric energy costs for lighting and for operating the typical electrical appliances located in each Unit. A schedule of estimated annual costs of electricity for the Units follows on the next page.

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.

37 East 12th Street, New York, NY 10012
February 28, 2014

ESTIMATED RESIDENTIAL UNIT ELECTRIC COSTS

Each residential unit will be metered separately for electric usage by utility provided electrical meters. This electric usage will include the power consumption of the roof mounted condensing unit that provides both heating and cooling to the residential unit.

Each residential unit will be metered separately for gas usage. This gas usage includes each apartment's domestic hot water heater, gas fired dryer and cooking consumption as well as all gas connection fees.

1. The estimated first year cost for electric and total gas consumption:

Unit	Annual Electricity Consumption (kWh)	Effective Electricity Price (\$/kWh)	Annual Gas Consumption (therm/Yr)	Effective Gas Price (\$/therm)	Annual Cost (\$/yr)
TRIPLEX TH	36,180	\$0.198	716	\$1.510	\$8,245
3RD FL APT	20,422	\$0.198	537	\$1.510	\$4,855
4TH FL APT	20,422	\$0.198	537	\$1.510	\$4,855
5TH FL APT	20,422	\$0.198	537	\$1.510	\$4,855
6TH FL APT	20,422	\$0.198	537	\$1.510	\$4,855
TRIPLEX PH	37,602	\$0.198	895	\$1.510	\$8,797

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

STARR ASSOCIATES LLP
ATTORNEYS AT LAW

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

37 East 12th Street Condominiums LLC
c/o Edward J. Minskoff Equities, Inc.
1325 Avenue of the Americas, 23rd Floor
New York, NY 10019

Re: 37 East 12th Street Condominium
37 East 12th Street
New York, NY 10003 ("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 Penmark Management, LLC ("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.

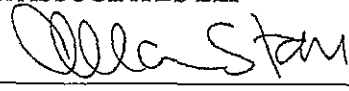
Based upon our review of the foregoing, we have determined that the method selected by Real Estate Broker to calculate the percentage of Common Interests is permissible under Real Property Law ("RPL") Section 339-i(1) based upon floor space, subject to the location of such space and the additional factors 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).

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: Allan Starr

Title: Partner

REAL PROPERTY LAW SECTION 339-i COMPLIANCE LETTER



PART 23-A: LETTER TO ATTORNEY GENERAL
RE: REAL PROPERTY LAW SECTION 339-i.1 COMPLIANCE

June 11, 2014

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

Attention: Real Estate Finance Bureau

Re: Condominium Offering Plan
37 East 12th Street Condominium
37 East 12th Street
New York, New York 10003 ("Property")

Dear Sir/Madam:

37 East 12th Street Condominiums, LLC (collectively "Sponsor") of the Condominium Offering Plan ("Offering Plan") for the Property retained Penmark Management LLC ("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 many 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

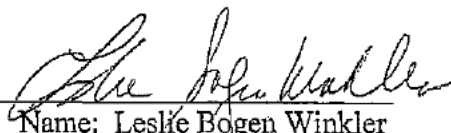


the preparation of this letter. The Firm understands that a copy of this letter is intended to be incorporated into the Offering Plan.

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

Very truly yours,

PENMARK MANAGEMENT LLC

By: 
Name: Leslie Bogen Winkler
Title: Senior Vice President

CHANGES IN PRICES AND UNITS

Purchase prices for the Units offered 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 purchase prices 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 a Purchase 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) is 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 Purchase Agreement among other terms: purchase price; the amount and timing of the Deposit; 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 Purchase 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 Unit Upgrades.

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 a Purchase Agreement.

The location in the Building, approximate size and layout of the Units and Storage Rooms 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 Storage Room, 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 and Storage Room, (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 a Purchase 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 such change will not affect a Purchaser's obligations under the Purchase Agreement or the Plan. 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 Deposit made under the Purchase 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 Purchase 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 such Common Element was not offered in the Plan as an amenity for the shared use of the Unit Owners of the Condominium. 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.

PROCEDURE TO PURCHASE

A Purchaser desiring to purchase a Unit will be required to execute a Purchase Agreement, which will be in the form 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 a Purchase Agreement. A Purchaser may obtain 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 Purchaser of a Purchase Agreement subsequently accepted by Sponsor. If a Purchaser has not received the Plan at least 3 business days prior to executing a Purchase Agreement, a Purchaser shall have the right to rescind the Purchase Agreement within 7 days from the date Purchaser delivers an executed Purchase Agreement together with the required Deposit to Selling Agent. The Purchase 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 Purchase 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 form of financing. Purchasers may want to finalize their financing arrangements before signing a Purchase Agreement. While the First Closing is projected to occur on or around July 1, 2015, 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 Purchase Agreement, Sponsor has the right to adjourn the Closing Date from time to time and 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.

Purchase Agreements will not be binding on Sponsor until executed by Sponsor, and delivered by Sponsor to 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 Purchase Agreement and the required Deposit, within which to accept or reject the Purchase Agreement. If a Purchase Agreement is not accepted by Sponsor within the 30 day period, the Purchase Agreement shall be deemed to have been rejected and cancelled and the Deposit 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) a Purchase Agreement for any Unit, except as prohibited by Law, and (b) a Purchase Agreement for more than one Unit to any Person.

The signing of the Purchase 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 Storage Room, the Building and all Common Elements contained in the Building. In the event of any inconsistency between the provisions of the Purchase Agreement and the Plan, the provisions of the Plan will govern and be binding. The Purchase Agreement shall not contain, and shall in no event be modified to contain, a provision waiving the Purchaser's rights or abrogating Sponsor's obligations under the Plan or under Article 23-A of the General Business Law of the State of New York.

At the time of execution of a Purchase Agreement, Purchaser will be required to make an initial Deposit ("Initial Deposit") in an amount equal to 15% of the Purchase Price and an additional Deposit ("Additional Deposit") in an amount equal to 5% of the Purchase Price upon the earlier to occur of (i) 6

months after Purchaser executes the Purchase Agreement or (ii) within 15 days of the Presentation Date of the amendment declaring the Plan effective. A Purchaser executing a Purchase Agreement after the date the Plan is declared effective is required to make the full Deposit in an amount equal to 20% 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 one Unit deliver a Deposit in excess of that set forth in the Plan, which amount shall be on terms individually negotiated with each Purchaser. All Deposits must be made payable to the direct order of "Starr Associates LLP, as escrow agent." All checks delivered in payment of the Deposit shall be accepted by Sponsor subject to collection, and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem such Purchase Agreement to be cancelled and of no further force or effect.

All Deposits made pursuant to a Purchase 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 Deposits 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 Balance of the Purchase Price shall be payable simultaneously with the delivery of the deed to the Unit 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 will be substantially in the form as set forth in Part II of the Plan. Interest, if any, on Purchaser's Deposit 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 July 1, 2015. 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 a Purchase 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 Purchase Agreement. Any Purchasers electing rescission will have their Deposits 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 Purchase Agreements and receive a refund of their Deposits, 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 Purchase 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 Purchase Agreement, time being of the essence with regard to the obligations of Purchaser under the Purchase Agreement, Sponsor, in its sole discretion, may elect by notice to Purchaser to either: (i) cancel the Purchase Agreement or (ii) seek specific performance. If Sponsor elects to cancel, Purchaser shall have 30 days from the giving of 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 Purchase Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, (a) the entire Deposit and any interest earned on the Deposit and (b) Unit Upgrade Funds. Upon the cancellation of the Purchase 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. If Sponsor elects to seek specific performance, then Purchaser shall have 30 days from the giving of notice of Sponsor's election to close title to the Unit in accordance with the Agreement, without prejudice to Sponsor's right to recover from Purchaser all damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled under the Purchase Agreement (including, but not limited to, attorneys' fees, disbursements and costs of collection)

If Purchaser fails for any reason to Close 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 0.03% 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 Purchase 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 PURCHASE AGREEMENT, INCLUDING, WITHOUT LIMITATION, FOR THE PAYMENT OF ALL DEPOSITS AND THE BALANCE OF THE PURCHASE PRICE. FUNDS DRAWN ON FOREIGN BANKS WILL NOT BE ACCEPTED IN PAYMENT OF THE PURCHASE PRICE.

If a Purchaser has entered into Purchase Agreements to purchase more than one Unit, a default by Purchaser in the payment or performance of any obligations under any of such Purchase Agreements, beyond any applicable grace periods, shall be deemed a default under the other Purchase Agreements. In the event of such a default, Sponsor may, at its option, cancel each such Purchase Agreements and retain, as liquidated damages, all of the entire Deposits made by Purchaser, together with any interest earned thereon, if any, under each of the Purchase 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 Purchase 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 Purchase 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 Purchase Agreement or the Condominium Documents. Such Foreign Government Purchaser will be required to deposit with the Condominium at Closing an amount equal to 2 years' Common Charges with respect to the Unit, based on the Condominium budget in effect as of the Closing Date, which will be in addition to the required contribution to the Working Capital Fund. Such amount shall 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 the By-Laws of the Condominium. In the event that such Foreign Government Unit Owner defaults in respect of the terms, provisions and conditions of the 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 Foreign Government Unit Owner is in default. Thereafter, the Foreign Government Unit Owner 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.

Prior to the Closing of Title to a Unit, the Purchase 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 Purchase Agreement, and Sponsor may, at its option, cancel the Purchase Agreement and retain, as liquidated damages, the entire Deposit made by Purchaser, together with interest earned thereon.

If the Plan is withdrawn or abandoned, all Deposits 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 a 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 a 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 a Purchase Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Unit, the Purchase Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price of 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 a Purchase Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws"), the Purchase Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return the Deposit, 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 Purchase Agreement and the Plan; provided, however, if Purchaser is then in default under the Purchase Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

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 Deposit required under the Purchase Agreement.

SPONSOR SHALL IN NO EVENT BE OBLIGATED TO PERFORM ANY WORK TO THE PROPERTY, THE BUILDING, THE UNITS, THE STORAGE ROOMS 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 Purchase 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 Purchase Agreement entitling Sponsor to all of the remedies set forth in the Plan and the Purchase Agreement.

Under applicable Federal and local law, lead-based paint can no longer be used in the construction of a building. Under Federal Law, Sponsor must provide Purchasers with all available records and material pertaining to lead-based paint and/or lead-based hazards in the Building. Sponsor will comply with applicable Law concerning the use of lead-based paint and/or lead-based paint hazards. Set forth as an Exhibit in Part II of the Plan is a copy of the booklet issued by the United States Environmental Protection Agency, EPA 747-K-95-001, which details certain information regarding lead-based paint. In accordance with the terms of the rider annexed to the Agreement, Purchasers have the right to inspect their Units for the presence of lead-based paint. While Sponsor has, to the best of its knowledge, received no specific reports regarding lead based paint in the Building, given the age of the Building and the widespread use of lead-based paint in preceding decades, it can be assumed that there is lead-based paint present in previously painted parts of the Building which will not or cannot be demolished. For example, there are numerous layers of paint on the walls and façade of the original building and fire escapes. Sponsor makes no representation as to the existence or non-existence of lead-based paint in these locations. Purchasers are advised that, in the event they remove sheetrock at any time in the future, they may be responsible for removing and abating lead-based paint in accordance with applicable Law at their sole cost and expense. Set forth in Part II. See the Sections of the Plan entitled "Procedure to Purchase" and "Sponsor's Statement of Building Condition" and the Agreement set forth in Part II of the Plan for further details.

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 Laws 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 Laws and the Plans and Specifications shall be resolved in favor of the latter.

ESCROW AND TRUST FUND REQUIREMENTS

All deposits, down payments, advances and payments made by Purchasers prior to the Closing ("Deposits") 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 Purchase 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 Purchase Agreement. Purchasers shall not be obligated to pay any legal or other expense of Sponsor in connection with the establishment, maintenance or defense of obligations arising from the handling or disposition of trust funds. 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 Purchase 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 Purchase Agreement or otherwise enforcing Purchaser's obligations thereunder.

All Deposits 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. As of the Filing Date of the Plan, 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 an escrow account entitled "Starr Associates LLP, Escrow Account" ("Escrow Account") at Capital One located at 90 Park Avenue, New York, New York ("Escrow Bank"). Escrow Bank is authorized to do business in the State of New York. Deposits properly made payable to "Starr Associates LLP, as Escrow Agent" will be placed in the Escrow Account within 5 business days after tender by Purchaser to Sponsor or Selling Agent. Escrow Agent shall execute the Purchase Agreement Escrow Rider with respect to its obligations in this Section.

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 Deposit and the Purchase Agreement. If a Deposit is accompanied by a completed and signed Form W-9 or Form W-8, the Deposit will thereafter be promptly transferred to an individual interest bearing sub-escrow account in the name of Purchaser (except for Deposits for Unit Upgrade Funds). If a Purchaser does not deliver the Form W-9 or Form W-8, the Deposit will remain in the non-interest bearing portion of the Escrow Account. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow account to the non-interest bearing portion of the Escrow Account so that checks may be drawn thereon. The Escrow Account is not an IOLA account.

All Deposits, 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 Deposit as per GBL § 352-h. Unit Upgrade Funds will initially be placed in the Escrow Account. However, Purchasers should note that such funds may be released from the 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 Purchase Agreement or Purchaser is entitled to rescind the Purchase 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 upgrades or extras.

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 Deposit. If Purchaser does not receive notice that the Deposit has been placed in the Escrow Account within 15 business days after tender of the Deposit, Purchaser may cancel the Purchase and rescind the Purchase Agreement so long as the right to rescind is exercised within 90 days after tender or crediting of the Deposit 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 Deposit 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 Deposits tendered by Purchaser after the Deposit (or in connection with any changes in the interest rate).

Escrow Agent shall maintain the 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 Deposit. The following are SPECIAL RISKS of this offer: (i) if a Purchaser makes a Deposit in excess of \$250,000 such Deposit will not be FDIC insured in excess of \$250,000; and (ii) while the Deposit is in the non-interest bearing portion of the Escrow Account, the Deposit may not be fully FDIC insured even if the Deposit 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 Deposit 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 Deposit shall be deemed tendered by Purchaser on the date it is actually received by Sponsor or Selling Agent.

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

If a Purchaser tenders a Deposit without an executed Purchase Agreement, Sponsor shall have the right to reject the Deposit and return it to Purchaser: (i) within 5 business days after tender, if the Deposit has not been deposited into escrow, and (ii) within 10 business days, if the Deposit has been deposited into escrow and the Purchase Agreement has not yet been delivered by Purchaser. In the event a Deposit 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 Escrow Account will not be interest-bearing. The sub-escrow account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement, or (ii) Purchaser is entitled to a return of the Deposit. 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 May 1, 2014, the interest rate for the Escrow Bank is .25%. 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: (a) 3 business days, if the Deposit is cash or cash equivalent, or (b) 5 business days, if the Deposit is other than cash or cash equivalent, of the transfer of the Deposit from the checking account portion of the Escrow Account into the sub-escrow account portion, as determined by whether and when the Deposit 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 Purchase Agreement will be deemed void ab initio (as if the Purchase Agreement had never been executed).

Sponsor or its agents, including any selling agents, shall deliver to Escrow Agent all Deposits 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. 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 Deposits 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 Deposits if so directed:

- (i) pursuant to terms and conditions set forth in the Plan and Purchase Agreement upon closing of title to the Unit; or
- (ii) in a subsequent writing signed by both Sponsor and Purchaser; or
- (iii) by a final, non-appealable order or judgment of a court.

If the Deposits are not released pursuant to this paragraph 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 subsections (i) through (iii) of this paragraph. 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.

Sponsor will not object to the release of the Deposits 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 Purchase 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 Deposit to Sponsor in the event Sponsor and Purchaser close title under the Purchase 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 Deposits.

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 Purchase 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 Purchase 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 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.

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 Deposit nor deducted from the Deposit 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 Deposits from escrow.

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

ASSIGNMENT OF PURCHASE AGREEMENTS

No Third-Party Assignment

Purchaser does not have the right to assign the Purchase Agreement without the prior written consent of Sponsor, which consent may be unreasonably conditioned, 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 Purchase 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 Purchase Agreement, or for the addition, deletion or substitution of names on the Purchase Agreement, then Purchaser shall be required to pay to Starr Associates LLP a fee of \$1,500, 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 Purchase Agreements with respect to not less than 15% of the Units offered for sale (i.e. 1 Unit assuming 6 Units offered for sale).

The Plan will not be declared effective based on Purchase Agreements: (i) signed by Purchasers who have been granted a right of rescission that has not yet expired or been waived; or (ii) signed by Purchasers who have not been afforded at least 3 business days to review the Plan and all filed amendments prior to executing a Purchase Agreement or, in lieu thereof, at least 7 days to rescind after executing a Purchase 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 any, 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 Purchase 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 Purchase Agreement, all Deposits, 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 Deposits, as aforesaid, the Purchase Agreement will be null and void and Sponsor will have no further obligation or liability to Purchaser under the Plan or the Purchase Agreement. If the Plan is abandoned and Sponsor has not accepted Purchase 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 balance of the Purchase 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 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 TCO or PCO for the Unit is in effect. Issuance of a TCO 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 TCO is not required for the conveyance of Storage Rooms. A Purchaser will be required to consummate the purchase of the Unit even though a TCO has not been issued for the area in which the Storage Room is located.

(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, encumbrances and title defects except for (1) Permitted Encumbrances and standard printed exceptions and (2) liens, encumbrances and title defects 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 TCO or PCO.

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 Balance of the Purchase Price and such other checks and documents required pursuant to the Plan and the Purchase 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 the non-resident manager 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 Purchase Agreement, entitling Sponsor to the default remedies set forth in the Purchase Agreement.

Ongoing construction in the Building or other Units and/or the absence of a TCO or PCO 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 a "raw space" Unit shall not be permitted to occupy the Unit until such time as a TCO 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 a "raw space" Unit shall not constitute the First Closing as defined herein, if a "raw space" Unit is delivered prior to the issuance of a TCO or PCO 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. Any personal property located within the Unit (if any) on the date the Purchase 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 Purchase Agreement or the Plan.

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 lien, encumbrance and title defect or (ii) terminate the Purchase 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 Purchase 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 $\frac{1}{2}$ of 1% of the Purchase Price of the Unit to make title insurable or to eliminate any lien, encumbrance and title defect. If Purchaser elects to terminate the Purchase Agreement, Sponsor shall cause the Deposit 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 Purchase 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 liens, encumbrances and title defects 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, encumbrances and title defects 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).

The risk of loss to any Unit by fire or other casualty until the Closing for a 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 a Purchase Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Unit, the Purchase Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price of 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 a Purchase Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws"), the Purchase Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return the Deposit, 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 Purchase Agreement and the Plan; provided, however, if Purchaser is then in default under the Purchase Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

CLOSING COSTS AND ADJUSTMENTS

Closing Costs

As more particularly set forth in the Purchase 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. 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.

(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.** Commonwealth Land Title Insurance Company, having an office at 140 East 45th Street, 22nd Floor, New York, NY 10017. Telephone Number: (212) 949-0100. Fax Number: (212) 682-2930 ("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 forth below:

FEE RATE SCHEDULE FOR INSURANCE UP TO \$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 OF \$1,000,000 OR MORE

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 \$1,000,000 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
<u>Tentative City Tax:</u>		
Consideration	\$400,000	\$1,500,000
Tax Rate	<u>x 1%</u>	<u>x 1.425%</u>
Tentative tax	\$ 4,000	\$ 21,375
<u>Tentative State Tax:</u>		
Net Consideration	\$400,000	\$1,500,000
Rounded up to nearest \$500	<u>\$400,000</u>	<u>\$1,500,000</u>
Tentative tax (\$2 per \$500)	\$ 1,600	\$ 6,000
<u>City Tax:</u>		
Consideration	\$400,000	\$1,500,000
Tentative taxes	<u>+ 5,600</u>	<u>+ 27,375</u>
Taxable Consideration	\$405,600	\$1,527,375
Tax Rate	<u>x 1%</u>	<u>x 1.425%</u>
City Tax	\$ 4,056	\$ 21,765
<u>State Tax:</u>		
Net Consideration	\$400,000	\$1,500,000
Tentative taxes	<u>+ 5,600</u>	<u>+ 27,375</u>
Taxable Consideration	\$405,600	\$1,527,375
Rounded up to nearest \$500	<u>\$406,000</u>	<u>\$1,527,500</u>
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 Purchase 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) \$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;

(2) \$250 for the preparation of ACRIS transfer documents required by the City of New York.

(3) 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 \$500 for each Closing held within Manhattan. No Closing will be held in any borough outside Manhattan.

(4) If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, or for the addition, deletion or substitution of names on the Purchase Agreement (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 \$1,500, payable in advance, for preparation of an assignment agreement.

(5) If through no fault of Sponsor, Purchaser fails to close on the date scheduled for Closing, then Purchaser shall pay an additional fee of \$500 for each 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) If Purchaser is a Foreign Government Purchaser, Purchaser will be required to deposit with the Condominium an amount equal to 2 years' Common Charges with respect to the Unit, based on the Condominium budget in effect as of the Closing Date.

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 \$13,000,000 and a mortgage of \$6,000,000 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 \$13,000,000 of owner's insurance	(70% first condo bulk sale rate)	\$31,225.00
Mortgage Insurance Premium for \$6,000,000 of lender's insurance	(21% first condo bulk sale simultaneous rate)	\$3,922.00
NYC RPT Tax	NOTE: transfer taxes are based upon bulked-up consideration of \$13,327,250. The NYC RPT rate is 1.425%.	\$188,630.81
NYC Mansion Tax	1% of bulked-up consideration	\$132,372.50
NYS Transfer Tax	The tax rate is \$2 for every \$500 of consideration or fraction thereof.	\$52,950.00
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 \$15,000.00.	\$115,470.00
Departmental and Bankruptcy Searches	Title Searches	\$565.00
Estimated Recording Fees	(one deed, one mortgage and one condo power of attorney)	\$625.00
Estimated Lender's Title	Three endorsements at \$25 each.	\$100.00

Endorsements		
Legal fee of Sponsor's attorney	Basic closing fee and Acris document preparation fee	\$3,0000.00
Working Capital Contribution	2 months' Common Charges	See Schedule A
Total Estimated Closing Costs	(exclusive of the Working Capital Contribution)	\$528,860.31

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 Purchase Agreement and the Plan, an amount equal to 0.03% 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 of 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 all instances, Purchaser is responsible for the payment of real estate taxes from the date of the Closing onward.

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

(a) Sponsor 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 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 the 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.

(b) Sponsor has procured financing for the renovation and construction of the Building from Capital One ("Construction Lender"). Sponsor will receive advances each month from Construction Lender provided Sponsor complies with the provisions of the construction loan regarding its responsibilities to use the funds advanced in the agreed manner and generally proceeds with the construction as agreed to in the loan documents. Pursuant to the terms of the construction loan documents, Sponsor must meet certain minimum release prices prior to Construction Lender's release of its lien against the Unit. The construction loan documents do not require a specific minimum number of Purchase Agreements to be entered into prior to declaring the Plan effective.

(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 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 July 1, 2015. 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 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 First Year of Condominium Operation in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Purchase 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 Deposit 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 Purchase Agreements and receive a refund of their Deposits, 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 Purchase 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 a Purchase 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 Purchase 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 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 Deposit made under the Purchase 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 substantial renovation 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 PCO covering the entire building but with only a TCO, and sometimes with several successive TCO's. 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 ultimately for obtaining a PCO covering the entire Building within 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 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. Sponsor shall not be responsible for any costs or liabilities suffered by Unit Owners on account of delays in obtaining the PCO due to the circumstances set forth in (i)-(v) above.

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. Notwithstanding the foregoing, Sponsor is obligated to procure the PCO. Notwithstanding the foregoing, the Condominium Board may refuse to permit a Unit Owner to perform alterations in a Unit 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 PCO 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 Purchase 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 TCO in place to consult with their attorneys or engineers for assurance that sufficient funds are escrowed or otherwise secured for Sponsor to obtain the PCO.

(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 on the Roof and in the Cellar. The Condominium Board and Sponsor have the right to operate the emergency generator as necessary, as well as to activate the generator for testing on a periodic basis, at least 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. 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 elevator, may require substantial time to complete and may need to be shut down temporarily. Various other adjustments to windows and elevator 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, elevator 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 a Purchase 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 while construction is ongoing, 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 substantial renovation and to cause all mechanic's liens with respect to the substantial renovation 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 the Unit has not been fully completed, although such improvements have been substantially completed, then Sponsor or its designated representative and Purchaser will at the time of such execution agree upon and set forth in the Inspection Statement a list of the incomplete work to be completed 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 Balance of the Purchase 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 Balance of the Purchase 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 substantial renovation 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 TCO or PCO 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 (i) is the cause of such defect, (ii) obstructs, delays, prevents or hinders Sponsor from gaining access to the Unit to repair a defect or replace a defective item, or (iii) undertakes the correction of such defect.

(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 renovation, 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 in excess of industry standards;

d. variations in tone or color of interior and exterior natural materials or natural 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 wood floor stains and finishes;
- f. noise, vibrations or odors from normal plumbing, heating, air-conditioning, ventilating, mechanical equipment operation and elevator operation, and floor noises and creaking;
- g. repair of chips, scratches, mars, breaks, dents, cracks, and other defects in any windows and window sashes, sliding glass doors, shower doors, louvers, 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;
- h. normal wear, including chips, to passenger elevator cabs, cab doors, elevator door frames, cab panels, Unit doors and Unit door frames; and
- i. pertaining to television, radio, internet or other telecommunication reception;

However, Sponsor is obligated to construct the Building in accordance with the terms of the Plan and 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 SUBSTANTIALLY RENOVATED BUILDING. PURCHASERS WHO PURCHASE A UNIT IN THE BUILDING OR IN ANY OTHER SUBSTANTIALLY RENOVATED 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 to each Unit, Sponsor will cause such Unit and its Common Interest 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 substantial renovation 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 TCO 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 PCO.

(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 Laws 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 Laws 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.

(bb) At or prior to the First Closing, the Condominium Board or Sponsor (on behalf of 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 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) After Initial Control Period, Sponsor will deliver to the Condominium Board copies of all books of account and records pertaining to the Building's 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 a Purchase Agreement, provided Sponsor elects (which election shall be in its sole discretion as set forth in the Purchase Agreement) to repair or restore the Unit, the Purchase Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price of 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 a Purchase Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws"), the Purchase Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return the Deposit, together with any interest earned thereon, and any Unit Upgrade Funds, to Purchaser, whereupon Sponsor and Purchaser shall be released and discharged from all obligations and liability under the Purchase Agreement and the Plan; provided,

however, if Purchaser is then in default under the Purchase Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

(gg) 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.

(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 Unit Owners who occupy Units may have different interests than those Unit Owners who do not occupy Units.

(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. 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. If any Excess Development Rights are transferred to an adjoining premises, the light and air of the Building and views from Units and/or Terraces may be affected. Notwithstanding the foregoing, Excess Development Rights may not be used to expand the size, height, bulk or density of any portion of the Property after the recording of the Declaration.

Obligations of Sponsor under the Plan with respect to the Building, the Units, and the Storage Rooms 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. Sponsor has not furnished any bond or other security for the performance of the obligations of Sponsor under the Plan. The ability of Sponsor to perform its obligations hereunder will partly depend upon its financial condition at the time Sponsor is called upon to perform. No representation is made that Sponsor will be financially able to perform any or all of such obligations. Unless expressly provided to the contrary herein, the obligations of Sponsor under the Plan shall survive the delivery of the respective deeds to the Units to Purchasers.

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 Purchase Agreements within 15 days after the Presentation Date of the amendment. Any Purchaser electing rescission pursuant to the offer will have their Deposit 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 Purchase 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 (including wall coverings, window treatments, carpeting, and the like) ("FFE") therein and pay, in addition to the Purchase Price of the Unit, such amounts as Sponsor may determine.

Sales Center/Model Unit/FFE

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.

In no event shall the presence of any 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 use designations, labels or 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 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.

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.

Sponsor's Obligations with Respect to Asbestos

Sponsor has engaged Emteque, LLC to perform such tests as are necessary to determine whether asbestos containing material ("ACM") is present in the Building. Such firm has prepared a report on ACM in the Building ("Asbestos Report"), a copy of which is set forth in Part II of the Plan. All ACM described in the Asbestos Report has been removed in accordance with Law.

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 Benjamin M. McGrath, Jeffrey M. Sussman, and Joseph Meng, who shall serve as President, Vice President and Secretary/Treasurer, respectively. Each of these individuals 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 for 5 years from the date of the First Closing ("Initial Control Period"). Sponsor reserves the right to relinquish voting control of the Condominium Board prior to the expiration of the Initial Control Period.

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 Initial Control Period, Sponsor shall have the right to the 3 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 Initial Control Period and assuming the First Annual Meeting has not yet occurred, all of 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 Initial 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 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.

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 later to occur of (i) the second anniversary of the First Closing; or (ii) the Closing of Title with Purchasers under the Plan to Units representing at least 50% in number of all Units offered for sale.

Commencing with the First Annual Meeting, the Condominium Board shall consist of 3 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"). Except for members designated by Sponsor and/or the Unit Owners, 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. The number or composition of Condominium Board members may not be changed except in accordance with the procedures described in the By-Laws.

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.

Generally, subject to certain exceptions concerning, among other things, Sponsor 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.

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 lease the Unit for terms of not less nor more than 1 year or sell the Unit 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.

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) are paid and/or satisfied at or prior to the sale or rental. In addition, the Condominium Board and non-resident manager 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.

Notwithstanding anything contained herein to the contrary, prior to the Closing of Title to a Unit, the Purchase 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.

Use of Units and Common Elements and Storage Rooms

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 of 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 TCO or PCO covering the Building, and the Condominium Board, in its sole discretion, grants permission for such use.

Storage Rooms constitute Limited Common Elements and may not be owned independently of the Unit to which it is appurtenant. Each Unit Owner will be required to maintain insurance for the Storage Room in amounts sufficient to cover the property located therein.

A Storage Room 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, however, shall have the right to use any assigned Storage Room appurtenant to an Unsold Unit.

Use and occupancy of the Units and the Storage Rooms shall be subject to the Rules and Regulations of the Condominium, which may be amended by the Condominium Board from time to time.

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 TCO or PCO 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 pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition) may be kept in a Unit without the consent of the Condominium Board. 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. Notwithstanding the foregoing, the Condominium Board shall have the right to adopt a no-pet policy for the Building or policies with respect to size or number of pets per Unit.

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.

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(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).

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 Initial 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, 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 the budget 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 Initial 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, encumbrances and title defects 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 or exclusively servicing a 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 (except for any skylights located in a Unit, which shall be performed by the Condominium Board with the cost and expenses borne by the Unit Owner of such Unit).

If the hallway appurtenant to Unit is utilized by a single Unit Owner, such Unit Owner shall have the right to modify the décor of such hallway, provided that such décor is in keeping with the status of a first

class luxury condominium. Such Unit Owner shall be responsible, at its sole cost and expense, for all maintenance, repairs, replacements and upkeep of the common hallway and the furnishings located thereon.

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 the Unit Owner at such Unit Owner's sole cost and expense. Any replacement of glass windows in any Unit because of breakage or otherwise shall be made by 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 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 window treatment so that when the shades are down or curtains drawn, the effect from the outdoors is a visually harmonious white appearance.

If any repairs or replacements to the Common Elements, whether structural or non-structural, ordinary or extraordinary, are either (a) necessitated by the negligence, misuse or abuse of a Unit Owner or such Unit Owner's agents, workers, guests, etc., or (b) 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 or non-structural alteration, addition, improvement or repair in or to the Unit or its appurtenant Limited Common Elements, if any, or the Common Elements without the prior written approval of the Condominium Board. This provision does not apply to an Unsold Unit.

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 prior written approval of the Condominium Board, (ii) obtain the prior 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 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, including a Storage Room as well as liability insurance with respect to occurrences in or about the Unit, any Limited Common Elements appurtenant thereto. 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, the non-resident manager and other Persons authorized by the Condominium Board, will have a right of access to any Unit and Storage Room for the purposes of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in the Unit and Storage Room or elsewhere in the Building, to remove violations, cure defaults by a Unit Owner, correct any condition originating in any Unit and Storage Room and threatening another Unit or any Common Element or Storage Room, 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 Storage Rooms) for purposes of performing certain alterations and repairs in or about Unsold Units or Storage Rooms and in fulfilling Sponsor's obligations under the Plan, provided that access to any Unit or Storage Room may not be exercised in such a manner as will unreasonably interfere with the use of such Unit or Storage Room 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 Permitted 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, 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 later to occur of (i) the second anniversary of the First Closing or (ii) the Closing of Title with Purchasers under the Plan to Units representing at least 50% in number of all Units offered for sale. 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 designate a new Condominium Board consisting of 3 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 described 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 alternatives are 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.

Notwithstanding the preceding paragraph, Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required to (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer.

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 3 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 (excluding the Units and any appliances, fixtures, improvements or any furniture, furnishings, decorations, belongings, or other personal property contained therein).

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 (excluding 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, 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 Owner's Unit or within the Common Elements, if any, exclusive to such Unit Owner's Unit. The Condominium Board shall review such limits not less than once each year. Until the first meeting of the Condominium Board following the First Annual Meeting, 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, including Storage Rooms. 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 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 and consent of Construction Lender 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 lien or 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 Interest.

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 and the Condominium Board. 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, 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, Storage Room 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.

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 THE CONDOMINIUM

The following discussion of certain income tax consequences of the ownership of Units by Purchasers who use such Units as a personal residence was prepared by Sponsor based, in part, upon the Attorney's Income Tax Opinion prepared by Olshan Frome Wolosky LLP, tax counsel to Sponsor ("Income Tax Counsel"), a copy of which is set forth in Part II of the Plan.

OLSHAN FROME WOLOSKY LLP IS INCOME TAX COUNSEL TO SPONSOR AND NOT THE UNIT OWNERS. TO ENSURE COMPLIANCE WITH REQUIREMENTS IMPOSED BY THE IRS IN CIRCULAR 230, ALL UNIT OWNERS, POTENTIAL UNIT OWNERS AND THE CONDOMINIUM ARE HEREBY INFORMED THAT (I) ANY TAX ADVICE CONTAINED IN THE PLAN AND/OR THE INCOME TAX OPINION IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING PENALTIES UNDER THE INTERNAL REVENUE CODE, (II) THE ADVICE IS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED IN THE PLAN, AND (III) EACH UNIT OWNER, EACH POTENTIAL UNIT OWNER, AND THE CONDOMINIUM SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

Deductibility of Mortgage Interest and Real Estate Taxes

Each Unit Owner will own such Unit Owner's Unit and its appurtenant interest in the Common Elements in fee simple and each Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments. Since each Unit Owner will own such Unit Owner's Unit in fee simple, the owner may mortgage such Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness.

It is the opinion of Income Tax Counsel that a Unit Owner who uses such Unit Owner's Unit as a personal residence and itemizes such Unit Owner's deductions will, under present Law, for Federal, New York State and New York City income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers, subject to certain exceptions and limitations which are more particularly discussed in the Attorney's Income Tax Opinion. Purchasers should note that mortgage interest is deductible generally only with respect to (1) secured debt used to acquire or substantially improve a principal or second residence (up to a total indebtedness of \$1 million), plus (2) other debt (not in excess of \$100,000) secured by a principal or second residence. Interest on home mortgage debt in excess of those limitations would not be deductible. Special limitations also apply with respect to the deductibility of points and other prepaid interest, if any, on the mortgage debt and may apply to the overall allowance of itemized deductions.

Taxation of the Condominium

If the Condominium meets the requirements for qualification as a "homeowners association," under Section 528 of the Internal Revenue Code, which requirements are discussed in the Attorney's Income Tax Opinion, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from 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 income from interest earned on any reserve funds (less expenses directly connected with the production of such income).

Sponsor anticipates that the Condominium will qualify as a homeowners association. If the Condominium does not qualify as a homeowners association, or if it does but chooses not to make the election noted above, the present state of the law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. As discussed in the Attorney's Income Tax

Opinion, the tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of such income (including the nonmembership, and possibly membership, income described above less expenses related to such income) is subject to Federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners or otherwise treated. The tax treatment of the Condominium may be affected by certain United States Treasury Department regulations relating to entity classification. Schedule B, First Years Budget for Condominium Operation, does not contemplate any substantial income which might be taxable and accordingly does not budget any amounts for taxes for nonmembership or membership income.

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

REAL ESTATE TAXES

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.

The real estate tax estimate for the First Year of Condominium Operation will be based upon the taxable assessed valuation of the Property in 2015/2016 tax year. The 2015/2016 actual assessed valuation of the Property is estimated at \$1,900,000 and the taxable assessed valuation of the Property is estimated at \$1,900,000. The residential tax rate is estimated at \$13.15 per \$100 of the assessed value. Purchasers should note that it is estimated that the real estate taxes for the Units will total approximately \$249,755, assuming no change in the tax rates or assessments. This tax projection does not take into account any Section 421-a benefits that may be applicable to the Property at such time.

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. 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. There is no assurance that the City of New York tax assessor will allocate taxes among Units based upon Common Interest percentages.

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 Purchase 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.

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.

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 Section 2.4(A)(xxiii) of the By-Laws.

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.

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 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 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.

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 Initial Control Period, Sponsor shall deliver to the Condominium Board a statement from an officer of Sponsor, certifying in reasonable detail a schedule of sources and uses of the Working Capital Fund 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.

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: 212.451.2222EMAIL: WGLEICHER@OLSHANLAW.COM
DIRECT DIAL: 212.451.2231

June 10, 2014

37 East 12th Street Condominiums LLC
c/o Edward J. Minskoff Equities, Inc.
1325 Avenue of the Americas, 23rd Floor
New York, NY 10019

Re: 37 East 12th Street Condominium

Gentlemen:

In connection with the offering of condominium units under a plan entitled Condominium Offering Plan for 37 East 12th Street 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 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 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 Unit paid or accrued by owner of such Unit who is liable for the interest payment on such mortgage and who uses the 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 Unit Owner to purchase the Unit, that the Unit is the owner's principal residence and that the 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 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

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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 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 Unit Owner subject to the alternative minimum tax may be less than the amount deductible by a 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 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 37 East 12th Street 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 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.

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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 non membership, and possibly membership, income described above less expenses related to such income) is subject to Federal corporate income tax, New

June 10, 2014

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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

It should be noted that meeting the qualifications and conditions prescribed by the statute will require careful periodic planning. It should also be noted that under certain circumstances where the Association has taxable nonexempt function income, less federal income taxes may be payable if it is not treated as an exempt organization.

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 deferral 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

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May 13, 2014

37 East 12th Street Condominiums LLC
c/o Edward J. Minskoff Equities, Inc.
1325 Avenue of the Americas, 23rd Floor
New York, New York 10019

Re: Real Estate Tax Opinion
37 East 12th Street
Manhattan, Block 564, Lot 30

Dear Sir/Madam:

Pursuant to your request, we have reviewed the information furnished by your office regarding the above-referenced development project as a conversion from commercial use to new residential condominium development. You have asked us to estimate the real estate tax liability applicable to the development project consisting of six (6) individually assessed residential condominium units for the first year of condominium operation and upon completion of construction, without regard to any tax exemption or abatement benefits that may apply.

Real property tax assessments are subjective determinations made by individual assessors within the New York City Department of Finance ("DOF"). Accordingly, it is impossible to predict what the assessed value of the above-referenced property will be. However, it is possible to estimate an approximate assessed value of a property based upon an analysis of the factors that influence market value, such as time, location, construction cost, neighborhood quality, and economic trends.

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

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

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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 used gross income multipliers to arrive at an assessed value for all residential rental properties. However, the Department of Finance has recently indicated that they will no longer utilize this approach to value apartment buildings with more than 10 units.

The sales price comparison method is founded upon the belief that value can be ascertained by surveying market prices of comparable properties. 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 DOF assess residential condominiums without regard to their form of ownership. This requirement has been interpreted to mean that cooperatives and condominiums are to be assessed as if they were rental properties thus, requiring a valuation based upon the capitalization of income utilizing rents imputed from comparable rental properties.

In estimating the assessed valuations herein, we therefore examined comparable rents from other apartment buildings throughout Manhattan. In addition, we have also studied the assessed values of condominium residential buildings throughout Manhattan. These comparable assessment studies have enabled us to ascertain the current assessing policies of the City of New York with regard to condominium residential buildings. However, there are no assurances that these policies will remain unchanged, or that the indicators of market value will not be adjusted prior to the completion of the referenced project, resulting in an assessment differing from the estimate contained herein.

In deriving our projected valuations, we placed greatest weight upon the Comparable Assessment Study. The Comparable Assessment Studies generally indicate that the City's assessment of converted residential condominiums is often lower than that what would normally be indicated by the capitalization of income method. All prospective purchasers are advised that although our estimate of the property's assessed valuation upon completion is a good faith estimate, the assessment when actually made, may be less or greater than estimated herein.

You have advised us of the following facts regarding the project:

1. The project will result in the conversion of a former miscellaneous retail building to a residential Condominium building consisting of approximately 31,300 gross square feet and a total of 6 separately assessed residential condominium units.

MARCUS & POLLACK LLP37 East 12th Street Condominiums LLC

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May 13, 2014

2. The site prior to construction comprises of a single commercial tax lot with approximately 3,625 square feet of land area known on the tax map as Block 564 Lot 30.
3. You have advised us that construction for conversion commenced on January 29, 2014 and that construction of the project will be substantially completed by June 30, 2015.
4. The property will be one building with separate condominium tax lots for each apartment unit.
5. The first year of the condominium operation is planned for July 1, 2015 through June 30, 2016. Real Estate taxes due for the first year of condominium operation will be based on twelve (12) months of tax year 2015/2016, an assessed value that reflects the building still under construction.
6. We have estimated that the first tax year when the property will be assessed as if completed is tax year 2016/2017.

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.

In the past it had been the general practice and procedure of the New York City Department of Finance to apportion the residential assessments within a condominium based upon their relative sales price as set forth in the initial offering plan. However, more recently the Department of Finance has revised the prior practice and is currently allocating assessed value for the residential units within a condominium based upon each unit's undivided percentage interest in the common elements ("common interests"). We make no representations that the Department of Finance will use any particular method to apportion assessed valuation among the units.

Discussion

You have advised us that the first year of condominium operation is anticipated to run from July 1, 2015 through June 30, 2016 and will therefore fall within the twelve (12) months of the 2015/16 tax year. The real estate taxes for the first year of condominium operation will therefore consist of real estate taxes based on twelve (12) months of the 2015/16 assessed valuation. The most recent and currently available tax rate for tax year 2013/2014 for residential real property is 13.145%. For commercial property the current tax rate is 10.323%. For purposes of the following projections, these same tax rates have been utilized for the residential units for each of the tax years in this letter.

MARCUS & POLLACK LLP37 East 12th Street Condominiums LLC

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May 13, 2014

Estimated Real Estate Taxes Upon Completion of Construction (Tax Year 2016/2017)

We estimated that the property will be assessed as if completed for tax year 2016/2017. As construction will be substantially completed by June 2015 and prior to the January 5, 2016 taxable status date for the 2016/2017 tax year, the 2016/2017 assessed valuation will be the first assessment roll to reflect a completed building. After consideration of all relevant factors, we have estimated an Actual total assessed valuation of \$3,000,000 and taxable total assessed value of \$3,000,000 for the residential condominium building inclusive of all the residential condominium tax lots upon completion of construction. The Actual total assessed valuation was based upon an estimated \$100 per square foot for approximately 30,000 gross square foot reported by the New York City Department of Finance for the project consisting of 6 condominium units and common area.

We estimate that upon conversion to a six unit residential condominium building, the property will have a tax class 2C classification.

An analysis of comparable condominium residential buildings adjusted for age and location supports an average total assessment per square foot of gross building area at \$100 psf.

It is our projection that by tax year 2016/2017, where the building is 100% completed the subject property's total assessment before the apportionment including each condominium unit will be as follows:

2016/17 Aggregate Total Actual Assessed Value (Including all Residential Units):	\$3,000,000
2016/17 Projected Aggregate Total Taxable Assessed Valuation: (including all Residential Units)	\$3,000,000

Estimated Taxes for Residential Condominium Units -- Tax Year 2016/2017 Upon Completion

2016/17 Estimated Residential Condominium Units Actual Total Assessed Value:	\$3,000,000
2016/17 Estimated Residential Condominium Units Taxable Total Assessed Value:	\$3,000,000
Assumed Tax Rate:	13.145%
2016/17 Projected Total Real Estate Taxes All residential Units:	\$ 394,350

MARCUS & POLLACK LLP37 East 12th Street Condominiums LLC

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Estimated Real Estate Taxes During Construction (Tax Year 2015/2016)

As stated above, the completed building will not be fully reflected on the assessment roll until tax year 2016/17. The 2015/16 assessment roll we estimated shows the property to be assessed as a single residential tax lot not yet apportioned into individual condominium tax lots. We estimate the 2015/16 Actual total assessment is \$1,900,000 and the taxable total assessment is \$1,900,000. Real estate taxes for tax year 2015/2016 will be based upon the transitional total Assessment of \$1,774,202 multiplied by the residential tax rate of 13.145%. The estimate total real estate tax inclusive of the residential condominium units is therefore estimated at \$249,755.

Estimated Taxes for Residential Condominium Units -- Tax Year 2015/2016

2015/16 Estimated Residential Condominium Units	
Actual Total Assessed Value:	\$1,900,000
2015/16 Estimated Residential Condominium Units	
Taxable Total Assessed Value:	\$1,900,000
Assumed Tax Rate:	13.145%
2015/16 Projected Total Real Estate Taxes	
all residential units:	\$ 249,755

Estimated Real Estate Taxes for the First Year of Condominium Operation
(July 1, 2015 through June 30, 2016)

For the first year of condominium operation, covering the period from July 1, 2015 through June 30, 2016, we have projected the real estate taxes for the residential condominium building based upon twelve (12) months of the estimated projected Assessment for tax year 2015/2016. Thus for the first year of condominium operation covering the period from July 1, 2015 through June 30, 2016, the estimated real estate tax liability for the condominium will 249,775:

Estimated Real Estate Taxes Liability for the condominium are as follows:

First Year of Condominium Operation	
Estimated Residential Real Estate Taxes due:	\$249,755
Second Year of Condominium Operation	
Estimated Residential Real Estate Taxes due:	\$394,350

MARCUS & POLLACK LLP37 East 12th Street Condominiums LLC

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We note, once again, that because the first year of condominium operation is projected to fall partly within the twelve (12) months of the 2015/2016 tax year when we estimate that the property is still under construction. Real estate taxes after the first year of condominium operation will be higher, reflecting twelve full months of taxes to be assessed on a fully completed building in operation for tax year 2016/2017 based upon the projected completion date by June 30, 2015 and prior to January 5, 2016.

Prospective purchasers are advised that while there is a formula which has been utilized by the Real Property Assessment Department in assessing properties in the past, it has not been employed consistently and it is therefore not possible to estimate or determine the post-construction assessed valuation of this property with any degree of certainty.

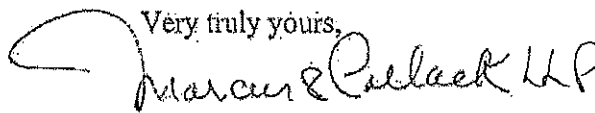
The above projections are estimates and do not take into account any future increases in the level of assessed valuation applied to residential and commercial property or any increase in the real estate tax rate. The above opinion is based upon our understanding of the policies, procedures, and practices of the DOF and is not intended to be a guarantee or assurance that the tax assessments herein listed will be attained. While we believe our opinions are well founded, they are not intended, nor should they be construed as representations or warranties that the assessment and taxes will be determined as set forth herein. The foregoing analysis is based upon our experience with DOF and the Tax Commission of the City of New York, and their assessment practices regarding newly constructed residential properties. Application of a particular approach to valuation by an individual assessor may yield a significantly different result.

No representation is made that the current policies and practices of the DOF will apply at the time the building is completed. You should be aware that the laws, regulations, policies, and practices of the DOF upon which this 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.

This letter was prepared at the sponsor's request. The figures set forth herein are approximations derived from material submitted by the sponsor and are subject to variation. No government agency has passed upon these figures or estimates contained in the Offering Plan, and we offer no warranties on real estate taxes for any period.

We hereby consent to the inclusion of this letter in the Offering Plan.

Very truly yours,


Marcus & Pollack LLP

MP:tg

RESERVE FUND

Sponsor has not established a reserve fund for capital replacements or repairs. Because the Building, upon completion of substantial renovation will be predominately 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 Halstead Management, LLC ("Managing Agent"), having an office at 770 Lexington Avenue, 7th Floor, New York, NY 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 from year to year, 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, payable in equal monthly installments during the initial term of the Management Agreement of \$35,000 per annum. 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 Initial 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.

IDENTITY OF PARTIES

Sponsor

37 East 12th Street Condominiums LLC is a limited liability company organized under the laws of the State of Delaware, with an office at c/o Edward J. Minskoff Equities, Inc., 1325 Avenue of the Americas, 23rd Floor, New York, NY 10019 ("Sponsor").

The principal of Sponsor who will be actively involved in this offering is Edward J. Minskoff having an office address c/o Sponsor at Edward J. Minskoff Equities, Inc., 1325 Avenue of the Americas, 23rd Floor, New York, NY 10019.

Edward J. Minskoff is the founder and principal of Edward J. Minskoff Equities, Inc. ("EJME") a 26-year old full service real estate company that provides "in-house" development, construction, leasing and management services for its real estate portfolio. EJME manages all of its own properties with a professional management department, which includes senior executives in building operations and building accounting. The senior executives' experience averages over 25 years in the construction start-up, capital upgrade, transition, management and operation of first class institutional office and residential buildings in New York City. EJME's most recent successes include 51 Astor Place, 101 Avenue of the Americas, and 101 Warren Street. Mr. Minskoff's real estate career spans an excess of 31 years. In addition to founding and leading Olympia & York USA, he was responsible for the acquisition, construction and leasing of over 47.5 million square feet of class-A property nationwide.

Prior Offerings

The Principal of Sponsor has not taken part in any prior public offerings which were initially offered during the past 5 years.

There have been no prior felony convictions of Sponsor, or any principals of Sponsor and no prior convictions, injunctions and judgments against Sponsor, or any principals of Sponsor that may be material to the Plan or an offering of securities generally that occurred within 15 years prior to the submission of the Plan.

Sponsor, a limited liability company organized under the laws of the State of Delaware, has 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. and Adam Kriegstein, 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 office at Park Avenue Tower, 65 East 55th Street, New York, New York 10022 to prepare the Income Tax Opinion set forth in Part II of the Plan under the direction of Warren Gleicher.

Sponsor has retained the law firm of Marcus & Pollack, having an office at 708 3rd Avenue, 11th Floor, New York, New York 10017, to provide the Real Estate Tax Opinion set forth in Part II of the Plan.

Selling Agent

Selling Agent for the Condominium will be Douglas Elliman, LLC, having an address at 515 Madison Avenue, New York, NY 10022. 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 Halstead Management, LLC, having an office at 770 Lexington Avenue, 7th Floor, New York, NY 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 many 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**

Malcom Kaye Architecture, P.C., having an office at 16 West 22nd Street, 11th Floor New York, NY 10010 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 many years and has been the architect of many buildings.

b) **Design Architect**

CS Architecture LLC having an office at 107 Topstone Road, Redding, CT 06896, 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 many buildings including but not limited to 270 Greenwich, New York, New York and 51 Astor Place, New York, New York.

c) **Structural Engineer**

A Degree of Freedom, having an office at 231 West 29th Street, Suite 802, New York, NY 10001, 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 many buildings including but not limited to the New Yorker Hotel, Grace Church High School and 27 Vandam Street, NY, NY.

d) Mechanical Engineer

Glickman Engineering Associates, having an office at 545 Eighth Avenue, New York, NY 10018, is the mechanical engineer for the Building. The Mechanical Engineer has been providing engineering services for many years and has been the mechanical engineer for the following buildings: Glickman Engineering Associates, having an office at 545 Eighth Avenue, New York, New York 10018, is the mechanical engineer for the Building. The Mechanical Engineer has been providing engineering services for many years and has been involved with the following buildings: 345 West 14th Street, New York, New York; 75 Clinton Street, Brooklyn, New York; 50 Franklin Street, New York, New York; 82-84 Bedford Street, New York, New York; One Fulton Square Condominium, Flushing, New York.

Condominium Budget Expert

Sponsor has engaged Penmark Management, LLC, having an address at 770 Lexington Avenue, 7th Floor, New York, NY 10065, 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 Selling Agent, Managing Agent, 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.

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 Deposits or advances of funds by or on behalf of Sponsor, prior to the acceptance for filing of the Offering Plan.

No Pre-Sales

Neither Sponsor nor its principals have entered into contracts or agreements, written or oral, or accepted any Deposits 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, Purchase 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 Principal have entered into any contracts or agreements, written or oral, for the sale of the Units offered in the Plan nor taken any Deposits or advances of funds by or on behalf of Sponsor or its Principal, prior to the acceptance for filing of the 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 a substantial renovation, there are neither commercial nor residential tenants occupying the Building as of the Filing 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 a Purchase Agreement which is in effect, except as therein provided, as in the case of an uncured default, nor unilaterally change the Purchase Price or payment terms contained in such Purchase Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a substantial amendment to the Plan that materially 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 Deposit, together with any interest earned thereon as well as any Unit Upgrade Funds to Purchasers who rescind, except that Sponsor shall retain the Deposit of any Purchaser who is in default under the Purchase Agreement beyond any applicable grace period.

In accordance with the provisions of the Laws of the State of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person in the sale of Units offered by the Plan or in the leasing of any such Units because of such person's 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 or as contemplated to be made as described therein.

Under applicable Federal and local law, lead-based paint can no longer be used in the construction of a building. Under Federal Law, Sponsor must provide Purchasers with all available records and material pertaining to lead-based paint and/or lead-based hazards in the Building. Sponsor will comply with applicable Law concerning the use of lead-based paint. Set forth as an Exhibit in Part II of the Plan is a copy of the booklet issued by the United States Environmental Protection Agency, EPA 747-K-95-001, which details certain information regarding lead-based paint. In accordance with the terms of the rider annexed to the Option Agreement, Purchasers have the right to inspect their Units for the presence of lead-based paint.

PART II

CONDOMINIUM OFFERING PLAN

**37 EAST 12TH STREET CONDOMINIUM
37 EAST 12TH STREET
NEW YORK, NY 10003**

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

DESCRIPTION OF PROPERTY AND SPECIFICATIONS

37 East 12th Street
New York, New York
10-01-2014

A. LOCATION AND USE OF PROPERTY

1. Address: 37 East 12th Street
New York, New York
2. Block No.: 564
Lot: 30
3. Zoning District: C6-1
4. Permissible Uses: Use Groups 1-12 in district C6-1 as per New York Zoning Resolution, which permits Residential, Community Facility and Commercial uses. The proposed uses will comply with all zoning and use requirements.

B. STATUS OF CONSTRUCTION

1. Year Built: 1896
2. Class of Construction: The Building will be classified as Class 3 (non-fireproof) and will conform to all applicable regulations of the 1938 Building Code of the City of New York ("Building Code") for egress. All other work will conform to the 1968 NYC Building Code and Multiple Dwelling Law ("MDL") except mechanical, plumbing sprinklers and ADA, which will conform to the 2008 code. The Building is designed and will be built to comply with New York State Energy Code.
3. Status of Construction: The building was constructed for commercial purposes and since 1976 the previous property owner used it as retail storefront and showrooms above. The residential conversion will preserve the building's structure and façade. The existing storefront, elevators, plumbing, fire protection, heating and air conditioning systems, including the boiler, oil tank and water tower will be demolished and replaced with new systems. In addition, a portion of the Ground Floor in the rear of the building will be demolished to accommodate a garden for the Townhouse Unit and the existing roof and roof structure will be demolished and replaced with new construction. Demolition commenced in January 2014, and as of this filing, it is anticipated that building construction will be substantially completed on or about June 2015, 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.

4. Certificate of Occupancy:

No Certificate of Occupancy was found on file with the Department of Buildings for the existing Building. It is the policy of the Department of Buildings that for all plans and uses approved prior to January 1, 1938, the Department of Buildings did not and does not require a Certificate of Occupancy. After completion of construction, the Sponsor will apply for a Certificate of Occupancy for the Building from the Department of Buildings of the City of New York ("Department of Buildings"). The Sponsor will obtain a Temporary Certificate of Occupancy for each Residential Unit prior to its closing.

The plans were filed under an ALT 1 application #121858873 with the Department of Buildings, in compliance with all applicable laws. As required, the application is filed under the 1938 code for egress. All other portions of the work will comply with 2008 Building Code

C. SITE

1. Size:

The building sits on an irregular site. In accordance with the Survey prepared by Lovell and Belcher, the lot has a frontage of 37'-0" along East 12th Street, 92'-8" along the west property line and 103'-4½" along the east property line. The lot area of the property is approximately 3,627 square feet.

2. Floor Number
& Building Use:

The building will consist of a single residential building, 8 construction stories high with one cellar, containing 6 Residential Units (including one Townhouse Unit and one Penthouse Unit) and private exterior roof garden (from the Penthouse Unit) and access to a north and south garden (from the Townhouse Unit).

The First Floor will contain the Residential Lobby, a portion of the Townhouse Unit and the north and south gardens appurtenant to the Townhouse Unit. The main building entrance will be located on East 12th Street.

Floors Two through Eight will be solely dedicated to Residential Uses.

The cellar will contain a non-habitable room for the exclusive use of and accessed from Townhouse Unit. The cellar will also contain a Fitness Center accessory to Residential, Residential Storage Rooms, Employee's Office, and Utility Rooms. From the cellar there will be access to an existing sidewalk vault located under the sidewalk on 12th Street. The vault will be

occupied primarily by incoming utilities. The City of New York has the right to repossess this vault space if required.

The roof will contain a private roof garden for exclusive use of and access from the Penthouse Unit. The roof also contains an area for mechanical equipment and egress paths to comply with FDNY requirements.

3. Sidewalk:

The property fronts on East 12th Street. The streets are paved with asphalt and are owned and maintained by the City of New York.

(i) Paving

The sidewalks adjacent to the property, which provide access to the property will be replaced with new concrete sidewalks running full width from the property line along to the street and will be pitched for drainage to the curb. The new sidewalk will be ADA compliant, free of tripping hazards and ponding for water and the condominium shall be responsible for the maintenance of the sidewalks per the requirement of the Department of Transportation..

The existing slab above the sidewalk vaults will be replaced with new waterproofed concrete slab on metal deck supported with steel beams. A new concrete sidewalk will be placed above the new vault roof; the foundation walls will be re-used. The condominium will be responsible for the maintenance of the vault.

(ii) Curbing

All curbs will be new, and will be steel-faced and concrete.

(iii) Catch basins and drainage

The streets are presently pitched to existing catch basins and drain into the New York City storm drainage system.

(iv) Street lighting

The street lighting along 12th Street is provided, operated and maintained by the City of New York.

(v) The new sidewalk paving and new curbs will be in compliance with all applicable codes.

(vi) There is a fire hydrant on 12th Street sidewalk on the south side of the street, approximately 20' from the property line. There is another existing fire hydrant on the north side of 12th Street approximately 20' from the corner of University Place.

D. UTILITIES

1. Electricity:

Electricity will be provided by Consolidated Edison Company ("Con Ed"). The Building will be provided with a house meter

for building common areas and base building mechanical systems. Electricity for the Residential Units will be individually metered. The cost of the electric usage for the common areas will be borne by the Condominium as a common expense and apportioned to each Residential Unit in accordance with its common interest as provided in the First Year's Budget.

2. Gas: Gas will be provided by Con Ed. The charges for gas service provided to the Building will be levied on the basis of metered usage and the cost of the gas consumed in the common areas will be borne by the Condominium as a common expense and apportioned to each Residential Unit in accordance with its common interest as provided in the First Year's Budget.
3. Water and Sewer: Water and Sewer service will be provided by the City of New York. The charges for water and sewer service provided to the Building will be levied on the basis of metered usage and the cost will be borne by the Condominium Association as a common expense and apportioned to each Residential Unit in accordance with its common interest as provided in the First Year's Budget.
4. Telephone: "Local" telephone service will be provided by Verizon and/or other service providers. Every Residential Unit Owner will be required to pay their associated telephone charges and initial charges for activating individual outlets in the Residential Unit. The telephone charges with respect to the public areas of the Building (such as the concierge's desk, maintenance office, etc.) will be borne by Condominium Association as a common expense and apportioned to each Residential Unit in accordance with its common interest as provided in the First Year's Budget.
5. Cable Television: Cable television service will be available for all Residential Units from Time Warner TV or Verizon (including FIOS) (or alternate TV company). All charges for television service (including installation and subscription charges) will be directly billed and paid by each Residential Unit Owner, who subscribes with the TV Company. Each Residential Unit will be provided with an outlet in the living room and each bedroom.

E. SUB-GRADE CONDITIONS

1. Foundations: The existing brick masonry perimeter walls and cast iron columns are believed to be founded on bedrock. The basement floor of the building is a concrete slab on grade. All new concrete work that is placed against soil or rock is provided with waterproofing membrane and joint sealant to prevent water infiltration. No signs of uneven foundations and no evidence of cracking due to settlement or differential settlement have been observed in the existing Building. There is no current seepage

or leakage into the base and there were no evidence of past seepage, leakage or other water infiltration into the basement in the form of water marks, concrete latencies, mold, mud marks, etc. Additionally, the Building is not located in a flood zone and is supported on bedrock and therefore, is at minimal risk for flooding, mudslides or erosion and as such no preventative action is required.

F. LANDSCAPE AND ENCLOSURE

1. Planting Areas:

There will be a landscaped garden on the portion of the roof exclusive to the Penthouse Unit. The landscaped garden will be planted with a combination of non-seasonal hedges.

2. Fencing, Garden Walls:

There will be a new site security fence and hedges surrounding the north and south gardens appurtenant to the Townhouse Unit. A 6'-0" high by approximately 14'-0" (approx..) long fence will separate the fire escape landing area at the rear garden from the private garden. There will be a 6'-0" high by an approximately 98'-0" long privacy fence around the roof garden. The fences will have steel support posts with wood slats or painted steel slats to conform to fire rating requirements of the Department of Buildings.

The south garden of the Townhouse Unit will have an approximately 15'-0" tall by 15'-0" long, painted steel grillwork security and privacy fencing along the street.

There are four exterior gates on the property. One gate is located in the north garden for privacy and separation between the Townhouse Unit and the common fire escape. Two additional gates are located at the roof garden to separate the common and mechanical roof areas from the area that is part of the Penthouse Unit roof garden. The upper gates are 6' wide and have fail safe release locks as part of the requirements for emergency access as required by FDNY and NYC Building Code. The fourth gate is contained within the painted steel grillwork for direct access to the street from the Townhouse Unit.

G. BUILDING SIZE

1. Total Height:

The approximate height of the building is 107'-5" to the roof slab (above the Eighth Floor). From the roof slab to the top of the elevator bulkhead, which is the highest part of the roof, will be approximately 25'-0" above the roof slab. This height is measured from the building lobby finished floor elevation of 46.94' over Manhattan datum to the top of the main floor roof enclosure 154.106' over the same datum. The existing building cornice, which will remain and be refurbished, is approximately

10'-0" above the roof slab.

2. Cellar: There is one (1) cellar in the building. The Cellar floor-to-floor height varies from approximately 11'-0" to 11'-6".
3. Number of Floors: There are eight stories above grade and a bulkhead on the roof with access from the Penthouse Unit and internal egress stairs.
4. Equipment Rooms: There are mechanical rooms and service areas at the Cellar and on the roof. There are also equipment rooms located in each unit on floors 1-7 that serve each unit exclusively.
5. Parapet Height: Parapet Height from top of roof finish to top of parapet or handrail coping will be a minimum of 3'-6" above finished roof.

H. OCCUPANCY

1. Residential Units: There will be 6 residential units in the building.
2. First Floor: The Residential Lobby and a portion of the Townhouse Unit will be located on the First Floor.
3. Cellar: Fitness Center accessory to Residential Units, Residential Storage Rooms, Employee's Office, Utility Rooms and a bathroom will be located at the Cellar.
4. For marketing purposes, the Units will be referred to as follows:

Townhouse Unit:	Portion of Cellar, Portion of the Ground Floor, entire Second Floor, North and South Gardens
Unit 3:	Entire Third Floor
Unit 4:	Entire Fourth Floor
Unit 5:	Entire Fifth Floor
Unit 6:	Entire Sixth Floor
Penthouse Unit:	Entire Seventh Floor, Entire Eighth Floor and Private Roof Garden (on a portion of the Roof)

Please note that all floor plans, Unit drawings, and other references to floors in this report will utilize the marketing numbering of floors and units.

I. DIMENSIONS OF THE UNITS

Each Unit has been horizontally measured, on each of one or more floors, from the exterior side of the exterior Building walls, at the Building line and/or Property line, to the midpoint of the interior walls and partitions separating the Unit from another Unit, if any, or the exterior side of the interior walls and partitions separating a unit from public corridor, stairs, elevators, or any other public spaces. Columns and mechanical pipes, ducts, shafts (whether along the perimeter, along the corridor, or within the Unit), elevators and stairs that are exclusively serving the unit on each floor are not deducted from the square foot area of the Unit.

Outdoor floor areas of the gardens appurtenant to the unit are measured horizontally from the exterior side of the adjoining perimeter of the unit to the exterior side of the exterior Building walls and/or fences, at the Building line and/or Property line, or to the exterior side of the walls, partitions, fences and/or planters separating the outdoor area from a public corridor or pathway, stairs, or any other interior or exterior public spaces.

Measured vertically, each Unit consists of the volume from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab or arches above including any beams or projections.

Each Storage Room 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 unit from another unit or one unit from the common elements. Columns, mechanical pipes and shafts are not deducted for the purpose of floor area measurements.

Each Storage Room will consist of a volume measured vertically from the top of the concrete floor to the underside of the storage enclosure except that any common elements located within any unit will be considered as part of that unit.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall within a room or space, subtracting cutouts.

J. STRUCTURAL SYSTEM

The floor framing of the existing building is steel I-beams and channels that support terra cotta floor arches. The steel beams of each level frame into the perimeter masonry load bearing walls and into 15" deep girders which run down the middle of the building and are supported by cast iron columns.

The finished flooring will be comprised of ¾" thick solid wood flooring, resting on two layers of ½" plywood, resting on metal studs on rubber/neoprene pads to isolate vibration and impact transmission through the floors into the Units below. This assembly will rest on light weight concrete that has been poured into partially removed existing cinder fill above the existing terra cotta arches. Field testing of the floor slab construction with resilient underpayment system and mass barrier materials exceeds the New York City code required STC and IIC level.

The existing roof of the building will be replaced with a new concrete slab on metal deck supported with new steel beams that bear on the existing perimeter brick masonry bearing walls and new steel columns clad in decorative cast iron cladding.

The existing sidewalk vault framing and sidewalk slab will be replaced with a new concrete slab on metal deck supported with new steel beams that bear on the existing foundation walls and a cast iron column.

The existing cast iron column, footings and brick masonry foundation walls bear on bedrock.

K. BUILDING EXTERIOR

1. Exterior Walls

The exterior of the building on the south elevation is clad with ornate terracotta castings and copper reliefs and cornices. The building is in full compliance with Local Law 11/1998. The north side of the building is masonry which has been fully

inspected in accordance with the requirements of Local Law 11/1998.

The building is not landmarked nor is the building located within a historic landmark district.

Existing masonry exterior walls of the building will be augmented on the interior side of the exterior wall with metal studs and gypsum board, lined with batt insulation with a R13 rating and will meet or exceed energy efficiency regulations as required per state and local agencies.

New exterior walls at the ground and roof top bulkheads will consist of metal studs, R19 rated batt insulation, sheathing and R-10 rated rigid insulation with an exterior decorative panel.

Liquid applied and adhesive backed counter-flashing from the newly installed walls will tie into the Insulated Roof Membrane Assembly ("IRMA") system used on horizontal surfaces.

New windows will be installed using adhesive backed flashing, edged with a liquid membrane sealer, with backer rods and sealant to prevent water infiltration at the perimeter.

1.i Local Law 11/ 1998

Exterior building facade 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, pursuant to Local Law 11/1998. The cost of the inspections will be borne by the Condominium Association as a common expense and apportioned to each Residential Unit.

2. Windows & Doors

Existing windows of the building will be removed and replaced with double hung windows, and tilt-turn windows with fixed transoms, as set forth in plans and specifications. New wood doors will be made from built-up solid core 2-1/4" thick rails and styles, with a combination of solid and glazed one and two-panel design, and single panel glass lite leafs.

Glazing for the windows will be 1" thick insulated assembly with 3/16" thick annealed exterior layer with Low E on the #2 surface, aluminum spacers and 1/4" thick laminated glass on the interior surface. Windows and doors will be shop finished with primer and finish paint on both the interior and exterior sides. Insulation values for all exterior assemblies will meet or exceed values required for the unit as well as the values required for the overall assembly to comply with the NY City Energy Conservation Code (NYCECC 2010)

Natural ventilation to habitable spaces is provided by vertically pivoting casement or double-hung windows. All operable

windows will have a childproof stop limiting the opening of the windows to a maximum of 4". No insect screens will be provided. Wood and glass swing doors to gardens will be provided. Windows will have a five-year warranty on labor and materials.

3. Lot line windows: There are no lot line windows.
4. Insulation: All exterior wall assemblies, roofs and gardens will have insulation values in compliance with the NY City Energy Conservation Code (NYCECC 2010) and fire resistance ratings in compliance with the New York City Building Code.
5. Parapets and Copings: Existing parapets are masonry and copings are precast concrete. There is an existing copper cornice approximately 10'-0" above the roof slab. Structural work to reinforce the supports for the cornice and additional work to remove perforations and restore waterproofing protection will be performed. Parapets will be partially rebuilt to include proper flashing to tie into the new roof waterproofing membrane, in a manner consistent with approved installation methods as required by the roofing membrane manufacturer. New brick and precast concrete coping and sills, using a combination of metal flashing and/or adhesive backed water proofing membrane composed of modified bitumen and polyethylene woven composite facer as manufactured by Soprema, will be installed as required to complete the parapet.
6. Chimneys, Flues and Caps: There will be six (6) chimneys serving six (6) wood burning fireplaces. The fireplaces will be constructed of firebrick masonry units in masonry fireboxes. "Selkirk" brand "Ultra-Temp UT" model double walled galvanized metal flues will individually connect each firebox to code compliant elevations above the roof. The flues outside of the Building will have a maximum diameter of 14", which varies as required for UL approved manufacturer installation instructions. The fireboxes will contain damper flues and the top of the chimney flues will contain electronic damper to reduce back draft when not in use. Code required smoke test will be performed at the completion of the installation for the firebox-chimney flue assembly.

The building will have one refuse chute with rated intake doors opening within the Residential Units.
7. Outdoor Space: There will be a north and south garden at the Ground Floor level for the private use and access by the Townhouse Unit. The south garden will be accessible from the street through an exterior steel gate as an alternative entry into the Townhouse Unit. The south garden will have stone pavers with steel grillwork and 6'-0" non-seasonal hedges in planters separating the south garden from the street. The north garden will adjoin a common egress stair and pathway, separated by a steel fence, which will connect to an interior stair down to the Cellar and through an egress path in the

Cellar out to East 12th Street as an alternative means of egress, as required by the New York City Building Code. The north garden will have stone pavers with 6'-0" high non-seasonal hedges in planters separating the north garden from the property to the north. Landscape lighting and provisions for future installation of decorative overhead lighting will be provided in the south garden. Wall mounted lighting will be provided in the north garden. (See lighting schedule for more specific information.)

A portion of the roof will be used as a private roof garden for the Penthouse Unit with direct stair and locked elevator access. Other portions of the roof will contain mechanical equipment for the Residential Units below and egress pathways to access the fire escape at the rear of the building. The roof garden will have concrete pavers and wood deck over a roofing system with steel railings and high hedges in planters or masonry. Landscape lighting will be provided at the perimeter of the wood deck. (See lighting schedule for more specific information.)

All exterior spaces will be built in full compliance with the Building Code of the City of New York.

L. EXTERIOR ENTRANCE

1. Residential Entrance: There will be two residential entrances from the street. The main residential entrance will be accessed through a set of double wood doors with laminated glass. A secondary residential entrance through a steel gated door will be used for Townhouse Unit access only.
2. Mailboxes: The main lobby will be equipped with mailboxes which conform to the requirements of the United States Postal Service.
3. Lighting: Recessed ceiling or wall mounted lighting fixtures will be provided in accordance with the requirements of the Building Code of the City of New York.
4. Intercom: An intercom system will be provided from the Building entrance to the individual residential units. The concierge will have direct communication to all Residential Units.

M. ROOF AND ROOF STRUCTURE

1. Material: The roofing assembly will be an insulated roof membrane assembly (IRMA) comprised of a liquid applied membrane system manufactured by Soprema, Inc. and installed in accordance with the manufacturer's recommendations. Cold

liquid applied membrane will be applied on concrete deck which will be pitched toward the roof drains. Overburden on the membrane will consist of a drainage mat, polystyrene insulation board, filter fabric, topped by pavers and/or gravel ballast cover. The insulation will be installed at a 4" thickness, with an R value of 5 per inch, or a total value of R-20 in compliance with NYS Energy Code.

2. Warranty: The roofing system will have a twenty-year labor and materials warranty beginning after the date of final TCO.
3. Flashing Material: Flashing and counter-flashing materials will be liquid applied flashings.
4. Drains: Drains will be provided at the roof, and garden areas and located in accordance with the New York City Building Code and will discharge into storm stacks located on the east and west side of the roof and into piping located in the cellar that discharge into the sewer system.
5. Skylights: Two glazed skylights will be provided for the Penthouse Unit above the kitchen area and above the interior stair on the Eighth Floor. The skylight will be constructed with aluminum frames and 1" insulating glass. The skylight is compliant with Multiple Dwelling Law and the New York City Building Code requirements for protective glazing.
6. Bulkhead: Elevator and Penthouse Stair: The elevator bypass will be part of roof bulkhead, and it will be enclosed with concrete masonry units and structural gauge metal framing clad in metal panels.

Common Stair: The stair enclosure will be part of the roof bulkhead which will consist of concrete, gypsum board partitions and/ or metal framing clad in metal panels.

A mechanical equipment room will be part of the roof bulkhead.

If required, all rooftop equipment that so requires will be mounted on vibration isolators comprised of neoprene and/ or springs to control vibration and structural borne noise transmitted to the apartment below.
7. Metal Work at Roof Levels: There will be ladders to provide access to certain mechanical equipment situated above the roof. All exterior metal including exposed fasteners will be corrosion resistant. All mechanical equipment dunnage will be primed with an epoxy primer or approved equal.
8. Stairs: Egress Stairs:
There are two existing means of egress provided for each floor of the building that will remain and be refurbished for future use for

fire egress. The interior egress stair starts at the cellar and exits on the Ground Floor through the lobby to the street. The interior stair is constructed of cast iron risers and stone treads with cast iron railing and will be enclosed with a two hour rated partition which is painted. The existing interior egress stair from the Ground Floor to the Roof will be cleaned and refurbished, with the exception of the stair from the Ground Floor to the first landing between the Ground and Second Floors, which will be reconstructed with a new steel stringer and risers and concrete treads enclosed with a new painted steel-tube railing mounted on a new gypsum wall. A new internal egress stair will be constructed which connects the Main Lobby to the Cellar intended for convenience access to and emergency egress from the Cellar. This new stair will be constructed in steel stringers, concrete treads, risers with a steel tube railing and enclosed in a two-hour rated partition.

The exterior egress stair is a fire escape stair attached to the rear façade of the building that is accessible from each floor including the Roof. The existing fire escape is constructed of steel pointed stringers, treads and railings and will be refurbished. A portion of the fire escape from the Second Floor to the Ground Floor will be demolished and replaced with a newly configured steel fire escape of similar construction. This new portion of the fire escape will be connected to a new interior stair from the Ground Floor to the Cellar. This new interior stair will be constructed in steel stringers, concrete treads, risers with a steel tube railing and enclosed in a three-hour rated partition. From this stair will be an alternative emergency egress path that leads directly to the street through a new interior stair located at the front of the building adjacent to the Main Lobby entrance. This stair will be constructed in steel stringers, concrete treads, risers with a steel tube railing and enclosed in a three-hour rated partition.

A third emergency egress path exists at the Second Floor which connects the existing fire escape at the second floor to an egress pathway that is connected to the rear façade of the adjoining building to the east that subsequently leads to the street. The right to structurally fasten the existing fire escape to the adjacent building and to use the egress pathway connected to the rear façade of the adjacent building is a granted right under several historically recorded deeds, more specifically, Liber 3113 cp. 190 and repeated in Liber 4087 cp 311. This access will be not preserved for future emergency use.

Residential Interior Stairs:

Two of the Residential Units contain wood stairs. One in the Townhouse Unit that connects the Cellar, First and Second Floors, and one in the Penthouse that connects the Seventh, Eighth and Roof Floors. The wood stairs have wood treads and risers with Julius Blum metal rail.

9. Interior Door and Frames

There will be a wood, swing type Residential Unit entrance door over the elevator door. These doors will have self-closing hardware with solid core wood doors and wood frames, all matte finished with a water-based polyurethane.

The Residential Unit interior doors will be solid-core two-panel wood doors with wood frames. The upper panel will be a solid wood veneer or fluted glass. Doors and frames will be matte finished with water-based polyurethane.

The interior steel door around the kitchen areas are custom hot-rolled steel doors with true divided lights. The doors will have a powder coated finish and glazed with a 1/4" thick laminated restoration glass panels and fitted with custom hardware from Nanz hardware.

Cellar corridor Doors: Cellar doors and frames will be fire-treated solid wood and will meet the Building Code requirements, except doors in the Cellar for the mechanical and utility rooms in and around the vault, as well as doors to the residential storage rooms, will be 1 1/2 hour fireproof self-closing hollow metal doors and frames. Where required, there are also 2.25 hour fire rated doors where the travel path requires passage into and out of 3 hour rated corridors.

Interior Egress Stair Doors: All interior egress stair doors are 1 1/2 hour fireproof self-closing solid core wood doors with wood frames, all matte finished with a water-based polyurethane and will meet all Building Code requirements, except the stair doors at the Mechanical and Bulkhead floors will be fireproof self-closing hollow metal doors and frames.

Exterior Egress Doors: These doors and frames will be hollow-metal and will meet all Building Code requirements.

10. Elevator

One (1) Machine-Room-Less (MRL) elevator servicing the cellar and 1st through the Roof.

Elevator machine manufacturer is Torin.

Elevator Capacity:

The elevator will have a capacity of 2,500 lbs. at 350 feet per minute.

Operation type:

Simplex Selective Service

Type of controls:

Variable Voltage, Variable Frequency AC.

Elevators type:

Machine Room Less Elevators ("MRL")

Doors:

Single slide-type doors.

Control Room:

Located in the Cellar.

- | | |
|----------------------|--|
| Alarm | Part of the building fire alarm system per the Building Code. |
| 11. Elevator Cab | The floor material will be stone. The walls will be covered with wood with metal trim and mirror.

The ceiling will be painted panels with cove lights or equal. |
| 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. |
| Maintenance Contract | A Maintenance Service Contract will be provided for one year from the date of final acceptance by Sponsor. Service will be 24 hours per day 7 days a week. The cost of the maintaining the elevator will be borne by the Condominium Association as a common expense and apportioned to each Residential Unit in accordance with its common interest as provided in the First Year's Budget. |

N. AUXILIARY FACILITIES

- | | |
|---------------------|--|
| 1. Refuse Disposal: | A refuse system with a trash "bagging" compactor and recycling unit will be provided at the base of an acoustically coated trash chute which will have openings with automated controls in the mechanical room of each Residential Unit.

The New York City Department of Sanitation provides regularly scheduled curbside refuse and recycling collection services for every residential household in New York City. For the street that this Building is located, refuse and recycling collection will occur every Monday, Wednesday, and Friday, and every Monday, respectively with the exception of the certain designated holidays, |
| 2. Laundry Room: | Laundry rooms will be located in each Residential Unit. Each will contain a washer and dryer with a fully vented dryer. Each dryer exhaust duct will be connected to a common duct riser which terminates above the main roof. Lint traps will be located immediately adjacent to the exhaust connection for each dryer into the common duct riser. Ventilation for the laundry room will be provided by a make-up air unit located on roof. Each residential unit will be provided with 100 CFM of outside air. Each laundry room will be provided with a transfer grill which facilitates air exchange between the laundry room and the main residential unit space. The ventilation system will conform to the New York City Mechanical Code. |
| 3. Fitness Center: | There will be a Fitness Center located in the Cellar for the use of the building residents. Maintenance of the Fitness Center will be |

part of the Common Elements costs and the expenses to operate and maintain the facility will be included in the Common Expenses.

4. Storage:

There will be six Storage Room (one available for each unit) at the Cellar. The Storage Rooms will vary in size and will be lockable and provided with electrical outlets and lighting. The Storage Rooms 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.

0. PLUMBING AND DRAINAGE

1. Water Supply:

One 2-inch domestic water service with a reduced pressure zone backflow preventer and water meter will be provided from the public water main to duplex booster water pumps and provide direct feed to the building. The main shut-off valve will be located in the water pump room in the cellar. The Building will have one zone of cold water, hot water and hot water circulation. Domestic hot water will be provided via gas hot water heaters, located in each residential unit.

The piping system will consist of type L copper tubing with 95-5 tin-antimony soldered joints. All mains and risers will be insulated.

2. Fire Protection Systems:

a. Fire Water Services:

One 6-inch fire service from East 12th Street with 6-inch double detector check valve to supply automatic fire pump located in the Cellar Level. The fire alarm central panel with an alarm signal connection to the central station will be located on the ground floor next to the main lobby entrance.

b. Standpipes:

The fire standpipe system will consist of one 6-inch combined fire standpipe and sprinkler riser. The riser will serve all sprinkler floors and will be located in the stairway. A three way roof manifold will be provided. The fire standpipes will be supplied by the automatic fire pump located in the cellar fire pump room. The pressure in the fire standpipes will be maintained by the jockey pump located in the cellar pump room. Both the fire pump and jockey pump will require periodic maintenance. Any control valves through the system will require periodic maintenance as well.

Piping will be schedule 40 steel piping with rolled or cut grooved or threaded joints.

c. Hose Valves:

A 2½ inch hose valve with cap and chain will be located at fire standpipe riser at each floor. The hose valve will require periodic

maintenance.

A central hose station and locked key box will be located at the first floor in the Main Lobby.

- d. Sprinkler System: Sprinkler water will be from the 6" combined standpipe/sprinkler riser.

Automatic wet sprinklers will be supplied from combined FSP/sprinkler riser for entire Building.

Piping will be schedule 10 or 40 steel piping with rolled or cut grooved or threaded joints.

- e. Siamese Connections: A 3"x3"x6" siamese combined fire sprinkler and standpipe connections will be provided on East 12th Street. Periodic maintenance will be required for the Siamese connections.

3. Water Pressure and How Maintained:

A Peerless 90DES56VFDGAF duplex domestic water booster system with 90 gallon cushion tank or approved equal will be provided to ensure a minimum of 25 PSI at all plumbing fixtures and equipment. The Peerless internal multistage pumping assemblies and pressure regulating valves will be guaranteed for one year from date of acceptance against defective material and workmanship. The motors will also be guaranteed for one year from date of shipment against burnout from any cause when equipped with the pumping system manufacturer's over-temperature protection and maintained according to instructions.

The complete pumping system will be guaranteed in writing by the manufacturer for a period of one year from date of startup or eighteen months from shipment, whichever comes last, against defects in design, materials, or construction.

The piping system will be designed to comply with New York City codes with a minimum of 25 psi at all fixtures.

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, except for areas below grade for which an ejector is to be provided.

All above ground sanitary waste, leader and vent piping will be no-hub cast iron piping with stainless steel couplings and rubber gaskets except for in exposed areas and for house drains; for these conditions extra heavy cast iron pipe will be used. All

sanitary and storm pipes and fittings will be approved by CIPSI (bearing the CIPSI trademark) and listed by NSF International requirements.

Size of sewage service will be 4", connecting to existing combined sewer/storm system in the Building.

Sewage pumps will have a one year warranty.

Size of storm sewer service will be 6", connecting to existing combined sewer/storm system in the Building.

- b. Sanitary Ejector Pumps: One simplex and one duplex ejector pump will pump waste water, sewage from the Cellar to the sanitary pipe downstream of the house trap. These will be a Federal Pump Type VSA-4F-1-4 model, or similar quality. The Federal Pump has a 1 year warranty.
 - c. Sump Pumps: An elevator sump pump is provided for the elevator pit.
 - d. Sewage Disposal: Existing house sewer to be connected to street municipal sewer on East 12th Street.
- 5. Permits required: All permits will be obtained by the plumbing and sprinkler contractors.
- 6. Storm Drainage System: Gravity roof drainage from roof drains, and drains located in the Outdoor Space to existing house sewer connected to street municipal sewer on East 12th Street.
 - a. Catch Basins: None
 - b. Roof and Outdoor Space Drains: There are ten roof drains located on the roof, three area drains located on the Townhouse Unit gardens. All roof and area drains are paired with an overflow drain.
 - c. Piping: Above ground piping will be Hubless cast iron for 3" piping or less and extra heavy cast iron hub & spigot for 4" size piping and greater.

Piping sizes:

Size of sewage service will be 4", connecting to existing combined sewer/storm system in building.

Sewage pumps will have a 1 year warranty.

Size of storm sewer service will be 6", connecting to existing combined sewer/storm system in building.

d. Sump Pumps:

Sump pumps will be Federal Pump Duplex Type VSS-2 ½D-1-4 or similar quality. Each pump has a one year warranty.

P. HEATING

1. Domestic Water Heating:

Each Residential Unit has a gas fired water heater. The water heaters will be Lochinvar Power Direct Vent Residential Gas Water Heaters PRN050 65 or equivalent for single floor Residential Units and PRN075 70 or equivalent for the multi-level Residential Units. PRN050 65 water heaters will have 65,000 BTU/HR input each with a 64 GPH recovery rate, an energy factor of 0.58 and a 50 gallon capacity. PRN075 70 water heaters will have a 70,000 BTU/HR input each with a 72 GPH recovery rate, an energy factor of 0.58 and a 75 gallon capacity. Domestic hot water heaters will be located in each Residential Unit's mechanical space. All units are sized to provide 120 degree water at peak load. Hot and cold water pipe within main risers and at building perimeters will be insulated; cold water piping will have jacketed fiber glass insulation, and hot water piping will have 1" jacketed fiber glass insulation. Hot water in-line centrifugal circulation pumps are installed with every domestic water heater. Hot water circulation pumps are Bell & Gossett Model Number PL-55B or equivalent with 1-1/4" bronze flange.

2. Space Heating and Cooling:

Each Residential Unit will be provided with variable refrigerant flow type split system heating and air conditioning units. There will be multiple large condensing units (CUs) located on the roof. Each of these condensing units will be connected to multiple evaporator units located within the Residential Units, typically one per bedroom and one or two for the living/dining/kitchen area. Operation of each FCU will be controlled by a 7-day programmable wall mounted thermostat with automatic change over to provide heating or air conditioning. Nominal capacity of each unit will vary from six tons to ten tons, depending on the size and exposure of the Residential Unit served.

Air conditioning and heating in common spaces including the lobby will be provided with similar split type system as the Residential Units, with CU on the roof and AHUs within the spaces provided. Operation of each AHU will be controlled by a programmable thermostat.

There will be a central make up air unit supplying ventilation and space conditioning to the entire Building, including common areas and Residential Units. This system will be of equal or greater quality to AAON RN-030.

All HVAC equipment will meet minimum code requirements for efficiency. Variable refrigerant flow systems will be rated at no less than 11.1 EER, and 3.48 COP. Makeup air units will have a cooling efficiency of no less than 10.9 EER, and a heating efficiency of no less than 80%.

Building service areas on the cellar level will be provided with electric unit heaters. These heaters shall be horizontal type electric unit heaters with coated bar stock steel tamperproof grille and corrosion resistant steel tubular element with brazed steel fins.

3. Piping, Insulation, Pumps: Schedule 40 steel with standard weight fittings. Hot water piping will be insulated as required by the 2011 New York City Energy Conservation Code.
4. Operations and Maintenance: Operations and Maintenance (O&M) manuals will be provided by Sponsor.

Original balancing report will be provided by Sponsor.
5. Radiant Floor Heating: Master bathrooms will be provided with electric radiant floor heating. Radiant floor heating is for comfort and not intended to be mechanical heating. Electric radiant floor heating will be Nuheat Mat or equivalent with 12 W/SF of heating capacity. Radiant floor heating is provided with two temperature sensors in floor and a wall thermostat.

Q. GAS SUPPLY

1. Type: The Building will be provided with two Con Ed gas services entering the project via East 12th Street. One service will be for the building's standby generator. One service will be for common building area and residential systems usage.
2. Meters: There will be two gas meters located in the Cellar. One meter will be provided for the building's gas fired generator. A second meter will be provided for the common HVAC unit and all of the Residential Units for cooking gas, domestic water heaters, gas fired clothes dryers, and fire place.
3. Piping Material: Black steel Schedule 40 pipe with malleable fittings for low pressure piping 3 inch and smaller and welded joints for low pressure piping over 3 inches. High-pressure piping upstream of pressure regulators to be welded and radiologically examined.

R. AIR CONDITIONING

1. Type of System:
 - a. Residential: Each Residential Unit will be provided with variable refrigerant

flow type split system heating and air conditioning units. There will be multiple large condensing units (CUs) located on the roof. Each of these condensing units will be connected to multiple Fan Coil Units (FCUs) located within the Residential Units, typically one per bedroom and one or two for the living/dining/kitchen area. Operation of each AHU will be controlled by a 7-day programmable wall mounted thermostat with automatic change over to provide heating or air conditioning. Control function can be performed either locally inside the Residential Unit or remotely using a personal handheld device. Nominal capacity of each unit will vary from one six tons to ten tons, depending on the size and exposure of the Residential Unit served. System will be capable of maintaining inside conditions of 75° F and 60% relative humidity when outside temperature is 89° DB.

Fan coil units will be manufactured by LG, or no less equal in quality and design:

Symb ol	International Manufacturer and Model Number	CFM	Total Capacity BTUH Cooling	Total Capacity BTUH Heating
01	ARNU123TJC2	283	12,300	13,600
03	ARNU073TJC2	265	7,500	8,500
05	ARNU123BHA2	400	12,300	13,600
07	ARNU153BHA2	500	15,400	17,100
09	ARNU243NJA2	530	24,000	27,000
11	ARNU183BHA2	540	19,100	21,500
13	ARNU243BHA2	640	24,000	27,300
15	ARNU303NJA2	880	30,000	34,000
17	ARNU283BHA2	900	28,000	21,500
19	ARNU283BHA2	915	28,000	21,500
21	ARNU363BHA2	1,140	36,200	40,600
23	ARNU543BRA2	1,800	54,000	61,100

All Residential Units will have one or more FCUs as scheduled above.

2. Individual Units:

Individual units will be designed to meet all requirements of NY State Energy Code. Cooling capacities are based on ASHRAE and ARI conditions of 89°F DB/73°F WB outside, 75°F DB/63°F WB inside air.

Separate FCU or HVAC units will be provided for main entrance lobby and miscellaneous areas such as the elevator control rooms, tenant amenities room and other spaces.

Cooling and heating of corridor ventilation air will be provided by packaged rooftop unit. The rooftop unit has a cooling capacity of 357,000 BTUH via two Digital Scroll Compressors using R-410A refrigerant and a heating capacity of 540,000 BTUH via a gas-fired furnace.

S. VENTILATION

1. Kitchens: Residential Unit kitchens will be ventilated by a make-up air unit located on roof. Each residential unit will be provided with 100 CFM of outside air. Each kitchen will be provided with a transfer grill which facilitates air exchange between the kitchen and the main residential unit space. In addition, each kitchen area will be provided with 900 CFM of secondary outside air only when the kitchen exhaust fan is in operation. The ventilation system will conform to the New York City Mechanical Code which mandates a minimum of 100 CFM for kitchen spaces as per Table 403.3. The light and air requirements for all interior windowless kitchens per 2008 Code, Section 1205 and 2013 are verified and the kitchen spaces are compliant.
2. Bathrooms: Interior residential bathrooms will be ventilated with an exhaust ventilation system exhausting a minimum of 50 cubic feet of air per minute from each bathroom. Exhaust registers in bathrooms are sized to produce a noise level of NC-25 or less.
3. Public Corridors and Lobby: Public corridors in Cellar and the Main Lobby will be provided with conditioned air as required by the Building code.
4. Mechanical Rooms: The hot water heaters located in each apartment's mechanical room are directly vented via an 8" B-vent domestic hot water heater flue. Mechanical rooms for each residential unit will be provided with combustion air for the gas powered water heaters as required by the Building code.
5. First Floor Common Area : The first floor common areas will be ventilated via a rooftop make up air unit and fans exhausting air at code ventilation rates. The make-up air unit utilizes 100% outside air which naturally pressurizes the common area.
6. Cellar Level Rooms: Cellar floor rooms will be ventilated via a rooftop make up air unit and fans exhausting air at code ventilation rates. The ventilation design of the buildings meets NYC Mechanical Code, Section MC 403, Table 403.3 for all ventilation requirements.
7. Residential Units: Habitable rooms of Residential Units will be provided with natural ventilation by opening of operable windows only. The

residential spaces must be ventilated at a minimum of 0.35 air changes per hour. Interior spaces of Residential Units will be ventilated via a rooftop make up air unit. The make-up air unit utilizes 100% outside air which naturally pressurizes the residential units. There is no dedicated pressure equalization exhaust system required and there are no trickle vent window systems installed.

8. Ventilation Termination: Ventilation exhaust will be discharged to the outdoors at the roof and bulkhead levels.
9. Ventilation Noise: The air outlets in the residential units will have a maximum NC (Noise Criterion) of 25. The air inlets and exhaust in the residential units will have a maximum NC of 28.

T. ELECTRICAL SYSTEM

1. Service from Main Switchgear: Electrical service will be located in the cellar. The anticipated service will be 1200A, 120/208V, 3 phase, 4 wire. The main switchgear will provide power to house panels and residential meters as well as associated service disconnect switches.
2. Service to Individual Residential Units: The residential services will be 120/208V, 3 phase, 4 wire with switch ratings of 200A or 150A for all Residential Units, depending on load requirements. The residential disconnect switches and Con Ed meters will be located in the Cellar Level Electrical Room. Each Residential Unit has a subpanel which can run on generator power via a transfer switch, located in each respective Residential Unit.
3. Residence Service: The equipment will be rated to comply with the Building Code and will take into account all equipment provided in Residential Units, such as washing machines, clothes dryers, dishwashers, microwaves, etc.
4. Adequacy:
 - a. Service: Capacity provided for each Residential Unit will be in accordance with NYC Electrical Code. All Residential Units will be rated at 200A, 120/208V, three phase, 4 wire; or 150A, 120/208V, three phase, 4 wire, depending on load requirements. The number of circuits per Residential Unit panel boards will be provided for an average total of approximately 42 circuits.
 - b. Convenience Outlets: One switched receptacle will be provided in each bedroom and living room in compliance with NYC Electrical Code. Ground fault receptacles will be provided in all bathrooms, on top of

kitchen counters and at the Residential gardens, where applicable. Appliance receptacles will be provided in kitchens and dining rooms. Convenience receptacles will be provided to meet the requirements of the NYC Electrical Code. Water-Resistant receptacles shall be provided in all exterior use areas, including; the ground floor and roof garden areas.

- c. **Lighting and Fixtures:** Switched lighting fixtures will be provided in bathrooms, foyers, walk-in closets, and kitchens. Fixtures will be energy efficient lamp type in foyers, baths and kitchens. Subject to Sponsor's right to make substitutions as set forth in the Offering Plan, below is schedule of light fixtures to be installed in the Units and the Building's common areas.

LOCATION	MANUFACTURER	FINISH:	DESCRIPTION
Vestibules, bathrooms, corridors – all Units.	Element Lighting	White /Antique Bronze	Recessed down light.
Corridors, closets and dining rooms – all Units.	Element Lighting	White	Recessed fixed distant wall washer.
Ground Floor	Element Lighting	White	Recessed fixed distant wall washer for extra tall ceilings.
Showers – all Units	Element Lighting	White	Recessed down light.
Bar, master bedroom, study, alcoves, and corridors – all Units.	Element Lighting	White	Adjustable wall washers.
9th floor stair lighting	Element Lighting	White	High ceiling down light.
Closets – all Units.	Blauet	White	Surface mounted halogen round decorative ceiling fixture.
Laundry Room	XAL	White	Surface mounted fluorescent round decorative ceiling fixture.
Corridors – Units 3-6 and Penthouse Unit.	Rotaliana	Black anodized	Surface mounted LED decorative up light wall sconce.
Column Bases – all Units.	MP Lighting	Black anodized	Fully recessed in-floor low voltage LED up light.
Townhouse and Penthouse Stairs	Artemide	Silver grey	Surface mounted decorative direct/indirect LED wall sconce.
Under Cabinet – all Units.	Tech Lighting	White	Surface mounted LED under cabinet light.
Vanity	Boyd Lighting	Polished Chrome	Surface mounted fluorescent decorative wall sconce.
Egress stair and Residential Mechanical Rooms	Cooper Crouse-Hinds	Aluminum	Surface mounted compact fluorescent utility light.
Throughout Cellar	Baselight	#61 Anodized charcoal	Surface mounted compact fluorescent utility pendant.

Penthouse kitchen, Townhouse stair to Cellar	LucePlan: Metropoli		Surface mounted LED ceiling fixture.
Townhouse coat closet, master vestibule closet and Penthouse master vestibule closet	Artemide / Rezek	Aluminum	Surface mounted fluorescent utility sconce.
Lobby Entry Vestibule			Surface mounted decorative pendant
Lobby			Surface mounted decorative pendant
Kitchen counters Throughout	MP Lighting		Fully recessed LED adjustable down light.
8th floor kitchen soffit	MP Lighting		Fully recessed LED adjustable down light.
Fitness Room	Artemide		Surface mounted direct/indirect linear fluorescent pendant.
Exterior	Bega	BLK	Exterior surface mounted LED wall sconce.
Exterior planter – Townhouse Unit South Garden	BK Lighting	BLP	Exterior ground mounted LED landscape accent up light.
Exterior planter – Townhouse Unit North Garden	BEGA	BLK	Exterior fully recessed LED step light.
Penthouse roof garden	BEGA		In-grade stainless steel up light
Penthouse roof garden barbeque area	BEGA		Recessed downlight

U. TELEPHONE, INTERCOM AND SECURITY SYSTEMS

Telephone service will enter the Building main telephone room located on Cellar Level. It will then be distributed throughout the Building through risers and sleeves. Each Residential Unit will receive telephone service to a closet within the Residential Unit.

An intercom system will be provided from the Building entrance to the individual residential units. The concierge will have direct communication to all Residential Units.

Wiring will be installed in each Residential Unit to enable the Residential Owner to obtain telephone and cable television service at the Owner's expense.

V. PUBLIC AREA LIGHTING

Entrances to the building at grade will be provided with adequate light fixtures. Lobbies will be provided with ceiling mounted fixtures. All lighting levels have been designed in accordance with the NYC Building Code and the Housing Maintenance

Code. These fixtures will be wired to the building house meter.

W. RECREATION FACILITIES

Indoor recreation space is provided in the Fitness Center located at the Cellar level.

X. STANDBY GENERATOR

There will be rooftop standby gas fired generator. The gas generator shall be a GENERAC Model SG150 or equivalent with 150 kW of power. A separate gas service will enter the building to a dedicated gas meter for the generator. There will be a meter in the gas meter room for the generator. Gas piping will be installed from the gas meter room to the rooftop generator location. The gas generator will run in perpetuity provided that it maintains access to uninterrupted gas service. The Automatic Transfer Switch ("ATS"), alarm system and the generator, along with will the fuel, oil and antifreeze levels and the generator-set accessories (block heaters, battery chargers, alternator strip heaters, remote annunciators, etc.) require periodic maintenance and testing.

The gas generator will provide standby electrical service to the following equipment and building services under power failure with no fire alarm activation.

<u>Common area</u>	<u>Apartments</u>
Water booster pump	(2) Refrigerators/freezers
Sewage ejectors	Wine coolers
Sump pumps	Oven/microwave
Gas booster pump	Designated Receptacles
Elevator	Lighting
Emergency lighting	Indoor A/C units
Fire Pump	Outdoor ACCU
Fire Alarm System	

Under power failure, all apartment and common area loads as per above and the fire pump will be powered. In case of fire, all common loads, fire pump and fire alarm system will be powered, but the apartment emergency loads will be disconnected.

Y. PERMITS, INSPECTIONS AND VIOLATIONS

1. Permits

The below is a list of permits filed with the Department of Buildings for construction:

Description of Permit	DOB Application #	DOB Permit #
Alt. Type 1 Permit	121858873	121858873-01-AL
Alt. Type 1 Permit- Plumbing		121858873-03-PL
Alt. Type 2- Demo Application	121858855	121858855-01-EW-OT
Alt. Type 2- Demo Application- Plumbing		121858855-01-PL
Alt. Type 2- Standpipe/Sprinkler Application	121867532	121867532-01-EW-SD

Alt. Type 2- Standpipe/Sprinkler Application		121867532-01-EW-SP
Alt. Type 2 Structural/Elevator Shaft Application	121912163	121912163-01-EW-OT
Alt. 2 Fire Alarm Application	121948937	121948937-01-EW-FA
Alt. 2 Structural for Sidewalk Vault	121912172	121912172-01-EW-OT
Alt. 3 Application BPP	122028439	122028439-01-AL

2. Inspections

The below is a list of inspections required by Department of Buildings during construction:

Alteration Type 1 Certificate of Occupancy Inspection

- Chimneys
- Fenestration Thermal Values & Ratings
- Fenestration Ratings for Air Leakage
- Fenestration Areas
- Air Sealing and Insulation Visual
- Lighting in dwelling unit
- Interior Lighting Power
- Exterior Lighting Power
- Lighting Controls
- Exit Signs
- Structural Steel Welding
- Concrete CastIn Place
- Masonry
- Underpinning
- Sprayed Fire Resistant Materials
- Alternative Materials – OTCR Buildings Bulletin #2012007
- Structural Safety Structural Stability
- Concrete Test Cylinders
- Concrete Design Mix
- Concrete Design Mix
- Frame Inspection
- Mechanical Systems
- Structural Steel Erection & Bolting
- Energy Code Compliance Inspections
- Dampers Integral to Building Envelope
- Duct Plenum & Piping Insulation & Sealing
- Maintenance Information
- Concrete Test Cylinders
- Concrete Design Mix
- Fire Resistive Rated Construction
- Firestop, Draftstop, and Fireblock systems
- Heating Systems

Alteration Type 2 Structural for Elevator Shaft Inspection

- Structural Steel Welding
- Structural Steel Erection & Bolting
- Masonry
- Alternative Materials – OTCR Buildings Bulletin #2012007
- Structural Safety Structural Stability
- Concrete Test Cylinders (TR2)
- Final Inspection
- Concrete Test Cylinders
- Concrete Design Mix

- Underpinning
- Concrete Design Mix (TR3)
- Concrete Cast In Place
- Sprayed Fire Resistant Materials
- Frame Inspection
- Fire Resistance Rated Construction
- Fire Resistive Rated Construction
- Energy Code Compliance Inspections

Alt Type 2 Interior Demolition

- Final Inspection

Alteration Type 2 for sidewalk Vault Inspections

- Structural Steel Welding
- Alternative Materials – OTCR Buildings Bulletin #2012007
- Air Sealing and Insulation Visual
- Structural Steel Erection & Bolting
- Structural Safety Structural Stability
- Concrete Test Cylinders
- Concrete Cast In Place
- Frame Inspection
- Concrete Design Mix
- Masonry
- Energy Code Compliance Inspections
- Sprayed Fire Resistant Materials
- Final Inspection

Alteration Type 2 Sprinkler and Standpipe Inspection

- Sprinkler Systems
- Standpipe Systems
- Final Inspection

3. Violations

The below is a list of violations issued by Department of Buildings that are currently open:

Violation Type	Violation #	Date Issued
LL1081 – Local Law 10/81 - Elevator	00565	06/29/1990
LL1081 – Local Law 10/81 - Elevator	00369	04/25/1991
E-Elevator- Device No. 001F2119	9028/499773	04/04/2014
E-Elevator- Device No. 001P3131	9028/499774	04/04/2014

The above violations are related to the existing elevators, which will be demolished and replaced with a new elevator pursuant to Section M 10.

Z. UNIT INFORMATION

1. Residential Unit Information

There will be 6 Residential Units.

Except in areas with dropped ceilings and soffits, the heights of the residential levels from top of floor slab to underside of the highest point of the terra cotta arches or the slab, as the case may be, based on the floor numbers below are approximately as follows:

Cellar Floor:	9'-11"
Ground Floor:	16'-0"
Second Floor:	13'-8"
Third Floor:	12'-9"
Fourth Floor:	11'-5"
Fifth Floor:	11'-2"
Sixth Floor:	11'-2"
Seventh Floor:	11'-2"
Eighth Floor:	11'-9"
Roof Bulkhead:	10'-0"

Ceiling heights at bathrooms, kitchens, halls and public corridors at the Residential floors may vary from 9'-0" to 10'-0"

2. FINISH SCHEDULE FOR TYPICAL APARTMENTS

ROOM	FLOOR	BASE	WALL	CEILING
Foyer / Gallery / Entryway	Solid Wood Floor****	Solid Wood	Painted Gypsum Board	Painted Plaster*
Hallway	Solid Wood Floor****	Solid Wood	Painted Gypsum Board	Painted Plaster*
Living Room	Solid Wood Floor****	Solid Wood	Painted Gypsum Board	Painted Plaster*
Dining Room	Solid Wood Floor****	Solid Wood	Painted Gypsum Board	Painted Plaster*
Bedrooms	Solid Wood Floor****	Solid Wood	Painted Gypsum Board	Painted Plaster*
Kitchen	Solid Wood Floor****	Solid Wood	Painted Gypsum Board	Painted Plaster*
Master Bathroom	Mosaic Stone Tile	Mosaic Stone Tile	Marble Tile	Painted Gypsum Board
Secondary Bathroom	Mosaic Stone Tile	Mosaic Stone Tile	Porcelain Tile	Painted Gypsum Board
Shower Rooms	Mosaic Stone Tile	Mosaic Stone Tile	Marble Tile in MB Ceramic Tile in Secondary baths	Painted Gypsum Board
Powder Room	Glazed Tile and Stone	Glazed Tile and Stone	Painted Gypsum Board	Painted Gypsum Board
Laundry Room	Ceramic Tile	Ceramic Tile	Painted Gypsum Board	Painted Gypsum Board
Closets	Solid Wood Floor	Solid Wood	Painted Gypsum Board	Painted Gypsum Board
Mechanical Closet	Porcelain Tile	Porcelain Tile	Painted Gypsum Board	Painted Plaster*
Media Room**	Solid Wood Floor****	Solid Wood	Painted Gypsum Board	Painted Plaster*
Stairs***	Solid Wood Floor****	Solid Wood	Painted Gypsum Board	Painted Plaster / Painted Gypsum Board

* Eighth floor ceiling will be painted gypsum board.

** Media room only exists for the Townhouse Unit.

*** Interior stairs only provided for Townhouse and Penthouse Units.

****Standing water will cause cupping, swelling, and subsequent gapping. Relative humidity should be between 35% and 65% after installation to avoid excessive shrinkage, cracking, swelling or cupping. Wood Floors will be ¾" by 5" wide solid walnut laid in a chevron pattern, matte finished with a water-based polyurethane.

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

3. FINISH SCHEDULE FOR COMMON SPACES

ROOM	FLOOR	BASE	WALL	CEILING	REMARKS
Main Lobby	Stone Tile	Stone	Faux Plaster	Faux Plaster	
Concierge Closet	Stone Tile	Stone	Faux Plaster	Faux Plaster	
Elevator	Stone Tile	Solid Wood	Wood Paneling	Painted Metal	With mirror and metal control panel and door
Stairs	Stone or Concrete	Steel / Cast Iron Stringers	Painted Gypsum Board	Painted Gypsum Board	Existing Stair is cast-iron and new stairs will be steel
Fitness Room	Sports Flooring	Painted Wood	Painted Gypsum Board and Mirrors	Painted Plaster	
Storage Rooms	Polished Concrete	Painted Wood	Painted Gypsum Board	Painted Plaster	
Building Staff Office	Polished Concrete	Painted Wood	Painted Gypsum Board	Painted Gypsum Board	
Building Staff Bathroom	Polished Concrete	Painted Wood	Painted Gypsum Board	Painted Gypsum Board	

4. BATHROOM FIXTURES & FITTINGS

Name of models and lines are subject to change without notice by Manufacturer. All bathroom plumbing fixture flow rates will comply with the maximum flow rate requirements in accordance with Table 604.4 from New York City Plumbing Code Subject to Sponsor's right to make substitutions as set forth in the Offering Plan, the Residential Units will be equipped with the following fixtures:

MASTER BATHROOM, ALL APARTMENTS			
ROOM	MANUFACTURER	DESCRIPTION	FINISH
WC	DURAVIT	FOSTER	WHITE
BIDET	DURAVIT	FOSTER	WHITE
VANITY	URBAN ARCHAEOLOGY	MODERN INDUSTRIAL	POLISHED CHROME WITH STONE TOP
VANITY SINK	URBAN ARCHAEOLOGY	SQUARE PORCELAIN	WHITE
VANITY FAUCET	LEFROY BROOKS	KAFKA	POLISHED CHROME
VANITY TOP		STONE	
MEDICINE CABINET	URBAN ARCHAEOLOGY	LENOX	POLISHED CHROME
TUB	LEFROY BROOKS	FREE STANDING ALUMINUM BOAT BATH	WHITE PORCELAIN WITH METAL EXTERIOR SURROUND
TUB MIXER	LEFROY BROOKS	KAFKA	POLISHED CHROME
SHOWER CONTROLS	LEFROY BROOKS	KAFKA	POLISHED CHROME

WALL SHOWER HEAD	LEFROY BROOKS	KAFKA	POLISHED CHROME
CEILING SHOWER HEAD	LEFROY BROOKS		POLISHED CHROME
HAND SHOWER	LEFROY BROOKS		POLISHED CHROME
BIDET MIXER	DORNBRACHT	TARA	POLISHED CHROME
TISSUE HOLDER	LEFROY BROOKS	KAFKA	POLISHED CHROME
TOWEL BAR	DORNBRACHT	TARA	POLISHED CHROME
TOWEL HOOK	LEFROY BROOKS	KAFKA	POLISHED CHROME

SECONDARY BATHROOMS WITH TUBS, ALL APARTMENTS			
ROOM	MANUFACTURER	DESCRIPTION	FINISH
WC	DURAVIT	FOSTER	WHITE
VANITY	CUSTOM	MILLWORK	WOOD VENEER WITH STONE TOP
VANITY SINK	LEFROY BROOKS	SQUARE PORCELAIN	WHITE
VANITY FAUCET	LEFROY BROOKS	KAFKA	POLISHED CHROME
MEDICINE CABINET	URBAN ARCHAEOLOGY	LENOX	POLISHED CHROME
TUB	KOHLER	TEA FOR TWO	
TUB MIXER	LEFROY BROOKS	KAFKA	POLISHED CHROME
SHOWER CONTROLS	LEFROY BROOKS	KAFKA	POLISHED CHROME
SHOWER HEAD	LEFROY BROOKS	KAFKA	POLISHED CHROME
HAND SHOWER	LEFROY BROOKS		POLISHED CHROME
TISSUE HOLDER	LEFROY BROOKS	KAFKA	POLISHED CHROME
TOWEL BAR	DORNBRACHT	TARA	POLISHED CHROME

SECONDARY BATHROOMS WITH SHOWER ONLY, TOWNHOUSE AND PENTHOUSE			
ROOM	MANUFACTURER	DESCRIPTION	FINISH
WC	DURAVIT	FOSTER	WHITE
VANITY	CUSTOM	MILLWORK	WOOD VENEER WITH STONE TOP
VANITY SINK	LEFROY BROOKS	SQUARE PORCELAIN	WHITE
VANITY FAUCET	LEFROY BROOKS	KAFKA	POLISHED CHROME
MEDICINE CABINET	URBAN ARCHAEOLOGY	LENOX	POLISHED CHROME
CEILING SHOWER HEAD	LEFROY BROOKS		POLISHED CHROME
SHOWER CONTROLS	LEFROY BROOKS	KAFKA	POLISHED CHROME
SHOWER HEAD	LEFROY BROOKS	KAFKA	POLISHED CHROME
HAND SHOWER	LEFROY BROOKS		POLISHED CHROME
TISSUE HOLDER	LEFROY BROOKS	KAFKA	POLISHED CHROME
TOWEL BAR	DORNBRACHT	TARA	POLISHED CHROME

POWDER ROOM, ALL APARTMENTS			
ROOM	MANUFACTURER	DESCRIPTION	FINISH
WC	DURAVIT	FOSTER	WHITE
VANITY	URBAN ARCHAEOLOGY	MODERN INDUSTRIAL	POLISHED CHROME WITH STONE TOP
VANITY SINK	URBAN ARCHAEOLOGY	SQUARE PORCELAIN	WHITE
VANITY FAUCET	LEFROY BROOKS	KAFKA	POLISHED CHROME
MIRROR	CUSTOM		
TISSUE HOLDER	LEFROY BROOKS	KAFKA	POLISHED CHROME
TOWEL BAR	DORNBRACHT	TARA	POLISHED CHROME

5. KITCHEN APPLIANCES

All kitchen plumbing fixture flow rates will comply with the maximum flow rate requirements in accordance with Table 604.4 from New York City Plumbing Code. Subject to Sponsor's right to make substitutions as set forth in the Offering Plan, the Residential Units will be equipped with the following appliances:

ROOM	APPLIANCE	MANUFACTURER	DESCRIPTION	APARTMENT	NUMBER OF APPLIANCES (EACH UNIT)
KITCHEN	REFRIGERATOR	SUB-ZERO	36" WIDE	TOWNHOUSE	2
				UNITS 3-6	1
				PENTHOUSE	2
	WINE STORAGE	SUB-ZERO	FULL HEIGHT	TOWNHOUSE	1
				PENTHOUSE	1
	WINE STORAGE	SUB-ZERO	UNDERCOUNTER	UNITS 3-6	1
	BEVERAGE REFRIGERATOR	SUB-ZERO	UNDERCOUNTER-GLASS	TOWNHOUSE	1
				PENTHOUSE	1
	ROOF GARDEN BEVERAGE REFRIGERATOR	SUB-ZERO	UNDERCOUNTER - STAINLESS	PENTHOUSE	1
	ICE MAKER	SUB-ZERO	UNDERCOUNTER	TOWNHOUSE	1
				PENTHOUSE	1
	DISHWASHER	MIELE		TOWNHOUSE	2
				UNITS 3-6	1
				PENTHOUSE	2
	GAS RANGE	WOLF	60"	TOWNHOUSE	1
				PENTHOUSE	1
	GAS RANGE	WOLF	48"	UNITS 3-6	1
	RANGEHOOD	PRESTIGE	58"W INSERTS	TOWNHOUSE	1
				PENTHOUSE	1
	RANGEHOOD	PRESTIGE	52"W INSERTS	UNITS 3-6	1
	SPEED OVEN	MIELE		TOWNHOUSE	1
				UNITS 3-6	1
				PENTHOUSE	1
	COFFEE SYSTEM	MIELE		TOWNHOUSE	1
				UNITS 3-6	1
				PENTHOUSE	1
	GARBAGE DISPOSAL	INSINKERATOR		TOWNHOUSE	2
				UNITS 3-6	1

				PENTHOUSE	2
	SINK	ELKAY	UNDERMOUNT	TOWNHOUSE	1
				UNITS 3-6	1
				PENTHOUSE	1
	PREP SINK	ELKAY	UNDERMOUNT	TOWNHOUSE	1
				PENTHOUSE	1
	SINK FAUCET	LEFROY BROOKS	KAFKA	TOWNHOUSE	1
				UNITS 3-6	1
				PENTHOUSE	1
	PREP SINK FAUCET	LEFROY BROOKS	KAFKA	TOWNHOUSE	1
				PENTHOUSE	1
	POT FILLER	DORNBRACHT		TOWNHOUSE	1
				UNITS 3-6	1
				PENTHOUSE	1
LAUNDRY ROOM	WASHER	LG	GRAPHITE W/PEDESTAL	ALL UNITS	1
	DRYER	LG	GRAPHITE W/PEDESTAL	ALL UNITS	1
	SINK	ELKAY	UNDERMOUNT	UNITS 3-6, PENTHOUSE	1
		KOHLER	WALL MOUNT	TOWNHOUSE	
	FAUCET	CHICAGO FAUCETS		ALL UNITS	
BAR AREA	ICE MAKER	SUB-ZERO	UNDERCOUNTER	UNITS 3-6	1
				PENTHOUSE	1
	BEVERAGE REFRIGERATOR	SUB-ZERO	UNDERCOUNTER	UNITS 3-6	1
				PENTHOUSE	1
	SINK	ELKAY	UNDERMOUNT	UNITS 3-6	1
				PENTHOUSE	1
	SINK FAUCET	LEFROY BROOKS	ZU BASIN MOMO	UNITS 3-6	1
				PENTHOUSE	1

AA. SAFETY AND WARNING DEVICES:

1. Residential Unit Smoke / Carbon Monoxide Detection System:

Each Residential Unit will contain a smoke detector and a carbon monoxide detector located in the vicinity of the bedrooms. The detector will be wired to a 120-volt local power supply and will be self-contained with its own sounding device.

BB. ASBESTOS:

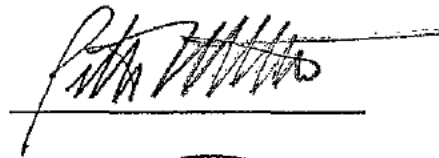
Emteque ,LLC was retained by Sponsor to provide a comprehensive inspection of the Building for Asbestos Containing Material ("ACM"). In a report dated August 2013, which is attached hereafter, Emteque confirmed that ACM was found in certain parts of the Building. All ACM will be removed as part of the abatement program during the demolition.

CC. LEAD PAINT:

While Sponsor has, to the best of its knowledge, received no specific reports regarding lead based paint in the Building, given the age of the Building and the widespread use of lead-based paint in preceding decades, it can be assumed that there is lead-

based paint present in previously painted parts of the Building which will not or cannot be demolished. For example, there are numerous layers of paint on the walls and façade of the original building and fire escapes. Sponsor makes no representation as to the existence or non-existence of lead-based paint in these locations.

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.



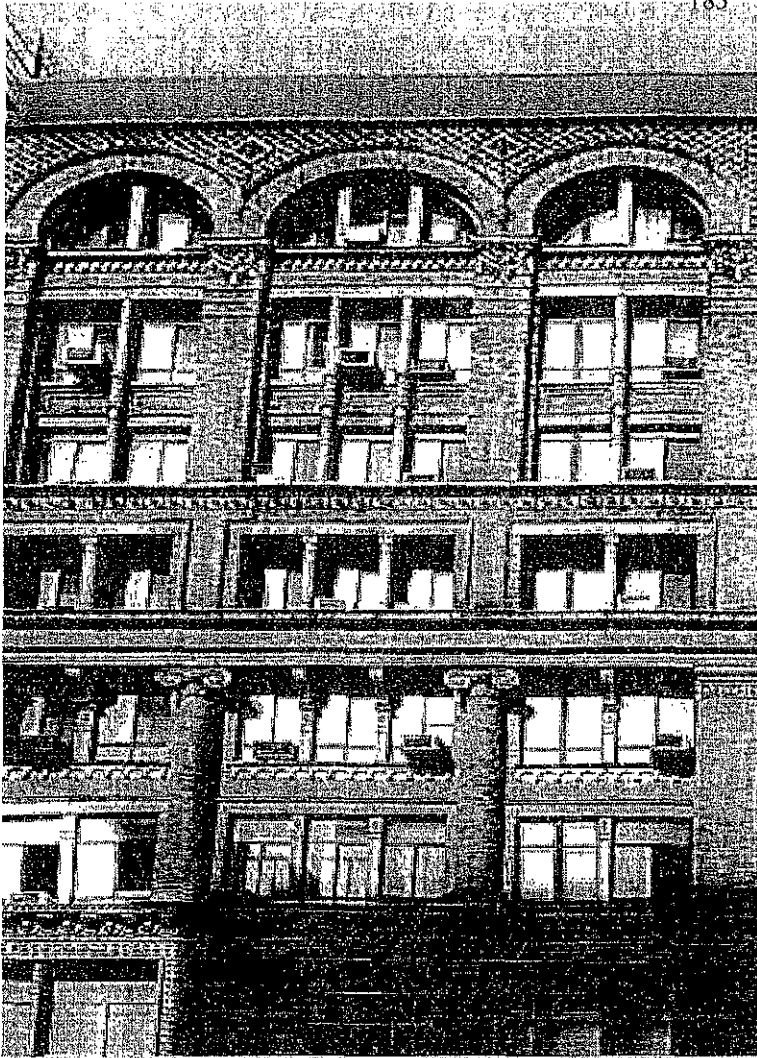
Sign before me this 1st day
of October 2014

Rosemary Uihlein
NOTARY PUBLIC



ROSEMARY H. UIHLEIN
Notary Public, State of New York
No. 01UI6242690
Qualified in New York County
Commission Expires June 6, 2015

ASBESTOS REPORT



SURVEY REPORT
FOR
ASBESTOS-CONTAINING BUILDING
MATERIALS
AT:
37 EAST 12TH STREET
NEW YORK, NY 10003

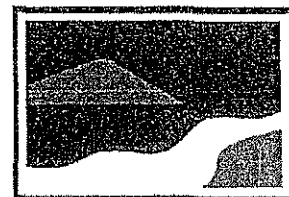
PREPARED FOR:
EDWARD J. MINSKOFF EQUITIES
1325 AVENUE OF THE AMERICAS
NEW YORK, NY 10019

PREPARED BY:
EMTEQUE LLC
1350 BROADWAY, SUITE 1901
NEW YORK, NY 10018-0891

AUGUST 2013

PROJECT NO. 13-6518

EJME



EMTEQUE LLC
A WCD Group Company

ASBESTOS SURVEY REPORT
37 East 12th Street
New York, NY 10003

Prepared for:
Edward J. Minskoff Equities
1325 Avenue of the Americas
New York, NY 10019

Prepared by:
Emteque LLC
1350 Broadway, Suite 1901
New York, NY 10018-0891

August 2013

Emteque, LLC Project No. 13-6518

The following personnel have prepared and/or reviewed this report for accuracy, content, and quality of presentation.

Emteque LLC

Prepared by:
Eric Telemaque
NYS Certified Asbestos Inspector
NYC Asbestos Investigator

TABLE OF CONTENTS

- 1.0 Executive Summary
- 2.0 Methodology
- 3.0 Site Description
- 4.0 Sample Results
- 5.0 Assessment
- 6.0 Conclusions and Recommendations/Cost Estimates
- 7.0 Limitations

APPENDICES

- Appendix A Sample Results
- Appendix B Sample Location Drawings
- Appendix C ACM Location Drawings
- Appendix D Photo log
- Appendix E Certifications; Investigator and Laboratory

1.0. EXECUTIVE SUMMARY

Emteque LLC has been retained by Edward J. Minskoff Equities to provide for a comprehensive asbestos inspection as a precursor to the planned renovations at this location. The areas inspected included the following:

Basement areas, the freight elevator lobby and floors 2 through roof.
The antiques furniture gallery was not included as part of this inspection.

The asbestos survey was performed by Mr. Roy Straughan, New York State Department of Labor Certified Asbestos Inspector on August 7th & 8th, 2013.

Asbestos has been confirmed to exist at 37 East 12th Street. In summary, the following materials have been determined through laboratory analysis to be **asbestos-containing materials**:

- Air Cell Pipe Insulation to Riser (¾") - Beige
- Air Cell Pipe Insulation to 1 ½" Pipe - Beige
- Air Cell Pipe Insulation to 3" Pipe - Beige
- Corrugated Pipe Wrap Insulation to 1" Pipe - Beige
- Flashing Composite Membrane, bottom layer, Black
- Pipe Fitting Insulation - Grey
- Tar Paper Composite Membrane- Bottom Layer - 3rd Layer- Black
- Tar Paper Composite Membrane- Bottom Layer - 2nd Layer- Black (results indicated both positive and negative asbestos content in the samples, it is recommended that all materials be treated as ACM)
- Tar to brick parapet wall, top layer
- Tar to brick parapet wall - black, bottom layer

Materials which through laboratory analysis did not contain asbestos include the following:

- Caulk to edge of Metal Strip at Flashing - Grey
- Caulk to Parapet - Metal Cap
- Ceiling plaster, white coat, top layer
- Ceiling plaster, brown coat, bottom layer
- Cementitious Floor Fill Material Below Sleeper - Brown
- Flashing Membrane, Top Layer, Black/Grey
- Grey sheetrock
- Horse Hair Pipe Insulation- Brown
- Roof Membrane, top layer, Black/Grey
- Roof Membrane- Top Layer, 4th Layer - Black
- Roof Screed, Bottom Layer, 1st layer - Grey
- Tar Paper Composite Membrane, Bottom Layer, 2nd Layer - Black
- Tar to water tower base
- Tar Membrane Below Caulk at edge of Metal Strip at Flashing - Black
- Tar to parapet metal cap
- Wall plaster, brown coat, bottom layer
- Wall plaster, white coat, top layer
- White joint compound
- Window Frame Caulking - Grey
- Window Glazing - Beige
- Window Sill Caulking - Grey

2.0 METHODOLOGY

The survey for asbestos-containing materials (ACM) follows the Asbestos Hazard Emergency Response Act (AHERA) protocols established by the United States Environmental Protection Agency, and the United States Environmental protection Agency's, "Guidance for Controlling Asbestos-Containing Materials in Buildings", EPA 560/5-85-024, dated June, 1985. These guidelines prescribe sampling and materials condition and hazard assessment guidelines. The survey for ACM was conducted in a manner consistent ASTM E2356 Standard Practice for Comprehensive Building Surveys for sample collection, laboratory analysis, and assessment of ACM conditions.

Bulk samples of suspect ACM were collected as per the EPA definition of "homogeneous area" (similarity of suspect material as indicated by age, type, color, and/or use), and analyzed for the presence of asbestos via Polarized Light Microscopy (PLM) with dispersion staining in accordance with EPA Interim Method of the Determination of Asbestos in Bulk Insulation Samples. In accordance with New York State Department of Health Environmental Laboratory Accreditation Program (NYSDOH ELAP), non-friable organically bound samples which tested negative for asbestos via PLM were further analyzed via Transmission Electron Microscopy (TEM). All asbestos bulk sample analysis was conducted by Metro Analytical Laboratories, Inc. The analytical laboratory was instructed to perform "Positive Stop" analysis, meaning that if a sample in a homogeneous sample group was reported as containing greater than 1% asbestos, the material is considered an ACM, and the remaining samples of that homogeneous sample group were not analyzed. In addition, spray on fireproofing and plasters have also been analyzed for the presence of vermiculite in accordance with recently issued New York State Department of Health regulatory notices.

The inspection included limited probes to access normally inaccessible ACM materials. These probes have been made through perimeter plaster/sheetrock systems to verify the absence of asbestos waterproofing on exterior brick and CMU, probes of perimeter risers to determine the locations of heating risers, areas above drop acoustical ceiling systems, and areas below tenant floor finishes (i.e. carpet, wood flooring, etc.). Foundation waterproofing if present could not be accessed during the survey. In the event that waterproofing is noted during the demolition work, all activities should cease until the waterproofing has been confirmed non-asbestos containing.

A summary table of our findings, along with Chain of Custodies and laboratory results can be found in **Appendix A**. Laboratory analysis has been subcontracted to a New York State ELAP certified laboratory, Metro Analytical Laboratories, 255 West 36th Street, Suite 203, NYC, NY 10018.

3.0 SITE DESCRIPTION

The structure located at 37 East 12th Street is an 8-story property built approximately in 1900 with one level below grade. Heating is accomplished through a boiler system which feeds cast iron radiators. Air conditioning is through window units. The construction of the building is terracotta arches and plaster. The floors for the most part are wood floors on joists. As part of this inspection areas below the wood floors were probed to verify the absence/ presence of asbestos insulated heated pipes. Heating pipes for the most part were bare and not insulated. Probes were also made to access the domestic water piping and the pipes are un- insulated. The inspection included the basement areas, the freight elevator lobby and floors 2 through roof. The antiques furniture gallery was not included as part of this inspection. The inspection included roof areas and the exterior windows.

A Photo Log can be viewed in **Appendix D**.

4.0 SAMPLE RESULTS

Asbestos-containing materials

Sample locations points are illustrated on Sample Location Drawings in Appendix B. Materials determined through laboratory analysis to be asbestos-containing are depicted on the "Sample Location Drawings" with boxed-out sample numbers. ACM and their locations are shown in the following table.

Location	Floor	Location	Material	Qty
882013-55	8	East of Window in Room to SW Corner	Air Cell Pipe Insulation to Riser (3/4")	3 LF
882013-58	8	Room in SW Corner	Air Cell Pipe Insulation to 1 1/2" Pipe	30 LF
882013-61	8	South Section of Floor - Near Stairway	Corrugated Pipe Wrap Insulation to 1" Pipe	100 LF
882013-64	8	Near Stairway to Roof	Air Cell Pipe Insulation to 3" Pipe	200 LF
882013-67	Bsmt	Boiler Room	Pipe Fitting Insulation	24 LF
882013-70	Bsmt	Boiler Room	Pipe Elbow Insulation	50 LF
882013-84	Roof	South Parapet Wall - (12th St.) - E	Tar to Brick Parapet Wall - Black - Bottom Layer	300 SF
882013-90	Roof	West Parapet Wall	Tar to Brick Parapet Wall	250 SF
882013-92	Roof	NE on North Skylight	Roof Membrane above Wood - Bottom Layer	246 SF
882013-96	Roof	South Parapet Wall	Flashing Composite Membrane - Bottom Layer	500 SF
882013-104	Roof	Center of Roof	Composite Tar Membrane Bottom Layer - 2 nd and 3 rd	3400 SF

All of the sample results have been summarized in Tables which are located in **Appendix A** and include the date of sample collection, sample number, a description of the material and the results of the analysis. Drawings indicating the locations of ACM materials have been included in **Appendix C**.

5.0 ASSESSMENT

An assessment of the asbestos-containing materials was not performed, since the purpose of this inspection was to identify ACM materials which might be impacted by the proposed work. In accordance with New York State and New York City requirements, ACM materials which may be impacted by the proposed work must be removed prior to the work.

6.0 CONCLUSIONS AND RECOMMENDATIONS/COST ESTIMATES

Asbestos has been confirmed to exist in various locations in the facilities surveyed. Based on NYC and NYS regulations, asbestos abatement must be performed as a precursor to the demolition of the structures. Asbestos abatement must be performed by a New York State certified asbestos abatement contractor and must be monitored by an independent third party air monitor. As part of this assignment, we have prepared specifications and drawings for asbestos abatement which detail the required work practices for the abatement. These documents have been provided under separate cover.

Based on our historical knowledge of the asbestos abatement industry, we have prepared cost estimates for abatement based on the following assumptions:

1. Union labor.
2. Demolition to access ACM materials by others.
3. Work will be awarded as a single package.

7.0 LIMITATIONS

The inspection was conducted to identify any ACM in accessible client designated areas of the subject property. Any suspect materials encountered during future renovation activities that have not been tested should be assumed to be ACM and treated as such. During proposed renovation/alteration and/or demolition activities, if any suspect building materials are observed, work shall stop immediately and the Owner's environmental consultant will be notified.

All the professional opinions presented in this report are based solely on the scope of work conducted and sources referred to in our report. The data presented by Emteque LLC in this report was collected and analyzed using generally accepted industry methods and practices at the time the report was generated. This report represents the conditions, locations, and materials that were observed at the time the fieldwork was conducted. The scope of work for this project did not include an assessment of other environmental conditions which might exist on the premises. No inferences regarding other conditions, locations, or materials, at a later or earlier time may be made based on the contents of the report. No other warranty, express or limited is made. This report was prepared for the sole use of our client. The use of this report by anyone other than our client or Emteque LLC is strictly prohibited without the expressed written consent of Emteque LLC. Portions of this report may not be used independent of the entire report.

Blgd	Fil	Location	Material	Qty	Unit	Price	Extended Cost
882013-55	8	East of Window in Room to SW Corner	Air Cell Pipe Insulation to Riser (3/4')	3	LF	\$ 25	\$ 75
882013-58	8	Room in SW Corner	Air Cell Pipe Insulation to 1 1/2" Pipe	30	LF	\$ 25	\$ 750
882013-61	8	South Section of Floor - Near Stairway	Corrugated Pipe Wrap Insulation to 1" Pipe	100	LF	\$ 25	\$ 2,500
882013-64	8	Near Stairway to Roof	Air Cell Pipe Insulation to 3" Pipe	200	LF	\$ 25	\$ 25,000
882013-67	Bsmt	Boiler Room	Pipe Fitting Insulation	24	LF	\$ 20	\$ 480
882013-70	Bsmt	Boiler Room	Pipe Elbow Insulation	50	LF	\$ 20	\$ 1,000
882013-84	Roof	South Parapet Wall - (12th St.) - E	Tar to Brick Parapet Wall - Black - Bottom Layer	300	SF	\$ 30	\$ 900
882013-90	Roof	West Parapet Wall	Tar to Brick Parapet Wall	250	SF	\$ 30	\$ 7,500
882013-92	Roof	NE on North Skylight	Roof Membrane above Wood - Bottom Layer	246	SF	\$ 30	\$ 7,200
882013-96	Roof	South Parapet Wall	Flashing Composite Membrane - Bottom Layer	500	SF	\$ 30	\$ 15,000
882013-104	Roof	Center of Roof	Composite Tar Membrane Bottom Layer - 2 nd and 3 rd	3500	SF	\$ 30	\$ 105,000
TOTAL						\$ 290	\$ 165,405

APPENDIX A

SAMPLE RESULTS



Edward Minskoff Equities
37 E. 12th Street
Asbestos Analysis of Materials via Polarized Light Microscopy (PLM)
and Transmission Electron Microscopy (TEM)

DATE	SAMP #	FLR	LOCATION	MATERIAL	PLM % Total Asbestos	PLM NOB % Total Asbestos	TEM % Total Asbestos
08/07/13	882013-1	8	West of SE Stairway Entrance	Ceiling Plaster - Brown Coat - Bottom Layer	None Detected	N/A	N/A
08/07/13	882013-2	8	Center of Room to SW	Ceiling Plaster - Brown Coat - Bottom Layer	None Detected	N/A	N/A
08/07/13	882013-3	8	Near Window 2nd from W at 12th St.	Ceiling Plaster - Brown Coat - Bottom Layer	None Detected	N/A	N/A
08/07/13	882013-4	8	Mid West Wall (12th St.)	Ceiling Plaster - Brown Coat - Bottom Layer	None Detected	N/A	N/A
08/07/13	882013-5	8	North East Corner	Ceiling Plaster - Brown Coat - Bottom Layer	None Detected	N/A	N/A
08/07/13	882013-6	8	Center of Floor Area	Ceiling Plaster - Brown Coat - Bottom Layer	None Detected	N/A	N/A
08/07/13	882013-7	Bsmt	South at Center of Room	Ceiling Plaster - Brown Coat - Bottom Layer	None Detected	N/A	N/A
08/07/13	882013-8	Bsmt	Center of Room	Ceiling Plaster - Brown Coat - Bottom Layer	None Detected	N/A	N/A
08/07/13	882013-9	Bsmt	North at Center of Room	Ceiling Plaster - Brown Coat - Bottom Layer	None Detected	N/A	N/A
08/07/13	882013-10	8	West of SE Stairway Entrance	Ceiling Plaster - White Coat - Top Layer	None Detected	N/A	N/A
08/07/13	882013-11	8	Center of Room to SW	Ceiling Plaster - White Coat - Top Layer	None Detected	N/A	N/A
08/07/13	882013-12	8	Near Window 2nd from W at 12th St.	Ceiling Plaster - White Coat - Top Layer	None Detected	N/A	N/A
08/07/13	882013-13	8	Mid West Wall (12th St.)	Ceiling Plaster - White Coat - Top Layer	None Detected	N/A	N/A
08/07/13	882013-14	8	North East Corner	Ceiling Plaster - White Coat - Top Layer	None Detected	N/A	N/A
08/07/13	882013-15	8	Center of Floor Area	Ceiling Plaster - White Coat - Top Layer	None Detected	N/A	N/A
08/07/13	882013-16	Bsmt	South in Middle	Ceiling Plaster - White Coat - Top Layer	None Detected	N/A	N/A
08/07/13	882013-17	Bsmt	Center of Room	Ceiling Plaster - White Coat - Top Layer	None Detected	N/A	N/A
08/07/13	882013-18	Bsmt	North in Middle	Ceiling Plaster - White Coat - Top Layer	None Detected	N/A	N/A
08/07/13	882013-19	8	East Along South Wall	Wall Plaster - Brown Coat - Bottom Layer	None Detected	N/A	N/A
08/07/13	882013-20	8	South Along West Wall	Wall Plaster - Brown Coat - Bottom Layer	None Detected	N/A	N/A
08/07/13	882013-21	8	NE Corner (North on East Wall)	Wall Plaster - Brown Coat - Bottom Layer	None Detected	N/A	N/A
08/07/13	882013-22	8	West Wall in Room to South West	Wall Plaster - Brown Coat - Bottom Layer	None Detected	N/A	N/A
08/07/13	882013-23	8	North on West Wall	Wall Plaster - Brown Coat - Bottom Layer	None Detected	N/A	N/A
08/07/13	882013-24	8	Near Service Elevator	Wall Plaster - Brown Coat - Bottom Layer	None Detected	N/A	N/A
08/07/13	882013-25	Bsmt	North on West Wall	Wall Plaster - Brown Coat - Bottom Layer	None Detected	N/A	N/A
08/07/13	882013-26	Bsmt	Mid East Wall	Wall Plaster - Brown Coat - Bottom Layer	None Detected	N/A	N/A
08/07/13	882013-27	Bsmt	At Stairway to First Floor	Wall Plaster - Brown Coat - Bottom Layer	None Detected	N/A	N/A
08/07/13	882013-28	8	East Along South Wall	Wall Plaster - White Coat - Top Layer	None Detected	N/A	N/A
08/07/13	882013-29	8	South Along West Wall	Wall Plaster - White Coat - Top Layer	None Detected	N/A	N/A
08/07/13	882013-30	8	NE Corner (North on East Wall)	Wall Plaster - White Coat - Top Layer	None Detected	N/A	N/A
08/07/13	882013-31	8	West Wall in Room to South West	Wall Plaster - White Coat - Top Layer	None Detected	N/A	N/A
08/07/13	882013-32	8	North on West Wall	Wall Plaster - White Coat - Top Layer	None Detected	N/A	N/A
08/07/13	882013-33	8	Near Service Elevator	Wall Plaster - White Coat - Top Layer	None Detected	N/A	N/A
08/07/13	882013-34	Bsmt	North on West Wall	Wall Plaster - White Coat - Top Layer	None Detected	N/A	N/A
08/07/13	882013-35	Bsmt	Mid East Wall	Wall Plaster - White Coat - Top Layer	None Detected	N/A	N/A
08/07/13	882013-36	Bsmt	At Stairway to First Floor	Wall Plaster - White Coat - Top Layer	None Detected	N/A	N/A
08/07/13	882013-37	Bsmt	Elevator Mach. Rm. - SE Elevator Pit	Wall Plaster - Brown Coat - Bottom Layer	None Detected	N/A	N/A
08/07/13	882013-38	Bsmt	Elevator Mach. Rm. - SW Elevator Pit	Wall Plaster - Brown Coat - Bottom Layer	None Detected	N/A	N/A
08/07/13	882013-39	Bsmt	Elevator Mach. Rm. - Near Entrance	Wall Plaster - Brown Coat - Bottom Layer	None Detected	N/A	N/A
08/07/13	882013-40	Bsmt	Elevator Mach. Rm. - SE Elevator Pit	Wall Plaster - White Coat - Top Layer	None Detected	N/A	N/A
08/07/13	882013-41	Bsmt	Elevator Mach. Rm. - SW Elevator Pit	Wall Plaster - White Coat - Top Layer	None Detected	N/A	N/A
08/07/13	882013-42	Bsmt	Elevator Mach. Rm. - Near Entrance	Wall Plaster - White Coat - Top Layer	None Detected	N/A	N/A
08/07/13	882013-43	7	NE Corner of Floor	Sheetrock - Grey	None Detected	N/A	N/A
08/07/13	882013-44	7	NE Corner of Floor	Sheetrock - Grey	None Detected	N/A	N/A
08/07/13	882013-45	7	NE Corner of Floor	Joint Compound - White	None Detected	N/A	N/A
08/07/13	882013-46	7	NE Corner of Floor	Joint Compound - White	None Detected	N/A	N/A
08/07/13	882013-47	8	East Window - 12th St. Side	Window Sill Caulking - Grey	N/A	Inconclusive: None Detected	None Detected
08/07/13	882013-48	8	West Window - 12th St. Side	Window Sill Caulking - Grey	N/A	Inconclusive: None Detected	None Detected
08/07/13	882013-49	8	East Window - 12th St. Side	Window Frame Caulking - Grey	N/A	Inconclusive: None Detected	None Detected
08/07/13	882013-50	8	West Window - 12th St. Side	Window Frame Caulking - Grey	N/A	Inconclusive: None Detected	None Detected
08/07/13	882013-51	8	NE Window - North Wall	Window Glazing - Beige	N/A	Inconclusive: None Detected	None Detected
08/07/13	882013-52	8	East Window - North Wall	Window Glazing - Beige	N/A	Inconclusive: None Detected	None Detected
08/07/13	882013-53	8	West Probe	Cementitious Floor Fill Material Below Sleeper - Brown	None Detected	N/A	N/A
08/07/13	882013-54	8	South Probe	Cementitious Floor Fill Material Below Sleeper - Brown	None Detected	N/A	N/A
08/07/13	882013-55	8	East of Window in Room to SW Corner	Air Cell Pipe Insulation to Riser (3/4") - Beige	20% Chrysotile	N/A	N/A
08/07/13	882013-56	8	East of Window in Room to SW Corner	Air Cell Pipe Insulation to Riser (3/4") - Beige	Not Analyzed (+) Stop	N/A	N/A
08/07/13	882013-57	8	East of Window in Room to SW Corner	Air Cell Pipe Insulation to Riser (3/4") - Beige	Not Analyzed (+) Stop	N/A	N/A



Edward Minskoff Equities
37 E. 12th Street
Asbestos Analysis of Materials via Polarized Light Microscopy (PLM)
and Transmission Electron Microscopy (TEM)

DATE	SAMP #	FLOOR	LOCATION	MATERIAL	PLM % Total Asbestos	PLM NOB % Total Asbestos	TEM % Total Asbestos
08/07/13	882013-58	8	Room in SW Corner	Air Cell Pipe Insulation to 1 1/2" Pipe - Beige	4% Chrysotile	N/A	N/A
08/07/13	882013-59	8	Room in SW Corner	Air Cell Pipe Insulation to 1 1/2" Pipe - Beige	Not Analyzed (+) Stop	N/A	N/A
08/07/13	882013-60	8	Room in SW Corner	Air Cell Pipe Insulation to 1 1/2" Pipe - Beige	Not Analyzed (+) Stop	N/A	N/A
08/07/13	882013-61	8	South Section of Floor - Near Stairway	Corrugated Pipe Wrap Insulation to 1" Pipe - Beige	2.5% Chrysotile	N/A	N/A
08/07/13	882013-62	8	South Section of Floor - Mid	Corrugated Pipe Wrap Insulation to 1" Pipe - Beige	Not Analyzed (+) Stop	N/A	N/A
08/07/13	882013-63	8	Mid Section of Floor - Center	Corrugated Pipe Wrap Insulation to 1" Pipe - Beige	Not Analyzed (+) Stop	N/A	N/A
08/07/13	882013-64	8	Near Stairway to Roof	Air Cell Pipe Insulation to 3" Pipe - Beige	10% Chrysotile	N/A	N/A
08/07/13	882013-65	8	Room to SW	Air Cell Pipe Insulation to 3" Pipe - Beige	Not Analyzed (+) Stop	N/A	N/A
08/07/13	882013-66	Bsmt	Boiler Room	Air Cell Pipe Insulation to 3" Pipe - Beige	Not Analyzed (+) Stop	N/A	N/A
08/07/13	882013-67	Bsmt	Boiler Room	Pipe Fitting Insulation - Grey	10.0% Chrysotile	N/A	N/A
08/07/13	882013-68	Bsmt	Boiler Room	Pipe Fitting Insulation - Grey	Not Analyzed (+) Stop	N/A	N/A
08/07/13	882013-69	Bsmt	Boiler Room	Pipe Fitting Insulation - Grey	Not Analyzed (+) Stop	N/A	N/A
08/07/13	882013-70	Bsmt	Boiler Room	Pipe Elbow Insulation - Grey	12.5% Chrysotile	N/A	N/A
08/07/13	882013-71	Bsmt	Boiler Room - E	Pipe Fitting Insulation - Grey	Not Analyzed (+) Stop	N/A	N/A
08/07/13	882013-72	Bsmt	Boiler Room - E	Pipe Elbow Insulation - Grey	Not Analyzed (+) Stop	N/A	N/A
08/07/13	882013-73	Roof	Pipe from Storage Tank - SW	Horse Hair Pipe Insulation - Brown	None Detected	N/A	N/A
08/07/13	882013-74	Roof	Pipe from Storage Tank - SW	Horse Hair Pipe Insulation - Brown	None Detected	N/A	N/A
08/07/13	882013-75	Roof	Pipe from Storage Tank - SW	Horse Hair Pipe Insulation - Brown	None Detected	N/A	N/A
08/07/13	882013-76	Roof	West Parapet Wall - Mid	Black Tar Membrane Below Caulk at Edge of Metal Strip at Flashing	N/A	Inconclusive: None Detected	None Detected
08/07/13	882013-77	Roof	East Parapet Wall - Mid	Black Tar Membrane Below Caulk at Edge of Metal Strip at Flashing	N/A	Inconclusive: None Detected	None Detected
08/07/13	882013-78	Roof	West Parapet Wall - Mid	Caulk at Edge of Metal Strip at Flashing - Grey	N/A	Inconclusive: None Detected	None Detected
08/07/13	882013-79	Roof	East Parapet Wall - Mid	Caulk at Edge of Metal Strip at Flashing - Grey	N/A	Inconclusive: None Detected	None Detected
08/07/13	882013-80	Roof	West Parapet Wall	Caulk to Parapet Metal Cap	N/A	Inconclusive: None Detected	None Detected
08/07/13	882013-81	Roof	West Parapet Wall	Caulk to Parapet Metal Cap	N/A	Inconclusive: None Detected	None Detected
08/07/13	882013-82	Roof	West Parapet Wall - S	Tar to Parapet Metal Cap	N/A	Inconclusive: None Detected	None Detected
08/07/13	882013-83	Roof	West Parapet Wall - N	Tar to Parapet Metal Cap	N/A	Inconclusive: None Detected	None Detected
08/07/13	882013-84	Roof	South Parapet Wall - (12th St.) - E	Tar to Brick Parapet Wall - Black - Bottom Layer	N/A	Inconclusive: None Detected	4.2% Chrysotile
08/07/13	882013-85	Roof	South Parapet Wall - (12th St.) - W	Tar to Brick Parapet Wall - Black - Bottom Layer	N/A	Inconclusive: None Detected	Not Analyzed (+) Stop
08/07/13	882013-86	Roof	South Parapet Wall - (12th St.) - E	Screed Above Tar to Parapet Wall - Top Layer	None Detected	N/A	N/A
08/07/13	882013-87	Roof	South Parapet Wall - (12th St.) - W	Screed Above Tar to Parapet Wall - Top Layer	None Detected	N/A	N/A
08/07/13	882013-88	Roof	SW Corner	Tar to Water Tower Base	N/A	Inconclusive: None Detected	None Detected
08/07/13	882013-89	Roof	SW Corner	Tar to Water Tower Base	N/A	Inconclusive: None Detected	None Detected
08/07/13	882013-90	Roof	West Parapet Wall	Tar to Brick Parapet Wall	N/A	12.0% Chrysotile	Not Analyzed
08/07/13	882013-91	Roof	West Parapet Wall	Tar to Brick Parapet Wall	N/A	Not Analyzed (+) Stop	Not Analyzed
08/07/13	882013-92	Roof	NE on North Skylight	Roof Membrane above Wood - Bottom Layer - Black	N/A	Inconclusive: None Detected	6.0% Chrysotile
08/07/13	882013-93	Roof	SW on South Skylight	Roof Membrane above Wood - Bottom Layer - Black	N/A	Inconclusive: None Detected	Not Analyzed (+) Stop
08/07/13	882013-94	Roof	NE on North Skylight	Roof Membrane - Top Layer - Black/Grey	N/A	Inconclusive: None Detected	None Detected
08/07/13	882013-95	Roof	SW on South Skylight	Roof Membrane - Top Layer - Black/Grey	N/A	Inconclusive: None Detected	None Detected
08/07/13	882013-96	Roof	South Parapet Wall	Flashing Composite Membrane - Bottom Layer - Black	N/A	8.5% Chrysotile	Not Analyzed
08/07/13	882013-97	Roof	North Parapet Wall	Flashing Composite Membrane - Bottom Layer - Black	N/A	Not Analyzed (+) Stop	Not Analyzed
08/07/13	882013-98	Roof	South Parapet Wall	Flashing Membrane - Top Layer - Black/Grey	N/A	Inconclusive: None Detected	None Detected
08/07/13	882013-99	Roof	North Parapet Wall	Flashing Membrane - Top Layer - Black/Grey	N/A	Inconclusive: None Detected	None Detected
08/07/13	882013-100	Roof	North Center Near Elev. Mach. Room	Roof Screed - Bottom Layer - 1st Layer - Grey	None Detected	N/A	N/A
08/07/13	882013-101	Roof	South Center	Roof Screed - Bottom Layer - 1st Layer - Grey	None Detected	N/A	N/A
08/07/13	882013-102	Roof	North Center	Tar Paper Composite Membrane Bottom Layer - 2nd - Black	N/A	Inconclusive: None Detected	None Detected
08/07/13	882013-103	Roof	South Center	Tar Paper Composite Membrane Bottom Layer - 2nd - Black	N/A	Inconclusive: None Detected	6.6% Chrysotile
08/07/13	882013-104	Roof	North Center	Composite Tar Membrane Bottom Layer - 3rd - Black	N/A	7.2% Chrysotile	Not Analyzed
08/07/13	882013-105	Roof	South Center	Composite Tar Membrane Bottom Layer - 3rd - Black	N/A	Not Analyzed (+) Stop	Not Analyzed
08/07/13	882013-106	Roof	North Center	Roof Membrane - Top Layer - 4th - Black	N/A	Inconclusive: None Detected	None Detected
08/07/13	882013-107	Roof	South Center	Roof Membrane - Top Layer - 4th - Black	N/A	Inconclusive: None Detected	None Detected



255 West 36th St., Suite 203
New York, NY 10018
P: (212) 695-0165 F: (212) 695-0183

ASBESTOS ANALYSIS of BULK SAMPLE by POLARIZED LIGHT MICROSCOPY and TRANSMISSION ELECTRON MICROSCOPY

Client: Entaque LLC - A WCD Group Company
Address: 1350 Broadway New York NY 10018
P: (212) 631-8000 F: (212) 631-8066
Contact: Eric Telemaque
M:
E: etelemaque@wcdgroup.com

Contract: Edward Minkskoff Equities
Client Job #: 13-6518
Location: 37 E. 12th Street
Roof, 8th, 7th Floors + Basement
New York NY
Sampled By: Roy Straughan
Sampled Date: 8/7/2013 + 8/8/2013
Turnaround Time: 48 hrs

Metro Lab ID #: B1308088
Sample Received: 8/8/2013
PLM Analysis Date: 8/9/2013
TEM Analysis Date: 8/10/2013
Report By: Moe Soliman
Report Date: 8/10/2013

Summary of Analysis							
LAB ID #	Client Sample #	Sample Description	Test	Fibrous Material	Non-Fibrous Material	Asbestos	Total Asbestos
1	882013-1	Brown Homogeneous Granular S - WEST OF SE STAIRWAY ENTRANCE - CEILING PLASTER - BROWN COAT - BOTTOM LAYER	PLM - 199.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected	
2	882013-2	Brown Homogeneous Granular S - CENTER OF ROOM TO SOUTHWEST - CEILING PLASTER - BROWN COAT - BOTTOM LAYER	PLM - 198.1 Friable PLM - 198.9 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected	
3	882013-3	Brown Homogeneous Granular S - NEAR WINDOW SECOND FROM WEST AT 12TH STREET - CEILING PLASTER - BROWN COAT - BOTTOM LAYER	PLM - 198.1 Friable PLM - 198.9 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected	
4	882013-4	Brown Homogeneous Granular S - MID WEST WALL (214ST) - CEILING PLASTER - BROWN COAT - BOTTOM LAYER	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected	
5	882013-5	Brown Homogeneous Granular S - NORTH EAST CORNER - CEILING PLASTER - BROWN COAT - BOTTOM LAYER	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected	
6	882013-6	Brown Homogeneous Granular S - CENTER OF FLOOR AREA - CEILING PLASTER - BROWN COAT - BOTTOM LAYER	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected	
7	882013-7	Brown Homogeneous Granular BASEMENT - SOUTH AT CENTER OF ROOM - CEILING PLASTER - BROWN COAT - BOTTOM LAYER	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected	
8	882013-8	Brown Homogeneous Granular BASEMENT - CENTER OF ROOM - CEILING PLASTER - BROWN COAT - BOTTOM LAYER	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected	
9	882013-9	Brown Homogeneous Granular BASEMENT - NORTH AT CENTER OF ROOM - CEILING PLASTER - BROWN COAT - BOTTOM LAYER	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected	
10	882013-10	White Homogeneous Fine Grained S - WEST OF SE STAIRWAY ENTRANCE - CEILING PLASTER - WHITE COAT - TOP LAYER	PLM - 199.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected	
Comments							

Ramrazad Yafabandi

Ramrazad Yafabandi
Laboratory Director

Moe Soliman *Ramrazad Yafabandi*

Moe Soliman / Ramrazad Yafabandi
Laboratory Analyst - PLM

Ramrazad Yafabandi

Ramrazad Yafabandi
Laboratory Analyst - TEM

12003

NYS ELAP ID #

ASBESTOS ANALYSIS of BULK SAMPLE
by POLARIZED LIGHT MICROSCOPY and
TRANSMISSION ELECTRON MICROSCOPY

Client: Emlague LLC - A WCD Group Company
Address: 1350 Broadway
New York NY 10018
P: (212) 631-9000 F: (212) 631-8066
Contact: Eric Telamaque
M:
E: etelamaque@wcdgroup.com

Contract: Edward Minskoff Equities
Client Job #: 13-B513
Location: 37 E. 12th Street
Roof, 8th, 7th Floors + Basement
New York NY
Sampled By: Roy Straughan
Sampled Date: 8/7/2013 + 8/8/2013
Turnaround Time: 48 hrs

Metro Lab ID #: B1308088

Sample Received: 8/8/2013
PLM Analysis Date: 8/9/2013
TEM Analysis Date: 8/10/2013
Report By: Moe Soliman
Report Date: 8/10/2013

Summary of Analysis									
LAB ID #	Client Sample #	Sample Description	Test	Fibrous Material	Non-Fibrous Material	Asbestos	Total Asbestos		
11	882013-11	White Homogenous Fine Grained 2-CENTER OF ROOM TO SOUTH WEST - CEILING PLASTER - WHITE COAT - TOP LAYER	PLM - 100.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected			
12	882013-12	White Homogenous Fine Grained 8 - NEAR WINDOW SECOND FROM WAT 12TH ST - CEILING PLASTER - WHITE COAT - TOP LAYER	PLM - 100.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected			
13	882013-13	White Homogenous Fine Grained 8 - MID WEST WALL (12TH ST) - CEILING PLASTER - WHITE COAT - TOP LAYER	PLM - 100.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected			
14	882013-14	White Homogenous Fine Grained 8 - NORTH EAST CORNER - CEILING PLASTER - WHITE COAT - TOP LAYER	PLM - 100.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected			
15	882013-15	White Homogenous Fine Grained 8 - CENTER OF FLOOR AREA - CEILING PLASTER - WHITE COAT - TOP LAYER	PLM - 100.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected			
16	882013-16	White Homogenous Fine Grained BASEMENT - SOUTH IN MIDDLE - CEILING PLASTER - WHITE COAT - TOP LAYER	PLM - 100.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected			
17	882013-17	White Homogenous Fine Grained BASEMENT - CENTER OF ROOM - CEILING PLASTER - WHITE COAT - TOP LAYER	PLM - 100.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected			
18	882013-18	White Homogenous Fine Grained BASEMENT - NORTH IN MIDDLE - CEILING PLASTER - WHITE COAT - TOP LAYER	PLM - 100.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected			
19	882013-19	Brown Homogenous Granular 8 - EAST ALONG SOUTH WALL - WALL PLASTER - BROWN COAT - BOTTOM LAYER	PLM - 100.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected			
20	882013-20	Brown Homogenous Granular 8 - SOUTH ALONG WEST WALL - WALL PLASTER - BROWN COAT - BOTTOM LAYER	PLM - 100.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected			
Comments									

Ramprasad Yellabandi
Ramprasad Yellabandi
Laboratory Director

Moe Soliman
Moe Soliman / Ramprasad Yellabandi
Laboratory Analyst - PLM

Ramprasad Yellabandi
Ramprasad Yellabandi
Laboratory Analyst - TEM

12003
NYS ELAP ID #

ASBESTOS ANALYSIS of BULK SAMPLE
by POLARIZED LIGHT MICROSCOPY and
TRANSMISSION ELECTRON MICROSCOPY

Client: Enlieque LLC - A WCD Group Company
Address: 1350 Broadway
New York NY 10018
P: (212) 631-9000 F: (212) 631-8066
Contact: Eric Telemarque
M:
E: etelemarque@wcdgroup.com

Contract: Edward Minkskoff Equities
Client Job #: 13-6518
Location: 37 E. 12th Street
Roof, 6th, 7th Floors + Basement
New York NY
Sampled By: Roy Straughan
Sampled Date: 8/7/2013 + 8/8/2013
Turnaround Time: 48 hrs

Metro Lab ID #: B1308088

Sample Received: 8/8/2013
PLM Analysis Date: 8/9/2013
TEM Analysis Date: 8/10/2013
Report By: Moe Soliman
Report Date: 8/10/2013

Summary of Analysis							
LAB ID #	Client Sample #	Sample Description	Test	Fibrous Material	Non-Fibrous Material	Asbestos	Total Asbestos
21	882013-21	8th - Homogeneous Granular S - NE CORNER (NORTH ON EAST WALL - WALL PLASTER - BROWN COAT - BOTTOM LAYER	PLM - 199.1 Friable PLM - 199.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected	
22	882013-22	Brown Homogeneous Granular S - WEST WALL IN ROOM TO SOUTH WEST - WALL PLASTER - BROWN COAT - BOTTOM LAYER	PLM - 199.1 Friable PLM - 199.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected	
23	882013-23	Brown Homogeneous Granular S - NORTH ON WEST WALL - WALL PLASTER - BROWN COAT - BOTTOM LAYER	PLM - 199.1 Friable PLM - 199.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected	
24	882013-24	Brown Homogeneous Granular S - NEAR SERVICE ELEVATOR - WALL PLASTER - BROWN COAT - BOTTOM LAYER	PLM - 199.1 Friable PLM - 199.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected	
25	882013-25	Brown Homogeneous Granular S - NORTH ON WEST WALL - WALL PLASTER - BROWN COAT - BOTTOM LAYER	PLM - 199.1 Friable PLM - 199.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected	
26	882013-26	Brown Homogeneous Granular S - MID EAST WALL - WALL PLASTER - BROWN COAT - BOTTOM LAYER	PLM - 199.1 Friable PLM - 199.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected	
27	882013-27	Brown Homogeneous Granular S - AT STAIRWAY TO FIRST FLOOR - WALL PLASTER - BROWN COAT - BOTTOM LAYER	PLM - 199.1 Friable PLM - 199.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected	
28	882013-28	White Homogeneous Fine Grained 8TH - EAST ALONG SOUTH WALL - WALL PLASTER - WHITE COAT - TOP LAYER	PLM - 199.1 Friable PLM - 199.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected	
29	882013-29	White Homogeneous Fine Grained 8TH - SOUTH ALONG WEST WALL - WALL PLASTER - WHITE COAT - TOP LAYER	PLM - 199.1 Friable PLM - 199.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected	
30	882013-30	White Homogeneous Fine Grained 8TH - NORTH ON EAST WALL - WALL PLASTER - WHITE COAT - TOP LAYER	PLM - 199.1 Friable PLM - 199.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected	
Comments							

Ram Yalabandi

Ram Yalabandi
Laboratory Director

Moe Soliman

Moe Soliman / Ram Yalabandi
Laboratory Analyst - PLM

Ram Yalabandi

Ram Yalabandi
Laboratory Analyst - TEM

12003

NYS ELAP ID #

ASBESTOS ANALYSIS of BULK SAMPLE
by POLARIZED LIGHT MICROSCOPY and
TRANSMISSION ELECTRON MICROSCOPY

Client: Enclave LLC - A WCD Group Company
Address: 1350 Broadway
New York NY 10018
P: (212) 631-8000 F: (212) 631-8066

Contract: Edward Minskoff Equities
Client Job #: 13-6518
Location: 37 E. 12th Street
Roof, 8th, 7th Floors + Basement
New York NY
Sampled By: Roy Staughon
Sampled Date: 8/7/2013 + 8/8/2013
Turnaround Time: 48 hrs

Metro Lab ID #: B1308088

Sample Received: 8/8/2013
PLM Analysis Date: 8/9/2013
TEM Analysis Date: 8/10/2013
Report By: Moe Soliman
Report Date: 8/10/2013

Contact: Eric Telamaque
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E: stelamaque@wcdgroup.com

Summary of Analysis									
LAB ID #	Client Sample #	Sample Description	Test	Fibrous Material	Non-Fibrous Material	Asbestos	Total Asbestos		
21	882013-31	White Homogenous Fine Grained B - WEST WALL IN ROOM TO SOUTH WEST - WALL PLASTER - WHITE COAT - TOP LAYER	PLM - 198.1 Friable PLM - 198.8 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected			
32	882013-32	White Homogenous Fine Grained B - NORTH ON WEST WALL - WALL PLASTER - WHITE COAT - TOP LAYER	PLM - 198.1 Friable PLM - 198.8 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected			
33	882013-33	White Homogenous Fine Grained B - NEAR SERVICE ELEVATOR - WALL PLASTER - WHITE COAT - TOP LAYER	PLM - 198.1 Friable PLM - 198.8 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected			
34	882013-34	White Homogenous Fine Grained B - NORTH ON WEST WALL - WALL PLASTER - WHITE COAT - TOP LAYER	PLM - 198.1 Friable PLM - 198.8 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected			
35	882013-35	White Homogenous Fine Grained B - MID EAST WALL - WALL PLASTER - WHITE COAT - TOP LAYER	PLM - 198.1 Friable PLM - 198.8 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected			
36	882013-36	White Homogenous Fine Grained B - AT STAIRWAY TO FIRST FLOOR - WALL PLASTER - WHITE COAT - TOP LAYER	PLM - 198.1 Friable PLM - 198.8 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected			
37	882013-37	Brown Homogenous Granular B - ELEVATOR MACH. RM. - SE ELEVATOR PIT - WALL PLASTER - BROWN COAT - BOTTOM LAYER	PLM - 198.1 Friable PLM - 198.8 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected			
38	882013-38	Brown Homogenous Granular B - ELEVATOR MACH. RM. - SW ELEVATOR PIT - WALL PLASTER - BROWN COAT - BOTTOM LAYER	PLM - 198.1 Friable PLM - 198.8 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected			
39	882013-39	Brown Homogenous Granular B - ELEVATOR MACH. RM. - NEAR ENTRANCE - WALL PLASTER - BROWN COAT - BOTTOM LAYER	PLM - 198.1 Friable PLM - 198.8 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected			
40	882013-40	White Homogenous Fine Grained B - ELEVATOR MACH. RM. - SE ELEVATOR PIT - WALL PLASTER - WHITE COAT - TOP LAYER	PLM - 198.1 Friable PLM - 198.8 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected			
Comments									

Ramprasad Yallebandi
Ramprasad Yallebandi
Laboratory Director

Moe Soliman / Ramprasad Yallebandi
Moe Soliman / Ramprasad Yallebandi
Laboratory Analyst - PLM

Ramprasad Yallebandi
Ramprasad Yallebandi
Laboratory Analyst - TEM

12003
NYS ELAP ID #



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ASBESTOS ANALYSIS of BULK SAMPLE by POLARIZED LIGHT MICROSCOPY and TRANSMISSION ELECTRON MICROSCOPY

Client: Entaque LLC - A WCD Group Company
Address: 1350 Broadway New York NY 10018
P: (212) 631-9000 F: (212) 631-8086
Contact: Eric Telemague
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E: etelemague@wcdgroup.com

Contract: Edward Minskoff Equities
Client Job #: 13-6518
Location: 37 E. 12th Street
Roof, 8th, 7th Floors + Basement
New York NY
Sampled By: Roy Straughan
Sampled Date: 8/7/2013 + 8/8/2013
Turnaround Time: 48 hrs

Metro Lab ID #: B1308088
Sample Received: 8/8/2013
PLM Analysis Date: 8/9/2013
TEM Analysis Date: 8/10/2013
Report By: Moe Sulman
Report Date: 8/10/2013

Summary of Analysis

LAB ID #	Client Sample #	Sample Description	Test	Fibrous Material	Non-Fibrous Material	Asbestos	Total Asbestos
41	882013-41	White Homogeneous Fine Grained 8 - ELEVATOR MACHINE ROOM - SW ELEVATOR PIT - WALL PLASTER - WHITE COAT - TOP LAYER	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected	
42	882013-42	White Homogeneous Fine Grained 8 - ELEVATOR MACHINE ROOM - NEAR ENTRANCE - WALL PLASTER - WHITE COAT - TOP LAYER	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected	
43	882013-43	Brown/Grey Inhomogeneous Fibrous 7TH - NE CORNER OF FLOOR - SHEET ROCK - GREY	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB	20% Cellulose	80% Gypsum	None Detected	
44	882013-44	Brown/Grey Inhomogeneous Fibrous 7TH - NE CORNER OF FLOOR - SHEET ROCK - GREY	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB	70% Cellulose	70% Gypsum	None Detected	
45	882013-45	White Homogeneous Fine Grained 7TH - NE CORNER OF FLOOR - JOINT COMPOUND - WHITE	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected	
46	882013-46	White Homogeneous Fine Grained 7TH - NE CORNER OF FLOOR - JOINT COMPOUND - WHITE	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected	
47	882013-47	Grey Homogeneous NOB 8 - EAST WINDOW - 12 STREET SIDE - WINDOW SILL CAULKING - GREY	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		Inconclusive	None Detected None Detected	
48	882013-48	Grey Homogeneous NOB 8 - WEST WINDOW - 12 STREET SIDE - WINDOW SILL CAULKING - GREY	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		Inconclusive	None Detected None Detected	
49	882013-49	Grey Homogeneous NOB 8 - EAST WINDOW - 12 STREET SIDE - WINDOW FRAME CAULK - GREY	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		Inconclusive	None Detected None Detected	
50	882013-50	Grey Homogeneous NOB 8 - WEST WINDOW - 12 STREET SIDE - WINDOW FRAME CAULK - GREY	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		Inconclusive	None Detected None Detected	
Comments							

Ramon Yellebandi
Laboratory Director

Moe Sulman / Ramon Yellebandi
Laboratory Analyst - PLM

Ramon Yellebandi
Laboratory Analyst - TEM

12003
NYS ELAP ID #

ASBESTOS ANALYSIS of BULK SAMPLE
by POLARIZED LIGHT MICROSCOPY and
TRANSMISSION ELECTRON MICROSCOPY

Client: Enbridge LLC - A WCD Group Company
Address: 1350 Broadway
New York NY 10018
P: (212) 631-8000 F: (212) 631-8066
Contact: Eric Telemague
M:
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Contract: Edward Minskoff Equities
Client Job #: 13-8518
Location: 37 E 12th Street
Roof, 5th, 7th Floors + Basement
New York NY
Sampled By: Roy Straughan
Sampled Date: 8/7/2013 + 8/8/2013
Turnaround Time: 48 hrs

Metro Lab ID #: B1308088

Sample Received: 8/8/2013
PLM Analysis Date: 8/9/2013
TEM Analysis Date: 8/10/2013
Report By: Moe Soliman
Report Date: 8/10/2013

Summary of Analysis									
LAB ID #	Client Sample #	Sample Description	Test	Fibrous Material	Non-Fibrous Material	Asbestos	Total Asbestos		
51	882013-51	Beige Homogeneous NOB B - NE WINDOW - NORTH WALL - WINDOW GLAZING - BEIGE	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB			Inconclusive None Detected			
52	882013-52	Beige Homogeneous NOB S - E WINDOW - NORTH WALL - WINDOW GLAZING - BEIGE	PLM - 198.1 Friable PLM - 198.5 NOB TEM - 198.4 NOB			Inconclusive None Detected			
53	882013-53	Brown Homogeneous Granular S - WEST PROBE - CEMENTITIOUS FLOOR FILL MATERIAL BELOW SLEEPER - BROWN	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected			
54	882013-54	Brown Homogeneous Granular S - SOUTH PROBE - CEMENTITIOUS FLOOR FILL MATERIAL BELOW SLEEPER - BROWN	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected			
55	882013-55	Beige Homogeneous Fibrous S - E OF WINDOW IN ROOM TO SW CORNER - AIR CELL PIPE INSULATION TO RISER (2/7) - BEIGE	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB	80% Cellulose		20% Chrysotile	20.0%		
56	882013-56	Beige Homogeneous Fibrous S - E OF WINDOW IN ROOM TO SW CORNER - AIR CELL PIPE INSULATION TO RISER (2/7) - BEIGE	PLM - 198.1 Friable PLM - 198.5 NOB TEM - 198.4 NOB			Not Analyzed Positive Stop			
57	882013-57	Beige Homogeneous Fibrous S - E OF WINDOW IN ROOM TO SW CORNER - AIR CELL PIPE INSULATION TO RISER (2/7) - BEIGE	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB			Not Analyzed Positive Stop			
58	882013-58	Beige Homogeneous Fibrous S - ROOM IN SOUTH WEST CORNER - AIR CELL PIPE INSULATION TO 1 1/2" PIPE - BEIGE	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB	98% Cellulose		4% Chrysotile	4.0%		
59	882013-59	Beige Homogeneous Fibrous S - ROOM IN SOUTH WEST CORNER - AIR CELL PIPE INSULATION TO 1 1/2" PIPE - BEIGE	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB			Not Analyzed Positive Stop			
60	882013-60	Beige Homogeneous Fibrous S - ROOM IN SOUTH WEST CORNER - AIR CELL PIPE INSULATION TO 1 1/2" PIPE - BEIGE	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB			Not Analyzed Positive Stop			

Comments

Ramprasad Yallabandi

Ramprasad Yallabandi
Laboratory Director

Moe Soliman

Moe Soliman / Ram Yallabandi
Laboratory Analyst - PLM

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Laboratory Analyst - TEM

12005

NYS ELAP ID #



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ASBESTOS ANALYSIS of BULK SAMPLE by POLARIZED LIGHT MICROSCOPY and TRANSMISSION ELECTRON MICROSCOPY

Client: Enrteque LLC - A WCD Group Company
Address: 1350 Broadway
New York NY 10018
P: (212) 631-8000 F: (212) 631-8086

Contract: Edward Minskoff Equities
Client Job #: 13-5515
Location: 37 E. 12th Street
Roof, 8th, 7th Floors + Basement
New York NY

Metro Lab ID #: B1308088

Contact: Eric Telemague
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Sampled By: Roy Shaughan
Sampled Date: 8/7/2013 + 8/8/2013
Turnaround Time: 48 hrs

Sample Received: 8/8/2013
PLM Analysis Date: 8/9/2013
TEM Analysis Date: 8/10/2013
Report By: Moe Soliman
Report Date: 8/10/2013

Summary of Analysis

LAB ID #	Client Sample #	Sample Description	Test	Fibrous Material	Non-Fibrous Material	Asbestos	Total Asbestos
61	882013-61	Beige Homogenous Fibrous 8TH - SOUTH SECTION OF FLOOR - NEAR STAIRWAY - CORRUGATED PIPE WRAP INSULATION TO 1" PIPE - BEIGE	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB	7.5% Cellulose	90% Non-Fibrous	2.5% Chrysotile	2.5%
62	882013-62	Beige Homogenous Fibrous 8TH - SOUTH SECTION OF FLOOR - NEAR STAIRWAY - CORRUGATED PIPE WRAP INSULATION TO 1" PIPE - BEIGE	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB			Not Analyzed Positive Stop	
63	882013-63	Beige Homogenous Fibrous 8TH - MID SECTION OF FLOOR - CENTER - CORRUGATED PIPE WRAP INSULATION TO 1" PIPE - BEIGE	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB			Not Analyzed Positive Stop	
64	882013-64	Beige Homogenous Fibrous 8TH - NEAR STAIRWAY TO ROOF - AIRCELL PIPE INSULATION TO 3" PIPE - BEIGE	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB	70% Cellulose	20% Gypsum	10% Chrysotile	10.0%
65	882013-65	Beige Homogenous Fibrous 8TH - ROOM TO SOUTH WEST - AIRCELL PIPE INSULATION TO 6" PIPE - BEIGE	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB			Not Analyzed Positive Stop	
66	882013-66	Beige Homogenous Fibrous 8 - BOILER ROOM IN BASEMENT - AIRCELL PIPE INSULATION TO 3" PIPE - BEIGE	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB			Not Analyzed Positive Stop	
67	882013-67	Grey Homogenous Fibrous 8 - BOILER ROOM IN BASEMENT - PIPE FITTING INSULATION - GREY	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		90% Gypsum	10.0% Chrysotile	10.0%
68	882013-68	Grey Homogenous Fibrous 8 - BOILER ROOM IN BASEMENT - PIPE FITTING INSULATION - GREY	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB			Not Analyzed Positive Stop	
69	882013-69	Grey Homogenous Fibrous 8 - BOILER ROOM IN BASEMENT - PIPE FITTING INSULATION - GREY	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB			Not Analyzed Positive Stop	
70	882013-70	Grey Homogenous Fibrous 8 - BOILER ROOM IN BASEMENT - PIPE ELBOW INSULATION - GREY	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB	13% Cellulose	70% Gypsum	12.5% Chrysotile	12.5%
Comments							

Ramprasad Yellabandi

Ramprasad Yellabandi
Laboratory Director

Moe Soliman

Moe Soliman / Ram Yellabandi
Laboratory Analyst - PLM

Ramprasad Yellabandi

Ramprasad Yellabandi
Laboratory Analyst - TEM

12003

NYS ELAP ID #



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ASBESTOS ANALYSIS of BULK SAMPLE by POLARIZED LIGHT MICROSCOPY and TRANSMISSION ELECTRON MICROSCOPY

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P: (212) 631-8000 F: (212) 631-8066

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E: etelemague@wcdgroup.com

Contract: Edward Minskoff Equities
Client Job #: 13-6618
Location: 37 E. 12th Street
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Sampled By: Roy Straughan
Sampled Date: 8/7/2013 + 8/8/2013
Turnaround Time: 48 hrs

Metro Lab ID #: B1308088

Sample Received: 8/8/2013
PLM Analysis Date: 8/9/2013
TEM Analysis Date: 8/10/2013
Report By: Moe Soliman
Report Date: 8/10/2013

Summary of Analysis

LAB ID #	Client Sample #	Sample Description	Test	Fibrous Material	Non-Fibrous Material	Asbestos	Total Asbestos
71	882013-71	Grey Homogenous Fibrous B - BOILER ROOM IN BASEMENT - E - PIPE ELBOW INSULATION - GREY	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB			Not Analyzed Positive Stop	
72	882013-72	Grey Homogenous Fibrous B - BOILER ROOM IN BASEMENT - E - PIPE ELBOW INSULATION - GREY	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB			Not Analyzed Positive Stop	
73	882013-73	Brown Homogenous Fibrous R - PIPE FROM STORAGE TANK ON ROOF - SW - HORSE HAIR PIPE INSULATION - BROWN	PLM - 188.1 Friable PLM - 188.6 NOB TEM - 188.4 NOB	100% Hair		None Detected	
74	882013-74	Brown Homogenous Fibrous R - PIPE FROM STORAGE TANK ON ROOF - SW - HORSE HAIR PIPE INSULATION - BROWN	PLM - 188.1 Friable PLM - 188.6 NOB TEM - 188.4 NOB	100% Hair		None Detected	
75	882013-75	Brown Homogenous Fibrous R - PIPE FROM STORAGE TANK ON ROOF - SW - HORSE HAIR PIPE INSULATION - BROWN	PLM - 188.1 Friable PLM - 188.6 NOB TEM - 188.4 NOB	100% Hair		None Detected	
76	882013-76	Black Homogenous NOB R - WEST PARAPET WALL - MID - TAR MEMBRANE BELOW CAULKAT EDGE OF METAL STRIP AT FLASHING - BLACK	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB			Inconclusive None Detected None Detected	
77	882013-77	Black Homogenous NOB R - EAST PARAPET WALL - MID - TAR MEMBRANE BELOW CAULKAT EDGE OF METAL STRIP AT FLASHING - BLACK	PLM - 198.1 Friable PLM - 188.6 NOB TEM - 198.4 NOB			Inconclusive None Detected None Detected	
78	882013-78	Grey Homogenous NOB R - WEST PARAPET WALL - MID - CAULKAT EDGE OF METAL STRIP AT FLASHING - GREY	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB			Inconclusive None Detected None Detected	
79	882013-79	Grey Homogenous NOB R - EAST PARAPET WALL - MID - CAULKAT EDGE OF METAL STRIP AT FLASHING - GREY	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB			Inconclusive None Detected None Detected	
80	882013-80	Grey Homogenous NOB R - WEST PARAPET WALL - CAULK TO PARAPET METAL CAP	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB			Inconclusive None Detected None Detected	
Comments							

Ramona Yalaband
Laboratory Director

Moe Soliman / Ramona Yalaband
Laboratory Analyst - PLM

Ramona Yalaband
Laboratory Analyst - TEM

12008
NYS BLAP ID #

ASBESTOS ANALYSIS of BULK SAMPLE
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Address: 1350 Broadway
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Contact: Eric Telemachus
M: etelemachus@wcdgroup.com
E: etelemachus@wcdgroup.com

Contract: Edward Minkosoff Equities
Client Job #: 13-6518
Location: 37 E. 12th Street
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New York NY
Sampled By: Roy Straughan
Sampled Date: 8/7/2013 + 8/8/2013
Turnaround Time: 48 hrs

Metro Lab ID #: B1308088

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Report By: Moe Soliman
Report Date: 8/10/2013

Summary of Analysis									
LAB ID #	Client Sample #	Sample Description	Test	Fibrous Material	Non-Fibrous Material	Asbestos	Total Asbestos		
81	882013-81	Grey Homogenous NOB R - WEST PARAPET WALL - CAULK TO PARAPET METAL CAP	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB			Inconclusive None Detected None Detected			
82	882013-82	Black Homogenous NOB R - WEST PARAPET WALL - S - TAR TO PARAPET METAL CAP	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB			Inconclusive None Detected None Detected			
83	882013-83	Black Homogenous NOB R - WEST PARAPET WALL - N - TAR TO PARAPET METAL CAP	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB			Inconclusive None Detected None Detected			
84	882013-84	Black Homogenous NOB R - SOUTH PARAPET WALL - (12TH ST) - E - TAR TO BRICK PARAPET WALL - BLACK - BOTTOM LAYER	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB			Inconclusive None Detected 4.2% Chrysotile	4.2%		
85	882013-85	Black Homogenous NOB R - SOUTH PARAPET WALL - (12TH ST) - W - TAR TO BRICK PARAPET WALL - BLACK - BOTTOM LAYER	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB			Inconclusive None Detected Positive Stop			
86	882013-86	Grey Homogenous Granular R - SOUTH PARAPET WALL - (12TH ST) - E - SCREED ABOVE TAR TO PARAPET WALL - TOP LAYER	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected Not Analyzed None Detected			
87	882013-87	Grey Homogenous Granular R - SOUTH PARAPET WALL - (12TH ST) - W - SCREED ABOVE TAR TO PARAPET WALL - TOP LAYER	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB		100% Non-Fibrous	None Detected			
88	882013-88	Black Homogenous NOB R - SOUTH WEST CORNER - TAR TO WATER TOWER BASE	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB			Inconclusive None Detected None Detected			
89	882013-89	Black Homogenous NOB R - SOUTH WEST CORNER - TAR TO WATER TOWER BASE	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB			Inconclusive None Detected None Detected			
90	882013-90	Black Homogenous NOB R - WEST PARAPET WALL - TAR TO BRICK PARAPET WALL	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB			12.0% Chrysotile Not Analyzed	12.0%		
Comments									

Ramprasad Yalabandi

Ramprasad Yalabandi
Laboratory Director

Moe Soliman / Ramprasad Yalabandi

Moe Soliman / Ramprasad Yalabandi
Laboratory Analyst - PLM

Ramprasad Yalabandi

Ramprasad Yalabandi
Laboratory Analyst - TEM

12003

NYS ELAP ID #

ASBESTOS ANALYSIS of BULK SAMPLE
by POLARIZED LIGHT MICROSCOPY and
TRANSMISSION ELECTRON MICROSCOPY

Client: Entique LLC - A WCD Group Company
Address: 1350 Broadway
New York NY 10018
P: (212) 631-9000 P: (212) 631-8068
Contact: Eric Telemague
M:
E: etelemague@wcdgroup.com

Contract: Edward Minskoff Equities
Client Job #: 13-6518
Location: 37 E. 12th Street
Roof, 8th, 7th Floor + Basement
New York NY
Sampled By: Roy Straughan
Sampled Date: 8/7/2013 + 8/8/2013
Turnaround Time: 48 hrs

Metro Lab ID #: B1308088

Sample Received: 8/8/2013
PLM Analysis Date: 8/9/2013
TEM Analysis Date: 8/10/2013
Report By: Moe Soliman
Report Date: 8/10/2013

Summary of Analysis

LAB ID #	Client Sample #	Sample Description	Test	Fibrous Material	Non-Fibrous Material	Asbestos	Total Asbestos
91	882013-91	Black Homogenous NOB R - WEST PARAPET WALL - TAR TO BRICK PARAPET WALL	PLM - 198.1 Friable PLM - 198.8 NOB TEM - 198.4 NOB			Positive Stop Not Analyzed Not Analyzed	
92	882013-92	Black Homogenous NOB R - NE ON NORTH SKYLIGHT - ROOF MEMBRANE ABOVE WOOD - BOTTOM LAYER - BLACK	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB			Inconclusive None Detected 6.0% Chrysotile	5.0%
93	882013-93	Black Homogenous NOB R - SW ON SOUTH SKYLIGHT - ROOF MEMBRANE ABOVE WOOD - BOTTOM LAYER - BLACK	PLM - 198.1 Friable PLM - 198.6 NOB TEM - 198.4 NOB			Inconclusive Positive Stop None Detected Not Analyzed	
94	882013-94	Black Homogenous NOB R - NE ON NORTH SKYLIGHT - ROOF MEMBRANE - TOP LAYER - BLACK/GREY	PLM - 198.1 Friable PLM - 198.8 NOB TEM - 198.4 NOB			Inconclusive None Detected None Detected	
95	882013-95	Black Homogenous NOB R - SW ON SOUTH SKYLIGHT - ROOF MEMBRANE - TOP LAYER - BLACK/GREY	PLM - 198.1 Friable PLM - 198.8 NOB TEM - 198.4 NOB			Inconclusive None Detected None Detected	
96	882013-96	Black Homogenous NOB R - SOUTH PARAPET WALL - FLASHING COMPOSITE MEMBRANE - BOTTOM LAYER - BLACK	PLM - 198.1 Friable PLM - 198.8 NOB TEM - 198.4 NOB			8.5% Chrysotile Not Analyzed	8.5%
97	882013-97	Black Homogenous NOB R - NORTH PARAPET WALL - FLASHING COMPOSITE MEMBRANE - BOTTOM LAYER - BLACK	PLM - 198.1 Friable PLM - 198.8 NOB TEM - 198.4 NOB			Positive Stop Not Analyzed Not Analyzed	
98	882013-98	Black Homogenous NOB R - SOUTH PARAPET WALL - FLASHING MEMBRANE - TOP LAYER - BLACK/GREY	PLM - 198.1 Friable PLM - 198.8 NOB TEM - 198.4 NOB			Inconclusive None Detected None Detected	
99	882013-99	Black Homogenous NOB R - NORTH PARAPET WALL - FLASHING MEMBRANE - TOP LAYER - BLACK/GREY	PLM - 198.1 Friable PLM - 198.8 NOB TEM - 198.4 NOB			Inconclusive None Detected None Detected	
100	882013-100	Grey Homogenous Granular R - NORTH CENTER NEAR BLEV. MACH. ROOM - ROOF SCREEN - BOTTOM LAYER - 1ST LAYER - GREY	PLM - 198.1 Friable PLM - 198.8 NOB TEM - 198.4 NOB	100% Non-Fibrous		None Detected None Detected	
Comments							

Ramsey Yalabandi
Ramy Yalabandi
Laboratory Director

Moe Soliman / Ramy Yalabandi
Moe Soliman / Ramy Yalabandi
Laboratory Analyst - PLM

Ramsey Yalabandi
Ramy Yalabandi
Laboratory Analyst - TEM

12003

NYS SLIP ID #

Notes Regarding All Reports

- The samples in this report were not collected by this laboratory.
- All inhomogeneous layers of the bulk samples were analyzed separately.
- The report shall not be reproduced, except in full, without the written approval of the laboratory.
- This report relates only to the samples tested. It may not be used by the client to claim project endorsement by NVLAP, NYS ELAP, or any other government agency.
- All samples will be properly disposed of after 3 months, unless otherwise directed by client in writing.
- If any sample is determined, by point counting, to contain 10% or more vermiculite then the laboratory will report it to be ACM, as per ELAP.
- Percentages are calculated using the EPA equivalent Stratified Point-Count Method.
- Analytical results are sometimes based on the residue percentage(s) provided by the client along with the NOB filters. Trace denotes asbestos detected at < 1%.
- Quality Control data (including 95% confidence limits, laboratory / analysis accuracy and precision) is available upon request.
- Polarized Light Microscopy is not consistently reliable in detecting asbestos in floor coverings and similar non-friable organically bound materials. Quantitative TEM is currently the only method that can be used to determine if this material can be considered or treated as non-asbestos containing.

Notes Regarding All Tests

- Bulk Sample Analysis by Polarized Light Microscopy (PLM) Friable adheres to EPA/600/M4-082-20 and NYS ELAP 198.1.
- Bulk Sample Analysis by Polarized Light Microscopy (PLM) NOB adheres to NYS ELAP 198.6. This method does not remove vermiculite and may underestimate the level of asbestos present in a sample containing greater than 10% vermiculite.
- Bulk Sample Analysis by Transmission Electron Microscopy (TEM) NOB adheres to NYS ELAP Method 198.4.
- Air Sample Analysis by Phase Contrast Microscopy (PCM) adheres to Method NIOSH-7400.

Asque LLC

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PCT#

B1308088

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ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

EMTEQUE PROJECT NO.: 13-6518			LOCATION(S) SURVEYED: 805 5 th FLOOR - EASTWING			
CLIENT: EDWARD KINKS OFF EQUITIES			SCOPE OF WORK:			
PROJECT SITE: 37 E. 11 th STREET, NY, NY			INSPECTOR: DT STRAUHAN DATE(S) OF INSPECTION: 5-7-2013 & 5-8-2013			
PROJECT MANAGER: ELLC TORGHERAVE						

FLOOR	FUNCTIONAL SPACE AREA DESCRIPTION	SAMPLE No.	HID	HOMOGENEOUS MATERIAL DESCRIPTION	QUANTITY (LBS)	ASSESSMENT		ASBESTOS CONTENT %
						COND	FRIAB	
8	WEST OF SE STAIRWAY ENTRANCE	88203-1	A	CEILING PLASTER - 3/4" THICK GAT - BOTTOM LAYER	3400 SF	1, 2, 3, 4, 5, 6, 7 G MD P	(F) NF	PLM: TEM:
1	CORNER OF ROOM TO SOUTH WEST	-2				1, 2, 3, 4, 5, 6, 7 G MD P	(F) NF	PLM: TEM:
	NORTH WINDOW SECOND FLOOR WEST AT 10 th STREET	-3				1, 2, 3, 4, 5, 6, 7 G MD P	(F) NF	PLM: TEM:
	SOUTH WEST WALL (GAT)	-4				1, 2, 3, 4, 5, 6, 7 G MD P	(F) NF	PLM: TEM:
	NORTH EAST CORNER	-9				1, 2, 3, 4, 5, 6, 7 G MD P	(F) NF	PLM: TEM:
1	CORNER OF PUCK AREA	-6				1, 2, 3, 4, 5, 6, 7 G MD P	(F) NF	PLM: TEM:
8	WEST OF SE STAIRWAY ENTRANCE	-7				1, 2, 3, 4, 5, 6, 7 G MD P	(F) NF	PLM: TEM:
1	CORNER OF ROOM	-8				1, 2, 3, 4, 5, 6, 7 G MD P	(F) NF	PLM: TEM:
1	NORTH AT CORNER OF ROOM	-9				1, 2, 3, 4, 5, 6, 7 G MD P	(F) NF	PLM: TEM:
8	WEST OF SE STAIRWAY ENTRANCE	-10	B	CEILING PLASTER - WHITE GAT - TOP LAYER		1, 2, 3, 4, 5, 6, 7 G MD P	(F) NF	PLM: TEM:

PHYSICAL CONDITION ASSESSMENT	FRIABLE	TURN AROUND TIME ☐ 8 HRS ☐ 24 HRS ☐ 48 HRS ☐ OTHER	PLM - POLARIZED LIGHT MICROSCOPY	NYSDOL INSPECTOR CERTIFICATE NO.: A4
			TEM - TRANSMISSION ELECTRON MICROSCOPY	
1 Damaged or Significantly Damaged Fibrous TSI 2 Damaged Fibrous Surface ACM 3 Significantly Damaged Fibrous Surface ACM 4 Damaged or Significantly Damaged Fibrous Material, ACM 5 ACM with potential for Damage 6 ACM with potential for Significant Damage 7 Remaining Fibrous or Suspect ACM G - Good / MD - Minor Damage / P - Poor	Yes (Y) No (N)	RELINQUISHED BY: DT STRAUHAN RECEIVED BY: Michael P. Soto RELINQUISHED BY: RY EDS RECEIVED BY: RY EDS	DATE: 8/8/13 DATE: 8/8/13 DATE: 05/10/13	TIME: 12:30 TIME: 5:00 PM TIME: 4:30 AM

COMMENTS: Analyzed by: M. Soto 5/9/13

ANALYZE: ☐ ALL ☒ STOP AT FIRST DETECTION



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ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

EMTEQUE PROJECT NO.: <u>13-6518</u>				LOCATION(S) SURVEYED: <u>Loft 218th Floor, 3rd Avenue</u>			
CLIENT: <u>EDWARD H. KATZ & ASSOCIATES</u>				SCOPE OF WORK:			
PROJECT SITE: <u>37 E. 17th St. NY, NY</u>				INSPECTOR: <u>Tom G. Sullivan</u> DATE(S) OF INSPECTION: <u>8/29 & 8/30/13</u>			
PROJECT MANAGER: <u>GILL TERNAN</u>							

FLOOR	FUNCTIONAL SPACE AREA DESCRIPTION	SAMPLE No.	HOMOGENEOUS		QUANTITY (LBS/SF)	ASSESSMENT		ASBESTOS CONTENT %
			HID	MATERIAL DESCRIPTION		COND	FRIAB	
8	CORNER OF ROOM TO SOUTH COR	882013-11	3	CEILING PLASTER - WHITE SOFT - TOP LAYER	3600 SF	1,2,3,4, 5,6,7 GMD P	(F) NF	PLM: TEM:
	NORTH WINDOW SOUTH FLOOR AT 12 th ST	12				1,2,3,4, 5,6,7 GMD P	(F) NF	PLM: TEM:
	NED WEST WALL (12 th ST)	13				1,2,3,4, 5,6,7 GMD P	(F) NF	PLM: TEM:
	NORTH EAST CORNER	14				1,2,3,4, 5,6,7 GMD P	(F) NF	PLM: TEM:
	CORNER OF POOL AREA	15				1,2,3,4, 5,6,7 GMD P	(F) NF	PLM: TEM:
	SOUTH IN MIDDLE	16				1,2,3,4, 5,6,7 GMD P	(F) NF	PLM: TEM:
	CORNER OF POOL	17				1,2,3,4, 5,6,7 GMD P	(F) NF	PLM: TEM:
	NORTH IN MIDDLE	18				1,2,3,4, 5,6,7 GMD P	(F) NF	PLM: TEM:
8	CURT ALONG SOUTH WALL	19	C	WALL COASTER - BROWN COAT BOTTOM LAYER	300 SF	1,2,3,4, 5,6,7 GMD P	(F) NF	PLM: TEM:
8	CURT ALONG WEST WALL	20				1,2,3,4, 5,6,7 GMD P	(F) NF	PLM: TEM:

PHYSICAL CONDITION ASSESSMENT	FRIABLE	TURN AROUND TIME ☐ 8 HRS ☐ 24 HRS ☒ 48 HRS ☐ OTHER	PLM - POLARIZED LIGHT MICROSCOPY TEM - TRANSMISSION ELECTRON MICROSCOPY	NYSDOL INSPECTOR CERTIFICATE NO.: AH
1 Damaged or Significantly Damaged Frieze T&I 2 Damaged or Frieze Surface ACM 3 Significantly Damaged Frieze Surface ACM 4 Damaged or Significantly Damaged Frieze M&I, ACM 5 ACM with potential for Damage 6 ACM with potential for Significant Damage 7 Restoring Frieze or Disrupt ACM G - Good / MD - Minor Damage / P - Poor	Yes (Y) No (N)	RELINQUISHED BY: <u>Tom G. Sullivan</u> DATE: <u>8-3-2013</u> TIME: <u>12:00</u> RECEIVED BY: <u>Michael</u> DATE: <u>8/18/13</u> TIME: <u>5:00 PM</u> RELINQUISHED BY: <u>Tom G. Sullivan</u> DATE: <u>8/10/13</u> TIME: <u>4:30 AM</u> RECEIVED BY: <u>Michael</u> DATE: <u>8/10/13</u> TIME: <u>4:30 AM</u>		1. A Visual determination of accessible suspect materials and condition. 2. Collect bulk samples of suspect building materials. 3. A physical "Hard Pressure" test for determining friability and condition. 4. Assessment of suspect friable and non-friable materials and locations. 5. Quantify the amount of suspect materials in their respective locations. 6. Submit bulk samples for analysis by PLM and/or TEM Method. 7. Bulk Sample locations and suspect materials were identified on the appropriate building floor plan diagram with the sample number. 8. A Chain of Custody record accompanied the samples to the laboratory.
COMMENTS: <u>Analyzed By: Gill Ternan</u> <u>Date: 8/29/13</u>	ANALYZE: ☐ ALL ☒ STOP AT FIRST POSITIVE ☐ PLM ☐ TEM			



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PCT#

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ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

EMTEQUE PROJECT NO.: 13-6518				LOCATION(S) SURVEYED: FOOT, 7th FLOOR, 7th Floor			
CLIENT: EDWARD WILKINSON BUILDERS				SCOPE OF WORK:			
PROJECT SITE: 37 E. 4th St, NY				INSPECTOR: Ron Simulian DATE(S) OF INSPECTION: 8/1/13 & 8/8/2013			
PROJECT MANAGER: CARL ZELINSKY							

FUNCTIONAL SPACE		SAMPLE No.	HOMOGENEOUS		QUANTITY (LF/SF)	ASSESSMENT		ASBESTOS CONTENT %
FLOOR	AREA DESCRIPTION		HID	MATERIAL DESCRIPTION		COND	FRIAB	
8	NE CORNER (NORTH ON EAST WALL)	88203-21	C	WALL PLYSTER - BROWN COAT - BOTTOM LAYER	3000 SF	1, 2, 3, 4, 5, 6, 7 GMD P	(F) NF	PLM: TEM:
	WEST WALL IN ROOM TO SOUTH WEST	-22				1, 2, 3, 4, 5, 6, 7 GMD P	(F) NF	PLM: TEM:
	NORTH ON WEST WALL	-23				1, 2, 3, 4, 5, 6, 7 GMD P	(F) NF	PLM: TEM:
	NORTH SERVICE ELEVATOR	-24				1, 2, 3, 4, 5, 6, 7 GMD P	(F) NF	PLM: TEM:
3	NORTH ON WEST WALL	-25				1, 2, 3, 4, 5, 6, 7 GMD P	(F) NF	PLM: TEM:
	WID EAST WALL	-26				1, 2, 3, 4, 5, 6, 7 GMD P	(F) NF	PLM: TEM:
	AT STAIRWAY TO FIRST FLOOR	-27				1, 2, 3, 4, 5, 6, 7 GMD P	(F) NF	PLM: TEM:
8	EAST ALONG SOUTH WALL	-28	D	WALL PLYSTER - WHITE COAT - TOP LAYER		1, 2, 3, 4, 5, 6, 7 GMD P	(F) NF	PLM: TEM:
	SOUTH ALONG WEST WALL	-29				1, 2, 3, 4, 5, 6, 7 GMD P	(F) NF	PLM: TEM:
	NORTH ON EAST WALL	-30				1, 2, 3, 4, 5, 6, 7 GMD P	(F) NF	PLM: TEM:

PHYSICAL CONDITION ASSESSMENT		FRIABLE		TURN AROUND TIME ☐ 8 HRS ☐ 24 HRS ☐ 48 HRS ☐ OTHER		PLM - POLARIZED LIGHT MICROSCOPY TEM - TRANSMISSION ELECTRON MICROSCOPY		NYSOOL INSPECTOR: CERTIFICATE NO.: AH	
1 Damaged or Significantly Damaged Friable TSI 2 Damaged Friable Swelling ACM 3 Significantly Damaged Friable Swelling ACM 4 Damaged or Significantly Damaged Friable Mica ACM 5 ACM with potential for Damage 6 ACM with potential for Significant Damage 7 Remaining Friable or Suspect ACM G - Good / MD - Minor Damage / P - Poor		Yes (Y) No (N)		RELINQUISHED BY: Ron Simulian DATE: 8-1-2013 TIME: 17:00 RECEIVED BY: Michael DATE: 8/8/13 TIME: 5:00PM RELINQUISHED BY: Ryan DATE: 8/8/13 TIME: 4:30PM RECEIVED BY: Ryan DATE: 8/8/13 TIME: 4:30PM				1. A visual determination of accessible suspect materials and condition. 2. Collect bulk samples of suspect building materials. 3. A physical "Hand Pressure" test for determining friability and condition. 4. Assessment of suspect friable and non-friable materials and locations. 5. Quantify the amount of suspect materials in their respective locations. 6. Submit bulk samples for analysis by PLM and/or TEM Method. 7. Bulk Sample locations and suspect materials were identified on the appropriate building floor plan diagram with the sample number. 8. A Chain of Custody record accompanied the samples to the laboratory.	

COMMENTS: Analyzed By: H. Salzman Date: 8/14/13

ANALYZE: ☐ ALL ☒ STOP AT FIRST POSITIVE ☐ PLM ☐ TEM



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ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

EMTEQUE PROJECT NO.: <u>13-6516</u>				LOCATION(S) SURVEYED: <u>Floor 7 & 8, 7th & 8th, 2nd & 3rd</u>			
CLIENT: <u>GUARDIAN LIFE-ROFF GROUP</u>				SCOPE OF WORK:			
PROJECT SITE: <u>37 E. 12th St, NY</u>				INSPECTOR: <u>For St. Ignace</u> DATE(S) OF INSPECTION: <u>8/7/2013 + 8/8/2013</u>			
PROJECT MANAGER: <u>PAUL TELEMARQUE</u>							

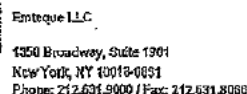
FLOOR	FUNCTIONAL SPACE AREA DESCRIPTION	SAMPLE No.	HOMOGENEOUS		QUANTITY (LF/SF)	ASSESSMENT		ASBESTOS CONTENT %
			HID	MATERIAL DESCRIPTION		COND	FRIAB	
Q	WEST WALL IN HALL TO SCOUT WEST	33/03-71	D	WALL PASTER WHITE COAT TOP LAYER	3000 SF	1, 2, 3, 4, 5, 6, 7 GMD P	Ⓢ NF	PLM: TEM:
	NORTH OR WEST WALL	-71				1, 2, 3, 4, 5, 6, 7 GMD P	Ⓢ NF	PLM: TEM:
V	NEAR SERVICE ELEVATOR	-77				1, 2, 3, 4, 5, 6, 7 GMD P	Ⓢ NF	PLM: TEM:
B	NORTH OR WEST WALL	-74				1, 2, 3, 4, 5, 6, 7 GMD P	Ⓢ NF	PLM: TEM:
	N. 12th WALL	-75				1, 2, 3, 4, 5, 6, 7 GMD P	Ⓢ NF	PLM: TEM:
	AT ENTRANCE TO WEST FLOOR	-76				1, 2, 3, 4, 5, 6, 7 GMD P	Ⓢ NF	PLM: TEM:
B	ELEVATOR HALL RM. - SE ELEVATOR PIT	-77	E	WALL PASTER - BROWN COAT BOTTOM LAYER	500 SF	1, 2, 3, 4, 5, 6, 7 GMD P	Ⓢ NF	PLM: TEM:
	- SW ↓ ↓	-78				1, 2, 3, 4, 5, 6, 7 GMD P	Ⓢ NF	PLM: TEM:
	- NEAR ENTRANCE	-79				1, 2, 3, 4, 5, 6, 7 GMD P	Ⓢ NF	PLM: TEM:
	- SE ELEVATOR PIT	-40	F	WALL PASTER - WHITE COAT - TOP LAYER		1, 2, 3, 4, 5, 6, 7 GMD P	Ⓢ NF	PLM: TEM:

PHYSICAL CONDITION ASSESSMENT	FRIABLE	TURN AROUND TIME: ☐ 6 HRS ☐ 24 HRS ☒ 48 HRS ☐ OTHER	PLM - POLARIZED LIGHT MICROSCOPY TEM - TRANSMISSION ELECTRON MICROSCOPY	NYS DOH INSPECTOR: CERTIFICATE NO.: AH
1 Damaged or Significantly Damaged Friable TSI 2 Damaged Friable Surface ACM 3 Significantly Damaged Friable Surface ACM 4 Damaged or Significantly Damaged Friable TSI, ACM 5 ACM with potential for Damage 6 ACM with potential for Significant Damage 7 Remaining Friable or Suspect ACM G - Good / MD - Minor Damage / P - Poor	Yes (Y) No (N)	RELINQUISHED BY: <u>Ry St Ignace</u> DATE: <u>8/8/2013</u> TIME: <u>17:01</u> RECEIVED BY: <u>Michael Psear</u> DATE: <u>8/8/13</u> TIME: <u>5:00 PM</u> RELINQUISHED BY: <u>Ry St Ignace</u> DATE: <u>8/10/13</u> TIME: <u>4:30 AM</u> RECEIVED BY: <u>Ry St Ignace</u> DATE: <u>8/10/13</u> TIME: <u>4:30 AM</u>		1. A visual determination of accessible suspect materials and condition. 2. Collect bulk samples of suspect building materials. 3. A physical "Hand Pressure" test for determining friability and condition. 4. Assessment of suspect friable and non-friable materials and locations. 5. Quantify the amount of suspect materials in their respective locations. 6. Submit bulk samples for analysis by PLM and/or TEM method. 7. Bulk Sample locations and suspect materials were identified on the appropriate building floor plan diagram with the sample number. 8. A Chain of Custody record accompanied the samples to the laboratory.

COMMENTS: Analyzed by: R. St Ignace
Date: 8/9/13
For

ANALYZE: ☐ ALL ☒ STOP AT FIRST POSITIVE ☒ PLM ☒ TEM

214



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ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

EMTEQUE PROJECT NO.: <u>13-0518</u>				LOCATION(S) SURVEYED: <u>Roof 7th & 8th & Basement</u>			
CLIENT: <u>Edward H. HARRIS JR. LLC</u>				SCOPE OF WORK: _____			
PROJECT SITE: <u>31 E. 12th Street, NY, NY</u>				INSPECTOR: <u>Ray S. MURPHY</u> DATE(S) OF INSPECTION: <u>8/1/2013 & 8/2/2013</u>			
PROJECT MANAGER: <u>ERIC REINHART</u>							

FUNCTIONAL SPACE		SAMPLE No.	HOMOGENEOUS		QUANTITY (LF/SF)	ASSESSMENT		ASBESTOS CONTENT %
FLOOR	AREA DESCRIPTION		HID	MATERIAL DESCRIPTION		COND	FRIAB	
3	BRACKET MECHANICAL ROOM - 5th ST. WATER TANK	35503-41	F	PAINT FLASER - WHITE COAT - TOP LAYER	400 SF	1,2,3,4, 5,6,7 GMD P	(F) NF	PLM: TEM:
↓	↓	42	↓	↓	↓	1,2,3,4, 5,6,7 GMD P	(E) NF	PLM: TEM:
7 th	N.E. CORNER OF FLOOR	43	G	SMOOTH ROCK - CEMENT	NA	1,2,3,4, 5,6,7 GMD P	(F) NF	PLM: TEM:
↓	↓	44	↓	↓	↓	1,2,3,4, 5,6,7 GMD P	(F) NF	PLM: TEM:
↓	↓	45	F	JOINT COMPOUND - WHITE	↓	1,2,3,4, 5,6,7 GMD P	(F) NF	PLM: TEM:
↓	↓	46	↓	↓	↓	1,2,3,4, 5,6,7 GMD P	(F) NF	PLM: TEM:
↓	EAST WINDOW - 12 STREET SIDE	47	I	WINDOW SILL CAULKING - GRAY	91 LF	1,2,3,4, 5,6,7 GMD P	(F) NF	PLM: TEM:
↓	↓	48	↓	↓	↓	1,2,3,4, 5,6,7 GMD P	(F) NF	PLM: TEM:
↓	WEST WINDOW - EAST SIDE	49	S	WINDOW FRAME SHIELD - GRAY	500 LF	1,2,3,4, 5,6,7 GMD P	(F) NF	PLM: TEM:
↓	↓	50	↓	↓	↓	1,2,3,4, 5,6,7 GMD P	(F) NF	PLM: TEM:

PHYSICAL CONDITION ASSESSMENT		FRIABLE	TURN AROUND TIME: ☐ 6 HRS ☐ 24 HRS ☒ 48 HRS ☐ OTHER	PLM - POLARIZED LIGHT MICROSCOPY TEM - TRANSMISSION ELECTRON MICROSCOPY	NYSOOL INSPECTOR: CERTIFICATE NO.: AH
1 Damaged or Significantly Damaged Friction Test 2 Damaged Friction Surface ACMI 3 Significantly Damaged Friction Surface ACMI 4 Damaged or Significantly Damaged Friction Surface ACMI 5 ACMI with potential for Damage 6 ACMI with potential for Damage 7 Maintaining Friction or Stopped ACMI G - Good / MD - Minor Damage / P - Poor	Yes (Y) No (N)	RELINQUISHED BY: <u>Ray S. Murphy</u> DATE: <u>8-8-2013</u> TIME: <u>11:01</u> RECEIVED BY: <u>Eric Reinhardt</u> DATE: <u>8/8/13</u> TIME: <u>9:00 PM</u> RELINQUISHED BY: _____ DATE: _____ TIME: _____ RECEIVED BY: <u>Ray S. Murphy</u> DATE: <u>8/10/13</u> TIME: <u>4:30 PM</u> (NOT PLATED)			

COMMENTS: <u>Analyzed By: M. Salinas</u> <u>8/10/13</u>	ANALYZE: ☐ ALL ☒ STOP AT FIRST POSITIVE ☒ PLM ☒ TEM
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ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

EMTEQUE PROJECT NO.: <u>13-0518</u> CLIENT: <u>EDWARDS MIDDLEBURY COLLEGE</u> PROJECT SITE: <u>30 E. 11th ST., WY, NY</u> PROJECT MANAGER: <u>FALL TELEGRAPH</u>				LOCATION(S) SURVEYED: <u>Room 715th Floor, v. Basement</u> SCOPE OF WORK: _____ INSPECTOR: <u>FOR SIGNATURE</u> DATE(S) OF INSPECTION: <u>3/1/13 & 3/5/13</u>						
FUNCTIONAL SPACE		SAMPLE No.	HOMOGENEOUS		QUANTITY (LBS)	ASSESSMENT		ASBESTOS CONTENT %		
FLOOR	AREA DESCRIPTION		HID	MATERIAL DESCRIPTION		COND	FRIAB			
3	NE WINDOW - NORTH WALL	2013-51	K	WINDOW GLAZING - BROKE	8000 lb	1, 2, 3, 4, 5, 6, 7 G M D P	F NF	PLM: TEM:		
	E WINDOW -	52	↓		↓	1, 2, 3, 4, 5, 6, 7 G M D P	F NF	PLM: TEM:		
	WEST ROSE	53	L	CEMENTATION FLOOR FILL MATERIAL DOWN STAIRS - CRACKS	3000 ^{lb}	1, 2, 3, 4, 5, 6, 7 G M D P	F NF	PLM: TEM:		
	SWING	54	↓		↓	1, 2, 3, 4, 5, 6, 7 G M D P	F NF	PLM: TEM:		
	E OF WINDOW IN FRONT TO SW CORNER	55	M	AIR LEAK PIPE PENETRATION TO 2 nd (3 rd) - FLOOR	3015	1, 2, 3, 4, 5, 6, 7 G M D P	F NF	PLM: TEM:		
		56	↓		↓	1, 2, 3, 4, 5, 6, 7 G M D P	F NF	PLM: TEM:		
		57	↓		↓	1, 2, 3, 4, 5, 6, 7 G M D P	F NF	PLM: TEM:		
	ROOM IN SOUTH WEST CORNER	58	N	AIR LEAK PIPE PENETRATION TO 1 st FLOOR - FLOOR	3018	1, 2, 3, 4, 5, 6, 7 G M D P	F NF	PLM: TEM:		
		59	↓		↓	1, 2, 3, 4, 5, 6, 7 G M D P	F NF	PLM: TEM:		
		60	↓		↓	1, 2, 3, 4, 5, 6, 7 G M D P	F NF	PLM: TEM:		
PHYSICAL CONDITION ASSESSMENT 1 Damaged or Significantly Damaged Friable TSI 2 Damaged or Friable Surface ACM 3 Significantly Damaged Friable Building ACM 4 Damaged or Significantly Damaged Friable Minor ACM 5 ACM with potential for Damage 6 ACM with potential for Significant Damage 7 Remains Friable or Suspect ACM G - Good / MD - Minor Damage / P - Poor			FRIABLE Yes (Y) No (N)		TURN AROUND TIME ☐ 6 HRS ☐ 24 HRS ☒ 48 HRS ☐ OTHER		PLM - POLARIZED LIGHT MICROSCOPY TEM - TRANSMISSION ELECTRON MICROSCOPY		NYS DOH INSPECTOR CERTIFICATE NO.: AH	
RELINQUISHED BY: <u>FOR SIGNATURE</u> DATE: <u>3-5-2013</u> TIME: <u>17:01</u> RECEIVED BY: <u>M. H. H. H.</u> DATE: <u>3/18/13</u> TIME: <u>5:00 PM</u> RELINQUISHED BY: _____ DATE: _____ TIME: _____ RECEIVED BY: <u>R. Y. H. H.</u> DATE: <u>03/10/13</u> TIME: <u>4:50 AM</u> (NYS DOH/TEM)			ANALYZE: ☐ ALL ☒ STOP AT FIRST POSITIVE ☐ PLM ☐ TEM			1. A visual determination of accessible suspect materials and condition. 2. Collect bulk samples of suspect building materials. 3. A physical "Hand Pressure" test for determining friability and condition. 4. Assessment of suspect friable and non-friable materials and locations. 5. Quantify the amount of suspect materials in their respective locations. 6. Submit bulk samples for analysis by PLM and/or TEM Method. 7. Bulk Sample locations and suspect materials were identified on the appropriate building floor plan diagram with the sample number. 8. A Chain of Custody record accompanied the samples to the laboratory.				
COMMENTS: <u>Analyzed by A. Sullivan</u> <u>3/19/13</u>										

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ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

EMTEQUE PROJECT NO.: 13-655				LOCATION(S) SURVEYED: Roof, 7 th & 8 th Floor, Basement			
CLIENT: LORAINO LINESHORE BROS. INC.				SCOPE OF WORK:			
PROJECT SITE: 37 E. 11 th St., NY, NY				INSPECTOR: Roy Spaccanone			
PROJECT MANAGER: ELC TELEPHONE				DATE(S) OF INSPECTION: 8/1/2013 & 8/8/2013			

FUNCTIONAL SPACE		SAMPLE No.	HOMOGENEOUS		QUANTITY (LF/SF)	ASSESSMENT		ASBESTOS CONTENT %
FLOOR	AREA DESCRIPTION		HID	MATERIAL DESCRIPTION		COND	FRIAB	
8	SOUTH SECTION OF FLOOR - ACCEL STAIRWAY	-61	0	CONCRETE REINFORCING INSULATION TO 1" PIPE - B.C.C.E.	100 lf	1,2,3,4,5,6,7 GMDP	F NF	PLM: TEM:
↓	↓	-62	↓	↓	↓	1,2,3,4,5,6,7 GMDP	F NF	PLM: TEM:
↓	MID	-63	↓	↓	↓	1,2,3,4,5,6,7 GMDP	F NF	PLM: TEM:
↓	ACCEL STAIRWAY TO LOFT	-64	P	ACCEL PIPE INSULATION TO 3" PIPE - B.C.C.E.	250 lf	1,2,3,4,5,6,7 GMDP	F NF	PLM: TEM:
↓	Room TO SOUTH WING	-65	↓	↓	↓	1,2,3,4,5,6,7 GMDP	F NF	PLM: TEM:
B	BOILER ROOM IN BASEMENT	-66	↓	↓	↓	1,2,3,4,5,6,7 GMDP	F NF	PLM: TEM:
↓	↓	-67	D	P.P. FIBER INSULATION CLOTH	24 lf	1,2,3,4,5,6,7 GMDP	F NF	PLM: TEM:
↓	↓	-68	↓	↓	↓	1,2,3,4,5,6,7 GMDP	F NF	PLM: TEM:
↓	↓	-69	↓	↓	↓	1,2,3,4,5,6,7 GMDP	F NF	PLM: TEM:
↓	↓	-70	↓	P.P. FIBER INSULATION CLOTH	30 lf	1,2,3,4,5,6,7 GMDP	F NF	PLM: TEM:

PHYSICAL CONDITION ASSESSMENT	FRIABLE	TURN AROUND TIME ☐ 6 HRS ☐ 24 HRS ☒ 48 HRS ☐ OTHER	PLM - POLARIZED LIGHT MICROSCOPY TEM - TRANSMISSION ELECTRON MICROSCOPY	NYS DOL INSPECTOR: CERTIFICATE NO.: AH
1 Damaged or Significantly Damaged Friable TSI 2 Damaged Friable Surfacing ACM 3 Significantly Damaged Friable Surfacing ACM 4 Damaged or Significantly Damaged Friable Mat. ACM 5 ACM with potential for Damage 6 ACM with potential for Significant Damage 7 Removing Friable or Suspect ACM G - Good / MD - Minor Damage / P - Poor	Yes (Y) No (N)	RELINQUISHED BY: Roy Spaccanone RECEIVED BY: Paul R. R. DATE: 8/8/17 TIME: 5:00 PM	DATE: 8-8-2013 TIME: 12:01	1. A visual determination of accessible suspect materials and condition. 2. Collect bulk samples of suspect building materials. 3. A physical "Hand Pressure" test for determining friability and condition. 4. Assessment of suspect friable and non-friable materials and locations. 5. Quantify the amount of suspect materials in their respective locations. 6. Submit bulk samples for analysis by PLM and/or TEM Method. 7. Bulk Sample locations and suspect materials were identified on the appropriate building floor plan diagram with the sample number. 8. A Chain of Custody record accompanied the samples to the laboratory.

COMMENTS: Analyzed By: M. Salas Date: 8/9/13 6/9

ANALYZE: ☐ ALL ☒ STOP AT FIRST POSITIVE ☐ PLM ☐ TEM



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ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

EMTEQUE PROJECT NO.: <u>135516</u>				LOCATION(S) SURVEYED: <u>Roof, 7th Floor, Basement</u>			
CLIENT: <u>57 E. 11th St., NY, NY 10003</u>				SCOPE OF WORK:			
PROJECT SITE: <u>←</u>				INSPECTOR: <u>Dot Stralinger</u> DATE(S) OF INSPECTION: <u>8/12/13 & 8/14/2013</u>			
PROJECT MANAGER: <u>Eric DeMaure</u>							

FUNCTIONAL SPACE		SAMPLE No.	HOMOGENEOUS		QUANTITY (LF/SF)	ASSESSMENT		ASBESTOS CONTENT %
FLOOR	AREA DESCRIPTION		HID	MATERIAL DESCRIPTION		COND	FRIAB	
B	CELL LOAN IN BASEMENT - 5 th	98203-71	2	Pipe below insulation - 6/04	50 ft ²	1,2,3,4, 5,6,7 GMD P	F NF	PLM: TEM:
↓	↓ ↓ ↓ ↓ - 1/4	-72	↓	↓ ↓ ↓ ↓	↓	1,2,3,4, 5,6,7 GMD P	F NF	PLM: TEM:
R	Pipe from storage tank on roof - SW	-73	3	ROOF WALL FIRE INSULATION - 1960s	30 ft ²	1,2,3,4, 5,6,7 GMD P	F NF	PLM: TEM:
↓	↓ ↓ ↓ ↓ - 1/4	-74	↓	↓ ↓ ↓ ↓	↓	1,2,3,4, 5,6,7 GMD P	F NF	PLM: TEM:
↓	↓ ↓ ↓ ↓ - 1/4	-75	↓	↓ ↓ ↓ ↓	↓	1,2,3,4, 5,6,7 GMD P	F NF	PLM: TEM:
↓	PARAPET WEST WALL - MID	-76	T	TAL REMAINS BELOW CHALK AT EDGE OF METAL, PARAPET - 1960s	250 ft ²	1,2,3,4, 5,6,7 GMD P	F NF	PLM: TEM:
↓	EAST PARAPET WALL - MID	-77	↓	↓ ↓ ↓ ↓	↓	1,2,3,4, 5,6,7 GMD P	F NF	PLM: TEM:
↓	WEST PARAPET WALL - MID	-78	U	CHALK AT EDGE OF METAL, PARAPET - 1960s	↓	1,2,3,4, 5,6,7 GMD P	F NF	PLM: TEM:
↓	↓ ↓ ↓ ↓	-79	↓	↓ ↓ ↓ ↓	↓	1,2,3,4, 5,6,7 GMD P	F NF	PLM: TEM:
↓	WEST PARAPET WALL	-80	V	CHALK TO PARAPET METAL CAP	↓	1,2,3,4, 5,6,7 GMD P	F NF	PLM: TEM:

PHYSICAL CONDITION ASSESSMENT	FRIABLE	TURN AROUND TIME ☐ 0 HRS ☐ 24 HRS ☒ 48 HRS ☐ OTHER	PLM - POLARIZED LIGHT MICROSCOPY TEM - TRANSMISSION ELECTRON MICROSCOPY	NYSDDL INSPECTOR CERTIFICATE NO.: AH
1 Damaged or Significantly Damaged Friable TSI 2 Damaged Friable Surfacing ACM 3 Significantly Damaged Friable Surfacing ACM 4 Damaged or Significantly Damaged Friable Mica ACM 5 ACM with potential for Damage 6 ACM with potential for Significant Damage 7 Remotely Friable or Suspect ACBA G - Good / MD - Minor Damage / P - Poor	Yes (Y) No (N)	RELINQUISHED BY: <u>R. Stralinger</u> DATE: <u>8-8-2013</u> TIME: <u>17:01</u> RECEIVED BY: <u>[Signature]</u> DATE: <u>8/8/13</u> TIME: <u>5:00PM</u> RELINQUISHED BY: <u>[Signature]</u> DATE: <u>8/10/13</u> TIME: <u>4:30PM</u> RECEIVED BY: <u>R. Stralinger</u> DATE: <u>8/10/13</u> TIME: <u>4:30PM</u> (NCR-001/TEM)	1. A visual determination of accessible suspect materials and condition. 2. Collect bulk samples of suspect building materials. 3. A physical "Hand Pressure" test for determining friability and condition. 4. Assessment of suspect friable and non-friable materials and locations. 5. Quantify the amount of suspect materials in their respective locations. 6. Submit bulk samples for analysis by PLM and/or TEM Method. 7. Bulk Sample locations and suspect materials were identified on the appropriate building floor plan diagram with the sample number. 8. A Chain of Custody record accompanied the samples to the laboratory.	

COMMENTS: Analysed By: M. Schmitt
8/14/13
8/14/13

ANALYZE: ☐ ALL ☐ STOP AT FIRST POSITIVE ☐ PLM ☐ TEM



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ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

EMTEQUE PROJECT NO.: <u>13-0673</u>				LOCATION(S) SURVEYED: <u>ROOF, 7th & 8th FLOORS, EXTERIOR</u>			
CLIENT: <u>EDWARD HOFFMAN OFFICES</u>				SCOPE OF WORK:			
PROJECT SITE: <u>37 E. 9th STREET, 4TH FLOOR</u>				INSPECTOR: <u>LEE STRANDBERG</u> DATE(S) OF INSPECTION: <u>8/10/13 & 8/13/2013</u>			
PROJECT MANAGER: <u>ERIC TELEPAGUE</u>							

FLOOR	FUNCTIONAL SPACE AREA DESCRIPTION	SAMPLE No.	HOMOGENEOUS		QUANTITY (LBS/SF)	ASSESSMENT		ASBESTOS CONTENT %
			HID	MATERIAL DESCRIPTION		COND	FRIAB	
R	WEST PARAPET WALL	88009-581	V	CRAVEL TO PARAPET METAL CAP	250 SF	1,2,3,4,5,6,7 GMD P	F NF	PLM: TEM:
	↓ ↓ ↓ - S	-82	W	TAC TO PARAPET METAL CAP	120 SF	1,2,3,4,5,6,7 GMD P	F NF	PLM: TEM:
	WEST ↓ ↓ - N	-83	↓		↓	1,2,3,4,5,6,7 GMD P	F NF	PLM: TEM:
	SOUTH PARAPET WALL - (12 th ST) - E	-84	X	TAC TO 12 th PARAPET WALL - BRICK - DOWN CORNER	300 SF	1,2,3,4,5,6,7 GMD P	F NF	PLM: TEM:
	↓ ↓ ↓ - W	-85	↓			1,2,3,4,5,6,7 GMD P	F NF	PLM: TEM:
	↓ ↓ ↓ - E	-86	Y	SEALANT ABOVE TAC TO PARAPET WALL - TOP W/OUT		1,2,3,4,5,6,7 GMD P	F NF	PLM: TEM:
	↓ ↓ ↓ - W	-87	↓			1,2,3,4,5,6,7 GMD P	F NF	PLM: TEM:
	SOUTH WEST CORNER	-88	Z	TAC TO WATER TOWER BASE	10 SF	1,2,3,4,5,6,7 GMD P	F NF	PLM: TEM:
	↓ ↓ ↓	-89	↓		↓	1,2,3,4,5,6,7 GMD P	F NF	PLM: TEM:
V	WEST PARAPET WALL	-90	AA	TAC TO BRICK PARAPET WALL	250 SF	1,2,3,4,5,6,7 GMD P	F NF	PLM: TEM:

PHYSICAL CONDITION ASSESSMENT	FRIABLE	TURN AROUND TIME ☐ 8 HRS ☒ 24 HRS ☐ 48 HRS ☐ OTHER	PLM - POLARIZED LIGHT MICROSCOPY TEM - TRANSMISSION ELECTRON MICROSCOPY	NYS DOLE INSPECTOR CERTIFICATION NO. AH
1 Damaged or Significantly Damaged Frangible TMA 2 Corroded Frangible Surface ACM 3 Significantly Damaged Frangible Surface ACM 4 Damaged or Significantly Damaged Frangible Mass, ACM 5 ACM with potential for Damage 6 ACM with potential for Significant Damage 7 Remaining Frangible or Damaged ACM G - Good / MD - Minor Damage / P - Poor	Yes (Y) No (N)	RELINQUISHED BY: <u>LEE STRANDBERG</u> DATE: <u>8-8-2013</u> TIME: <u>12:02</u> RECEIVED BY: <u>KE</u> DATE: <u>8/13/13</u> TIME: <u>5:00 PM</u> RELINQUISHED BY: <u>LEE STRANDBERG</u> DATE: <u>8/13/13</u> TIME: <u>4:30 PM</u> RECEIVED BY: <u>RY</u> DATE: <u>8/13/13</u> TIME: <u>4:30 PM</u>		1. A visual determination of accessible suspect materials and condition. 2. Collect bulk samples of suspect building materials. 3. A physical "Hand Pressure" test for determining friability and condition. 4. Assessment of suspect friable and non-friable materials and locations. 5. Quantify the amount of suspect materials in their respective locations. 6. Submit bulk samples for analysis by PLM and/or TEM Method. 7. Bulk Sample locations and suspect materials were identified on the appropriate building floor plan diagram with the sample number. 8. A Chain of Custody record accompanied the samples to the laboratory.

COMMENTS: Analyzed By: A. Salazar
Date: 8/14/13

ANALYZE: ☐ ALL ☒ STOP AT FIRST POSITIVE ☐ PLM ☐ TEM



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ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

EMTEQUE PROJECT NO.: <u>130818</u>				LOCATION(S) SURVEYED: <u>ROOF, 7th FLOOR, 3150 Broadway</u>			
CLIENT: <u>EDWARD J. MURPHY, JR.</u>				SCOPE OF WORK: <u>ASBESTOS SURVEY</u>			
PROJECT SITE: <u>31 E. 12th STREET, NY, NY</u>				INSPECTOR: <u>ROD SPANGLER</u> DATE(S) OF INSPECTION: <u>8/8/13</u>			
PROJECT MANAGER: <u>CHIL TELEFARQUE</u>							

FUNCTIONAL SPACE		SAMPLE No.	HOMOGENEOUS		QUANTITY (LF/SF)	ASSESSMENT		ASBESTOS CONTENT %
FLOOR	AREA DESCRIPTION		HID	MATERIAL DESCRIPTION		COND	FRIAB	
1L	WEST PARAPET WALL	88205-91	AA	TILE TO BRICK PARAPET WALL	250 SF	1,2,3,4, 5,6,7 GMD P	F (NF)	PLM: TEM:
1	NE ON NORTH SKYLIGHT	-92	AB	ROOF HORIZONTAL ASBESTOS WOOD - BOTTOM LAYER - BRICK	246 SF	1,2,3,4, 5,6,7 GMD P	F (NF)	PLM: TEM:
	SW ON SOUTH	-93	↓	↓ ↓ ↓		1,2,3,4, 5,6,7 GMD P	F (NF)	PLM: TEM:
	NE NORTH	-94	AC	ROOF HORIZONTAL - TOP LAYER - BRICK / CLAY		1,2,3,4, 5,6,7 GMD P	F (NF)	PLM: TEM:
	SW SOUTH	-95	↓	↓ ↓ ↓		1,2,3,4, 5,6,7 GMD P	F (NF)	PLM: TEM:
	SOUTH PARAPET WALL	-96	AD	FLASHING HORIZONTAL - BOTTOM LAYER - BRICK	500 SF	1,2,3,4, 5,6,7 GMD P	F (NF)	PLM: TEM:
	NORTH	-97	↓	↓ ↓ ↓		1,2,3,4, 5,6,7 GMD P	F (NF)	PLM: TEM:
	SOUTH	-98	AE	FLASHING HORIZONTAL - TOP LAYER - BRICK / CLAY		1,2,3,4, 5,6,7 GMD P	F (NF)	PLM: TEM:
	NORTH	-99	↓	↓ ↓ ↓		1,2,3,4, 5,6,7 GMD P	F (NF)	PLM: TEM:
✓	NORTH CENTER REAR ELEV. WOOD ROOM	✓ -100	AF	ROOF SLOPED - BOTTOM LAYER - BRICK - CLAY	3400 SF	1,2,3,4, 5,6,7 GMD P	F (NF)	PLM: TEM:

PHYSICAL CONDITION ASSESSMENT		FRIABLE		TURN AROUND TIME		PLM - POLARIZED LIGHT MICROSCOPY		NYS DOH INSPECTOR	
				☐ 6 HRS. ☐ 24 HRS. ☒ 48 HRS. ☐ OTHER		TEM - TRANSMISSION ELECTRON MICROSCOPY		CERTIFICATE NO.: AH	
1 Damaged or Significantly Damaged Friable TSI 2 Damaged Friable Surface ACM 3 Significantly Damaged Friable Surface ACM 4 Damaged or Significantly Damaged Friable Fiber, ACM 5 ACM with potential for Damage 6 ACM with potential for Significant Damage 7 Remaining Friable or Significant ACM G - Good / ND - Minor Damage / P - Poor		Yes (Y) No (N)		RELINQUISHED BY: <u>ROD SPANGLER</u> DATE: <u>8-8-2013</u> TIME: <u>7:02</u> RECEIVED BY: <u>LOAN</u> DATE: <u>8/8/13</u> TIME: <u>5:00 PM</u> RELINQUISHED BY: <u>ROD SPANGLER</u> DATE: <u>8/10/13</u> TIME: <u>4:30 AM</u> RECEIVED BY: <u>RY</u> DATE: <u>8/10/13</u> TIME: <u>4:30 AM</u>				1. A visual determination of accessible suspect materials and condition. 2. Collect bulk samples of suspect building materials. 3. A physical "Hand Pressure" test for determining friability and condition. 4. Assessment of suspect friable and non-friable materials and locations. 5. Quantify the amount of suspect materials in their respective locations. 6. Submit bulk samples for analysis by PLM and/or TEM Method. 7. Bulk Sample locations and suspect materials were identified on the appropriate building floor plan diagram with the sample number. 8. A Chain of Custody record accompanied the samples to the laboratory.	

COMMENTS: Analyzed By: Off Site
8/9/13
8/9/13 ANALYZE: ☐ ALL ☐ STOP AT FIRST POSITIVE ☐ PLM ☐ TEM

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ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

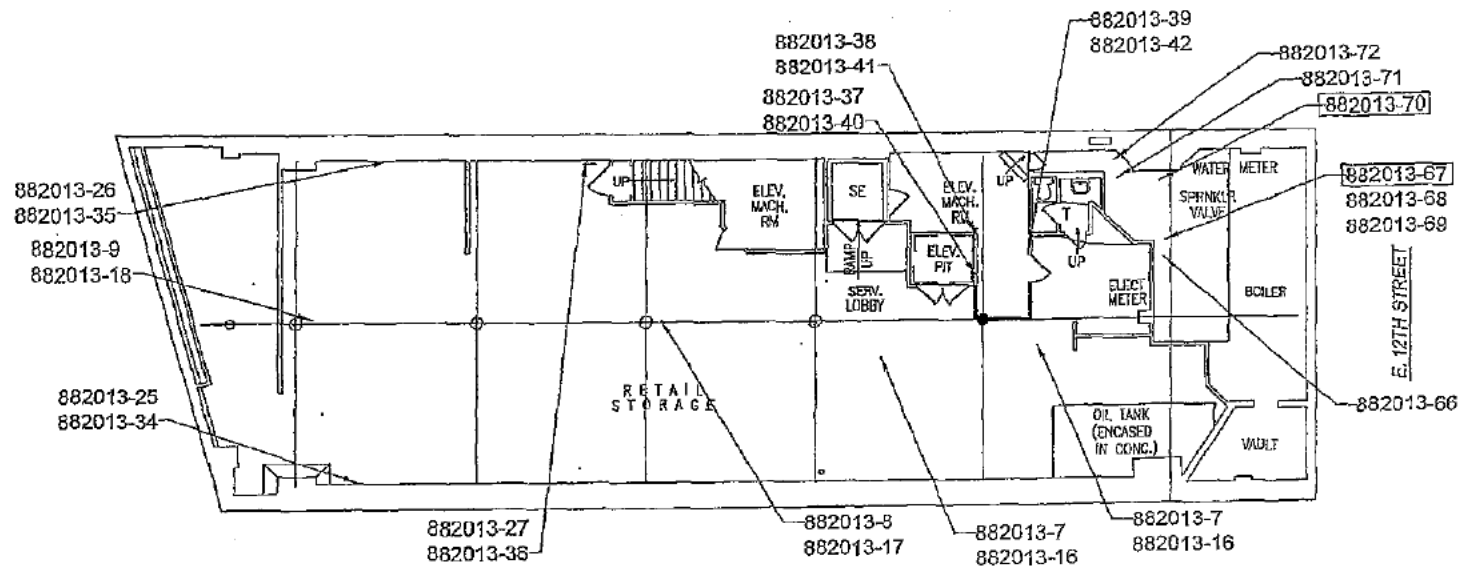
EMTEQUE PROJECT NO.: 12-6516				LOCATION(S) SURVEYED: ROOF 7 th + 8 th BASEMENT				
CLIENT: EDWARD HINDSLEY SQUARE				SCOPE OF WORK:				
PROJECT SITE: 37 E. 12 th STREET NY NY				INSPECTOR: Roy Strickland DATE(S) OF INSPECTION: 8/5/2007 & 8/9/2007				
PROJECT MANAGER: ERIC TELEHAQUE								
FUNCTIONAL SPACE		SAMPLE No.	HOMOGENEOUS		QUANTITY (LBS)	ASSESSMENT		ASBESTOS CONTENT %
FLOOR	AREA DESCRIPTION		HID	MATERIAL DESCRIPTION		COND	FRIAB	
7	SOUTH CORNER OF ROOF	882013-101	AF	ROOF DECKED - DUTCH LAYER 12 LAYER - GRS	3400 ²	1,2,3,4, 5,6,7 GMDP	(F) NF	PLM: TEM:
	CENTER OF ROOF - NORTH	-102	AG	12 th ROOF COMPACTED ASPHALT PUGH MAT - 2 nd - Black		1,2,3,4, 5,6,7 GMDP	(F) NF	PLM: TEM:
	- SOUTH	-103	↓	↓ ↓ ↓		1,2,3,4, 5,6,7 GMDP	(F) NF	PLM: TEM:
	- NORTH	-104	AH	CONCRETE THE MEMBRANE THIN LAYER - 3 rd - Black		1,2,3,4, 5,6,7 GMDP	(F) NF	PLM: TEM:
	- SOUTH	-105	↓	↓ ↓ ↓		1,2,3,4, 5,6,7 GMDP	(F) NF	PLM: TEM:
	- NORTH	-106	AI	ROOF MEMBRANE - TOP LAYER - 4 th - Black		1,2,3,4, 5,6,7 GMDP	(F) NF	PLM: TEM:
	- SOUTH	-107	↓	↓ ↓ ↓		1,2,3,4, 5,6,7 GMDP	(F) NF	PLM: TEM:
						1,2,3,4, 5,6,7 GMDP	F NF	PLM: TEM:
						1,2,3,4, 5,6,7 GMDP	F NF	PLM: TEM:
						1,2,3,4, 5,6,7 GMDP	F NF	PLM: TEM:
PHYSICAL CONDITION ASSESSMENT		FRIABLE		TURN AROUND TIME ☐ 6 HRS ☐ 24 HRS ☐ 48 HRS ☐ OTHER		PLM - POLARIZED LIGHT MICROSCOPY TEM - TRANSMISSION ELECTRON MICROSCOPY		NYSDOL INSPECTOR: CERTIFICATE NO.: AH
1 Damaged or Significantly Damaged Friable TSI 2 Damaged Friable Surfacing ACM 3 Significantly Damaged or Friable Surfacing ACM 4 Damaged or Significantly Damaged Friable MLC, ACM 5 ACM with potential for Damage 6 ACM with potential for Significant Damage 7 Remaining Friable or Suspect ACM G - Good / MD - Minor Damage / P - Poor		Yes (Y) No (N)		RELINQUISHED BY: Roy Strickland DATE: 8-5-2007 TIME: 12:02 RECEIVED BY: M.A. 2 DATE: 8/8/07 TIME: 5:00 PM RELINQUISHED BY: [Signature] DATE: [Blank] TIME: [Blank] RECEIVED BY: R.T. [Signature] DATE: 8/8/07 TIME: 4:30 AM (NYS - LUT/DEM)		1. A visual determination of accessible suspect materials and condition. 2. Collect bulk samples of suspect building materials. 3. A physical "Hand Pressure" test for determining friability and condition. 4. Assessment of suspect friable and non-friable materials and locations. 5. Quantify the amount of suspect materials in their respective locations. 6. Submit bulk samples for analysis by PLM and/or TEM Method. 7. Bulk Sample locations and suspect materials were identified on the appropriate building floor plan diagram with the sample number. 8. A Chain of Custody record accompanied the samples to the laboratory.		
COMMENTS: Analyzed by: [Signature] Date: 8/13/07				ANALYZE ☐ ALL ☐ STOP AT FIRST POSITIVE ☐ PLM ☐ TEM				

APPENDIX B

SAMPLE LOCATION DRAWINGS



[XX] POSITIVE BULK SAMPLE
 XX BULK SAMPLE



CELLAR



EMTEQUE LLC

A WPD Group Company
 Emteque LLC
 1350 Broadway, Suite 1501
 New York, New York 10018
 Phone: (212) 631-8000
 Fax: (212) 631-8066

CLIENT:
 SL GREEN REALTY CORP.

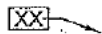
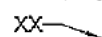
PROJECT NAME AND ADDRESS:
 37 E. 12TH STREET,
 NEW YORK, NY 10003

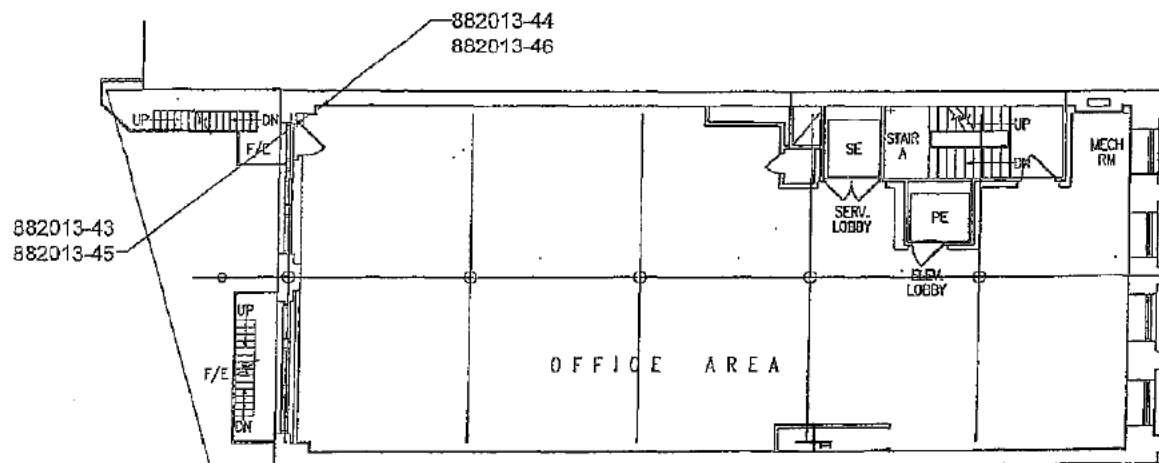
DRAWING TITLE:
 BULK SAMPLE LOCATION PLAN -
 CELLAR

DRAWN BY: R. STRAUSSMAN
 CHECKED BY: ERIC TEAGARDEN

DATE	13 OCT 19	SCALE	AS SHOWN
DATE	08-18-2015	SCALE	BSL001
DATE	1/15	SCALE	1" = 4' CF 4



 POSITIVE BULK SAMPLE
 BULK SAMPLE



SEVENTH FLOOR

E. 12TH STREET



EMTEQUE LLC

A WCD Group Company
 Emteque LLC
 1350 Broadway, Suite 1001
 New York, New York 10018
 Phone: (212) 634-9000
 Fax: (212) 634-8069

CLIENT
 SL GREEN REALTY CORP.

No.	Revision/Date	Date
PROJECT NAME AND ADDRESS		
37 E. 12TH STREET, NEW YORK, NY 10003		

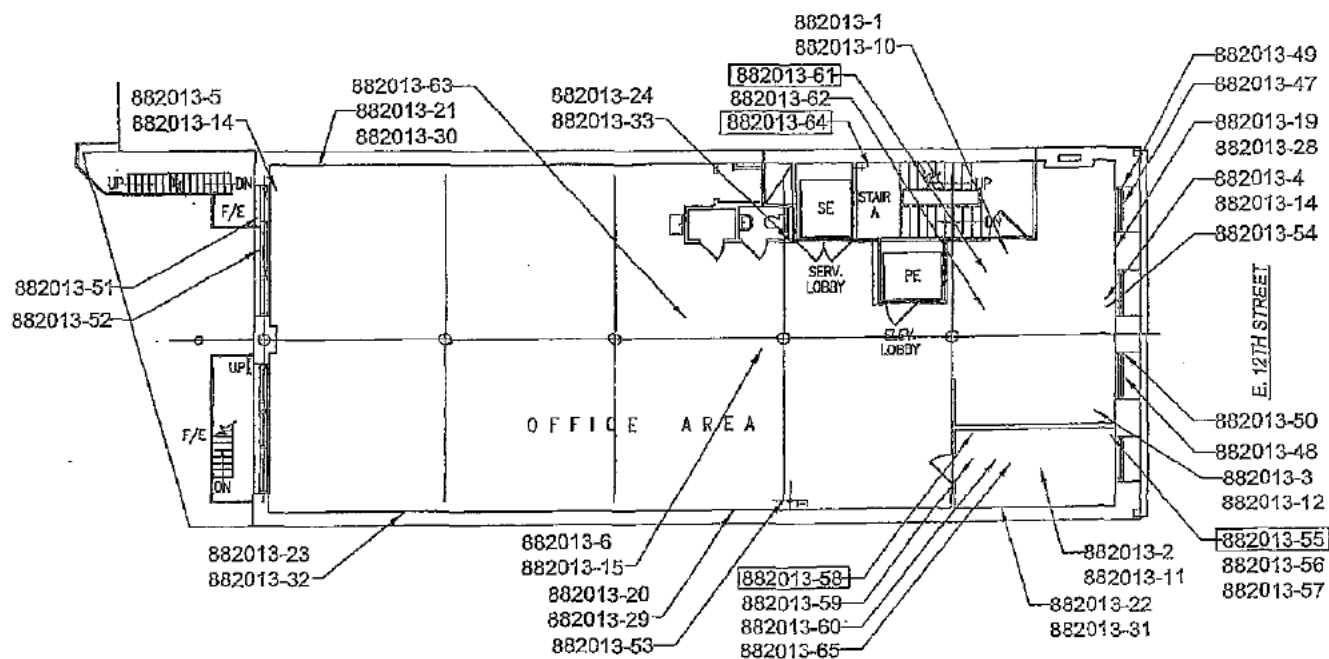
DRAWING TITLE
 BULK SAMPLE LOCATION PLAN-
 SEVENTH FLOOR

DRAWING BY: R. STEINBERG
 CHECKED BY: ERIC TELEMANN

Project:	13-0559	Sheet Name:	BSL002
Date:	08-15-2013		
Scale:	NIS	Sheet No.:	2 OF 4



[XX] POSITIVE BULK SAMPLE
 XX BULK SAMPLE



EIGHTH FLOOR



EMTEQUE LLC

A YBCO Group Company
 Emteque LLC
 1350 Broadway, Suite 1901
 New York, New York 10018
 Phone: (212) 631-8000
 Fax: (212) 631-8056

Blm:
 SL GREEN REALTY CORP.

No.	Location/Notes	Date

PROVIDE NAME AND ADDRESS
 37 E. 12TH STREET,
 NEW YORK, NY 10003

DRAWING TITLE
 BULK SAMPLE LOCATION PLAN -
 EIGHTH FLOOR

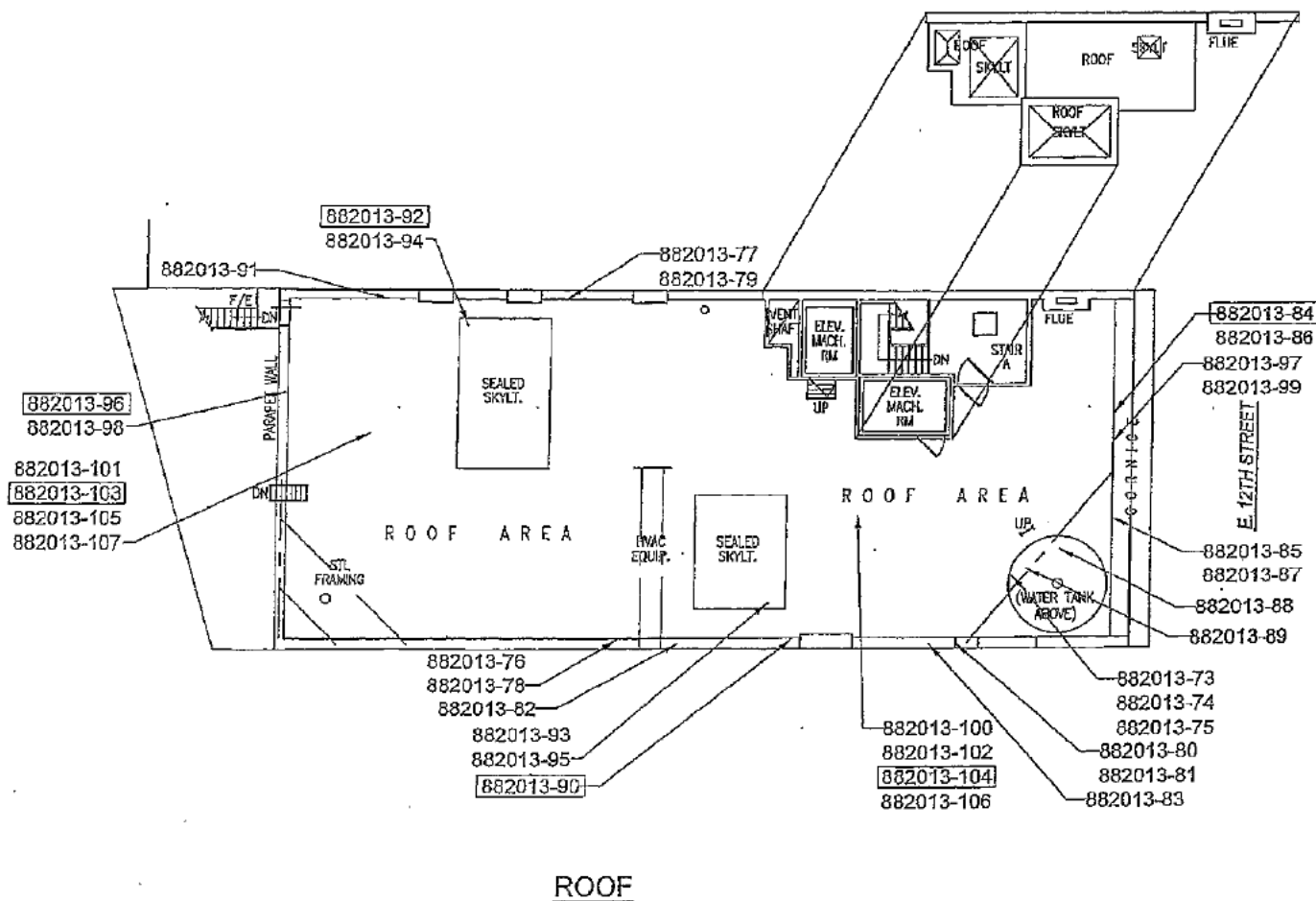
DRAWN BY: R. STRALENYAN

CHECKED BY: ERIC TELEMONTE

Project	13-0316	Drawing Name	BSL003
Date	03-15-2003	Sheet No.	
Scale	N.T.S.	Sheet No.	



XX POSITIVE BULK SAMPLE
XX BULK SAMPLE



ENTEQUE LLC

A WCD Group Company
Enteque LLC
1350 Broadway, Suite 1901
New York, New York 10018
Phone: (212) 631-9000
Fax: (212) 631-9006

CLIENT:
ST. CRENSHAW REALTY CORP.

No.	Revisions/Notes	Date

PROJECT NAME AND ADDRESS

37 E. 12TH STREET,
NEW YORK, NY 10003

DRAWING TITLE

BULK SAMPLE LOCATION PLAN -
ROOF

DRAWN BY: R. BETHUNE

CHECKED BY: ERIC TELBACH

DATE: 10/25/06

DATE: 08/25/2013

DATE: N/A

Drawing Sheet

BSL004

Sheet No. 4 OF 4

APPENDIX C

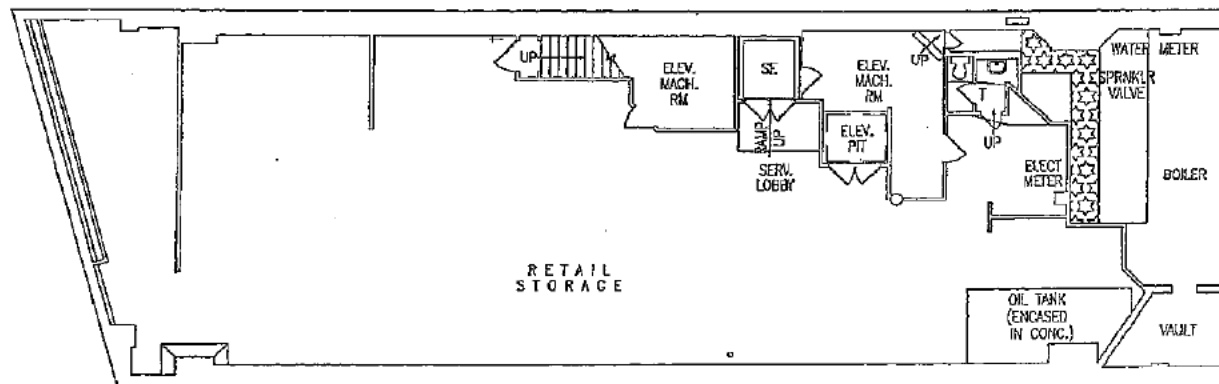
ACM LOCATION DRAWINGS



LEGEND



ASBESTOS CONTAINING PIPE FITTING INSULATION, PIPE
ELBOW INSULATION, GREY AND AIRCELL PIPE
INSULATION TO PIPE RUN (3"), BEIGE.



CELLAR

E. 12TH STREET



EMTEQUE LLC

A WCD Group Company
Emteque LLC
1360 Broadway, Suite 1901
New York, New York 10018
Phone: (212) 631-9000
Fax: (212) 631-8066

CLIENT:
ST. GREEN REALTY CORP.

No.	Building/Room	Date

PROJECT NAME AND ADDRESS

37 E. 12TH STREET,
NEW YORK, NY 10003

DRAWING TITLE
ASBESTOS CONTAINING
MATERIALS LOCATION PLAN -
CELLAR

DRAWN BY: R. STRAUSSMAN

CHECKED BY: ERIC TELERMAQUE

Project: 12-0810

Date: 05-15-2010

Scale: NTS

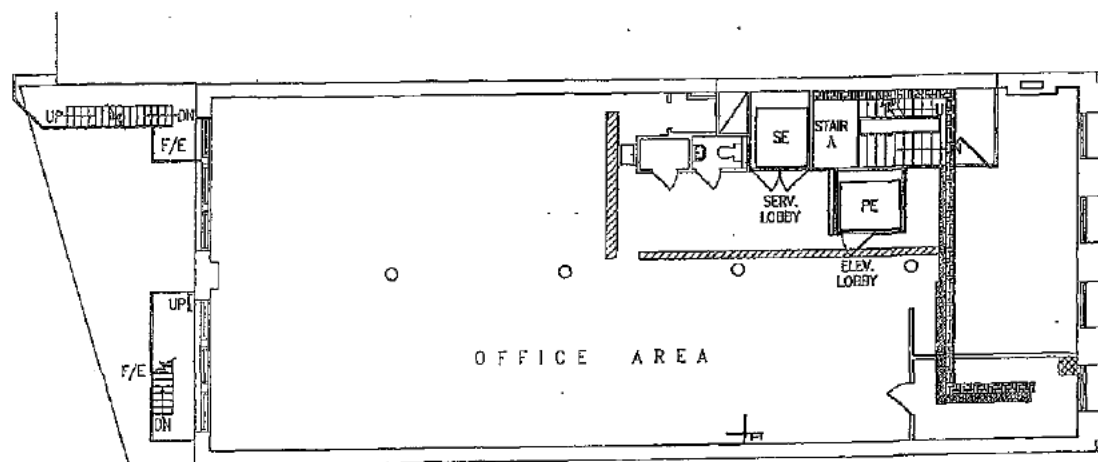
Drawing No.: ACM001

Sheet No.: 1 OF 3



LEGEND

- ASBESTOS CONTAINING AIRCELL PIPE INSULATION TO RISER (2"), BEIGE.
- ASBESTOS CONTAINING AIRCELL PIPE INSULATION TO PIPE RUN (1"), BEIGE.
- ASBESTOS CONTAINING AIRCELL PIPE INSULATION TO PIPE RUN (3"), BEIGE.
- ASBESTOS CONTAINING CORRUGATED PIPE WRAP INSULATION TO 1" PIPE, BEIGE.



EIGHTH FLOOR

E. 12TH STREET



EMTEQUE LLC

AWCO Group Company
Emteque LLC
1350 Broadway, Suite 1801
New York, New York 10018
Phone: (212) 631-8000
Fax: (212) 631-8006

OWNER:
SL GREEN REALTY CORP.

No. Revision/Issue Date

PROJECT NAME AND ADDRESS
37 E. 12TH STREET,
NEW YORK, NY 10003

DRAWING TITLE
ASBESTOS CONTAINING
MATERIALS LOCATION PLAN -
EIGHTH FLOOR

DRAWN BY: JL STRAUSS/WH

CHECKED BY: SPAC TEL EMACKIE

Project	04-0515	Drawing Name	ACM002
Date	04-15-2013		
Sheet	005	Sheet No.	



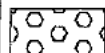
LEGEND



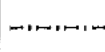
ASBESTOS CONTAINING TAR TO BRICK PARAPET WALL, BLACK.



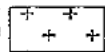
ASBESTOS CONTAINING TAR TO BRICK PARAPET, BLACK.



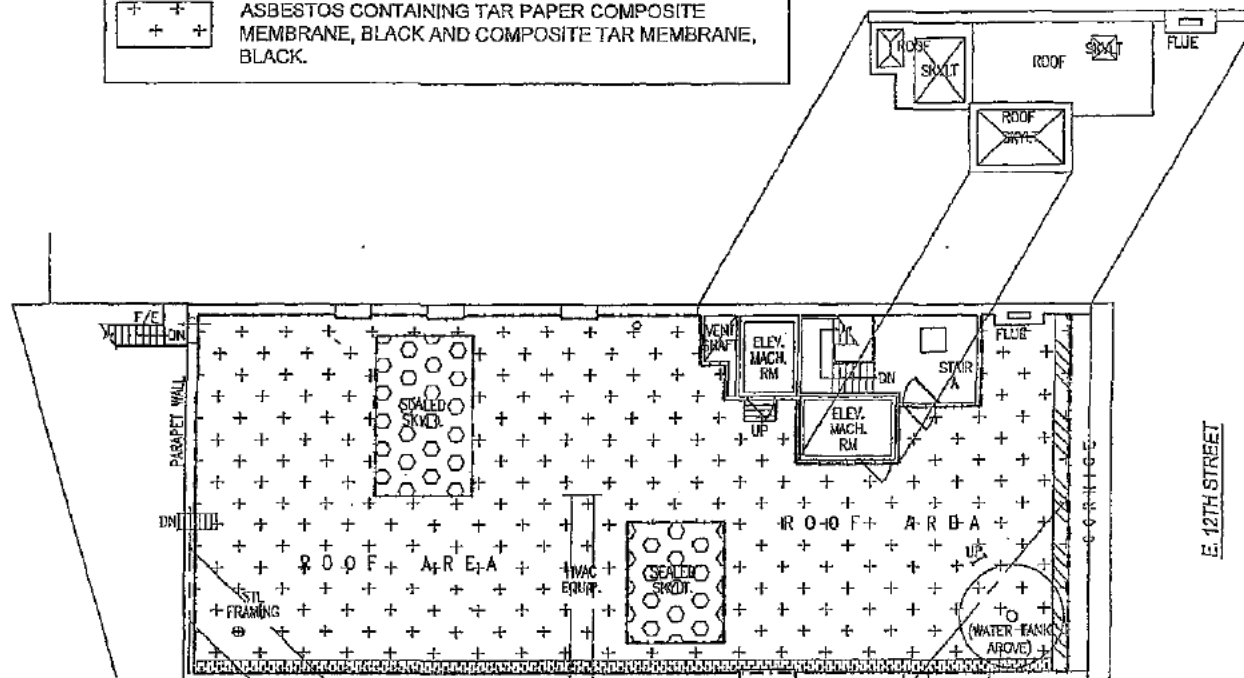
ASBESTOS CONTAINING ROOF MEMBRANE ABOVE WOOD, BLACK.



ASBESTOS CONTAINING FLASHING COMPOSITE MEMBRANE, BLACK.



ASBESTOS CONTAINING TAR PAPER COMPOSITE MEMBRANE, BLACK AND COMPOSITE TAR MEMBRANE, BLACK.



ROOF

E. 12TH STREET



EMTEQUE LLC

A WCB Group Company
Emteque LLC
1350 Broadway, Suite 1901
New York, New York 10019
Phone: (212) 631-9000
Fax: (212) 631-8066

OWNER
SL GREEN REALTY CORP.

PROJECT NAME AND ADDRESS

37 E. 12TH STREET,
NEW YORK, NY 10003

BASED ON TITLE
ASBESTOS CONTAINING
MATERIALS LOCATION PLAN -
ROOF

Prepared by: A. STRICKMAN

checked by: ERIC FLEMMING

Project
13-0518

Rev
00-15-2013

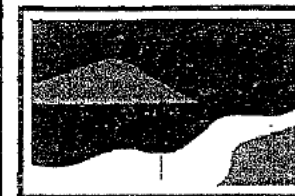
Date
NTS

Sheet Name
ACM003

Sheet No.
1 OF 1

APPENDIX D

PHOTO LOG



EMTEQUE LLC

A WCD Group Company

Emteque LLC
1350 Broadway, Suite 1901
New York, NY 10018-0891
Phone: 212.631.8000
Fax: 212.631.8066
www.emteque.com

Client:
Edward J. Minskoff Equities
1325 Avenue of the Americas
New York, NY 10019

Project Location:
37 East 12th Street

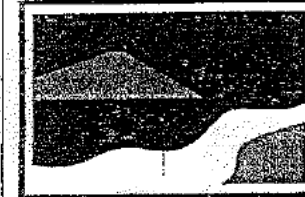
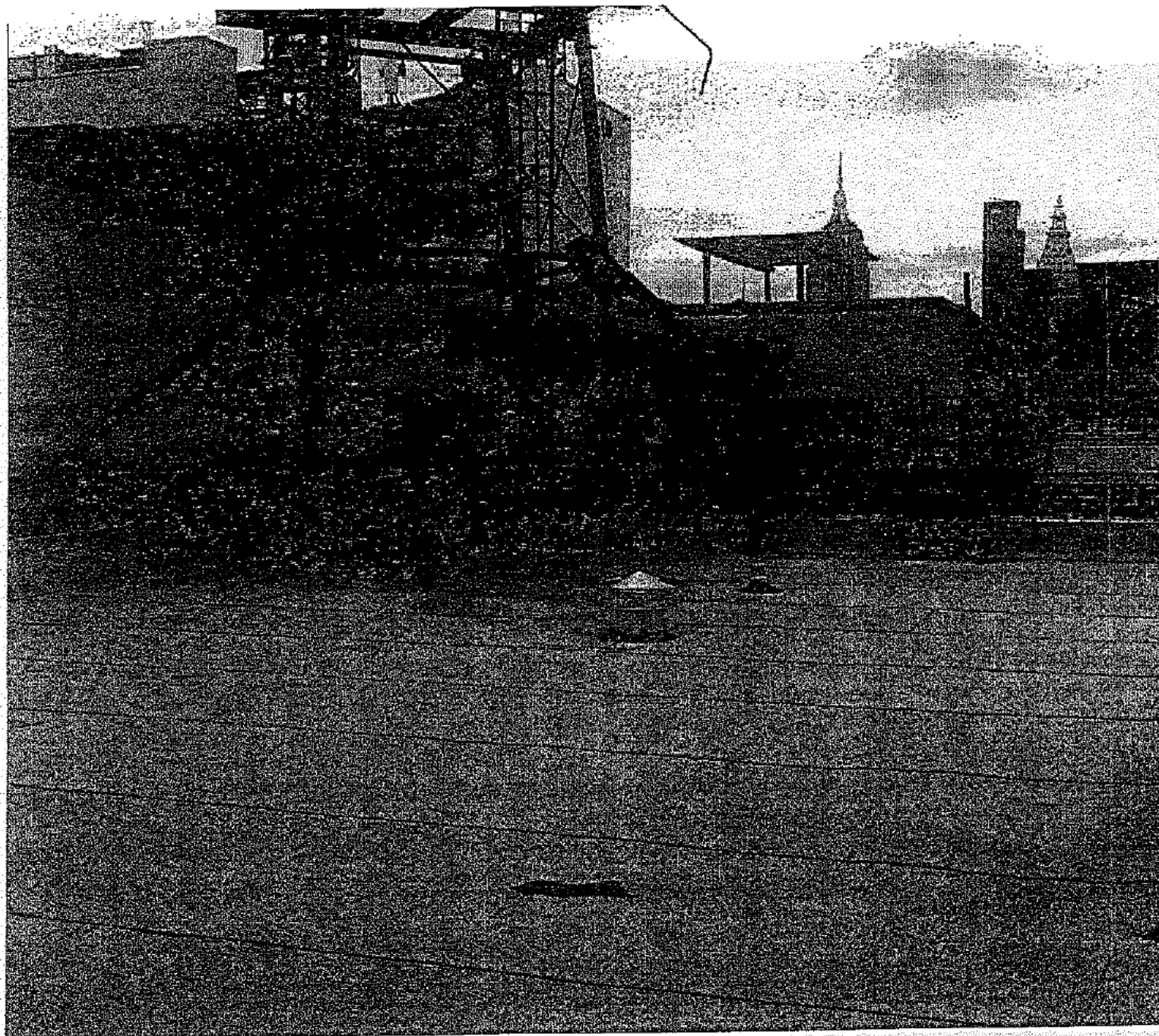
Location:
37 East 12th Street

Description:
Building Entrance

Project No.:
13-6518

Date:
August 8, 2013

Photo No.: 001	Taken By: Roy Straughan
-------------------	----------------------------



EMTEQUE LLC

A WCD Group Company

Emteque LLC
1350 Broadway, Suite 1901
New York, NY 10018-0891
Phone: 212.631.9000
Fax: 212.631.8066
www.emteque.com

Client:

Edward J. Minskoff Equities
1325 Avenue of the Americas
New York, NY 10019

Project Location:

37 East 12th Street

Location:

ROOF

Description:

Typical Materials

Project No.:

13-6518

Date:

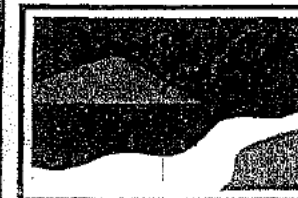
August 8, 2013

Photo No.:

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Taken By:

Roy Straughan



EMTEQUE LLC

A WCD Group Company

Emteque LLC
1350 Broadway, Suite 1901
New York, NY 10018-0891
Phone: 212.631.9000
Fax: 212.631.8066
www.emteque.com

Client:

Edward J. Minskoff Equities
1325 Avenue of the Americas
New York, NY 10019

Project Location:

37 East 12th Street

Location:

ROOF

Description:

Flashing

Project No.:

13-6518

Date:

August 8, 2013

Photo No.:

003

Taken By:

Roy Straughan



EMTEQUE LLC

A WCD Group Company

Emteque LLC
1350 Broadway, Suite 1901
New York, NY 10018-0891
Phone: 212.631.8000
Fax: 212.631.8066
www.emteque.com

Client:

Edward J. Minskoff Equities
1325 Avenue of the Americas
New York, NY 10019

Project Location:

37 East 12th Street

Location:

FRONT SPACE

Description:

Asbestos Cloth Wrap

Project No.:

13-6518

Date:

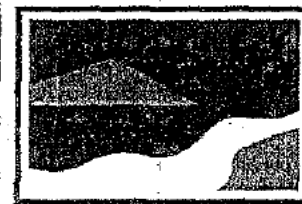
August 8, 2013

Photo No.:

004

Taken By:

Roy Straughan



EMTEQUE LLC

A WCD Group Company

Emteque LLC
1350 Broadway, Suite 1901
New York, NY 10018-0891
Phone: 212.631.9000
Fax: 212.631.8066
www.emteque.com

Client:

Edward J. Minskoff Equities
1325 Avenue of the Americas
New York, NY 10019

Project Location:

37 East 12th Street

Location:

FRONT SPACE

Description:

Asbestos pipe insulation

Project No.:

13-6518

Date:

August 8, 2013

Photo No.:

005 -

Taken By:

Roy Straughan



EMTEQUE LLC

A WCD Group Company

Emteque LLC
1350 Broadway, Suite 1901
New York, NY 10018-0891
Phone: 212.631.9000
Fax: 212.631.8066
www.emteque.com

Client:

Edward J. Minskoff Equities
1325 Avenue of the Americas
New York, NY 10019

Project Location:

37 East 12th Street

Location:

WINDOW

Description:

Calking and Glazing

Project No.:

13-6518

Date:

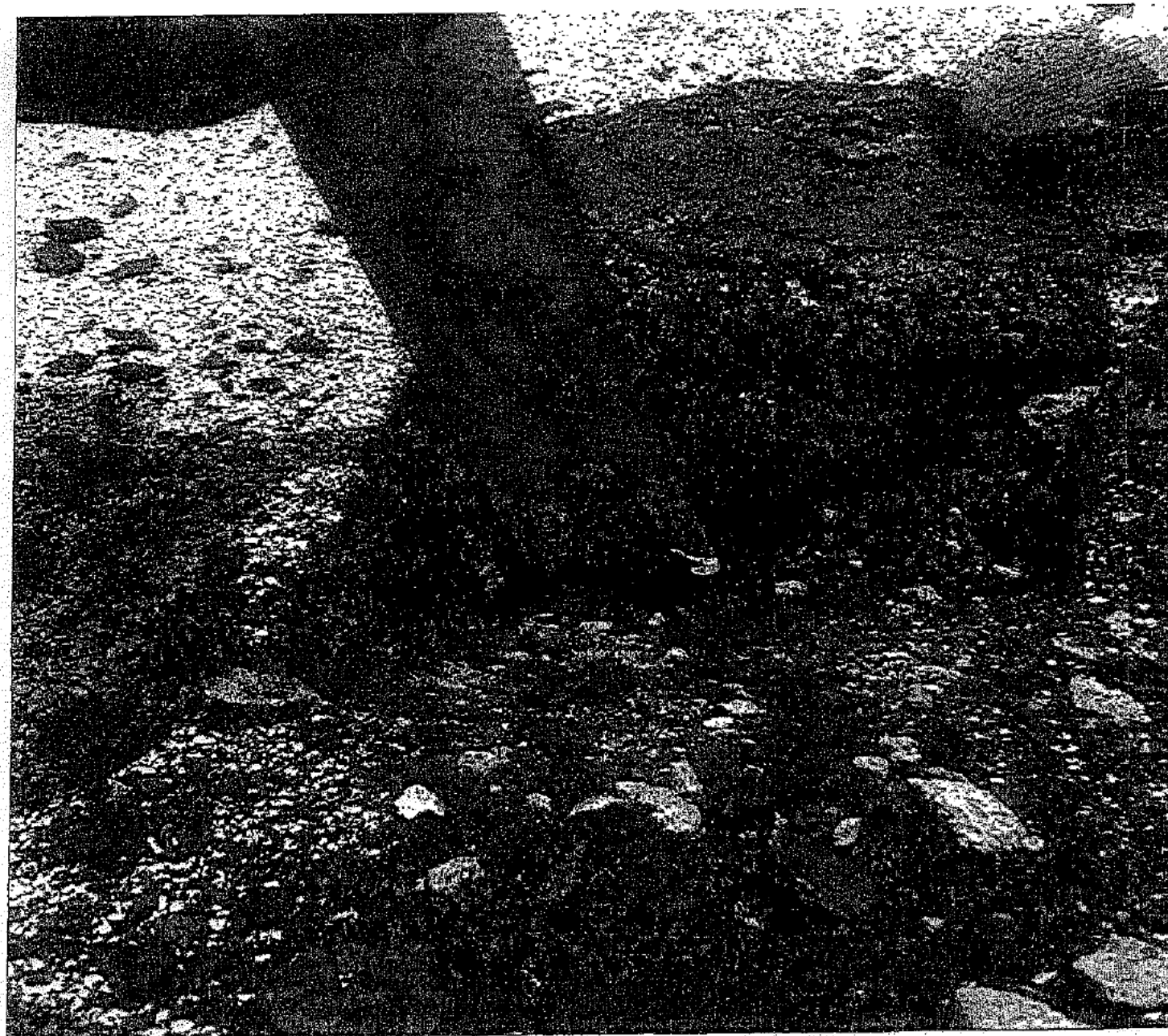
August 8, 2013

Photo No.:

006

Taken By:

Roy Straughan



EMTEQUE LLC

A WCD Group Company

Emteque LLC
1350 Broadway, Suite 1804
New York, NY 10018-0891
Phone: 212.631.8000
Fax: 212.631.8066
www.emteque.com

Client:

Edward J. Minskoff Equities
1325 Avenue of the Americas
New York, NY 10019

Project Location:

37 East 12th Street

Location:

ROOF

Description:

Probes

Project No.:

13-6518

Date:

August 8, 2013

Photo No.:

007

Taken By:

Roy Straughan



EMTEQUE LLC

A WCD Group Company

Emteque LLC
1350 Broadway, Suite 1901
New York, NY 10018-0891
Phone: 212.631.9900
Fax: 212.631.8066
www.emteque.com

Client:

Edward J. Minskoff Equities
1325 Avenue of the Americas
New York, NY 10019

Project Location:

37 East 12th Street

Location:

ROOF

Description:

Skyllight Roofing (top)

Project No.:

13-6518

Date:

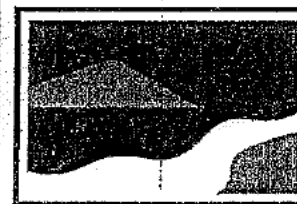
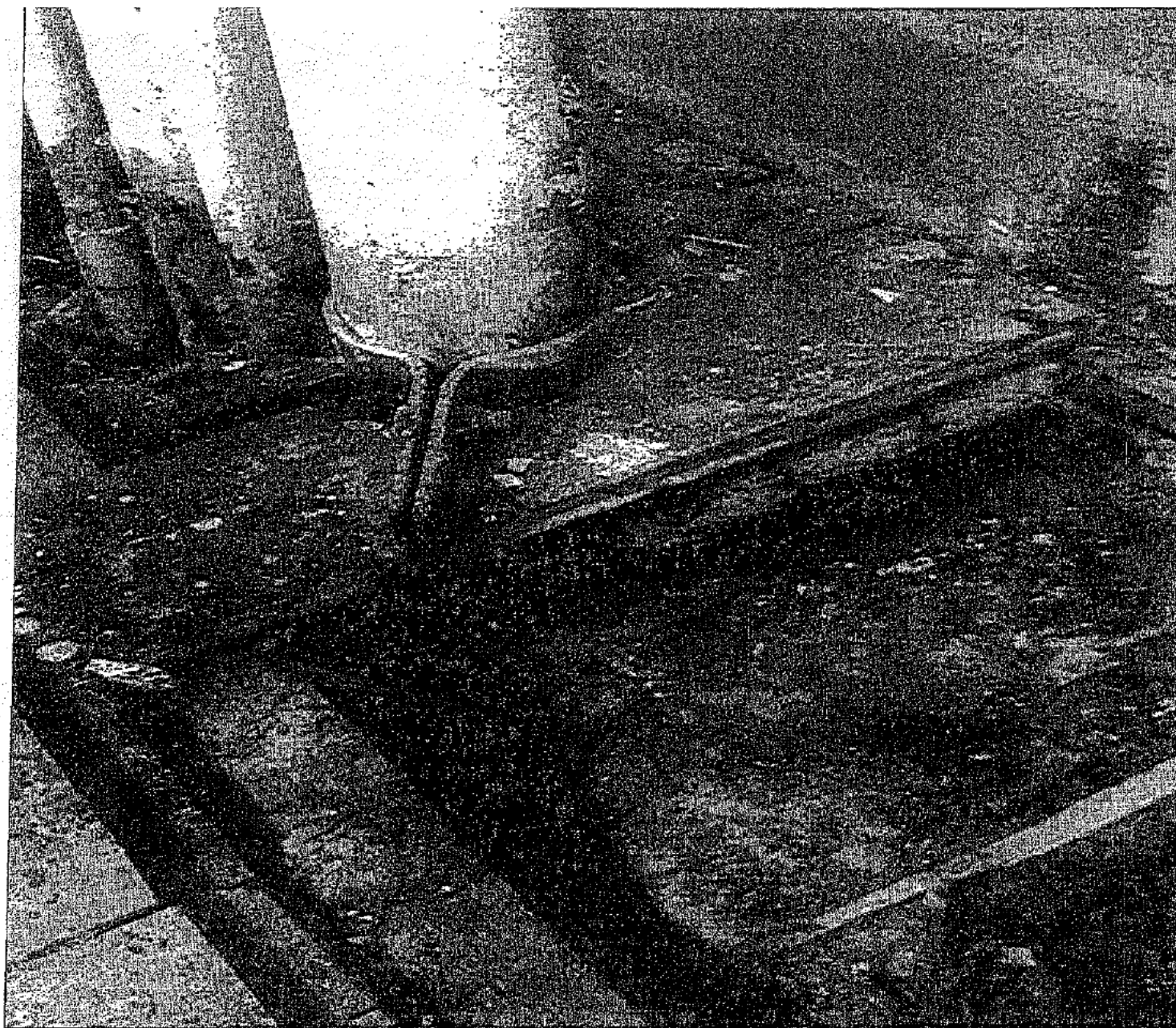
August 8, 2013

Photo No.:

008

Taken By:

Roy Straughan



EMTEQUE LLC

A WCD Group Company

Emteque LLC
1350 Broadway, Suite 1901
New York, NY 10018-0891
Phone: 212.631.9090
Fax: 212.631.8066
www.emteque.com

Client:

Edward J. Minskoff Equities
1325 Avenue of the Americas
New York, NY 10019

Project Location:

37 East 12th Street

Location:

SUB-FLOOR

Description:

Typical sub-flooring

Project No.:

13-5518

Date:

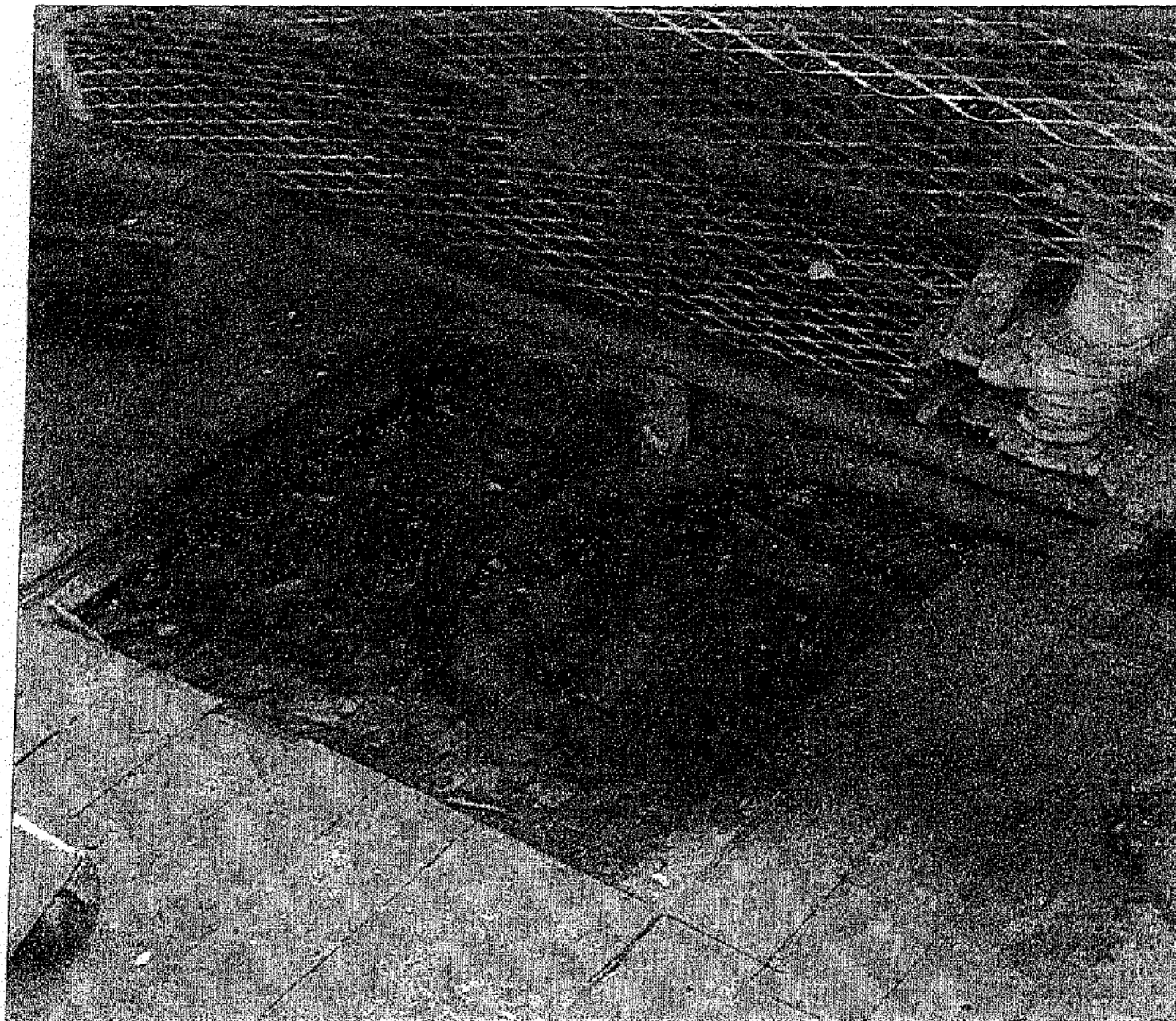
August 8, 2013

Photo No.:

009

Taken By:

Roy Straughan



EMTEQUE LLC

A WCD Group Company

Emteque LLC
1350 Broadway, Suite 1901
New York, NY 10018-0891
Phone: 212.631.9000
Fax: 212.631.8066
www.emteque.com

Client:
Edward J. Minskoff Equities
1325 Avenue of the Americas
New York, NY 10019

Project Location:
37 East 12th Street

Location:
FLOORING

Description:
Piping in
floor not insulated

Project No.:
13-6518

Date:
August 8, 2013

Photo No.: 010	Taken By: Roy Straughan
-------------------	----------------------------

APPENDIX E

CERTIFICATIONS; INVESTIGATORS AND LABORATORY

New York State Department of Labor

Division of Safety and Health
License and Certificate Unit
State Campus, Building 12

Albany, NY 12240

ASBESTOS HANDLING LICENSE

Emteque LLC
Suite 190
1350 Broadway
New York, NY 10018FILE NUMBER: 62281
LICENSE NUMBER: 62281
LICENSE CLASS: RESTRICTED
DATE OF ISSUE: 11/26/2012
EXPIRATION DATE: 11/30/2013

Duly Authorized Representative: William D'Angelo

This license has been issued in accordance with applicable provisions of Article 10 of the Labor Law of New York State and of the New York State Codes, Rules and Regulations (12 NYCRR Part 56). It is subject to suspension or revocation for a (1) serious violation of state, federal or local laws with regard to the conduct of an asbestos project, or (2) demonstrated lack of responsibility in the conduct of any job involving asbestos or asbestos material.

This license is valid only for the contractor named above and this license or a photocopy must be prominently displayed at the asbestos project worksite. This license verifies that all persons employed by the licensee on an asbestos project in New York State have been issued an Asbestos Certificate, appropriate for the type of work they perform, by the New York State Department of Labor.


Eileen M. Franko, Acting Director
For the Commissioner of Labor

SH 432 (8/12)

NEW YORK STATE DEPARTMENT OF HEALTH
WADSWORTH CENTER



Expires 12:01 AM April 01, 2014
Issued April 01, 2013

CERTIFICATE OF APPROVAL FOR LABORATORY SERVICE

Issued in accordance with and pursuant to section 502 Public Health Law of New York State

MR. RAMPRASAD YALLABANDI
METRO ANALYTICAL LABORATORIES, LLC
255 WEST 36TH STREET SUITE #203
NEW YORK, NY 10018-0022

NY Lab Id No: 12003

Is hereby APPROVED as an Environmental Laboratory for the category
ENVIRONMENTAL ANALYSES SOLID AND HAZARDOUS WASTE
All approved subcategories and/or analytes are listed below:

Miscellaneous

Asbestos in Friable Material	EPA 600/M4/82/02b
	Item 198.1 of Manual
Asbestos in Non-Friable Material PLM	Item 198.6 of Manual (NOI by PLM)
Asbestos in Non-Friable Material TEM	Item 198.4 of Manual

Serial No: 49045

Property of the New York State Department of Health. Certificates are valid only at the address shown, must be conspicuously posted, and are printed on secure paper. Continued accreditation depends on successful ongoing participation in the Program. Consumers are urged to call (818) 485-6670 to verify the laboratory's accreditation status.

NYC DEP Asbestos Control Program
Asbestos Certificate



TELEMAQUE,
ERIC M
INVESTIGATOR
116687
EXPIRES: 1/2/2014
DOB: [REDACTED] M [REDACTED]

Must be carried on all asbestos projects



DMV ID: [REDACTED]

This certificate must be shown to a
NYCDEP representative upon request.
Report loss immediately to NYCDEP
Asbestos Control Program, 8th floor
59-17 Junction Blvd., Flushing, NY 11373

STATE OF NEW YORK - DEPARTMENT OF LABOR
ASBESTOS CERTIFICATE



ERIC M TELEMAQUE
CLASS (EXPIRES)
DANSP (01/14)



CERT# 89-05007

DMV# [REDACTED]

MUST BE CARRIED ON ASBESTOS PROJECTS

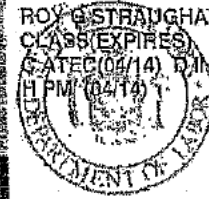


EYES [REDACTED]

HAIR [REDACTED]

HGT [REDACTED]

IF FOUND RETURN TO:
NYSDOL - LSC UNIT
ROOM 161A BUILDING 12
STATE OFFICE CAMPUS
ALBANY NY 12240

STATE OF NEW YORK - DEPARTMENT OF LABOR
ASBESTOS CERTIFICATEROY E. STRAUGHAN
CLASS EXPIRES
C-ATEC(04/14) R-ANSP(04/14)
HPM(04/14)

CERT# 03-04895

DMV#

MUST BE CARRIED ON ASBESTOS PROJECTS

EYES
HAIR
HGTIF FOUND RETURN TO:
NYSDOL - L&C UNIT
ROOM 161A BUILDING 12
STATE OFFICE CAMPUS
ALBANY NY 12240

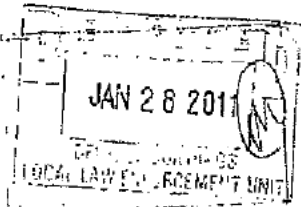
LOCAL LAW 11 REPORT

701190-569



Technical Report (TR6)
 Periodic Inspection of Exterior Walls and Appurtenances
 Sub-Cycle 7A - February 21, 2010 - February 21, 2012
 Sub-Cycle 7B - February 21, 2011 - August 21, 2012
 Sub-Cycle 7C - February 21, 2012 - February 21, 2013

Please stamp here



Must be typewritten.

1 Filing Information	
Answer all questions— Submit: one (1) microfilm and one (1) original report with one (1) copy if SWARMP or Safe status and two (2) copies if Unsafe status or Amended Reports. Indicate if combined cycles.	
☒ Initial Filing Report cycle: <u>7th Cycle</u> Last cycle filing date: <u>02/26/2008</u>	☐ Amended Filing Report cycle: _____ Initial unsafe filing date: _____
☐ Subsequent Filing Initial filing date: _____	
2 Location Information	
House No(s) <u>37</u> Street Name <u>East 12th Street</u> Zip <u>10003</u> Block <u>564</u> Lot <u>30</u> BIN <u>1009205</u>	
Borough <u>Manhattan</u> CB No <u>102</u> A.K.A. Address <u>N/A</u>	
3 Inspection Report Status Information	
Current Cycle: Last Inspection Cycle <u>11/24/10</u> SWARMP Recommended Date <u>1/1</u> Prior Filing Cycle <u>6th</u>	
☒ Safe ☐ Safe with repair and maintenance program (SWARMP) ☐ Unsafe ☒ Safe ☐ SWARMP ☐ Unsafe	
4 Building Characteristics	
Landmark Building: ☐ Yes ☒ No Landmark District: Yes ☐ No ☒	
Walk(s) Subject to Inspection: ☒ All ☐ Partial	
Number of stories: <u>8</u> Exterior wall type: <u>Brick Masonry, Cast Iron, and Cut Stone.</u>	
5 Qualified Exterior Wall Inspector (QEWI) Information	
Last Name <u>Bertolini</u> First Name <u>Oswaldo</u> Middle Initial <u>L</u>	
Business Name <u>Bertolini Architectural Works</u> Business Telephone <u>(212) 244-1232</u>	
Business Address <u>12 West 32nd Street</u> Business Fax <u>(212) 244-1990</u>	
City <u>New York</u> State <u>NY</u> Zip <u>10001</u> Mobile Telephone _____	
E-Mail <u>OBertolini@BAWorks.net</u> ☐ P.E. ☒ R.A. NYS License Number <u>21393</u>	
6 Owner of Record Information (Not a Representative or Business Manager or Agent)	
Last Name <u>Imberman</u> First Name <u>Fred</u> Middle Initial _____	
Business Name <u>37 East 12th Street Assoc., LLC</u> Business Telephone <u>(212) 673-6644</u>	
Business Address <u>37 East 12th Street</u> E-Mail <u>fred@kentshire.com</u> Business Fax <u>(212) 979-0923</u>	
City <u>New York</u> State <u>NY</u> Zip <u>10003</u> Mobile Telephone _____	
7 Statements and Signatures	
Owner / Owner Representative	
(A) I hereby state that I am the owner/owner's representative of the premises referenced in the attached report. Furthermore, I have received and read a copy of the attached report and I am aware of the required repairs and/or maintenance, if any and the recommended time frame for same.	
(B) I certify that all items noted as SWARMP conditions in the previous cycle's report have been corrected/repared; or this report must be rated as Unsafe as	
Name <u>Fred Imberman</u> Signature <u>[Signature]</u>	Relationship to owner <u>OWNER</u> Phone <u>212 673 6644</u> Date <u>12/24/10</u>
Qualified Exterior Wall Inspector (QEWI)	
Name (please print) <u>Oswaldo L. Bertolini</u>	
Signature <u>[Signature]</u> Date <u>1-26-11</u>	
I hereby state that the owner/owner's representative has authorized me to prepare this report. I hereby state that the owner/owner's representative has given to the best of my knowledge and belief, a true and complete report of the condition of the exterior walls and appurtenances of the premises.	
P.E. / R.A. Seal <u>[Seal]</u>	
Falsification of any statement is a misdemeanor and is punishable by a fine or imprisonment, or both. It is also a crime for a city employee to accept, any benefit, monetary or otherwise, either as a gratuity for properly performing his or her duties or for special consideration. Violation is punishable by imprisonment or fine or both.	
NYC DEPT. OF BUILDINGS L11798 REPORT INTAKE REVIEW ACCEPTABLE * AS NOTED FEB 4 2011 BY <u>[Signature]</u> DATE MAY BE SUBJECT TO OCCUPANCY INSPECTION VERIFICATION	

TRA 2/10



Bertolini Architectural Works

February 3, 2011

Mr. Lawrence Stelter
New York City Department of Buildings
280 Broadway
New York, NY 10007-1801

Re: Local Law Inspection
37 East 12th Street
New York, NY 10003



Dear Mr. Stelter:

This letter confirms our conversation that my last visit to the building was on December 22nd, 2010 to inspect the punch list repairs to the rear fire escape.

Please adjust the date on our Local Law 11 report.

Very truly yours,

Oswald Bertolini, AIA





NYC Department of Buildings
280 Broadway, New York, NY 10007

Robert D. LiMandri, Commissioner

Laura V. Osorio, R.A.
Assistant Commissioner

280 Broadway, 4th Floor
New York, NY 10007
Phone: (212) 568-3394
Fax: (212) 568-5762

CYCLE 7
NOTICE OF REJECTION OF FACADE INSPECTION AND SAFETY
PROGRAM FILING (FISP)

To: QEWI: Oswald Bertolini, R.A.
Bertolini Architectural Works
12 W. 32nd Street
New York, NY 10001

Re: Address: 37 East 12th Street

BIN: 1009205

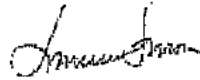
Borough: MANHATTAN--Block/Lot: 564 / 30--

Filing Date: 12/20/2010 Status: SAFE

Please be advised that your Façade Inspection and Safety Program Report is unacceptable for the following reasons:

- ☒ Incomplete or Incorrect or missing information as per Rules RCNY 32-03 as follows:
 1. Report pp. 2-7: as of 2/21/10, report format must adhere to and follow the sequence and labeling indicated in Amended Rule Sec. 32-03(b)(3)(III, A-P).
 2. Report p.2, III.6: list the appurtenances.
 3. Report p.3, IV.2: indicate rigger's license number.
 4. TR6, #3: as per Amended Rule Sec. 32-03(b)(4)(ix), the last inspection date (most recent site visit and not necessarily the date of close-up inspection) must be within 60 days of the filing date.
 5. TR6, #5 & #6: Indicate E-mail addresses of QEWI and Owner of Record.
- ☒ Note all appurtenances, incl. window A/C units, and their condition.
- ☐ Provide time frame to complete repairs of defects.
- ☐ Determine if repairs require work permits as per TPPN 1/99.
- ☐ Provide statement about water tightness.
- ☐ Discuss history of any settlements, repairs and revisions to exterior enclosures, incl. façade-repair Permits and façade-related violations.
- ☐ Indicate location graphically of close-up inspection (scaffold drop), Rigger's info and license no.
- ☐ See Guides and Publications for Façade Inspection and Safety Program Cycle 7 on Website NYC.gov/buildings.

***NOTE:** An acceptable report must be resubmitted within 30 days of the date of this notice in order to keep current filing date. The above items must appear in the resubmitted report. Please attach a copy of this letter upon resubmission. Until the report is reviewed and accepted by FIAU, the building status will reflect "No Report Filed (NR)". If unsafe conditions are identified, comply with procedures in RCNY 32-03 (b)(5) and OPPN 1/05.


Lawrence Steller, R.A. ☎ (212) 568-5369

Date: 12/30/2010

cc: Owner: Fred Imberman
37 East 12th Street Assoc., LLC
37 East 37th Street
New York NY 10003

Kathy Davis- LLEU (info)



Bertolini Architectural Works

37 East 12th Street
New York, NY 10003

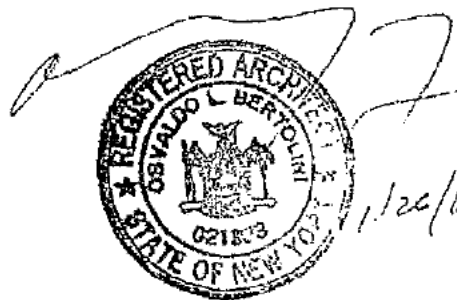
SEVENTH INSPECTION CYCLE

**PERIODIC INSPECTION
REPORT OF EXTERIOR WALLS
AND APPURTENANCES**

In accordance with Article 302
of the Administrative Code of
the City of New York
(Local Law No.10/1980 as
Superseded by LL 11/98)

*Bertolini Architectural Works
12 West 32nd Street
New York, New York 10001*

*Tel: (212) 244-1232
Fax: (212) 244-1990*



12 w 32nd st. New York, NY 10001
ph: (212) 244-1232 fx: (212) 244-1990

**LOCAL LAW 11/98
SEVENTH (7th) CYCLE REPORT
FOR
37 EAST 12TH STREET**

The Owner is hereby advised that conditions noted, as "Unsafe" must be corrected immediately.

The Owner is hereby notified that the Department of Buildings must be notified by the inspecting profession, in writing, within 2 hours of an inspection where "Unsafe" conditions were observed.

The Owner is hereby notified that All items listed in the previous 6th Cycle Report as "Safe With A Repair and Maintenance Program" (SWARMP), must be corrected prior to the filing of this 7th Cycle report or the building must be filed as "Unsafe".

Copies of this report have been sent to:

Owner:
Fred Imberman
37 East 12th Street Assoc., LLC
37 East 12th Street
New York, NY 10003

Managing Agent:
Fred Imberman
37 East 12th Street Assoc., LLC
37 East 12th Street
New York, NY 10003

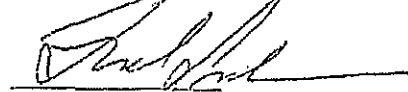
Tel.: (212) 673-6644

Tel.: (212) 673-6644

I hereby state that I am the Owner or the Owners representative of the premises referenced within this report. Furthermore, I have received and read a copy of the report and am aware of the required repairs and/or maintenance, if any and the recommended timeframe for the same.

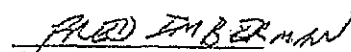
I hereby certify that all items noted as SWARMP in the 6th Cycle Report have been corrected/repared; or this report must be rated as "Unsafe" as per RCNY 32-03 (b) (3) (ii) (Q), if applicable.

If someone other than the Owner is signing this document, State the relationship to the Owner:



Owner: (Signature)

Date: 10/26/2010


Owner: (Please Print Name)

The contents of this Report should Not be considered a **Scope of Work** for repairs by a Contractor. Inappropriate or insufficient repairs may result from the misinterpretation of this Report with the result that additional funds will be required to make the facades Local Law compliant.

SEVENTH (7th) CYCLE STATUS:

The Building's 7th Cycle status is Safe.

A. PROPERTY INFORMATION:

1. Address: 37 East 12th Street
2. AKA Addresses: N/A
3. Block No: 564
4. Lot No: 30
5. Bin No: 1009205
6. Landmark Status: Not a Landmark building or in a Landmark District.
7. Cross Streets: Between University Place and Broadway
8. Property Profile Overview: Attached

B. OWNERSHIP INFORMATION: Fred Imberman
37 East 12th Street Assoc., LLC
37 East 12th Street
New York, NY 10003

C. DETAILED DESCRIPTION OF BUILDING:

1. Description: Decorative cast iron from Ground to 2nd floor. Decorative Terra Cotta and brick masonry from 3rd to 7th floor. A copper cornice projects from the parapet. Windows are made from wood with some not being operable.
2. Number of Stories (Including Basement): 8
3. Height: 120'-0"
4. Approximate Plan Dimensions: 37' x 84'
5. Certificate of Occupancy Number (If available): No Certificate of Occupancy Available

- 6. Usage: Commercial
- 7. Approximate Age of Structure: 110 years
- 8. Type of Exterior Wall Construction: Brick Masonry, Cast Iron, and Cut Stone.

D. PREVIOUS REPAIR DESCRIPTION (IF AVAILABLE):

- Street Façade Repairs and Miscellaneous Roof and Rear Façade Repairs filed under DOB Job #120335342. (See attached approved Department of Buildings Plans and Letter of Completion)

E. METHODS OF INSPECTION:

- Overall visual inspection conducted from the ground, and various other locations encompassing all elevations required to be inspected. Close up visual inspections conducted with Binoculars and by Scaffold and/or fire escapes as indicated on plot plan. Photographs taken with high resolution digital cameras.
- Binoculars: Zoom 20x50
- Camera: Canon EOS Rebel XS, Zoom EF-S 18-55mm

F. PHYSICAL EXAMINATIONS PERFORMED:

1. Dates and Location of Examinations:

- 10-22-10: Scaffold Drop Inspection the full width of on the street side façade from Cornice down to street level.
- 11-22-10: Inspection the full width and height of street side façade from street level.
- 11-24-10: Rear façade inspection from parapet to ground level through the use of the fire escape.

2. Professional Responsible for Inspection:

Osvaldo L. Bertolini, RA Lic#021393
 Bertolini Architectural Works
 12 West 32nd Street PH
 Tel: (212) 244-1232 Fax: (212) 244-1990

Contractor Responsible for Scaffolding, Testing, Etc.,
 Upgrade Contracting Co. Inc.
 81 Apollo Street
 Brooklyn, NY 11222
 Tel.: (718) 302-1616 Fax: (718) 302-1717
 Riggers License #5610

3. Plot plan attached.

4. This Critical Examination began on 10-22-10 and concluded on 11-24-10.

G. CONDITIONS OBSERVED:

1. There appears to be no signs of any movement on the façades of the building.
2. Based on the current critical examinations conducted and no leaks reported by the super, the exterior surfaces appear to be water tight.
3. Appurtenances: There is a flag pole securely attached to the building between the first and second floor. There are no A/C units throughout the building.

H. STATUS OF EXTERIOR MAINTENANCE:

- Exterior maintenance generally appears to be satisfactory.

I. REVIEW OF SIXTH (6th) CYCLE REPORT:

1. List of SWARMP conditions that were corrected:

- All items in 6th cycle report were listed as safe.

2. The 6th Cycle Local Law 11/98 Report was reviewed by Our Office.

Copy attached, Yes X

3. The previous round of repairs was done under the DOB Job # 120335342.

J. PHOTOGRAPH OF STREET SIDE ELEVATION:

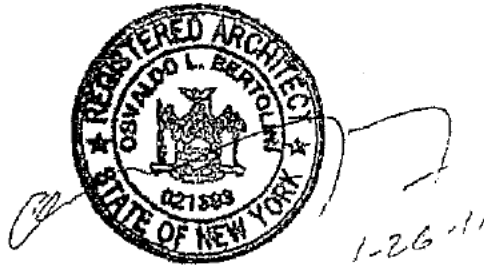


Local law 11/98
7th Cycle Report

K. SEVENTH (7th) CYCLE REPORT OF FINDINGS:

1. Safe

L. PROFESSIONAL SEAL AND SIGNATURE:



M. APPENDIX:

1. BIS Property Profile Overview

- Attached

2. Environmental Control Board (ECB) Violations:

- None

3. Environmental Control Board Violation Detail for any Façade-Related Violations:

- None

4. BIS Document Overview for façade-related alteration and shed applications:

- Attached

5. Attach Copy of Certificate of Occupancy (If applicable)

- Copy of print out from Department of Buildings which say no records found for this address.

6. **OTHER ATTACHMENTS**

- Letter of Completion
- Work Permit
- Approved Department of Buildings drawings
- Copy of Local Law 11/98 6th Cycle Report

N. NOTES TO OWNER:

1. Window Washing: The Owner should alert window washers to report all items of deterioration noted while working at the Building. Defective glass should be corrected immediately.
2. Air Conditioning Units: The Owner should require review of the methods of all new installations of through the wall air conditioners and window mounted air conditioners.
3. Record of Leaks: It is advised that a file be kept of all leaks into the Building and all items of exterior work performed. A copy of this should be made available to the R.A. or P.E who may be retained for the purpose of performing the periodic monitoring of the Building.
4. The contents of this Report should not be considered a **Scope of Work** for repairs by a Contractor. Inappropriate or insufficient repairs may result from the misinterpretation of this Report with the result that additional funds will be required to make the facades Local Law compliant.
5. The Owner is hereby advised that conditions noted as "Unsafe: in this Report, including highlights on the photographs and text, must be Corrected immediately in order to comply with the requirements of law. The Owner is also strongly urged to correct all conditions note as "Safe With a Maintenance Program" as soon as possible as these will automatically be considered "Unsafe" in the next report if not corrected.
6. Description of Building(s), height, number of floors, etc., were assembled from various Building Department records and are not necessarily accurate. They are intended to provide minimal standard and approximate information. No warranty is expressed.
7. After completion of remedial construction the Owner must file a document with the Department of Buildings attesting to the fact that all remedial work has been completed.
8. A copy of this Report must be kept by the Owner for future use.
9. Article 302 of the Administrative Code of the City of New York requires that the next Critical Examination of the Building walls and appurtenances thereof must be undertaken at such a time as to have a Report on such examination filed with the Building Department no later than February 20, 2012.
10. The Photographs reproduced in this report may contain images or persons, possessions of persons and properties that are not the

subject of this Report. The inclusion in this Report of such images is purely accidental.

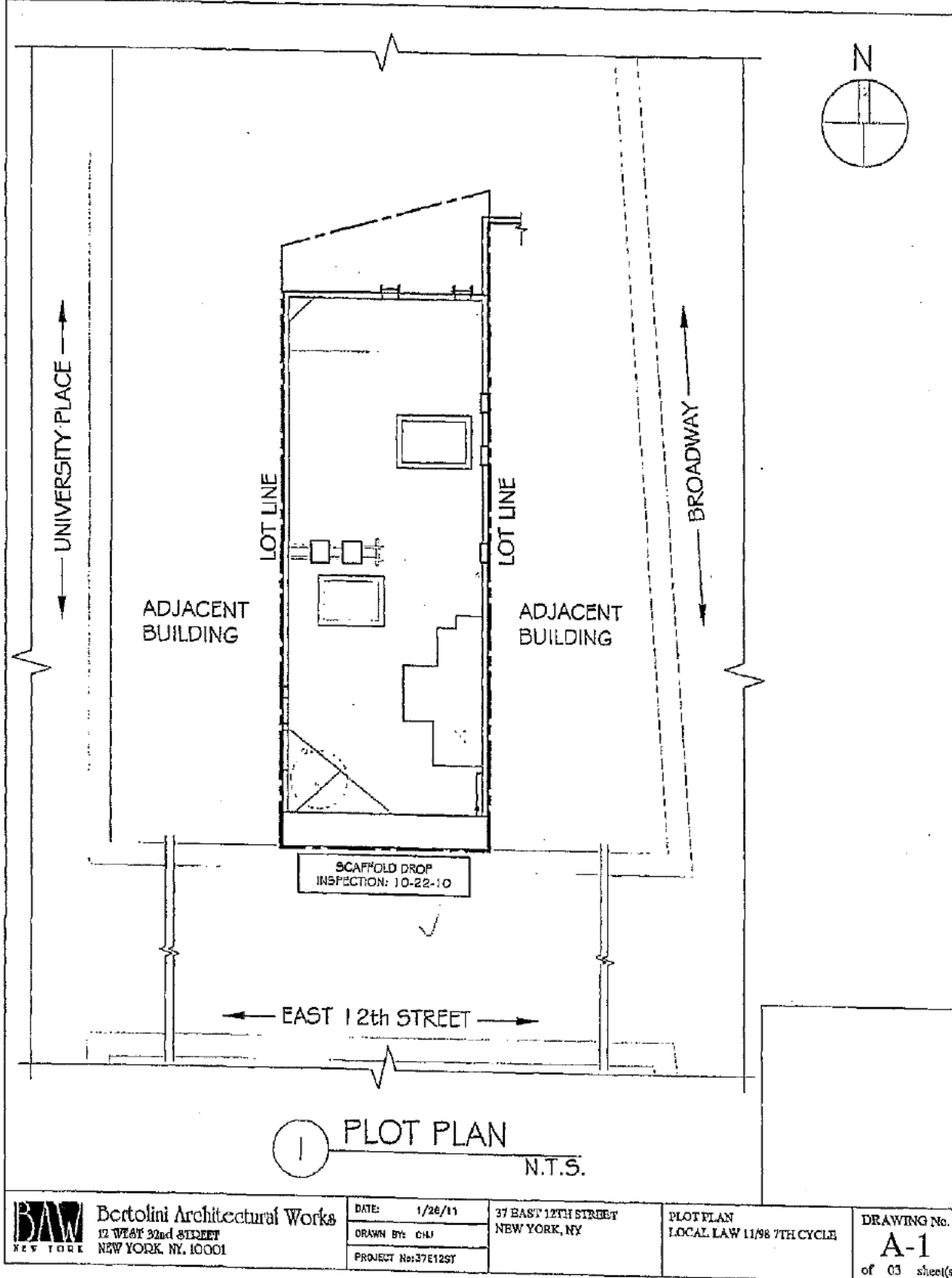
11. Conditions noted in this report are of the date of inspection only. The conditions of this Building will change over a period of time. The period required for change varies according to the Building construction and environmental conditions. This report is limited to the observations recorded as of the date of inspection and in no way shall be considered as guarantee of continued structural adequacy.
12. The Owner, upon payment of the final professional fee to the Architect, shall be deemed to have read the complete Report and to have accepted all of the conditions stated therein.

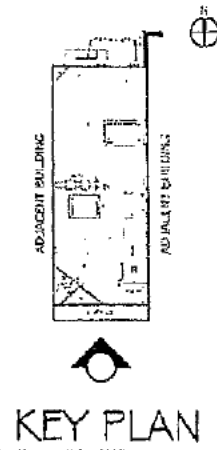
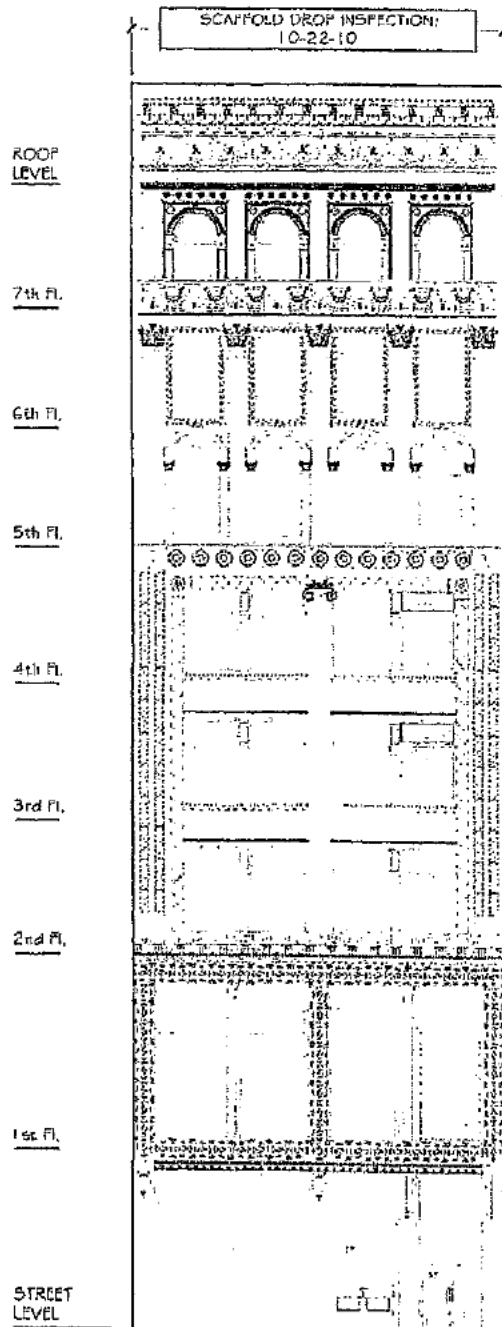
O. LIMITS ON ARCHITECTS WORK:

1. Nothing stated in this Report shall be interpreted as a warranty of any kind by the Architect in connection with the construction, repairs or maintenance work, past present, or future, involving the Building, any parts thereof, or any appurtenance thereto. Nothing in this Report shall be interpreted as implying that the Architect has given an opinion as to the suitability, adequacy or inadequacy of the original design of the Building, any of the parts or appurtenances thereto or any alterations of the above, nor shall anything in the report be interpreted as implying that the Architect has given an opinion as to the existence of any encroachments of the Building, or any part or appurtenances thereto over property lines, etc.,
2. The Architect does not guarantee the accuracy of information relative to the legal use of the Building, location of the Building, legal owner, principal officer of legal owner, site description, date of construction and construction details that are not visible.
3. As per Article 302 of the Administrative Code of the City of New York, the Architect has been retained to make a critical examination utilizing photographic and telescopic techniques, with the use of at least one scaffold drop, augmented by close inspection from sidewalk, roof and setback levels. Accordingly, the accuracy of the Report is limited to that which could be reasonably expected under such circumstances, utilizing equipment commonly employed for similar work.
4. The Architect shall have no responsibility with regard to the adequacy, strength, condition or safety of any item constructed in any manner of glass.

5. This report shall not be interpreted as a guarantee of the Building's surfaces or appurtenances for maintenance personnel or others who may perform work on the facades.
6. The Architect for this report has been retained only for the Critical Examination of the building walls and appurtenances thereto as they are relevant to LL10/80 and as amended by LL 11/98 and in compliance with the appropriate requirements of Article 302 of the Administrative Code.
7. The Architect has not been retained for the filing of final construction compliance documents, preparation of design drawings and/or specifications, for the supervision or observation of construction, or for any other services.
8. The responsibility of the Architect are limited solely to the Critical Examination, preparation and filing of this Report, subject to the terms set forth herein. Nothing in this Report shall be interpreted as extending the scope of the Architect's services and liability beyond that intended by LL 11/98.
9. This Report was prepared under the direction of Oswald Bertolini, Architect.

REGISTERED ARCHITECT





1 SOUTH ELEVATION

N.T.S.



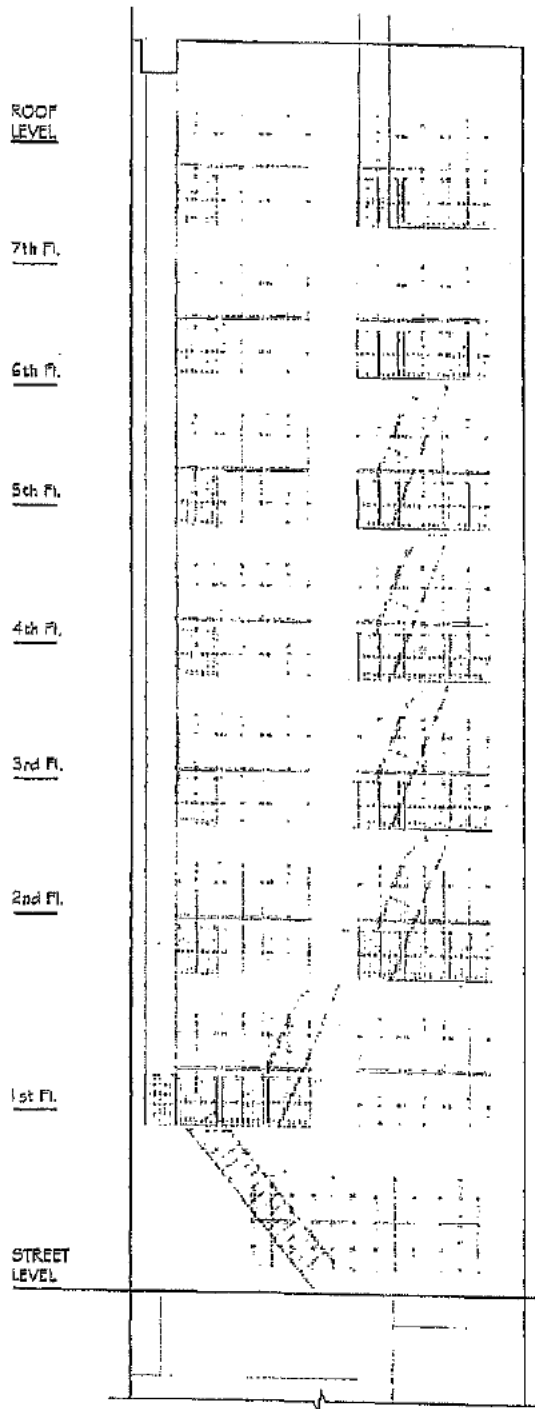
Bertolini Architectural Works
12 WEST 32nd STREET
NEW YORK, NY, 10001

DATE: 1/25/11
DRAWN BY: CHJ
PROJECT No: 37(E)25T

37 EAST 12TH STREET
NEW YORK, NY

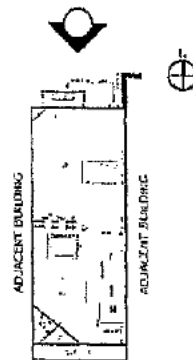
SOUTH ELEVATION
LOCAL LAW 11/98 7TH CYCLE

DRAWING No.
A-2
of 03 sheet(s)



1 NORTH ELEVATION

N.T.S.



KEY PLAN



Bertolini Architectural Works
12 WEST 32nd STREET
NEW YORK, NY, 10001

DATE: 1/25/11

DRAWN BY: GHI

PROJECT No. 37E12ST

37 EAST 12TH STREET
NEW YORK, NY

NORTH ELEVATION
LOCAL LAW 11/98 7TH CYCLE

DRAWING No.

A-3

of 03 sheet(s)



NYC Department of Buildings
260 Broadway, New York, NY 10007

Robert D. LiMandri, Commissioner

Letter of Completion

OSVALDO BERTOLINI
1 WEST 32ND STREET
NEW YORK, NY 10001

Re: 37 EAST 12 STREET, MANHATTAN
Job #: 120335342
Block: 564 Lot: 30

Dear OSVALDO BERTOLINI:

Please be advised that the work related to the above application is completed and was signed off in the Building Information System (BIS) on 12/08/2010. ✓

Because this job was filed as Directive 14 of 1975, the owner retained a registered professional engineer or registered architect, who certified that he/she inspected the work approved on this application and that it complies with the applicable laws, rules and regulations of the Department of Buildings.

Based on the nature of the work filed on this application a new certificate of occupancy is not required.

Very truly yours,

A handwritten signature in black ink, appearing to be "R. LiMandri", written over a horizontal line.

Borough Commissioner
MANHATTAN



Buildings

Work Permit Department of Buildings

Permit Number: 120335342-01-EW-OT

Issued: 09/16/2010

Expires: 08/17/2011

Address: MANHATTAN 37 EAST 12 STREET

Issued to: JOSEPH MCCALLION

Business: UPGRADE CONTR. CO. INC

Contractor No: GC-4015

Description of Work:

ALTERATION TYPE 2 - G.C. MISCELLANEOUS ROOF AND REAR FACADE REPAIRS. NO CHANGE IN USE, EGRESS OR OCCUPANCY.

Review is requested under Building Code: 1968

SITE FILL: NOT APPLICABLE

To see a Zoning Diagram (ZD1) or to challenge a zoning approval filed as part of a New Building application or Alteration application filed after 7/13/2009, please use "My Community" on the Buildings Department web site at www.nyc.gov/buildings.

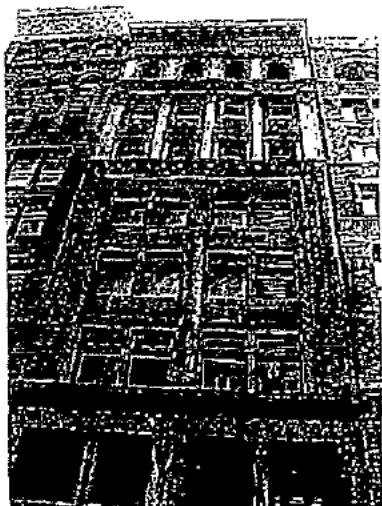
Emergency Telephone Day or Night: 311

Borough Commissioner:

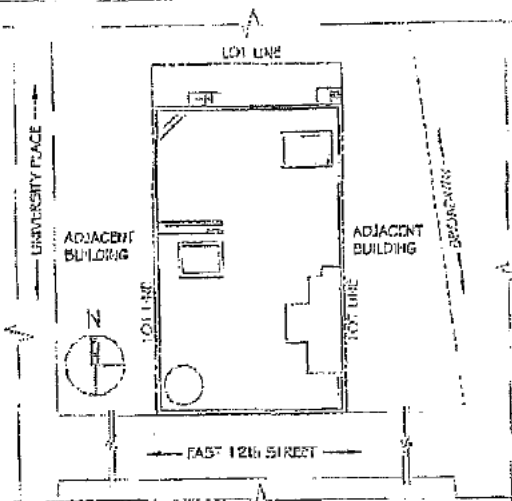
Commissioner of Buildings:

Tampering with or knowingly making a false entry in or falsely altering this permit is a crime that is punishable by a fine, imprisonment or both.

OP-35A (5/10)



① PHOTO OF BUILDING N.T.S.



② PLOT PLAN N.T.S.

General Notes:

1. The construction equipment and methods used shall comply with all requirements of the New York State Building Code, the New York State Electrical Code, the New York State Plumbing Code, the New York State Health Code, the New York State Energy Conservation Code, and other requirements, rules and regulations of the New York Environmental Protection Agency and other agencies having jurisdiction.
2. The General Conditions of the Contract for Construction, AIA Document A201, are hereby specifically made a part of the contract documents.
3. The Contractor shall go to the job site and make accurate field measurements and note any conditions, which will affect the work. The Contractor shall be deemed to have visited the job site and acquainted to his own satisfaction the full extent of the work.
4. The Contractor shall verify all dimensions and conditions shown on the Architects drawings and report any discrepancies to the Architect prior to any fabrication or commencement of work.
5. The Contractor shall not determine dimensions of work by words or rule but shall follow figured dimensions at all times.
6. The Contractor shall supply all materials, appliances, tools, labor and services necessary to complete the work in every respect according to these drawings.
7. The Contractor shall consult with the management of the building business procedure involved and, as far as is reasonable possible, shall carry out the work with minimum disruption to the occupants. The Contractor shall erect enclosures or other protective barriers during demolition and construction as required by the management or owner of the premises.
8. The Contractor is to be responsible for keeping the site free of all rubbish and debris and in a neat orderly condition at all times. He shall clean up and remove all accumulations rubbish and debris for all trades on a daily basis.
9. The Contractor shall be responsible for initiating, maintaining and supervising all safety precautions in connection with the work.
10. The Contractor shall be responsible for coordinating the work of all the work of sub-contractors and shall on all the work required to facilitate the proper installation of work done under separate contracts by others.
11. Existing electrical services shall be kept operational and without interruption to the owners.
12. Before commencing work on this contract, each Contractor shall procure and maintain liability insurance, General Liability Insurance, Property Damage Insurance, and Workmen's Compensation Insurance in accordance with all local and State laws in addition the General Contractor and Sub-Contractor shall maintain insurance for all motor vehicles used on this project.
13. Before commencing the work, the Contractor shall procure all certification of insurance for comprehensive liability, bodily injury and property damage of not less than \$1,000,000 each is shall subject to and his operations under the contract, whether such operations be by himself or by his sub-contractor or anyone working directly or indirectly employed by either of them. Before commencing work, the Contractor shall furnish the owner with certificates naming the insurer, the owner and the architect as additional insured.
14. The Contractor shall be wholly responsible for all work and materials under this contract and shall not be liable for any work and materials under this contract not only those parts performed by him but also by his sub-contractor for a period of one year after date of acceptance of project by the owner.

TRAFFIC PROTECTION PLAN

ALL WORK SHALL BE DONE IN ACCORDANCE WITH THE NEW YORK CITY BUILDING CODE AND WITH ALL REGULATIONS OF ANY OTHER AGENCY HAVING JURISDICTION.

CONSTRUCTION SHALL OCCUR DURING CONSTRUCTION.

EXISTING ALL EXISTING MEANS OF EGRESS FROM THE BUILDING SHALL BE MAINTAINED CLEAR AND FREE OF ALL OBSTRUCTIONS, SUCH AS OUTRIGGERS, MATERIALS, TOOLS, ETC.

THE SAFETY OF THE WORKERS OF ALL EXISTING BUILDINGS SHALL BE MAINTAINED.

ALL FLAMMABLE MATERIALS SHALL BE KEPT AWAY FROM THE WORKING AREA. ALL FLAMMABLE MATERIALS SHALL BE KEPT AWAY FROM THE WORKING AREA AND STORED IN AN APPROPRIATELY VENTILATED SPACE.

ALL ELECTRICAL WORK SHALL BE DONE IN ACCORDANCE WITH THE NEW YORK CITY ELECTRICAL CODE.

ALL ELECTRICAL POWER IN THE CONSTRUCTION AREA SHALL BE SHUT-OFF AFTER WORKING HOURS.

THE CONTRACTOR SHALL MAKE SURE THERE IS NO LEAKAGE OF ANY FLAMMABLE GAS USED IN CONSTRUCTION.

ALL BUILDING MATERIALS STORED AT THE CONSTRUCTION AREA, AND/OR IN ANY AREA OF THE BUILDING, ARE TO BE SECURED IN A LOCKED AREA. ACCESS TO SUCH AREAS SHALL BE CONTROLLED BY OWNER AND/OR GENERAL CONTRACTOR.

POSSIBLE ACCIDENTS DURING CONSTRUCTION OPERATIONS SHALL NOT INVOLVE INTERFERENCE OF HEALTH, WATER OR ELECTRICAL SERVICES TO OTHER PARTS OF THE BUILDING OR ANY OTHER BUILDING.

SHUT DOWN OF WORK, DUST AND NOISE SHALL BE KEPT TO A MINIMUM AND BE LIMITED TO THE PERMITTED CONSTRUCTION AREA AND SHALL BE LIMITED FROM THE BUILDING REASONABLY TO AVOID EXCESSIVE ACCUMULATION.

CONSTRUCTION SHALL PROTECT THE CONSTRUCTION AREA FROM OTHER BUILDING AREAS BY MEANS OF TEMPORARY PARTITIONS OR BARRIERS OR OTHER MEANS.

NOTE: ALL MATERIALS, CONSTRUCTION OPERATIONS SHALL BE COMPLETED TO MEET ALL REQUIREMENTS BEFORE WORKING HOURS, 8:00 AM - 5:00 PM, NO WORK ON SATURDAYS AND SUNDAYS.

BLOCK: 364
LOT: 30
MAP: 12C
ZONING: C 6-1

DRAWING LIST

T-001.00 - COVER PAGE &
GENERAL NOTES
T-002.00 - SCOPE OF WORK
A-001.00 - ROOF PLAN
A-002.00 - SOUTH ELEVATION
A-003.00 - NORTH ELEVATION
A-004.00 - DETAILS
A-005.00 - DETAILS

BOLA SOBANDE

JUN 4 8 2010

RECEIVED FOR PERMIT
CITY ENGINEER NO. 147



37 EAST 12th STREET
NEW YORK, NY

PHOTO OF BUILDING, PLOT PLAN,
GENERAL NOTES AND DRAWING LIST



DATE: 04/25/10

PROJECT No: 37E12ST

DRAWN BY: JK

DRAWING No.

T-001.00

1 of 07 sheet(s)



Bartoloni Architectural Works
8 WEST 2nd STREET
NEW YORK, NY 10001

The Contractor agrees to furnish and execute the following work at the above indicated building in accordance with the attached plans T-1, T-2, A-1 thru A-12, and specifications. The owner reserves the right to determine the extent of the work that shall be done.

I. Terra Cotta Restoration

General: Terra Cotta Patching repairs shall be made with Mortar Stone Repair by Gompco Corp. all other Terra Cotta restoration materials shall be Edison Coatings products as specified below, (or pre-approved equals). Follow all manufacturers' recommendations. Samples shall be provided for all proposed repair materials, for Architect review and approval. No work shall be done until the samples have been approved in writing by the Architect. Samples shall be done in a convenient and accessible location, adjacent to a clean area, which is a reasonable representation of the overall existing conditions. All samples shall match as closely as possible in shape, color, size, texture, tooling, etc.

D. Full Inspections: Provide scaffolding for Architect's inspection of 100% of the building's Street facade. Inspection shall include sounding of Terra Cotta where indicated to verify that adequate bond exists between the Terra Cotta and the back-up masonry. Any work discovered during inspections and sounding of Terra Cotta shall be performed under Scope of Work Items 2-7 as listed below.

1. Repairs at Sheet Metal and Terra Cotta Cornices: Where indicated, remove existing decorative sheet metal band for repairs and reinstallation. Remove 100% of Terra Cotta units below for replacement with cast stone replicas (replacement costs shall be included in Scope Item #2 Below). Provide and install new cast stone replicas. Replace back up masonry as required and parge 100% to receive waterproofing. Provide and install new 16oz Lead Coated Copper Cap with flashing edge to receive membrane waterproofing. Provide and install new Perm-A-Barrier waterproofing membrane with termination bar. Provide new steel channels or plywood backing (TBD) and re-install decorative sheet metal band. (Replace sheet metal with a patching mortar or fiberglass filler compound, for large voids fully solder new sheet metal over opening. Scrape with wire brush and apply rust inhibiting primer (Rustolium) and exterior grade finish paint (Benjamin Moore or approved equal). Repairs to be performed as per detail.
- 1a. Cast Iron Repairs: Where indicated, remove paint coatings at damaged areas with wire brush. Repair damaged areas using a patching mortar or fiberglass filler compound (T.B.D.). Apply One (1) coat of rust inhibiting primer and Two (2) finish coats of exterior grade, oil based paint. (Color T.B.D.) Provide adequate protections of adjacent surfaces.
2. (Option) Terra Cotta Replacement Units: Where indicated, carefully remove Terra Cotta unit and fabricate new unit in cast stone to match original in size, shape, color and texture.
3. Pointing: Where indicated, cut Terra Cotta mortar joints a minimum of 3/4" deep. Repoint with "Spec Joint 46, Type O", by Edison Coatings Inc. Color, texture and tooling to match existing. (Note: Do not use cutting blades wider than 1/8" for cutting of T.C. joints)
4. Patching: Where indicated, remove existing loose or spalled Terra Cotta and cut edges into square outside shapes. Patch area with "Matrix" by Gompco Corp. to match existing in profile, texture and color. Follow all manufacturers' recommendations for surface preparation, mixing, installation, etc.
5. Crack Injection: For repair in cracks of Terra Cotta, up to 1/8" wide: Evenly cut cracks with a diamond blade and inject with "Tump-X-521" by Edison Coatings.
6. Welding: For bonding of broken Terra Cotta pieces: Clean away any dirt and loose debris and bond pieces together with "Flex-weld 520" by Edison Coatings Inc. Coat the inside surfaces of the newly welded Terra Cotta pieces with a mixture of "Spec Joint 46, Type O" and loose fiberglass.
7. Finishing Terra Cotta: Where indicated, provide and install new stainless steel epoxy anchors (Diameter 1/8" or as determined by Architect) by Hill or approved equal. Patch Terra Cotta to match existing.
8. Clear Protective Coatings: Prepare surface per manufacturers' recommendations and Apply "Sure Klean Weather Sealer Siluxone PD", by ProSoCo (Sample application shall be provided prior to overall application)

II. Brick Repairs

General: Brick to match existing in size, shape, color and texture. Mortar type N to be used in all cases, to match existing in texture, color, and tooling. On site samples are to be provided for review and approval by the Architect, prior to installation. Where structural steel is exposed (Column and/or Sparrows), area shall be scraped, primed and painted, and stainless steel masonry anchors are to be welded in steel.

9. One (1) Wythe Replacement: Where indicated, remove existing brick masonry. Provide and install new brick masonry to match existing. Areas larger than one square foot shall receive stainless steel masonry anchors secured to back-up masonry.

10. Two (2) Wythe Replacement: Remove Two (2) wythes of brick. Provide and install new brick (with waterproofing as directed by Architect) and stainless steel masonry anchors at 12" O.C. in both directions.

11. Three (3) Wythe Brick Replacement: Remove existing brick masonry and replace with new to match existing, provide and install new Duro-wall rebar/tee at every 5th course and stainless steel masonry anchors at 12" O.C. in both directions. Provide, install and maintain adequate shoring for any masonry to remain.

12. Brick Pointing: Where indicated, cut and point brick joints. In all cases, avoid chipping, nicking or otherwise damaging brick units. Joint depth shall be 3/4" minimum. Re-point with premixed, pre-colored, mortar, Type "N" to match existing in color, texture and tooling.

III. Window Repairs

13. Window Aluminum Finishing: Where requested by the Architect, install new protective aluminum cap with double caulking edge crease, as per detail.
14. (Option) Window Caulking: Remove existing caulking and provide and install new caulking (by Sonosborn NW-1) at 100% of window frames perimeter following all of the manufacturers' recommendations for surface preparation and application.
15. (Option) Window Painting: Carefully scrape existing deteriorated wood window. Apply two coats of exterior grade latex paint by Benjamin Moore, color to be determined.
- 15a. (Option) Linet Painting: Where indicated, scrape existing linet, apply rust inhibiting primer and, one exterior grade finish coat (Color T.B.D.)

IV. Miscellaneous Repairs

16. Water Tank Structure Repairs: Coordinate with Building to have the water tank temporarily drained prior to repairs. Remove existing deteriorated structural composite leg and provide and install new to match the original configuration. Repair steel anchorage points as required to receive new leg. Paint new leg to match existing with One (1) coat of rust inhibiting primer and Two (2) finish coats of exterior grade, oil based paint, color black.
- 16a. (Option) Painting of Water Tank Structure: Scrape 100% of water tank structure, and apply One (1) coat of rust inhibiting primer and Two (2) finish coats of exterior grade, oil based paint, color black.
17. Fire Escape Repairs: Where indicated perform the following repairs:
 - Treads: Weld treads that have failed on one side to existing stringers. If tread is structurally compromised replace to match existing.
 - Replace Structural Angles at Platforms: Remove deteriorated sections at platform and replace with new to match existing, re-secure balusters to new angle and paint all new steel.
- 17a. (Option) Fire Escape Painting: Scrape 100% of fire escape (stairs, treads, the top and underside of the platform, railings, balusters, etc.). Apply One (1) coat of rust inhibiting primer and One (1) finish coat of exterior grade, oil based paint, color to match existing. Provide dust barrier protections as required to not allow paint dust to enter the apartment interiors.
18. Flashing Repairs: Where indicated re-secure the existing flashings and caulk 100% of the seams.
19. Interior Corbel Gravel Stop Repairs: Install new gravel stop over the existing full length of the corbel, as per detail.

Note: When the expression "Install" is used, for economy of words, it shall be interpreted as "Provide and Install".

EOLA SCIBANDE

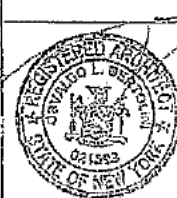
BUN 9 8 2010
ACCEPTED FOR PERMIT
UNDER DECREE NO. 1475



37 EAST 12th STREET

NEW YORK, NY

SCOPE OF WORK



DATE: 04/20/10

PROJECT No: 37E12ST

DRAWN BY: JK

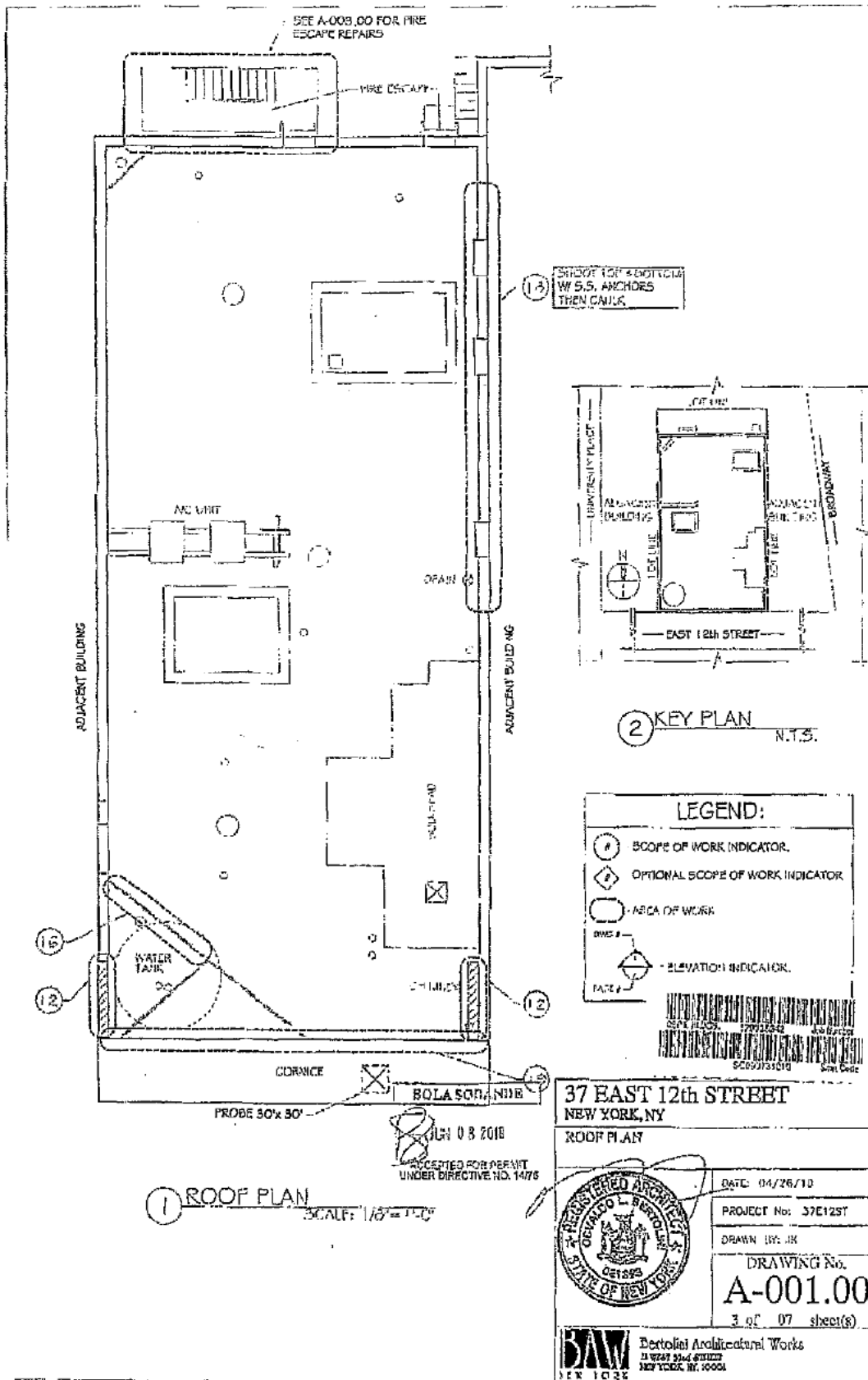
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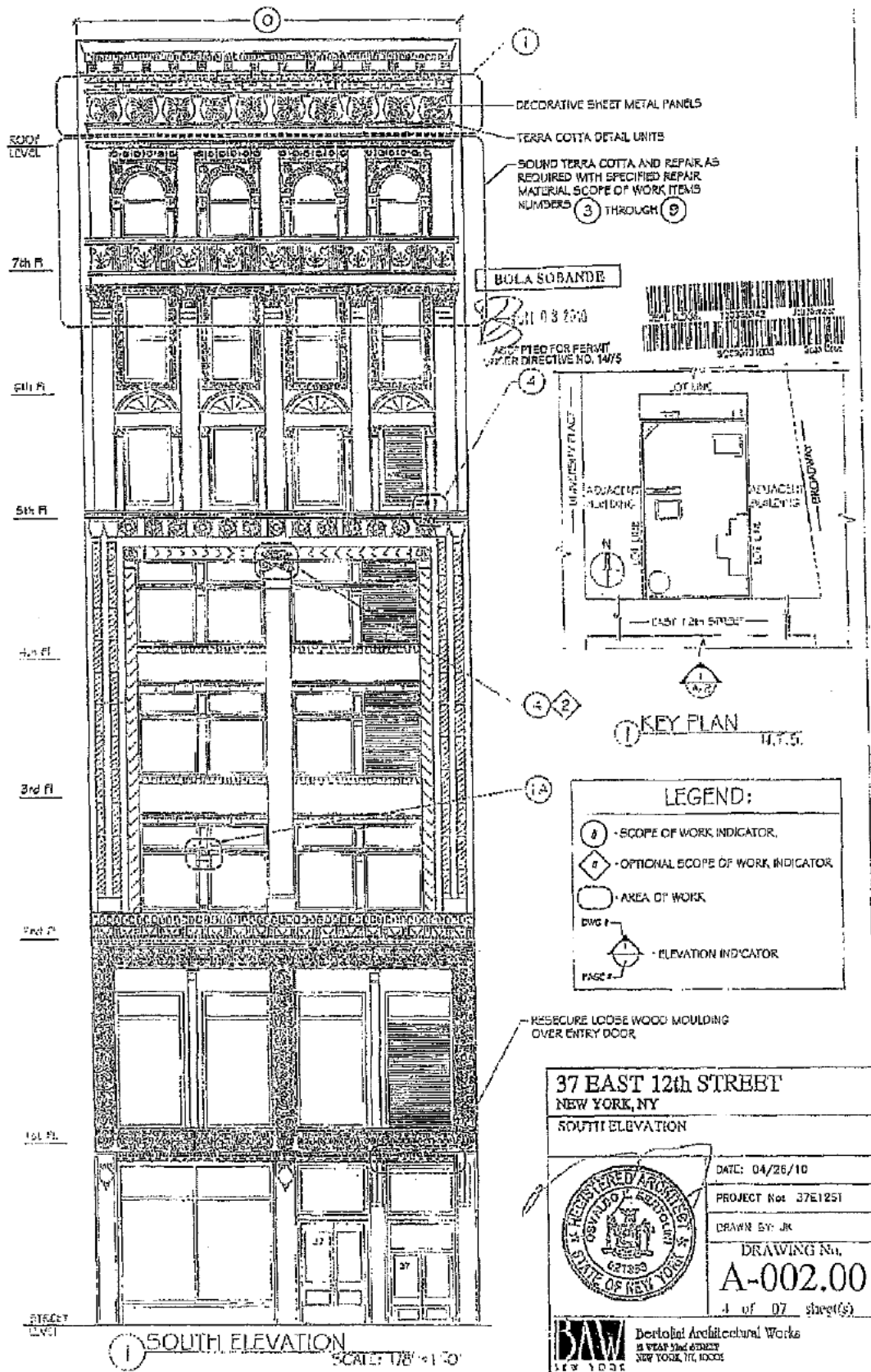
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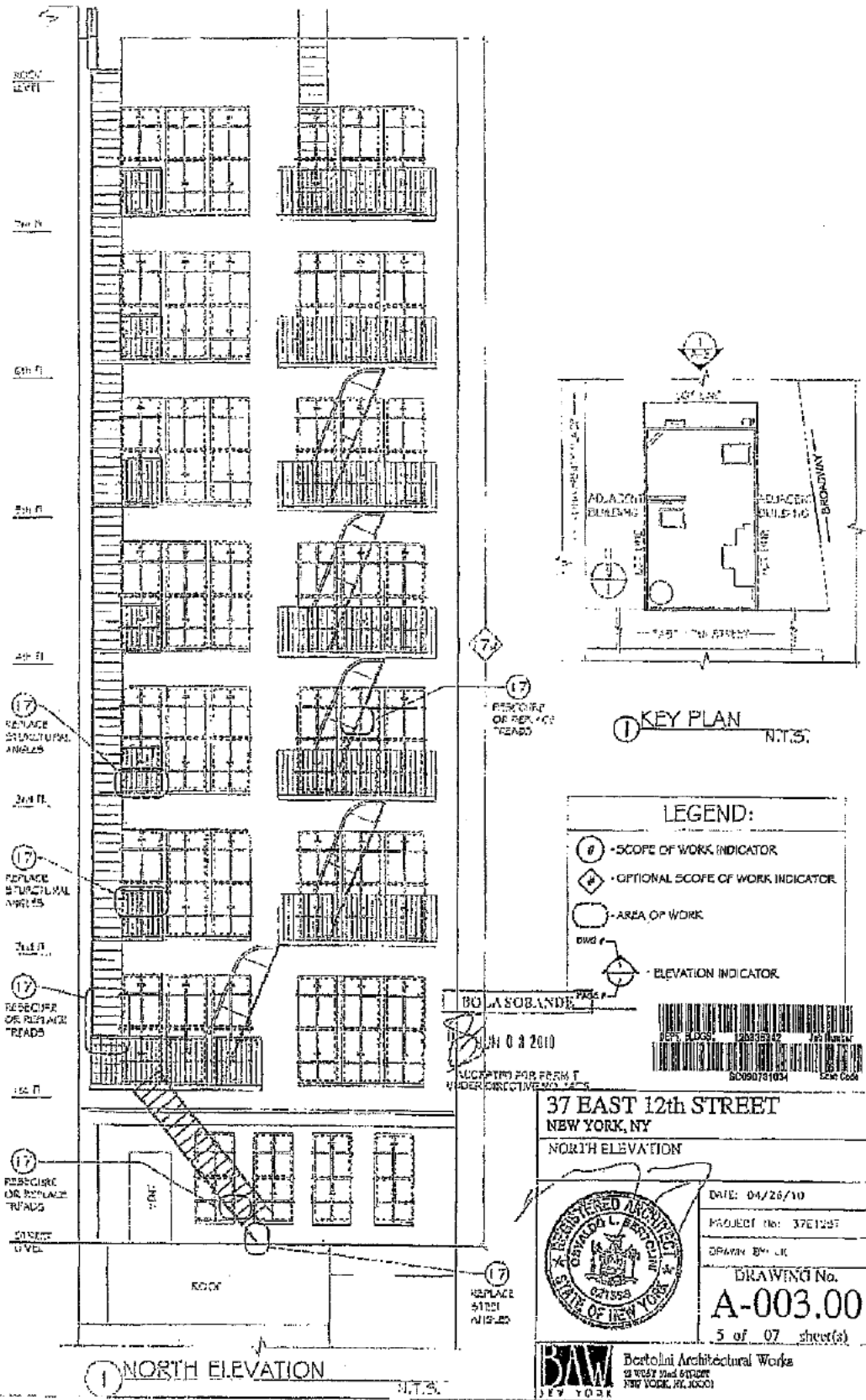
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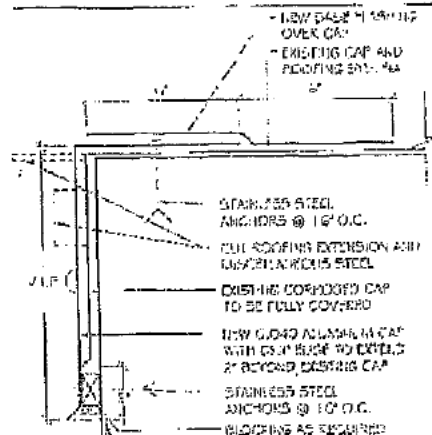


Bertoloni Architectural Works
37 EAST 12th STREET
NEW YORK, NY, 10003

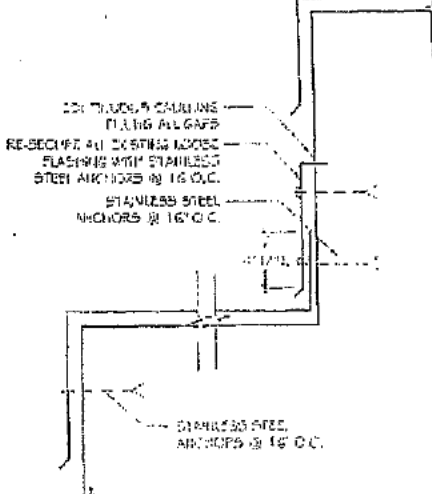








② CAP DETAIL @ CORNICE
INTERIOR $3' = 1" \text{ H.T.}$
S.O.W. ITEM # 19

[illegible]

BOLA SOBANDÉ

UN 03 2010
ACCEPTED FOR PERMIT
UNDER DIRECTIVE NO. 14



DETAILS

DATE: 04/26/10

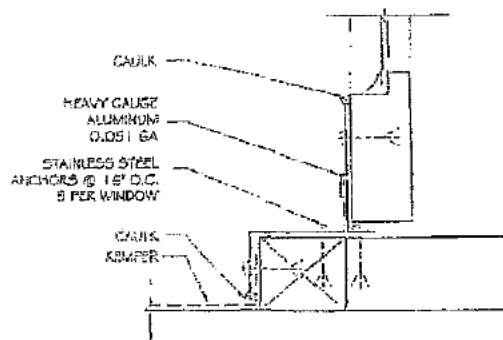
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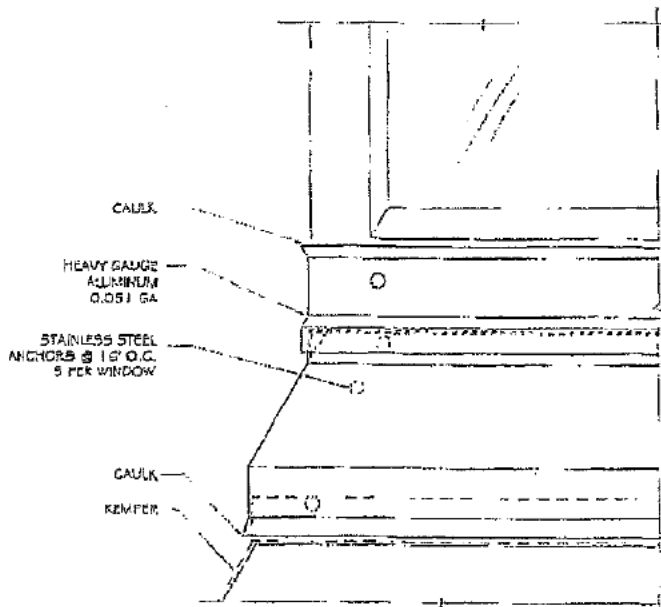
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A-004.00
6 of 07 sheet(s)



BAW Bertolini Architectural Works
12 WEST 52nd STREET
NEW YORK, NY, 10001



① WINDOW PANNING DETAIL



2 WINDOW PANNING AXON SCALE: 6"=1'-0"

BOLA SOBANDE

JUN 03 2018

ACCEPTED FOR PERMIT
UNDER DIRECTIVE NO. 1475



37 EAST 12th STREET
NEW YORK, NY

DETAILS

DETAILS



DATE: 04/26/10

PROJECT No: 37E12ST

DRAWN BY: JK

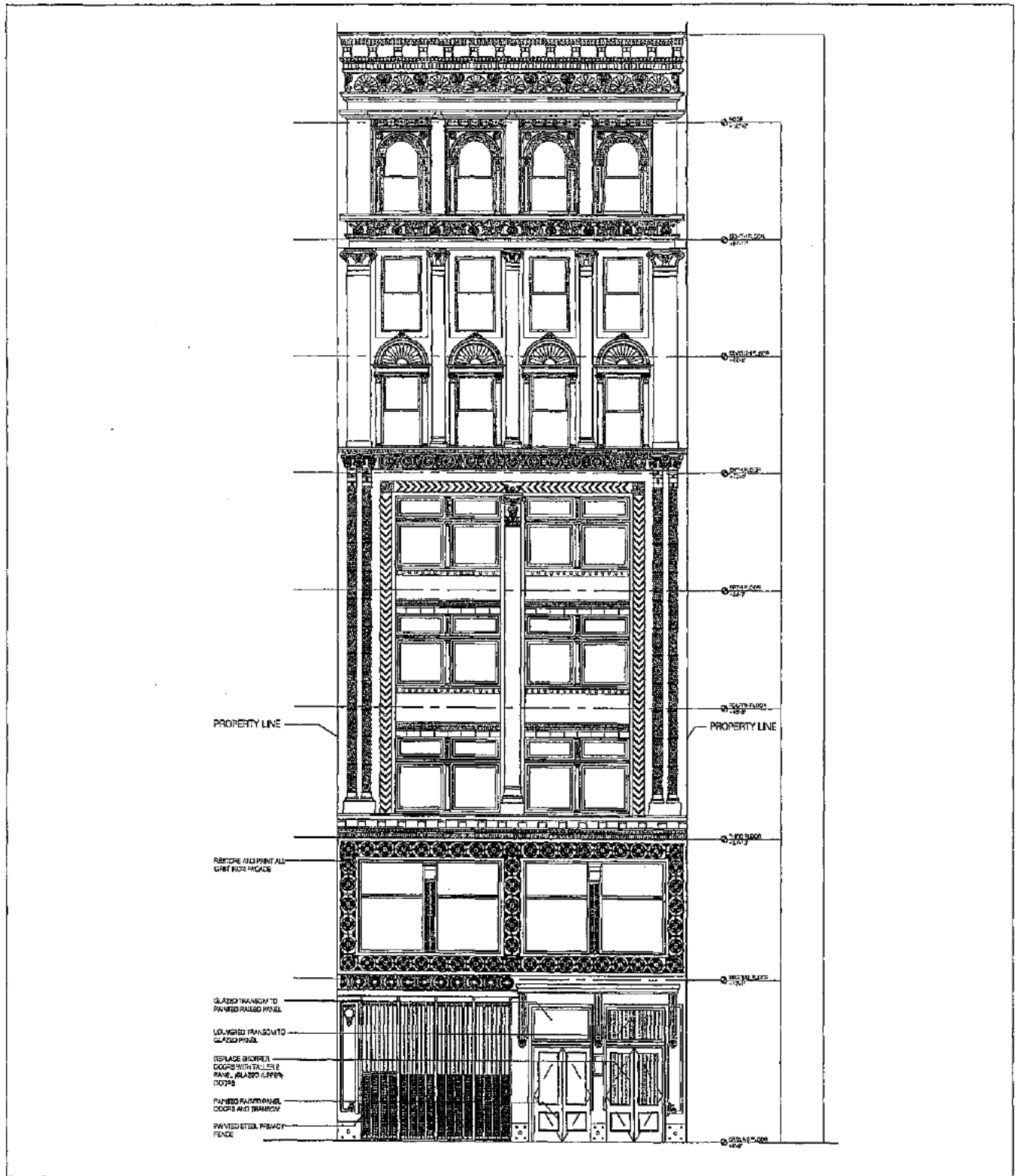
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7 of 07 sheet(s)

BAW
NEW YORK

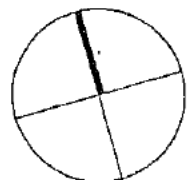
Bertolini Architectural Works
21 WEST 31ST STREET
NEW YORK, NY, 10001

FLOOR PLANS



FRONT ELEVATION

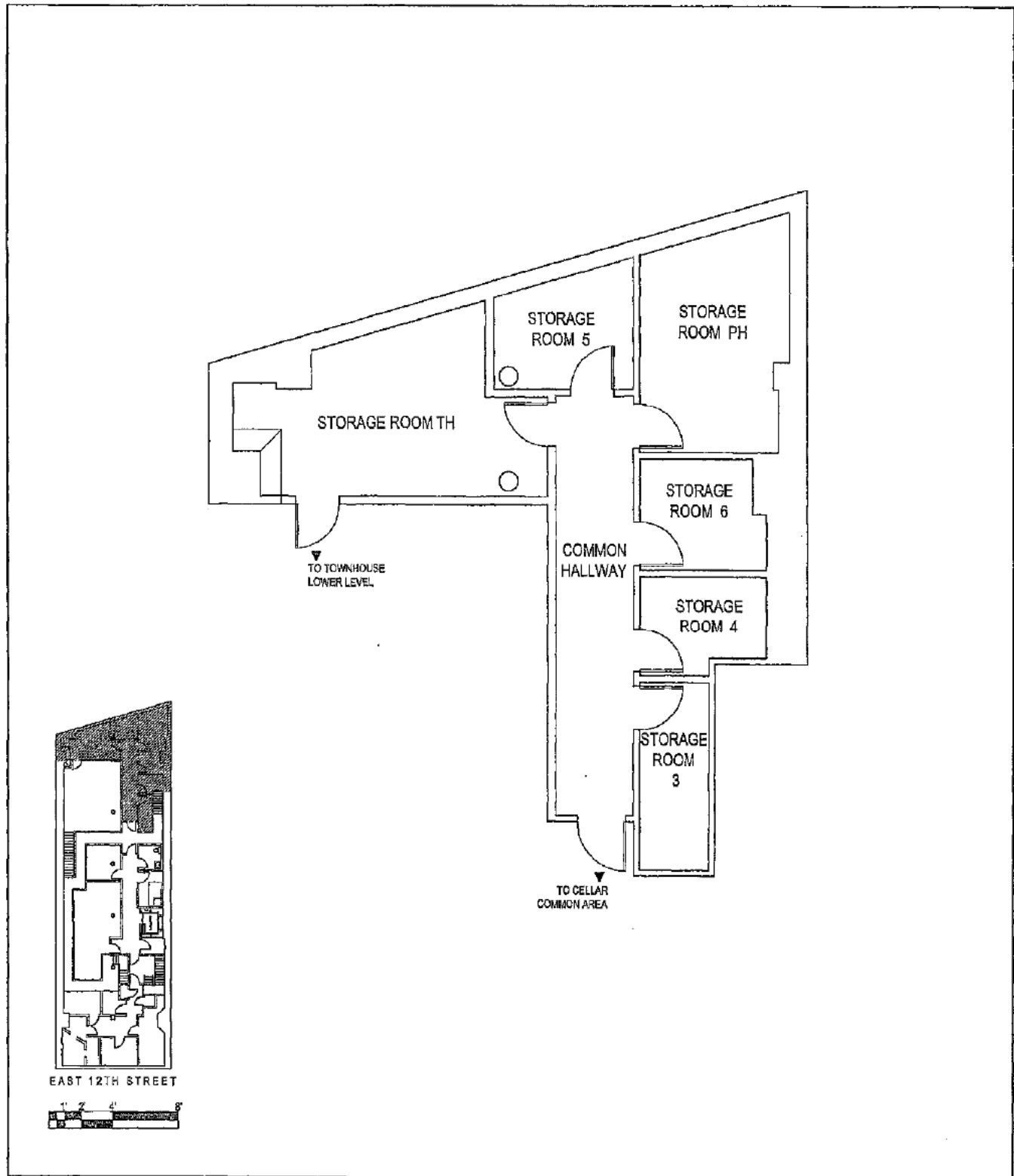
37 EAST 12TH STREET
NEW YORK, NEW YORK



ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.

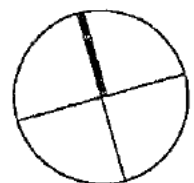
A circle with a horizontal diameter and a vertical radius. The radius is labeled 'r'.

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES DUE TO CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.

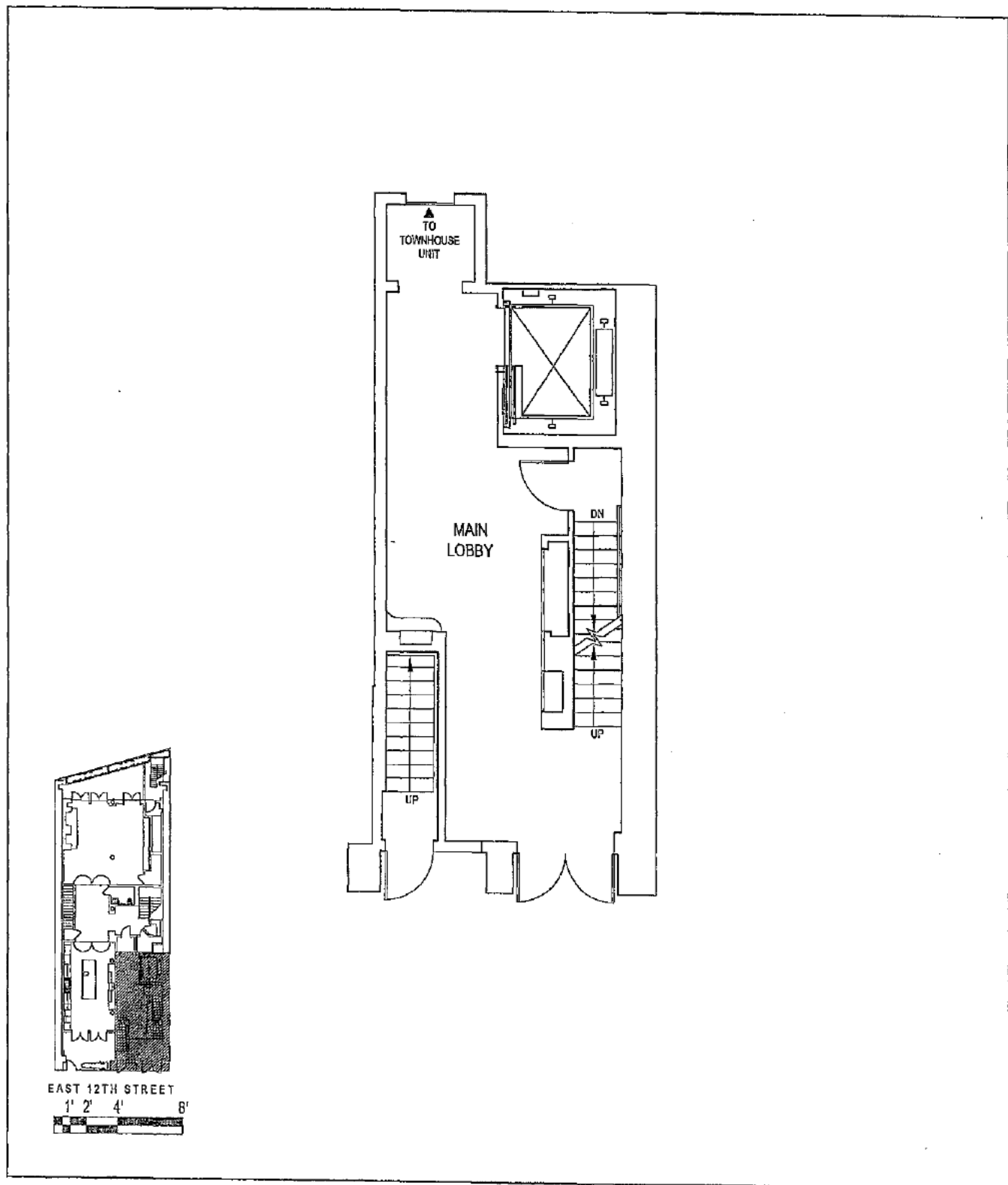


STORAGE ROOMS
CELLAR LEVEL

37 EAST 12TH STREET
NEW YORK, NEW YORK

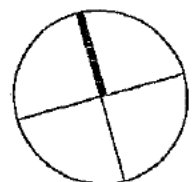


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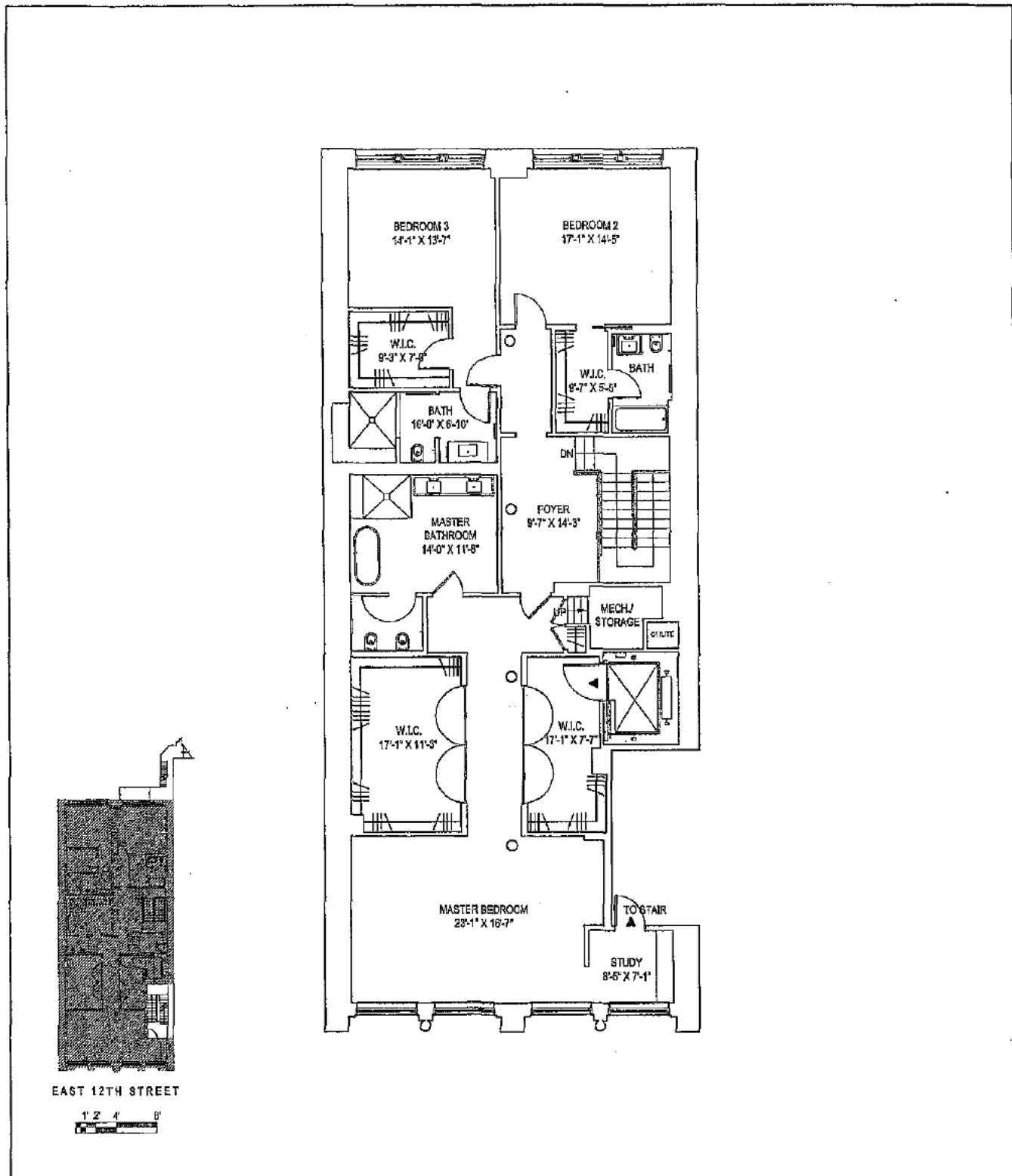


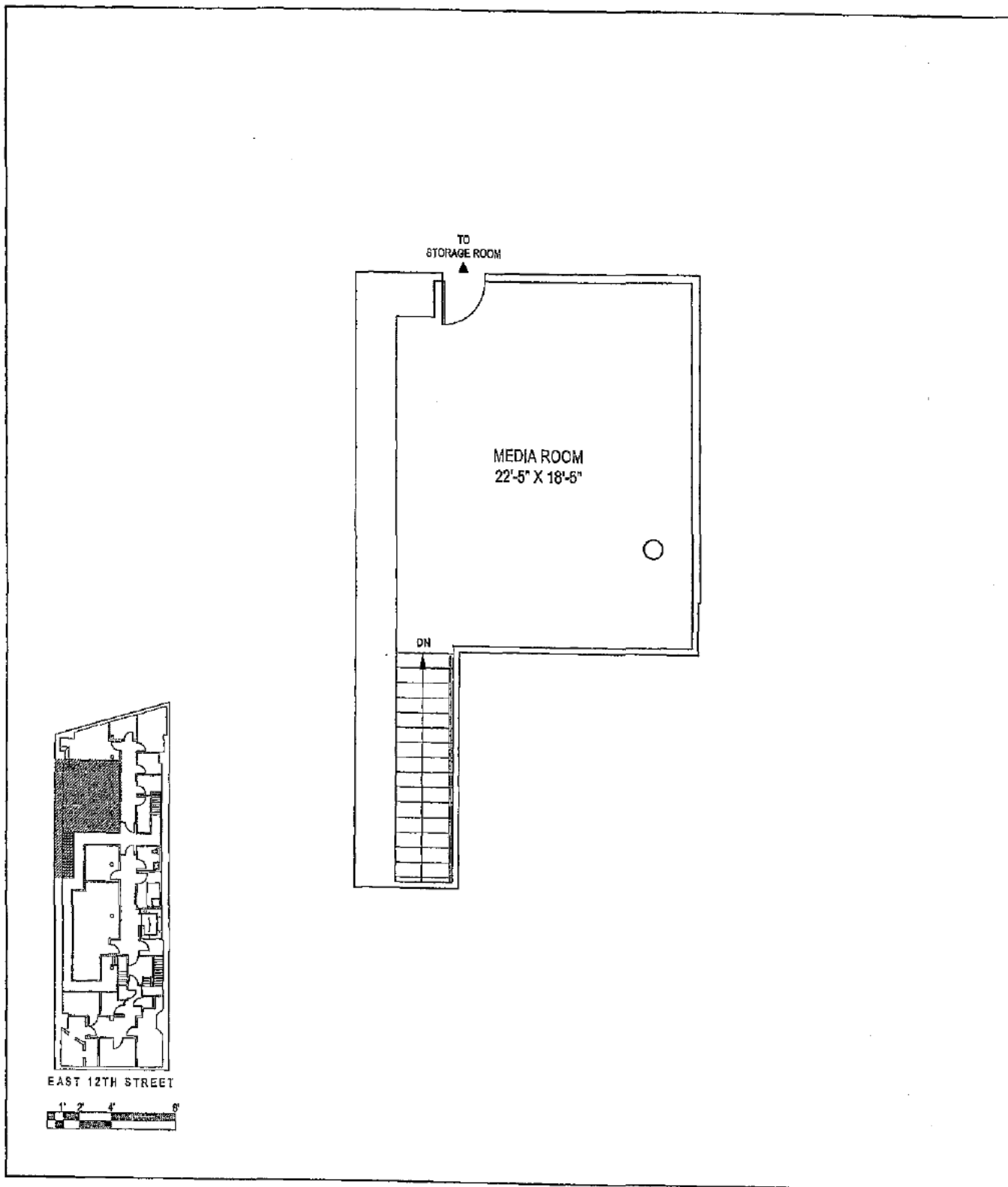
MAIN LOBBY
GROUND FLOOR

37 EAST 12TH STREET
NEW YORK, NEW YORK



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TOWNHOUSE UNIT - CELLAR FLOOR
 DUPLEX WITH ACCESSORY CELLAR

37 EAST 12TH STREET

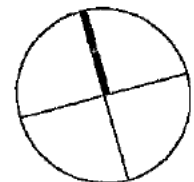
NEW YORK, NEW YORK

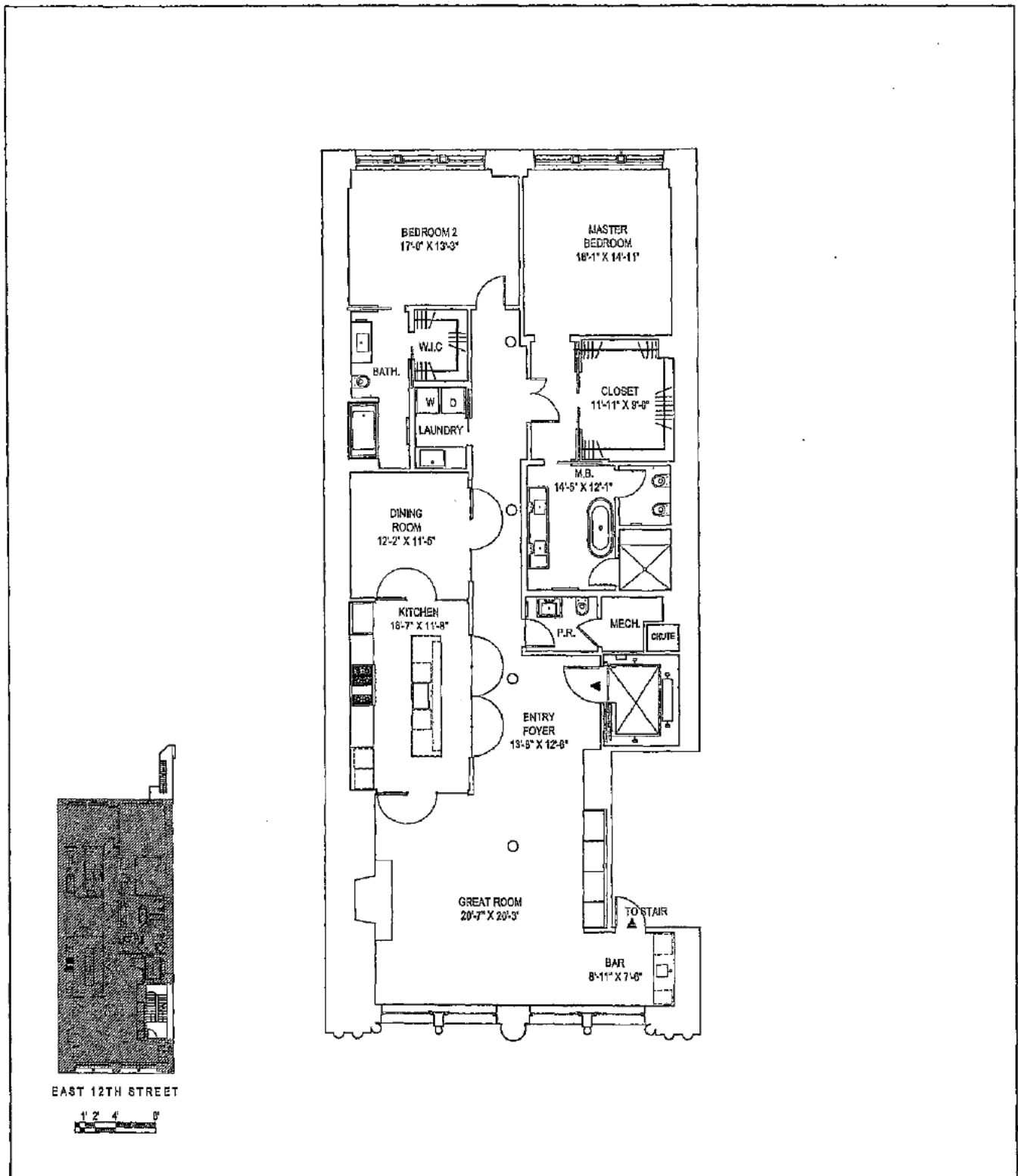
CELLAR: 591 SQ. FT., FL 1: 2,200 SQ. FT., LAUNDRY: 90 SQ. FT., FL 2: 3,005 SQ. FT.

TOTAL: 5,886 SQ. FT. (546.8 SQ. M.)

3 BEDROOMS, 3.5 BATHS + NORTH & SOUTH GARDENS 540 SQ. FT. (50.2 SQ. M.)

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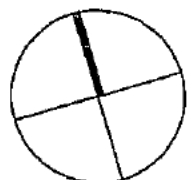


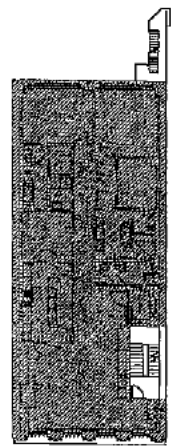


RESIDENCE 3 / RESIDENCE 4 / RESIDENCE 5
SIMPLEX
3,028 SQ. FT. (281.3 SQ. M.)
2 BEDROOMS, 2.5 BATHS

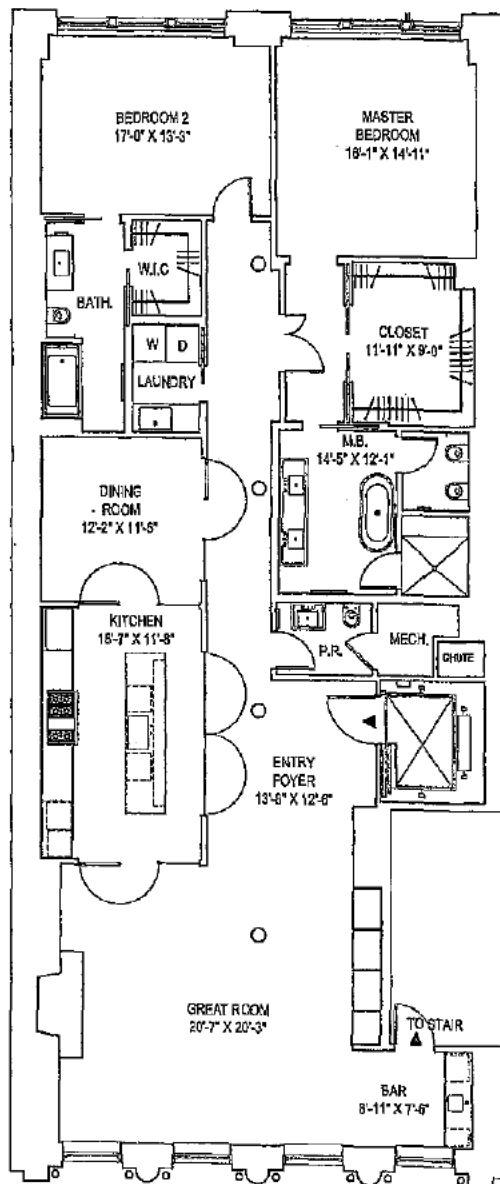
37 EAST 12TH STREET
NEW YORK, NEW YORK

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EAST 12TH STREET

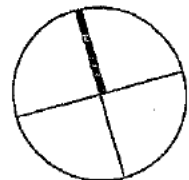


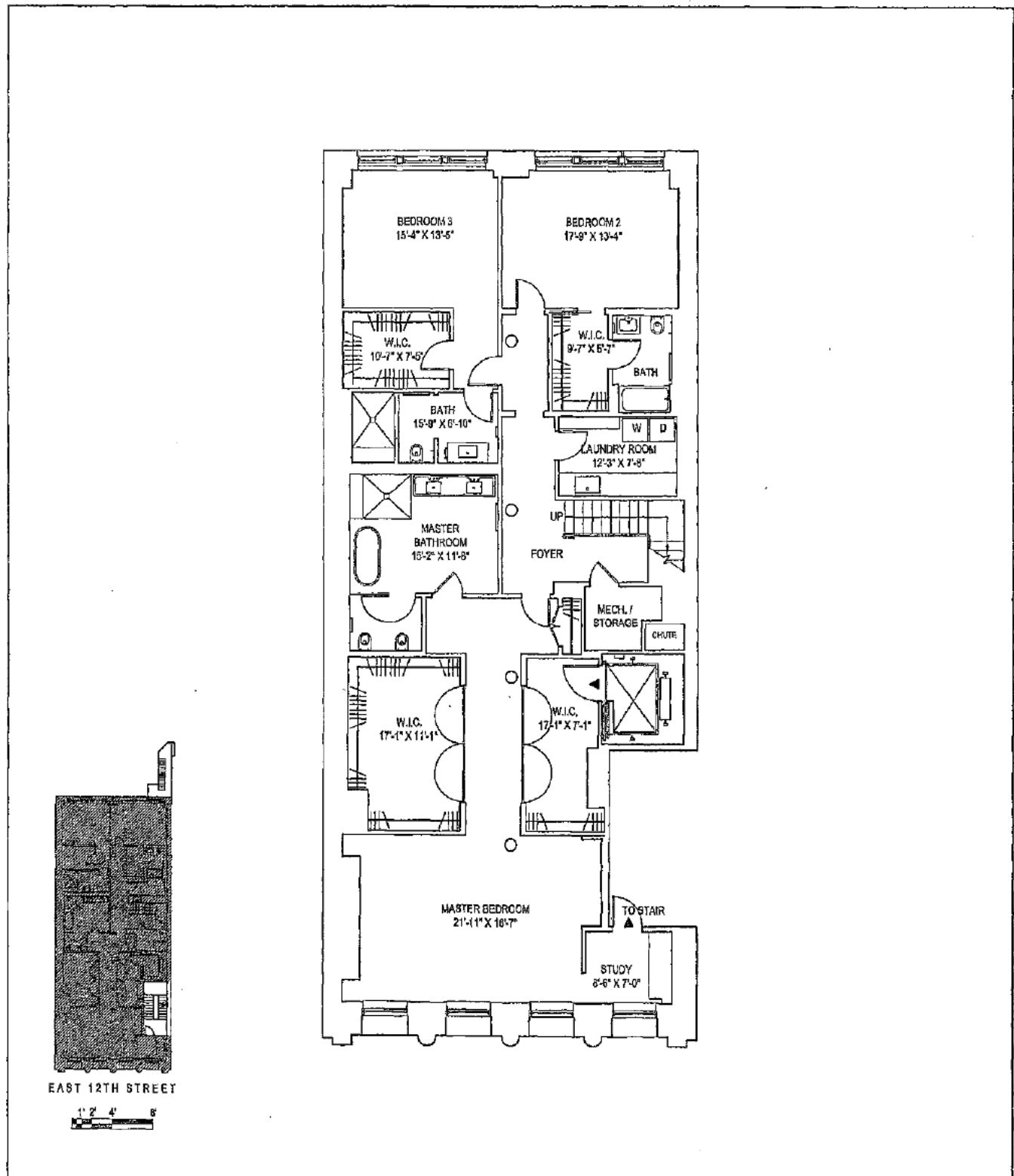
RESIDENCE 6
SIMPLEX
3,022 SQ. FT. (280.8 SQ. M.);
2 BEDROOMS, 2.5 BATHS

37 EAST 12TH STREET

NEW YORK, NEW YORK

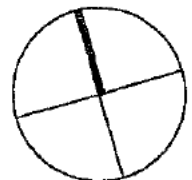
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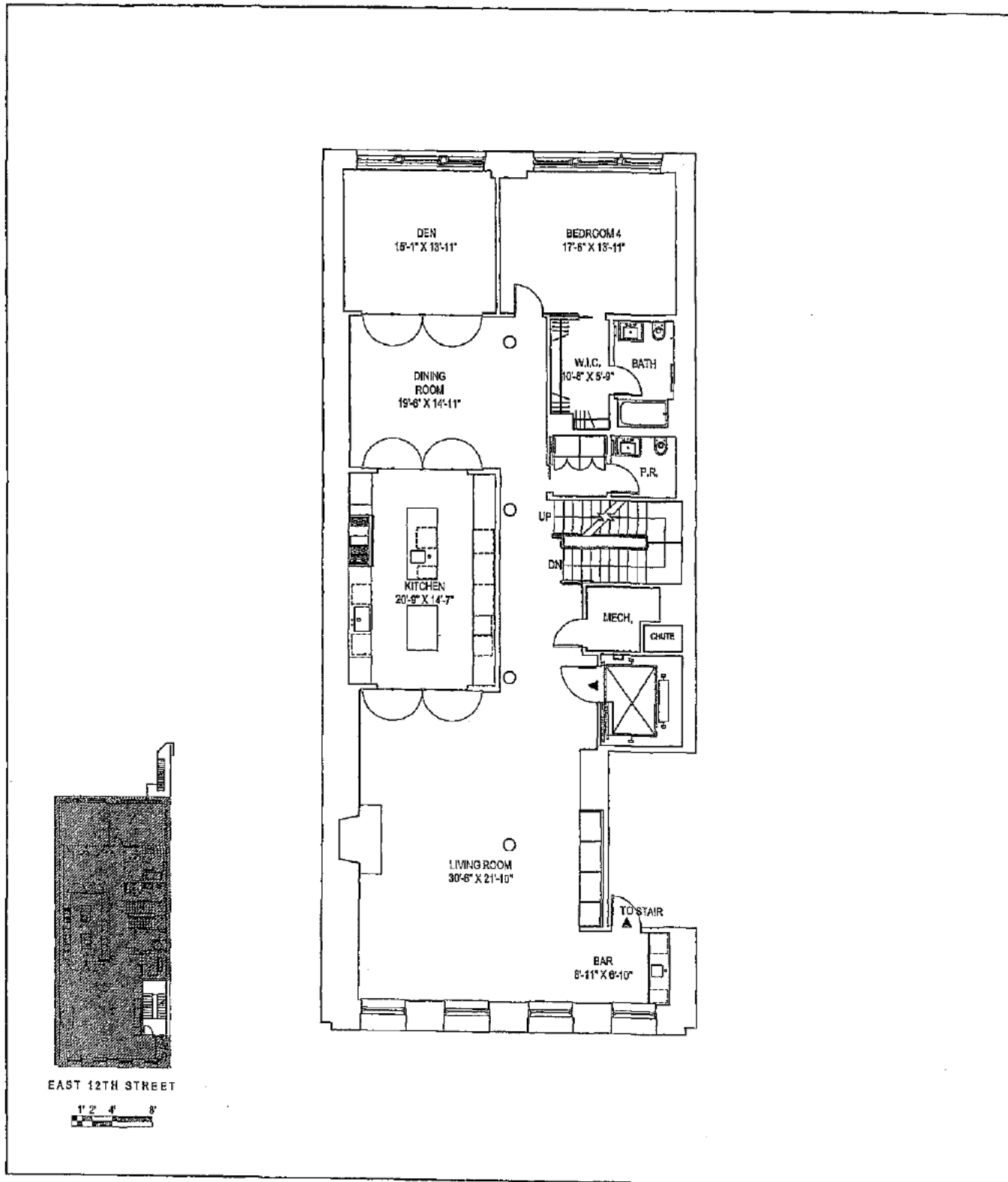




UNIT PH - FLOOR 7
 DUPLEX WITH ACCESSORY ROOF
 FL 7: 3,072 SQ.FT., FL 8: 3,049 SQ.FT., ROOF: 204 SQ.FT.
 TOTAL: 6,325 SQ. FT. (587.8 SQ. M.)
 4 BEDROOMS, 4.5 BATHS + ROOF GARDEN 1,188 SQ.FT. (110.3 SQ. M.)

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UNIT PH - FLOOR 8

37 EAST 12TH STREET

NEW YORK, NEW YORK

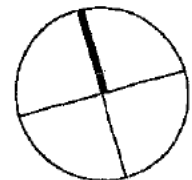
DUPLEX WITH ACCESSORY ROOF

FL 7: 3,072 SQ.FT., FL 8: 3,049 SQ.FT., ROOF: 204 SQ.FT.

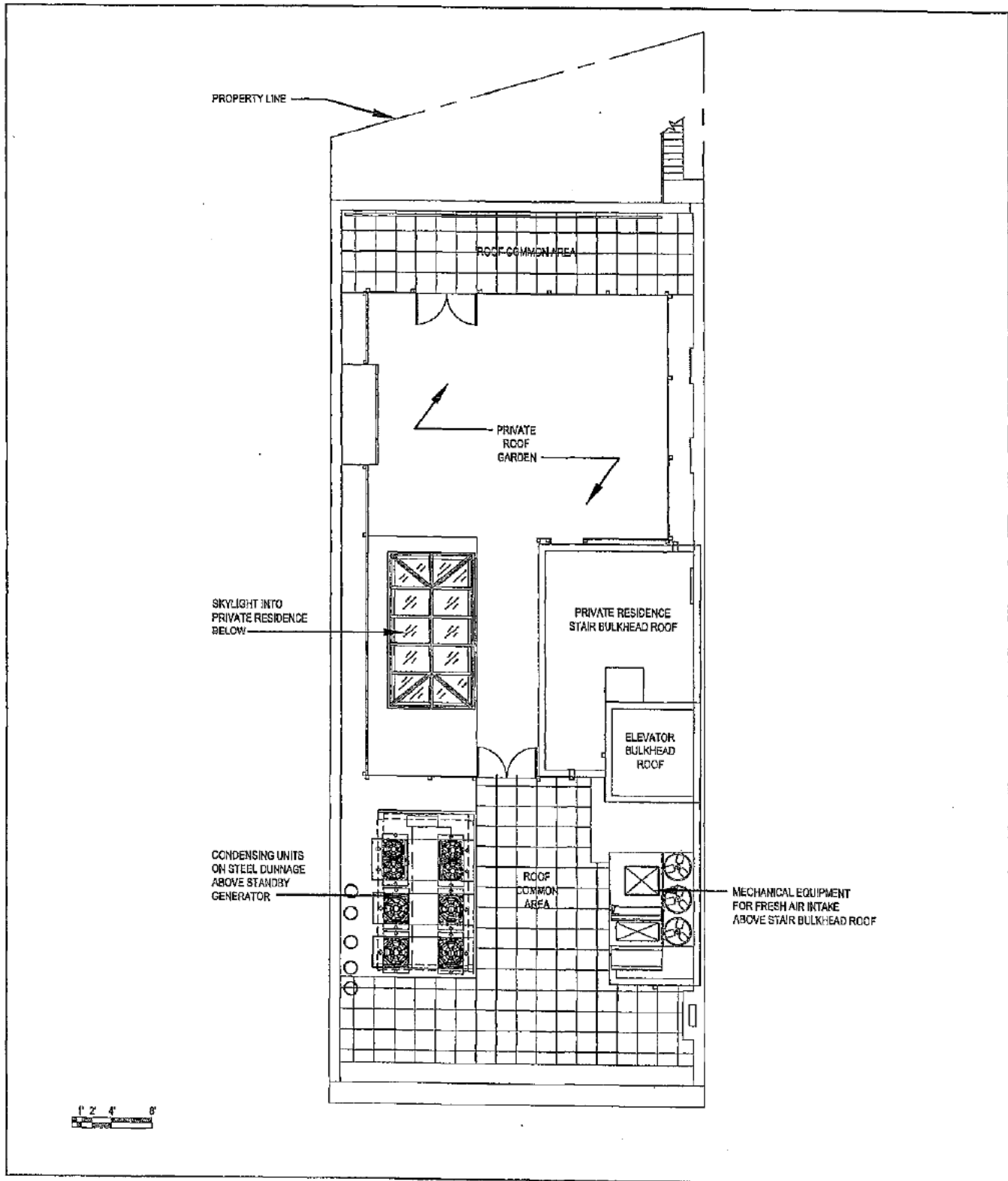
TOTAL: 6,325 SQ. FT. (587.6 SQ. M.)

4 BEDROOMS, 4.5 BATHS + ROOF GARDEN 1,188 SQ.FT. (110.4 SQ. M.)

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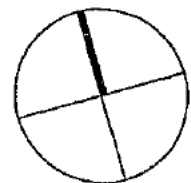




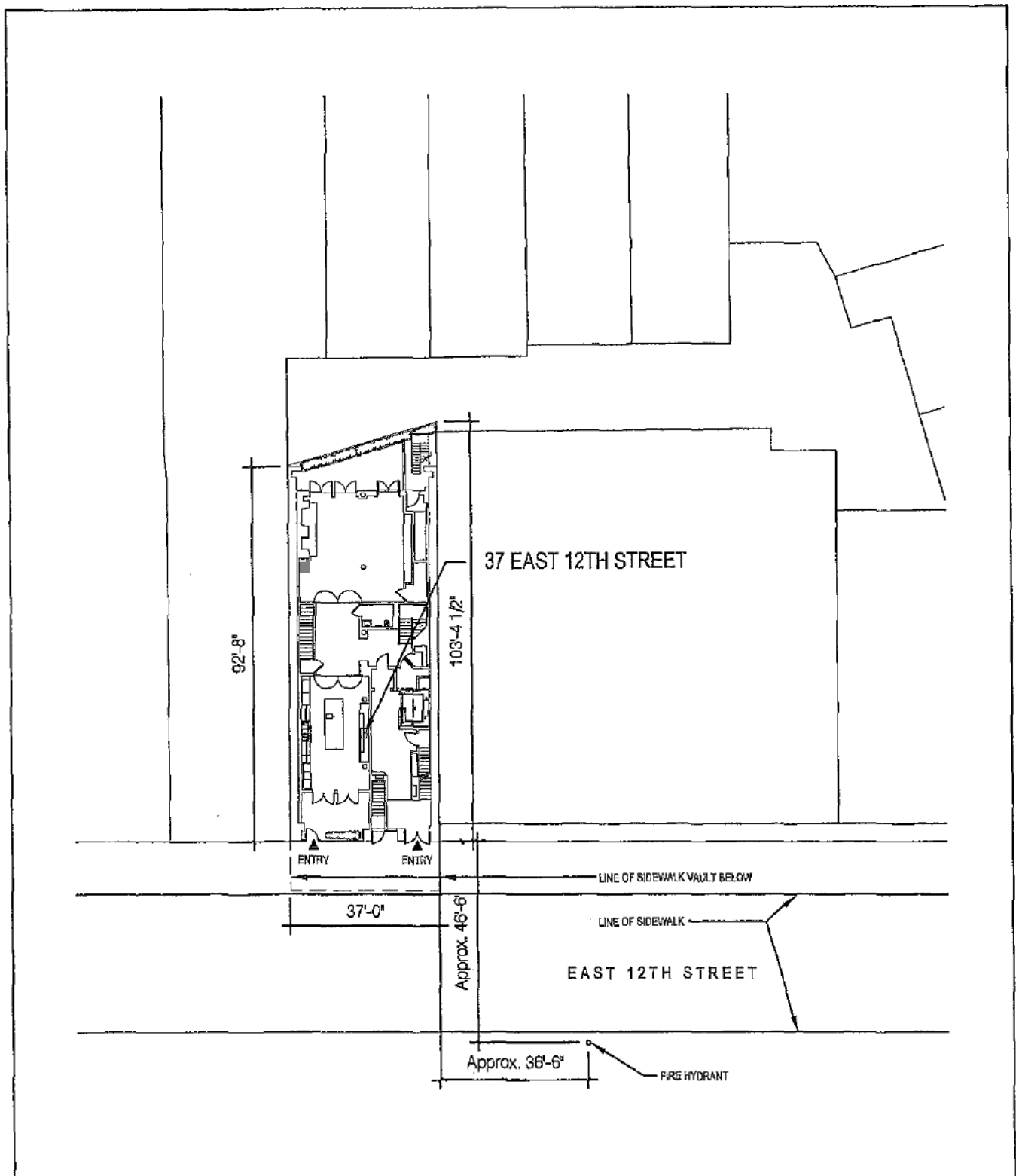


ROOF COMMON AREA AND MECHANICAL

37 EAST 12TH STREET
NEW YORK, NEW YORK



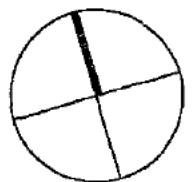
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SITE PLAN

37 EAST 12TH STREET

NEW YORK, NEW YORK



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PURCHASE AGREEMENT

PURCHASE AGREEMENT

37 EAST 12TH STREET CONDOMINIUMS LLC

Sponsor

With

Purchaser

Unit Number _____

**37 EAST 12TH STREET CONDOMINIUM
37 EAST 12TH STREET
NEW YORK, NY 10003**

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SCHEDULE A – PERMITTED ENCUMBRANCES

SCHEDULE B – INSPECTION STATEMENT

SCHEDULE C – DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT AND/OR
LEAD-BASED PAINT HAZARDS

SCHEDULE D – RIDER TO PURCHASE AGREEMENT RE: ESCROW PROVISIONS

PURCHASE AGREEMENT

UNIT NUMBER _____

**37 EAST 12TH STREET CONDOMINIUM
37 EAST 12TH STREET
NEW YORK, NY 10003**

PURCHASE AGREEMENT ("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 37 East 12th Street 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 this Agreement executed by Purchaser together with the required Deposit to Sponsor. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding. 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 37 East 12th Street Condominiums LLC, having an office at c/o Edward J. Minskoff Equities, Inc., 1325 Avenue of the Americas, 23rd Floor, New York, NY 10019. Sponsor's taxpayer identification number is 46-2960040.

2.2 "Purchaser" means _____ having an address at _____. Purchaser's social security number / EIN 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: Adam Kriegstein, Esq., Esq. Telephone Number: (212) 620-2675. Fax Number: (212) 696-5013. E-mail address: akriegstein@star-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 Douglas Elliman, LLC, having an address at 515 Madison Avenue, New York, NY 10022. Telephone Number : (212) 891-7000. Fax Number: _____.

2.6 "Co-Broker" means _____.

2.7 "Escrow Agent" means Attorney for Sponsor.

2.8 "Title Company" means Commonwealth Land Title Insurance Company, having an office at 140 East 45th Street, 22nd Floor, New York, NY 10017. Telephone Number: (212) 949-0100. Fax Number: (212) 682-2930.

3. THE UNIT

Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the Unit designated as Unit _____ in the Declaration ("Unit"), together with its undivided _____% interest in the Common Elements appurtenant to such Unit, together with the right to the exclusive use of Storage Room # _____ in the Storage Room Area.

4. PURCHASE PRICE

4.1 The purchase price of the Unit ("Purchase Price") is \$_____.

The Purchase Price is payable as follows:

(a) \$_____ ("Initial Deposit"), due upon Purchaser's signing and delivering this Agreement, by check (subject to collection), or wire transfer receipt of which is hereby acknowledged;

(b) \$_____ ("Additional Deposit"), is due upon the earlier to occur of (i) 6 months after Purchaser the date of this Agreement, or (ii) within 15 days of the Presentation Date of the amendment declaring the Plan effective.

(c) \$_____ ("Balance of Purchase Price"), by good certified check of Purchaser or official bank check, or wire transfer payable on the closing date.

(d) If Purchaser is signing this Agreement after the Plan is declared effective, the Initial Deposit and Additional Deposit 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 Deposit shall be made payable to the direct order of "Starr Associates LLP, as Escrow Agent." The Balance of the Purchase Price shall be made payable to the direct order of "37 East 12th Street Condominiums LLC" (or such other parties as Sponsor directs to Purchaser, in writing, at least 1 business day prior to the 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 Deposit 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. DEPOSIT TO BE HELD IN TRUST

All Deposits 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 Deposit 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 D 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 Deposit 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 Deposit 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" "Close" 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 and Purchaser 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, 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 Register's Office, which recording shall be at Purchaser's expense. After being recorded, the deed shall be returned to Purchaser and the power of attorney shall be returned to the Condominium Board.

7.4 Purchaser's payment of the Balance of the Purchase 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, encumbrances and title defects other than those expressly agreed to by Purchaser or set forth in Schedule A annexed hereto and made a part hereof. Any lien, encumbrance or title defect 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 the representative of Purchaser's title company, together with the attendant recording or filing fee, if any, or (b) Title Company (or such other title 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 the 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 shall 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 the 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. The provisions of this provision shall survive the Closing.

9.4 Provided Sponsor is ready, willing and able to Close in accordance with this Agreement, if Purchaser fails for any reason to Close 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 0.03% 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 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 by official bank check, upon a bank that is a member of the New York Clearing House Association or wire transfer.

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 under this Agreement, 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(s) 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 under this Agreement 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 on the Scheduled Closing Date; or
- (ii) Purchaser's failure to pay when due the Balance of the Purchase 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 a Purchase 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 Balance of the Purchase 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 either: (i) cancel this Agreement or (ii) seek specific performance. If Sponsor elects to cancel, Purchaser shall have 30 days from the giving of 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 Deposit and any interest earned on the Deposit 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. If Sponsor elects to seek specific performance, then Purchaser shall have 30 days from the giving of notice of Sponsor's election to close title to the Unit in accordance with this Agreement, without prejudice to Sponsor's right to recover from Purchaser all damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled under the Purchase Agreement (including, but not limited to, attorneys' fees, disbursements and costs of collection).

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 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 Deposit, 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 the Deposit and all other sums deposited by Purchaser, 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. SUBSTANTIAL RENOVATION

17.1 The substantial renovation 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 PCO 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 substantial renovation 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 "Closing of Title to Units." 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 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 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 Balance of the Purchase Price when due and shall constitute Purchaser's full acceptance of the Unit as is. However, nothing 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 Deposit 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 under this Agreement (beyond any applicable grace period), Sponsor shall retain all Deposits 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, the Unit or the Storage Room, or the size or the dimensions of the Unit or the rooms therein contained or the Storage Room 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 assessed against 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 specifically represented in this Agreement of the Plan. 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 specifically set forth in this Agreement or the Plan. 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

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 shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement.

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, if any. 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 and Selling Agent 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 conditioned, 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 counterpart of this Agreement executed by Sponsor has been delivered to Purchaser or 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 Deposit by the delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed to have been rejected and cancelled and the Deposit 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 under this Agreement 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 the Unit, but does not constitute a reservation or binding obligation on either Purchaser 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 under this Agreement 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 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 in this Agreement, 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 receives from the other party's attorneys shall be deemed to be notice from such party itself.

25.2 Sponsor 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 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 in this Agreement, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated in this Agreement or to confirm or perfect any right to be created or transferred in this Agreement or pursuant to any such transaction.

29. AGREEMENT NOT CONTINGENT UPON FINANCING

The provisions of this Agreement and Purchaser's obligations under this Agreement 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 under this Agreement. 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 under 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 under this Agreement.

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 under this Agreement 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 of this transaction.

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 a Purchase Agreement has been executed for the Unit and the Purchase Price, 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, Escrow Bank and 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. NO ORAL CHANGES

This Agreement cannot be changed or terminated orally. Any changes or additional provisions must be set forth in a rider attached to this Agreement or in a separate written agreement signed by the parties or by an amendment to the Plan.

41. 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.

42. 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.

43. GOVERNING LAW/JURISDICTION AND VENUE/AGENT FOR SERVICES OF PROCESS

44.1 This Agreement was negotiated in the State of New York and the Unit to be conveyed pursuant to this Agreement is located in the State of New York, which the parties agree has a substantial relationship to the parties and to the underlying transaction embodied under this Agreement, and in all respects, including matters of construction, validity and performance, this Agreement and the obligations arising under this Agreement shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts made and performed in the State of New York and any applicable Law of the United States of America. Purchaser unconditionally and irrevocably waives any claim to assert that the Law of any other jurisdiction governs this Agreement and this Agreement shall be governed by and construed in accordance with the Laws of the State of New York.

44.2 Any legal suit, action or proceeding against Sponsor or Purchaser arising out of or relating to this Agreement shall be instituted in any federal or state court in New York County, New York and Purchaser waives any objection which Purchaser may now or hereafter have to the laying of venue of any such suit, action or proceeding, and Purchaser irrevocably submits to the jurisdiction of any such court in any suit, action or proceeding. Purchaser does designate and appoint Attorney for Purchaser as its authorized agent to accept and acknowledge on Purchaser's behalf service of any and all process which may be served in any such suit, action or proceeding in any federal or state court in New York, New York, and agrees that service of process upon such authorized agent at such address and written notice of such service of Purchaser mailed or delivered to Purchaser in the manner provided under this Agreement shall be deemed in every respect effective service of process upon Purchaser (unless local law requires another method of service), in any such suit, action or proceeding in the State of New York. Purchaser (i) shall give prompt notice to Sponsor of any changed address of Purchaser's authorized agent hereunder, (ii) may at any time and from time to time designate a substitute authorized agent with an office in New York, New York (which office shall be designated as the address for service of process), and (iii) shall promptly designate such a substitute if its authorized agent ceases to have an office in New York, New York or is dissolved without leaving a successor.

44. WAIVER OF DIPLOMATIC OR SOVEREIGN IMMUNITY.

45.1 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.

45.2 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.

45.3 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. LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS DISCLOSURE

46.1 The Environmental Protection Agency and the Department of Housing and Urban Development promulgated Federal regulations under 24 CFR Part 35 and 40 CFR Part 745 ("Federal Regulations") regarding the disclosure of lead-based paint and/or lead-based paint hazards to prospective purchasers of Units. In accordance with the provisions of the Federal Regulations, annexed to this Purchase Agreement as Schedule C is a "Lead Warning Statement" and "Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards" to be signed by Sponsor and Purchaser. Set forth as an Exhibit in Part II of the Plan is a copy of the booklet issued by the United States Environmental Protection Agency, EPA 747-K-95-001, which details certain information regarding lead-based paint. Under applicable Federal and local law, lead-based paint can no longer be used in the construction of a building. Under Federal Law, Sponsor must provide Purchasers with all available records and material pertaining to lead-based paint and/or lead-based hazards in the Building. Sponsor will comply with applicable Law concerning the use of lead-based paint and/or lead-based paint hazards. In accordance with the terms of the rider annexed to this Agreement, Purchasers have the right to inspect the Unit for the presence of lead-based paint. While Sponsor has, to the best of its knowledge, received no specific reports regarding lead-based paint in the Building, other than those set forth in Part II of the Plan, given the age of the Building and the widespread use of lead-based paint in preceding decades, it can be assumed that there is lead-based paint present in the Building. In addition, there are numerous layers of paint on the walls of the original building. Sponsor makes no representation as to the existence or non-existence of lead-based paint within the walls. Purchasers are advised that, in the event they remove sheetrock at any time in the future, they may be responsible for removing and abating lead-based paint in accordance with applicable Law at their sole cost and expense. Purchaser's obligation hereunder shall survive Closing.

46.2 In the event Purchaser exercises Purchasers' right to conduct a risk assessment or inspection ("Inspection") for the presence of lead-based paint and/or lead-based paint hazards, such Inspection shall be performed within 10 calendar days following the date of this Agreement on the following terms and conditions:

46.2.1 Purchaser and Purchaser's consultant ("Consultant") will be given reasonable access to the Unit and the public areas of the Building.

- 46.2.2 The Inspection shall be held at a mutually convenient time and date on a business day between 9 a.m. and 5 p.m.
- 46.2.3 The Inspection shall be performed in a reasonable manner so as not to disturb or interfere with the use, operation, security or occupancy of the Unit or the Building.
- 46.2.4 Purchaser shall be liable for any damages to the Unit or the Building, injuries, and all claims and lawsuits caused by Purchaser or the Consultant during the Inspection.
- 46.2.5 Purchaser or the Consultant will not probe, penetrate or disturb any painted or covered surface during the Inspection without Sponsor's approval.

46. CERTIFICATION OF SPONSOR AND PRINCIPALS

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, 106 A.D.3d 542 (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:

37 EAST 12TH STREET CONDOMINIUMS LLC

By: _____
Name:
Title:

SCHEDULE A

PERMITTED ENCUMBRANCES

1. Building restrictions and zoning and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted.
2. Any state of facts which an accurate survey 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 TCO, PCO or amended certificate of occupancy for the Building or any part of the Building.
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, and concessionaire, 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 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 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 TCO or PCO for the Building, so long as the same permits, or does not prohibit, use of the Unit for its stated purposes.
19. Fire Escape Easement recited in Deed made by the Brooklyn Savings Bank to Jomax Realty Corporation dated August 1, 1941 and recorded on August 4, 1941 in Liber 4118 of Deeds, Page 483.
20. 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: _____

37 East 12th Street Condominiums LLC
c/o Edward J. Minskoff Equities, Inc.,
1325 Avenue of the Americas, 23rd Floor
New York, NY 10019

Re: Unit No: _____ ("Unit")
37 East 12th Street Condominium
37 East 12th Street
New York, NY 10003 ("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 set forth on an exhibit annexed hereto ("Punchlist Items").
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 on each Punchlist 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 below Punchlist Items after the Closing, Sponsor will be relieved of any and all obligations related to the such Punchlist Items.

PURCHASER(S):

(signature)_____
(signature)_____
Sponsor's Representative

SCHEDULE C

DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS

LEAD WARNING STATEMENT

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide buyer with information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

SPONSOR'S DISCLOSURE

(a) Presence of lead-based paint and/or lead-based paint hazards. (check (i) or (ii) below):

- (i) _____ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain on attached sheet).
- (ii) _____ Sponsor has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to Sponsor (check (i) or (ii) below):

- (i) _____ Sponsor has provided Purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below on attached sheet).
- (ii) _____ Sponsor has no records or reports pertaining to lead-based paint and/or lead-based paint hazards in the housing.

PURCHASER'S ACKNOWLEDGMENT (initial)

- (c) _____ Purchaser has received copies of all information listed above.
- (d) _____ Purchaser has received the pamphlet Protecting Your Family from Lead in Your Home.
- (e) _____ Purchaser has (check (i) or (ii) below):
 - (i) _____ Received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or

- (ii)___ Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

SELLING AGENT'S ACKNOWLEDGMENT (initial)

- (f) X Selling Agent has informed Sponsor of Sponsor's obligation under 42 U.S.C. 4852d and is aware of Selling Agent's independent responsibility to ensure compliance.

CERTIFICATE OF ACCURACY

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

PURCHASER(S):

(signature)

(signature)

SPONSOR:

37 EAST 12TH STREET CONDOMINIUMS LLC

By:_____

Name:

Title:

SCHEDULE D**RIDER TO PURCHASE AGREEMENT RE: ESCROW PROVISIONS**

This Rider is made as of _____, _____ between Sponsor, Purchaser and Escrow Agent.

Re: Unit No: _____ ("Unit")
37 East 12th Street Condominium
37 East 12th Street
New York, NY 10003 ("Condominium")

1. ESCROW AND TRUST FUND REQUIREMENTS

All deposits, down payments, advances and payments made by Purchasers prior to the Closing ("Deposits") 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 Purchase Agreement.

Sponsor will comply with the escrow and trust fund requirements of General Business Law Sections 352-c(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 Purchase Agreement. Purchasers shall not be obligated to pay any legal or other expense of Sponsor in connection with the establishment, maintenance or defense of obligations arising from the handling or disposition of trust funds. 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 Purchase 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 Purchase Agreement or otherwise enforcing Purchaser's obligations thereunder.

All Deposits 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. As of the date of this Rider, 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 an escrow account entitled "Starr Associates LLP, Escrow Account" ("Escrow Account") at Capital One located at 90 Park Avenue, New York, New York ("Escrow Bank"). Escrow Bank is authorized to do business in the State of New York. Deposits properly made payable to "Starr Associates LLP, as Escrow Agent" will be placed in the Escrow Account within 5 business days after tender by Purchaser to Sponsor or Selling Agent. Escrow Agent shall execute the Purchase Agreement Escrow Rider with respect to its obligations in this Section.

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 Deposit and the Purchase Agreement. If a Deposit is accompanied by a completed and signed Form W-9 or Form W-8, the Deposit will thereafter be promptly transferred to an individual interest bearing sub-escrow account in the name of Purchaser (except for Deposits for Unit Upgrade Funds). If a Purchaser does not deliver the Form W-9 or Form W-8, the Deposit will remain in the non-interest bearing portion of the Escrow Account. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow account to the non-interest bearing portion of the Escrow Account so that checks may be drawn thereon. The Escrow Account is not an IOLA account.

All Deposits, 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 Deposit as per GBL § 352-h. Unit Upgrade Funds will initially be placed in the Escrow Account. However, Purchasers should note that such funds may be released from the 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 Purchase Agreement or Purchaser is entitled to rescind the Purchase 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 upgrades or extras.

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 Deposit. If Purchaser does not receive notice that the Deposit has been placed in the Escrow Account within 15 business days after tender of the Deposit, Purchaser may cancel the Purchase and rescind the Purchase Agreement so long as the right to rescind is exercised within 90 days after tender or crediting of the Deposit 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 Deposit 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 Deposits tendered by Purchaser after the Deposit (or in connection with any changes in the interest rate).

Escrow Agent shall maintain the 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 Deposit. The following are SPECIAL RISKS of this offer: (i) if a Purchaser makes a Deposit in excess of \$250,000 such Deposit will not be FDIC insured in excess of \$250,000; and (ii) while the Deposit is in the non-interest bearing portion of the Escrow Account, the Deposit may not be fully FDIC insured even if the Deposit 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 Deposit 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 Deposit shall be deemed tendered by Purchaser on the date it is actually received by Sponsor or Selling Agent.

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

If a Purchaser tenders a Deposit without an executed Purchase Agreement, Sponsor shall have the right to reject the Deposit and return it to Purchaser: (i) within 5 business days after tender, if the Deposit has not been deposited into escrow, and (ii) within 10 business days, if the Deposit has been deposited into escrow and the Purchase Agreement has not yet been delivered by Purchaser. In the event a Deposit 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 Escrow Account will not be interest-bearing. The sub-escrow account portion of the Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a Closing under the Purchase Agreement, or (ii) Purchaser is entitled to a return of the Deposit. 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 May 1, 2014, the interest rate for the Escrow Bank is .25%. 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 Deposit is cash or cash equivalent, or (y) 5 business days, if the Deposit is other than cash or cash equivalent, of the transfer of the Deposit from the checking account portion of the Escrow Account into the sub-escrow account portion of the Escrow Account, as determined by whether and when the Deposit 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 Purchase Agreement will be deemed void ab initio (as if the Purchase Agreement had never been executed) at the option of Sponsor, who reserves the right to exercise this option in its discretion by written notice to Purchaser given within 10 business days of Sponsor receiving notice from Escrow Agent of such failure for collection.

Sponsor or its agents, including any selling agents, shall deliver to Escrow Agent all Deposits 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. 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 Deposits 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 Deposits if so directed:

- (i) pursuant to terms and conditions set forth in the Plan and Purchase Agreement upon closing of title to the Unit; or
- (ii) in a subsequent writing signed by both Sponsor and Purchaser; or
- (iii) by a final, non-appealable order or judgment of a court.

If the Deposits are not released pursuant to this paragraph 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 subsections (i) through (iii) of this paragraph. However, Escrow Agent shall also have the right at any time to deposit the Deposit 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 Deposit to:

- (i) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or an amendment to the Plan,
- (ii) all Purchasers after an amendment abandoning the Plan is accepted for filing by the Department of Law.

The Purchase 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 Deposit to Sponsor in the event Sponsor and Purchaser close title under the Purchase 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 Deposits.

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 Purchase 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 Purchase Agreement solely with respect to Escrow Agent's obligations as set forth in this Escrow Rider 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 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.

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 Deposit nor deducted from the Deposit 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 Deposits from escrow.

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

2. DEFINITIONS

All capitalized terms used in this Rider not defined herein shall have the same meanings ascribed to them in the Purchase 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 Purchase 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 Purchase 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:

37 EAST 12TH STREET CONDOMINIUMS LLC

By: _____

Name:

Title:

ESCROW AGENT:

Executed solely in connection with the provisions set forth in this Escrow Rider.

STARR ASSOCIATES LLP

By: _____

Name:

Title:

UNIT DEED

UNIT DEED

THIS INDENTURE, made the ____ day of _____, _____, between 37 East 12th Street Condominiums LLC, having an office at c/o Edward J. Minskoff Equities, Inc., 1325 Avenue of the Americas, 23rd Floor, New York, NY 10019 ("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 37 East 12th Street Condominium ("Condominium") and by the street number 37 East 12th Street, 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 30 in Block 0564 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 Malcom Kaye Architecture, P.C. 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 exclusive right to use Storage Room # _____ in the Storage Room Area;

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 January 22, 1014 and recorded in the Register's office on February 26, 2014 as CRFN 2014000068974.

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:

EAST 12TH STREET CONDOMINIUMS LLC

By: _____

Name:

Title:

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.]

DECLARATION OF CONDOMINIUM

DECLARATION

**Establishing a Plan for Condominium Ownership
of the Premises Known as**

37 EAST 12TH STREET CONDOMINIUM

and having a street address of

**37 EAST 12TH STREET
NEW YORK, NY 10003**

**Pursuant to Article 9-B of the Real Property
Law of the State of New York**

Sponsor:

**37 East 12th Street Condominiums LLC
c/o Edward J. Minskoff Equities, Inc.,
1325 Avenue of the Americas, 23rd Floor
New York, NY 10019**

Date of Declaration:

_____,
Prepared by:

**STARR ASSOCIATES LLP
Attorneys At Law
245 Fifth Avenue
New York, New York 10016
(212) 620-2686
Attn: Allan Starr, Esq.**

**The land affected by the within instrument lies in
Block 0564 E/K/A Lot 30, N/K/A Lots _____ - _____ on the Tax Map of the Borough of Manhattan,
County of New York, City and State of New York**

INDEX TO DECLARATION

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Exhibits

A -- DESCRIPTION OF THE LAND

B -- DESCRIPTION OF THE UNITS

C -- DEFINITIONS

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**DECLARATION
OF
37 EAST 12TH STREET CONDOMINIUM**

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

37 East 12th Street Condominiums LLC, a limited liability company organized under the laws of the State of Delaware, having an office at c/o Edward J. Minskoff Equities, Inc., 1325 Avenue of the Americas, 23rd Floor, New York, NY 10019 ("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 in this Declaration 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 37 East 12th Street 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: 6 Units and 6 Storage Rooms contained in a 8 story structure above grade (plus a roof level) with 1 cellar.

5.1.1 The Units will be located on Floors Cellar 1 through 8.

5.1.2 The Storage Rooms will be located on the Cellar Floor.

5.2 The Building is classified as being of fire proof construction. The Building structural system consists of steel I-beams and channels that support terra cotta floor arches. The steel beams of each level frame into the perimeter masonry load bearing walls and into girders which run down the middle of the Building and are supported by cast iron columns. The roofing is an insulated roof membrane assembly (IRMA) comprised of a liquid applied membrane system.

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; the Common Interest appurtenant to such Unit and the Storage Room appurtenant to such Unit. The precise location of each Unit is shown on the Floor Plans.

6.2 Each Unit has been horizontally measured, on each of one or more floors, from the exterior side of the exterior Building walls, at the Building line and/or Property line, to the midpoint of the interior walls and partitions separating the Unit from another Unit, if any, or the exterior side of the interior walls and partitions separating a unit from public corridor, stairs, elevators, or any other public spaces. Columns and mechanical pipes, ducts, shafts (whether along the perimeter, along the corridor, or within the Unit), elevators and stairs that are exclusively serving the unit on each floor are not deducted from the square foot area of the Unit.

Outdoor floor areas of the gardens appurtenant to a unit are measured horizontally from the exterior side of the adjoined perimeter of the unit to the exterior side of the exterior Building walls and/or fences, at the Building line and/or Property line, or to the exterior side of the walls, partitions, fences and/or planters separating the outdoor area from a public corridor or pathway, stairs, or any other interior or exterior public spaces.

Measured vertically, each Unit consists of the volume from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab or arches above including any beams or projections.

Each Storage Room will consist of the area measured horizontally from the innermost face of the foundation wall or centerline of a partition to the centerline of the partitions or enclosure separating one unit from another unit or one unit from the common elements. Columns, mechanical pipes and shafts are not deducted for the purpose of floor area measurements.

Each Storage Room will consist of a volume measured vertically from the top of the concrete floor to the underside of the storage enclosure except that any Common Elements located within any unit will be considered as part of that unit.

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), any 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 or exclusively servicing 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/or 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 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 a Unit Owner after the Unit Owner acquired title to the Unit from Sponsor, in which event Unit Owner shall be responsible for such installations. Each Unit shall also include all data, telephone, audio visual, 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 (including electrical branch wiring from the electrical panel 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 Excess 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 any landscaping appurtenant thereto) and any improvements thereon, together with all easements, rights and privileges appurtenant thereto, except for the Excess Development Rights.
- (ii) all foundations, columns, beams, joists, supports, piles, footings, pillars, girders, exterior walls, fire escapes annexed to 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) the vault, the IT room, water pump room, fire pump room, gas meter room, electric meter room, controller room, super's office, janitors closet, ADA bathroom, each of which are located on the Cellar Floor of the Building.
- (iv) all stairways, passenger elevator and their respective bulkheads, shafts, pits and equipment rooms.
- (v) trash compactor room located on the Cellar Floor and its respective shafts and equipment.
- (vi) lobby, exit corridors, concierge station, package storage room, mailbox area, each of which are located on Floor 1.
- (vii) fitness center and all equipment, finishings and furniture contained therein, located on the Cellar Floor.
- (viii) the generator and any Mechanical or HVAC equipment serving the Building and not a Unit exclusively located on the roof.
- (ix) 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.
- (x) 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.
- (xi) 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.

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 Storage Rooms located in the Cellar and the Terraces adjoining certain Units 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 has been determined pursuant to the method set forth in Real Property Law Section 339-i(1) based upon the floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with subsection (iv).

ARTICLE 9

USE OF UNITS AND STORAGE ROOMS

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, 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 (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 (1) the terms and conditions of the then existing TCO or PCO for the Building and the By-laws, and (2) applicable Law.

9.2 The Storage Rooms 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 Room for any purpose permitted by Law or to change the permitted use of any unassigned Storage Room, subject, however, to the provisions of the By-laws. Except for Sponsor and the Condominium Board, a Storage Room may not be licensed independently of a Unit.

9.3 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 PCO 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, and (3) 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 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 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.

10.3 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.

10.4 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 PH Unit and the Townhouse Unit and the Terraces appurtenant thereto, for the purpose of accessing, utilizing, maintaining and replacing the exhaust fans, if any, located on the Terraces.

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 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/or 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 in this Section 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 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 37 East 12th Street 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 In addition to the specific easements set forth in this Article 11 and in Article 10, 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 PCO 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 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.

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. 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. 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 a 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, 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 administrative 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, 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) 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 tax 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 as authorized by a vote of at least 80% in number and in Common Interest of all Unit Owners. No such vote shall be effective, however, 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 such 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 in this Declaration, and take such other action as such other Person may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated in this Declaration or to confirm or perfect any right to be created or transferred under this Declaration 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, then Sponsor, or a Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, as the case may be, then such party 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 in this Declaration 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 in this Declaration 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) at least 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 Residential 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 under this Declaration.

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 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 at least 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 PCO 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 in this Declaration and made a part of this Declaration as if set forth at length.

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

27.1 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.

27.2 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.

27.3 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 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:

EAST 12TH STREET CONDOMINIUMS LLC

By: _____
Name:
Title:

(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

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

37 East 12th Street Condominium
37 East 12th Street
New York, NY 10003

DESCRIPTION OF THE UNITS

UNIT #	NUMBER OF BEDROOMS/ BATHS	APPROXIMATE TOTAL SQ. FT.	BLOCK 0564 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
	UNIT	/TERRACE				

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.

"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 37 East 12th Street, New York, NY 10003.

"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.

"Closing" or **"Closing of Title"** or **"Close"** 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 Purchase 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 37 East 12th Street 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 37 East 12th Street Condominiums 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.

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

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

"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.

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

"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, emergency generator, 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, step siblings, aunts, uncles, 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.

"Initial Control Period" shall mean the period ending 5 years from the date of the First Closing, unless relinquished by Sponsor on an earlier date.

"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, or (iv) 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, or (v) 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 (vi) 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 0564, Lot 30 and more particularly described in Exhibit A to the Declaration.

"Law" shall mean any of the following which are applicable at the time in question: laws, ordinances and codes 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.

"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.

"Permanent Certificate of Occupancy" or "PCO" 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 Purchase 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 and renovation 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.

"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 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.

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

"Purchaser" shall mean any Person named as a Purchaser in a Purchase 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.

"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 any sales office for Sponsor or Selling Agent, at a location 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 37 East 12th Street Condominiums 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.

"Storage Room" shall mean any Storage Room located in the Storage Room Area and shall include the structural framework and materials out of which the Storage Room is constructed. Each Storage Room is a Limited Common Element.

"Storage Room Area" shall mean an area located in the Cellar of the Building containing the Storage Rooms. The Storage Room Area is a General Common Element.

"Temporary Certificate of Occupancy" or "TCO" 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 Commonwealth Land Title Insurance Company, having an office at 140 East 45th Street, 22nd Floor, New York, NY 10017. (212) 949-0100, (212) 682-2930, 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 requested by Purchaser and agreed to in writing 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.

"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
37 EAST 12TH STREET CONDOMINIUM

Prepared by:

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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 in these By-Laws 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 in these By-Laws 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 aforescribed 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, 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) 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 (c) 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 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 of the Declaration and the terms of such certificate of incorporation and these 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, modifications, 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 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.

(xxvii) to carry out any other duties imposed upon the Condominium Board pursuant to the Declaration and these By-laws.

(xxviii) to adjust the First Year's Budget to reduce the Common Charges if some or all of 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 Unit Owner or by a Permitted User.

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 in 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 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 3 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, 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 Initial 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 principal. 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 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 3 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, 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, 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 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 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.

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 5 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.

2.20-1.1 To the extent 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.

2.20-1.2 Neither the Condominium Board nor any Member thereof shall be liable for either:

- (i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, the Condominium Board or to be paid for as a Common Expense 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; 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 2 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 Section 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 later to occur of (i) the second anniversary of the First Closing; or (ii) the Closing of Title with Purchasers under the Plan of Units representing at least 50% in number of all Units offered for sale. At such meeting, a 3 Member Condominium Board shall be elected, as provided both in this Article 4 and in Article 2. 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 of the meeting, 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 of the proxy.

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 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 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 Initial Control Period, Sponsor shall have the right to designate 2 of the 3 Members to the Condominium Board, and Sponsor, and all other Unit Owners shall have the right to vote for the remaining Member of the Condominium Board.

Subsequent to the Initial 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) Subject to paragraph (D), within 30 days after the Initial 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 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) if requested by the Condominium Board 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, 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 or servicing the Unit exclusively, (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, 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 skylights, if any, 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) 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.

(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, 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. The cleaning of the exterior portion of the glass surfaces of all windows must be performed by the Unit Owner at such Unit Owner's sole cost and expense. Any replacement of glass windows in any Unit because of breakage or otherwise shall be made by the Unit Owner thereof, 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 Owner's 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)), the same was approved by the Condominium Board pursuant to the terms of paragraph (A).

(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); (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 TCO or PCO for the Building, or any amendment to, or extension of, the TCO or PCO if 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 TCO or PCO for the Building (or any amendment to, or extension of, the TCO or PCO 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 TCO or PCO for the Building (or any amendment to, or extension of, the TCO or PCO), 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.

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 at least 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 (excluding 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, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings). 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.

(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; 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 or prior to the First Closing, shall also obtain and maintain, to the extent it deems practicable:

- (i) commercial 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, 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 the full replacement cost of the Building (excluding the Units and any appliances, fixtures, improvements or any furniture, furnishings, decorations, belongings or other personal property contained therein), 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), 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, including Storage Rooms, 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 (excluding the Units and any appliances, fixtures, improvements or any furniture, furnishings, decorations, belongings, or other personal property contained therein) 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, 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, 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, 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 a duly filed 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.

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 (C) and (D) 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 contained in these By-Laws 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 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 TCO or PCO 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).

(D) Notwithstanding anything to the contrary contained in this Section 5.7, Sponsor may, without the consent of either the Condominium Board or the Unit Owners:

- (i) grant permission for the use of any Unsold Unit as a professional or business office or for any other purpose, provided that the nature and manner of such use

complies with Law and the user thereof complies with all applicable governmental regulations; and

(ii) use any one or more Unsold Units 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 elevator, or any other part of the Common Elements (except for those areas designated without the prior written consent of the Condominium Board. The lobbies, vestibules, public halls, stairways and public elevator 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 at designated times.

(B) The owner or 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 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, 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, and the 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 Storage Rooms*

A Storage Room 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 Room for any purpose permitted by Law or to change the permitted use of any unassigned Storage Room, subject, however, to the provisions of these By-laws and Declaration.

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 non-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, including Storage Rooms:

- (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, Storage Room 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 tax 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, 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 tax 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 *Gas and 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, except for Storage Rooms which shall be paid by the Condominium Board and will be borne by the Unit Owners as a Common Expense.

(C) If any 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 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) Gas for the Units shall be supplied through one or more separate meters therefor and the cost thereof will be paid by the Condominium Board and will be borne by the Unit Owners as Common Charges.

(E) Gas and Electricity for the Common Elements shall be supplied through one or more separate meters therefor 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.

(F) 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 Initial 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 the Unit Owners enjoying such Limited Common Element. 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).

(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, 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 Initial 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 shall remain obligated to update the budget 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. 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, 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; 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 2x 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. If the Condominium Board applies or retains any part of said security, the Unit Owner in question, within ten 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

Section 7.1 *General.* Subject to the terms of Section 7.5, each Unit Owner may (i) sell the Unit and (ii) lease the 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 of these By-Laws 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, 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. 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, 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 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 provided in these By-Laws.

(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 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 in such deed.

(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 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. 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 have, in fact, been terminated. In no event, however, shall the right of first refusal described in Section 7.2 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) in the absence of the certificate that has been duly executed, acknowledged and issued by the Secretary of the Condominium or the Managing Agent.

(B) The terms and conditions contained in Section 7.2, 7.3 and 7.4 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. 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.

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. 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 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 quarterly.

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 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, 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 or (ii) Sponsor in connection with any abatement, injunction, or remedy of any violation or breach of the Condominium Documents pursuant to the terms of paragraph (B) of Section 9.2, 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 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 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, with a copy sent by regular first class mail to the Managing Agent (if any) at its principal office address;
- (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) 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. 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, 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), but still subject to any provision contained in the Declaration or these By-laws with respect to Special Amendments:

(i) the Common Interest appurtenant to any Unit, as set forth in the Declaration, shall not be altered without the consent of the Unit Owner thereof, except as otherwise provided in paragraph (F) of Section 5.5; 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 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 quarterly.

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 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 of these By-Laws.

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.

* * * * *

ADDENDUM TO THE BY-LAWS**RULES AND REGULATIONS**

1. The sidewalks, entrance passages, public halls, elevator, 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 the elevator of the Building other than the elevator designated by the Condominium Board or the Managing Agent for such purpose or ridden in the Building. 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 entrances of the Building as designated by the Condominium Board or the Managing Agent. In addition, all domestic employees, messengers and tradespeople visiting the Building shall use the elevator as designated by the Condominium Board or the Managing Agent for the purposes of ingress and egress, and shall not use the elevator 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 the other elevator 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 as designated by the Condominium Board or the Managing Agent.

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, elevator, 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. There shall be no barbecuing in the Units, in their appurtenant Limited Common Elements, if any, or in the Common Elements except in the designated area of the Terrace, appurtenant to the Penthouse Unit provided same is permitted by Law.

12. 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 or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M.. No construction, repair work, or other installation involving noise shall be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 9:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency.

13. No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition) may be kept in a Unit without the consent of the Condominium Board. 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 Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all Rules and Regulations adopted by the Condominium Board with respect thereto, including without limitation, the number of such pets. Notwithstanding the foregoing, the Condominium Board shall have the right to adopt a no-pet policy for the Building or policies with respect to size or number of pets per Unit. 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.

14. 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.

15. 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.

16. No window guards, legally compliant window stops and/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.

17. 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.

18. 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.

19. 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.

20. 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.

21. 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.

22. 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.

23. 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.

24. 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).

25. 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 22 above) be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

26. 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 or to perform required repairs to any mechanical equipment located thereon which is the responsibility of the Unit Owner.

27. 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.

28. 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.

29. No Unit Owner shall install any plantings on any Terrace or roof without the prior written approval of the Condominium Board. Plantings shall be placed in containers impervious to dampness and standing on supports at least two inches from the Terrace or roof surface, and if adjoining a wall, at least three 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 three inches from the parapet and flashing, with the floor of drainage tiles and suitable weep holes at the sides to draw off water. Such masonry planting beds shall not, however, rest directly upon the surface of such Terrace or roof but shall stand on supports at least two inches above such surface. No planting 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 the containers in good condition, and the drainage tiles and weep holes in operating condition. Such Unit Owner shall pay the cost of any repairs rendered necessary by or damage caused by such plantings. The Condominium Board shall have an easement and a right of access to the Terrace appurtenant to 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.

30. 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 without the prior written consent of the Condominium Board or Sponsor.

31. Complaints regarding the service of the Condominium shall be made in writing to the Condominium Board and the Managing Agent.

32. 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.

33. 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.

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 37 East 12th Street Condominium ("Condominium") and by the street number 37 East 12th Street, New York, NY 10003 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 37 East 12th Street 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 0564 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 administrative 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, 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) 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 tax protest and tax certiorari proceeding documentation affecting Units.

(e) 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 scrivener's errors in the Declaration, the By-Laws and/or the Floor Plans; or (4) shall 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

(f) 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



Policy Number:

SPECIMEN**OWNER'S POLICY OF TITLE INSURANCE**

Issued by

Commonwealth Land 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, COMMONWEALTH LAND TITLE INSURANCE COMPANY, a Nebraska 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.

IN WITNESS WHEREOF, COMMONWEALTH LAND TITLE INSURANCE COMPANY has caused this policy to be signed and sealed by its duly authorized officers.

SPECIMEN

COMMONWEALTH LAND TITLE INSURANCE COMPANY



By:

(Signature)

ATTEST

President

(Signature)

Secretary

Countersigned: _____
Authorized Signature

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 Risk 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.

SPECIMEN
CONDITIONS

I. 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(g), "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.

5. 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 en-

dorsement 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 therefor 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

Commonwealth Land Title Insurance Company
P.O. Box 45023, Jacksonville, Florida 32232-5023
Attn: Claims Department

SPECIMEN

**COMMONWEALTH
LAND
TITLE
INSURANCE
COMPANY**

SPECIMEN



Commonwealth

LAND TITLE INSURANCE COMPANY

Commonwealth Land Title Insurance Company

P.O. Box 45023, Jacksonville, Florida 32232-5023



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SPECIMEN

SCHEDULE A

Amount of Insurance: \$ _____

Policy No. PROFORMA
Title No. NY140162

Date of Policy: _____

1. Name of Insured: _____

2. The estate or interest in the land which is covered by this policy is:

Fee Simple

3. Title to the estate or interest in the land is vested in the Insured by means of:

Deed made by 37 East 12th Street Condominiums LLC -to- _____, dated _____ and
recorded on _____ under CRFN _____.

4. The land referred to in this policy is described on the annexed schedule.

Commonwealth Land Title Insurance Company

Countersigned: _____
Authorized Officer or Agent

Valid Only if Schedule B and Cover Are Attached

ALTA Owner's Policy (6-17-06)

Date Printed March 19, 2014

SCHEDULE A - ITEM 4

SPECIMEN

The Condominium Unit (the "Unit") in the building known as 37 East 12th Street Condominium (the "Building"), located at and known as and by street number 37 East 12th Street, New York, N.Y., designated and described as Unit No. _____ in the Declaration establishing a plan for condominium ownership of said Building and the land upon which it is situate (the "Land") under Article 9-B of the Real Property Law of the State of New York, dated _____ and recorded on _____ in the Office of the Register of the City of New York, County of New York (the "City Register's Office") under CRFN _____, said Unit also being designated as Tax Lot _____ in Block 564 of Section 2 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of the City of New York (the "Assessment Department") and on the Floor Plans of the said Building filed in the Assessment Department as Condominium Plan No. _____ and also filed in the City Register's Office on _____ as Condominium Map filed under CRFN _____.

TOGETHER with an undivided _____ percent interest in Common Elements of the Condominium as described in the Declaration.

The Land on which the Building containing the Unit is situate is bounded and described as follows:

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of East 12th Street, distant 256 feet 6 inches westerly from the corner formed by the intersection of the northerly side of East 12th Street with the westerly side of Broadway;

RUNNING THENCE northerly in a line at right angles to East 12th Street, 103 feet 4-1/2 inches to a point;

THENCE along a line in a southwesterly direction, 38 feet 6-1/4 inches to a point distant 92 feet 8 inches northerly from the northerly side of East 12th Street, measured on a line drawn at right angles with said northerly side of East 12th Street and intersecting said northerly side at a point thereon distant 293 feet 6 inches westerly from the northwesterly corner of Broadway and East 12th Street;

THENCE southerly in a line at right angles to East 12th Street, 92 feet 8 inches to the northerly side of East 12th Street; and

THENCE easterly along the northerly side of East 12th Street, 37 feet to the point and place of BEGINNING.

Policy No. PROFORMA
Title No. NY140162

SCHEDULE B
Exceptions from Coverage

SPECIMEN

This policy does not insure against loss or damage (and the Company will not pay costs, attorney's fees or expenses) which arise by reason of the following:

1. Any state of facts which an accurate survey of the building and the unit would show, but policy insures that any encroachments by the Insured Unit on any adjoining unit or on common areas may remain undisturbed as long as it shall stand.
2. Covenants, conditions, easements, agreements of record, etc., as follows:
 - a. Fire Escape Easement recited in Deed made by The Brooklyn Savings Bank to Jomax Realty Corporation, dated 8/1/1941 and recorded on 8/4/1941 in Liber 4118 of Deeds, Page 483.
3. Terms, Covenants and Conditions set forth in the Declaration of Condominium and By-Laws dated _____ and recorded on _____ under CRFN _____, but policy insures against loss or damage occasioned by the premises not being a part of a Condominium validly created pursuant to Article 9B of the Real Property Law.
4. Unit Power of Attorney made by _____ to the Board of Managers of the 37 East 12th Street Condominium, dated _____ and recorded on _____ under CRFN _____.

COMMONWEALTH LAND TITLE INSURANCE COMPANY
STANDARD NEW YORK ENDORSEMENT
(OWNER'S POLICY)

Attached to and made a part of Policy No. PROFORMA

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 on 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.

COMMONWEALTH LAND TITLE INSURANCE COMPANY

Dated:

Countersigned:



By:

Raymond R. Quirk
Raymond R. Quirk
President

By:

Michael L. Gravelle
Michael L. Gravelle
Secretary

Authorized Signatory

FORM W-8
(CERTIFICATION OF FOREIGN STATUS)

Form **W-8BEN**

(Rev. February 2014)

Department of the Treasury
Internal Revenue Service**Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)**

► For use by individuals. Entities must use Form W-8BEN-E.

► Information about Form W-8BEN and its separate instructions is at www.irs.gov/formw8ben.

► Give this form to the withholding agent or payer. Do not send to the IRS.

OMB No. 1545-1621

Do NOT use this form if:

- You are NOT an individual **W-8BEN-E**
- You are a U.S. citizen or other U.S. person, including a resident alien individual **W-9**
- You are a beneficial owner claiming that income is effectively connected with the conduct of trade or business within the U.S. (other than personal services) **W-8ECI**
- You are a beneficial owner who is receiving compensation for personal services performed in the United States **8233 or W-4**
- A person acting as an intermediary **W-8IMY**

Instead, use Form:**Part I Identification of Beneficial Owner (see instructions)**

1 Name of individual who is the beneficial owner	2 Country of citizenship
3 Permanent residence address (street, apt. or suite no., or rural route). Do not use a P.O. box or in-care-of address.	
City or town, state or province. Include postal code where appropriate.	Country
4 Mailing address (if different from above)	
City or town, state or province. Include postal code where appropriate.	Country
5 U.S. taxpayer identification number (SSN or ITIN), if required (see instructions)	6 Foreign tax identifying number (see instructions)
7 Reference number(s) (see instructions)	8 Date of birth (MM-DD-YYYY) (see instructions)

Part II Claim of Tax Treaty Benefits (for chapter 3 purposes only) (see instructions)

- 9 I certify that the beneficial owner is a resident of _____ within the meaning of the income tax treaty between the United States and that country.
- 10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article _____ of the treaty identified on line 9 above to claim a _____ % rate of withholding on (specify type of income): _____
- Explain the reasons the beneficial owner meets the terms of the treaty article: _____

Part III Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the individual that is the beneficial owner (or am authorized to sign for the individual that is the beneficial owner) of all the income to which this form relates or am using this form to document myself as an individual that is an owner or account holder of a foreign financial institution,
 - The person named on line 1 of this form is not a U.S. person,
 - The income to which this form relates is:
 - (a) not effectively connected with the conduct of a trade or business in the United States,
 - (b) effectively connected but is not subject to tax under an applicable income tax treaty, or
 - (c) the partner's share of a partnership's effectively connected income,
 - The person named on line 1 of this form is a resident of the treaty country listed on line 9 of the form (if any) within the meaning of the income tax treaty between the United States and that country, and
 - For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.
- Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner. I agree that I will submit a new form within 30 days if any certification made on this form becomes incorrect.

Sign Here

Signature of beneficial owner (or individual authorized to sign for beneficial owner)

Date (MM-DD-YYYY)

Print name of signer

Capacity in which acting (if form is not signed by beneficial owner)

For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 25047Z

Form **W-8BEN** (Rev. 2-2014)

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:

- 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
- 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
- I am a U.S. citizen or other U.S. person (defined below), and
- 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:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee, if applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the

withholding tax on foreign partners' share of effectively connected income, and

4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct.

Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States:

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity,
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust, and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China Income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if he or she stays in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS a percentage of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II Instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code* on page 3 and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships* on page 1.

What is FATCA reporting? The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code* on page 3 and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name/disregarded entity name" line.

Partnership, C Corporation, or S Corporation. Enter the entity's name on the "Name" line and any business, trade, or "doing business as (DBA)" name on the "Business name/disregarded entity name" line.

Disregarded entity. For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulation section 301.7701-2(c)(2)(iii). Enter the owner's name on the "Name" line. The name of the entity entered on the "Name" line should never be a disregarded entity. The name on the "Name" line must be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on the "Name" line. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on the "Business name/disregarded entity name" line. If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Note. Check the appropriate box for the U.S. federal tax classification of the person whose name is entered on the "Name" line (individual/sole proprietor, Partnership, C Corporation, S Corporation, Trust/estate).

Limited Liability Company (LLC). If the person identified on the "Name" line is an LLC, check the "Limited liability company" box only and enter the appropriate code for the U.S. federal tax classification in the space provided. If you are an LLC that is treated as a partnership for U.S. federal tax purposes, enter "P" for partnership. If you are an LLC that has filed a Form 8832 or a Form 2553 to be taxed as a corporation, enter "C" for C corporation or "S" for S corporation, as appropriate. If you are an LLC that is disregarded as an entity separate from its owner under Regulation section 301.7701-3 (except for employment and excise tax), do not check the LLC box unless the owner of the LLC (required to be identified on the "Name" line) is another LLC that is not disregarded for U.S. federal tax purposes. If the LLC is disregarded as an entity separate from its owner, enter the appropriate tax classification of the owner identified on the "Name" line.

Other entities. Enter your business name as shown on required U.S. federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name/disregarded entity name" line.

Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the *Exemptions* box, any code(s) that may apply to you. See *Exempt payee code* and *Exemption from FATCA reporting code* on page 3.

Exempt payee code. Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends. Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following codes identify payees that are exempt from backup withholding:

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 5 ²
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney, and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Reg. section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Reg. section 1.1472-1(c)(1)(ii)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting irs.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, or 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on the "Name" line must sign. Exempt payees, see *Exempt payee code* earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee ³ The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ³
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulation section 1.671-4(b)(2)(i)(A))	The grantor ⁴
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity ⁴
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulation section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or "DBA" name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

*Note. Grantor also must provide a Form W-9 to trustee of trust.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at spam@uce.gov or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

ESCROW AGREEMENT

ESCROW: AGREEMENT FOR OFFERING PLAN

AGREEMENT made as of the filing date of the Offering Plan (defined below), between 37 East 12th Street Condominiums 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 37 East 12th Street Condominium and located at 37 East 12th Street, New York, New York 10003 ("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 t

he 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.

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

SPONSOR:37 EAST 12TH STREET CONDOMINIUMS LLC

By: 
Name: Edward J. Minskoff
Title: Authorized Signatory

CERTIFICATION OF SPONSOR AND PRINCIPALS

PART 20: CERTIFICATION OF SPONSOR AND PRINCIPALSOctober 17, 2014

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

Re: Condominium Offering Plan
37 East 12th Street Condominium
37 East 12th Street
New York, New York 10003 ("Property")

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.

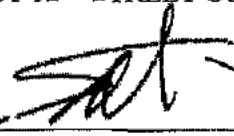
We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by 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.

SPONSOR:

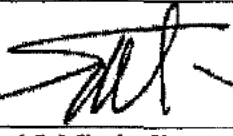
37 EAST 12TH STREET CONDOMINIUMS LLC

By: 

Name: Edward J. Minskoff

Title: Authorized Signatory

PRINCIPAL OF SPONSOR:


Edward J. Minskoff

Severally sworn to before me
this 17th day of October 2014


Notary Public

THERESA A. MILLER
Notary Public, State of New York
No. 01M16050874
Qualified in Suffolk County
Commission Expires Nov. 13, 2014

CERTIFICATION OF ARCHITECT

PART 20: CERTIFICATION OF ARCHITECT

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

Re: Condominium Offering Plan
37 East 12th Street Condominium
37 East 12th Street
New York, New York 10003 ("Property")

The sponsor of the condominium offering plan to convert the captioned property to condominium ownership retained our firm to prepare a report describing the renovation of the property (the "Report"). We examined the building plans and specifications that were prepared by MKA dated 10/1/2013 and prepared the Report dated 10/1/2014, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

We are registered architect/licensed engineer 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 renovation, provided that renovation is in accordance with the plans and specifications that we examined;
- (ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of renovation, provided that renovation is in accordance with the plans and specifications that we examined;
- (iii) does not omit any material fact;
- (iv) does not contain any untrue statement of a material fact;
- (v) does not contain any fraud, deception, concealment or suppression;

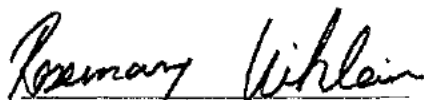
- (vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and
- (vii) does not contain any representation or statement which is false, where we:
 - (a) knew the truth;
 - (b) with reasonable effort could have known the truth;
 - (c) made no reasonable effort to ascertain the truth; or
 - (d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by and have no beneficial interest in the sponsor and that our compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

MALCOLM KAYE ARCHITECTURE, P.C.

By: 
 Name: PETER RISSETTO
 Title: PRESIDENT

Sworn to before me this
2nd day of October 2014


 Notary Public

ROSEMARY H. UHLEIN
 Notary Public, State of New York
 No. 01UI6242698
 Qualified in New York County
 Commission Expires June 6, 2015



CERTIFICATION OF BUDGET EXPERT



CERTIFICATION BY EXPERT ON ADEQUACY OF BUDGET

August 25, 2014

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

Re: **37 East 12th Street Condominium**
37 East 12th Street, New York, New York

Gentlemen:

The sponsor of the condominium offering plan for the captioned property retained our firm to prepare Schedule B and review Schedule B-1 (collectively, "Schedules") containing projections of income and expenses for the first year of condominium operation. Penmark Management, LLC has been engaged in the management of Residential real estate for many years, manages approximately 85 cooperative and condominium buildings and is licensed as a real estate broker in the State of New York.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to 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 projection in Schedules appears reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedules:

- (i) sets forth in detail the projected income and expenses for the first year of condominium operation;
- (ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;



- (iii) does not omit any material fact;
- (iv) does not contain any untrue statement of a material fact;
- (v) does not contain any fraud, deception, concealment or suppression;
- (vi) does not contain any promise or representation as to the future which is beyond the reasonable expectation or unwarranted by existing circumstances;
- (vii) does not contain any representation or statement which is false where we:
 - (a) knew the truth;
 - (b) with reasonable effort could have known the truth;
 - (c) made no reasonable effort to ascertain the truth; or
 - (d) did not have knowledge concerning the representations or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Penal Law.

Very truly yours,

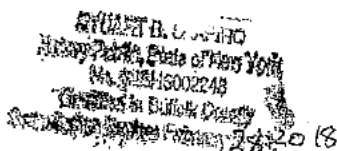
Penmark Management LLC

By

Name: Leslie Bogen Winkler

Title: Senior Vice President

Sworn to before me this 25th
day of August, 2014

Notary Public

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).

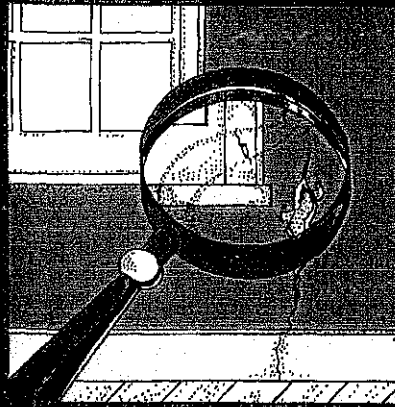
EDITOR'S NOTES:

Laws 1998, ch 422, §§ 4, 5, eff July 22, 1998, provide as follows:

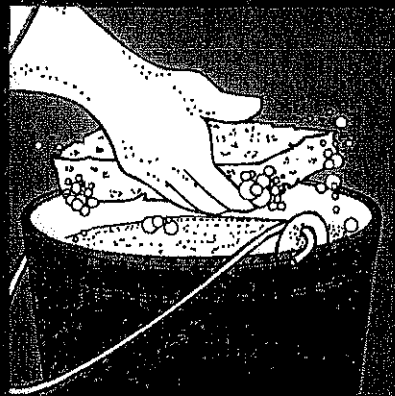
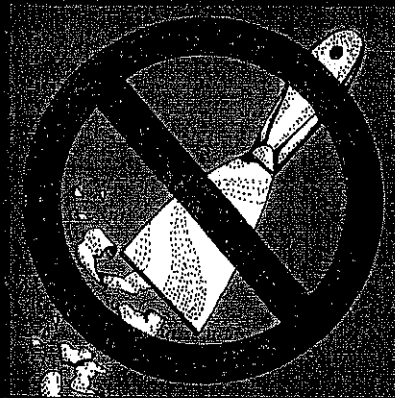
§ 4. This act may be enforced by any party by means of a special proceeding brought pursuant to article 4 of the civil practice law and rules.

§5. This act shall take effect immediately, and is applicable to all cooperative corporations and condominiums in existence on or after such date.

PROTECTING YOUR FAMILY FROM LEAD IN YOUR HOME



Protect Your Family From Lead In Your Home



EPA United States
Environmental
Protection Agency



United States
Consumer Product
Safety Commission



United States
Department of Housing
and Urban Development

Are You Planning To Buy, Rent, or Renovate a Home Built Before 1978?

Many houses and apartments built before 1978 have paint that contains high levels of lead (called lead-based paint). Lead from paint, chips, and dust can pose serious health hazards if not taken care of properly.



OWNERS, BUYERS, and RENTERS are encouraged to check for lead (see page 6) before renting, buying or renovating pre-1978 housing.

Federal law requires that individuals receive certain information before renting, buying, or renovating pre-1978 housing:



LANDLORDS have to disclose known information on lead-based paint and lead-based paint hazards before leases take effect. Leases must include a disclosure about lead-based paint.



SELLERS have to disclose known information on lead-based paint and lead-based paint hazards before selling a house. Sales contracts must include a disclosure about lead-based paint. Buyers have up to 10 days to check for lead.



RENOVATORS disturbing more than 2 square feet of painted surfaces have to give you this pamphlet before starting work.

IMPORTANT!

Lead From Paint, Dust, and Soil Can Be Dangerous If Not Managed Properly

- FACT:** Lead exposure can harm young children and babies even before they are born.
- FACT:** Even children who seem healthy can have high levels of lead in their bodies.
- FACT:** People can get lead in their bodies by breathing or swallowing lead dust, or by eating soil or paint chips containing lead.
- FACT:** People have many options for reducing lead hazards. In most cases, lead-based paint that is in good condition is not a hazard.
- FACT:** Removing lead-based paint improperly can increase the danger to your family.

If you think your home might have lead hazards, read this pamphlet to learn some simple steps to protect your family.

Lead Gets in the Body in Many Ways

Childhood lead poisoning remains a major environmental health problem in the U.S.

Even children who appear healthy can have dangerous levels of lead in their bodies.

People can get lead in their body if they:

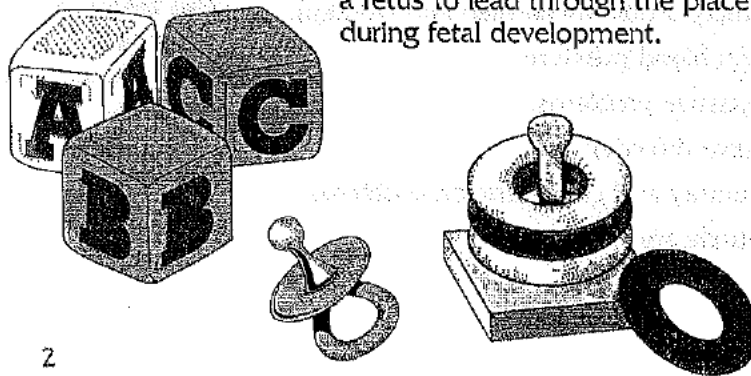
- ◆ Breathe in lead dust (especially during renovations that disturb painted surfaces).
- ◆ Put their hands or other objects covered with lead dust in their mouths.
- ◆ Eat paint chips or soil that contains lead.

Lead is even more dangerous to children under the age of 6:

- ◆ At this age children's brains and nervous systems are more sensitive to the damaging effects of lead.
- ◆ Children's growing bodies absorb more lead.
- ◆ Babies and young children often put their hands and other objects in their mouths. These objects can have lead dust on them.

Lead is also dangerous to women of childbearing age:

- ◆ Women with a high lead level in their system prior to pregnancy would expose a fetus to lead through the placenta during fetal development.



Lead's Effects

It is important to know that even exposure to low levels of lead can severely harm children.

In children, lead can cause:

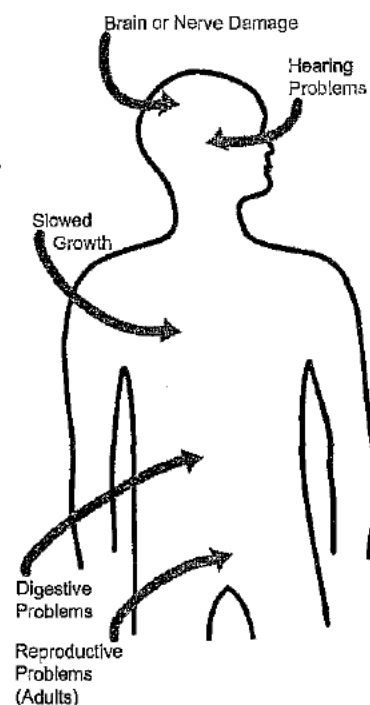
- ◆ Nervous system and kidney damage.
- ◆ Learning disabilities, attention deficit disorder, and decreased intelligence.
- ◆ Speech, language, and behavior problems.
- ◆ Poor muscle coordination.
- ◆ Decreased muscle and bone growth.
- ◆ Hearing damage.

While low-lead exposure is most common, exposure to high levels of lead can have devastating effects on children, including seizures, unconsciousness, and, in some cases, death.

Although children are especially susceptible to lead exposure, lead can be dangerous for adults too.

In adults, lead can cause:

- ◆ Increased chance of illness during pregnancy.
- ◆ Harm to a fetus, including brain damage or death.
- ◆ Fertility problems (in men and women).
- ◆ High blood pressure.
- ◆ Digestive problems.
- ◆ Nerve disorders.
- ◆ Memory and concentration problems.
- ◆ Muscle and joint pain.



**Lead affects
the body in
many ways.**

Where Lead-Based Paint Is Found

In general, the older your home, the more likely it has lead-based paint.

Many homes built before 1978 have lead-based paint. The federal government banned lead-based paint from housing in 1978. Some states stopped its use even earlier. Lead can be found:

- ◆ In homes in the city, country, or suburbs.
- ◆ In apartments, single-family homes, and both private and public housing.
- ◆ Inside and outside of the house.
- ◆ In soil around a home. (Soil can pick up lead from exterior paint or other sources such as past use of leaded gas in cars.)

Checking Your Family for Lead

Get your children and home tested if you think your home has high levels of lead.

To reduce your child's exposure to lead, get your child checked, have your home tested (especially if your home has paint in poor condition and was built before 1978), and fix any hazards you may have. Children's blood lead levels tend to increase rapidly from 6 to 12 months of age, and tend to peak at 18 to 24 months of age.

Consult your doctor for advice on testing your children. A simple blood test can detect high levels of lead. Blood tests are usually recommended for:

- ◆ Children at ages 1 and 2.
- ◆ Children or other family members who have been exposed to high levels of lead.
- ◆ Children who should be tested under your state or local health screening plan.

Your doctor can explain what the test results mean and if more testing will be needed.

Identifying Lead Hazards

Lead-based paint is usually not a hazard if it is in good condition, and it is not on an impact or friction surface, like a window. It is defined by the federal government as paint with lead levels greater than or equal to 1.0 milligram per square centimeter, or more than 0.5% by weight.

Deteriorating lead-based paint (peeling, chipping, chalking, cracking or damaged) is a hazard and needs immediate attention. It may also be a hazard when found on surfaces that children can chew or that get a lot of wear-and-tear, such as:

- ◆ Windows and window sills.
- ◆ Doors and door frames.
- ◆ Stairs, railings, banisters, and porches.

Lead dust can form when lead-based paint is scraped, sanded, or heated. Dust also forms when painted surfaces bump or rub together. Lead chips and dust can get on surfaces and objects that people touch. Settled lead dust can re-enter the air when people vacuum, sweep, or walk through it. The following two federal standards have been set for lead hazards in dust:

- ◆ 40 micrograms per square foot ($\mu\text{g}/\text{ft}^2$) and higher for floors, including carpeted floors.
- ◆ 250 $\mu\text{g}/\text{ft}^2$ and higher for interior window sills.

Lead in soil can be a hazard when children play in bare soil or when people bring soil into the house on their shoes. The following two federal standards have been set for lead hazards in residential soil:

- ◆ 400 parts per million (ppm) and higher in play areas of bare soil.
- ◆ 1,200 ppm (average) and higher in bare soil in the remainder of the yard.

The only way to find out if paint, dust and soil lead hazards exist is to test for them. The next page describes the most common methods used.

Lead from paint chips, which you can see, and lead dust, which you can't always see, can both be serious hazards.

Checking Your Home for Lead

Just knowing that a home has lead-based paint may not tell you if there is a hazard.



You can get your home tested for lead in several different ways:

- ◆ A paint **inspection** tells you whether your home has lead-based paint and where it is located. It won't tell you whether or not your home currently has lead hazards.
- ◆ A **risk assessment** tells you if your home currently has any lead hazards from lead in paint, dust, or soil. It also tells you what actions to take to address any hazards.
- ◆ A combination risk assessment and inspection tells you if your home has any lead hazards and if your home has any lead-based paint, and where the lead-based paint is located.

Hire a trained and certified testing professional who will use a range of reliable methods when testing your home.

- ◆ Visual inspection of paint condition and location.
- ◆ A portable x-ray fluorescence (XRF) machine.
- ◆ Lab tests of paint, dust, and soil samples.

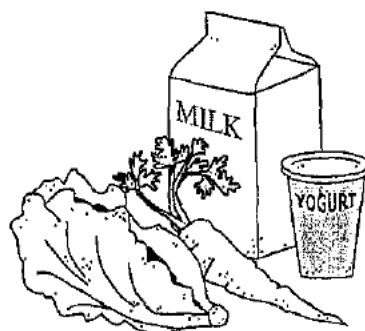
There are state and federal programs in place to ensure that testing is done safely, reliably, and effectively. Contact your state or local agency (see bottom of page 11) for more information, or call **1-800-424-LEAD (5323)** for a list of contacts in your area.

Home test kits for lead are available, but may not always be accurate. Consumers should not rely on these kits before doing renovations or to assure safety.

What You Can Do Now To Protect Your Family

If you suspect that your house has lead hazards, you can take some immediate steps to reduce your family's risk:

- ◆ If you rent, notify your landlord of peeling or chipping paint.
- ◆ Clean up paint chips immediately.
- ◆ Clean floors, window frames, window sills, and other surfaces weekly. Use a mop or sponge with warm water and a general all-purpose cleaner or a cleaner made specifically for lead. REMEMBER: NEVER MIX AMMONIA AND BLEACH PRODUCTS TOGETHER SINCE THEY CAN FORM A DANGEROUS GAS.
- ◆ Thoroughly rinse sponges and mop heads after cleaning dirty or dusty areas.
- ◆ Wash children's hands often, especially before they eat and before nap time and bed time.
- ◆ Keep play areas clean. Wash bottles, pacifiers, toys, and stuffed animals regularly.
- ◆ Keep children from chewing window sills or other painted surfaces.
- ◆ Clean or remove shoes before entering your home to avoid tracking in lead from soil.
- ◆ Make sure children eat nutritious, low-fat meals high in iron and calcium, such as spinach and dairy products. Children with good diets absorb less lead.



Reducing Lead Hazards In The Home

Removing lead improperly can increase the hazard to your family by spreading even more lead dust around the house.

Always use a professional who is trained to remove lead hazards safely.



In addition to day-to-day cleaning and good nutrition:

- ◆ You can **temporarily** reduce lead hazards by taking actions such as repairing damaged painted surfaces and planting grass to cover soil with high lead levels. These actions (called "interim controls") are not permanent solutions and will need ongoing attention.
- ◆ To **permanently** remove lead hazards, you should hire a certified lead "abatement" contractor. Abatement (or permanent hazard elimination) methods include removing, sealing, or enclosing lead-based paint with special materials. Just painting over the hazard with regular paint is not permanent removal.

Always hire a person with special training for correcting lead problems—someone who knows how to do this work safely and has the proper equipment to clean up thoroughly. Certified contractors will employ qualified workers and follow strict safety rules as set by their state or by the federal government.

Once the work is completed, dust cleanup activities must be repeated until testing indicates that lead dust levels are below the following:

- ◆ 40 micrograms per square foot ($\mu\text{g}/\text{ft}^2$) for floors, including carpeted floors;
- ◆ 250 $\mu\text{g}/\text{ft}^2$ for interior windows sills; and
- ◆ 400 $\mu\text{g}/\text{ft}^2$ for window troughs.

Call your state or local agency (see bottom of page 11) for help in locating certified professionals in your area and to see if financial assistance is available.

Remodeling or Renovating a Home With Lead-Based Paint

Take precautions before your contractor or you begin remodeling or renovating anything that disturbs painted surfaces (such as scraping off paint or tearing out walls):

- ◆ **Have the area tested for lead-based paint.**
- ◆ **Do not use a belt-sander, propane torch, high temperature heat gun, dry scraper, or dry sandpaper** to remove lead-based paint. These actions create large amounts of lead dust and fumes. Lead dust can remain in your home long after the work is done.
- ◆ **Temporarily move your family** (especially children and pregnant women) out of the apartment or house until the work is done and the area is properly cleaned. If you can't move your family, at least completely seal off the work area.
- ◆ **Follow other safety measures to reduce lead hazards.** You can find out about other safety measures by calling 1-800-424-LEAD. Ask for the brochure "Reducing Lead Hazards When Remodeling Your Home." This brochure explains what to do before, during, and after renovations.

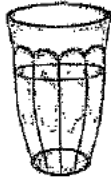
If you have already completed renovations or remodeling that could have released lead-based paint or dust, get your young children tested and follow the steps outlined on page 7 of this brochure.



If not conducted properly, certain types of renovations can release lead from paint and dust into the air.



Other Sources of Lead



While paint, dust, and soil are the most common sources of lead, other lead sources also exist.

◆ **Drinking water.** Your home might have plumbing with lead or lead solder. Call your local health department or water supplier to find out about testing your water. You cannot see, smell, or taste lead, and boiling your water will not get rid of lead. If you think your plumbing might have lead in it:

- Use only cold water for drinking and cooking.
- Run water for 15 to 30 seconds before drinking it, especially if you have not used your water for a few hours.

◆ **The job.** If you work with lead, you could bring it home on your hands or clothes. Shower and change clothes before coming home. Launder your work clothes separately from the rest of your family's clothes.



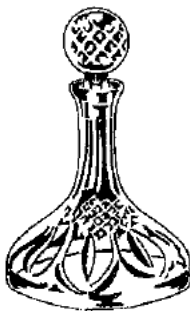
◆ **Old painted toys and furniture.**

◆ **Food and liquids stored in lead crystal or lead-glazed pottery or porcelain.**

◆ **Lead smelters** or other industries that release lead into the air.

◆ **Hobbies** that use lead, such as making pottery or stained glass, or refinishing furniture.

◆ **Folk remedies** that contain lead, such as "greta" and "azarcon" used to treat an upset stomach.



For More Information

The National Lead Information Center

Call **1-800-424-LEAD (424-5323)** to learn how to protect children from lead poisoning and for other information on lead hazards. To access lead information via the web, visit **www.epa.gov/lead** and **www.hud.gov/offices/lead/**.

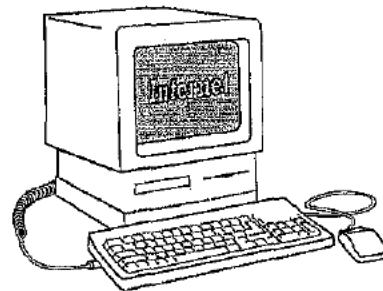


EPA's Safe Drinking Water Hotline

Call **1-800-426-4791** for information about lead in drinking water.

Consumer Product Safety Commission (CPSC) Hotline

To request information on lead in consumer products, or to report an unsafe consumer product or a product-related injury call **1-800-638-2772**, or visit CPSC's Web site at: **www.cpsc.gov**.



Health and Environmental Agencies

Some cities, states, and tribes have their own rules for lead-based paint activities. Check with your local agency to see which laws apply to you. Most agencies can also provide information on finding a lead abatement firm in your area, and on possible sources of financial aid for reducing lead hazards. Receive up-to-date address and phone information for your local contacts on the Internet at **www.epa.gov/lead** or contact the National Lead Information Center at **1-800-424-LEAD**.

For the hearing impaired, call the Federal Information Relay Service at **1-800-877-8339** to access any of the phone numbers in this brochure.

EPA Regional Offices

Your Regional EPA Office can provide further information regarding regulations and lead protection programs.

EPA Regional Offices

Region 1 (Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, Vermont)

Regional Lead Contact
U.S. EPA Region 1
Suite 1100 (CPT)
One Congress Street
Boston, MA 02114-2023
1 (888) 372-7341

Region 2 (New Jersey, New York, Puerto Rico, Virgin Islands)

Regional Lead Contact
U.S. EPA Region 2
2890 Woodbridge Avenue
Building 209, Mail Stop 225
Edison, NJ 08837-3679
(732) 321-6671

Region 3 (Delaware, Maryland, Pennsylvania, Virginia, Washington DC, West Virginia)

Regional Lead Contact
U.S. EPA Region 3 (3WC33)
1650 Arch Street
Philadelphia, PA 19103
(215) 814-5000

Region 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)

Regional Lead Contact
U.S. EPA Region 4
61 Forsyth Street, SW
Atlanta, GA 30303
(404) 562-8998

Region 5 (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)

Regional Lead Contact
U.S. EPA Region 5 (DT-8J)
77 West Jackson Boulevard
Chicago, IL 60604-3666
(312) 886-6003

Region 6 (Arkansas, Louisiana, New Mexico, Oklahoma, Texas)

Regional Lead Contact
U.S. EPA Region 6
1445 Ross Avenue, 12th Floor
Dallas, TX 75202-2733
(214) 665-7577

Region 7 (Iowa, Kansas, Missouri, Nebraska)

Regional Lead Contact
U.S. EPA Region 7
(ARTD-RALI)
901 N. 5th Street
Kansas City, KS 66101
(913) 551-7020

Region 8 (Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)

Regional Lead Contact
U.S. EPA Region 8
999 18th Street, Suite 500
Denver, CO 80202-2466
(303) 312-6021

Region 9 (Arizona, California, Hawaii, Nevada)

Regional Lead Contact
U.S. Region 9
75 Hawthorne Street
San Francisco, CA 94105
(415) 947-4164

Region 10 (Alaska, Idaho, Oregon, Washington)

Regional Lead Contact
U.S. EPA Region 10
Toxics Section WCM-128
1200 Sixth Avenue
Seattle, WA 98101-1128
(206) 553-1985

CPSC Regional Offices

Your Regional CPSC Office can provide further information regarding regulations and consumer product safety.

Eastern Regional Center

Consumer Product Safety Commission
201 Varick Street, Room 903
New York, NY 10014
(212) 620-4120

Western Regional Center

Consumer Product Safety Commission
1301 Clay Street, Suite 610-N
Oakland, CA 94612
(510) 637-4050

Central Regional Center

Consumer Product Safety Commission
230 South Dearborn Street, Room 2944
Chicago, IL 60604
(312) 353-8260

HUD Lead Office

Please contact HUD's Office of Healthy Homes and Lead Hazard Control for information on lead regulations, outreach efforts, and lead hazard control and research grant programs.

U.S. Department of Housing and Urban Development

Office of Healthy Homes and Lead Hazard Control
451 Seventh Street, SW, P-3206
Washington, DC 20410
(202) 755-1785

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U.S. EPA Washington DC 20460
U.S. CPSC Washington DC 20207
U.S. HUD Washington DC 20410

EPA747-K-99-001
June 2003

Simple Steps To Protect Your Family From Lead Hazards

If you think your home has high levels of lead:

- ◆ Get your young children tested for lead, even if they seem healthy.
- ◆ Wash children's hands, bottles, pacifiers, and toys often.
- ◆ Make sure children eat healthy, low-fat foods.
- ◆ Get your home checked for lead hazards.
- ◆ Regularly clean floors, window sills, and other surfaces.
- ◆ Wipe soil off shoes before entering house.
- ◆ Talk to your landlord about fixing surfaces with peeling or chipping paint.
- ◆ Take precautions to avoid exposure to lead dust when remodeling or renovating (call 1-800-424-LEAD for guidelines).
- ◆ Don't use a belt-sander, propane torch, high temperature heat gun, scraper, or sandpaper on painted surfaces that may contain lead.
- ◆ Don't try to remove lead-based paint yourself.



Recycled/Recyclable

Printed with vegetable oil based inks on recycled paper
(minimum 50% postconsumer) process chlorine free.

