CONDOMINIUM OFFERING PLAN

52 WOOSTER STREET CONDOMINIUM
52 Wooster Street
New York, New York 10013

Total Amount of Offering for 4 Residential Units and 1 Commercial Unit.....$35,000,000.00

SPONSOR	SELLING AGENT
52 Wooster Holdings LLC 641 Lexington Avenue, 24th Floor New York, New York 10022 (646) 202-9674	TOWN New Development Sales & Marketing LLC 25 West 39th Street New York, New York 10018 (646) 790-2632

Filing Date of this Offering Plan: _____ ___, 2015

This Offering Plan may not be used after _____ ___, 2016, unless this Offering Plan is extended by amendment.

THIS OFFERING PLAN CONTAINS SPECIAL RISKS TO PURCHASERS. SEE PAGE 1.

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.

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

TABLE OF CONTENTS

PART I

SPECIAL RISKS 2
INTRODUCTION 12
DEFINITIONS 18
DESCRIPTION OF PROPERTY AND IMPROVEMENTS 24
COMMERCIAL UNIT 27
LOCATION AND AREA INFORMATION 30
SCHEDULE A – PURCHASE PRICES AND RELATED INFORMATION 32
SCHEDULE B – FIRST YEAR'S BUDGET 39
SCHEDULE B-1 – BUDGET FOR INDIVIDUAL ENERGY COSTS 49
COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i AND OPINION OF COUNSEL 51
CHANGES IN PRICES AND UNITS 54
INTERIM USE AND OCCUPANCY AGREEMENTS 56
PROCEDURE TO PURCHASE 57
ESCROW AND TRUST FUND REQUIREMENTS 61
ASSIGNMENT OF PURCHASE AGREEMENTS 65
EFFECTIVE DATE 66
CLOSING OF TITLE TO UNITS AND TERMS OF SALE 68
CLOSING COSTS AND ADJUSTMENTS 72
RIGHTS AND OBLIGATIONS OF SPONSOR 79
CONTROL BY SPONSOR 89
CONDOMINIUM BOARD 91
RIGHTS AND OBLIGATIONS OF UNIT OWNERS 93
RIGHTS AND OBLIGATIONS OF THE CONDOMINIUM BOARD/SUMMARY OF BY-LAWS 104
REAL ESTATE TAXES 111
INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM 113
ATTORNEY'S INCOME TAX OPINION 115
WORKING CAPITAL FUND AND APPORTIONMENTS 120
RESERVE FUND 122
AGREEMENTS AFFECTING BUILDING OPERATIONS 123
IDENTITY OF PARTIES 125
REPORTS TO UNIT OWNERS 128
DOCUMENTS ON FILE 129
GENERAL 130
SPONSOR'S STATEMENT OF BUILDING CONDITION 132

PART II

DESCRIPTION OF PROPERTY AND BUILDING CONDITION 134
FLOOR PLANS AND SITE PLAN 155
PURCHASE AGREEMENT 172
UNIT DEED 197
LETTER OF TUCHMAN, KORNGOLD, WEISS, LIEBMAN & GELLES, LLP 201
DECLARATION OF CONDOMINIUM 207
CONDOMINIUM BY-LAWS 238
UNIT OWNER POWER OF ATTORNEY 298
UNIT OWNER'S SPECIMEN TITLE POLICY 301
FORM W-8BEN (INDIVIDUALS) AND FORM W-8BEN-E (ENTITIES) 308
FORM W-9 (REQUEST FOR TAXPAYER IDENTIFICATION NUMBER) 332
CERTIFICATION OF SPONSOR AND PRINCIPALS 337
CERTIFICATION OF ARCHITECT 340
CERTIFICATION OF BUDGET EXPERT 343
CERTIFICATION OF BUDGET EXPERT CONCERNING ADEQUACY OF COMMON CHARGES PAYABLE BY COMMERCIAL UNIT OWNER 346
REAL PROPERTY LAW SECTION 339-KK 349
EASEMENT AGREEMENT DATED AS OF MARCH 17, 2008 351
AMENDMENT OF EASEMENT AGREEMENT DATED FEBRUARY 24, 2009 371
ENCROACHMENT EASEMENT AGREEMENT DATED AS OF JUNE 11, 2013 383
RESOLUTION OF CITY PLANNING COMMISSION DATED MAY 7, 2008, APPROVING THE GRANTING OF A SPECIAL PERMIT FOR THE CONSTRUCTION OF THE BUILDING IN THE M1-5B SOHO-CAST IRON ZONING DISTRICT 397
CERTIFICATE OF APPROPRIATENESS DATED OCTOBER 23, 2006 ISSUED BY THE NEW YORK CITY LANDMARKS PRESERVATION COMMISSION AND AMENDMENTS DATED JULY 29, 2008, MAY 18, 2012 AND MAY 19, 2014 407
INTERIM USE AND OCCUPANCY AGREEMENT 416

PART I

CONDOMINIUM OFFERING PLAN

52 WOOSTER STREET CONDOMINIUM
52 WOOSTER STREET
NEW YORK, NEW YORK 10013

SPECIAL RISKS

1. Offering Plan Review. 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.

2. Deposit. At the time a Purchase Agreement is executed, a Purchaser is required to make a deposit in an amount equal to twenty (20%) percent of the purchase price (the "Deposit"). If a Purchaser defaults under his Purchase Agreement, time being of the essence with regard to the obligations of the Purchaser thereunder, and does not cure such default within 30 days after Sponsor gives written notice to the Purchaser of such default, Sponsor may, at its option, either (i) cancel such Purchase Agreement and retain, as liquidated damages, the Deposit together with interest earned thereon, if any, or (ii) bring an action against such Purchaser for specific performance, in which event Purchaser could be compelled to complete the transaction. With respect to option (i), Sponsor can retain the entire 20% deposit in the event a purchaser defaults. (See the Section of the Plan entitled "Procedure to Purchase" for further details).

3. Condition of Property. Sponsor has no obligation to make any repairs, improvements or decorations in or to the Property, the Building, the Unit or the Facilities, except as may otherwise be set forth in the Plan. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details).

4. FDIC Insurance. If a Purchaser makes a Deposit in excess of $250,000 for the purchase of a Unit, or, if the amount of such Purchaser's deposits at the Bank in which the Deposit is held when added to the Deposit exceeds $250,000, the amount in excess of $250,000 will not be federally insured. Additionally, while the Deposit is in the non-interest bearing position of the Master Escrow Account, the Deposit may not be federally insured even if the Deposit does not exceed $250,000. No representation or guaranty is made by Sponsor that the Federal Deposit Insurance Corporation will insure any depositor's funds, if and when called upon to do so.

5. Mortgage on Property. The Property is currently encumbered by loans held by East West Bank, which loans were in the original aggregate amount of $15,400,000. Sponsor will arrange for the subordination of any mortgages encumbering the Property at the First Closing to the Declaration, and Sponsor will arrange for the release of Units from the liens of any mortgages encumbering the Property at the time of the applicable Unit's Closing.

6. Time of the Essence. 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. If a Purchaser fails for any reason to close title to his Unit within 10 days of the originally scheduled date of closing ("Scheduled Closing Date") and Sponsor elects not to cancel the Purchaser's Purchase Agreement as a result of the same, (a) the apportionments to be made at the Closing will be made as of midnight of the day preceding the Scheduled Closing Date, and not as of midnight of the day preceding the actual date of closing ("Actual Closing Date"), and (b) the Purchaser will be required to pay to Sponsor an amount equal to 0.03% of the purchase price of his Unit per day commencing with the Scheduled Closing Date through the Actual Closing Date. (See the Section of the Plan entitled "Procedure to Purchase" for further details).

7. No Financing Contingency. The purchase of a Unit will not be contingent upon Purchaser obtaining a commitment for mortgage financing.

8. Transfer Taxes. Purchasers will be required to pay at the closing of their Units all New York City Real Property Transfer Taxes, New York State Real Estate Transfer Taxes and New York State

Additional Real Estate Transfer Taxes imposed on their purchase. (See the Section of the Plan entitled "Closing Costs and Adjustments" for further details).

9. Landmark and City Planning Commission. The Property is located within the boundaries of the "SoHo-Cast Iron Historic District" and in a M1-5B Zoning District, in which residential use is not permitted. On October 23, 2006 the New York City Landmarks Preservation Commission issued a Certificate of Appropriateness for the construction of the Building. A copy of the Certificate of Appropriateness, together with Amendments to the Certificate of Appropriateness, dated July 29, 2008, May 18, 2012 and May 19, 2014, is included in Part II of the Plan. On May 9, 2008, the City Planning Commission granted a Special Permit for the Building permitting use group 2 (residential use) on the second through sixth floors of the Building, and use group 6 (retail use) on the ground floor of the Building. A copy of the Resolution of the City Planning Commission approving the granting of the Special Permit is included in Part II of the Plan. (See the Sections of the Plan entitled "Introduction" and "Descripton of Property and Improvements" for further details).

10. Initial Control Period (a) Sponsor will control the Condominium Board until the earlier of: (i) the Closing of Title with Purchasers under the Plan to Residential Units having more than 90% of the aggregate Common Interests appertaining to all Residential Units, or (ii) 5 years after the First Closing ("Initial Control Period"). Sponsor's concepts concerning the management of the Condominium may vary from those of the Unit Owners who occupy their Units and may be more identifiable with those of other non-resident Unit Owners, if any, who may have purchased their Units for investment purposes rather than for the purpose of residing therein. After the Initial Control Period, Sponsor, as owner of Unsold Units, shall have the right to designate one member of the Condominium Board for so long as Sponsor owns at least 1 Unsold Residential Unit. (see the Section of the Plan entitled "Control By Sponsor" for further details).

(b) During the period that Sponsor controls the Condominium Board, Sponsor will have control of maintenance, facilities and services to be provided to Unit Owners and will determine the Common Charges to be paid by all Unit Owners. (See the Section of the Plan entitled "Control By Sponsor" for further details).

11. Limitations on Board Authority. So long as Sponsor owns any Residential Unsold Unit, 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 or approve of any addition, alteration or improvement to the Common Elements or to any Unit, unless the same are required by Law or (b) assess any Common Charges or Special Assessments 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 employed for the Condominium at the time of the First Closing, or (d) enter into any service or maintenance contract for work or otherwise provide services in excess of those initially contracted for the Condominium, 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 action is necessary and no other alternative is available to enable the Condominium Board to comply with Law or to remedy any notice of violation or perform any work order of the Condominium's insurer, nor shall Sponsor exercise veto power over the expenses described in Schedule B or expenses required to enable the Condominium Board to comply with Law, remedy any notice of violation or remedy any work order of the Condominium's insurer (See the Section of the Plan entitled "Control By Sponsor" for further details).

12. Reserve Fund. No provision is made for a reserve fund to be used for capital replacements or repairs of the Common Elements. 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. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for further details).

13. Working Capital Contribution. A Purchaser of a Unit shall be required to make a contribution at the Closing of Title to his Unit to the Working Capital Fund of the Building. Such contribution shall be in an amount equal to two (2) month's Common Charges in effect for such Unit. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for further details).

14. Possible Window Condensation/Cold Air Pocket. Heating units are not included under the windows. As a result there is a remote possibility that when heavy curtains or drapes are used and a pocket of cold air is created between the drapes or curtains and the windows, condensation may occur. A cold air pocket may develop in front of the windows with a lower temperature than the interior of the space. Sponsor has made provisions for electrical heating units under the affected windows in the unlikely event that condensation or a cold air pocket develops. If either condition arises, Sponsor will, at Sponsor's cost and expense, for a period of one year from the Closing Date, for a Purchaser who purchased his Residential Unit directly from Sponsor, provided Sponsor is granted access to the Residential Unit, attempt to remedy the situation by installing an electrical heating unit under the affected window in the Residential Unit. Sponsor makes no guarantee that the installation of an electrical heating unit under the window will remedy the situation if either condition arises.

15. No Bond. No bond or other security has been posted by Sponsor to secure its obligations under the Plan. The ability of Sponsor to perform its obligations under the Plan will partly depend upon its financial condition at the time it is called upon to perform. No representation can be made that it will be financially able to perform any or all of such obligations. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details).

16. First Closing. Sponsor anticipates the first Closing of a Residential Unit will take place on or about January 1, 2016. If the first Closing of a Residential Unit does not occur within 12 months after January 1, 2016, Sponsor will offer all Purchasers of Residential Units, as their sole remedy, the right for at least fifteen days, to rescind their Purchase Agreements and receive a refund of the Deposit. However, Units will be completed at different times over a period that may extend significantly beyond that date. If the first Closing of a Residential Unit occurs within 12 months after January 1, 2016, the Sponsor may schedule the closings of title to other Units significantly later than such date. In that case, unless a Purchase Agreement contains an outside closing date, Sponsor is not obligated to schedule a closing within any specified time frame or to ensure that closing of title to a Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. (See Sections entitled "Introduction" and "Rights and Obligations of Sponsor" for further details). Prospective Purchasers are advised that for a period of no more than six (6) months from the First Closing, some of the services and facilities described in the Plan (such as the anticipated staff of Building personnel) may not be available. Any interim level of staffing will at all times be adequate to maintain the Building during this period. (See the Section of the Plan entitled "Description of Property and Improvements" for further details.)

17. Amendment of Condominium Documents Affecting Sponsor. No amendment, modification addition, or deletion of the Declaration, By-Laws or any Rules and Regulations (other than those required by Law) shall be effective (a) against Sponsor or its designees or the Commercial Unit Owner or any Unsold Unit unless Sponsor and/or the Commercial Unit Owner has given its written consent thereto, or (b) to modify the permitted uses of the Commercial Unit or to adversely affect the Commercial Unit Owner unless the Commercial Unit Owner has given its prior written consent thereto.

(See the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws" for further details.)

18. Commercial Unit. No representation is made with respect to the ownership by Sponsor of the Commercial Unit. The Commercial Unit may, except as noted below, be used for any legally permitted purpose and in accordance with the Declaration and By-Laws. The Commercial Unit is not currently leased. In no event may all or any portion of any Commercial Unit be used for (i) any sex-related commercial establishment or massage parlor, or establishment where pornographic material is displayed or distributed, or obscene, nude or semi-nude performances are shown live or in a videotaped or other recorded format, except in conjunction with legitimate theatrical or dance performances as permitted by applicable law, (ii) any club, tavern or bar not incidental to restaurant or reception hall use, (iii) any betting parlor, casino or gambling type establishment or (iv) any drug rehabilitation clinic or treatment center. (See the Section of the Plan entitled "Commercial Unit" for further details).

19. Subdivision of Commercial Unit. The Commercial Unit may be subdivided by the Sponsor or any subsequent Commercial Unit Owner into two or more separate condominium units without prior notice and without amendment to the Plan.

20. Development of Neighboring Properties. Sponsor makes no representation as to whether or not there are any potential future developments in the neighboorhood. Prospective purchasers are advised to consult with their own experts and professionals to analyze the development rights, if any, of adjacent properties to fully understand the scope of any potential future development on adjacent properties or otherwise in the neighborhood. In the event any neighboring property (adjacent or otherwise) is developed, and a Purchaser's views, light or air are adversely affected, such a Purchaser will nevertheless be obligated to close and fully perform under its Purchase Agreement without offset or counterclaim.

21. Indemnification of Board. All Unit Owners shall 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.

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

23. Declaring the Plan Effective. Pursuant to existing law and regulation the Sponsor may declare the Plan effective upon entering into Purchase Agreements for the sale of a minimum of 15% of the Units in the Building, i.e., one (1) Unit, but reserves the right to declare the Plan effective at a greater number of Purchase Agreements. Even if the Plan is declared effective with a minimum number of sales, it is possible that the Sponsor may be able to convert the Building with fewer than the minimum number of sales, if Purchasers counted towards effectiveness do not ultimately purchase a Unit. (See the Section of the Plan entitled "Effective Date" for further details).

24. Availability of Financing. Purchasers should note that in the current real estate market, banks and other lenders may impose various restrictions on loans. Such restrictions include requiring that a certain percentage (such as 75% or more) of the units in a building be sold or under contract to be sold before the lender will consider making a loan. Thus it may be possible for a purchaser to experience

difficulty obtaining a loan for a Unit if the percentage of Units sold is lower than a lender's particular sales minimum. It also may be difficult for a purchaser to resell a Unit if prospective buyers are unable to obtain a loan due to such minimum sales requirements.

Some lenders will not provide financing in a building or group of buildings where an investor other than the original sponsor has an ownership interest of 10% or more. It may also be difficult for a purchaser to resell an apartment if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions.

25. Bulk Sale/Sponsor's Right to Rent Units. Sponsor reserves the right to sell the Units in one or more bulk sales. Sponsor has reserved the right to rent or lease any Unit prior to closing the sale thereof to the Purchaser thereof or any other party, to cease marketing Units for sale at any time, in Sponsor's sole discretion, or to use or offer the Unsold Units for any lawful purpose. Except where otherwise prohibited by Law, certain Units may be occupied under leases. Accordingly, residents of the Condominium may be comprised of both Unit Owners and tenants leasing from Sponsor or other Unit Owners. Accordingly, it is possible that a significant proportion of Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Unit Owners. As a consequence, a Unit Owner seeking to resell or refinance a Unit may experience difficulty. In addition, residents of the Condominium who are not Unit Owners do not share the same economic interests as Unit Owners in the maintenance and care of the Building's facilities and amenities and owner-occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e., purchase as a home as opposed to as an investment). The By-Laws do not include a provision that after the Initial Control Period, a majority of the Board must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its Principals. **Because Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment to sell more than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium.** (See the Sections of the Plan entitled "Introduction", "Rights and Obligations of Sponsor", and "Condominium Board" for further details.)

26. Removal of Board Members. The Condominium Board may remove any of its members for cause. However, (a) the member of the Condominium Board designated by the Commercial Unit Owner may be removed without cause only by the Commercial Unit Owner who designated such member. If any member of the Condominium Board who was designated by the Commercial Unit Owner is removed with or without cause, his successor shall be designated only by the Commercial Unit Owner. Any decision of the Condominium Board which affects the Commercial Unit may be made only with the consent of the member of the Condominium Board designated by the Commercial Unit Owner; and

(b) Any member of the Condominium Board designated by Sponsor may be removed without cause only by the Sponsor. If the member of the Condominium Board who was designated by Sponsor is removed with or without cause, his successor shall be designated only by Sponsor. Any decision of the Condominium Board which affects the Sponsor may be made only with the consent of the members of the Condominium Board designated by the Sponsor.

27. Sponsor Repair Obligations. Sponsor will have no obligation to correct or repair any defective condition in the Building (including Units and Common Elements), or in or with respect to its installations, apparatuses, fixtures, finishes, materials and appurtenances except as specifically set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor".

28. Payment for Upgrades. All funds received by Sponsor for upgrades, extras or custom work shall be placed in the Master Escrow Account, to be released to and used by Sponsor for payment of the cost of the upgrades, extras or custom work. Purchasers should note that if such funds are placed in

the Master Escrow Account, they may be released from the Master Escrow Account by Escrow Agent to Sponsor provided that Sponsor uses the funds for such upgrades or extras. As a result, in the event a Purchaser is entitled to rescind the Purchase Agreement in accordance with the Plan, the Purchaser will not receive a refund of any funds used for such upgrades, extras or custom work. (See the Section of the Plan entitled "Escrow and Trust Fund Requirements" for further details.)

29. Easements over Common Elements. Sponsor, its designee(s) and the Commercial Unit Owner shall each have a permanent easement to erect, use, lease, maintain, repair, replace and operate antennae, satellite dishes and other communications equipment, as permitted by Law, on any part of the roof and/or façade of the Building and elsewhere on the Common Elements and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith. Sponsor and/or the Commercial Unit Owner shall be entitled to utilize such easement for Sponsor's and/or Commercial Unit Owner's own account or the account of any tenants or licensees of Sponsor or Commercial Unit Owner. Sponsor's designees shall be entitled to utilize such easement for their account or the account of any tenant, or licensees of such Sponsor designees. However, the easement shall not be used by the Commercial Unit Owner for the operation of a telecommunications company or any other business whose primary purpose is the broadcasting of telephone, radio, communications or other signals. The Sponsor's easement shall include the right of Sponsor and/or its designees to enter into agreements with one or more providers of communications equipment and services, such as, without limitation, cellular equipment, cable, internet, satellite dish and similar or dissimilar equipment that would permit such providers the right to: (i) install, maintain, repair and replace their equipment on the roof of the Building, (ii) install, maintain, repair, replace and remove wires, conduits, cables, ducts, connective equipment and such other equipment whether similar or dissimilar, in and through the Common Elements, and (iii) use a portion of the Common Elements for equipment. Sponsor and/or its designees shall be entitled to retain any revenues from any such provider. The Condominium Documents do not provide that the aforementioned easements revert to the Condominium or that any revenues generated therefrom revert to the Condominium. (See the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws" for further details.)

30. Window Guards. A Residential Unit Owner must notify the Condominium Board in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the applicable Residential Unit. In such event, each Residential Unit Owner shall have installed at the Residential Unit Owner's expense, the required Window Guards in all windows of the Unit and shall not remove them until permitted to by Law, and in any event, without first notifying the Condominium Board of the intended removal of the Window Guards.

31. Allocation of Expenses. The sharing of expenses between the Residential Unit Owners and the Commercial Unit Owner is set forth and explained in the footnotes to Schedule B – First Year's Budget and in Article 6 of the By-Laws. In certain circumstances the sharing of expenses is not based solely on the Unit's percentage of Common Interest, but more accurately reflects the projected fair usage and consumption by the Units of the budgetary item in question. All Common Charges relative to the General Common Elements have been allocated between the Residential Units and the Commercial Unit in accordance with the allocations set forth in the First Year's Budget, and as provided in Section 6.1(E) of the By-Laws. Such Common Charges that are not based upon Percentage of Common Interest are based upon estimated usage of particular services, and/or based upon special or exclusive use or availability or exclusive control of particular Common Elements by particular Unit Owners. Common Expenses not included in the First Year's Budget and Special Assessments shall be based upon estimated usage of particular services, and/or based upon special or exclusive use or availability or exclusive control of particular Common Elements by particular Unit Owners. The Condominium Board may not modify the allocations set forth in said Schedule B and Section 6.1(E) of the By-Laws without the consent of the Commercial Unit Owner.

32. Housing Merchant Implied Warranty. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) does not apply to residential building greater than five (5) stories, therefore Purchasers are not afforded any protections under this Law.

33. Condominium Insurance. The Condominium Board will be solely responsible for maintaining casualty and liability insurance with respect to the Building, in accordance with the provisions of the By-Laws. Each Unit Owner will be required to maintain, at and from the Closing of Title to his Unit, casualty insurance with respect to "Unit Specific Property", as such term is defined in the By-Laws, as well as liability insurance with respect to occurrences in or about the Unit. All such policies shall contain waivers of subrogation and further 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. A Residential Unit Owner will be required to maintain such insurance with respect to occurrences in any Limited Residential Common Element appurtenant to his Residential Unit. The casualty and liability insurance, each with coverage of no less than $1,000,000, shall be obtained from an insurance carrier with Best rating of A+XV and shall include the Condominium as an additional insured. The Residential Unit Owner shall provide the Managing Agent with a certificate of insurance evidencing such coverage at Closing and shall provide the Managing Agent with an updated certificate of insurance each year at least 30 days prior to the expiration of such coverages. The certificate should also include a requirement of at least 30 days notice of cancellation or material change be given to the Condominium. A Residential Unit Owner shall also require any tenant of its Unit to maintain similar coverages from an insurance carrier with Best rating of A+XV and to provide the Managing Agent a certificate of insurance evidencing such coverage at the time of lease signing and at each anniversary thereafter. The tenant's certificate must include the Residential Unit Owner and the Condominium as additional insureds and the certificate should include a requirement that at least 30 days notice of cancellation or material change be given to the Condominium and the Residential Unit Owner. It will be the responsibility of the Residential Unit Owner to obtain the documents required from its tenant and to submit them to the Managing Agent and/or the Condominium. (See the Sections of the Plan entitled "Rights and Obligations of Unit Owners" and "Rights and Obligations of the Condominium Board/Summary of By-Laws" for further details.)

34. Ingress/Egress Easement. A perpetual easement was granted to a previous owner of the Property by various parties having an interest in the land and building at 477 Broome Street, New York, New York (the "Broome Street Property"). The easement,which runs with the Land and Building, affords occupants or other persons present at the Property, access through a ground floor wall opening of the 477 Broome Street Property, and through that portion of the ground floor of the building existing on the 477 Broome Street Property, including the stairs of such building leading to the northwest entrance on Broome Street, for the sole purpose of pedestrian ingress or egress in the event of a fire or other emergency occurring in or about, threatening or affecting the Property (the "Ingress/Egress Easement"). (See the Easement Agreement dated as of March 17, 2008, included in Part II of the Plan for further details). See too the Amendment to Easement Agreement, dated February 24, 2009, also in Part II of the Plan.

35. Encroachment Easement. A previous owner of the Property granted an encroachment easement (the "Encroachment Easement") to various parties having an interest in the Broome Street Property (the "Grantee"). The building existing on the Broome Street Property leans onto the Property (the "Encroachment"). The Encroachment Easement grants to the Grantee and to its successors and assigns an easement for the continued existence of the Encroachment on and/or over the Property. During the term of the Easement, which runs with the Land and Building, Grantee and its employees, agents, contractors and service providers shall have free and unfettered right of access onto the Property in order to maintain, repair and replace the building on the Broome Street Property from time to time; provided, however, such right of access shall not in any way infringe upon, intefere with or restrict Sponsor's right to lawfully construct any improvements on the Property and any such maintenance, repair and

replacement work shall be (i) performed in accordance with all applicable legal requirements and in a prompt, safe and efficient manner; (ii) undertaken in a manner so as not to unreasonably interfere with the use, occupancy or enjoyment of the Property and any improvements located thereon, (iii) undertaken in a manner customary for such work in the City of New York and (iv) at Grantee's sole cost and expense. (See the Encroachment Easement Agreement dated as of June 11, 2013, and included in Part II of the Plan for further details).

36. Landmarks Preservation Commission Approval. The Building is located in the SoHo-Cast Iron Historic District. No interior or exterior work may be performed on the Building without obtaining the approval of the Landmarks Preservation Commission of the City of New York if such interior or exterior work requires the approval of the Department of Buildings. Prospective Purchasers should note that an effect of this may be that repairs to the interior or exterior of the Building may be more expensive and may take longer than if the Building were located elsewhere, and there may be limitations in the style and material of windows to be replaced in any Unit. (See also the Section of the Plan entitled "Sponsor's Statement of Building Condition".)

37. Rights of Access Benefiting the Commercial Unit. The Commercial Unit Owner, the authorized agents of the Commercial Unit Owner, the tenants of the Commercial Unit Owner, and the licensees and invitees of the foregoing, who are physically handicapped, (i) will have a right of access through the residential lobby, which is a Residential Common Element, to use the elevator, which is a Residential Common Element, for the limited purpose of entering and leaving the portion of the cellar level of the Building which comprises the Commercial Unit, and (ii) will have the right to enter and use the elevator, which is a Residential Common Element, directly from the Commercial Unit, if such elevator is equipped with a door that opens into the Commercial Unit, for the limited purpose of entering and leaving the portion of the cellar level of the Building which comprises the Commercial Unit. Such right of access shall be exercised with reasonable care. The Commercial Unit Owner, the tenants of the Commercial Unit, the authorized agents of the Commercial Unit Owner, and the authorized agents of the tenants of the Commercial Unit (iii) will have a right of access through the residential lobby, which is a Residential Common Elements, to use the elevator, which is a Residential Common Element, to gain access to the cellar for the purpose of installing, maintaining, replacing and effecting repairs to any equipment or machinery servicing the Commercial Unit and located in the cellar, and (iv) will have the right to enter and use the elevator, which is a Residential Common Element, directly from the Commercial Unit, if such elevator is equipped with a door that opens into the Commercial Unit for the purpose set forth in (iii) above. Such right of access shall be exercised with reasonable care. The Commercial Unit Owner, the tenants of the Commercial Unit Owner, the authorized agents of the Commercial Unit Owner, and the authorized agents of the tenants of the Commercial Unit Owner (v) will have a right of access through the residential lobby, which is a Residential Common Element, to use the elevator, which is a Residential Common Element, and through the sixth floor of Unit PH, which is a Residential Unit, and through the staircase leading from the sixth floor of the Building, and accessed from Unit PH, to the roof of the Building, which staircase is a Residential Common Element, and through the private terrace on the roof of the Building, which private terrace is a Limited Residential Common Element for the exclusive use of Unit PH, for the purpose of installing, maintaining, replacing and effecting repairs to any equipment servicing the Commercial Unit and located on the roof, and (vi) will have the right to enter and use the elevator, which is a Residential Common Element, directly from the Commercial Unit, if such elevator is equipped with a door that opens into the Commercial Unit for the purpose set forth in (v) above. . Such right of access shall be exercised with reasonable care and in the presence of either the superintendent/porter or a representative of the Managing Agent. (See the Sections of the Plan entitled "Rights and Obligations of Unit Owners" and "Rights and Obligations of the Condominium Board/Summary of By-Laws" for further details).

38. Terms of Sale. Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire building, but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive 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 FCOs are issued by the New York City Department of Buildings ("DOB"). 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 an FCO. Sponsor anticipates this scenario may occur. Sponsor and its Principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining an FCO covering the entire building within two years from the date of the issuance of the first TCO. However, Sponsor and its Principals make no representation or guarantee that DOB will issue the FCO within such two year period. Notwithstanding the foregoing, Sponsor and its Principals are obligated to procure the FCO for the entire building, and shall exercise best efforts to obtain the FCO within such two year period while keeping the TCO current. Unit owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

As described in greater detail in the Plan, Sponsor will maintain sufficient funds in escrow to cover the anticipated costs of obtaining an FCO. However, the TCO may lapse for reasons outside the Sponsor's control. In the absence of an FCO or TCO, it is unlawful to reside in or rent a unit, and it will be difficult for owners or purchasers to obtain financing or pass clear title.

39. There is a rebuttable presumption that an area that is diminished by five (5%) percent or less is not material. See Footnote 2 of the Section of this Plan captioned "Footnotes to Schedule A" and the third paragraph of the Section entitled "Changes in Prices and Units".

40. Rights of Access Benefitting Residential Units 2, 3 and 4. The Residential Unit Owners of Units 2, 3 and 4, the tenants of Residential Units 2, 3 and 4, the authorized agents of the Residential Unit Owners of Units 2, 3 and 4, and the authorized agents of the tenants of the Residential Unit Owners of Units 2, 3 and 4 will have a right of access to enter the sixth floor of Unit PH through the Building's elevator, and through the staircase leading from the sixth floor of the Building and accessed from Unit PH, to the roof of the Building, which staircase is a Residential Common Element, and through the private terrace on the roof of the Building, which private terrace is a Limited Residential Common Element for the exclusive use of Unit PH, for the purpose of installing, maintaining, replacing, and effecting any repairs to the equipment servicing Residential Units 2, 3 and 4, respectively, and located on the roof. Such right of access shall be exercised with reasonable care and in the presence of either the superintendent/porter or a representative of the Managing Agent. (See the Sections of the Plan entitled "Rights and Obligations of Unit Owners" and "Rights and Obligations of the Condominium Board/Summary of By-Laws" for further details.)

41. Delay in Collection of Common Charges. During the Initial Control Period, Sponsor shall have the right, in its sole discretion, to delay the obligation of the Unit Owners to pay Common Charges from and after the First Closing, for a period to be determined by the Sponsor provided that the expenses of the Condominium (including, but not limited to, insurance premiums) during such period are timely paid by, and the contingency line item on Schedule B to the Offering Plan is funded by, Sponsor. Upon commencement of the obligation to pay Common Charges, there will not be a Special Assessment for the payment of any expense set forth in the First Years Budget incurred prior to the date Common

Charges become payable. During any period during which the obligation to pay Common Charges is delayed, Sponsor shall remain obligated to update the budget for the Condominium, as provided for in the governing regulations. In the event Sponsor elects to delay the collection of Common Charges, it will disclose such fact in the Closing Notice to Purchasers; however, failure to do so shall not affect Sponsor's right to delay the collection of Common Charges, so long as a Purchaser is otherwise notified of the delay in writing prior to the Closing of its Unit. Sponsor will further disclose such fact in the post-closing amendment to the Plan, and shall also disclose in the post-closing amendment, the anticipated period of delay. Sponsor will notify all Unit Owners in writing of the expiration of the delay period at least thirty (30) days prior to the commencement of collection of Common Charges and will disclose such fact in the subsequent amendment to the Plan. (See Section 6.1 of the By-Laws and the Section of the Plan entitled "Rights and Obligations of Sponsor".)

42. Remediation of Environmental Issues. Subsurface investigations of the Property were performed to analyze the existing soil and ground water, and revealed hazardous materials contamination on the Property. Semi-volatile organic compounds, specifically polyaromatic hydrocarbons, were detected above New York State Department of Environmental Conservation Ambient Groundwater Quality Standards and Guidance Values. Certain metals, above applicable standards, were also detected. Previous owners of the Property entered into a Declaration made as of October 9, 2007 and recorded on October 17, 2007 in the Office of the Register of the City of New York, as City Register File Number 2007000526578, whereby it was agreed that environmental issues at the Property would be addressed. A June 2013 Remedial Action Plan ("RAWP") and a February 2013 site-specific Construction Health and Safety Plan were found to be acceptable by the New York City Office of Environmental Remediation ("OER") and on June 11, 2013, OER issued an Amended Notice to Proceed with remediation and construction. The RAWP provided remedial actions for the handling, transporting, and disposing of soil, fill, fluids and other material removed from the Property in conformance with applicable New York City, New York State and Federal laws and regulations. A copy of the June 2013 Remedial Action Plan can be found on the "Legal" page at the website known as WWW.52Wooster.com. At the conclusion of construction activities, a certified Remedial Closure Report to document all remedial work performed is to be submitted to OER for review and approval. No further remedial work will be needed after completion of construction. OER has indicated that a "Temporary or Permanent Certificate of Occupancy" should not be issued by the Department of Buildings until OER has reviewed and approved the certified Remedial Closure Report and issued a "Notice of Satisfaction" for the project. Sponsor does not anticipate there being any delay in the issuance of either a Temporary or Final Certificate of Occupancy as a result of the remediation activities at the Property.

43. Certification of Sponsor and Principals. Part II of this Plan includes a Certification by Sponsor and Sponsor's Principals. Principals of Sponsor have executed the Certification of Sponsor and Principals for compliance with the Martin Act and governing regulations. Consistent with a recent decision by the Appellate Division of New York State Supreme Court, First Department, the 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).

INTRODUCTION

Nature of the Transaction

52 Wooster Holdings LLC ("Sponsor"), a New York limited liability company, hereby presents this offering plan ("Plan") for the establishment of condominium ownership of the land ("Land") together with the building thereon known as and having a street address of 52 Wooster Street, New York, New York, ("Building") (the Land, Building, and the appurtenances thereto are collectively referred to as the "Property") pursuant to the terms of Article 9-B of the Real Property Law of the State of New York ("Condominium Act"). The Sponsor acquired title to the Property on June 24, 2013. The Condominium will be known as "52 Wooster Street Condominium" and is being referred to herein as the "Condominium". The Condominium will consist of 4 Residential Units ("Residential Units") and one (1) Commercial Unit ("Commercial Unit"). The Residential Units and Commercial Unit are sometimes collectively referred to herein as the Units. Sponsor owns fee title to the Property.

The Condominium Offering Plan

The purpose of the Plan is to set forth in detail all material facts relating to the offering by Sponsor of the Units in the Condominium. 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 Department of Law's Real Estate Finance Bureau is located at 120 Broadway, 23rd Floor, New York, New York 10271.

The Plan is presented in two parts which together constitute the entire Plan. Part I sets forth the material terms of the offer and Part II contains the basic documents necessary to create the Condominium and to otherwise effectuate the provisions of the Plan. Also included in Part II is a detailed description of the Property, the Ingress/Egress Easement, the Encroachment Easement, a Resolution issued by the City Planning Commission and a Certificate of Appropriateness issued by the New York City Landmarks Preservation Commission, a legal opinion as to certain tax matters discussed in the Plan, and certifications of Sponsor and certain experts. Copies of the Plan, including all documents referred to herein and all Exhibits submitted to the Department of Law in connection with the filing of the Plan will be available for inspection by prospective Purchasers and their attorneys without charge. The Exhibits will be available to prospective Purchasers for copying at a reasonable charge at the sales office. The Plan and the Exhibits are also available for inspection and for copying at a reasonable charge at the Department of Law. All of these documents are important and should be carefully read by prospective Purchasers. Prospective Purchasers are also advised to consult with their own attorneys or other advisers before agreeing to purchase. A prospective Purchaser may obtain the Plan upon payment of a $250.00 deposit, which amount will be fully refunded upon either (i) the prompt return of the Plan within 14 days after receipt of the Plan, in good condition, or (ii) the execution by the prospective Purchaser of a Purchase Agreement subsequently accepted by Sponsor.

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 is located in the SoHo section of Manhattan and is in the M1-58 SoHo-Cast Iron Zoning District in which residential use is not permitted. On October 23, 2006 the New York City Landmarks Preservation Commission issued a Certificate of Appropriateness for the construction of the Building. A copy of the Certificate of Appropriateness, together with Amendments to the Certificate of

Appropriateness, dated July 29, 2008, May 18, 2012 and May 19, 2014, is included in Part II of the Plan. On May 9, 2008, the City Planning Commission granted a Special Permit for the Building permitting use group 2 (residential use) on the second through sixth floors of the Building, and use group 6 (retail use) on the ground floor of the Building. A copy of the Resolution of the City Planning Commission approving the granting of the Special Permit is included in Part II of the Plan.

It is the intention of Sponsor to construct a Building, so that, when completed, it shall consist of four (4) Residential Units and one (1) Commercial Unit in a building which includes a cellar and six levels: first (ground) floor, and second through sixth floors.

Based upon the current construction schedule, Sponsor contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery or inability to obtain materials, governmental restrictions, or other events reasonably beyond its control, construction activities at the Building will be sufficiently completed to permit closings of Units to begin on or about January 1, 2016. Prospective Purchasers should note, however, that the Units will be completed at different times over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the purchase price for the Unit or otherwise be relieved from any obligations under the Purchase Agreement, if the first Closing of a Residential Unit 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. In the event the actual or anticipated commencement date of the first year of condominium operation is to be delayed by six (6) months or more, Sponsor will amend the Plan to include a revised budget with current projections, and, if (i) a Unit Owner's monthly Common Charges in the amended budget exceed those in the latest projected budget set forth in the Plan by 25% or more, or (ii) the first Closing of a Residential Unit does not occur within 12 months after January 1, 2016, the date set forth in Schedule B as the commencement date for the first year of condominium operation, then in either case, Sponsor will offer all Purchasers of Residential Units the right to rescind their Purchase Agreements within no less than 15 days after the Presentation Date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their Deposits and any interest accrued thereon returned. If the first Closing of a Residential Unit occurs within 12 months after January 1, 2016, the Sponsor may schedule the closings of title to other Units significantly later than such date. In that case, unless a Purchase Agreement contains an outside closing date, Sponsor is not obligated to schedule a closing within any specified time frame or to ensure that closing of title to a Unit will occur by any date certain.

Sponsor reserves the right to change the number of Units from time to time by subdividing and/or combining Units, even after the Condominium is created, unless a binding Purchase Agreement for such Unit has been entered into and the Purchaser does not consent to such change. (See the Section of the Plan entitled "Changes in Prices and Units" for further details.)

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 Building Condition set forth in Part II of the Plan.

Offering of Units for Sale

Sponsor hereby offers the Residential Units and the Commercial Unit for sale under the Plan. The price for each of the Residential Units and for the Commercial Unit is 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.

Sponsor intends, and in good faith will endeavor, to sell all the Units, but has reserved the right to rent or lease any Unit prior to closing the sale thereof to the Purchaser thereof or any other party, to cease marketing Units for sale at any time, in Sponsor's sole discretion, or to use or offer the Unsold Units for any lawful purpose. Sponsor (and any transferee in bulk, or substitute sponsor) has reserved the right (i) to rent or lease any or all of the Unsold Units to any party; (ii) to rent or lease any Unsold Unit prior to closing the sale thereof to the Purchaser thereof; (iii) to cease marketing Units for sale at any time, in Sponsor's sole discretion; (iv) to rent Unsold Units with options to purchase; and (v) to use or offer the Commercial Unit and the Unsold Units for any lawful purpose. Therefore, except when otherwise permitted by law, certain Residential Units may be occupied under short-term or long term leases.

Residents of the Condominium may be comprised of both Residential Unit Owners and tenants leasing from Sponsor or from other Residential Unit Owners. Accordingly, it is possible that a significant proportion of Residential Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Residential Unit Owners. As a consequence of the foregoing, a Residential Unit Owner seeking to resell or refinance a Residential Unit may experience difficulty. In addition, residents of the Condominium who are not Unit Owners do not share the same economic interests as Unit Owners in the maintenance and care of the Building's facilities and amenities and owner-occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e., purchase as a home as opposed to as an investment). Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium.

The Property is currently encumbered by loans held by East West Bank, which loans were in the original aggregate amount of $15,400,000. Sponsor will arrange for the subordination of any mortgages encumbering the Property at the First Closing to the Declaration, and Sponsor will arrange for the release of Units from the liens of any mortgages encumbering the Property at the time of the applicable Unit's Closing.

Sponsor reserves the right to offer the Units in such order of priority as it may determine. In addition, Sponsor has the right to limit the number of Units sold to any Purchaser and to make one or more bulk sales of Units.

A Residential Unit shall be used only by a single family and in compliance with the Declaration, By-Laws and Law.

Features 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 his Unit and is entitled to the exclusive possession thereof. Each Unit Owner also owns, in common with the owners of all other Units, an undivided interest in (and right to use) the Common Elements. The Common Elements are comprised of: (i) portions of the Property serving and benefiting all Units, generally, including, for example, the Land upon which the Building stand, exterior walls and foundations and supports of the Building, these Common Elements being more specifically designated as "General Common Elements", (ii) portions of the Building serving and benefiting the Residential Units, exclusively, including for example, the residential lobby, the elevator, and the residential hallways and corridors, are more specifically designated as "Residential Common Elements", and (iii) portions of the Building serving and benefiting a particular Residential Unit, exclusively, are more specifically designated as "Limited Residential Common Elements".

Each Unit Owner is obligated to comply with the Declaration of Condominium, as well as the rules and regulations of the Condominium, as the same may be amended from time to time by the Condominium Board.

Subject to certain conditions contained in the By-Laws, each Unit Owner may mortgage his Unit with such lender and in such amount as he 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.

The affairs of the Condominium shall be governed by the Condominium Board, who shall be elected by the Unit Owners and Sponsor in accordance with the By-Laws of the Condominium. (See the Sections of the Plan entitled "Control By Sponsor" and "Condominium Board" for further details.)

A Unit Owner may decorate and construct the interior of his Residential Unit in any way he desires, subject to the By-Laws, the Rules and Regulations and Law and any requirements of the New York City Landmarks Preservation Committee, and will be solely responsible for the cost of maintenance and interior repairs to his Unit after Closing. Each Unit Owner has exclusive use of any balcony or terrace appurtenant to his 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, including any deck located thereon, if any. Nevertheless, the costs and expenses of any structural or extraordinary repairs or replacements to any balcony or terrace (including any leaks which are not caused by the negligence of the Unit Owner having access to such balcony or terrace) shall be charged to all Residential Unit Owners as a Residential Common Expense, provided however, the cost of any structural or extraordinary repair or replacement necessitated by the negligence of a Unit Owner shall be paid by such Unit Owner. The type, size and quantity of plantings and other installations to be placed on any terrace or balcony shall be subject to review by the Condominium's architect and engineers and to the prior written approval of the Condominium Board.

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 his Unit be subjected to any lien arising from the non-payment of real estate taxes assessed against other Units. In the opinion of special tax counsel to Sponsor, which opinion is set forth in full in Part I of the Plan, a Residential Unit Owner who itemizes deductions may be eligible, under current law, to deduct from his income for income tax purposes, his real estate taxes and the interest paid on his mortgage, subject to certain exceptions and limitations discussed in the "Attorney's Income Tax Opinion" set forth in Part I of the Plan. (See also the Section of the Plan entitled "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" for further details.)

With certain exceptions, any sale or lease of a Residential Unit will be subject to a right by the Condominium Board to acquire or lease such Residential Unit or to produce a third party to acquire or lease such Residential Unit on the same terms as were offered to the owner of such Unit. Sponsor and its designees may sell or lease any Unsold Residential Units or Commercial Unit without any restriction or limitation. (See the Section of the Plan entitled "Rights and Obligations of Unit Owner - Sales and Leases of Units" for further 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 by Sponsor, in the City Register's Office. From and after the date of recording the Declaration, Sponsor will

be the owner of the Units until each is conveyed. The Condominium will comply with all statutes and regulations applicable to condominiums in the State of New York.

The cost of operating the Building will be borne entirely by the Unit Owners in accordance with the 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 in accordance with Sections 339(i) and (m) of the Condominium Act. Common Expenses shall be either General Common Expenses attributable to all Unit Owners or Residential Common Expenses attributable to Residential Unit Owners only. Common Charges will be assessed against Unit Owners in accordance with the Schedule B allocations or as otherwise set forth in the By-Laws, Article 6. Residential Common Charges will be assessed against Residential Owners in the same proportion that their respective Residential Units bear to the aggregate Common Interests of all Residential Units. The estimated Common Charges for each Unit for the first year of Condominium operation are set forth in the Section of the Plan entitled "Schedule A – Purchase Prices and Related Information".

The undivided percentage interest of each Unit in the Common Elements ("Common Interest" of such Unit) has been determined upon the basis of such Units floor space, location, uniqueness, overall dimensions and similar factors of relative value to other space in the Condominium pursuant to the Condominium Act.

The Residential Common Interest of each Residential Unit in the Residential Common Elements is apportioned in the same proportion that the Residential Unit bears to the aggregate Common Interests of all of the Residential Units in the Condominium. Certain budgeted items (See Schedule B, the "Footnotes to Schedule B", and Article 6 of the By-Laws for further details) are allocated between the Residential Units and Commercial Unit based upon estimated usage of particular services, or based upon special or exclusive use or availability or exclusive control of particular Common Elements by particular Unit Owners. The allocated Common Charges payable by the Commercial Unit are sufficient to cover the expenses fairly attributable to that Unit. The aggregate Common Interest of all Units equals 100%. The aggregate Residential Common Interests of all Residential Units equals 100%. The percentage of Common Interests are the basis for determining a Unit Owners share of distribution upon termination of the Condominium. Each Unit's Common Interest and Residential Common Interest, as applicable, and estimate of the Common Charges that will be payable by the owner of each Unit 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 and Related Information".

The Condominium Board will be solely responsible for maintaining casualty and liability insurance with respect to the Building, in accordance with the provisions of the By-Laws. Each Unit Owner will be required to maintain, at and from the Closing of Title to his Unit, casualty insurance with respect to "Unit Specific Property", as such term is defined in the By-Laws, as well as liability insurance with respect to occurrences in or about the Unit. All such policies shall contain waivers of subrogation and further 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. A Residential Unit Owner will be required to maintain such insurance with respect to occurrences in any Limited Residential Common Element appurtenant to his Residential Unit. The casualty and liability insurance, each with coverage of no less than $1,000,000, shall be obtained from an insurance carrier with Best rating of A+XV and shall include the Condominium as an additional insured. The Residential Unit Owner shall provide the Managing Agent with a certificate of insurance evidencing such coverage at Closing and shall provide the Managing Agent with an updated certificate of insurance each year at least 30 days prior to the expiration of such coverages. The certificate should also include a requirement of at least 30 days notice of cancellation or material change be given to the Condominium. A

Residential Unit Owner shall also require any tenant of its Unit to maintain similar coverages from an insurance carrier with Best rating of A+XV and to provide the Managing Agent a certificate of insurance evidencing such coverage at the time of lease signing and at each anniversary thereafter. The tenant's certificate must include the Residential Unit Owner and the Condominium as additional insureds and the certificate should include a requirement that at least 30 days notice of cancellation or material change be given to the Condominium and the Residential Unit Owner. It will be the responsibility of the Residential Unit Owner to obtain the documents required from its tenant and to submit them to the Managing Agent and/or the Condominium.

Each Purchaser of a Unit will be required to make a 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 two (2) month's Common Charges in effect at the time of closing for each Unit purchased. (See the Section of the Plan entitled "Working Capital Fund" for further details.)

In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of the real estate taxes which will be separately assessed against such Unit Owner's Unit, interest and amortization payments on the mortgage, if any, which such Unit Owner may, at his option, obtain, and charges for electricity consumed in such Unit Owner's Unit.

Under the New York Real Property Law, a condominium unit may be owned by an individual, a corporation, a partnership, an association, a limited liability company, a trust or any other entity which is permitted to take title pursuant to New York 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 or entity. Since there are no limitations on the number of Unit Owners who may purchase for investment rather than for personal occupancy, there may always be a substantial percentage of Unit Owners who do not reside in their Units. Residential Unit Owners, other than the Sponsor, must, of course, comply with the Condominium Board's regulations regarding renting Units, which regulations are contained in the Condominium's By-Laws set forth in Part II of the Plan. Sponsor shall not discriminate against any person because of his or her 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 delivered to Purchaser or a Purchaser's attorney and Sponsor has collected the funds constituting Purchaser's required deposit thereunder (see the Section of the Plan entitled "Procedure to Purchase" for further details). Sponsor will not accept an offer of purchase from an individual younger than 18 years of age or an incompetent under Law.

The equipment and fixtures which are contained within a Unit and which are included in the offering price for a particular Unit are detailed in the "Description of Property and Building Condition", set forth in full in Part II of the Plan.

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.

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. Other capitalized terms not defined herein shall have the meanings ascribed to them throughout Part I and Part II of the Plan.

"Adverse Effect", or "adverse effect", as used in the Condominium Documents, shall mean, with respect to any action or proposed change and with respect to any Unit Owner or Unit Owners, that such action or change could, if realized, (i) increase the Common Charges payable by such Unit Owner or Unit Owners by more than 25% per year, or (ii) materially and permanently interfere with such Unit Owner's access to his Unit, or (iii) decrease the useable square footage of a Unit by 5%.

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

"Building" shall mean the Building located at 52 Wooster Street, New York, New York, in which the four (4) Residential Units and one (1) Commercial Unit of the Condominium will be located.

"Buildings Department" or "Department of Buildings" shall mean the Department of Buildings of The City of New York 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 of Title" or "Closing" or "Closing Date" shall mean the date upon which, among other things, a Unit and its appurtenant Common Interest is conveyed to a Purchaser by the delivery by Sponsor to a Purchaser of a deed upon payment by a Purchaser to Sponsor of the purchase price for the Unit.

"Commercial Unit" shall mean the one (1) Commercial Unit in the Building designated as such in the Declaration together with its respective Common Interests.

"Commercial Unit Owner" shall mean the Owner of a Commercial Unit. To the extent the Commercial Unit is further divided, a Commercial Unit Owner shall refer to all owners of Units resulting from the subdivision of the applicable Commercial Unit.

"Common Charges" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata, in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in the By-Laws or in the First Year's Budget) to meet the Common Expenses.

"Common Elements" shall mean the Property, other than the Units themselves, being comprised of the General Common Elements, Residential Common Elements and the Limited Residential 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); (iii) generally, the conduct of the affairs of the Condominium;

and (iv) the amount of real estate taxes for the Property due and owing prior to the date the Units are separately assessed for real estate tax purposes. Common Expenses shall be either General Common Expenses attributable to all Unit Owners or Residential Common Expenses attributable to Residential Unit Owners only.

"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 52 Wooster Street Condominium, which was 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, and presently found in the 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 and the Rules and Regulations.

"Declaration" shall mean the instrument creating the Condominium, as the same may be amended from time to time.

"Deposit" shall mean all deposits, additional deposits, down-payments, advances or payments made by Purchasers prior to the closing of each individual transaction.

"Effective Date" shall mean the date upon which Sponsor has declared the Plan effective pursuant to the provisions of Part 20 of Title 13 NYCRR.

"Facilities" shall mean all personal property and fixtures now or hereafter existing in, on, or under the Land or the Building and either existing for the common use of the Units or the Unit Owners or necessary or convenient for the existence, maintenance, or safety of the Property. For purposes of illustrating the broad scope of such term and without intention to limit the generality of the foregoing in any respect, the term "Facilities" shall include all systems, equipment, apparatus, convectors, radiators, heaters, converters, heat exchangers, mechanisms, devices, machinery, induction units, fan coil units, motors, pumps, controls, tanks, tank assemblies, installations, condensers, compressors, fans, dampers, blowers, thermostats, thermometers, coils, vents, sensors, shut off valves, other 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, drains, catch basins, leaders, filters, incinerators, canopies, closets, cabinets, doors, railings, copings, steps, furniture, mirrors, furnishings, appurtenances, urns, baskets, mail chutes, mail boxes, carpeting, tiles, floor coverings, draperies, shades, window coverings, wallpaper, wallcoverings, trees, shrubbery, flowers, plants, horticultural tubs and horticultural boxes.

"Family Members" shall mean the spouse, children (natural and adopted), stepchildren, grandchildren, siblings, nieces, nephews, parents, 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 Closing" shall mean the Closing of Title with respect to the first Residential or Commercial Unit to be conveyed to a Purchaser pursuant to the terms of the Plan.

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

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

"Force Majeure" shall mean delays caused by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery or inability to obtain materials, government restrictions or other events beyond Sponsor's reasonable control.

"General Common Elements" shall mean those certain portions of the Property (other than the Units, the Residential Common Elements and the Limited Residential Common Elements), 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.

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

"Initial Control Period" shall mean the period ending on the earlier of: (i) the closing of title with Purchasers under the Plan to Residential Units having at least 90% of the aggregate Common Interest appertaining to all Residential Units, or (ii) 5 years after the first Closing of a Residential Unit.

"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.

"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 a trust company, in either event having both an office in the City of New York and a capital surplus and undivided profits of $500,000,000 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 475, Lot 40 and more particularly described in Exhibit A to the Declaration.

"Law" shall mean the laws and ordinances of any or all of the Federal, New York State, New York City, County and Borough governments, 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 Residential Common Element(s)" shall mean those portions of the Property (other than the Units) existing for the use and enjoyment of certain Residential Unit Owners or one or more specified Residential Units to the exclusion of all other Unit Owners, as more particularly described in the Declaration. By way of example, a private roof terrace appurtenant to a Unit is a Limited Residential Common Element.

"Majority of Residential Unit Owners" shall mean those Residential Unit Owners consisting of more than 50% of the total authorized votes of all Residential Unit Owners (determined in accordance with the terms of Section 4.8 of the By-Laws) who have voting rights and are present, in person or by proxy, and voting at any constituted meeting of Residential Unit Owners at which a quorum is present.

"Majority of Unit Owners" shall mean those Unit Owners consisting of more than 50% of the total authorized votes of all Unit Owners (determined in accordance with the terms of Section 4.8 of the By-Laws) who have voting rights and are present, in person or by proxy, and voting at any duly constituted meeting of the 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.

"Mortgage Representatives" shall mean the representatives of the holders of all mortgages encumbering Units, designated by the holders of Institutional Mortgages in accordance with the terms of paragraph (B) of Section 8.6 of the By-Laws.

"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 B 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 of a Permitted Mortgage at the time in question.

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

"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 Section 352-e of the General Business Law of the State of New York and any amendments thereto.

"Plans and Specifications" shall mean the plans and specifications for the construction of the Building which (to the extent required by Law) have been or will be filed with the Department of Buildings and which may from time to time be amended. Any inconsistency in the Plans and Specifications and the Description of Property and Building Condition contained in Part II of the Plan shall be interpreted in accordance with the Description of Property and Building Condition.

"Presentation Date" shall mean the date on which the Plan or an amendment thereto, as the case may be, is personally delivered or the 5th day after mailing to prospective Purchasers and Unit Owners following acceptance of the Plan or an amendment thereto for filing with the Department of Law.

"Principals of Sponsor" as that term is defined in the regulations promulgated under the Condominium Act shall mean Jane Gol, Amir Chaluts and Benjamin Gordon.

"Property" shall mean the Land, the Building (and any structures attached thereto), 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 Residential Unit the form of which is set forth in Part II of the Plan.

"Purchaser" shall mean a Purchaser of a Unit under a Purchase Agreement.

"Register's Office" shall mean the New York County Office of the Register of The City of New York.

"Residential Common Elements" shall mean those portions of the Common Elements which are available for common use by all Residential Unit Owners.

"Residential Common Expenses" shall mean all costs and expenses to be incurred generally by the Residential Unit Owners pursuant to the Declaration and/or By-Laws in connection with (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Residential Common Elements and/or the Limited Residential Common Elements; or (ii) the establishment and/or maintenance of an operating reserve fund for working capital, for replacements with respect to the Residential Common Elements and/or Limited Residential Common Elements.

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

"Residential Unit Owner" shall mean the owner of a Residential Unit.

"Residential Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, of each Residential Unit Owner in the Residential Common Elements. The total of all Residential Common Interest percentages appurtenant to all Residential Units equals 100%. The Residential Common Interests are the basis for determining a Residential Unit Owner's liability for his share of the Residential Common Expenses. The Residential Common Interest attributable to each Residential Unit is set forth on Exhibit B annexed to the Declaration.

"Rules and Regulations" shall mean the rules and regulations of the Condominium, which are annexed as an addendum to the By-Laws, as any of the same may be amended, modified, added to, or deleted from time to time pursuant to the terms of the By-Laws, provided that they are not in conflict with the terms of the Condominium Act, the Declaration, or the By-Laws.

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

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

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

"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 52 Wooster Holdings LLC, and any of its designees, successors and assigns.

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

"Unit Owner" shall mean any owner of a Unit. All such owners of Units are, collectively, referred to as "Unit Owners".

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

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

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

Location, Acreage and Zoning

The Condominium is located at 52 Wooster Street, in the Borough of Manhattan, City of New York. The Land covers approximately 2,500 square feet and the Building thereon will consist of one (1) cellar level, and six (6) levels consisting of a ground (first) floor, and floors 2, 3, 4, 5 and 6. While the Property is located in the M1-5B SoHo-Cast Iron Zoning District, in which residential use is not permitted, on October 23, 2006 the New York City Landmarks Preservation Commission issued a Certificate of Appropriateness for the construction of the Building. A copy of the Certificate of Appropriateness, together with Amendments to the Certificate of Appropriateness, dated July 29, 2008, May 18, 2012 and May 19, 2014, is included in Part II of the Plan. On May 9, 2008, the City Planning Commission granted a Special Permit for the Building permitting use group 2 (residential use) on the second through sixth floors of the Building, and use group 6 (retail use) on the ground floor of the Building. A copy of the Resolution of the City Planning Commission approving the granting of the Special Permit is included in Part II of the Plan.

It is the intention of the Sponsor to construct the Building so that, when completed, it shall consist of four (4) Residential Units and one (1) Commercial Unit.

Residential Units

There will be four (4) Residential Units, located on the second through sixth floors. The Commercial Unit shall consist of the commercial space on the ground floor and a portion of the cellar. Residential Units 2, 3 and 4, located, respectively on the 2nd floor, 3rd floor, and 4th floor, each have three bedrooms and three bathrooms. Residential Unit PH is a duplex penthouse, located on the fifth and sixth floors, and has four bedrooms, four full bathrooms and two half-bathrooms. Each Residential Unit has the exclusive use of a private terrace. Each private terrace is a Limited Residential Common Element appurtenant to the applicable Residential Unit. The terrace on the second floor is a Limited Residential Common Element appurtenant to Residential Unit 2. The terraces on the third and fourth floors are Limited Residential Common Elements, the terrace on the third floor being appurtenant to Residential Unit 3 and the terrace on the fourth floor being appurtenant to Residential Unit 4. Residential Unit PH has two terraces, one on the fifth floor, while the second terrace of Residential Unit PH is on the sixth floor. Both of these terraces are Limited Residential Common Elements appurtenant to Residential Unit PH. Residential Unit PH also has an additional Limited Residential Common Element on the roof of the Building. Another smaller area of the roof is a Residential Common Element for the use of all the Residential Units. There is, additionally, another part of the roof area that is a General Common Element, which will be accessible to all Unit Owners. The Commercial Unit Owner and the Owners of Residential Units 2, 3 and 4 require a specific right of access affecting Residential Unit PH in order to access such space. Purchasers are advised to consult the Floor Plans contained in Part II of the Plan for more details regarding the Residential Units.

Construction Data for Units and Common Elements

Sponsor has engaged Arpad Baksa Architect, P.C., as architect of record, DNV Associates, as mechanical engineer, and SDG Engineering, P.C., as structural engineer. (See the Section of the Plan entitled "Identity of Parties" for further details.) The Plans and Specifications have been prepared by the architect and engineers.

The construction of the Building, including the individual Units and Common Elements, will be completed substantially in accordance with the Plans and Specifications, and all applicable Laws. 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 described in the "Description of Property and Building Condition," set forth in Part II of the Plan, 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 at least 15 days, to rescind their Purchase Agreement(s) and receive a refund of their Deposit, together with all interest earned thereon. In addition, Sponsor reserves the right to amend the Plans and Specifications to conform with the Description of Property and Building Condition set forth in Part II of the Plan.

Based upon the current schedule, Sponsor contemplates that, unless delayed by Force Majeure, construction of the Building will be sufficiently completed to permit closings of Residential Units to begin on or about January 1, 2016. Prospective Purchasers should note, however, that the Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the purchase price for his Unit or otherwise be relieved from any obligations under the Purchase Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to their Unit is accelerated, delayed or postponed by Sponsor. In the event the actual or anticipated commencement date of the first year of condominium operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections and, if (i) a Unit Owner's monthly Common Charges in the amended budget exceed those in the latest budget set forth in the Plan by 25% or more, or (ii) the first Closing of a Residential Unit does not occur within 12 months after January 1, 2016, the date set forth in Schedule B as the commencement date for the first year of condominium operation, then in either case, Sponsor will offer all Purchasers of a Residential Unit the right to rescind their Purchase Agreements within no less than 15 days after the Presentation Date of the amendment containing such revised budget. Any Purchasers electing rescission pursuant to such offer will have their Deposits and any interest accrued thereon returned. If the first Closing of a Residential Unit occurs within 12 months after January 1, 2016, the Sponsor may schedule the closings of title to other Units significantly later than such date. In that case, unless a Purchase Agreement contains an outside closing date, Sponsor is not obligated to schedule a closing within any specified time frame or to ensure that closing of title to a Unit will occur by any date certain.

Services and Facilities

The services and facilities described below will be provided to Unit Owners at no additional cost (other than Common Charges), unless otherwise specified below.

a. Elevator Service

One (1) automatic passenger elevator will be in service 24 hours a day, 7 days a week, and will stop at the cellar level and the first through sixth floors.

b. Telephone, Cable Television and Internet Service

Conduits will be provided for telephone, cable television and Internet Service ("Telecommunications System"). Service providers will be responsible for wiring from the telephone room located in the cellar. The charges for primary connections and subsequent monthly fees related to

the Telecommunications System will be determined by, and payable by the Residential Unit Owners directly to the provider(s) servicing the Building.

c. Intercom and Security System

There is an audio/video intercom and door release from a Residential Unit to the vestibule doors and a video camera in the elevator cab transmits pictures to the intercom panel in a Residential Unit. Residential Unit Owners will be responsible for the maintenance, repair and replacement of their respective intercom panels.

d. Mail

All incoming mail will be delivered to the Residential Unit Owners by the United States Postal Service and deposited by its personnel in mail boxes located in the lobby.

e. Building Staff

The Condominium will contract with a company which will provide a person, who will work approximately 20 hours per week performing super/porter services. The Managing Agent will provide all Unit Owners with 24 hour contact information to be used in the event of an emergency.

f. Refuse Disposal

Each Residential Unit has access to a trash chute which empties into a compactor in the compactor room in the cellar. Refuse will be left outside the Building by Building staff for collection by the New York City Sanitation Department.

g. Smoke and Carbon Monoxide Detector/Sprinklers

Each Residential Unit has a combined smoke detector and carbon monoxide detector. The Building is fully sprinklered with an automatic wet sprinkler system.

While it is anticipated that the services described above will be available at the time of the First Closing, prospective Purchasers should note that some of these services may not be available until a later date (in no event later than 6 months from the First Closing). Any interim level of staffing will be adequate to maintain the Building during this period.

COMMERCIAL UNIT

As more particularly described in the "Declaration of Condominium" and in the "Description of Property and Building Condition" contained in Part II of the Plan, the Building will contain one (1) Commercial Unit is located on part of the ground floor and part of the cellar of the Building.

All or any part of the Commercial Unit may be leased or subleased by the owner of the Commercial Unit, or as more fully set forth in the Declaration, and subject to compliance with all Laws, if any, the Commercial Unit may be subdivided by the owner.

Residential 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 or of any space in the Commercial Unit.

No representation is made with respect to the continued ownership of all or any portion of the Commercial Unit or who the tenants of any portion of the Commercial Unit may be at any time or as to the uses to which any portion of the Commercial Unit may be put at any time except that the Commercial Unit may only be used for a lawful purpose.

The principal difference between the rights and obligations of the Commercial Unit owner(s) as compared with those of the owners of the Residential Units flows from the different uses permitted to each under the zoning laws and regulations. Although the Building is in an area that, with certain exceptions, is not zoned for residential use, the City Planning Commission has granted a special permit that authorizes residential use on the second through sixth floors. Such use is not permitted on the first or ground floor, where the Commercial Unit is located. The permitted use for the Commercial Unit is essentially retail use. Unlike the Residential Unit owners, the Commercial Unit owner(s) is limited as to access to the Residential Common Elements and to the area of the roof designated as a General Common Element. However, with one proviso, only the owner of the Commercial Unit has the right to appoint the Commercial Unit member of the Condominium Board and is the only Condominium Unit Owner who has the right to remove that member without cause. However, all Board members have the right to vote for the removal of the Commercial Unit Board member for cause. Subject to Sponsor's rights during the initial Control Period, the Commercial Unit owner has the exclusive right to designate the Commercial Unit member of the Board, although the Commercial Unit owner is not entitled to vote for the members of the Board elected by the Residential Unit Owners. Without the consent of the Commercial Unit Owner, the allocations of Common Expenses between the Residential Units and the Commercial Unit in the First Year's Budget may not be modified. Such different rights and obligations, which are further elaborated in the following paragraphs and Sections of this Offering Plan, will not have a material adverse impact upon the Condominium.

The following is a summary of certain rights and obligations of the Commercial Unit Owner relating to the use and ownership of the Commercial Unit, which are more fully set forth in the Declaration and the By-Laws:

(i) the Commercial Unit may be used for any legally permitted purposes, except that in no event may all or any portion of any Commercial Unit be used for (i) any sex-related commercial establishment or massage parlor, or establishment where pornographic material is displayed or distributed, or obscene, nude or semi-nude performances are shown live or in a videotaped or other recorded format, except in conjunction with legitimate theatrical or dance performances as permitted by applicable law, (ii) any club, tavern or bar not incidental to restaurant or reception hall use, (iii) any betting parlor, casino or gambling type establishment or (iv) any drug rehabilitation clinic or treatment center;

(ii) the Commercial Unit may be divided into one or more units or subdivided for leasing purposes. The owners of the Commercial Unit shall have the right, without the approval of the Condominium Board, the Selling Agent, the Managing Agent, the Residential Unit Owners, or representatives of holders of mortgages on Residential Units to make alterations, additions, improvements, or repairs in or to the Commercial Unit, whether structural or non-structural, interior or exterior, ordinary or extraordinary, and to subdivide the Commercial Unit;

(iii) the Commercial Unit Owner(s) shall have the right to make all arrangements for the prompt repair and restoration of the Commercial Unit to the extent the Commercial Unit is damaged or destroyed by fire or other casualty;

(iv) the Declaration, the By-Laws and Rules and Regulations may not be amended or modified so as to adversely affect the Commercial Unit Owner(s) and/or the Commercial Unit without the prior written consent of the Commercial Unit Owner(s);

(v) the Commercial Unit Owner(s) shall have an easement to erect, maintain and replace any sign permitted by Law on the Property (including, but not limited to, the exterior walls of the Building), subject to any applicable requirements of the Landmarks Preservation Commission of the City of New York, for the purpose of advertising the sale or lease of all or any portion of the Commercial Unit and the operation of any business of a tenant or occupant of all or any portion of the Commercial Unit. The size, location, design and lighting of any such sign placed by the Commercial Unit Owner, which is not immediately adjacent to the storefronts of the Commercial Unit, if the Commercial Unit Owner is other than Sponsor or Sponsor's designee, shall be subject to the consent of the Condominium Board, which consent shall not be unreasonably withheld, conditioned, delayed or denied. If the Commercial Unit Owner is Sponsor or Sponsor's designee, then the Commercial Unit will not be subject to any consent of the Condominium Board relative to the size, location, design and lighting of any sign placed by the Commercial Unit Owner on the Property. The Commercial Unit Owner shall have the right, subject to any requirements of the New York City Landmarks Preservation Commission, to change the color of the exterior of the part of the Building which encompasses the Commercial Unit without the consent of the Condominium Board;

(vi) notwithstanding any sub-division of the Commercial Unit, the Commercial Unit Owner(s) shall have the right to designate one (1) member to the five (5) member Condominium Board;

(vii) the Condominium Board may remove any of its members for cause; the member of the Condominium Board elected or designated by the Commercial Unit Owner(s) may be removed without cause only by such Commercial Unit Owner(s). If any member of the Condominium Board who was designated by the Commercial Unit Owner is removed with or without cause, his replacement shall be elected or designated only by the Commercial Unit Owner.

(viii) any decisions by the Condominium Board which affect the Commercial Unit may be made only with the consent of the member(s) of the Condominium Board elected or designated by the Commercial Unit Owner(s); and

(ix) The Commercial Unit Owner, the authorized agents of the Commercial Unit Owner, the tenants of the Commercial Unit Owner, and the licensees and invitees of the foregoing, who are physically handicapped, will have a right of access through the residential lobby, which is a Residential Common Element, to use the

elevator, which is a Residential Common Element, for the limited purpose of entering and leaving the portion of the cellar level of the Building which comprises the Commercial Unit. Such right of access shall be exercised with reasonable care. The Commercial Unit Owner, the tenants of the Commercial Unit, the authorized agents of the Commercial Unit Owner, and the authorized agents of the tenants of the Commercial Unit will have a right of access through the residential lobby, which is a Residential Common Elements, to use the elevator, which is a Residential Common Element, to gain access to the cellar for the purpose of installing, maintaining, replacing and effecting repairs to any equipment or machinery servicing the Commercial Unit and located in the cellar. Such right of access shall be exercised with reasonable care. The Commercial Unit Owner, the tenants of the Commercial Unit Owner, the authorized agents of the Commercial Unit Owner, and the authorized agents of the tenants of the Commercial Unit Owner will have a right of access through the residential lobby, which is a Residential Common Element, to use the elevator, which is a Residential Common Element, and through the sixth floor of Unit PH, which is a Residential Unit, and through the staircase leading from the sixth floor of the Building, and accessed from Unit PH, to the roof of the Building, which staircase is a Residential Common Element, and through the private terrace on the roof of the Building, which private terrace is a Limited Residential Common Element for the exclusive use of Unit PH, for the purpose of installing, maintaining, replacing and effecting repairs to any equipment servicing the Commercial Unit and located on the roof. Such right of access shall be exercised with reasonable care and in the presence of either the superintendent/porter or a representative of the Managing Agent.

The Common Charges payable by the Commercial Unit Owner(s) are sufficient to cover the expenses fairly attributable to the Commercial Unit. As indicated in Footnote 1 to Schedule B and Article 6.1(E) of the By-Laws, the basis for projecting the share of expenses attributable to the Commercial Unit as against the Residential Units for the First Year of Condominium Operation is the percentage of interest in the Common Elements or the estimated usage of a particular service, or special or exclusive use or availability or exclusive control of particular Common Elements by particular Unit Owners.

LOCATION AND AREA INFORMATION

52 Wooster Street Condominium, located at 52 Wooster Street, encompasses part of the city block bordered on the north by Broome Street, on the east by Wooster Street, on the south by Grand Street, and on the west by Greene Street. Generally, SoHo is the area in Manhattan bordered on the north by Houston Street, on the east by Crosby Street, on the south by Canal Street, and on the west by Sixth Avenue.

The Building is in the M1-58 SoHo-Cast Iron Zoning District in which, with certain exceptions, residential use is not permitted. However, in 2006 the New York City Landmarks Preservation Commission issued a Certificate of Appropriateness for the construction of the Building and thereafter the City Planning Commission granted a special permit for the Building, allowing the use group 2 (residential use) on the second through sixth floors of the Building, and use group 6 (retail use) on the ground floor of the Building. See a copy of the Certificate of Appropriateness included in Part II.

There are several hospitals within close proximity: New York University Medical Center, Lenox Hill Hospital, Mt. Sinai Medical Center, New York Hospital-Cornell Medical Center and Columbia Presbyterian Medical Center are accessible.

New York City public transportation is within steps of the Property. The 6 subway lines stop at Canal and Spring Street Stations. The N and R subway lines stop at Canal and Prince Street Stations. The A, C, E subway lines stop at the Canal Street Station and the 1 subway line is located at Canal and King Streets on Varick Street. M5 bus lines are also available running South on Broadway and North on Sixth Avenue and there is M21 bus service running East-West on Houston Street, just steps from the Property.

The public schools in the area include: PS 234 at 292 Greenwich Street, HS 475 Stuyvesant High School at 345 Chambers Street and PS 130 at 143 Baxter Street.

The private schools in the area include: Friends Seminary at 222 East 16th Street, St. Francis Xavier High School at 30 West 16th Street, and The Searing School at 20 West 23rd Street.

There are many houses of worship in SoHo and the surrounding areas: Immaculate Conception R.C. Church at 414 East 14th Street, St. Mary's Catholic Church at 245 East 15th Street, First Presbyterian Church at 12 West 12th Street, Village Temple at 331 East 12th Street and the Conservative Synagogue of Fifth Avenue at 11 East 11th Street.

The colleges and universities near the Property include: New York Academy of Art at 111 Franklin Street, and Borough of Manhattan Community College at 199 Chambers Street.

The City of New York provides many public services, such as police, libraries, street maintenance, sewer and water service, sanitation and fire protection. The police precinct responsible for the Property is the 1st Police Precinct at 16 Ericsson Place. The nearest U.S. post office is located at 350 Canal Street. The nearest public library is at 132 Broadway. The fire station responsible for the Property, Division 1– Ladder 20, is located at 251 Lafayette Street.

The Building is inside the 100 year flood area and the budget provides for insurance coverage against the risk of flooding. The budgeted line item for "insurance" set forth in Schedule B represents current insurance premiums at current rates, including those for flood insurance. See Letter of Adequacy from York International Agency LLC of 500 Mamaroneck Avenue, Harrison, NY 10528, dated August 20, 2014 (Exhibit B-5). Sponsor anticipates that this coverage will meet the requirements of lenders who

finance the purchase of a Unit. With respect to the 100-year flood elevation (a.k.a. 1% annual chance of flood), the first floor and cellar are below the flood elevation. The Sponsor will not install measures to prevent flooding. Damage to personal property of Unit owners will not be covered under the Condominium's insurance policy, so Unit owners will need to arrange contents coverage for their own personal property.

SCHEDULE A – PURCHASE PRICES AND RELATED INFORMATION

Schedule A
52 Wooster Street Condominium
52 Wooster Street
New York, NY 10013

SCHEDULE OF OFFERING PRICES AND OTHER RELATED INFORMATION
(Projected Financial Information for the First Year of Condominium Operation Based on Projected Commencment on January 1, 2016)

	(1)	(1)	(2)	(2)	(3)	(4a)	(4b)	(5)	(6)	(7)	(8)
Unit	**No. of Bedrooms**	**No. of Bathrooms**	**Approximate Unit Sq Ft**	**Approximate Terrace Sq Ft**	**Offering Price**	**Common Interest**	**Residential Common Interest**	**Projected Monthly Common Charges**	**Projected Initial Year Monthly Real Estate Tax**	**Projected Total Monthly Carrying Charges**	**Projected Initial Year Real Estate Tax**
2	3	3	2,067	167	$ 4,900,000.00	16%	19%	$ 2,704.71	$ 2,501.79	$ 5,206.51	$ 30,021.52
3	3	3	2,064	78	$ 5,000,000.00	17%	20%	$ 2,847.07	$ 2,633.47	$ 5,480.53	$ 31,601.60
4	3	3	2,044	78	$ 5,100,000.00	18%	21%	$ 2,989.42	$ 2,765.14	$ 5,754.56	$ 33,181.68
PH	4	4 Full, 2 Half	4,263	1,367	$ 13,000,000.00	36%	40%	$ 5,694.13	$ 5,266.93	$ 10,961.06	$ 63,203.20
Total Residential			10,438	1,690	$ 28,000,000.00	87%	100%	$ 14,235.33	$ 13,167.33	$ 27,402.66	$ 158,008.00
Commercial	N/A	1	2,135	N/A	$ 7,000,000.00	13%	0%	$ 1,192.83	$ 1,967.50	$ 3,160.33	$ 23,610.00
Grand Total			12,573	1,690	$ 35,000,000.00	100%	100%	$ 15,428.17	$ 15,134.83	$ 30,563.00	$ 181,618.00

NOTES TO SCHEDULE A

(1) Prospective Purchasers should refer to the Floor Plans included in Part II of the Plan for an approximation of the dimensions and typical layouts of Units. Each Unit should be inspected to determine its actual dimensions, layout and physical condition prior to Closing.

(2) The square foot areas and dimensions of the Units or areas listed in Schedule A or in the Declaration are approximate. They were obtained by using the methods described in the Declaration, which methods are customarily used in New York City to measure condominium apartments. As is customary in measuring residential square footages in the City of New York, estimated dimensions and floor area will substantially exceed the Unit's useable floor area. Any Common Elements located within a Unit shall not be considered a part of such Unit. In addition, the square foot areas allocated to any terraces are deemed Limited Residential Common Elements and are not included in a Unit's square foot calculation.

The actual dimensions, configuration and fenestration (collectively, "unit layout") of a Unit may vary from its Floor Plan due to: (a) changes required by the Buildings Department or other government authorities having jurisdiction; (b) site or other construction conditions; (c) normal construction allowances and variances; and (d) varied masonry bearing wall thicknesses. There is a rebuttable presumption that an area that is diminished by five (5%) percent or less is not material. Purchasers will not be excused from their obligations under the Purchase Agreement: (a) in the event of minor inaccuracies in a Unit's size (a diminution of size of less than 5% of the useable floor area of the Unit, exclusive of interior partitions) or (b) if the Unit is sufficiently completed (with boundary walls and interior partitions installed) and available for inspection before a Purchase Agreement is executed, in which case the Unit layout as actually constructed shall supercede and govern any variation, substantial or otherwise, from any and all Floor Plans, drawings and diagrams. In the event the actual useable square footage of the Unit, using the methods described in the Declaration is diminished by more than 5% of the square footage set forth on the Floor Plans, then Purchaser's sole remedy shall be to rescind the Purchase Agreement and receive its Deposit and any interest earned thereon.

The ceiling heights for the Units and/or Common Elements, as may be set forth in the "Description of Property and Building Condition" or the Floor Plans in Part II of the Offering Plan, are approximate and may vary in certain areas due to field conditions at the Property.

For a comprehensive explanation of the construction of the Units and Building, see the "Description of Property and Building Condition" in Part II of the Plan.

(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 of the Plan 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 Unit at

the time of 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.

(4a) The percentage interest of each Unit (the Commercial Unit and the Residential Units) in the General Common Elements ("General Common Interest") is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with the provisions of subsection 339-i(1)(iv) of the Condominium Act. The General Common Interest is used as one factor for computing the monthly Common Charges to be paid by all Unit Owners.

(4b) The percentage interest of each Residential Unit in the Residential Common Elements ("Residential Common Interest") is apportioned in the same proportion that the Residential Unit bears to the aggregate Common Interests of all of the Residential Units in the Condominium. This Residential Common Interest is used to allocate the responsibility for payment of certain Common Expenses which are solely related to the Residential Units and the Residential Common Elements.

(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 January 1, 2016 through December 31, 2016. As indicated in Note 4 above, the General Common Interest is used as one factor for computing the monthly Common Charges to be paid by all Unit Owners. 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 their respective Unit, mortgage payments under a loan, if any, obtained to finance the purchase of his Unit, the cost of electricity supplied to his Unit which will be separately sub-metered and payable directly to the utility company or the sub-metering company, the cost of any insurance which he must obtain for his Unit and the cost of interior repairs and decorations to his Unit.

As discussed in the Section of the Plan entitled "Description of Property and Building Condition and Improvements" subsection "Services and Facilities", the full range of services and facilities described in the Plan may not be provided until a later date (but in no event later than six (6) months after the First Closing).

(6) Real estate taxes payable with respect to the Residential Units for the first year of Condominium operation commencing January 1, 2016 and ending December 31, 2016 have been estimated by Tuchman, Korngold, Weiss, Liebman & Gelles, LLP ("Tuchman Korngold"). As indicated in the real estate tax projection opinion of Tuchman Korngold, dated March 31, 2015, and set forth in Part II of the Plan, Tuchman Korngold estimates that the assessed value for the Property for the 2015/2016 tax year will be $241,398 and the assessed value for the Property for the 2016/2017 tax year will be $2,500,000.

Tuchman Korngold indicates all the Units will be designated as Tax Class 2C property.

Assuming, for the 2015/2016 and 2016/2017 tax years, the Tax Class 2 property tax rate increases to $13.25 for each $100.00 of assessed value, Tuchman Korngold estimates the real estate taxes for the Residential Units and Commercial Unit for the first year of Condominium operation, (without taking into account any tax abatements that may be available to a Unit Owner), to be as follows:

Residential Units

January 1, 2016 – June 30, 2016 (6 Months of 2015/2016 Tax Year)

Assessed Value	Tax Rate	Real Estate Tax (6 months)
$210,016	13.25%	$13,914

July 1, 2016 – December 31, 2016 (6 Months of 2016/2017 Tax Year)

Assessed Value	Tax Rate	Real Estate Tax (6 months)
$2,175,000	13.25%	$144,094

Commercial Unit

January 1, 2016 – June 30, 2016 (6 Months of 2015/2016 Tax Year)

Assessed Value	Tax Rate	Real Estate Tax (6 months)
$31,382	13.25%	$2,079

July 1, 2016 – December 31, 2016 (6 Months of 2016/2017 Tax Year)

Assessed Value	Tax Rate	Real Estate Tax (6 months)
$325,000	13.25%	$21,531

Based on the foregoing, Tuchman Korngold estimates that real estate taxes for the Condominium's first year of operation to be $158,008 for the Residential Units, and $23,610 for the Commercial Unit.

The projected real estate taxes set forth in Schedule A are based on the aforementioned estimates. As indicated on Tuchman Korngold's March 31, 2015 letter, real estate taxes for the Residential Units for the first post construction tax year, July 1, 2016 – June 30, 2017, are estimated to be $288,188 and real estate taxes for the Commercial Unit for the first post construction tax year are estimated to be $43,063.

In arriving at the assessed valuation for each Unit in the Condominium, the Building is first assessed as an entirety. 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 Office of the City Register. It is expected that the apportionment will be based on the Common Interest percentages set forth in the Condominium Declaration if such percentages are rationally and fairly determined.

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 his Unit be subject to any lien arising from the non-payment of real estate taxes assessed against other Units.

Neither Sponsor, Sponsor's counsel, Sponsor's real estate tax consultant or Selling Agent make any representations or warranties that the average tax rates for the tax years 2015/2016 and 2016/2017 and subsequent years will be those estimated by Tuchman Korngold. As such, the projected real estate taxes set forth herein may vary greatly. In no event will Sponsor, Sponsor's counsel, Sponsor's real estate tax consultant, the Selling Agent or any offeror hereunder be liable to any Purchaser, nor will any Purchaser have the right to rescind his Purchase Agreement, in the event projected tax rates vary.

There can be no assurance that there will not be a further increase in the assessed valuation of the Units comprising the Property and/or an increase in the tax rate above the average projected for tax years 2015/2016 and 2016/2017 or subsequent years.

If on the date of the First Unit Closing each of the Units shall not have been separately assessed as an independent tax lot, then until such time as said independent tax assessment shall be made and in effect, each Unit Owner, including Sponsor, shall be nonetheless responsible for the cost of their proportionate amount of the aggregate real estate tax for the Property as determined by their percentage of Common Interest, multiplied by the aggregate real estate taxes assessed against the entire Property as apportioned to all the Units.

In the event the Units have not been separately assessed as independent tax lots at the First Unit Closing, Sponsor shall place in escrow at such time an amount equal to the unpaid real estate taxes for the period of six months from the First Unit Closing. In addition, Sponsor will collect at closing from each Purchaser, and hold in escrow or in the alternative, the Condominium shall collect from each Unit Owner on a monthly basis, such Purchaser's proportionate share (based upon the percentage of Common Elements owned by such Unit Owners) of the amount of real estate taxes that may be owed for the period after said six months until the Units are to be separately assessed. In either event, Sponsor or the Condominium will pay the real estate taxes as they become due and payable from a combination of the funds deposited by Purchasers and Sponsor.

At Unit closings, individual purchasers shall adjust real estate taxes with the Sponsor from the midnight preceding the date of the Unit closing through the end of the tax period within which the closing date occurs. If no separate Unit apportionment has yet occurred, such adjustment shall be on the basis of the percentage of Common Interest attributable to such Unit. If a subsequent adjustment need be made when the tax lots are apportioned to correct any discrepancy between the adjustment on the basis of actual apportionment, it shall be made at that time. Should tax lots not be apportioned by the end of the tax period in which a Unit closing occurs, or such later period for which Sponsor has not collected an escrow or for which the Condominium has not collected from a Unit Owner, Sponsor shall be entitled to reimbursement from the Unit Owner for taxes as they are paid by Sponsor. Such reimbursement shall be per such Unit Owner's percentage of Common Interest.

Applicable deductions for real estate taxes may vary in future years as a result of changes in real estate taxes resulting from (i) changes in assessed valuation, (ii) changes in the tax rate, and (iii) changes in the method of assessing the Property.

(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 contribution at the Closing of Title to his Unit to the Working Capital Fund of the Building. The contribution shall be in an amount equal to two (2) month's Common Charges in effect at the time of the Closing of such Unit. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for further details).

(8) These figures represent the annual estimated real estate taxes for the Condominium's projected first year of operation, January 1, 2016 – December 31, 2016.

SCHEDULE B – FIRST YEAR'S BUDGET

Schedule "B"
52 WOOSTER STREET CONDOMINIUM
52 Wooster Street
New York, NY
Projected Budget For the First Full Year of Condominium Operation
January 1, 2016 to December 31, 2016

PROJECTED INCOME:

Common Charges (Note 1)		
Residential Units Common Charges	$	170,824
Commercial Unit Common Charges		14,314
TOTAL PROJECTED INCOME	**$**	**185,138**

EXPENSES:

Management Fee (Note 2)		18,000
Electricity (Note 3)		16,422
Gas (Note 4)		2,297
Water & Sewer Charges (Note 5)		5,164
Supplies and Repairs (Note 6)		13,800
Service Maintenance Contracts (Note 7)		74,691
Insurance (Note 8)		15,400
Professional Fees (Note 9)		8,000
Administration (Note 10)		12,850
Contingency (Note 11)		18,514
TOTAL PROJECTED EXPENSES	**$**	**185,138**

Notes to Schedule "B"
52 WOOSTER STREET CONDOMINIUM
52 Wooster Street
New York, NY
Projected Budget for First Full Year of Condominium Operation

(1) Common Charges: $185,138

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 twelve months commencing January 1, 2016. The actual first year of operation may be earlier or later.

Projected Income	Total	Residential Units	Commercial Unit
Common Charges	$185,138	$170,824	$14,314
Management Fee	$18,000	$15,660	$2,340
Electricity	$16,422	$15,601	$821
Gas	$2,297	$2,297	$0
Water & Sewer	$5,164	$5,164	$0
Supplies and Repairs	$13,800	$13,110	$690
Service Maintenance Contracts	$74,691	$71,347	$3,344
Insurance	$15,400	$13,398	$2,002
Professional Fees	$8,000	$6,960	$1,040
Administration	$12,850	$11,180	$1,670
Contingency	$18,514	$16,107	$2,407
Total Projected Expenses	$185,138	$170,824	$14,314

The actual First Year of Condominium Operation may be earlier or later than that year. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections. If the amended budget exceeds this projected budget by 25% or more, Sponsor will offer all Purchasers the right to rescind their Purchase Agreements within 15 days after the Presentation Date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their Deposits returned.

The Condominium's projected expenses for the First Year of Condominium Operation were allocated among the Residential Units and the Commercial Unit based on 1) estimated usage of a particular service, or based upon special or exclusive use or availability or exclusive control of particular Common Elements by particular Unit Owners; or 2) Percentage Interest in the Common Elements.

The Common Charges will be utilized by the Board to defray the Common Expenses of the Condominium. Generally, the Common Expenses have been allocated among the Units on the basis of Percentage of Common Interest. Where the allocation of Common Expenses is not based on Percentage Interest in Common Elements, the expenses have been allocated only to certain categories of Units, an explanation of which is set forth in the notes. The Commercial Unit Owner will be obligated to pay its share of the expenses that are incurred by the Board in furnishing services to the Commercial Unit as described herein, as well as operating, maintaining and repairing those Common Elements that are utilized by such Unit Owner. Specifically, Common Expenses to be borne by the Unit Owners have been allocated among the Residential Units and the Commercial Unit on the basis of either (i) the percentage of General Common Interest of such Units, (87%/13%) or, (ii) five percent (5%) of such cost allocated to the Commercial Unit, where the primary usage of the particular Common Element or service is by the Residential Unit Owners, or (iii) the specific allocation of an actual amount due or (iv) estimated usage of a particular service, or estimated cost based upon special or exclusive use or availability or exclusive control of particular Common Elements.

(2) Management Fee: $ 18,000
(Allocation: Residential Units 87% / Commercial Unit 13%)

At or prior to the First Closing, the Condominium will enter into a management agreement with Jordan Cooper & Associates, Inc., having an office address at 440 Ninth Avenue, New York, NY 10001, a real estate management firm. The agreement will be for an initial term of one (1) year. Thereafter, the agreement will be automatically renewed from year to year, unless cancelled pursuant to its terms and in any event may be cancelled by either party without cause, upon not less that sixty (60) days prior written notice, from the Managing Agent and thirty (30) days prior written notice from the Condominium.

The Managing Agent will receive an annual fee of $18,000 payable in equal monthly installments of $1,500 with the first installment due upon execution of the Management Agreement. The Managing Agent's fee for the first year of Condominium operation is comparable to the "going rate" for similar services in comparable buildings.

The managing agent is unaffiliated with Sponsor.

These costs for management fees are apportioned to all Units within the Condominium based upon each unit's respective Percentage of Common Interest.

(3) Electricity: $ 16,422
(Allocation: Residential Units 95% / Commercial Unit 5%)

Electricity service to the building will be provided by Con Edison. The electrical service will be distributed throughout the building to various loads and will be directly metered by Con Edison. The electricity consumed by each individual Residential Unit, Common Areas loads and the Commercial Unit shall be separately and directly metered. Each of the Residential Units and the Commercial Unit shall be provided with a dedicated meter and shall bear their respective electric bills.

The electricity consumption for the first year of Condominium operation for common areas is estimated by DNV Associates, having an office at 153 West 27th Street, Suite 1105, New York, NY 10001, in a letter dated March 4, 2015, at 71,400 kilowatt hours of electricity, at a rate of $0.23 per kilowatt hour of electricity. This rate includes as estimated $0.01 fuel adjustment and Con Edison surcharge of 8%. This rate adequately budgets potential rate increases for the budget period. Please refer to Schedule B-1 for projected individual electrical costs for the Residential Units.

This estimate includes costs for the elevator, booster pumps, fans and common area lighting. Electricity costs can vary depending upon consumption, price of the commodity and demand factors.

Costs for electricity to the Common Areas are allocated five (5%) to the Commercial Unit and ninety five (95%) to the Residential Units, based upon usage primarily in areas which are Residential Common Elements.

(4) Gas: $ 2,297
(Allocation: Residential Units 100%)

Gas charges for domestic hot water and cooking will be provided by gas-fired boilers. Based on the March 4, 2015 letter from DNV Associates, having an office at 153 West 27th Street, Suite 1105, New York, NY 10001, the consumption is projected at 1,584 therms. Using the 2014 rate of $1.30 per therm, the cost is estimated to be $2,062. However, in order to adequately budget for the possibility of potential rate increases, this budget expense is projected a rate of $1.45 per therm at $2,297.

Gas costs are allocated to the Residential Units only. The Commercial Unit is not supplied with gas service and will supply its own heat and hot water.

(5) Water & Sewer Charges: $ 5,164
(Allocation: Residential Units 100%)

The building will have a single main water meter, which will measure actual water consumption. Based upon the March 4, 2015 letter from DNV Associates, having an office at 153 West 27th Street, Suite 1105, New York, NY water and sewer charges are based upon a combined charge of $8.78 per 100 cu. Ft and usage of 80 gallons per day per estimated occupancy. The estimated occupancy is based on an average of 4 persons per apartment for 4 apartments. However, in order to adequately budget for the possibility of potential rate increases, this budget expense is projected at a 5% increase for total amount of $5,164.

These costs for water and sewer are apportioned to the Residential Units only, due to the Commercial Unit being separately metered.

(6) Supplies and Repairs: $ 13,800
(Allocation: Residential Units 95% / Commercial Unit 5%)

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

The budgeted figure for these items include; the cost of normal supplies 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, heating/air conditioning units and any appurtenant Common Elements. This figure represents the estimated cost for ordinary supplies and repairs of the Common Elements, including periodic painting, and supplies such as cleaning supplies, lubricants, bulbs, fixtures and hardware. This figure also represents other estimated costs, such as, repairs to hot water heaters, cleaning equipment and building exteriors.

These costs for supplies and repairs are apportioned five (5%) to the Commercial Unit, because they will be supplied primarily to the Residential Common Elements and Common Areas. The remaining costs will be allocated to the Residential Units.

(7) Service Maintenance Contracts: $ 74,691

The budgeted amount includes 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. No service maintenance contracts have been entered into as of the date of the Plan. The budgeted amounts are based upon the contracts for similar services at comparable luxury condominiums and/or the experience

of the Sponsor's budget expert in operating similar buildings, with adequate increases to reflect a 2016 first year of operations. Although 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 services:

Building Labor Maintenance is estimated at $49,075 per year.
(Allocation: Residential Units $95% / Commercial Unit 5%)

Elevator Maintenance is estimated at $6,000 per year.
(Allocation: Residential Units 100%)

Air Conditioning Maintenance is estimated at $8,166 per year.
(Allocation: Residential Units 100%)

Boiler Maintenance is estimated at $1,800 per year.
(Allocation: Residential Units 87% / Commercial Unit 13%)

Sprinkler Maintenance is estimated at $1,400 per year.
(Allocation: Residential Units 87% / Commercial Unit 13%)

Fire Extinguisher Maintenance is estimated at $1,200 per year.
(Allocation: Residential Units 87% / Commercial Unit 13%)

Water Treatment Maintenance is estimated at $1,600 per year.
(Allocation: Residential Units 87% / Commercial Unit 13%)

Landscaping is estimated at $3,400 per year.
(Allocation: Residential Units 100%)

Exterminator – The Condominium will contract with an outside vendor for pest control for the Common Elements as well as pest control for the Residential Units. It is estimated that the first year cost of this service will be $850.
(Allocation: Residential Units 87% / Commercial Unit 13%)

Virtual Doorman – is estimated at $25 per month, per apartment.
(Allocation: Residential Units 100%)

Elevator Maintenance, Air Conditioning Maintenance, Virtual Doorman, and Landscaping have been apportioned to the Residential Unit Only.

Fire Extinguisher Maintenance, Exterminating, Boiler Maintenance, Water Treatment Maintenance and Sprinkler Maintenance have been apportioned based upon each Unit's respective percentage Interest in the Common Element.

(8) Insurance: $ 15,400
(Allocation: Residential Units 87% / Commercial Unit 13%)

Based upon the proposal dated November 14, 2014 from York International Agency, LLC., having an address at 500 Mamaroneck Avenue, Harrison, NY 10528, the following insurance coverage and rates will be obtained for the Building for the first year of Condominium operation:

Property Policy

Limit	
$5,250,000	Building & Boiler and Machinery
Included	Cause of Loss Special Form
Included	Agreed Value / Replacement Cost
$5,000	Deductible
Included	Building Ordinance
Included	Demolition & Increased Cost of Construction
$10,000 / $5,000	Building Personal Property & Deductible
Actual Loss Sustained up to 12 months	Business Income/Extra Expense
$1,000,000 / $25,000	Flood (Rising Water) & Deductible
$1,000,000 / $100,000	Earthquake & Deductible
Included	Elevator Collision

Commercial General Liability

Limit:	$1,000,000	Per Occurrence (Bodily Injury/Property Damage)
	$2,000,000	General Aggregate
	$1,000,000	Personal Injury
	$1,000,000 / $1,000	Employee Benefits Liability (Claims-Made) & Deductible
	Included	Water Damage Legal Liability
	$1,000,000	Non Owned/Hired Auto
	Not Excluded	Lead/Mold

Directors & Officers Liability

Limit	$1,000,000
Deductible	$5,000
Managing Agents Rider	Included

Umbrella Liability

Limit	$100,000,000

Excess Directors & Officers Liability	Included
Excess Employment Practices Liability	Included
Lead Exclusion/Mold Exclusion	Follow Form

Fidelity Liability

Limit:	$100,000
Deductible	$5,000
Managing Agents Rider	Included

The fire, casualty and general liability insurance carried by the Condominium will provide that each unit owner is an additional insured party as respect to common areas; that there will be no cancellation without notice to the Condominium Board as long as they are first named insured; and a waiver of subrogation. The cost of such insurance will be paid by the Condominium and shared by all Unit Owners. Waiver of invalidity because of the acts of the insured and unit owners and waiver of pro-rata reduction if unit owners obtain additional coverage are not approved in the state of New York and cannot be included.

Based upon current FEMA flood maps this building is located in an x flood zone. This is a non-high hazard zone, as indicated in the insurance Letter of Adequacy. Some lenders do not require flood insurance for buildings that are located in non high hazard zones. The budget includes insurance premiums for a $1,000,000 flood limit.

Workers Compensation and New York Disability is based on payroll and rates in effect at the time of closing. The current cost of Workers Compensation is approximately $5 per $100 of payroll. The current cost of Disability insurance is approximately $20 per male employee and $45 per female employee. Many policies have a minimum premium of $60. In order to adequately budget for this expense, this cost is estimated to be $2,600.

The coverage does not include claims for personal injury and property damage resulting from occurrences in individual units, nor does it cover furniture or fixtures and personal property of Unit Owners or improvements made by Unit Owners.

The insurance costs are for the Condominium Association and have been allocated to all Units within the Condominium based upon each unit's respective Percentage of Common Interest.

(10) Professional Fees: $ 8,000
(Allocation: Residential Units 87% / Commercial Unit 13%)

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 $2,500.

It is anticipated that the Condominium will enter into an agreement with Buck, Sturmer & Co., P.C. located at 5 West 37th Street, New York, NY 10016 to provide auditing, tax return preparation and financial statement preparation services for the Condominium. In a letter dated April 14, 2014, it is estimated that the first year cost for these services will be $5,500.

These professional fees are for the entire Condominium and have been allocated to all Units within the Condominium based upon each unit's respective Percentage of Common Interest.

(11) Administration: $ 12,850
(Allocation: Residential Units 87% / Commercial Unit 13%)

The budgeted amount includes anticipated expenses for telephone lines that are used for the elevator system (2), fire alarm (2) and an internet connection. It also includes the estimated cost of miscellaneous administrative and other costs including, but not limited to, inspection fees, license fees, permits, printing, faxing, fines and fees.

These costs for administrative fees have been allocated to all Units within the Condominium based upon each unit's respective Percentage of Common Interest.

(12) Reserve for Contingencies: $ 18,514
(Allocation: Residential Units 87% / Commercial Unit 13%)

This amount is to cover possible increases in expenses not now foreseen and for expenses not included. In all probability, the budget will be modified from time to time as the projects moves forward to increase items of expenses and decrease the contingency reserve.

The contingency reserve is for the entire Condominium and has been allocated to all Units within the Condominium based upon each unit's respective Percentage of Common Interest.

TOTAL PROJECTED INCOME: $ 185,138

The projections set forth in this budget assume that the First Year of Condominium operation will cover the period January 1, 2016 through December 31, 2016.

49

SCHEDULE B-1 – BUDGET FOR INDIVIDUAL ENERGY COSTS

DNV Associates

153 West 27th Street, Suite 1105
New York, NY 10001

phone: 212.233.2434
fax: 212.233.0717
Email: dnva@dnva.net
Web: www.dnveng.net

Schedule B1
52 Wooster Street
New York, NY 10013
Estimated Residential Unit Utility Costs
Prepared March 9, 2015
Projected Date of Costs: January 1, 2016

DNV Associates having office at 153 West 27th Street, NY, NY 10001 provided the following estimate of annual electrical usage for each Residential apartment. Estimated electrical usage for each Residential Apartment does not include any escalation in our estimates.

The following table sets forth the estimated annual costs:

Location	Apartment	Sq. Ft.	Annual Electric Cost
2nd Floor	3-Bed; 3-Bath	2,067	$6,395
3rd Floor	3-Bed; 3-Bath	2,064	$6,395
4th Floor	3-Bed; 3-Bath	2,044	$6,395
PH Floor	4-Bed; 4 Full and 2 Half Baths	4,263	$13,598

Calculations for the estimated utility usages are based on the following:

1. Double wall insulated glass, thermal barrier type windows
2. R-30 insulation for roof
3. R-19 insulation for walls
4. Cost of electricity: $0.23 per Kwh plus 7% tax
5. Heating is based on 5,026 degree days, maintaining 70 Deg. F inside space temperature average with 11 deg. F outdoor temperature and 15 mph wind.
6. Cooling based on 800 load hours per air conditioning residential section, maintaining 76 deg. F space temperature with outdoor temperature at 89 deg. F.
7. Three-Bedroom apartments assume occupancy of four persons. Four-Bedroom apartments assume occupancy of five persons.
8. Laundry is based on eight loads per week.
9. Dish washer is based on one load per day.

The above figures are based upon construction complying with New York State Energy Conservation Code. Costs can vary considerably depending upon actual usage personal habits and maintenance of equipment in efficient operating conditions as well as thermostat settings. These figures are not intended to be a guarantee.

DNV Associates consents to the inclusion of this Schedule B-1 in the Offering Plan for 52 Wooster Street Condominium

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i AND OPINION OF COUNSEL

52

TOWN
NEW DEVELOPMENT

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

Dated: March 31, 2015

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

Attention: Real Estate Financing Bureau

Re: Condominium Offering Plan
52 Wooster Street, New York, New York ("Property")

Dear Sir/Madam:

52 Wooster Holdings LLC ("Sponsor") of the Condominium Offering Plan ("Offering Plan") for the Property, retained Town New Development Sales & Marketing, 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 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)(iv) based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit.

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

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

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

Very truly yours,

Town New Development Sales & Marketing, LLC

By: _____
Name: Shlomi Reuveni
Title: Managing Director

GERSTEIN STRAUSS & RINALDI LLP
ATTORNEYS AT LAW
57 WEST 38th STREET, 9th FLOOR, NEW YORK, NEW YORK 10018
TELEPHONE (212) 398-7900 • FACSIMILE (212) 575-2387

April 20, 2015

52 Wooster Holdings LLC
641 Lexington Avenue, 24th Floor
New York, New York 10022

Re: 52 Wooster Street Condominium ("Condominium")

Gentlemen:

You have requested our opinion regarding the allocation of Common Interests to the Units at the Condominium 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 Offering Plan ("Plan") for the Condominium.

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

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

Accordingly, based on the foregoing it is our opinion that RPL Section 339-i has been complied with in assigning Common Interests to the Units. This opinion, while based upon existing rules of law applied to the facts and documents referred to above, is not a guarantee to Purchasers. In no event will the Sponsor, Gerstein Strauss & Rinaldi LLP, the Selling Agent, the 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,

GERSTEIN STRAUSS & RINALDI LLP

Gerstein Strauss Rinaldi LLP

CHANGES IN PRICES AND UNITS

Purchase prices for the Units offered hereby are negotiable and Sponsor reserves the right, at any time and from time to time before and after the recording of the Declaration, without giving prior notice (except as otherwise provided herein) and without the consent of the Condominium Board, any Unit Owner or mortgagee, to change the price, 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. No such change will be made other than pursuant to a duly filed amendment to the Plan filed in advance of any such change, except that Sponsor reserves the right to decrease purchase prices of individually negotiated transactions or modify other terms of sale without filing an amendment to the Plan at any time during the offering period so long as the decrease in the purchase price or modification of such other terms of sale does not constitute an across the board change affecting one or more lines of Units or is to be advertised. If any change in purchase price 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.

Sponsor reserves the right to negotiate with each Purchaser the terms and conditions of the Purchase Agreement. Among other negotiable terms are: purchase price; the amount of the Deposit; the availability of financing contingencies; 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 rent thereunder and the application of interim rent toward the purchase price. 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, size and, layout of the Units are shown on the Floor Plans set forth in Part II of the Plan. In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by Law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Condominium Board, any Unit Owner or mortgagee, to (a) change the size, layout and square footage of, or number of rooms in, any Unsold Unit, (b) change the size and/or number of Unsold Units by dividing one or more such Units into two or more separate Unsold Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering any boundary walls between one or more Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Unit into such Unsold Unit, 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 and which decreases the useable square foot area (excluding interior partitions) by more than 5%, or materially changes the layout of such Unsold Unit, unless the Purchaser consents to such changes. There is a rebuttable presumption that an area that is diminished by five (5%) percent or less is not material. Provided Purchaser's consent is not required, a Purchaser will not be excused from purchasing his Unit and will not have any claim against Sponsor as a result of any such change and no such change will 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.

Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the purchase price for this Unit or otherwise be relieved from any obligations under the Purchase Agreement, by virtue of a minor 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 and Residential 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. 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.

The Sponsor reserves the right to substitute for any of the materials specified in either the Plans and Specifications, the Description of Property and Building Condition or elsewhere in the Plan, materials which are equal to or of better quality. The Sponsor's intention is to use the materials, fixtures, appliances and other equipment described in this Plan and in the architectural plans on file, but, due to unavailability of materials and supplies or for any other reason, Sponsor may substitute materials, fixtures appliances and equipment which are equal to or of better quality for any of those set forth in the Specifications or otherwise in this Plan.

INTERIM USE AND OCCUPANCY AGREEMENTS

Once a Purchase Agreement is signed for a vacant Unit, and for so long as such Purchase Agreement is in effect, such Unit at Sponsor's sole option may only be rented to the Purchaser thereof. Such agreement (an "Interim Use and Occupancy Agreement") will be for such use and occupancy fee, but not to exceed the maximum of such fee legally collectible, and upon such other terms as may be mutually agreed upon. A Purchaser who enters into an Interim Use and Occupancy Agreement with Sponsor is advised that the tenancy under such Agreement is not subject to governmental regulation as to the amount of rent or term. The term of such Interim Use and Occupancy Agreement, if any, shall be for a period which will expire on the earlier of (i) the date of the Closing of such Unit pursuant to Purchaser's Purchase Agreement; (ii) the date Purchaser seeks to rescind or terminate the Purchase Agreement; (iii) the Cancellation Date, which is the date Sponsor terminates the Interim Use and Occupancy Agreement by reason of Purchaser's default; (iv) thirty (30) days after the date Sponsor abandons the Offering Plan, or otherwise terminates this offer of Units under the Plan; or (v) such other date as is agreed to by Sponsor and the occupant. In the event this Plan is abandoned, Sponsor shall cancel the Interim Use and Occupancy Agreement and Purchaser shall surrender occupancy and vacate the Unit within thirty (30) days of receipt of written notice from Sponsor. Should Purchaser rescind his or her Purchase Agreement pursuant to any rescission, the Interim Use and Occupancy Agreement shall terminate thirty (30) days thereafter and Purchaser shall be obligated to vacate the Unit no later than that time. (See sample Interim Use and Occupancy Agreement in Part II of this Offering Plan).

An Interim Use and Occupancy Agreement will provide that an uncured default by the Purchaser under the Purchase Agreement will constitute a default under the Interim Use and Occupancy Agreement, entitling the landlord (i.e., Sponsor), at its sole option, to terminate the Interim Use and Occupancy Agreement. The Purchase Agreement shall also contain a similar cross-default provision entitling Sponsor to cancel the Purchase Agreement in the event that the Purchaser fails to cure a default under the Interim Use and Occupancy Agreement within any applicable grace period. However, before the Sponsor may utilize a default under the Interim Use and Occupancy Agreement to declare a default under the Purchase Agreement, the Sponsor must (i) obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the interim occupant or (ii) the interim occupant must have vacated the Unit. The interim occupant must vacate the Unit within five (5) days after any default under the Purchase Agreement which remains uncured after five (5) days. No portion of the rental paid under an Interim Use and Occupancy Agreement will be credited toward the Unit's purchase price.

Sponsor's right and its designee's right to rent or lease any Unsold Unit will not be subject to any right of first refusal in favor of the Condominium Board to lease such Unit from Sponsor or its designee on the same terms offered to the prospective tenant or occupant.

57

PROCEDURE TO PURCHASE

A prospective Purchaser desiring to purchase a Residential Unit will be required to execute a Purchase Agreement, which will be in the form set forth in Part II of the Plan. The relevant escrow and trust fund provisions (see the following Section of the Plan) are included in a rider to the Purchase Agreement, which must also be executed by the Escrow Agent. The form of Purchase Agreement to be used for the purchase of the Commercial Unit will be a form of agreement typically used for such a type of commercial transaction. At the Closing of Title, the Purchaser will also be required to sign a power of attorney to the Condominium Board prepared by Sponsor and in the form set forth in Part II of the Plan. See Unit Owner Power of Attorney in Part II.

A prospective Purchaser may obtain the Plan upon payment of a $250 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. Prospective Purchasers shall be afforded no less than 3 business days to review the Plan and all amendments thereto prior to executing a Purchase Agreement. If a Purchaser has not been afforded at least three (3) business days to review the Plan and all Amendments thereto prior to executing a Purchase Agreement, such Purchaser shall have seven (7) days after delivering an executed Purchase Agreement together with the Deposit to rescind the Purchase Agreement and have the Deposit refunded promptly. If Purchaser elects to rescind the Purchase Agreement within such 7 day period, Purchaser must either personally deliver a written notice of rescission to the Sponsor or Selling Agent within the 7 day period or mail the notice of rescission to the Sponsor or Selling Agent and have the mailing postmarked within the 7 day period.

The Purchase Agreement sets forth in detail the terms of sale with respect to each Residential Unit and should be read carefully by each prospective Purchaser. Prospective Purchasers should be aware that if any conflict exists between the Plan and the Purchase Agreement, the provisions of the Plan shall in all events control, except with respect to express modifications to the terms of the Plan included in the Purchase Agreements and agreed to between Sponsor and Purchaser, in which case such modifications will govern.

Although a Purchaser may obtain financing from a lending institution or any other source, Purchaser's obligation to purchase a Unit pursuant to the Purchase Agreement shall not be contingent on Purchaser obtaining financing for such purchase. Accordingly, the terms and provisions of the Purchase Agreement and Purchaser's obligations under the Purchase Agreement are not contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof). Purchaser's failure to obtain such financing will not relieve Purchaser of Purchaser's obligations under the Purchase Agreement. If Purchaser chooses to finance Purchaser's purchase of the Unit through a lending institution or any other source and obtains a commitment for financing, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in Purchaser's financial status or condition shall release or relieve Purchaser of Purchaser's obligations pursuant to the Purchase Agreement, as the terms and conditions of the Purchase Agreement and Purchaser's obligations under the Purchase Agreement are not contingent upon Purchaser receiving a commitment for financing of the Purchase Price (or any portion thereof) or maintaining any such commitment for such financing. Neither Sponsor nor Selling Agent makes any representations as to the terms or availability of any mortgage financing.

Purchase Agreements will not be binding on Sponsor until approved and executed by it, and delivered by Sponsor to the prospective Purchaser. Sponsor will have 30 days after delivery by Purchaser of an executed Purchase Agreement and the Deposit required thereby, within which to accept or reject such Purchase Agreement. Sponsor reserves the right to request thorough identification and financial information (including credit reports) concerning any prospective Purchaser, subject to any limitations and requirements imposed by Law.

If a Purchase Agreement is not accepted by Sponsor within the aforesaid 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(s) for more than one Unit to any one person or entity.

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, a Purchaser will be required to make a deposit in an amount equal to twenty (20%) percent of the purchase price (the "Deposit"). The Deposit shall be by an official bank check or unendorsed certified check drawn on or issued by a United States Bank or trust company which is a member of the Federal Reserve System. The Deposit must be made payable to the direct order of "GERSTEIN STRAUSS & RINALDI LLP, 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.

Any Deposit made pursuant to a Purchase Agreement is subject to the requirements of Section 71-a(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 (including any additional deposit made for upgrades, extras or custom work, which funds are not used to pay for such upgrades, extras or custom work) to be deposited and held in accordance with the procedures set forth in the following Section of the Plan entitled "Escrow and Trust Fund Requirements".

Each prospective purchaser should note that Sponsor is only obligated to provide the equipment, fixtures, and furnishings described in the "Description of Property and Building Condition" set forth in Part II of this Plan. If a person desiring to purchase a Residential Unit requests that Sponsor perform special work on such Residential Unit or provide extra furnishings, including, but not limited to, any deviation from the materials or specifications described in the "Description of Property and Building Condition", and Sponsor agrees to perform such special work and/or provide such furnishings, then a description of such work or furnishings shall be inserted as an addition to the Purchase Agreement and Sponsor may require such person to pay for said special work or furnishings. However, Sponsor shall be under no obligation whatsoever to agree to perform any special work or provide extra furnishings for a Purchaser, nor shall Sponsor have any obligation to allow a Purchaser or its agents to perform any special work or install extra furnishings prior to Closing. Any and all special or additional work which a Purchaser desires to be performed with regard to a Residential Unit shall be done only upon Sponsor's written consent thereto and Sponsor's approval of all contractors and suppliers in connection therewith, which consent and approval are within the sole discretion of Sponsor. In no event shall the presence of any furniture, furnishings, equipment or decorations in any model apartment or Common Element or in any advertisements with respect thereto, imply or represent that any Residential Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Residential Unit to Purchaser unless Purchaser agrees to pay Sponsor an amount determined by Sponsor in addition to the purchase price for such Residential Unit.

The balance of the purchase price shall be payable simultaneously with the delivery of the deed to the Unit by wire transfer, official bank check or unendorsed certified check drawn on or issued by a New York bank or trust company which is a member of The New York Clearinghouse Association and shall be payable to the direct order of Sponsor, or otherwise if Sponsor should so notify Purchaser. The deed will

be substantially in the form set forth in Part II of the Plan. Interest, if any, on Purchaser's Deposit will be credited or paid to Purchaser at Closing.

TIME IS OF THE ESSENCE AS TO PURCHASER'S OBLIGATIONS PURSUANT TO 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.

After the Plan is declared effective, Purchaser will receive at least 30 days' prior notice of the Closing Date ("Scheduled Closing Date"). If Purchaser fails to close title to its Unit on the Scheduled Closing Date or otherwise fails to perform any other obligations under its Purchase Agreement, and if Purchaser does not cure such default within 30 days after Sponsor gives written notice to Purchaser of the default, with time being of the essence, Sponsor may, at its option, either (a) cancel the Purchase Agreement and retain the entire twenty (20%) percent Deposit amount, together with any interest earned thereon, as liquidated damages, in which event all rights, obligations and liabilities of Sponsor and Purchaser shall wholly cease and terminate or (b) bring an action against Purchaser for specific performance. In addition, Sponsor shall also be entitled to retain any amount paid by Purchaser to Sponsor for special work requested by Purchaser.

Prior to the closing of title to a Unit, the Purchase Agreement prohibits a Purchaser from listing the Unit for resale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease, without Sponsor's prior written consent. Any listing of the Unit for sale and/or advertising 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 the Purchaser, together with interest earned thereon.

Any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) shall expressly and voluntarily waive such immunity and consent to any suit, action or proceeding arising out of or relating to the Purchase Agreement 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. Any such Purchaser shall designate and authorize 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 the Purchase Agreement.

If a Purchaser fails for any reason to close title to his Unit within 10 days of the Scheduled Closing Date, (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 originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher 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, an amount equal to 0.03% of the purchase price of his Unit for each day starting from (and including) the originally Scheduled Closing Date to (and including) the day before the actual Closing Date. If Sponsor adjourns the closing, through no fault of Purchaser, the provisions of this paragraph shall apply to the adjourned Closing Date.

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 Agreement(s). In the event of such a default, Sponsor may, at its option, cancel each such Purchase Agreement(s) and retain, as liquidated damages, the entire twenty percent (20%) Deposit made by Purchaser under each

Purchase Agreement, together with any interest earned thereon, if any, under each of such Purchase Agreement(s) or bring an action against Purchaser for specific performance.

Except as noted below, Sponsor and Purchaser shall keep all of the terms and conditions of the Purchase Agreement confidential. Sponsor and Purchaser agree that any information which is required to be disclosed to the parties' respective lawyers, architects/engineers, accountants, individuals who "need to know" or governmental agencies shall not be deemed to be a breach by Sponsor or Purchaser of the parties' undertaking of confidentiality. Any failure by Purchaser to keep the terms and conditions of the Purchase Agreement confidential shall be a default by Purchaser, entitling Sponsor to the remedies set forth in Paragraph 14 of the Purchase Agreement.

If the Plan is withdrawn or abandoned, the Deposit previously paid to and actually collected by Sponsor together with any interest earned thereon, shall be returned to Purchaser in accordance with the provisions herein set forth.

Based upon its current construction schedule, Sponsor contemplates that the construction of the Building will be sufficiently completed to permit closings of Units to begin on or about January 1, 2016. If the first Closing of a Residential Unit does not occur within 12 months after January 1, 2016 Sponsor will offer Purchasers of Residential Units the right, for 15 days, to rescind their Purchase Agreements and receive a refund of their Deposits, together with any interest earned thereon.

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

The risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Unit, at which time such risk shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. (See Section entitled "Closing of Title to Units and Terms of Sale" for more details).

ESCROW AND TRUST FUND REQUIREMENTS

All deposits, downpayments, advances and payments, including those made for upgrades, extras, or custom work, made by Purchasers prior to the closing of an Unsold Unit ("Deposits") will be held in escrow in conformity with the disclosure contained in this section of the Plan, provided however that deposits for upgrades, custom work and extras, may be released to Sponsor prior to the Closing of such Unit in order to pay for the cost of such upgrade, custom work or extra.

The Escrow Agent

The law firm of Gerstein Strauss & Rinaldi LLP, with an address at 57 West 38th Street, New York, New York 10018, telephone number (212) 398-7900, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys, acting singly, to serve as signatories: Victor R. Gerstein, Esq., Gary J. Strauss, Esq., and Lisa J. Rinaldi, Esq. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

The Escrow Account

Escrow Agent has established a master escrow account entitled "Gerstein Strauss & Rinaldi LLP, Escrow Account" ("Master Escrow Account") at Hudson Valley Bank with a branch office at 60 East 42nd Street, New York, New York 10165 ("Escrow Bank"). The Deposit will be placed in the Master Escrow Account and the Escrow Agent shall sign the Escrowed Funds Rider within 5 business days after tender of the Deposit and Purchase Agreement by Purchaser to Sponsor or Selling Agent. Any subsequent deposit tendered by Purchaser after the Deposit will be placed in the Master Escrow Account within 10 business days after tender by Purchaser to Sponsor or Selling Agent.

All Deposits will be placed initially in the non-interest bearing portion of the Master Escrow Account. Each Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number), or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding (Individuals)) or Form W-8BEN-E (Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities)) in the forms similar to those 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, Form W-8BEN, or Form W-8BEN-E, the Deposit will thereafter be promptly transferred to an individual interest bearing sub-escrow account in the name of Purchaser. If a Purchaser does not deliver the Form W-9, Form W-8BEN, or Form W-8BEN-E, the Deposit will remain in the non-interest bearing portion of the Master 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 Master Escrow Account so that checks may be drawn thereon.

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 Deposit has been placed in the Master Escrow Account. If Purchaser does not receive notice that the Deposit has been placed in the Master Escrow Account within 15 business days after tender of the Deposit, Purchaser may cancel the Purchase Agreement and rescind so long as the right to rescind is exercised within 90 days after tender of the Deposit and Purchase Agreement 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 placed in the Escrow Account in accordance with the New York State Department of Law's

regulations concerning Deposits and requisite notice was timely mailed to the Purchaser. Any deposits made for upgrades and extras, or custom work, shall be deposited into the Master Escrow Account and released in accordance with the terms of a written agreement between Purchaser and Sponsor and used to pay for or reimburse to Sponsor for the cost of such upgrades, custom work or extras. As a result, in the event a Purchaser is entitled to rescind the Purchase Agreement in accordance with the Plan, the Purchaser will not receive a refund of any funds used for such upgrades, custom work or extras. If the Plan is not consummated and as a result the Property is not subjected to Condominium ownership, any funds deposited in escrow for upgrades, custom work or extras will be returned to such Purchaser, provided Sponsor has not incurred any costs in connection with, or performed the upgrades, custom work or extras. Escrow Agent will not be required to send the letter to each Purchaser referred to above in connection with any subsequent deposit tendered by Purchaser after the Deposit to Sponsor or Selling Agent and deposited into the Master Escrow Account prior to the Closing.

The Escrow Bank is covered by federal bank deposit insurance 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 federally insured in excess of $250,000; (ii) while the Deposit is in the non-interest bearing portion of the Master Escrow Account, the Deposit may not be fully federally insured even if the Deposit does not exceed $250,000; and (iii) if the amount of Purchaser's other deposits at the Escrow Bank, if any, when added to the Deposit, exceeds $250,000, the amount in excess of $250,000 will not be federally insured. No representation or guaranty is made by Sponsor that the Federal Deposit Insurance Corporation will insure any depositor's funds, if and when called upon to do so.

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.

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 at any time, if the Deposit has been deposited into escrow and the Purchase Agreement has not yet been delivered by Purchaser.

The checking account portion of the Master Escrow Account will not be interest-bearing. The sub-escrow account portion of the Master Escrow Account will be interest-bearing. Deposits will not earn interest until such time as Purchaser has delivered to Escrow Agent a fully completed W-9, W-8BEN, or W-8BEN-E form. 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 if Purchaser defaults. The interest rate to be earned will be the prevailing rate for these accounts, that is paid by the Escrow Bank. Interest will begin to accrue within: (i) 3 business days, if the Deposit is cash or cash equivalent; or (ii) 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 Master Escrow Account into the sub-escrow account portion of the Master Escrow Account.

All instruments shall be made payable directly to the order of "Gerstein Strauss & Rinaldi 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 of collection.

The Purchase Agreement is included in Part II of the Plan. The relevant escrow trust fund provisions are included in the Escrowed Funds Rider, attached as Schedule A to the Purchase Agreement. The Escrowed Funds Rider will be executed by Sponsor, Purchaser and Escrow Agent.

Release of Funds

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

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

The Escrow Agent shall release the Deposit if so directed:

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

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

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

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

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

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

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

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

Waiver Void

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

Miscellaneous Provisions

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 is acting merely as a stakeholder. Upon payment of the Deposit pursuant to the Plan, Escrow Agent shall be fully released from all liability and obligation with respect to the Deposit. Escrow Agent shall accept a Deposit made by check, subject to collection.

Sponsor has agreed to indemnify Escrow Agent from all costs, claims, expenses and damages 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.

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.

In the alternative to placing the Deposit in Escrow, Sponsor may apply to the Department of Law to use security in the form of surety bonds or a letter of credit in lieu of escrow of such funds. If Sponsor's application to use alternative security is approved by the Department of Law, Sponsor shall file an amendment to the Plan, which amendment will (i) include the terms of such alternative security, (ii) annex a form for the written consent of each affected Purchaser to withdraw the funds from escrow and (iii) provide for the continuation of escrow of funds of any Purchaser who does not execute and deliver such written consent to Sponsor.

Escrow Agent shall make available to the Attorney General, upon request, all books and records of Escrow Agent relating to the escrow funds.

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

65

ASSIGNMENT OF PURCHASE AGREEMENTS

Purchaser does not have the right to assign the Purchase Agreement without the prior written consent of Sponsor, which consent may be unreasonably withheld or delayed. Any purported assignment by Purchaser in violation of this Section will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel the Purchase Agreement or give rise to any claim for damages against Sponsor. Under no circumstances will Sponsor consent to an assignment of a Purchase Agreement in which Purchaser will receive consideration. Any purported assignment by Purchaser in violation of this Section shall be a default by Purchaser, entitling Sponsor to the remedies set forth in the Section entitled "Procedure to Purchase", and shall be voidable at the option of Sponsor.

Notwithstanding anything to the contrary contained above, if Purchaser has signed the Purchase Agreement in an individual name (and not in the name of an entity), and provided that Purchaser has obtained consent from its Lender, if any, then Purchaser shall have a one time right to assign Purchaser's rights under the Purchase Agreement, in whole, but not in part, to an entity "controlled" (as such term is defined below) by Purchaser (the entity to which the rights are assignable may be a trust, limited liability company or a corporation) or to member(s) of Purchaser's immediate family, provided that (i) Purchaser designates such assignee at least 5 business days prior to the Closing Date; (ii) the Closing will not be delayed as a result of such assignment, (iii) the assignee of the Purchase Agreement assumes in writing, by an instrument approved by Sponsor's counsel, the obligations of Purchaser under the Purchase Agreement, and (iv) the assignment is made without consideration. As used in this paragraph, the term "control" shall mean the control, either directly or indirectly, of at least 51% percent of the voting shares or equity interests of such assignee, together with the authority to direct and manage the affairs of such assignee, which shall include Purchaser being the managing general partner of such partnership or the principal manager or managing member of such limited liability company. Any obligations of Purchaser may be performed by such assignee, and Sponsor agrees to accept such performance as if it were the performance of Purchaser. No such assignment shall modify Purchaser's obligations under the Purchase Agreement, including without limitation, Purchaser's indemnity obligations contained in the Purchase Agreement, reduce or limit any liability or obligation of Purchaser who shall remain primarily liable notwithstanding any liability assumed by assignee. Unless Purchaser complies with the provisions of this paragraph, any purported assignment by Purchaser shall be null and void and of no effect as against Sponsor.

No Advertising

Prior to the Closing of Title to a Unit, a Purchaser shall not list such Unit for resale or rental with any broker or advertise or otherwise offer, promote or publicize the availability of the Unit for sale or lease, without Sponsor's prior written consent. Any listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser prior to the Closing of Title of such Unit shall be a default by Purchaser, entitling Sponsor to the remedies set forth in the Section entitled "Procedure to Purchase".

EFFECTIVE DATE

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 declared effective, at Sponsor's option, at any time when bona fide Purchasers, including investors, have executed Purchase Agreements with respect to no less than 15% of all Units, i.e., one (1) Unit. The Plan must be declared effective at such time as Purchase Agreements have been executed and are in effect with respect to 80% of all Units being offered, i.e., 4 Units. The Plan will be declared effective by personal service of notice on every Purchaser or by commencement of service by mail in the manner required by the Regulations stating that the Plan is declared effective. Although not required to do so under the exception for offerings of five or fewer units, Sponsor will then submit an amendment to the Department of Law within five (5) days confirming that the Plan was declared effective by notice on a specified date. Sponsor will submit to the Department of Law, if requested to do so, copies of all Purchase Agreements (and any amendments or modifications thereto) within 5 business days after such request is made. The First Closing shall not occur until the Plan is declared effective and the amendment disclosing that the Plan was declared effective is accepted for filing by the Department of Law. The Plan may be declared effective based on a Purchase Agreement for either a Residential Unit or a Commercial Unit, and the First Closing can be of a Commercial or Residential Unit. If the first Closing of a Residential Unit does not occur within 12 months after January 1, 2016 Sponsor will offer Purchasers of Residential Units the right, for 15 days, to rescind their Purchase Agreements and receive a refund of their Deposits, together with any interest earned thereon.

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 at least 7 days to rescind after executing and delivering a Purchase Agreement, together with the required Deposit; or (iii) signed by any Purchaser who is Sponsor, the Selling Agent, the 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, the Selling Agent, the Managing Agent or a principal of either, except that such a Purchaser (other than Sponsor or a Principal of Sponsor) may be counted only if Sponsor has submitted proof satisfactory to the Department of Law establishing that the Purchaser is bona fide.

The Plan may be withdrawn or abandoned by Sponsor for any reason whatsoever at any time prior to its being declared effective, in which event Purchasers will be notified by Sponsor in writing, by registered or certified mail.

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, cured or complied with prior to the date set for the First Closing without litigation or for less than one half of one percent (.5%) 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 any of the Building (or any portion thereof) by fire or other casualty that cannot be repaired prior to the date set for the First Closing for less than one half of one percent (.5%) 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. The dollar amount to be used as the basis for abandonment of the Plan under (1) or (2) above is $175,000 or more, which is at least 0.5% of the total offering amount. Excluded from the dollar amounts set forth in (1) and (2) above are attorneys' fees and title defects or determinations of any authority or regulatory association which exist on the Filing Date of the Plan and are either known to Sponsor or are a matter of public record.

If the Plan is withdrawn or abandoned, all Deposits, together with any interest earned thereon, will be returned to Purchasers within 30 days following such withdrawal or abandonment. Upon the return of the Deposits, together with any interest earned thereon, 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. Sponsor shall promptly submit an amendment to the Department of Law confirming such abandonment or withdrawal and shall file a notice of abandonment on form RS-3 or such other form as the Department of Law may require and explain the reason for the abandonment and disposition of all Deposits received, and any interest earned thereon.

CLOSING OF TITLE TO UNITS AND TERMS OF SALE

The Closing of Title to each Unit shall be held at the offices of Sponsor's attorneys, Gerstein Strauss & Rinaldi LLP, 57 West 38th Street, New York, New York or at such other place as Sponsor may designate. The Closing to each Unit shall take place only after or concurrently with the following events:

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

(b) a temporary or final certificate of occupancy for the Residential Unit is in effect. Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire building, but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive 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 FCOs are issued by the New York City Department of Buildings ("DOB"). 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 an FCO. Sponsor anticipates this scenario may occur. Sponsor and its Principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining an FCO covering the entire building within two years from the date of the issuance of the first TCO. However, Sponsor and its Principals make no representation or guarantee that DOB will issue the FCO within such two year period. Notwithstanding the foregoing, Sponsor and its Principals are obligated to procure the FCO for the entire building, and shall exercise best efforts to obtain the FCO within such two year period while keeping the TCO current. Unit owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

(c) As described in greater detail in the Plan, Sponsor will maintain sufficient funds in escrow to cover the anticipated costs of obtaining an FCO. However, the TCO may lapse for reasons outside the Sponsor's control. In the absence of an FCO or TCO, it is unlawful to reside in or rent a unit, and it will be difficult for owners or purchasers to obtain financing or pass clear title.

(d) the recording or filing of the Declaration, By-Laws, Floor Plans and engineer's 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;

(e) the release of the Unit and its Common Interest from the lien of all mortgages, if any;

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

(g) the delivery to Purchaser of a bargain and sale deed with covenant against grantor's acts, 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.

(h) the execution and delivery by Purchaser of the Unit Owner's Power of Attorney, the form of which is set forth in Part II of the Plan;

(i) if Purchaser has requested title insurance, the issuance to Purchaser (at Purchaser's sole expense) of a policy of title insurance in at least the amount of the purchase price of the Unit, insuring that (i) Purchaser has fee title to his Unit free and clear of all liens and encumbrances except for (1) Permitted Encumbrances and standard printed exceptions, (2) liens and encumbrances (other than Permitted Encumbrances) to which his Unit's title is subject, which have been expressly accepted by Purchaser, and (3) any mortgage and related security documents that Purchaser executes in connection with the financing of the purchase price of his Unit and (ii) the Condominium has been validly created pursuant to the Condominium Act.

Once the First Unit Closing has occurred, the requirement of providing a Purchaser with 30 days written notice of Purchaser's Closing Date, as set forth in paragraph (e) above, will not be applicable for any Unit for which a temporary or final certificate of occupancy is in effect at the time a Purchase Agreement for such Unit is fully executed, as the Purchase Agreement for such Unit will indicate an actual Closing date for such Unit.

All personal property, including but not limited to the appliances, equipment or fixtures installed in the Unit shall be included in the conveyance of the Unit, unless specifically excepted in the Plan and all appliances, equipment or fixtures installed in the Common Elements on the date of the Declaration shall be assigned to the Condominium Board at the First Closing.

Sponsor is obligated to deliver insurable title, subject however to Sponsor's right to abandon the Plan, as set forth in the "Effective Date" Section of the Plan, *i.e.*: (1) the existence of one or more title defects affecting any one or more Units or the Property that cannot be removed, cured or complied with prior to the date set for the First Closing without litigation or for less than one half of one percent (.5%) 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 any of the Building (or any portion thereof) by fire or other casualty that cannot be repaired prior to the date set for the First Closing for less than one half of one percent (.5%) 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. The dollar amount to be used as the basis for abandonment of the Plan under (1) or (2) above is $175,000 or more, which is at least 0.5% of the total offering amount. Excluded from the dollar amounts set forth in (1) and (2) above are attorneys' fees and title defects or determinations of any authority or regulatory association which exist on the Filing Date of the Plan and are either known to Sponsor or are a matter of public record. (See the Section of this Plan entitled "Effective Date"). In the event of the existence of any such lien or encumbrance other than

Permitted Encumbrances which does not result in the abandonment of this Plan, the sole remedy of Purchasers under the Plan will be to rescind their respective Purchase Agreement within 15 days after receipt of notice of an amendment disclosing such lien or encumbrance. A Purchaser electing to proceed with the purchase of his Unit in such circumstances will not be entitled to any credit against, or abatement of, the purchase price set forth in his Purchase Agreement and will have no claim or right of action against Sponsor by reason thereof.

Once the Plan has been declared effective and Sponsor does not abandon the Plan, if Sponsor fails or refuses to correct any such title defect, then, provided Purchaser is not then in default, the Purchaser's sole right will be to either (i) take title subject to the title defect (without abatement in or credit against the purchase price or claim or right of action against Sponsor for damages or otherwise) or (ii) cancel the Purchase Agreement. If Purchaser elects to terminate the Purchase Agreement, Sponsor shall cause the Deposit together with any interest earned thereon, 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. The foregoing option must be exercised by Purchaser in writing sent to Sponsor within 15 days after the giving of Sponsor's notice of refusal to remedy the title defect. IF THE PURCHASER FAILS TO NOTIFY SPONSOR OF HIS ELECTION WITHIN 15 DAYS AFTER SPONSOR NOTIFIED PURCHASER OF SPONSOR'S REFUSAL TO REMEDY THE TITLE DEFECT, IT WILL BE CONCLUSIVELY DEEMED THAT PURCHASER ELECTED TO ACQUIRE TITLE SUBJECT TO THE TITLE DEFECT.

The existence of mortgages, liens and encumbrances other than Permitted Encumbrances shall not be objections to title, provided bonds or properly executed instruments in form for recording necessary to satisfy or release Units from such impermissible liens or encumbrances 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. Furthermore, any lien and encumbrance or condition to which title is not subject shall not be an objection to title if Royal Abstract of New York LLC, or another title company licensed to do business in New York, is or would be willing, in a fee policy issued by it to the Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien at no additional cost or additional premium, to Purchaser.

The acceptance of a deed by a Purchaser shall be deemed an acknowledgment that Sponsor has performed and discharged every agreement and obligation on the part of Sponsor to be performed under the Plan except those (if any) which may be expressly stated in the Plan, in the Purchase Agreement, in 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan) and in General Business Law Section 352-e to survive delivery of the deed.

The Sponsor represents that, until it no longer controls the Board of Managers, the Property will be maintained, repaired, cared for and operated in substantially the same condition and manner as it was on the date of the First Closing, subject to strikes, lockouts, labor difficulties, acts of God, fire or other casualty, storm, riots, insurrection, inability to obtain materials, equipment or labor, governmental restrictions or any other acts over which the Sponsor is reasonably unable to exercise control. If the Sponsor is prevented from so maintaining the Property for any of these reasons other than fire or other casualty, the Sponsor will make any repairs subsequent to the First Unit Closing that it was obligated to make as of the First Closing.

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 a Purchaser takes possession of such Unit, at which time such risk 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 for the Unit. In such event, Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of 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"), 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, 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 the entire twenty percent (20%) Deposit as and for liquidated damages.

Sponsor is obligated to provide only the equipment, fixtures and furnishings set forth in the "Description of Property and Building Condition" set forth in Part II of the Plan. If a person desiring to purchase a Residential Unit requests that Sponsor perform special or additional work on such Residential Unit or provide extra furnishings, including, but not limited to, any deviation from the materials or specifications described in the "Description of Property and Building Condition" set forth in Part II of the Plan, and Sponsor agrees to perform such work and/or provide such furnishing, then Sponsor may require such person to deposit an amount greater than the Deposit required under the Purchase Agreement. All funds received by Sponsor for such upgrades, extras or custom work will be placed in the non-interest bearing portion of the Master Escrow Account. Such funds may be released by Escrow Agent to Sponsor provided that Sponsor uses the funds for upgrades, extras or custom work. If such funds are released to Sponsor and the Purchaser is entitled to rescind the Purchase Agreement in accordance with the Plan, neither Sponsor nor the Escrow Agent shall return such funds to Purchaser.

SPONSOR SHALL IN NO WAY BE OBLIGATED TO PERFORM ANY SPECIAL OR ADDITIONAL WORK TO A UNIT OTHER THAN AS REQUIRED BY THE TERMS OF THE PLAN AND THE DESCRIPTION OF PROPERTY AND BUILDING CONDITION SET FORTH IN PART II OF THE PLAN.

Each Purchaser of a Unit shall be given a reasonable opportunity to examine his Unit prior to the Closing and is urged to make a careful inspection thereof. At the Closing, each Purchaser 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 the Purchaser acknowledges the condition in which he has inspected his Unit. Under no circumstances shall any item included on an Inspection Statement constitute grounds for a Purchaser to postpone or otherwise delay the date scheduled for the Closing to his Unit or obligate Sponsor to escrow funds to secure the completion of such items.

CLOSING COSTS AND ADJUSTMENTS

Closing Costs

As more particularly set forth in the Purchase Agreement, in addition to the Purchaser's legal fees, the Purchaser will pay the following estimated closing costs and expenses at the time of the Closing of Title of his Unit. Recording charges, fees, title costs and taxes are based on rates in effect on the date of the Plan and are subject to change without notice.

(a) A contribution to the Working Capital Fund of the Condominium in an amount equal to two (2) month's Common Charges then applicable to each Unit being purchased.

(b) If Purchaser elects to obtain fee title insurance, Purchaser will pay the premium therefore, which will vary depending upon the amount requested. If ordered from Royal Abstract of New York LLC, having an office at 500 Fifth Avenue, New York, New York 10110, (212) 376-0900 ("Title Company"), the premium will be calculated at a discounted rate of 70% of the standard fee policy rates in accordance with the following discounted rate schedule:

FEE BULK RATE SCHEDULE
(70% Rate)

AMOUNT OF INSURANCE	PREMIUM
First $35,000 or less	$281.00
From $35,001 to $50,000	$4.67 per Thousand
From $50,001 to $100,000	$3.80 per Thousand
From $100,001 to $500,000	$3.05 per Thousand
From $500,001 to $1,000,000	$2.79 per Thousand
From $1,000,001 to $5,000,000	$2.56 per Thousand
From $5,000,001 to $10,000,000	$2.28 per Thousand
From $10,000,001 to $15,000,000	$2.15 per Thousand
From $15,000,001 and up	$1.93 per Thousand

1.1.1 Note - The minimum Premium for a fee policy is $402.

(c) If Purchaser elects to simultaneously obtain both fee title insurance and mortgage title insurance from Title Company, 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 21% of the standard mortgage policy rates in accordance with the following discounted rate schedule:

SIMULTANEOUS MORTGAGE BULK RATE SCHEDULE
(21% Rate)

AMOUNT OF INSURANCE	PREMIUM
First $35,000	$72.00
From $35,001 to $50,000	$1.17 per Thousand
From $50,001 to $100,000	$ .95 per Thousand
From $100,001 to $500,000	$ .77 per Thousand
From $500,001 to $1,000,000	$ .70 per Thousand
From $1,000,001 to $5,000,000	$ .64 per Thousand
From $5,000,001 to $10,000,000	$ .57 per Thousand
From $10,000,001 to $15,000,000	$ .54 per Thousand
From $15,000,001 and up	$ .49 per Thousand

A form of Unit Owner's Specimen Title Policy, if title insurance is ordered from 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 $42.00 for each instrument plus $5.00 per page together with a fee of approximately $125.00 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 Special Additional Tax of 1% where the purchase price equals $1 million or more ("Mansion Tax") 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.

Purchaser is under no obligation to obtain title insurance from Title Company. Purchaser may obtain title insurance from a title company of Purchaser's choice, without incurring any additional cost from Sponsor.

The New York City Department of Finance has taken the position that where the Purchaser of property assumes the obligation for the 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. Consequently, the amount of the RPT Tax is computed as follows:

	Purchase Price $500,000 or less	Purchase Price Greater than $500,000
Tentative City Tax:		
Consideration	$400,000	$ 600,000
Tax Rate	x 1%	x 1.425%
Tentative tax	$ 4,000	$ 8,550
Tentative State Tax:		
Net Consideration	$ 400,000	$ 600,000
Rounded to nearest $500	$ 400,000	$ 600,000
Tentative tax ($2 per $500)	$ 1,600	$ 2,400
City Tax:		
Consideration	$ 400,000	$ 600,000
Tentative taxes	+ 5,600	+10,950
Taxable Consideration	$ 405,600	$ 610,950
Tax Rate	x 1%	x 1.425%
City Tax	$ 4,056	$ 8,706
State Tax:		
Net Consideration	$ 400,000	$ 600,000
Tentative taxes	+ 5,600	+ 10,950
Taxable Consideration	$ 405,600	$ 610,950
Rounded to nearest $500		
Tax Rate ($2 per $500)	$ 406,000	$ 611,000
State Tax	$ 1,624	$ 2,444

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 for the Unit where the consideration is $500,000 or less and $4.074 per thousand dollars of the purchase price of the Unit where the consideration is greater $500,000. Payment by the Purchaser of the Mansion Tax is not considered additional consideration to Sponsor for purposes of the calculation of the State Transfer Tax. However, the amount of the State Transfer Tax and the RPT Tax paid by Purchaser will be added to the Purchase Price to determine whether the Mansion Tax is due.

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:

Purchase of a single Residential Unit.

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

Purchase of multiple Residential Units.

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

Purchase of a Commercial Unit

- THE RPT tax rate for a Commercial 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 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 residential condominium unit (i.e., two (2) Residential Units) or if the Unit is not a Residential Unit.

(f) If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of all mortgage recording taxes, mortgage recording fees ($42.00 for a mortgage plus $5.00 per page of a mortgage), 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 on a single residential condominium unit 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 for Residential Units. In addition, there is a $30 exemption for residential property. The rate for a Commercial Unit is 2.80% if the mortgage is $500,000 or more, and 2.05% if the mortgage is under $500,000. No representation or warranty is made with respect to the amounts of such closing costs and expenses or the availability or cost of mortgage loans from any sources.

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 one twelfth ($1/12^{th}$) of the estimated annual real estate taxes and tax assessments which are assessed or will be assessed against the Unit, together with one twelfth ($1/12^{th}$) 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 Sponsor's attorney, Gerstein Strauss & Rinaldi LLP, in accordance with the following schedule, all of which fees will be cumulative to the extent applicable to any individual closing:

(1) $2,250.00 for the preparation of closing documents, calculation of adjustments, attendance at Closing at the offices of Gerstein Strauss & Rinaldi LLP, or such

other place as Sponsor may designate and supervision of execution of closing documents;

(2) If Purchaser requires that the Closing occur other than at the office of Gerstein Strauss & Rinaldi LLP, or such other place as Sponsor may designate, and Sponsor consents to such change, an additional attendance fee of $500.00 for each Closing held within Manhattan and $1,000.00 for each Closing held in any borough outside Manhattan.

(3) If through no fault of Sponsor, Purchaser fails to close on the date scheduled for Closing, then Purchaser shall pay to Gerstein Strauss & Rinaldi LLP, an additional fee of $500 for each rescheduled Closing to help 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, Gerstein Strauss & Rinaldi LLP, shall also be entitled to an attendance fee in the amount set forth above if they attend a scheduled Closing but the Closing is adjourned due to Purchaser's failure to comply with Purchaser's closing obligations.

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

(i) If Purchaser obtains a mortgage loan, the Purchaser will pay Sponsor a sum equal to the partial mortgage recording 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).

All legal costs, fees and expenses of Gerstein Strauss & Rinaldi LLP, other than those specifically set forth above, will be the sole responsibility of Sponsor.

Illustration of Closing Costs

A numerical example for the typical closing costs and expenses for a Unit with a purchase price of $5,000,000.00 and no mortgage financing are set forth below. All tax rates, title insurance premiums and recording rates are subject to change.

Sample Closing Costs:
(By way of illustration only)

1. Working Capital Contribution.....Two (2) month's common charges
2. Title Insurance for Fee $13,404.00
3. Recording and pick-up costs for deed and power of attorney (approximately).....$440.00
4. RPT $72,550.31
5. State Transfer Tax.....$20,366.00
6. Mansion Tax $50,915.00

7. Legal fee of Sponsor's attorney
(for Closing, at the office of Sponsor's attorney) $2,250.00

8. Equalization and Assessment Filing Fee.....$125.00

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 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 in Section (f) above. Purchasers are advised to consult with prospective lenders for a detailed projection of related financing costs.

In the event a construction or acquisition loan obtained by Sponsor satisfies certain parameters and Sponsor 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 directly to Sponsor to the extent of any mortgage tax credit allowed.

Closing Adjustments

At Closing, adjustments will be made as of midnight of the day preceding the Closing Date between Sponsor and each Purchaser with respect to (a) real estate taxes and assessments, if any (including water charges and sewer rents) on the basis of the period for which assessed. The adjustment for real estate taxes shall include any real estate taxes and water and sewer charges due and owing for the fiscal 1/2 year in which the closing occurs, (b) Common Charges and assessments for the month in which title closes and (c) accrued rent and any other charges pursuant to an interim lease or use and occupancy agreement, if any, covering Purchaser's Unit. In the event the Units have not been separately assessed for real estate tax purposes prior to the First Closing, Sponsor shall pay the real estate taxes due for the fiscal one-half year in which the First Closing takes place. For any period of time occurring after the fiscal one-half year in which the First Closing occurs, and until the Units are separately assessed and billed, each Unit Owner will pay to the Condominium his pro rata share (in the proportion that his Unit's Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes and assessments with respect to the Property. The Condominium will pay such taxes either to the New York City Department of Finance or directly to Sponsor if Sponsor has already paid real estate taxes for such period. If any Unit Owner fails to pay his pro rata share as set forth above, the Condominium will have a lien on such Unit for non-payment thereof, as if such charges were Common Charges. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners--Common Charges: Collection and Lien for Non-Payment" for further details.) At such time as a Unit is separately assessed and separately billed, the Unit Owner will pay such taxes directly to the taxing authority.

If a Purchaser fails for any reason to close title to his Unit within ten (10) days of the Scheduled Closing Date, (a) the closing apportionments 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 higher 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, an amount equal to 0.03% of the purchase price of his Unit for each day starting from (and including) the Scheduled Closing Date to (and including) the day before the Actual Closing Date. 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 his Unit on the rescheduled Closing Date.

Except as specifically set out in the Plan, Sponsor must 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 for the sale of Units pursuant to the Plan, 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 further details.)

RIGHTS AND OBLIGATIONS OF SPONSOR

Sponsor's Obligations with Respect to the Building

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 or changes in the size or number of Units or the amount or quality of Common Elements as may be necessary in Sponsor's sole discretion to conform to Law or to expedite the sale of the Unsold Units; provided, however, that unless an affected Unit Owner consents in writing, any such amendments, additions, or changes shall not materially and adversely affect a Unit Owner or Purchaser, increase any obligations of Unit Owners or Purchasers to any adverse and material degree and any substitution of equipment or materials will not be of lesser quality or design.

(b) Sponsor intends, and in good faith will endeavor, to sell all the Units, but has reserved the right to rent or lease any Unit prior to closing the sale thereof to the Purchaser thereof or any other party, to cease marketing Units for sale at any time, in Sponsor's sole discretion, or to use or offer the Unsold Units for any lawful purpose. Except where otherwise prohibited by Law, certain Units may be occupied under short term leases. Accordingly, residents of the Condominium may be comprised of both Unit Owners and tenants leasing from Sponsor or other Unit Owners. Accordingly, it is possible that a significant proportion of Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Unit Owners. As a consequence, a Unit Owner seeking to resell or refinance a Unit may experience difficulty. In addition, residents of the Condominium who are not Unit Owners do not share the same economic interests as Unit Owners in the maintenance and care of the Building's facilities and amenities and owner-occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e., purchase as a home as opposed to as an investment). Because Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment to sell more than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium.

(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.

(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 construction of the Building with a quality of construction comparable to the currently prevailing local standards and substantially in accordance with the Plans and Specifications filed with the Buildings Department and in accordance with other appropriate governmental authorities and all applicable codes.

(e) Based upon its current construction schedule, Sponsor contemplates that, unless delayed by Force Majeure, the construction activities at the Building will be sufficiently completed to permit Closings of Residential Units to begin on or about January 1, 2016. Prospective Purchasers should note, however, that the Units will be completed at differing times over a period that may likely extend significantly beyond such date. 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 of a Residential Unit occurs earlier or later than the targeted date or the time to complete or to close title to their Units is delayed or postponed by Sponsor. Notwithstanding the foregoing, if the first Closing of a Residential Unit does not occur within 12 months after January 1, 2016. Sponsor will

offer all Purchasers of Residential Units, as their sole remedy, the right for at least fifteen days, to rescind their Purchase Agreements and receive a refund of the Deposit. In the event the actual or anticipated commencement date of the first year of condominium operation is to be delayed by six (6) months or more, beyond January 1, 2016, Sponsor will amend the Plan to include a revised budget with current projections. If the Unit Owner's Common Charges in the amended budget exceed those in the latest budget included in the Plan by 25% or more, Sponsor will, in the amendment disclosing such budget, offer all Purchasers the right, for at least 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 his Purchase Agreement, beyond the expiration of any applicable grace period, will not have the right to rescind). If the first Closing of a Residential Unit occurs within 12 months after January 1, 2016, the Sponsor may schedule the closings of title to other Units significantly later than such date. In that case, unless a Purchase Agreement contains an outside closing date, Sponsor is not obligated to schedule a closing within any specified time frame or to ensure that closing of title to a Unit will occur by any date certain.

(f) Sponsor is obligated to bear all costs and expenses incurred in connection with completing the construction of the Building substantially in accordance with the Plans and Specifications, as same may be amended. During the course of construction, Sponsor retains the right, without prior notice to Purchasers or amendment to the Plan, to (i) change the Plans and Specifications and (ii) substitute equipment, appliances, fixtures or materials, and modify (including, but not limited to natural stone surfaces), layout or design, or change construction procedures provided, however that:

(i) Any materials (including, but not limited to natural stone surfaces), appliances, equipment and fixtures which Sponsor may substitute shall be of substantially equal or better quality or design;

(ii) Any construction procedures will not materially and adversely affect a Unit or the Building; and

(iii) Sponsor shall not materially change the size or location of the Units or Common Elements or adversely affect the value of any Unit to which title has closed or for which a Purchase Agreement is in effect, except as more specifically provided in the Section of the Plan entitled "Changes in Prices and Units".

(g) Upon the recording of the Declaration, Sponsor will deliver, assign, or otherwise grant to the Condominium Board, on behalf of all Unit Owners, the right to proceed under any assignable warranties and other undertakings received by Sponsor from contractors, suppliers, or others in connection with the construction and equipping of the Building, except that warranties and undertakings received by Sponsor which relate to appliances, equipment or fixtures located in any Unit shall be assigned to the Purchaser of such Unit on the date of closing of title thereto, including the warranties and undertakings received by Sponsor which relate to appliances, equipment, or fixtures located in the Units and the Common Elements. In that warranties may start on the date the appliances, equipment or fixtures are delivered to the Building, 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.

(h) It is Sponsor's obligation to ultimately obtain a Final Certificate of Occupancy for the Building. If, as of the first Closing of a Residential Unit, only a Temporary Certificate of Occupancy has been issued for the Unit, Sponsor will use all reasonable diligence to cause the Buildings Department to continuously renew the Temporary Certificate of Occupancy until a Final Certificate of Occupancy for all of the Units in the Building has been issued. Sponsor will, at its sole cost and expense,

do and perform all work, and will supply for the Building all materials that shall be necessary in order to cause the Temporary Certificate of Occupancy to be continuously renewed and to obtain a Final Certificate of Occupancy. Unit Owners shall not be permitted to perform work in their Units that will delay the issuance of a Final Certificate of Occupancy. Sponsor shall cause, and the Condominium Board shall cooperate with Sponsor in connection therewith, and pursue all remedies under the Condominium Documents, against any Unit Owner or Unit Owners who perform work in individual Units in contravention of this prohibition. Sponsor shall not be responsible for delays in obtaining the Final Certificate of Occupancy due to work undertaken in individual Units by Unit Owners or as a result of the Units not being used in accordance with applicable Law. Prospective Purchasers are advised that a Final Certificate of Occupancy is required for permanent use of the Building, and that a Temporary Certificate of Occupancy may be renewed only for a total of 2 years from the date of first issuance.

(i) If Sponsor fails to obtain a Final Certificate of Occupancy for the Building prior to the First Closing, Sponsor will be obligated to: (i) direct the Escrow Agent to hold and maintain those monies received pursuant to all 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, at any time after the First Closing, 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 Final Certificate of Occupancy, then the amount exceeding the sum so certified by the Sponsor's Architect shall, from time to time, 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 Architect, from time to time, certifies is reasonably necessary to complete the work needed to obtain the Final Certificate of Occupancy.

(j) Construction is a complicated process requiring the coordination of numerous tasks and the balancing of complex mechanical and architectural systems. During the first year of condominium operation, construction workers and related personnel will be at the Building from time to time making adjustments and performing various tasks relating to the completion of construction. Various systems, including but not limited to water supply, air conditioning, heating, ventilating and elevators, may require substantial time after any Closing to complete and may need to be shut down temporarily. Various other adjustments to windows and elevators and other systems may require substantial time after the Closing to be completed. A Purchaser who closes title to his or her Unit during the completion of construction of Common Elements or other Units acknowledges that construction noise, vibration, dust, debris and odors and 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 any noise, odors, fumes or vibrations, if any, emanating from mechanical equipment belonging to the Condominium or the Commercial Unit will not disturb occupants of the Units, and Sponsor shall have no liability whatsoever for any such disturbance to any Unit Owner or occupant.

(k) Sponsor has no obligation to repair or improve the Unsold Units, the Common Elements or the Facilities used in connection with the operation of the Building except as otherwise expressly provided in the Plan. Sponsor agrees to complete construction of the Building and to cause all mechanics' liens with respect to the construction of the Building to be promptly discharged or bonded (all subject to Sponsor's rights to abandon the Plan).

(l) Each Unit and the fixtures and personal property contained therein, are being sold and delivered "AS IS", as described in the Plan, at the time of transfer of title to such Unit unless Sponsor and the Purchaser of such Unit otherwise agree in writing. The Purchaser of a Unit shall inspect

such Unit 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. However, if a Purchaser finds that Sponsor's improvements as described in the Plan or in the Purchase Agreement for such Unit or other writing duly executed and delivered by Sponsor, have not been fully completed, although such improvements have been substantially completed, then Sponsor or its designated representative and the Purchaser will at the time of such execution agree upon and set forth in the Inspection Statement a list of the incomplete work to be completed in the Unit by Sponsor following the Closing for such Unit. Sponsor's obligation thereunder shall survive delivery of the deed to the Purchaser. The failure of Sponsor to complete such work shall not be a ground for the Purchaser to delay the Closing. Sponsor and its contractors, subcontractors, agents and employees, will have a right of access to enter the Unit after Closing in order to complete the work on the Inspection Statement.

(m) Article 36-B of the New York General Business Law ("Housing Merchant Implied Warranty Law") does not apply to this offering. Sponsor will correct, repair, or replace any and all defects relating to construction of the Building, or in the installation or operation of any appliances, fixtures, or equipment in a Unit or the Common Elements 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 (as same may be amended) for the same; and

(2) Sponsor is notified 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 six (6) months of the first closing of such Unit;

(ii) with respect to any latent defect in the construction of a Common Element, within six (6) months of the First Closing;

(iii) with respect to any patent defect in the construction of a Unit, within three (3) months of the first closing of such Unit, provided such patent defect is not caused by the use or misuse of the Unit Owner; and

(iv) with respect to any patent defect in a Common Element, within three (3) months of the First Closing, provided that such patent defect is not caused by a Unit Owner or any of its contractors, agents or invitees or by the management of the Building.

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 any defects, 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 the Managing Agent and/or the Unit Owner fails to allow prompt access to the Unit or Common Element 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.

(n) Sponsor will not be obligated to correct, and will not be liable to the Condominium Board or any Unit Owner as a result of any defects in construction, or in the installation or operation of any mechanical equipment, appliances, other equipment, finishes, materials or fixtures, as same may relate to the Common Elements:

(i) with respect to which assignable warranties or other undertakings (however denoted) from manufacturers, contractors, materialmen, or others which are assigned to the Condominium Board;

(ii) resulting from normal wear and tear, natural deterioration, normal settling, deflection, expansion or shifting of the Building or Building materials; or

(iii) 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 used in walls and paving, leaching or color variation in colored mortar, tiles, and brick, dimensional variations in brick joints, mortar droppings on bricks, ponding, and/or controlled drainage on roof and terrace surfaces, terrace tiles, pavers or boards not laid flat, stained tiles, and cracks in pressure treated wood used, or pavers or boards intended for use, outside the Building, normal settlement and deflection or any consequential damage resulting therefrom, including, without limitation, cracks in any concrete roof pavers;

b. protruding dry wall fastenings, nail pops, ridging on gypsum board, slight variations in gypsum board, taping, ridging or cracking of sheetrock walls, minor painting imperfections, walls not square, lumber shrinkage or expansion, 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, adjustment of bi-fold or sliding doors, and air, sound or water infiltration from windows in excess of industry standards;

d. variations in tone or color or finishes or stain of natural stone variations in other natural stone surfaces, slight scratches in plastic laminate, vitreous china, glass, metal, natural stone, wood, stainless steel, or porcelain surfaces, discoloration to hardware and plumbing finishes;

e. variations in wood floor stains and finishes caused by normal foot traffic during construction and sales periods, variations in width, length or tone of wood floor strips and normal shrinkage or expansion

and warping of wood flooring due to changes in moisture content of wood;

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

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

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

i. ponding and/or controlled drainage on the roof surface, odor, insect or rodent infestation.

THE ITEMS AND CONDITIONS DESCRIBED ABOVE IN (N)(ii) AND (N)(iii)(a) THROUGH (i) ARE NOT DEFECTS AND MAY BE FOUND IN ANY NEWLY CONSTRUCTED BUILDING. PURCHASERS WHO PURCHASE A UNIT IN THE BUILDING OR IN ANY OTHER BUILDING MAY EXPERIENCE SOME OR ALL OF THESE ITEMS AND CONDITIONS IN THE COMMON ELEMENTS. SPONSOR HAS NO OBLIGATION TO CORRECT OR REPAIR ANY OF SUCH ITEMS AND CONDITIONS IN THE COMMON ELEMENTS AND SHALL NOT BE LIABLE TO ANY PURCHASER OR TO THE CONDOMINIUM BOARD THEREFOR. IF THE CONDOMINIUM BOARD DESIRES TO CORRECT OR REPAIR ANY SUCH ITEMS OR CONDITIONS, TO THE EXTENT THEY CAN BE CORRECTED OR REPAIRED, THE CONDOMINIUM BOARD WILL HAVE TO PROCEED AT ITS SOLE COST AND EXPENSE AND/OR ANY WARRANTIES OR UNDERTAKINGS ASSIGNED TO IT BY SPONSOR.

NOTHING CONTAINED IN THIS SECTION WILL BE CONSTRUED SO AS TO RENDER SPONSOR LIABLE FOR CONSEQUENTIAL DAMAGES (WHETHER BASED ON NEGLIGENCE, BREACH OF CONTRACT, BREACH OF WARRANTY, OR OTHERWISE), IT BEING INTENDED THAT SPONSOR'S SOLE OBLIGATION UNDER THIS SECTION 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 HEREIN, SPONSOR WILL HAVE NO OBLIGATION TO CORRECT OR REPAIR ANY OTHER DEFECTIVE OR OTHER CONDITIONS WITH REGARD TO THE COMMON ELEMENTS OF THE BUILDING 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 OF THE COMMON ELEMENTS OF THE BUILDING CONTAINED IN THIS SECTION, NO OTHER WARRANTIES OR UNDERTAKINGS SHALL BE IMPLIED WITH REGARD TO THE COMMON ELEMNTS OF THE BUILDING.

(o) Except for those warranties or guarantees provided to Sponsor by contractors, manufacturers or suppliers, which Sponsor will assign to the Condominium Board, as necessary, Sponsor does not make any warranty of any kind, express or implied, and Sponsor hereby disclaims any and all other warranties, including but not limited to, implied warranties of merchantability and fitness for a particular purpose, with respect to the construction of the Common Elements and with respect to the

personal property located within the Common Elements, and the Unit Owners assume all risk and liability from the use of this property.

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

(q) 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.

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

(s) No Closing of a Unit will occur prior to the issuance of a Temporary Certificate of Occupancy for the Unit.

(t) Sponsor shall have the obligation to defend any suit or proceeding arising out of Sponsor's acts or omissions and to indemnify the Condominium Board or Unit Owner(s) in any such action or proceeding.

(u) Sponsor will deliver to the Condominium Board copies of all of the mechanical, electrical and plumbing drawings for the Building.

(v) 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 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 such plans.

(w) Subject to Sponsor's right during the Initial Control Period to delay the obligation of Unit Owners to pay Common Charges set forth at the end of this Section, Sponsor will pay all Common Charges, 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 with respect to Unsold Units 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.

(x) Sponsor will initially procure on behalf of the Condominium Board the insurance relating to the Condominium which is required to be maintained by the Condominium Board in accordance with the provisions of the By-Laws the 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" for further details).

(y) Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan and all exhibits or documents referred to herein shall be available for inspection, by prospective Purchasers and by any person who shall have purchased a Unit offered by the Plan or shall have participated in the offering of such Unit, at Sponsor's office and shall remain available for such

inspection for a period of 6 years from the date of the recording of the Declaration. In addition, a set of Floor Plans showing the layout, location and approximate dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the City Register's office when the Declaration is recorded, and an additional set will be furnished to the Condominium Board.

(z) In the event of the dissolution or liquidation of Sponsor, the Principals of 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 Law.

(aa) The acceptance of a deed by a Purchaser shall be deemed an acknowledgment that Sponsor has performed and discharged every agreement and obligation on the part of Sponsor to be performed under the Plan except those (if any) which may be expressly stated in the Plan, in the Purchase Agreement, in 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan) and in General Business Law Section 352-e to survive delivery of the deed.

(bb) Sponsor will arrange for the subordination of any mortgages encumbering the Property at the First Closing to the Declaration, and Sponsor will arrange for the release of Units from the liens of any mortgages encumbering the Property at the time of the applicable Unit's Closing.

(cc) Until all of the Units of the Condominium have been sold by Sponsor, the name of the Condominium may not be changed except by Sponsor in Sponsor's sole and absolute discretion;.

(dd) Sponsor shall not be responsible for architectural and engineering fees incurred by a Unit Owner in connection with the Unit Owner's purchase of a Unit, and Sponsor shall not be responsible for architectural fees and engineering fees incurred by the Condominium in assessing or inspecting the Building.

Obligations of Sponsor hereunder with respect to the Building 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 hereunder to correct defects in a Unit, as described in subparagraph (m) above, run only to Unit Owners who purchase a Unit from Sponsor. The obligations do not run to Owners who purchase Units on resale from other Unit Owners.

Except as set forth above or as required by Law, 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 it is called upon to perform. No representation can be made that it will be financially able to perform any or all of such obligations. Unless expressly provided to the contrary herein, the obligations of Sponsor under the Plan shall survive the delivery of the respective 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 no less than 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.

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 purchasers 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 apartments and in any other manner in compliance with Law. In the event Sponsor thereafter elects to sell any such Unsold Unit, Sponsor may require the Purchaser thereof to purchase all or any of the furnishings, equipment or decorations therein and pay, in addition to the purchase price for such Unit, such amounts as Sponsor may determine. In no event shall the presence of any furniture, furnishings, equipment or decorations in any model apartment imply or represent that any Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Unsold Unit to the Purchaser of such Unit unless such Purchaser agrees to pay Sponsor an amount as determined by Sponsor in addition to the purchase price for such Unsold Unit.

Sponsor's Rights of Access

(a) General:

As a condition of sales of Units pursuant to this Plan, Sponsor reserves to itself, its successors, assigns, designees, invitees, contractors, agents, employees and tenants any and all easements and rights of access, in and to Units, Common Elements and Limited Residential Common Elements consistent with the purposes of the Plan and Sponsor's rights and obligations thereunder. 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 or 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.

(b) Examples of Specific Easements and Rights of Access Reserved by Sponsor:

Without in any way limiting the generality of rights reserved in Paragraph "a" above, such rights reserved to Sponsor and its designee(s) specifically include the following:

1. The right to maintain any vacant and Unsold Unit(s) as general and sales and leasing office(s) and/or Model Residential Unit(s) and to maintain personnel at the Property, to post signs, and to conduct other activities connected with promotion, sales or leasing, such as inspection by and display of vacant or leased Units, as well as all Common Elements and Limited Residential Common Elements, to prospective purchasers or lessees;

2. Right of access in and to Units, Common Elements and Limited Residential Common Elements for purposes of construction, repair, refurbishment,

corrections, alterations, finishing, servicing (including but not limited to garbage collection) and similar work;

3. Right to show vacant or leased Units;

4. Utility and other easements for the benefit of Unit Owners, Common Elements and Limited Residential Common Elements.

(c) Sponsor reserves a right of access in and to the Common Elements, once Sponsor has conveyed all of its Units, for promotional purposes relating to other ventures of Sponsor or Principals or affiliates of Sponsor.

Sponsor, Sponsor-designees and any partner of any entity affiliated directly or indirectly with Sponsor shall exercise all rights of access so as to limit, to the extent practicable, unnecessary interference with use of the Property by Unit Owners. Sponsor, Sponsor-designees and any partner of any entity affiliated directly or indirectly with Sponsor agrees to repair damage directly attributable to and caused by Sponsor, Sponsor-designees and any partner of any entity affiliated directly or indirectly with Sponsor or its agents as a result of exercising such rights of access.

Delay in Collection of Common Charges. During the Initial Control Period, Sponsor shall have the right, in its sole discretion, to delay the obligation of the Unit Owners to pay Common Charges from and after the First Closing, for a period to be determined by the Sponsor provided that the expenses of the Condominium (including, but not limited to, insurance premiums) during such period are timely paid by, and the contingency line item on Schedule B to the Offering Plan is funded by, Sponsor. Upon commencement of the obligation to pay Common Charges, there will not be a Special Assessment for the payment of any expense set forth in the First Years Budget incurred prior to the date Common Charges become payable. During any period during which the obligation to pay Common Charges is delayed, Sponsor shall remain obligated to update the budget for the Condominium, as provided for in the governing regulations. In the event Sponsor elects to delay the collection of Common Charges, it will disclose such fact in the Closing Notice to Purchasers; however, failure to do so shall not affect Sponsor's right to delay the collection of Common Charges, so long as a Purchaser is otherwise notified of the delay in writing prior to the Closing of its Unit. Sponsor will further disclose such fact in the post-closing amendment to the Plan, and shall also disclose in the post-closing amendment, the anticipated period of delay. Sponsor will notify all Unit Owners in writing of the expiration of the delay period at least thirty (30) days prior to the commencement of collection of Common Charges and will disclose such fact in the subsequent amendment to the Plan.

Certification of Sponsor and Principal. Part II of this Plan includes a Certification by Sponsor and Sponsor's Principals. Principals of Sponsor have executed the Certification of Sponsor and Principals for compliance with the Martin Act and governing regulations. Consistent with a recent decision by the Appellate Division of New York State Supreme Court, First Department, the 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).

CONTROL BY SPONSOR

The initial Condominium Board shall consist of three (3) persons designated by Sponsor. Sponsor presently contemplates that the initial members of the Condominium Board shall be Jane Gol, Amir Chaluts, and Benjamin Gordon, who shall serve as President, Vice President and Secretary/Treasurer of the Condominium Board, respectively. Each of these individuals is a Principal of 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 until the first annual meeting of Unit Owners to be held within approximately 30 days after the earlier to occur of: (a) the first anniversary of the First Closing under this Plan, or (b) the date Sponsor has closed title to Residential Units with Purchasers with respect to at least 90% of the aggregate Residential Common Interest appertaining to all Residential Units.

Commencing with the first annual meeting of Unit Owners, but subject to the provisions of the following two (2) paragraphs, the Condominium Board shall consist of five (5) persons. Four (4) persons shall be elected or designated by the Residential Unit Owners (including Sponsor) ("Residential Members") and one (1) person shall be designated by the Commercial Unit Owner ("Commercial Member"). The number or composition of Condominium Board members may not be changed except in accordance with the procedures described in the By-Laws.

At meetings of the Unit Owners, Sponsor will have the right to vote all of the Common Interests attributable to the Residential Units and Commercial Unit owned by Sponsor as it sees fit. However, at elections of members to the Condominium Board held during the Initial Control Period, (that is, the period ending on the earlier of (a) the closing of title with Purchasers under the Plan to Residential Units having at least 90% of the aggregate Common Interest appertaining to all Residential Units, or (b) five (5) years after the first Closing of a Residential Unit), Sponsor will have the right to designate three (3) of the four (4) Residential Members of the Condominium Board and all Residential Unit Owners (including Sponsor) shall have the right to vote for the remaining Residential Member of the Condominium Board.

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

Within thirty (30) days after the end of the Initial Control Period, (that is, the period ending on the earlier of (a) the closing of title with Purchasers under the Plan to Residential Units having at least 90% of the aggregate Common Interest appertaining to all Residential Units, or (b) five (5) years after the First Closing), three (3) of the four (4) Residential Members of the Condominium Board designated by Sponsor shall resign and their replacements shall be filled at an election held at a meeting called for such purpose, at which election the resignations shall take effect.

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 one (1) Unsold Residential Unit.

Until Sponsor no longer elects a majority of the members of the Condominium Board, 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.

Until Sponsor has conveyed title to all the Units, but in no event later than five (5) years after the First Closing, whichever shall first occur, the Condominium Board may not take any of the following actions without Sponsor's prior written consent (notwithstanding the number of votes Sponsor controls): (a) make any addition, alteration or improvement to the Common Elements or to any Unit unless the same

are required by Law, or (b) assess any Common Charges or Special Assessments for the creation of, addition to, or replacement of, all or part of a reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of, employees initially employed for the Condominium, or (d) enter into any service or maintenance contract for work or otherwise contract for work or services not covered in the First Year's Budget, 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 items (a) through (f) above, if, and only if, the performance of such function or the carrying out of such action is necessary and no other alternative is available to enable the Condominium Board to comply with Law or to remedy any notice of violation or perform any work order of the Condominium's insurer. Sponsor shall not exercise veto power over the expenses described in Schedule B or expenses required to enable the Condominium Board to comply with Law, or to remedy any notice of violation or perform any work order of the Condominium's insurer.

Sponsor's Right to Perform Alterations

Sponsor (and its successors, assigns and designees) shall have the right to alter any Unit, Common Element or Limited Residential Common Element subject to filed amended plans and/or specifications, and consistent with the terms of this Plan.

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

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 obtained by the Condominium. The amount and cost of the insurance has been provided for in the First Year's Budget. As provided in the By-Laws, no member of the Condominium Board or officer of the Condominium shall have any personal liability to the Condominium or to any Unit Owner, except that a member of the Condominium Board shall be liable for such members' own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and appurtenant Common Interests, indemnify each member of the Condominium Board against any liability or claim except those arising out of such members' own bad faith or willful misconduct. See Section 2.20 of the By-Laws of the Condominium for further details pertaining to the indemnification of the members of the Condominium Board.

The President of the Board may call a special meeting of the Condominium Board whenever he deems the same to be necessary or desirable. The President shall call a special meeting upon the written request of three (3) or more members of the Condominium Board.

Composition of the Condominium Board

Until the first annual meeting of the Unit Owners, the Condominium Board shall consist of three (3) individuals, all of whom shall be designated by Sponsor. It is anticipated that the first three members of the Board of Managers and officers will be Jane Gol, Amir Chaluts and Benjamin Gordon, with Jane Gol as President. Each of the individuals is a Principal of Sponsor. From and after the first annual meeting of the Unit Owners, and for so long as Sponsor continues to own at least one (1) Unsold Residential Unit, the Condominium Board shall consist of five (5) individuals, four (4) of which shall be elected and/or designated by the Residential Unit Owners (including Sponsor), and one (1) of which shall be designated by the Commercial Unit Owner, subject to Sponsor's rights during the Initial Control Period. See the section above entitled "Control by Sponsor" for an explanation of the compilation of the Board of Managers. It is possible that a significant proportion of Residential Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Residential Unit Owners. Because there is no commitment on the part of Sponsor to sell more than fifteen percent (15%) of the Residential Units, as needed to declare the Plan effective, owner-occupants may never gain effective control and management of the Condominium, and may have difficulty in financing or reselling their Units. Owner-occupants and non-resident owners (including the Sponsor) may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, *i.e.* purchase as a home as opposed to an investment.

Except for Board members designated by Sponsor or the Commercial Unit Owner, all members of the Condominium Board shall be (i) individual Residential Unit Owners or adult Family Members; or (ii) Permitted Mortgagees; or (iii) officers, directors, shareholders, partners, principals, members, employees or beneficiaries of corporation, partnerships, fiduciaries, limited liability companies or other entities that are Residential Unit Owners or Permitted Mortgagees. No Unit Owners may serve on the Condominium Board if the Condominium Board has a perfected lien against such Unit Owner's Unit.

When voting for the Condominium Board, each Residential Unit Owner shall have one (1) vote for each .01% of Common Interest attributable to his Residential Unit per member of the Board. Cumulative voting is not permitted. For all other voting, each Residential Unit owner shall be entitled to cast one (1) vote for each .01% of Common Interest attributable to his Residential Unit.

Removal of Board Members

An elected Residential Member of the Condominium Board may be removed with or without cause by an affirmative vote of a Majority of Residential Unit Owners, including Sponsor, who are present at a meeting containing a quorum of Unit Owners, provided, however, that any Residential Member designated by Sponsor may only be removed without cause and replaced by Sponsor, and further provided, however, that the Commercial Member of the Condominium Board may only be removed without cause by the applicable Commercial Unit Owner(s). Any Condominium Board member may be removed by the Condominium Board for cause. If any member of the Condominium Board who was designated by the Commercial Unit Owner is removed with or without cause, his replacement shall be designated only by the Commercial Unit Owner. Similarly, if any member of the Condominium Board designated by Sponsor is removed with or without cause, his replacement shall be designated only by Sponsor. No member of the Condominium Board shall continue to serve on the Condominium Board if, during his 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 this provision respecting Unit ownership and Condominium Board membership shall not apply to members of the Condominium Board designated or elected by Sponsor or a Commercial Unit Owner.

Upon the affirmative vote of a majority of the members of the Condominium Board, any officer may be removed with or without cause. A successor officer may be elected at any regular Condominium Board meeting or at any special Condominium Board meeting called for such purpose.

Percentage of Common Interest Needed to Amend the By-Laws and Declaration of Condominium

With certain exceptions set forth in Article 12 of the By-Laws and Article 18 of the Declaration of Condominium, the percentage of Common Interest needed to amend the Condominium By-Laws and to change the Declaration of Condominium after it has been filed is not less than 66-2/3 percent in number and in Common Interest of all Unit Owners having voting rights taken in accordance with the provisions of the ByLaws.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS

Sales and Leases of Units

Each Residential Unit Owner may sell or lease his Residential Unit for terms of one (1) year or more provided he ("Offering Unit Owner") first gives the Condominium Board, on behalf of all Residential Unit Owners, notice of his intention to sell or lease such Residential Unit and an opportunity to purchase or lease such Residential Unit at the same price or rental and on the same terms as were offered in good faith by a prospective Purchaser or lessee, as more specifically provided in the By-Laws. The Condominium Board may not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by Law. If the Condominium Board does not elect to purchase or lease the Residential Unit within 30 business 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 fully executed within such 60 day period or such sale or lease 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 (but not more than once in any twelve (12) month period). 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 Residential Unit without prior approval of a majority in interest of Residential Unit Owners. 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 Declaration, the By-Laws and the Rules and Regulations, 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 Residential 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.

Sponsor has been advised that as of the date of acceptance of this Plan, the Right of First Refusal contained in Section 7.2 of the By-Laws shall not have an adverse impact on the ability of a Residential Unit Owner to obtain financing from either Freddie Mac or Fannie Mae lenders as of the date of acceptance of this Plan.

Any purported sale or lease of a Residential Unit in violation of this section shall be voidable at the election of the Condominium Board.

A Residential Unit Owner may (i) lease, sell or convey the Residential Unit to a spouse, adult child or grandchild, parent, grandparent or adult sibling, (ii) convey his Residential Unit by gift, (iii) devise his Residential Unit by will, or have it pass by intestacy, without complying with the foregoing restrictions; provided, however, that each succeeding Residential Unit Owner shall be bound by, and his Residential Unit shall be subject to, the preceding restrictions. In addition, any Residential 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.

The Commercial Unit Owner is free to sell or lease the Commercial Unit without first notifying or obtaining the approval of the Condominium Board.

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.

A Unit Owner may only sell or lease his entire Unit. In addition, each conveyance of a Unit by a Unit Owner shall include, as part of the property to be conveyed, such Unit Owner's undivided interest in (a) the Common Elements; (b) the Residential Common Elements and the Limited Residential Common Elements (in case of a Residential Unit only); (c) any Unit or Units acquired by the Condominium Board on behalf of all Unit Owners, or any proceeds of the sale or lease thereof; and (d) 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 such Unit (other than Permitted Mortgages) are paid and/or satisfied at or prior to the sale or lease of the Unit. In addition, the Condominium Board may establish reasonable fees for the processing of sale and lease notices, which shall be payable by the Offering Unit Owner.

Notwithstanding anything contained herein to the contrary, prior to the Closing of Title to a Unit, the Purchase Agreement prohibits a Purchaser from listing such Unit for resale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease, without Sponsor's prior written consent.

Units Acquired by Condominium Board

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

The purchase of any Residential Unit by the Condominium Board on behalf of the Residential Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Condominium Board that belong solely to the Residential Unit Owners and not commingled with any general funds in which the Commercial Unit Owner has an interest. If the funds in such account are insufficient to effectuate any such purchase, the Condominium Board may levy an assessment against each Residential Unit Owner in proportion to his Residential Common Interest, as a Common Charge or Special Assessment and/or the Condominium Board may, in its discretion, finance the acquisition of such Unit; provided, however, that financing may only be obtained when permitted by the By-Laws and that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its Common Interests.

Use of Units

A Residential Unit shall be used as a residence. Not more than one family may occupy a Unit at one time and no transient tenant may be accommodated in any Residential Unit. A Residential Unit may not be used for any hotel type use, short-term vacation use, or any short-term use for which a Residential Unit Owners receives any payment or fee. Notwithstanding the foregoing, Sponsor may rent out an Unsold Residential Unit for short-term use.

A Residential Unit owned or leased by an individual, corporation, limited liability company, partnership, 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, the fiduciary, a member of the

limited liability company, or beneficiary of such fiduciary, a principal or employee or such other entity, respectively, or by members of the immediate family or guests of any of the foregoing. A Residential Unit may be used for any other lawful purpose, provided such use is permitted by, and complies with Law, does not violate the then existing Certificate of Occupancy covering the Building, and the Condominium Board, in its sole discretion, grants permission for such use.

Notwithstanding the preceding paragraph, Sponsor may, without the permission of the Condominium Board: (a) use or grant permission for the use of any Unsold Residential Unit as a professional office or for any other purpose, provided such use is permitted by and complies with Law and such use does not violate the then existing Certificate of Occupancy covering the Building; (b) retain ownership of one or more Unsold Residential Units for use as models and sales and/or promotion and/or leasing offices in connection with the sale or rental of other Unsold Units; and (c) lease any Unsold Residential Units to third parties for either long or short-term stays.

The Commercial Unit may be used for any legally permitted purposes, except that in no event may all or any portion of any Commercial Unit be used for (i) any sex-related commercial establishment or massage parlor, or establishment where pornographic material is displayed or distributed, or obscene, nude or semi-nude performances are shown live or in a videotaped or other recorded format, except in conjunction with legitimate theatrical or dance performances as permitted by applicable law, (ii) any club, tavern or bar not incidental to restaurant or reception hall use, (iii) any betting parlor, casino or gambling type establishment, or (iv) any drug rehabilitation clinic or treatment center.

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 nuisance, immoral, improper, offensive or unlawful use shall be allowed in the Building. All Laws shall be complied with at the sole expense of the respective Unit Owners or the Condominium Board, whoever or whichever shall have the obligation to maintain or repair such portion of the Property.

Except as otherwise provided in the Declaration and/or By-Laws, no awnings, air conditioning equipment or ventilators shall be installed or modified in the Building without prior written approval of the Condominium Board.

No radio or television aerial or other similar device shall be erected on the roof or exterior walls of the Building or on the Property, without obtaining in each instance the prior written consent of the Condominium Board. Notwithstanding the foregoing, Sponsor, its designee(s) and the Commercial Unit Owner shall each have a permanent easement to erect, use, lease, maintain, repair, replace and operate antennae, satellite dishes and other communications equipment, as permitted by Law, on any part of the roof and/or façade of the Building and elsewhere on the Common Elements and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith. Sponsor and/or the Commercial Unit Owner shall be entitled to utilize such easement for Sponsor's and/or Commercial Unit Owner's own account or the account of any tenants or licensees of Sponsor or Commercial Unit Owner. Sponsor's designees shall be entitled to utilize such easement for their account or the account of any tenant, or licensees of such Sponsor designees. However, the easement shall not be used by the Commercial Unit Owner for the operation of a telecommunications company or any other business whose primary purpose is the broadcasting of telephone, radio, communications or other signals. The Sponsor's easement shall include the right of Sponsor and/or its designees to enter into agreements with one or more providers of communications equipment and services, such as, without limitation, cellular equipment, cable, internet, satellite dish and similar or dissimilar equipment that would permit such providers the right to: (i) install, maintain, repair and replace their equipment on the roof of the Building, (ii) install, maintain, repair, replace and remove wires, conduits, cables, ducts, connective equipment and such other equipment whether similar or

dissimilar, in and through the Common Elements, and (iii) use a portion of the Common Elements for equipment. Sponsor and/or its designees shall be entitled to retain any revenues from any such provider. The Condominium Documents do not provide that the aforementioned easements revert to the Condominium or that any revenues generated therefrom revert to the Condominium.

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 Residential Unit without the consent of the Condominium Board. In no event shall any Unit Owner maintain more than two (2) pets in a Unit without the consent of the Condominium Board. Each Unit Owner who keeps any type of pet in his Unit will be required to: (a) indemnify and hold harmless the Condominium, 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. In no event may pets be kept on a terrace.

Each Unit Owner shall keep his 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 his own 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 Owner 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).

Unit Owners shall not be permitted to make alterations or improvements to Units which could delay the issuance of a Final Certificate of Occupancy for the Building.

Mortgage of Units by Unit Owners

Each Residential Unit Owner may mortgage his 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 used by any Institutional Lender 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 his Unit, other than Permitted Mortgages. Sponsor shall have the right to mortgage any Unsold Unit and the Commercial Unit Owner shall have the right to mortgage the Commercial Unit without any restriction or limitation.

As more particularly set forth in the Section entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws", in certain instances the consent of a majority of Permitted Mortgagees 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, (ii) a bank, trust company, insurance company, real estate investment or mortgage trust or (iii) a governmental or union employee, welfare, pension or retirement fund or system.

Common Charges: Determination and Assessment

Common Expenses and Special Assessments, which are payable by Unit Owners and are included in their Common Charges, are based upon the allocations set forth in the First Year's Budget and as provided in Section 6.1(E) of the By Laws. Those Common Charges which are not based upon Percentage of Common Interest are based upon estimated usage of particular services, and/or based upon special or exclusive use or availability or exclusive control of particular Common Elements by particular Unit Owners. The allocations set forth in the First Year's' Budget and Section 6.1(E) of the By Laws cannot be changed without the consent of the Commercial Unit Owner. Common Expenses not included in the First

Year's Budget and Special Assessments shall be based upon estimated usage of particular services, and/or based upon special or exclusive use or availability or exclusive control of particular Common Elements by particular Unit Owners. 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; (c) real estate taxes and assessments levied with respect to the Property (until the same are separately assessed to individual Units); and (d) amounts for certain other items as the Condominium Board may deem proper, such as amounts for reserves or in connection with the purchase or lease by the Condominium Board of any Unit. (See Articles 2 and 6 of the By-Laws for further details pertaining to the Condominium Board's right to accumulate reserves for capital expenditures). The Condominium Board must obtain the consent of 66 2/3% of the aggregate Common Interest or Residential Common Interest of all Unit Owners in connection with capital expenditures or assessments exceeding $500,000 per fiscal year.

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

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.

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.

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 Residential Unit to pay its rent directly to the Condominium if the Unit Owner has failed to pay Common Charges, assessments or late fees for such Unit within 60 days after the expiration of any grace period.

Common Charges: Collection and Lien for Non-Payment

Under the provisions of Section 339-z of the Real Property Law of the State of New York 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 of the Units. 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 Residential 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 reasonable attorneys' fees.

Sponsor obligates itself to cause any members of the Condominium Board related to or affiliated with Sponsor to vote in favor of filing a lien as provided for in Section 339-aa of the Real Property Law against any Unsold Units owned by Sponsor with respect to which payments of Common Charges have not been made within 30 days after the date when due, while Sponsor controls the Condominium Board.

No Unit Owner may exempt himself from liability for his Common Charges by waiving use of any of the Common Elements or by abandonment of his Unit. No Unit Owner, however, will be liable for the payment of any part of the Common Charges assessed against his Unit subsequent to a permissible sale, transfer or other conveyance by him of such Unit. In addition, as more specifically set forth in the By-Laws, a Unit Owner may, by conveying his Unit without consideration to the Condominium Board and complying with certain conditions in connection therewith, exempt himself from Common Charges thereafter accruing. Such conditions include the payment of all Common Charges and assessments then due and payable with respect to his Unit and such Unit being free and clear of all liens and encumbrances other than Permitted Mortgages. However, in no event shall Sponsor be permitted to convey any Unsold Unit to the Condominium Board and thereby exempt itself from Common Charges attributable to such Unit thereafter accruing, unless: (i) the aggregate Common Interests appertaining to the Unsold Units constitutes 25% 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 (ii) 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. With respect to the Commercial Unit, at least 5 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 Commercial Unit 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 his acquisition. Prior to the permissible sale, transfer or other conveyance of a Unit, any seller or Purchaser of a Unit 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.

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), including the heating and cooling systems, the plumbing, appliances in the Units and the interior side of entrance doors thereto, will be made by the owner of such Unit at such Unit Owner's sole cost and expense, (b) in or to the General Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners as a General Common Expense (c) in or to the Residential Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to all Residential Unit Owners as a Residential Common Expense; and (d) in or to the Limited Residential Common Elements will be made by the Condominium Board and the cost and

expense thereof will be charged to all Residential Unit Owners as a Residential Common Expense, if involving structural or extraordinary maintenance, repair or replacement, or by the Residential Unit Owner having direct and exclusive access thereto at such Residential Unit Owners cost and expense, if involving painting, decorating, and non-structural ordinary maintenance, repairs and replacement. A Residential Unit Owner is also responsible for the maintenance, repair and replacement of any deck located in any Limited Residential Common Element to which the Residential Unit has exclusive use.

Notwithstanding the above, all normal maintenance, repairs and replacements of any terrace, including but not limited to pavers and pedestals, shall be made by the Residential Unit Owner having access to same, at his own cost and expense, but any structural or extraordinary repairs or replacements to such terrace (including any leaks which are not caused by the negligence of the Residential Unit Owner having access to the same) will be made by the Condominium Board and the cost and expense thereof will be charged to all Residential Unit Owners as a Residential Common Expense. Any Unit Owner having access to a terrace as a Limited Residential Common Element shall keep it 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 allowed to enclose or erect a greenhouse and/or alter a terrace appurtenant to a Unit in such a way that will alter the exterior or conformity of the Building or terrace, without the prior written consent 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 review of the Condominium's architect and engineer and to the prior written approval of the Condominium Board.

The exterior and interior glass surfaces of all windows located in any Residential 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. 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 other Unit Owner).

If any repairs or replacements to the Common Elements, whether structural or non-structural, ordinary or extraordinary, are necessitated by the negligence, misuse or abuse of a Unit Owner or such Unit Owner's agents, workers, guests, etc., such maintenance, repairs or replacements will be made by the Condominium Board, and any portion of the cost thereof which is not covered by the insurance maintained by the Condominium Board 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 his 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 sub-section entitled "Rights of Access" for further 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.

Alterations, Additions and Improvements to Units and Common Elements

No Residential Unit Owner may make any structural alteration, addition, improvement or repair in or to his Residential Unit or its appurtenant Limited Residential Common Elements, without the prior written approval of the Condominium Board but, as more fully set forth in the By-Laws, this provision

does not apply to an Unsold Unit. Except as otherwise permitted in the By-Laws, no Unit Owner may make any alteration, addition, improvement or repair in or to the Common Elements without the prior written approval of the Condominium Board.

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

The Commercial Unit Owner shall have the right, without the approval of the Condominium Board, the Selling Agent, the Managing Agent, other Unit Owner's, or representatives of holders of mortgages on Residential Units to make alterations, additions, improvements, or repairs in or to the Commercial Unit whether structural or non-structural, interior or exterior, ordinary or extraordinary, and to subdivide the Commercial Unit.

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 Residential Unit, or its appurtenant Limited Residential Common Elements the Condominium Board shall have the right to reasonably approve the Unit Owner's contractors and suppliers and may, at its option, require the Unit Owner to execute an agreement in form and substance satisfactory to the Condominium Board setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done. Any Unit Owner making or permitting an alteration, addition, improvement or repair in its Unit, or its appurtenant Limited Residential Common Elements is required by the By-Laws to (i) obtain the consent of the Condominium Board if relating to structural alterations, additions, improvements and/or repairs, (ii) obtain such insurance as the Condominium Board may require, (iii) indemnify the Condominium Board and the Managing Agent against any liability arising from the work, (iv) reimburse the Condominium Board for any architectural, engineering and legal fees incurred in connection with such work, and (v) execute an agreement prepared by the Condominium Board setting forth the terms and conditions under which such alterations may be made.

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 or improvement to be made in a Unit, unless approved and executed, if necessary, by the Condominium Board. After the issuance of a permanent certificate of occupancy for the Building, 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, materialman, 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 Unit shall be in accordance with, and only as permitted by, the Condominium Act and Law. Any costs and expenses incurred by the Condominium in connection with the review, approval and sign-off of a Unit Owner's alteration request shall be reimbursed by the Unit Owner requesting same and the Condominium Board will not be required to provide any approval until the Unit Owner has provided an alteration deposit, if any is required by the Condominium Board.

Generally, all alterations or improvements in or to the Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners as Common Expenses.

Insurance

The Condominium Board will be solely responsible for maintaining casualty and liability insurance with respect to the Building, in accordance with the provisions of the By-Laws. Each Unit Owner will be required to maintain, at and from the Closing of Title to his Unit, casualty insurance with respect to "Unit Specific Property", as such term is defined in the By-Laws, as well as liability insurance with respect to occurrences in or about the Unit. All such policies shall contain waivers of subrogation and further 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. A Residential Unit Owner will be required to maintain such insurance with respect to occurrences in any Limited Residential Common Element appurtenant to his Residential Unit. The casualty and liability insurance, each with coverage of no less than $1,000,000, shall be obtained from an insurance carrier with Best rating of A+XV and shall include the Condominium as an additional insured. The Residential Unit Owner shall provide the Managing Agent with a certificate of insurance evidencing such coverage at Closing and shall provide the Managing Agent with an updated certificate of insurance each year at least 30 days prior to the expiration of such coverages. The certificate should also include a requirement of at least 30 days notice of cancellation or material change be given to the Condominium. A Residential Unit Owner shall also require any tenant of its Unit to maintain similar coverages from an insurance carrier with Best rating of A+XV and to provide the Managing Agent a certificate of insurance evidencing such coverage at the time of lease signing and at each anniversary thereafter. The tenant's certificate must include the Residential Unit Owner and the Condominium as additional insureds and the certificate should include a requirement that at least 30 days notice of cancellation or material change be given to the Condominium and the Residential Unit Owner. It will be the responsibility of the Residential Unit Owner to obtain the documents required from its tenant and to submit them to the Managing Agent and/or the Condominium.

Rights of Access

As more fully set forth in the Declaration and By-Laws, the Condominium Board and any managing agent, manager, superintendent and other persons authorized by the foregoing, will have a right of access to any Unit or Limited Residential Common Element for the purposes of making inspections of the Common Elements, performing installations, alterations or repairs or replacements to the mechanical or electrical services or other Common Elements in the Unit or elsewhere in the Building, to remove violations, cure defaults by a Unit Owner, correct any condition originating in any Unit and threatening another Unit or any Common Element, and to inspect with an insurance adjuster, any Unit and/or Limited Residential Common Element relative to an insurance claim, 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. The aforementioned right of access includes a right of access through each Residential Unit and any appurtenant Limited Residential Common Elements on a quarterly basis for the purpose of inspecting and maintaining the Residential Units heating, ventilation, and air-conditioning equipment. 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 for purposes of performing certain alterations and repairs in or about Unsold Units and in fulfilling Sponsor's obligations under the Plan,

provided that access to any Unit may not be exercised in such a manner as will unreasonably interfere with the use of such Unit for its permitted purposes.

Rights of Access Benefitting Residential Units 2, 3 and 4

The Residential Unit Owners of Units 2, 3 and 4, the tenants of Residential Units 2, 3 and 4, the authorized agents of the Residential Unit Owners of Units 2, 3 and 4, and the authorized agents of the tenants of the Residential Unit Owners of Units 2, 3 and 4 will have a right of access to enter the sixth floor of Unit PH through the Building's elevator, and through the staircase leading from the sixth floor of the Building and accessed from Unit PH, to the roof of the Building, which staircase is a Residential Common Element, and through the private terrace on the roof of the Building, which private terrace is a Limited Residential Common Element for the exclusive use of Unit PH, for the purpose of installing, maintaining, replacing, and effecting any repairs to the equipment servicing Residential Units 2, 3 and 4, respectively, and located on the roof. Such right of access shall be exercised with reasonable care and in the presence of either the superintendent/porter or a representative of the Managing Agent.

Rights of Access Benefiting the Commercial Unit

The Commercial Unit Owner, the authorized agents of the Commercial Unit Owner, the tenants of the Commercial Unit Owner, and the licensees and invitees of the foregoing, who are physically handicapped, will have a right of access through the residential lobby, which is a Residential Common Element, to use the elevator, which is a Residential Common Element, for the limited purpose of entering and leaving the portion of the cellar level of the Building which comprises the Commercial Unit. Such right of access shall be exercised with reasonable care. The Commercial Unit Owner, the tenants of the Commercial Unit, the authorized agents of the Commercial Unit Owner, and the authorized agents of the tenants of the Commercial Unit will have a right of access through the residential lobby, which is a Residential Common Elements, to use the elevator, which is a Residential Common Element, to gain access to the cellar for the purpose of installing, maintaining, replacing and effecting repairs to any equipment or machinery servicing the Commercial Unit and located in the cellar. Such right of access shall be exercised with reasonable care. The Commercial Unit Owner, the tenants of the Commercial Unit Owner, the authorized agents of the Commercial Unit Owner, and the authorized agents of the tenants of the Commercial Unit Owner will have a right of access through the residential lobby, which is a Residential Common Element, to use the elevator, which is a Residential Common Element, and through the sixth floor of Unit PH, which is a Residential Unit, and through the staircase leading from the sixth floor of the Building, and accessed from Unit PH, to the roof of the Building, which staircase is a Residential Common Element, and through the private terrace on the roof of the Building, which private terrace is a Limited Residential Common Element for the exclusive use of Unit PH, for the purpose of installing, maintaining, replacing and effecting repairs to any equipment servicing the Commercial Unit and located on the roof. Such right of access shall be exercised with reasonable care and in the presence of either the superintendent/porter or a representative of the Managing Agent.

By-Laws and Rules and Regulations

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

Examination of Books and Records

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

Self-Help

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

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

Condominium Board

The affairs of the Condominium shall be governed by the Condominium Board, which shall initially be comprised of three (3) persons designated by Sponsor. Sponsor presently contemplates that the initial members of the Condominium Board shall be Jane Gol, Amir Chaluts, and Benjamin Gordon, who shall serve as President, Vice President and Secretary/Treasurer of the Condominium Board, respectively. Each of these individuals is a Principal of Sponsor. Sponsor reserves the right to designate different individuals to serve on the initial Condominium Board, in lieu of the above mentioned individuals. The first annual meeting of Unit Owners shall be held within approximately 30 days after the earlier to occur of: (i) the first (1st) anniversary of the First Closing or (ii) the date Sponsor has closed title to Residential Units with respect to at least 90% of the aggregate Residential Common Interest appertaining to all Residential Units. At such meeting, the incumbent Condominium Board shall resign and, subject to the rights of Sponsor and the Commercial Unit Owner to designate members of the Condominium Board, the Unit Owners shall elect the Residential Members of the new Condominium Board, which Board shall consist of 5 members. (See the Section of the Plan entitled "Control by Sponsor" for further details.) Thereafter, at each annual meeting, members of the Condominium Board shall be elected and shall serve until the next annual meeting thereof and until a successor has been elected and qualified.

Except for the members of Condominium Board designated by Sponsor and Commercial Unit Owner, all members of the Condominium Board must be either Residential Unit Owners or certain interested parties as described in the By-Laws. No Residential Member of the Condominium Board shall continue to serve on the Condominium Board if, during his term of office, such member shall cease to be a Unit Owner or an interested party (such as Sponsor or its designee) or shall have a lien filed against the respective Unit by the Condominium Board. All Board members 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 shall continue to own any Unit, but not later than 5 years from 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 for the creation or replacement of, or addition to, all or part of a 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 provide 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 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.

Meetings and Votes of Unit Owners

Successive annual meetings of Unit Owners shall be held within approximately 30 days of each anniversary of the first annual meeting. At such meetings, the Unit Owners shall elect the 5 member Condominium Board (subject to any rights of Sponsor and the Commercial Unit Owner to designate Condominium Board Members) and there shall also be transacted such other business as may properly come before such meetings. In addition, special meetings may be held from time to time pursuant to the By-Laws. The Secretary of the 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 5 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 entitled to vote and owning more than 40% of the Common Interests attributable to all Units shall constitute a quorum and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Unit Owners.

When voting for the Condominium Board, each Residential Unit Owner shall have one (1) vote for each .01% of Common Interest attributable to his Residential Unit per Residential Member of the Board. Cumulative voting is not permitted. For all other voting, each Unit Owner (including the Sponsor or its designee for so long as Sponsor shall own Unsold Units) shall be entitled to cast one (1) vote at all meetings of Unit Owners for each .01% of Common Interest attributable to such Unit Owner's Unit(s).

Officers

The principal officers of the Condominium shall be a President, Vice President, Secretary and Treasurer. 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, Vice President and Treasurer must be members of the Condominium Board. Except where the Residential Member is designated by Sponsor, any officer that is a Residential Member shall be a Residential Unit Owner, or an adult Family Member of a Residential Unit Owner, or an officer, director, partner, manager, member or shareholder of a Residential Unit Owner. Except as otherwise provided by the Condominium Board, no officer shall receive any compensation for acting as such.

Repair or Reconstruction after Fire or Other Casualty

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

If the Building is damaged or destroyed by fire or other casualty and the insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be shared entirely by all Unit Owners in proportion to their respective Common Interests. Notwithstanding anything in this paragraph to the contrary, no payment of surplus insurance proceeds shall be made to a Unit Owner until there has first been paid out of his share of such funds such amounts as may be necessary to reduce unpaid liens on his 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 his share of such funds such amounts as may be necessary to discharge all unpaid liens on his Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

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 and practicable, the following insurance: (a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building together with all service machinery contained therein (other than space defined by the dimensions of the Units and any appliances, fixtures, improvements or any furniture, furnishings, decorations, belongings or other personal property contained in the Units and covering the interests of the Condominium, the Condominium Board and all of the Unit Owners and all Permitted Mortgagees, as their respective interests may appear, under either an agreed amount replacement cost policy or under a policy including at least an 80% co-insurance provision so that the insured shall not be a co-insurer (for purposes of determining full replacement value of the Building the cost shall be exclusive of foundation and footings and without deduction for depreciation); (b) rent insurance in an amount equal to Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance; (f) water damage insurance; (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; (j) commercial umbrella coverage; and (k) such other insurance as the Condominium Board may determine. See Schedule B for details of Insurance Coverage for the projected first year of the Condominium's operation.

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 of the Unit Owners 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 all of the insureds, including all Unit Owners and Permitted Mortgagees. 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 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, the 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 his own Unit or within the Common Elements, if any, exclusive to his Unit. The Condominium Board shall review such limits no less than once each year. Until the first meeting of the Condominium Board following the first annual meeting of Unit Owners, such liability insurance shall be in at least the sum set forth in Schedule B with respect to bodily injury and property damage, combined single limit. The insurance discussed above shall also include cross-liability claims of one insured against another.

Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Condominium Board determines. The premiums for all insurance referred to above shall be a Common Expense.

Liability of the Condominium Board and Unit Owners

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). 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). Notwithstanding the foregoing, (i) if any such contract does not involve the Commercial Unit, then in such case, the contract shall state it is made only as agent for the Residential Unit Owners, and the Commercial Member of the Condominium Board shall have no personal liability thereon, and (ii) if any such contract does not involve the Residential Units, then in such case, the contract shall state it is made only as agent for the Commercial Unit Owner, and the Residential Members of the Condominium Board shall have no personal liability thereon. 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 and officers of the Condominium Board shall have no liability to Unit Owners except that a member or officer of the Condominium Board shall be liable for his or her 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, or 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.

Every contract made by the Condominium Board, by any officer of the Condominium, or by any 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) 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 General Common Elements, (ii) such proportionate share of the total liability thereunder as the Residential Common Interest of such Residential Unit bears to the aggregate Residential Common Interests of all Residential Unit Owners in the case of a contract relating to the Residential Common Elements, and (iii) such Unit Owner's interest in his Unit and its Appurtenant Interests, unless otherwise provided by Law.

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 four (4) months after the end of each fiscal year.

Amendments to Condominium Documents

Generally, subject to certain exceptions concerning, among other things, Sponsor, and Unsold Units, and provided that required consents of the Mortgage Representatives, if any, are obtained, 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 entitled to vote; 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 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. In addition, the Declaration, By-Laws and the Rules and Regulations may not be amended or modified so as to adversely affect the Commercial Unit Owner and/or the Commercial Unit without the prior written consent of the Commercial Unit Owner.

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 100% in number and in Common Interest of all Unit Owners. Such vote shall not be effective, however, unless written consents are obtained from the Mortgage Representatives, if any.

In the event of withdrawal, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on his Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

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 mechanics' 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 the 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 Residential Common Elements and the Common Elements, and an easement in favor of each Unit Owner to use, operate, maintain, repair, alter, rebuild, restore and replace 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, Sponsor shall have an easement to erect, maintain, repair and replace any sign permitted by law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit and the operation of any business of a tenant or occupant of any Unit.

Sponsor, its designee(s) and the Commercial Unit Owner shall each have a permanent easement to erect, use, lease, maintain, repair, replace and operate antennae, satellite dishes and other communications equipment, as permitted by Law, on any part of the roof and/or façade of the Building and elsewhere on the Common Elements and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith. Sponsor and/or the Commercial Unit Owner shall be entitled to utilize such easement for Sponsor's and/or Commercial Unit Owner's own account or the account of any tenants or licensees of Sponsor or Commercial Unit Owner. Sponsor's designees shall be entitled to utilize such easement for their account or the account of any tenant, or licensees of such Sponsor designees. The Sponsor's easement shall include the right of Sponsor and/or its designees to enter into agreements with one or more providers of communications equipment and services, such as, without limitation, cellular equipment, cable, internet, satellite dish and similar or dissimilar equipment that would permit such providers the right to: (i) install, maintain, repair and replace their equipment on the roof of the Building, (ii) install, maintain, repair, replace and remove wires, conduits, cables, ducts, connective equipment and such other equipment whether similar or dissimilar, in and through the Common Elements, and (iii) use a portion of the Common Elements for equipment. Sponsor and/or its designees shall be entitled to retain any revenues from any such provider. The Condominium Documents do not provide that the aforementioned easements revert to the Condominium or that any revenues generated therefrom revert to the Condominium. In addition, the Commercial Unit Owner shall each have an easement to erect, maintain, repair and replace any sign permitted by law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit and the operation of any business of a tenant or occupant of any Unit. The size, location, design and lighting of any such sign placed by the Commercial Unit Owner, if the Commercial Unit Owner is other than Sponsor or Sponsor's designee, shall be subject to the consent of the Condominium Board, which consent shall not be unreasonably withheld, conditioned, delayed or denied. If the Commercial Unit Owner is Sponsor or Sponsor's designee, then the Commercial Unit will not be subject to any consent of the Condominium Board relative to the size, location, design and lighting of any sign placed by the Commercial Unit Owner on the Property.

The Commercial Unit Owner, the authorized agents of the Commercial Unit Owner, the tenants of the Commercial Unit Owner, and the licensees and invitees of the foregoing, who are physically handicapped, will have a right of access through the residential lobby, which is a Residential Common Element, to use the elevator, which is a Residential Common Element, for the limited purpose of entering and leaving the portion of the cellar level of the Building which comprises the Commercial Unit. Such right of access shall be exercised with reasonable care. The Commercial Unit Owner, the tenants of the Commercial Unit, the authorized agents of the Commercial Unit Owner, and the authorized agents of the tenants of the Commercial Unit will have a right of access through the residential lobby, which is a Residential Common Elements, to use the elevator, which is a Residential Common Element, to gain access to the cellar for the purpose of installing, maintaining, replacing and effecting repairs to any equipment or machinery servicing the Commercial Unit and located in the cellar. Such right of access shall be exercised with reasonable care. The Commercial Unit Owner, the tenants of the Commercial Unit Owner, the authorized agents of the Commercial Unit Owner, and the authorized agents of the tenants of the Commercial Unit Owner will have a right of access through the residential lobby, which is

a Residential Common Element, to use the elevator, which is a Residential Common Element, and through the sixth floor of Unit PH, which is a Residential Unit, and through the staircase leading from the sixth floor of the Building, and accessed from Unit PH, to the roof of the Building, which staircase is a Residential Common Element, and through the private terrace on the roof of the Building, which private terrace is a Limited Residential Common Element for the exclusive use of Unit PH, for the purpose of installing, maintaining, replacing and effecting repairs to any equipment servicing the Commercial Unit and located on the roof. Such right of access shall be exercised with reasonable care and in the presence of either the superintendent/porter or a representative of the Managing Agent.

Rights of Access Benefitting Residential Units 2, 3 and 4

The Residential Unit Owners of Units 2, 3 and 4, the tenants of Residential Units 2, 3 and 4, the authorized agents of the Residential Unit Owners of Units 2, 3 and 4, and the authorized agents of the tenants of the Residential Unit Owners of Units 2, 3 and 4 will have a right of access to enter the sixth floor of Unit PH through the Building's elevator, and through the staircase leading from the sixth floor of the Building and accessed from Unit PH, to the roof of the Building, which staircase is a Residential Common Element, and through the private terrace on the roof of the Building, which private terrace is a Limited Residential Common Element for the exclusive use of Unit PH, for the purpose of installing, maintaining, replacing, and effecting any repairs to the equipment servicing Residential Units 2, 3 and 4, respectively, and located on the roof. Such right of access shall be exercised with reasonable care and in the presence of either the superintendent/porter or a representative of the Managing Agent.

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.

REAL ESTATE TAXES

The City of New York Department of Finance assesses the value of real property in the Borough of Manhattan for the purpose of computing real estate taxes. See Note 6 to Schedule A and the letter of Tuchman, Korngold, Weiss, Liebman & Gelles, LLP, Sponsor's counsel with regard to the estimation of real estate taxes, contained in Part II of the Plan, for a discussion of projections for the assessed valuation of a Unit, tax rates and the amount of taxes payable.

For the first year of operation of the Condominium, the projected assessed value of the Residential Units for the first six month period, January 1, 2016 through June 30, 2016, (representing six months of the 2015/2016 tax year), is $210,016. The tax rate for those Units for that period is estimated to be 13.25 percent, yielding an estimated taxable amount payable for that time period of $13,914. For that same period, the projected assessed value of the Commercial Unit is $31,382. Assuming the same tax rate, the tax amount payable for those first six months for the Commercial Unit would be $2,079.

The projected assessed value of the Residential Units for the following six month period of the first year of Condominium operation, July 1, 2016 through December 31, 2016, (representing six months of the 2016/2017 tax year), is $2,175,000. At a projected tax rate of 13.25 percent, the tax amount payable for those Units would be $144,094. For that same time period, the projected assessed value of the Commercial Unit is $325,000. At the same projected tax rate of 13.25 percent, the tax amount payable on the Commercial Unit for the second six months of 2016 is projected to be $21,531.

The projected real estate taxes set forth in Schedule A are based on the foregoing estimates. As indicated in the letter of Tuchman, Korngold, Weiss, Liebman & Gelles, LLP, real estate taxes for the Residential Units for the first post construction tax year, July 1, 2016 – June 30, 2017, are estimated to be $288,188 and real estate taxes for the Commercial Unit for the first post construction tax year are estimated to be $43,063.

Real Estate Taxes

The tax projections found in Schedule A are merely estimates and cannot be construed as an assurance of the actual amount of real estate taxes that will be assessed.

Each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for payment of, nor will the Unit be subjected to, any lien arising from the nonpayment of real estate taxes on other Units. Generally, Units may not be separately assessed until the tax year following the tax year in which the Declaration of Condominium is recorded. Until the Units are separately assessed and billed, each Unit Owner shall pay such Unit Owner's pro rata share (in the proportion that such Unit Owner's Unit's Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes with respect to the entire Property.

The By-Laws provide that the Condominium Board is entitled to execute and deliver documents necessary in connection with proceedings to obtain reduced real estate tax assessments with respect Unit Owners, for the benefit and on behalf of (i) all Residential Unit Owners, or (ii) for individual Residential Unit Owners, provided that each such Residential Unit Owner indemnifies the Condominium Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

Procedure to Review Real Estate Tax Assessments

The Condominium Board, on behalf of and as agent for all Residential Unit Owners, will be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units. All Residential Unit Owners will share the costs in

connection therewith and the benefits derived therefrom based on their respective Residential Common Interests. In the event any Unit Owner individually seeks to have the assessed valuation of his 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, reasonable attorneys' fees) resulting from such proceedings.

There are no tax certiorari proceedings pending in connection with the Property.

113

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

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

GERSTEIN STRAUSS & RINALDI LLP IS TAX COUNSEL TO SPONSOR AND NOT THE UNIT OWNERS. ALL UNIT OWNERS, POTENTIAL UNIT OWNERS AND THE CONDOMINIUM ARE HEREBY INFORMED THAT (I) ANY TAX ADVICE CONTAINED IN THIS PLAN AND/OR THE ATTORNEY'S INCOME TAX OPINION IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING PENALTIES UNDER THE INTERNAL REVENUE CODE, (II) THE ADVICE IS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED IN THE PLAN, AND (III) EACH UNIT OWNER, EACH POTENTIAL UNIT OWNER, AND THE CONDOMINIUM SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

Income Tax Deductions to Residential Unit Owners

Each Residential Unit Owner will own such Unit Owner's Residential Unit and its appurtenant interest in the Common Elements in fee simple and each Residential Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments. Since each Residential Unit Owner will own such Unit Owner's Residential 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 Tax Counsel that a Residential Unit Owner who uses such Unit Owner's Residential 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.

Tax Status of the Condominium

As discussed in the Attorney's Income Tax Opinion, except in any year in which the Sponsor rents a Residential Unit in the Premises for less than 30 days for at least one half of the days in the association's tax year, the Condominium should meet the requirements for qualification as a "homeowners association," under Internal Revenue Code Section 528 and accordingly, may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Unit Owners.

If such an election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources such as interest earned on any reserve fund (less expenses directly connected with the production of such income).

If the Condominium does not qualify as a "homeowners association," or if it does but chooses not to make the necessary election, it will be taxable as a partnership or corporation for Federal and New York State income tax purposes. Tax Counsel recommends that the Condominium file Form 8832 within 75 days of its formation so it will be taxable as a corporation for federal income tax purposes.

The qualification of an organization as a "homeowners association" is determined annually at the close of each taxable year, and it is possible that if the Condominium does not qualify in one year, it may nevertheless qualify in one or more future years.

No warranties are given that the Internal Revenue Service, the New York State Department of Taxation and Finance or the Finance Administration of the City of New York will allow the aforementioned deductions for mortgage interest and real estate taxes. There is also no assurance that the tax laws or the regulations or rulings issued thereunder, or any judicial interpretation thereof upon which Tax Counsel bases its opinion, will not change. In addition, none of the aforesaid give any warranties with respect to the tax consequences of the Plan or the tax consequences of ownership of any Residential Units offered under the Plan, and no one has been authorized to give any warranties.

115

ATTORNEY'S INCOME TAX OPINION

116

GERSTEIN STRAUSS & RINALDI LLP
ATTORNEYS AT LAW
57 WEST 38th STREET, 9th FLOOR, NEW YORK, NEW YORK 10018
TELEPHONE (212) 398-7900 • FACSIMILE (212) 575-2387

May 7, 2015

52 Wooster Holdings LLC
641 Lexington Avenue, 24th Floor
New York, New York 10022

Re: **52 Wooster Street Condominium, 52 Wooster Street, New York, New York**

Gentlemen:

In connection with the offering of condominium units under a plan entitled 52 Wooster 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 Residential Unit Owners. You have also asked for our opinion as to the tax status of the condominium association.

All capitalized terms not otherwise defined herein shall have the same meaning ascribed to them in the Plan.

We understand that under the Plan each Unit Owner will hold title to his Unit and an undivided interest in the Common Elements of the Property in fee simple. Under New York State law, each Unit and its interest in the Common Elements will be taxed as a separate parcel for real estate tax purposes. Each Unit Owner may place a separate mortgage on his Residential Unit and, by doing so, incur direct liability for the interest payable on such mortgage.

In our opinion under present law, subject to the limitations discussed in the following paragraph and subject to limitations imposed on the deduction of itemized deductions, interest on a mortgage secured by a Residential Unit paid or accrued by owner of such Residential Unit who is liable for the interest payment on such mortgage and who uses the Residential Unit exclusively as his personal residence will be deductible for federal income tax purposes in the appropriate year according to his method of accounting, provided that he itemizes his deductions. In rendering this opinion we assume that such interest is not prepaid, that the mortgage proceeds were used by the Residential Unit Owner to purchase the Residential Unit, that the Residential Unit is the owner's principal residence and that the Residential Unit Owner is an individual.

Except as provided below, residential interest is deductible if paid or accrued during the taxable year on indebtedness which is secured by either the taxpayer's principal residence, as defined for purposes of exclusion of gain on sale under Internal Revenue Code ("Code") Section 121, or on certain designated second homes. However, a ceiling is placed on the amount of

indebtedness which may be taken into account for purposes of this deduction. In general, with respect to indebtedness incurred in purchasing a Residential Unit, this ceiling is $1,000,000, or $500,000 in the case of a married individual filing a separate return. In addition, an individual may deduct interest on an additional $100,000 of indebtedness in excess of the $1,000,000 limit mentioned above as interest on home equity indebtedness. However, special limitations may apply to the deductibility of points and prepaid interest if any.

It is also our opinion under present law that real estate taxes assessed against a Unit Owner's Residential Unit which are paid or accrued by such owner will be deductible for federal income tax purposes in the appropriate year according to his method of accounting, provided that he itemizes his deductions.

We note that in some cases the amount of mortgage interest deductible by an individual Residential Unit Owner subject to the alternative minimum tax may be less than the amount deductible by a Residential Unit Owner subject to the regular income tax and that no deduction is allowed for real estate taxes paid by a taxpayer subject to the alternative minimum tax.

The mortgage interest and real estate taxes described above will also be allowable as deductions for New York State income tax purposes to a resident individual. We express no opinion with respect to these items under the New York State personal income tax on nonresidents. We also express no opinion as to the taxation of Residential Unit Owners who are not individuals.

We have reviewed various documents included as exhibits in the Plan relating to the organization of the Condominium Board of 52 Wooster 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 residential units.

(3) Ninety percent (90%) or more of the expenditures of the Association for the taxable year must be expenditures for the acquisition, construction, management, maintenance, and care of the Association's property.

(4) No part of the net earnings of the Association may inure to the benefit of any private shareholder or individual, other than by acquiring, constructing, or providing management, maintenance, and care of the Association's property and other than by a rebate of excess membership dues, fees, or assessments.

(5) The Association must qualify as a "condominium management association," which is an organization meeting the requirements of condition (1), above, with respect to a condominium project substantially all the units of which are used by individuals for residences.

(6) The Association must properly elect to have Code Section 528 apply for the taxable year.

"Substantially all the units" of a condominium management association will be considered as used by individuals for residences if at least eighty-five percent (85%) of the total square footage of all Units within the project is used by individuals for residential purposes. Units that are used for purposes auxiliary to residential use are considered as used for residential purposes. These auxiliary purposes include laundry areas, storage rooms, and areas used by maintenance personnel. A special limitation is established for transient use. No building or Unit will be considered as used for residential purposes if, for more than one half the days in the Association's taxable year, such Unit or building is occupied by a person or series of persons each of whom occupies the Unit or building for less than thirty days.

You have advised us that more than 85% of the total square footage of the Premises will be used by individuals for residential purposes and that no person other than the Sponsor may rent his Unit for a period of less than thirty (30) days. Accordingly, the "substantially all" test should initially be met unless the Sponsor rents Residential Units for periods of less than 30 days for one half of the days in the Association's taxable year.

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 for any year in which the Sponsor does not rent out Residential Units for periods of less than 30 days for one half of the days in the Association's taxable year, the Association will be eligible to elect tax-exempt status under Code Section 528. If such exempt status is properly elected, it is our opinion that the Association will not be subject to federal income tax for the taxable years in which such election is in effect, except as noted in the following paragraph.

An effective election will exempt from federal income taxation all amounts received by the Association as exempt function income. This consists of amounts received as membership dues, fees, or assessments from owners of Units. However, the Association will be subject to tax on income which is not exempt function income to the extent such income exceeds expenses properly allocable to such income. Examples of income which is not exempt function income are interest earned on reserve funds, amounts received from persons who are not members of the

Association, amounts received for work done on privately owned property which is not Association property, and amounts received from members for special use of the Association's facilities, the use of which is not available to all members as a result of having paid the dues, fees, or assessments required to be paid by all members.

If the Association fails to qualify as a "homeowners association", or if it does but chooses not to make the necessary election, the present state of the law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. Tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of its income (including the nonmembership, and possibly membership, income described above less expenses related to such income) is subject to Federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners. The tax treatment of the Condominium may be affected by certain United States Treasury Department regulations relating to entity classification.[1]

This opinion 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.

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,

Gerstein Strauss & Rinaldi LLP

Gerstein Strauss Rinaldi LLP

[1] To remove doubt in the area, the Association may be able to elect to be treated as a corporation for federal income tax purposes if it files Form 8832 with the IRS within 75 days of its formation.

WORKING CAPITAL FUND AND APPORTIONMENTS

The Purchaser of a Residential Unit shall be required to make a contribution at the Closing of his Unit to the working capital fund of the Building ("Working Capital Fund"). Such contribution shall be in an amount equal to two (2) month's Common Charges then in effect for such Residential Unit.

At the First Closing, Sponsor will apportion with the Condominium the following items as of midnight of the day preceding the First Closing:

(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 Building;

(2) deposits with utility companies, if any, and fees for assignable permits and licenses, if any;

(3) charges for electricity and other utilities for the 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) management fees; and

(10) 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 herein otherwise expressly provided, the customs in respect to title closings adopted by the Real Estate Board of New York, Inc., as amended, shall apply to apportionments and other matters herein mentioned.

If the result of the closing adjustments is a net credit in favor of the Condominium, Sponsor will contribute the amount of such net credit to the Working Capital Fund. If the result of the closing adjustments is a net credit in favor of Sponsor, the payment of any net credit shall be deferred and paid to Sponsor by the Condominium in one installment on the first anniversary of the First Closing, without interest, pursuant to an unsecured, negotiable, promissory note to be executed by the Condominium Board and delivered to Sponsor at the First Closing. Such 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 held and 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 collected from each Unit. While the Sponsor controls the Condominium Board (see the Section of the Plan entitled "Control By Sponsor" for further details), the Working Capital Fund will not be used to reduce Common Charges.

121

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 three (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 as to any changes in the amount of the Working Capital Fund which have occurred since the First Closing.

No representation or warranty is made that the Working Capital Fund will be, or is intended to be, adequate to cover current or future expenses, including repairs, replacements or major improvements, for the first or any subsequent year of Condominium operation. If additional funds are required over and above the Working Capital Fund to cover expenses of the Building operation, it may be necessary to increase Common Charges or make special assessments. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

122

RESERVE FUND

Sponsor has elected not to provide for a reserve fund to be used for capital replacements or repairs. 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.

AGREEMENTS AFFECTING BUILDING OPERATIONS

Management Agreement

At or prior to the First Closing, the Condominium Board will enter into a Management Agreement for the Building with Jordan Cooper & Associates, Inc., having an office address at 440 Ninth Avenue, 15th Floor, New York, New York 10001 ("Management Agreement"). The Managing Agent is not affiliated with Sponsor.

The Management Agreement shall commence on the day of the First Closing ("Commencement Date"), projected to be January 1, 2016, and shall continue for twelve (12) months thereafter. The Managing Agent fee shall be the sum of $18,000.00 per annum for the first year of the Management Agreement, payable in equal monthly installments of $1,500.00, with the first installment due upon execution of the Management Agreement. The term of the Management Agreement may be deemed renewed for additional one-year periods unless the Condominium notifies the Managing Agent of its intention not to renew at least thirty (30) days prior to the expiration of the term of the Management Agreement. The compensation to be paid to the Managing Agent during a renewal period (if any) shall remain unchanged from the compensation paid during the prior period unless the Managing Agent gives written notice to the attention of the then-President and to one additional member of the Board of Managers no less than sixty (60) days prior to the commencement date of the renewal period during which such desired change in compensation is to take effect and, following receipt of such written notice, the Condominium subsequently elects to renew for an additional year by not serving the thirty (30) day cancellation notice. In addition, the Condominium Board will be obligated to reimburse the Managing Agent for any reasonable out of pocket expenses incurred by the Managing Agent. In addition, for services rendered to Unit Owners (other than Sponsor) in connection with processing applications to sell, lease or otherwise transfer Units and obtaining necessary waivers of the right of first refusal by the Condominium Board, the Managing Agent shall receive a fee from each Unit Owner.

The duties and services to be rendered by the Managing Agent include, among others:

(1) billing and collecting Common Charges payable by Unit Owners;

(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. The approval of the Condominium Board is necessary for any contract which exceeds $1,000.00 per year or is for a term that is longer than one (1) year, other than a contract with a public utility. Purchases shall be subject to a $2,500.00 expenditure limitation. Ordinary repairs or alterations involving an expenditure of over $1,500.00 for any one repair or alteration item shall be made only with the prior approval of the Condominium Board, but emergency repairs, that is, those deemed by the Managing Agent to be immediately necessary for the preservation or safety of the Building or for the safety of Unit Owners or other persons, or required to avoid the suspension of any necessary service in the Building, may be made by the Managing Agent irrespective of the cost thereof, without the prior approval of the Condominium Board, provided, however, that in all cases, the Managing Agent only authorizes so much of the work required to be done so as to abate the emergency and obtain the Condominium Board's approval for permanent repairs.

(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 upon the Condominium's approval of same.

(5) implement the Condominium Board's decisions regarding supervising, hiring and discharging employees necessary for the proper maintenance and operation of the Building;

(6) rendering monthly statements of receipts and disbursements to the Condominium Board or other designated entity or individuals;

(7) maintaining payroll records and filing withholding tax statements for employees;

(8) maintaining accurate sets of books for the Condominium Board;

(9) assist the Condominium Board and its accountants in the preparation and submission of an operating budget of the anticipated income and expenses for the ensuing year;

(10) attending meetings of the Condominium Board, and preparing agendas and sending notices relating to such meetings; and

(11) advise as to proper insurance coverage for the Building, its employees and Unit Owners;

(12) processing applications of Residential Unit Owners for permission to alter the Units and for the sale and refinancing of Residential Units; and

(13) generally, doing all things deemed reasonably necessary or desirable by the Condominium Board for the proper management of the Building.

The Condominium may terminate the Management Agreement (i) immediately in the event that the Managing Agent willfully or repeatedly fails to obey lawful instructions and/or directions of the Board of Managers, or if the Managing Agent commits any fraudulent or illegal act or materially breaches its fiduciary obligations to the Condominium, or (ii) upon thirty (30) days' prior written notice to the Managing Agent, for any reason or no reason. The Managing Agent may terminate the Management Agreement upon no less than sixty (60) days' prior written notice to the Condominium.

IDENTITY OF PARTIES

Sponsor

Sponsor is 52 Wooster Holdings LLC, a New York limited liability company with offices at 641 Lexington Avenue, 24th Floor, New York, NY 10022. The individual Principals of Sponsor who will be actively involved in this offering are Jane Gol, Amir Chaluts and Benjamin Gordon. All three individual Principals are actively involved in commercial and residential real estate development in the State of New York and elsewhere. Ms. Gol and Mr. Chaluts were principals of sponsor entities which took part in the following public offerings of condominiums in New York:

Address of Property	Sponsor	Offering Plan Filing Date
92-94 Greene Street 109 Mercer Street New York, New York	92-94 Greene St Holdings LLC	April 5, 2006
Element 555 West 59th Street New York, New York	Element-West 59th Street LLC	May 5, 2006
The Club at Melville Condominium I 25 Deshon Avenue Melville, New York	Deshon Development Venture LLC	November 18, 2013
The Club at Melville Condominium II 25 Deshon Avenue Melville, New York	Deshon Development Venture LLC	June 13, 2014
The Club at Melville Condominium III 25 Deshon Avenue Melville, New York	Deshon Development Venture LLC	August 26, 2014

Mr. Gordon, while not a principal of sponsor entities which took part in public offerings of condominiums in the State of New York, has been involved in commercial and residential real estate development for several years, and his experience includes the position of project manager of Element-West 59th Street and The Club at Melville.

The Principals of Sponsor are current in their financial obligations to the public offerings listed above.

Neither Sponsor nor the Principals of Sponsor nor any individual who owns or controls a 10% or more equity interest in Sponsor has any prior felony convictions. There are no prior bankruptcies, convictions, injunctions or judgments against the Sponsor, any Principals of Sponsor and/or entities in which Principals of the Sponsor were principals, or any individuals who own or control a 10 percent or more equity interest in the Sponsor that may be material to the offering plan or to an offering of securities generally and that occurred within the 15 years prior to the submission of the proposed offering plan.

Attorneys for Sponsor

Sponsor has retained the law firm of Gerstein Strauss & Rinaldi LLP, having an office at 57 West 38th Street, New York, New York 10018, to represent it in connection with the Plan and to provide the

126

Attorney's Income Tax Opinion set forth in Part I of the Plan. Lisa J. Rinaldi, Esq. participated in and supervised the preparation of the Plan. Gerstein Strauss & Rinaldi LLP will serve as Escrow Agent and will represent the Sponsor in connection with matters relating to Closings of Units.

The Sponsor has retained Tuchman, Korngold, Weiss, Liebman & Gelles, LLP, having an office at 6 East 45th Street, New York, New York 10017, to provide an estimate of real estate taxes.

Selling Agent

The Selling Agent for the project is TOWN New Development Sales & Marketing LLC, 25 West 39th Street, New York, New York 10018 (the "Selling Agent"). The Selling Agent is a licensed real estate broker whose principals have been engaged in the sale of real estate for many years. The Selling Agent is not an affiliate of the Sponsor. Managers of the Selling Agent have been involved in the planning and marketing of such luxury condominium projects as: 2150 Broadway, 27 West 72nd Street, 555 West 59th Street, 15 Union Square West, and 57 Reade Street.

Managing Agent

The Managing Agent for the Condominium will be Jordan Cooper Associates, having an office at 440 Ninth Avenue, 15th Floor, New York, New York 10001. Jordan Cooper & Associates, Inc. has been in the property management business for approximately sixteen (16) years and managed over 10,000 units in New York, Brooklyn, Queens, Bronx and Staten Island. The portfolio is predominantly residential, mixed use residential and retail, and is comprised of rental, cooperative apartment corporations, and condominium associations.

Construction Professionals

Arpad Baksa Architect, P.C. ("Baksa") having an address at 75 Broad Street, Suite 0406, New York, New York 10004, is the architect of record for the Building. Baksa 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. Baksa has also rendered its Report and Certification, both of which are set forth in Part II of the Plan.

Born in Hungary, Baksa immigrated to the United States in 1964. In 1984, five years after graduating from Pratt Institute's School of Architecture, he opened Arpad Baksa Architect, P.C.

Baksa's philosophy stems from his strong European background, evident in his style, knowledge and affinity for contextual design. In over 30 years, his firm has completed more than 1,700 projects for noteworthy clients that include commercial and residential building renovations and historic renovations, the construction of new residential buildings, retail stores, banks, schools, hotels, and more, throughout the New York tri-state area and internationally. Baksa has earned praise and an indisputable reputation within New York City for his craft in transforming Landmark buildings into modern residences without compromising the historic integrity. Notable projects in his oeuvre include converting legendary recording studio The Hit Factory into a condominium; the renovation of the Leitersdorf penthouse residence (in The Dandy building) memorably featured on Sex and the City as Richard Wright's apartment; the transformation of The Merchant's House – a light-manufacturing building destroyed by fire – into a residential building and having it listed on the National Register for Historic Places as an individual national landmark; 8 Union Square South, a new luxury 15-story residential building; two groundbreaking green projects: The Modern, in Manhattan's Meatpacking District – a sleek residential building, and under construction, Greenhouse 26 – the first green boutique hotel located in Chelsea.

The structural engineer for the Building is SDG Engineering, P.C., with offices at 121 Huntington Road, Port Washington, New York 11050. The mechanical engineer for the Building is DNV Associates, with offices at 74 Trinity Place, Suite 1200, New York, New York 10006.

Condominium Budget Expert

Sponsor has engaged Jordan Cooper Associates, Inc., 440 Ninth Avenue, 15th Floor, New York, New York 10001. The Budget Expert estimated all amounts of income and expenses in "Schedule B - First Year's Budget" in consultation with Sponsor. The Budget Expert has rendered a Certification as to the adequacy of the First Year's Budget and a Certification as to the adequacy of common charges payable by the Commercial Unit Owner, each of which may be found in Part II of the Plan. Jordan Cooper & Associates, Inc. has been in the property management business for sixteen (16) years and done numerous certifications of budgets for various conversion plans. Additionally, on an annual basis the firm produces over forty (40) budgets for the properties that it manages for individual cooperative apartment corporations, condominium associations and individual owners.

Title Company

Royal Abstract of New York LLC, having an office at 500 Fifth Avenue, New York, New York 10110, telephone (212) 376-0900, has reviewed the Plan and the Condominium Documents and has committed to insure that a valid condominium will be created pursuant to the Condominium Act. The Title Company is prepared to issue fee and/or mortgage title insurance policies to those Purchasers who request them. A form of Unit Owner's Specimen Title Policy, if title insurance is ordered through Royal Abstract of New York LLC, is set forth in Part II of the Plan.

Related Parties

Sponsor and its Principals have no affiliation with the Attorneys, the Managing Agent, the Selling Agent, 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 Selling Agent, the Managing Agent, the Budget Expert, the Construction Professionals or the Attorneys have any financial interest in the Property, the Units, the Condominium, or this offering, except for their fees for services rendered.

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 must be certified while Sponsor is in control of the Condominium Board;

2. Not less than 10 days nor more than 30 days prior notice of the date fixed for the annual Unit Owners' meeting; and

3. A copy of the proposed annual budget of the Condominium at least 30 days prior to the date set for adoption thereof by the Condominium Board. While Sponsor is in control of the 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 and all exhibits or documents referred to herein shall be available for inspection by prospective Purchasers, and by any person who shall have purchased a Unit offered by the Plan or shall have participated in the offering of such Unit, at Sponsor's office and shall remain available for such inspection for a period of 6 years. 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 advance of or concurrently with the First Closing. The recording of all deeds conveying individual Units will also be in the Register's Office.

130

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 form of Declaration, form of By-Laws, form of Purchase Agreement, form of Unit Deed, form of Power of Attorney and other documents. Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to herein, copies of which are on file with Sponsor, are 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.

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.

No party other than the 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 the 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, the Purchasers and/or prospective Purchasers under the Plan. 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 to Purchasers who rescind, except that Sponsor shall retain the entire twenty percent (20%) 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 sex, sexual orientation, race, creed, color, national origin, marital status, age, disability or any 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. All Residential Units are currently vacant. There have not been any agreements, written or oral, entered into by Sponsor for the

sale or transfer of any of the Units offered pursuant to the Plan, nor has Sponsor accepted any deposits or other funds in relation to the Units offered as of the date of this Plan.

The offering hereunder is exempt from the anti-fraud provisions and the registration requirements of the Interstate Land Sales Full Disclosure Act (15 U.S.C.A. §1701 et seq.) since fewer than twenty-five lots are being offered. This disclosure has not been verified or the content thereof approved by the Office of the Attorney General of the State of New York.

138

SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor adopts the "Description of Property and Building Condition" 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 Building Condition" or as contemplated to be made as described therein. As more fully described above, and subject to the matters described therein and in the Plan, Sponsor anticipates that construction activities at the Building will be sufficiently completed to allow the First Closing to occur as projected in Schedule B.

The Building is located in the SoHo-Cast Iron Historic District. No interior or exterior work may be performed on the Building without obtaining the approval of the Landmarks Preservation Commission of the City of New York, if such interior or exterior work requires the approval of the Department of Buildings. Prospective Purchasers should note that an effect of this may be that repairs to the interior or exterior of the Building may be more expensive and may take longer than if the Building were located elsewhere, and there may be limitations in the style and material of windows to be replaced in any Unit.

Heating units are not included under the windows. As a result there is a remote possibility that when heavy curtains or drapes are used and a pocket of cold air is created between the drapes or curtains and the windows, condensation may occur. A cold air pocket may develop in front of the windows with a lower temperature than the interior of the space. Sponsor has made provisions for electrical heating units under the affected windows in the unlikely event that condensation or a cold air pocket develops. If either condition arises, Sponsor will, at Sponsor's cost and expense, for a period of one year from the Closing Date, for a Purchaser who purchased his Residential Unit directly from Sponsor, provided Sponsor is granted access to the Residential Unit, attempt to remedy the situation by installing an electrical heating unit under the affected window in the Residential Unit. Sponsor makes no guarantee that the installation of an electrical heating unit under the window will remedy the situation if either condition arises.

Subsurface investigations of the Property were performed to analyze the existing soil and ground water, and revealed hazardous materials contamination on the Property. Semi-volatile organic compounds, specifically polyaromatic hydrocarbons, were detected above New York State Department of Environmental Conservation Ambient Groundwater Quality Standards and Guidance Values. Certain metals, above applicable standards, were also detected. Previous owners of the Property entered into a Declaration made as of October 9, 2007 and recorded on October 17, 2007 in the Office of the Register of the City of New York, as City Register File Number 2007000526578, whereby it was agreed that environmental issues at the Property would be addressed. A June 2013 Remedial Action Plan ("RAWP") and a February 2013 site-specific Construction Health and Safety Plan were found to be acceptable by the New York City Office of Environmental Remediation ("OER") and on June 11, 2013, OER issued an Amended Notice to Proceed with remediation and construction. The RAWP provided remedial actions for the handling, transporting, and disposing of soil, fill, fluids and other material removed from the Property in conformance with applicable New York City, New York State and Federal laws and regulations. A copy of the June 2013 Remedial Action Plan can be found on the "Legal" page at the website known as WWW.52Wooster.com. At the conclusion of construction activities, a certified Remedial Closure Report to document all remedial work performed is to be submitted to OER for review and approval. No further remedial work will be needed after completion of construction. OER has indicated that a "Temporary or Permanent Certificate of Occupancy" should not be issued by the Department of Buildings until OER has reviewed and approved the certified Remedial Closure Report and issued a "Notice of Satisfaction" for the project. Sponsor does not anticipate there being any delay in the issuance of either a Temporary or Final Certificate of Occupancy as a result of the remediation activities at the Property.

133

PART II

CONDOMINIUM OFFERING PLAN

52 WOOSTER STREET CONDOMINIUM

52 WOOSTER STREET
NEW YORK, NEW YORK 10013

DESCRIPTION OF PROPERTY AND BUILDING CONDITION

DESCRIPTION OF PROPERTY AND BUILDING CONDITION

PREPARED BY THE OFFICE OF

ARPAD BAKSA ARCHITECT, P.C.
(WITH THE AIDE OF CONSULTANTS BELOW)

ADDRESS:	52 Wooster Street New York, New York 10013
	Block: 475 Lot: 40 Zoning: M1-5B, SoHo Cast Iron District Map: 12a
REQUESTING PARTY:	52 Wooster Holdings LLC 641 Lexington Avenue, 24th Floor New York, NY 10022
STRUCTURAL ENGINEER:	SDG Engineering, P.C. 121 Huntington Road Port Washington, NY 11050
CONSULTING ENGINEER (M.E.P.)	DNV Associates 74 Trinity Place, Suite 1200 New York, NY 10006
ELEVATOR ENGINEER:	D.T.M., Inc. 120-02 14th Road College Point, NY 11356

INTRODUCTION

This Report was prepared for the Sponsor for inclusion in an offering plan for conversion of the property to condominium units.

This Report accurately and fairly describes the proposed condition of the building and proposed improvements on the Property. Proposed work to be performed and described herein is accurate and as descriptive of the date of this report. This Report provides a general description of the Property, interior spaces and mechanical equipment and a fair summary of their condition, but is not intended to be a complete detailed list of every piece of equipment.

This Report is not to be construed as a guarantee or warranty. It is not intended or prepared for the purpose of fixing a value to the Property or as an option as to the advisability or inadvisability to purchase the units or acquire the units being offered pursuant to the Sponsor's Offering Plan.

137

DESCRIPTION OF PROPERTY AND BUILDING

52 Wooster Street
New York, New York

Date of Inspection: 15 January 2014
Date of Report: 2 July 2015

(a) Location and Use of Property

(1) Address: 52 Wooster Street
New York, New York 10013

(2) Block and lot number:
Block: 475
Lot: 40
Tentative Tax Lots: 1701, 1702, 1703, 1704 and 1705

(3) Zoning: M1-5B SoHo Cast Iron District

(4) Proposed use: A Special Permit was obtained for the building permitting use group 2 Residential on floors 2 through 6. Proposed uses in cellar are commercial (use group 6), 1st floor is commercial and residential lobby (use group 6 & 2). 2nd through 6th floor is use group 2, Residential.

(b) Status of construction. The building is new Construction.

(1) Year built: Approximately 2014-2015
(2) Class of construction: Fireproof – III-3
(3) Certificate of Occupancy, type and number: To be issued upon completion of the building.
(4) NB permit number and description of work done: New building NB121183030 was filed as a Plan Examination application. The construction of a new building to house commercial space in part of the cellar floor and part of the 1st floor. The remainder of the 1st floor will be residential lobby. There will be residential units from the 2nd to the 6th floor. After all the work is completed a Certificate of Occupancy will be obtained.

(c) Site

(1) Size: The lot is approximately 2,500 square feet and the lot coverage is 2,500 square feet.

(2) Number of buildings and use: There is one (1) new building used for both commercial and residential use. An egress easement agreement with 477 Broome Street has been recorded in the Office of the City Register of the City of New York: CRFN#2013000200775 & 2013000200776

(3) Streets: See site plan annexed for location. The streets are owned and maintained by the City of New York.
(i) Paving: The street paving is asphalt and is in fair to good condition on Broome street, while it is cobblestone on Wooster, in fair condition.

(ii) Curbing: The curb is a new granite curb.

(iii) Catch basins, drainage: See site plan for location. The catch basins are provided by the City of New York, in good condition. No visible puddling occurs.

(iv) Street lighting: See site plan for location. The street lamps are aluminum as provided by the City of New York, and they are in good condition.

(v) All the items above are in conformity with local fire district, town and municipal building codes.

(4) Drives, sidewalks and ramps: There are no drives or ramps.

(i) Sidewalk Paving: Existing concrete sidewalk is installed along Broome and Wooster Streets. The existing sidewalks will be replaced with a new sidewalks.

(ii) Curbing: See (3) (ii) above.

(iii) Catch Basins, drainage: See (3) (iii) above.

(iv) Street lighting: See (3) (iv) above.

(v) All the items above are in conformity with local fire district, town and municipal building codes. ADA compliance is going to be achieved by means of a new elevator. Access to the elevator is at grade. The elevator stops at the cellar and all the floors except the roof.

(5) Subsurface

(i) Subsurface investigations were performed to analyze the existing soil and groundwater. Based on the analysis, a Remedial Action Work Plan (RAWP) was submitted to the New York City Department of Environmental Protection Office of Environmental Planning and Assessment, and it was approved. This RAWP provided remedial actions for the handling, transporting, and disposing of soil, fill, fluids and other materials removed from the property in conformance with applicable City, State and Federal laws and regulations. Upon completion of construction, a Remedial Closure Report will be filed to document all remedial work done. No further remedial work is needed after completion of construction. The RAWP is approximately 235 pages long, and is not reproduced here. A copy of the Remedial Action Work Plan can be obtained on the Sponsor's website for the Building, on the page entitled "Legal" at the following website: WWW.52WOOSTER.COM.

(d) Utilities. Electrical Service: Provided by Consolidated Edison Company of New York. Individual electric meters are provided for each residential unit and for common areas and for the commercial unit. Gas Service: There are three (3) gas meters installed in the

building as follows: The two (2) twin meters provide metering of natural gas used for cooking in the Residential units. Residential unit owners will pay the gas consumption as a Residential Common Expense. The second meter provides metering of natural gas used for heating and domestic hot water of the Residential units. Residential unit owners will pay the gas consumption as a Residential Common Expense. Gas service is provided by Consolidated Edison Company of New York. Drainage: Sewage disposal will be by means of the sewer system of the City of New York. Department of the Environmental Protection (DEP) of the City of New York shall provide the sewer system and service. A new 8" diameter combined sewer/drainage connection is provided for the new building. Telephone service is provided by Verizon. Water service: Water service shall be supplied by the City of New York. There are two (2) water meters installed in the building, one serving the residential units and one serving the commercial space. Residential units will be collectively metered and apportioned to each unit as described in the offering plan. Commercial space will have dedicated domestic water meter. The building is fitted with a 2" diameter water supply line for domestic use and a 6" diameter water supply for fire standpipe and sprinkler system. Commercial unit does not have gas service.

(e) Sub-soil conditions. The soil was tested for bearing and to determine the water table at the time of testing. The water table is 14 -15 feet below the sidewalk and 1-2 feet below the cellar slab, except at the elevator pit where the pit is 3-4 feet below the bottom of the elevator pit. Property is located inside the FEMA 500 year flood area, outside the 100 year flood area (0.2% annual chance of flood). There is no requirement for insurance from FEMA as a result of property location within this zone. This is a new building with no evidence of moisture or seepage or ground water infiltration. No corrective action is required.

1) The foundation walls consist of clusters of mini piles, approximately 60 tons capacity with pile cap, foundation wall and slab on ground will consist of 4000 to 5000 psi concrete.

(2) Moisture protection will be provided under the matt foundation.

(3) The building is sited in an urban setting away from bodies of water. The water table is below the foundation. The building is located in zone 2 of the flood zone map.

(f) Landscaping and enclosures

(1) Grass cover: None
(2) Plantings: None
(3) Trees: None
(4) Fencing: None
(5) Gates: None
(6) Garden walls: None
(7) Retaining walls: None
(8) Display pools and fountains: None

(g) Building size

(1) The total height of the building from the average curb to the top of the roof over the bulkhead is approximately 85 feet. The building will have to comply with

Local Law 11 after the construction is complete.

(2) Crawl spaces: None

(3) Number of Sub-cellars and cellars: No sub-cellar, one cellar.

(4) Number of floors: There are 6 floors above the cellar.

(5) Equipment rooms: There are gas, electric, sprinkler and compactor rooms in the cellar. Boiler and elevator equipment rooms are on the roof.

(6) Parapet: A new parapet, minimum of 3'-6" high is being installed.

(h) Structural system. The foundation walls will be concrete as well as the matt slab on ground supported on mini piles. The foundation walls and cellar floor slab are waterproofed with a system of waterproofing membranes bonded to the concrete. The superstructure is reinforced concrete floor slab and concrete columns. Sound insulation in partition construction is achieved by the layers of gypsum board and batt insulation in the stud cavities. Sound insulation in the floor-ceiling construction is achieved by the hung ceiling and the resilient underlayment in the finished floor. All construction assemblies will meet code required STC (Sound Transmission Class) ratings.

(1) Exterior of buildings:

(i) Walls: The front facade is brick and aluminum insulated glass window wall panels. The storefront is aluminum and glass infill and brick. The facade is new. The side walls are brick with block backup. The rear wall is brick with block backup. All exterior walls are 2 hour fire rated. Water intrusion is prevented by cavity wall drainage and flashing.

A Local Law 11 facade inspection report has never been filed at Department of Buildings since there was no building on the lot (vacant land). After the construction a Local Law 11 facade inspection will have to occur for subsequent cycles.

(ii) Windows: First floor commercial storefront is insulated aluminum and glass. The upper floor windows are insulated casement aluminum windows, and also insulated glass window wall. All window systems to be flashed and caulked. The residential sills are cast stone. All lintels are corrosion resistant. There are no screens or storm windows. All operable window hardware to include restrictor for code compliance. The windows are new and can withstand severe weather conditions. Windows are manufactured by Windloch with a 5 year warranty.

(iii) Landmark status: The building is in a landmark district, SoHo Cast Iron District. The building is not an individual landmark. All exterior work visible from the street has been approved by Landmarks Preservation Commission. Any interior or exterior work requiring Department of Buildings approval need to be approved by the Landmarks Preservation Commission.

(2) Parapets and copings: The material composition of the parapets are concrete masonry blocks covered with sheet metal copings. Parapets are finished with insulated aluminum panels facing the street, and stucco finish facing the roof.

(3) Chimneys and caps: There are 6 steel double-walled direct vent flues for gas fueled fireplace. The fireplaces are not usable for wood fire. All flues are new.

(4) Balconies and terraces: New terraces are being installed as part of the new building. Terraces shall remain open as-built. All exterior metals (including fasteners) shall be corrosion resistant.
- (i) Deck finish: Concrete pavers
- (ii) Balustrade: N.A.
- (iii) Railings: Glass, 3'-6" high
- (iv) Copings: sheet metal copings at roof terrace parapets
- (v) Soffits: there is no soffit material at the underside of balconies or terraces
- (vi) Doors to terraces: Aluminum and glass swing with caulking and weatherstripping.

(5) Exterior Entrances:
- (i) Exterior doors and frames: The main building entrances, transom, doors and frames are aluminum and glass. The first floor commercial entrances are aluminum and glass. Electric door releases are located at the Broome Street residential entrance doors and are controlled from intercoms located in each unit.
- (ii) Vestibule doors and frames: Aluminum and glass with an electric door release.
- (iii) Exterior stairs: N.A.
- (iv) Railings: N.A.
- (v) Mail boxes: Mail boxes are for the residential units only, located in the lobby of the building. Mail boxes are U.S. Government approved. Mail boxes are front loading, vertical type.
- (vi) Lighting: There will be two (2) new incandescent mounted lights at the building entrance.

(6) Service entrances:
- (i) Doors and frames: N.A.
- (ii) Gates: N.A.
- (iii) Exterior stairs: N.A.
- (iv) Railings: N.A.

(7) Roof and roof structures:

- (i) Type roofs for all areas:
  - (a) Material: A new EPDM roof (rubber roof) over rigid insulation and protection board will be installed by the sponsor. The roof

142

will have a 10-year manufacturers guarantee.

(b) Insulation: 6" minimum, rigid with an R 19 value.

(c) Surface finish: Concrete pavers.

(d) Bond or guarantee: 10 years, which will be assignable to the condominium.

(e) Flashing materials including counter flashing: EPDM flashing at base of parapet walls comparable to roofing material.

(ii) Drains:

(a) Location, material and type: There are 4 roof drains and 5 terrace drains. The roof drains are cast iron.

(b) Gutters and leaders: There are no gutters.

(iii) Skylights: one glass skylight with wire screen at the fire stair bulkhead for ventilation as per NYC Building Code requirements. The skylight to be 20 square feet in area with minimum open area of144 square inches for ventilation, with a curb height of 10 inches.

(iv) Bulkheads:

(a) Stairs: There is one new stair bulkhead built of concrete block and brick. The bulkhead is for the new fire stair and the new convenience stair. The convenience stair (not a fire stair) connects the 5th floor to the roof level. The roof is steel deck covered with a built up roofing and painted steel coping.

(b) Elevator: One bulkhead built of concrete block and brick. The roof is steel deck covered with a built up roofing and painted steel coping

(c) Other: Mechanical equipment room, built of concrete block and brick. The roof is steel deck covered with a built up roofing and painted steel coping

(v) Metal work at roof levels:

(a) Exterior, metal stairs: None

(b) Vertical ladders, including gooseneck: One steel painted.

(c) Railings: N.A.

(d) Hatches to roof: One smoke hatch above the elevator.

(e) Other: None

(vi) Rooftop facilities: There is a powder room, for the sole use of the 5/6th floor owner and which is part of the 5/6th floor unit, built of concrete block and brick. The roof is steel deck covered with a built up roofing and painted steel coping

(8) Fire escapes: None

(9) Yard and courts: None provided

(10) Interior stairs:

(i) Number of stairs of each type: There is one fire public stair. The stair extends from the first floor to the main roof. There will be concrete stairs from the cellar to the 1st floor. Stair enclosures are 2-hour fire rated.

(ii) Enclosure: The stair walls are gypsum board and concrete.

(iii) Stair construction: The stair from 1st to roof is a concrete stair.

(iv) Stringers: N.A.

(v) Treads: Concrete

(vi) Risers: Concrete

(vii) Hand rails: Steel pipe rail

(viii) Balustrade: N.A.

(10A) Interior stairs: Convenience stair

(i) Number of stairs of each type: There is one convenience stair for the sole use of the 5/6th floor tenant and it is part of the unit. The stair extends from the 5th floor to the main roof.

(ii) Enclosure: The stair walls are gypsum board.

(iii) Stringers: Steel, painted.

(iv) Treads: wood

(v) Risers: N.A. open riser

(vi) Hand rails: Glass and steel

(vii) Balustrade: N.A.

(11) Interior doors and frames:

(i) Unit entrance and interior doors and frames: Fire exit doors and frames are hollow metal and 1 1/2 hrs rated. Fire Proof Self Closing. Interior doors are solid core wood doors and steel frames.

(ii) Corridor doors and frames: None

(iii) Stair hall doors and frames: Hollow metal fireproof self closing 1 ½ hrs. rated.

(iv) Roof doors, basement doors and frames: Roof and cellar doors are hollow

metal 1 1/2 hrs rated. Fire Proof Self Closing.

(12) Elevators: There is one elevator in the building. The elevator will be new and installed by the sponsor. All related components but not limited to cab, motor, rails, etc. will be new.
- (i) Number of passenger and service elevators: 1 passenger.
- (ii) Manufacturer, age of each and capacity: There will be a new elevator manufactured by Hollister Whitney Elevator Corporation, Capacity 2,500 lbs, Thirteen (13) passengers.
- (iii) Type of operation for each elevator by elevator number or location in building: Passenger – Selective Collective.
- (iv) Automatic: Buttons – Momentary Pressure with key floor lock offs for each floor
- (v) Floors served: Cellar – 6th floor.
- (vi) Type: Gearless.
- (vii) Doors: Automatic single slide, side opening.
- (viii) Location of machine rooms: cellar
- (ix) DC motor: N.A.
- (x) AC motor-generator set: Hollister Whitney Elevator Corporation
- (xi) Other: None

(13) Elevator Cabs:
- (i) Kind: passenger, manufactured by Hollister Whitney Elevator Corporation.
- (ii) Floor: stone with metal saddle
- (iii) Walls: stone and mirror
- (iv) Ceiling: stainless steel
- (v) Lighting: recessed lights
- (vi) Alarm safety system: alarm, cab communication, and fire service in compliance with NYC fire code

<u>Lift</u>:
- (i) None provided

(i) <u>Auxiliary Facilities</u>:

(1) Laundry rooms: None
- (i) Location and number of rooms: N.A. Each unit will be provided with connection for laundry equipment, washing machine and dryer to be provided by unit owner.
- (ii) Clothes washers: N.A.
- (iii) Clothes dryers: N.A.
- (iv) Room ventilation: no mechanical ventilation to laundry closet
- (v) Dryer ventilation: duct to rooftop dryer exhaust fan

(2) Refuse Disposal:
- (i) Incinerator(s): None
- (ii) Compactor(s): One (1), Wilkinson Hirise, LLC., model 400-C5 is located in the cellar.

(iii) Approvals by Authority Having Jurisdiction: N.A.

(iv) Initial storage location: On each floor

(v) Pick-up schedule: The pick-up is by the New York City Department of Sanitation on a regular basis. Refuse from commercial space will be removed by commercial haulers at the commercial tenants' expense.

(j) Plumbing and drainage:

(1) Water supplied by the City of New York from a new 2" water service installed by the sponsor from the street. Metered water feeds to the new house pumps located in the cellar; water is protected by a new backflow prevention device located in the cellar. The new domestic cold water distribution main goes to risers feeding the individual units. Domestic hot water is supplied from two (2) new A.O. Smith gas hot water heaters A.O. Smith #BTH-199, 199,000 BTUH input each, provided with 100 gallons each storage capacity. The Building is provided by DEP with a new 2" water service connected to the city water main located on 52 Wooster Street. The 2" pipe common water service is centrally metered prior to distribution to the domestic water systems. A back flow prevention device located in the same room provides isolation between water service and building. From the backflow preventer water is pumped to the Building via a new domestic duplex booster unit rated at 23 GPM and 185 Ft TDH manufactured by Canariis Corporation. The domestic booster unit is provided with two (2) pumps and one (1) storage tank model FXA 500 with capacity 132 gallons, located in the cellar in the water service room. Domestic hot water system: There are two (2) new gas fired domestic hot water heaters. Domestic hot water heaters are model BTH-199 with recovery capacity of 230 GPH at 100 deg. F temperature difference. The domestic hot water heaters are manufactured by A. O. Smith, Inc. The domestic hot water heaters are located in the roof mechanical equipment room. The two (2) new gas fired domestic hot water heaters have one (1) year warranty and are dedicated for residential units only. There is no evidence of any water leak. Hot and cold water piping shall be insulated throughout.

(2) Fire protection system:

(i) The building is provided with a fire standpipe system which consists of a standpipe riser in the stairwell and hose valve at each floor. The standpipe system is connected to the building fire pump.

(ii) There is a hose valve on each floor in the stairwell provided with the standpipe.

(iii) The building is fully sprinklered with an automatic wet sprinkler system. Sprinkler water supplied by the City of New York from a new 6" water service provided by the sponsor from the street. Water is protected by a new backflow prevention device located in the cellar. Sprinkler water service feeds a new sprinkler booster pump ITT A-C Pump, Series 1580 Model 4X4X9.5F 500GPM @ 90 PSI located in the cellar. Fire service is provided from the dedicated 6" water service.

(iv) One free standing siamese connection is located at the building façade facing Wooster Street.

(3) Water storage tank(s) and enclosures: none

(4) To maintain a required pressure at plumbing fixtures, a constant pressure booster system (house pumps) manufactured by Canariis Corporation Model DS-45-80 23 GPM @ 185 Ft TDH located in the cellar.

(5) Sanitary sewage system:
(i) No-Hub cast iron sanitary system inside the building is connected to hub and spigot building drain with connection to the house sewer to the street.
(ii) There is a new duplex sewage ejector pump, rated at 50 GPM, 21 TDH, model VSA-4F-0.75-4, manufactured by Federal Pump. The sewage ejector is located in cellar. The sewage ejector pump service the floor drains located in cellar in utilities room as well as the plumbing fixtures located in cellar toilet room which is part of the commercial unit.
(iii) Sewage disposal: City of New York.

(6) Permit(s) required: Sewer and water connection applications have been filed with the NYC Department of Buildings and Department of Environmental Protection.

(7) Storm drainage system is connected to combined building drain inside the building with connection to the house sewer to the street.
(i) Catch basins: None

(ii) Yard and roof drains: See above, (h)(7) and (h)(9).

(iii) Internal leaders are cast iron. Drains are cast iron.

(iv) There is a new sump pumps in the cellar for elevator pit, model 1 1/2P-1-3/4, manufactured by Federal Pump.

(k) Heating:

(1) Heating of the residential units will be provided by the Citi multi VRF system with multiple indoor heat pump units located within the residential units (see section (m) below). In addition, each bathroom is provided with electric heat radiation system, controlled by dedicated thermostat. The entrance lobby shall be heated by a heating unit. The heating system is adequate and maintains comfortable conditions under anticipated weather conditions. The heating system is designed to maintain the indoor temperature at 72 degrees F. The commercial unit will have temporary heating provided by the sponsor until the unit is rented, at which point the commercial tenant will provide permanent heating and cooling on the roof and the commercial tenant will be responsible for same.

(2) Fuel: Electric

(3) Location: There is no oil tank.

(4) Capacity: N.A.

(5) For Gas: N.A.

(l) Gas supply:

(1) Type: Natural
(2) Meters: There are three (3) gas meters installed in the building as follows: The twin gas meters provide metering of natural gas used for cooking in the Residential units. Residential unit owners will pay the gas consumption as a Residential Common Expense. The third meter provides metering of natural gas used for heating and domestic hot water of the Residential units. Residential unit owners will pay the gas consumption as a Residential Common Expense.
(3) Piping: Standard weight black steel.

(m) Air conditioning/Heating:

(1) Citi Multi VRF air source heat pump system.

(2) All residential units shall be provided with new dedicated air conditioning systems. The air conditioning systems for the residential units will consist of Citi multi VRF system with multiple indoor heat pump units located within the residential unit and associated condensing units installed on roof. The heat pump units are ceiling concealed type, model PEFY manufactured by Mitsubishi. The heat pump units are provided with supply and return ductwork. The heat pump units are of different capacities to accommodate required cooling/heating load for each room. Dedicated thermostats shall control the heat pump units. The heat pump units are provided with access panels for routine maintenance. Each residential unit is provided with dedicated system. The individual condensing unit for apartments on 2nd, 3rd and 4th floor is model PUHY—P72 TKMU-A, manufactured by Mitsubishi. The condensing unit for penthouse apartment located at 5th and 6th floors is model PUHY-P144 TKMU-A. The cooling/heating system is adequate and maintains comfortable conditions under anticipated weather conditions. The heating system is designed to maintain the indoor temperature at 72 degrees F. Rooftop units will be installed onto restrained spring type vibration isolators to prevent equipment vibration and noise in the apartments below.

(3) Cooling towers, condensers: N.A

(4) There are no window air conditioning units.

(n) Ventilation: All kitchens are provided with mechanical ventilation system. All residential units are provided with mechanical ventilation for clothes dryers to be provided and installed by unit owners. All bathrooms are mechanically ventilated. Bathroom ventilation is maintained from 6 am to midnight as required by the New York Multiple Dwelling Law. The fans for all the venting is located on the roof of the building. Mechanical ventilation shall be provided to all windowless areas such as corridors and in the cellar, with the amount of air exchanged (CFM) to be sized accordingly. All mechanical ventilation equipment will not exceed levels prescribed by the New York City Noise Code.

(o) Electrical system:

(1) Service from main service switchgear: There is no main service switchgear. The new electric service is brought to Con Edison service end box located in the electric service room in the cellar. The electric service is rated 208/120Volt, 3phase, 4wire 60Hz. From the service endbox the service is distributed to four (4) service switches; one 600Amp service switch fused at 600 amp for house loads, a 200 Amp service switch fused at 200amp for commercial space, an 800 Amp service switch fused at 700amp for fire pump and a 600 Amp service switch fused at 600 amp for unit apartments. All equipment will be new. Water-resistant receptacles will be used at exterior areas.

(2) Service to individual units are as follows:

Apt.	Amp.	Entrance Wire	No Circuits
2 thru 4	20 x1P/20 amp 8 x 1P/15 amp 3 x 2P/15 amp 3 x 2P/30 amp 1 x 2P/70 amp	3 phase	42
5	13 x 1P/15 amp 37 x 1P/20 amp 8 x 2P/15 amp 1 x 2P/20 amp 6 x 2P/30 amp 1 x 2P/40 amp 1 x 2P/70 amp	3 phase	84

(3) Compartment switch gear: N.A.

(4) Unit service: adequacy of electrical system to handle modern usage and appliances such as air conditioners, dishwashers and dryers: See (5) above.

(5) Adequacy:

(i) Apartment service has been designed to accommodate appliances, air conditioners, lighting and miscellaneous household electrical requirements. The service meets and exceeds code.

(ii) Lighting and fixtures: Bathrooms, some halls and foyers have ceiling or wall mounted halogen, fluorescent or LED fixtures. The lighting meets and exceeds code requirements.

(iii) Convenience outlets, appliance outlets: There is one outlet per appliance and each room has an average of three convenience outlets except bathrooms and kitchens which have at least one each. The outlets meet and exceed code.

(p) Intercommunication and/or door signal systems, security closed circuit TV: There is an audio/video intercom and door release from the residential unit to the vestibule doors and video camera in elevator cab transmits pictures to residential unit intercom panel.

(q) Public area lighting: Building entrance and public stair roof bulkhead have wall mounted fluorescent lights on a timer. Public stairs, lobby and cellar public hall have fluorescent or LED lighting fixtures on the wall or ceiling.

(r) Garages and parking areas: none provided

(s) Swimming pool(s):

(1) Type and location on property: N.A.
(2) Size, including length, width, depth, and approximate number of bathers permitted at any time: N.A.
(3) Enclosure: N.A.
(4) Pumping and filter system: N.A.
(5) Water heating equipment or usage of building's hot water: N.A.
(6) If on building roof, structural support system: N.A.

(t) Tennis courts, playgrounds and recreation facilities: none provided

(u) Permits and certificates:

(1) Department of Air Resources: A new boiler has been installed and filed with the Department of Buildings. Yearly permit is up to date.
(2) Elevator Safety: A new elevator will be installed, see above. Annual inspections and 5-year tests will have to occur.
(3) Boiler Safety: A new boiler was installed and signed off. Annual inspections will have to occur.
(4) Fire Department: Fire alarm - filed and approved. A sprinkler alarm will be installed, filed, permitted and signed off. Fire protection plan will be filed and approved.
(5) Buildings Department: New Building Application was filed for a new Certificate of Occupancy which included architectural work. Drawings are approved. Permit issued for work for all floors. Sign off will have to be obtained. Local Law 11 facade inspections will have to occur for the 7th cycle and then each 5-years.
(6) Permits: Construction, plumbing, fire protection, electrical, mechanical, structural, elevator, boiler, Transit, DOT.
(7) Inspections: Construction, plumbing, fire protection, electrical, elevator, Local Law 11, and boiler prior to obtaining a new C of O.

(v) Violations: There are no violations listed for the building.

(w) Unit Information: Square footages for usable square feet are provided on drawings.

Unit No.	Type Rooms	Description
Cellar	Comm/utilities/storage	Comm, utility, building storage for maintenance tools and materials
1st fl	Comm/res. lobby	Comm/Residential bldg lobby
2nd fl	1 Residential	LR, kit, 3 baths, 3 bedroom
3rd fl	1 Residential	LR, kit, 3 baths, 3 bedroom
4th fl	1 Residential	LR kit, 3 baths, 3 bedroom
5th fl	1 Residential duplex with 6th Fl	Home Office, 3 baths, 3 bedroom, laundry rm.
6th fl	1 Residential duplex with 5th Fl	1 LR, kit, 1 ½ baths, 1 bedroom, 2 dining rooms, and a powder room on the roof

(1) Floors in residential units are strip 4" Tounge & Groove oak. Ceramic tile flooring in baths. There is paint on room walls, ceilings and bases. Room walls and ceilings are type "X" gypsum board or gypsum plaster; bath walls and ceilings are either water resistant type "X" gypsum board and wonderboard around tubs/showers. Wall bases are wood painted.

(2) Describe presence, type and condition of all bathroom fixtures:

Bath: W.C. (1), to be same or better than - Kohler, Wellworth K-3423, White, Vitreous China
Lavatory (1), to be same or better than - Kohler, Pennington K-2196, White, Vitreous China
Tub (1), to be same or better than - Crane Plumbing, San Marcos 2-206X, Enameled steel

Master Bath: W.C. (1), to be same or better than - Kohler, Wellworth K-3423, White, Vitreous China
Lavatory (2), to be same or better than - Kohler, Pennington K-2196, White, Vitreous China
Shower (1), to be same or better than - Moen, Chateau Posi-Temp L2363
Tub (1), to be same or better than - Crane Plumbing, San Marcos 2-206X, Enameled steel

Powder room: W.C. (1), to be same or better than - Kohler, Wellworth K-3423, White, Vitreous China
Lavatory (1), to be same or better than - Kohler, Pennington K-2196, White, Vitreous China

In each bathroom, accessories included:
Towel bars
Toilet paper holder
Shower rod/Glass shower door
Medicine cabinet

(3) Describe presence, type and condition of kitchen and laundry equipment:

(i) Kitchen equipment provided for the units will be:

(a) Refrigerator, to be same or better than: TPX24SRY BS – GE Profile "Built-in-Style" Side-by-Side Refrigerator

(b) Dishwasher, to be same or better than: GSD4940Y SS – GE Profile Built-in Dishwasher

(c) Range/Oven, to be same or better than: JGBP80MEV BC – GE Profile

(ii) In each kitchen or kitchenette: Floors 2 through 4 and 6 - Kitchen cabinets are plastic laminate. Counters are stone.

Laundry Equipment: No equipment, hook-ups only which include water supply and waste and mechanical venting.

(x) Finish schedule of spaces other than units. The following is a form of schedule to be given for each floor:

Rooms	Floor	Walls	Ceiling	Remarks
CELLAR				
Boiler room	Conc	Conc block	Conc	
Gas & Elec.	Conc	Conc block	Conc	
Meter rooms	Conc	Conc block	Conc	
Public halls	Conc	Conc block	Conc	
Public stairs	Conc	Conc block	Conc	
Commercial	Conc	Conc block	Conc	
Building storage	Conc	Conc block	Conc	with door and lock
Utility rooms	Conc	Conc block	Conc	
FIRST FLOOR				
Store	Conc	Gypboard	Conc	
Lobby/Mail rm.	CT	Gypboard	Gypboard	
RESIDENTIAL FLOORS				
2	Wood	Gypboard	Skim coat plaster	
3	Wood	Gypboard	Skim coat plaster	
4	Wood	Gypboard	Skim coat plaster	
5	Wood	Gypboard	Skim coat plaster	
6	Wood	Gypboard	Skim coat plaster	
ROOF				
Boiler room	Conc	Conc block	Gypboard	
Toilet	Stone	Gypboard	Gypboard	
STAIR BULKHEAD				
Public stair	Conc	Gypboard	Gypboard	

(y) Safety and warning devices: Combination smoke and carbon monoxide detectors are located inside each bedroom in each dwelling unit and outside of each bedroom in the corridor; area smoke detectors are located at elevator machine rooms, mechanical and boiler rooms. Smoke detectors are located in the elevator shaft. All required devices will be installed.

Combination smoke and carbon monoxide detectors are provided inside each bedroom in each dwelling unit and outside of each bedroom in the corridor. These detectors are 120 volt, they are interconnected and are hardwired to individual apartment panels. A fire alarm system is provided for monitor and annunciation of water flow and tamper switches, area smoke detectors serving mechanical equipment rooms, electrical rooms and elevator shafts.

(z) Additional information required:

(1) A site plan is included in this report with residential entry indicated.

(2) An area map is not provided as the building is located in a highly urban area.

(3) See floor plans included in the offering plan.

(4) Finished floor to ceiling heights of units: See building section attached at the end of this report.

(5) Approximate total area of each unit: Approximate total areas are located on each floor plan.

(6) A master floor plan showing unit boundaries and the relationship of units to each other: Full floors illustrating unit boundaries are enclosed.

(7) Measured horizontally, the Residential Unit sizes are calculated from the exterior face of the exterior walls adjacent to the Unit, to the centerline of the demising wall between Units, corridors, elevator, stairs and other mechanical equipment spaces or any Common Elements not within a Unit, or to the exterior face of the opposite exterior wall. Columns, mechanical pipes, elevator shaft, shaftways, chases, chaseways and conduits are not deducted from measurement of each Unit. Measured vertically, each Residential Unit will consist of the volume from the top of the floor slab (located under the finished flooring and sub-floor materials) to the underside of the concrete ceiling above. The size of Common Elements which fall within the boundaries of a Unit are not deducted from the square foot area of the Unit, even though they are not part of the Unit.

(8) Measured horizontally, the Commercial Unit size is calculated from the exterior face of the exterior walls adjacent to the Unit, to the centerline of the demising wall between Units, corridors, elevator, stairs and other mechanical equipment spaces or any Common Elements not within a Unit, or to the exterior face of the opposite exterior wall. Columns, mechanical pipes, shafts, shaftways, chases,

chaseways and conduits are not deducted from measurement of the Commercial Unit. Measured vertically, each Commercial Unit will consist of the volume from the top of the floor slab (located under the finished flooring and sub-floor materials) to the underside of the concrete ceiling above. The size of Common Elements which fall within the boundaries of the Commercial Unit are not deducted from the square foot area of the Commercial Unit, even though they are not part of the Commercial Unit.

(9) As a result of variations in construction caused by, among other things, soffits, the thickness of slab, beams and installations of mechanical, electrical and plumbing systems, and floor systems, the finished ceiling heights vary from the 8 foot to 11 foot range reflected in this Report.

(aa) In the event that certain conditions in the building(s) cannot be adequately evaluated by a visual examination, the Department of Law may, in its discretion, direct that an independent engineer or testing laboratory be retained to perform such tests or monitoring as may be necessary in order to make adequate disclosure. Conditions which may require additional testing or monitoring include, but are not limited to: settlement, masonry cracks, rusting of structural steel, adequacy of concrete cover, firestopping, etc. Test results must be reported in the offering plan or in an amendment thereto.

(ab) Heating units are not included under the windows. As a result there is a remote possibility, when heavy curtains or drapes are used and a pocket of cold air is created between the drapes/curtains and windows that condensation may occur. A cold air pocket may develop in front of the windows with a lower temperate than the interior of the space. Sponsor has made provisions for electrical heating units under the window in the unlikely event that condensation or a cold air pocket develops

(ac) Asbestos: New construction – no asbestos used.

(ad) Lead-based paint: New construction – lead-based paint not used.

(ae) Waivers: N.A.

(af) No Warranties: There will be no warranties or guarantees for any of the work, equipment, or materials in the Building except as set forth in the Offering Plan and as otherwise specifically set forth in this report. This exclusion includes windows, roofs, elevator, electricity, heating, ventilation, brickwork, structural systems, or any other components or construction defects.

(ag) Documents to be transferred to the Condominium Management: The following documents shall be transmitted to the condominium management upon transfer of control:

(1) Final as-built drawings (to include structural, mechanical, electrical, plumbing and approved shop drawings)

(2) Operation and maintenance manuals for mechanical equipment

(3) Electronic system manuals

154

(4) Equipment warranties

(5) NDL Manufacturer's Roof Warranty

(6) Major equipment Start-up Sheets

(7) Control System As-Built

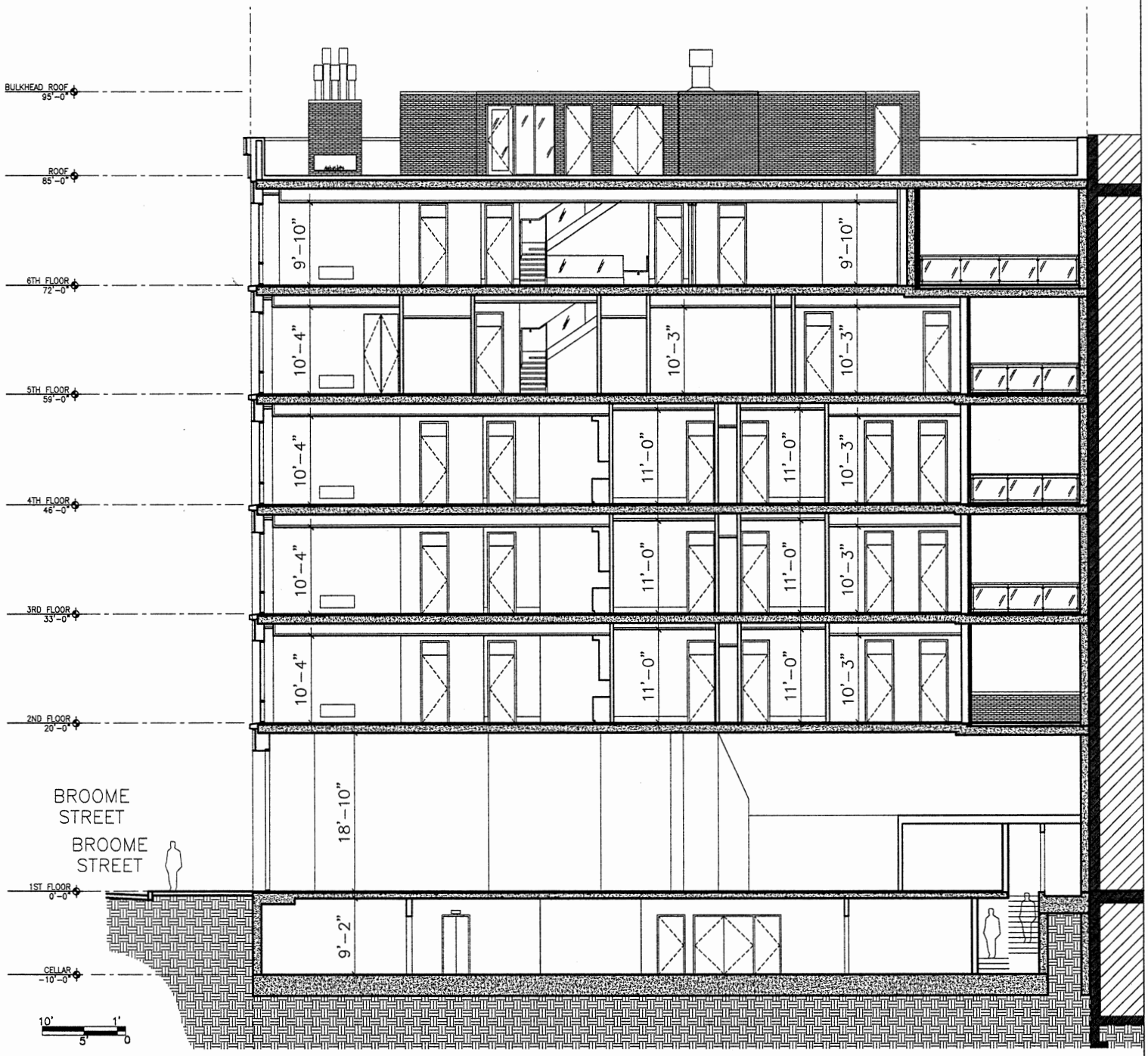
(8) Original Test and Balance Report for HVAC System

REGISTERED ARCHITECT
ARPAD BAKSA
16325
STATE OF NEW YORK

Arpad Baksa, R.A.

2 July 2015

FLOOR PLANS AND SITE PLAN



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10' 5' 1' 0

WEST ELEVATION – WOOSTER STREET

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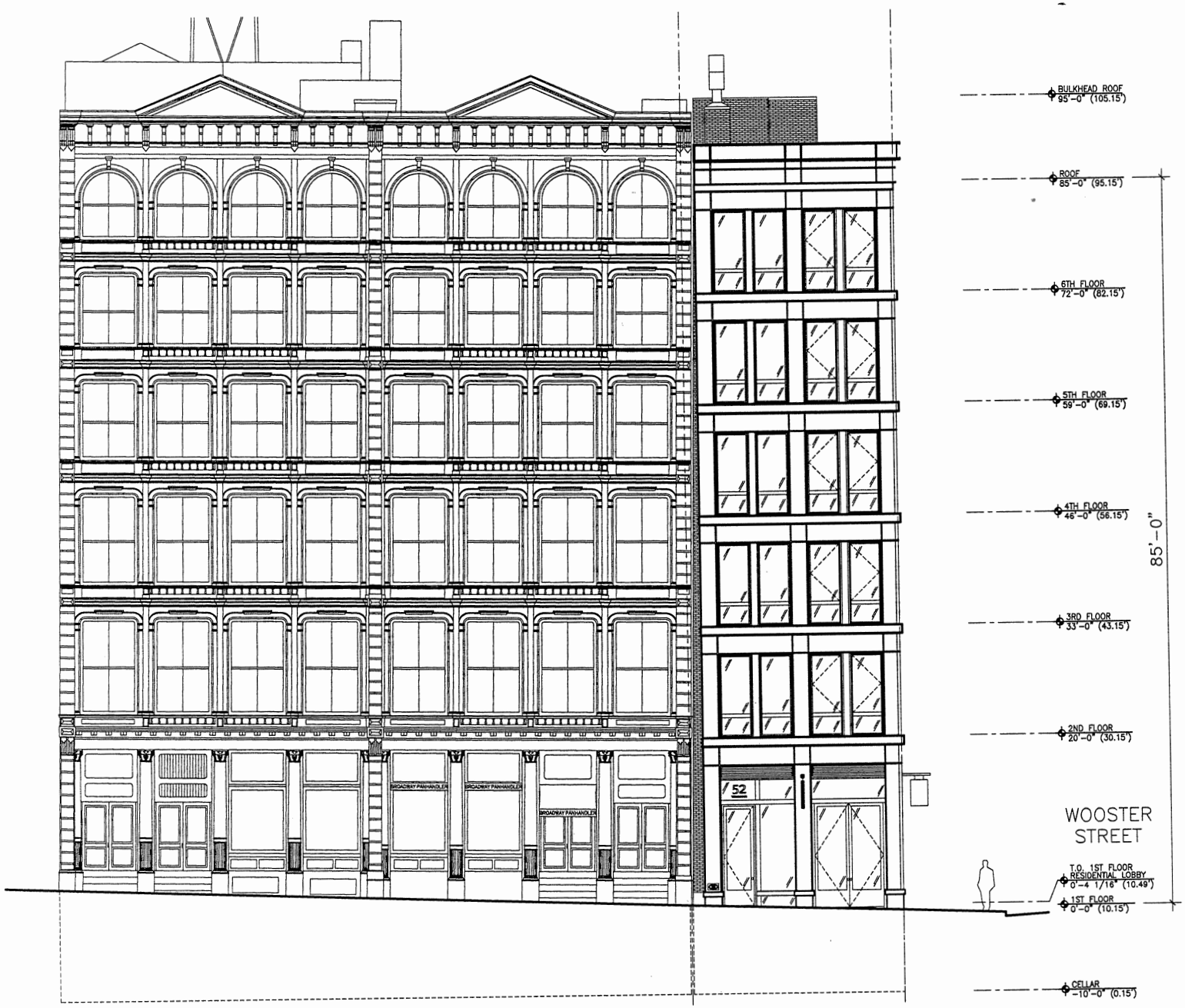

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NORTH ELEVATION – BROOME STREET

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LEGEND

B.	BATHROOM
B.R.	BEDROOM
C.	COMMON
CL.	CLOSET
COM.	COMMERCIAL
COR.	CORRIDOR
D.	DEN
D.A.	DINING AREA
E.	ELEVATOR
E.E.R.	ELEVATOR EQUIPTMENT RM
E.S.	ELEVATOR SHAFT
F.	FOYER
F.ST.	FIRE STAIR
G.	GARBAGE CHUTE
H.	HALL
K.	KITCHEN
L.	LOBBY
L.C.	LIMITED COMMON
L.R.	LIVING ROOM
M.R.	METER ROOM
O.	HOME OFFICE
P.	WARMING PANTRY
PIT	ELEVATOR PIT
P.R	PUMP ROOM
PWD.	POWDER ROOM
R.	RAMP
S.	STORAGE
S.L.	SKYLIGHT
ST.	STAIR
U.	UTILITY ROOM
V.	VESTIBULE
W/D	WASHER/DRYER CLOSET (NO EQUIPMENT)
G.C.E.	GENERAL COMMON ELEMENT
R.C.E.	RESIDENTIAL COMMON ELEMENT
L.R.C.E.	LIMITED RESIDENTIAL COMMON ELEMENT

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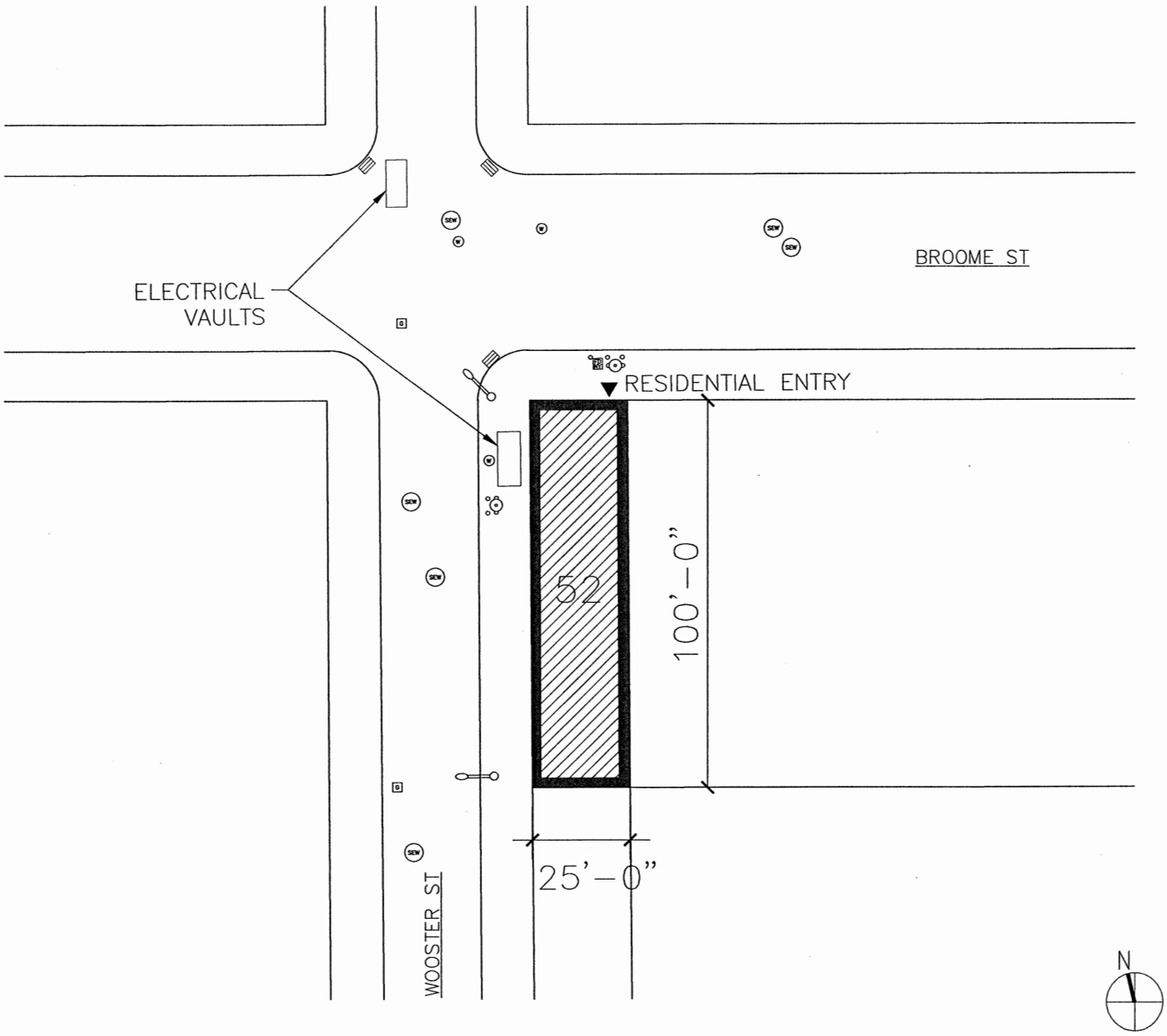
160



LEGEND

CATCH BASIN	TRAFFIC LIGHT	WATER
STREET LIGHT	STREET SIGN	SIDEWALK HATCH
SUBWAY GRATING	GAS	HYDRANT
SUBWAY STAIRS	SEWER	FIRE ALARM BOX

REGISTERED ARCHITECT ARPAD BAKSA 16325 STATE OF NEW YORK

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REVISION DATE	04 AUG 2014
PROJECT NO.	1700
DATE	15 JAN 2014
DRAWN BY	DA
SCALE	N/A
DRAWING NO.	SK-1

PROJECT
52 WOOSTER STREET
NEW YORK, N.Y. 10013

DRAWING TITLE
SITE PLAN

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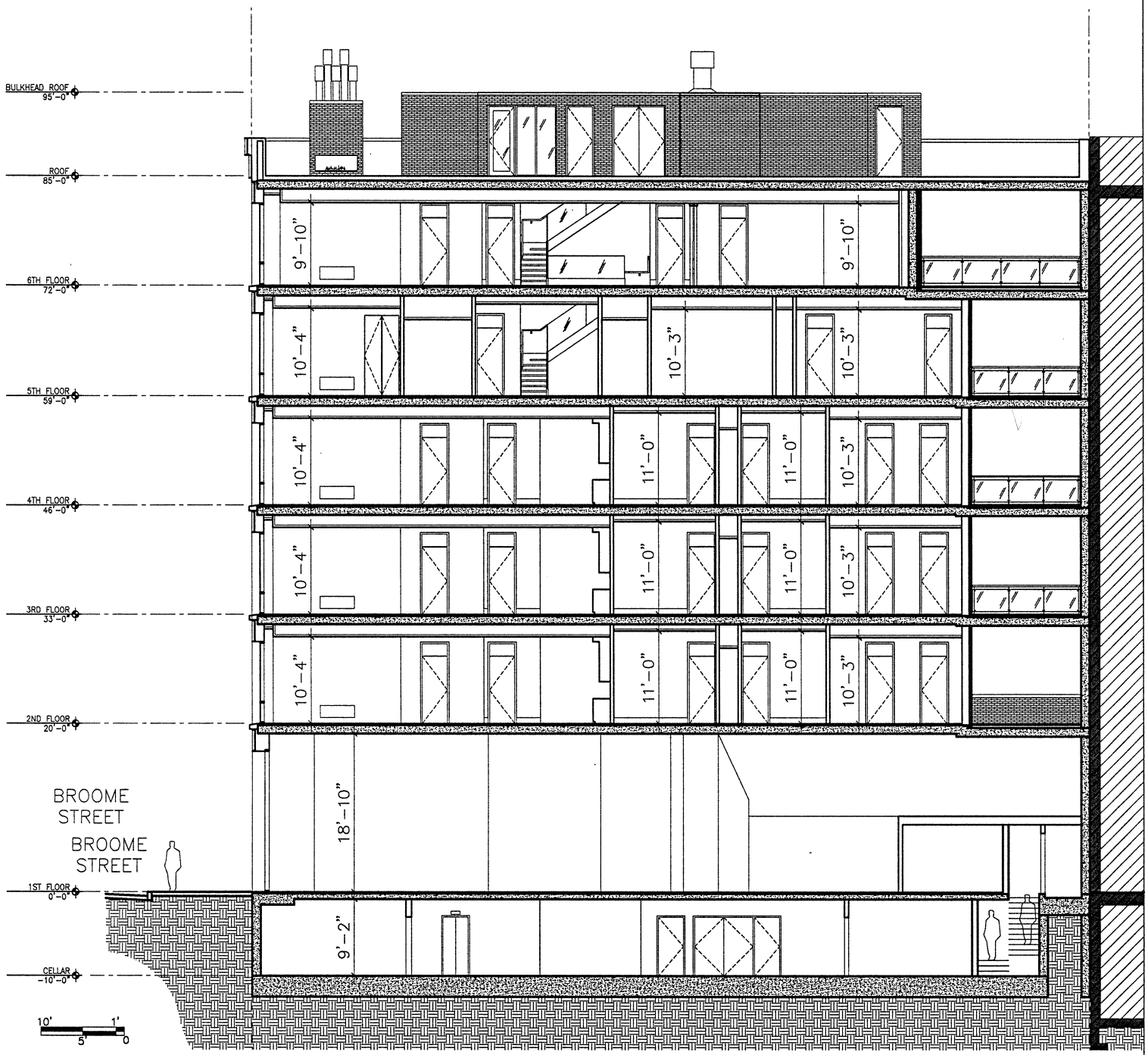

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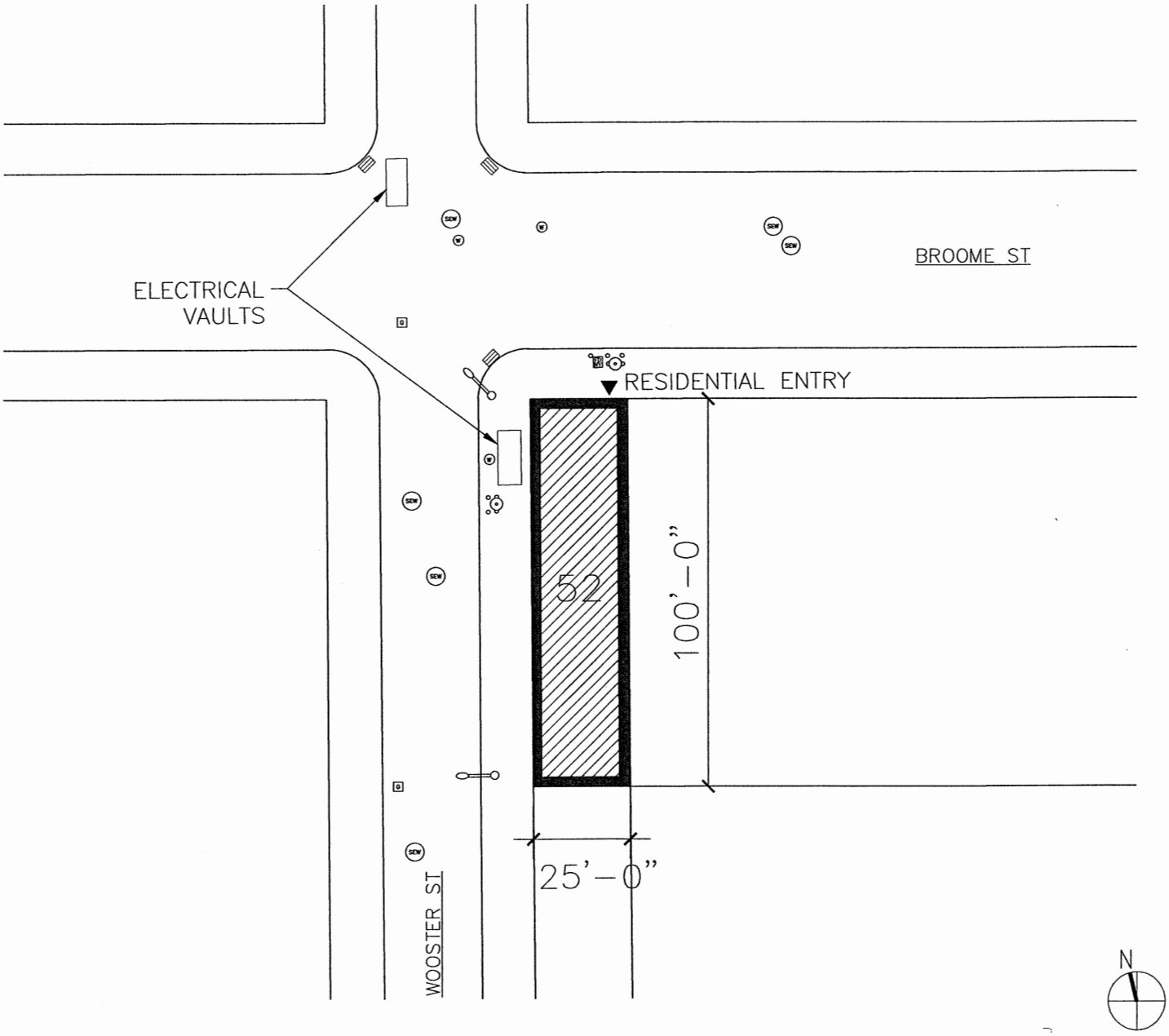

LEGEND

CATCH BASIN	TRAFFIC LIGHT	WATER
STREET LIGHT	STREET SIGN	SIDEWALK HATCH
SUBWAY GRATING	GAS	HYDRANT
SUBWAY STAIRS	SEWER	FIRE ALARM BOX

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REGISTERED ARCHITECT ARPAD BAKSA 16325 STATE OF NEW YORK

REVISION DATE 04 AUG 2014

PROJECT
52 WOOSTER STREET
NEW YORK, N.Y. 10013

DRAWING TITLE
SITE PLAN

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DATE	15 JAN 2014
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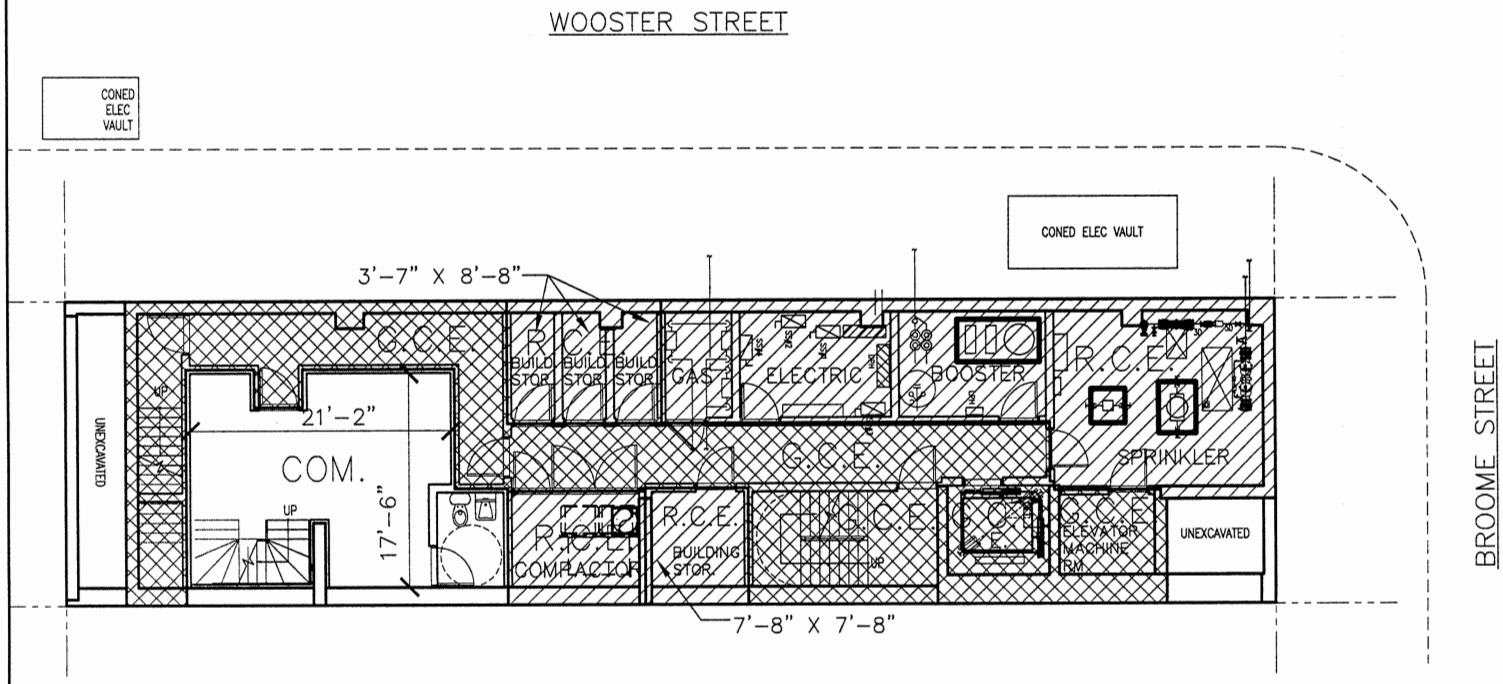
SCALE	N/A
DRAWING NO.	SK-1



CELLAR PLAN

NOTES:
1. ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES.
2. DIMENSIONS NOTED IN PLANS REFLECT INTERIOR DIMENSIONS OF SPACE.
3. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA.
4. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.
5. AREA OF RESIDENTIAL UNIT INCLUDES THE AREA OF THE ELEVATOR SHAFT (G.C.E.)

10' 5' 1' 0

REGISTERED ARCHITECT ARPAD BAKSA 16325 STATE OF NEW YORK

CELLAR

UNIT(S): COMMERICIAL
TAX LOT NO. 1701
MAIN LEVEL
APPROX. SF = 458 SF

RESIDENTIAL
COMMON ELEMENT (R.C.E.):
APPROX. SF = 936 SF

GENERAL
COMMON ELEMENT (G.C.E.):
APPROX. SF = 896 SF

TOTAL GROSS AREA:
APPROX. TOTAL SF = 2,290 SF

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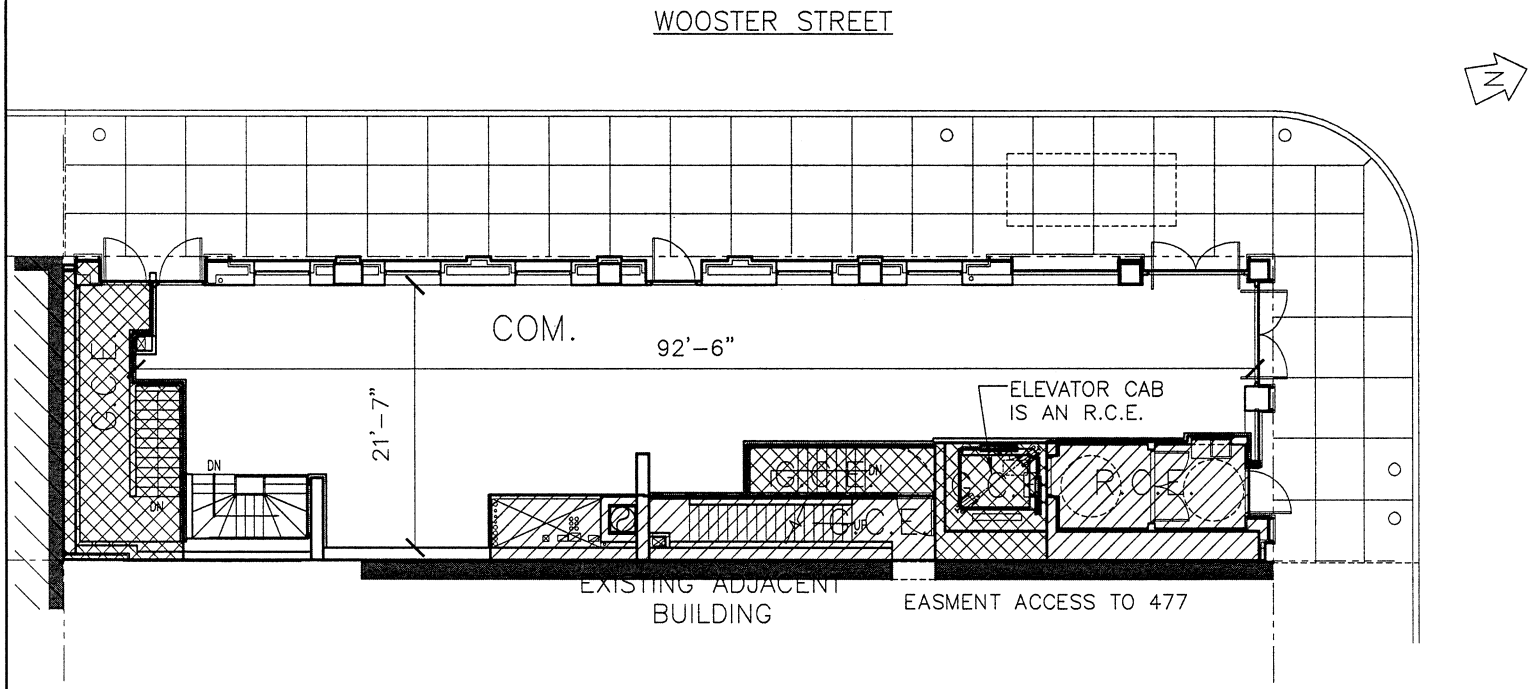

1ST FLOOR PLAN

NOTES:
1. ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES.
2. DIMENSIONS NOTED IN PLANS REFLECT INTERIOR DIMENSIONS OF SPACE.
3. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA.
4. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.
5. AREA OF RESIDENTIAL UNIT INCLUDES THE AREA OF THE ELEVATOR SHAFT (G.C.E.)

10' 5' 1' 0

REGISTERED ARCHITECT
ARPAD BAKSA
16325
STATE OF NEW YORK

IST FLOOR

UNIT(S): COMMERICIAL
TAX LOT NO. 1701
MAIN LEVEL
APPROX. SF = 1677 SF

RESIDENTIAL COMMON ELEMENT (R.C.E.):
APPROX. SF = 169 SF

GENERAL COMMON ELEMENT (G.C.E.):
APPROX. SF = 552 SF

TOTAL GROSS AREA:
APPROX. TOTAL SF = 2,398 SF

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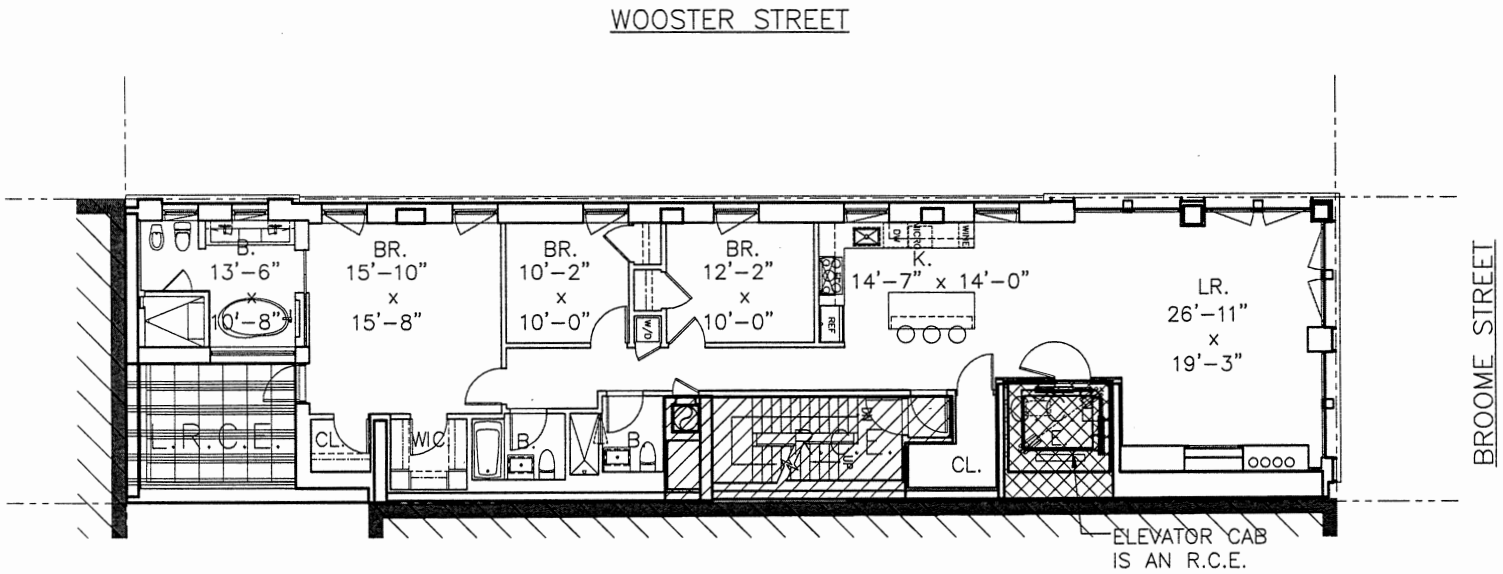

10' 1'
5' 0

2ND FLOOR PLAN

NOTES:
1. ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES.
2. DIMENSIONS NOTED IN PLANS REFLECT INTERIOR DIMENSIONS OF SPACE.
3. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA.
4. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.
5. AREA OF RESIDENTIAL UNIT INCLUDES THE AREA OF THE ELEVATOR SHAFT (G.C.E.)

REGISTERED ARCHITECT
ARPAD BAKSA
16325
STATE OF NEW YORK

2ND FLOOR

UNIT(S): RESIDENTIAL
TAX LOT NO. 1702
APPROX. SF = 2,067 SF

RESIDENTIAL COMMON ELEMENT (R.C.E.):
APPROX. SF = 182 SF

LIMITED RESIDENTIAL COMMON ELEMENT (L.R.C.E.):
APPROX. SF = 167 SF

GENERAL COMMON ELEMENT (G.C.E.):
APPROX. SF = 87 SF

TOTAL GROSS AREA:
APPROX. TOTAL SF = 2,503 SF

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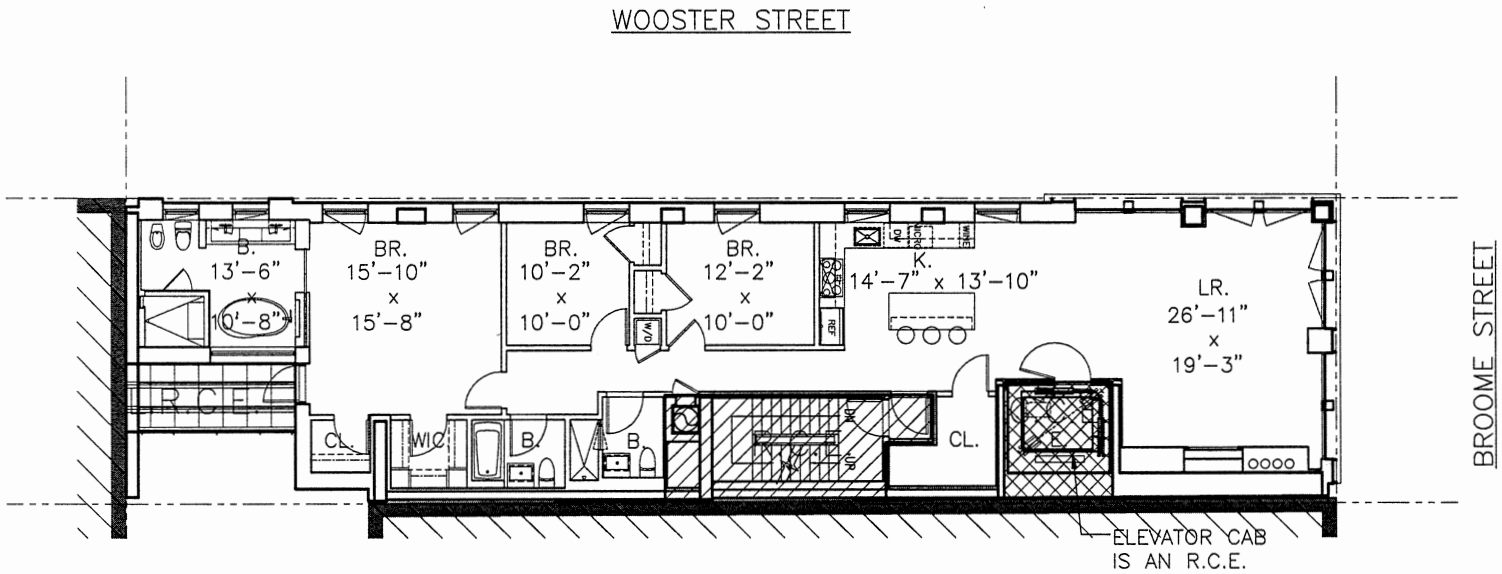

10' 5' 1' 0

3RD FLOOR PLAN

NOTES:
1. ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES.
2. DIMENSIONS NOTED IN PLANS REFLECT INTERIOR DIMENSIONS OF SPACE.
3. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA.
4. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.
5. AREA OF RESIDENTIAL UNIT INCLUDES THE AREA OF THE ELEVATOR SHAFT (G.C.E.)

REGISTERED ARCHITECT
ARPAD BAKSA
16325
STATE OF NEW YORK

3RD FLOOR

UNIT(S): RESIDENTIAL
TAX LOT NO. 1703
APPROX. SF = 2,064 SF

RESIDENTIAL COMMON ELEMENT (R.C.E.):
APPROX. SF = 170 SF

LIMITED RESIDENTIAL COMMON ELEMENT (L.R.C.E.):
APPROX. SF = 78 SF

GENERAL COMMON ELEMENT (G.C.E.):
APPROX. SF = 85 SF

TOTAL GROSS AREA:
APPROX. TOTAL SF = 2,397 SF

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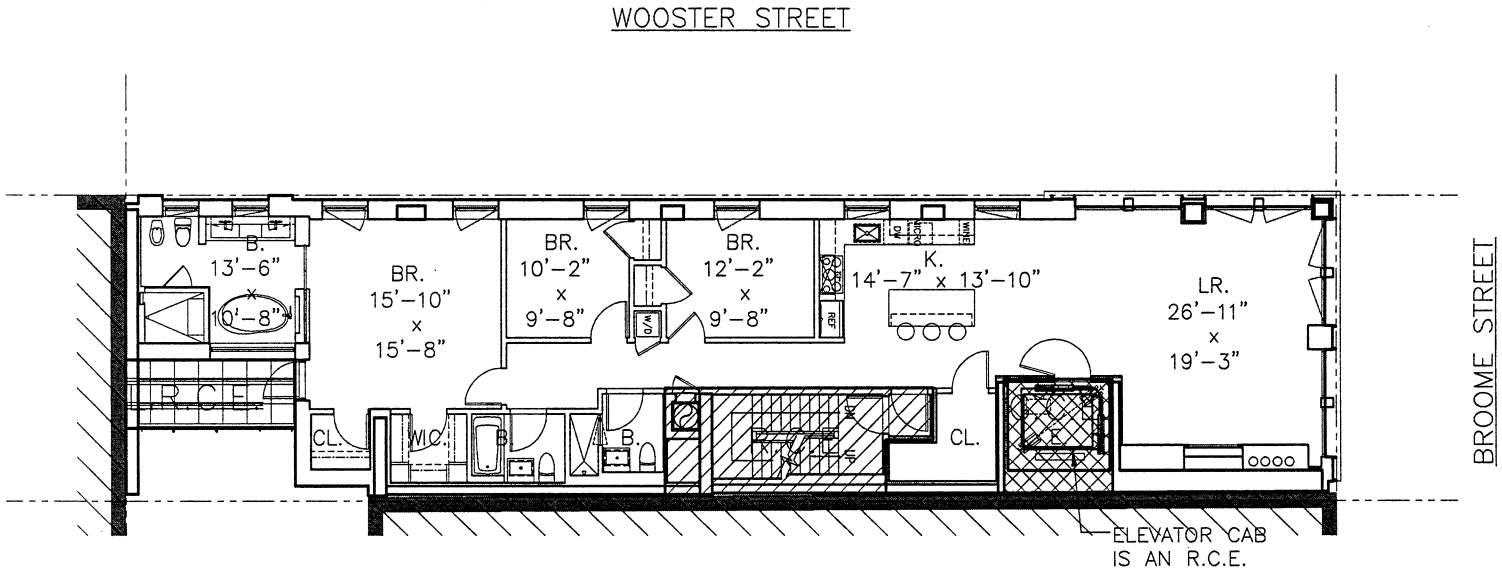

10' 5' 1' 0

4TH FLOOR PLAN

NOTES:
1. ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES.
2. DIMENSIONS NOTED IN PLANS REFLECT INTERIOR DIMENSIONS OF SPACE.
3. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA.
4. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.
5. AREA OF RESIDENTIAL UNIT INCLUDES THE AREA OF THE ELEVATOR SHAFT (G.C.E.)

REGISTERED ARCHITECT
ARPAD BAKSA
16325
STATE OF NEW YORK

4TH FLOOR

UNIT(S): RESIDENTIAL
TAX LOT NO. 1704
APPROX. SF = 2,044 SF

RESIDENTIAL COMMON ELEMENT (R.C.E.):
APPROX. SF = 173 SF

LIMITED RESIDENTIAL COMMON ELEMENT (L.R.C.E.):
APPROX. SF = 78 SF

GENERAL COMMON ELEMENT (G.C.E.):
APPROX. SF = 83 SF

TOTAL GROSS AREA:
APPROX. TOTAL SF = 2,378 SF

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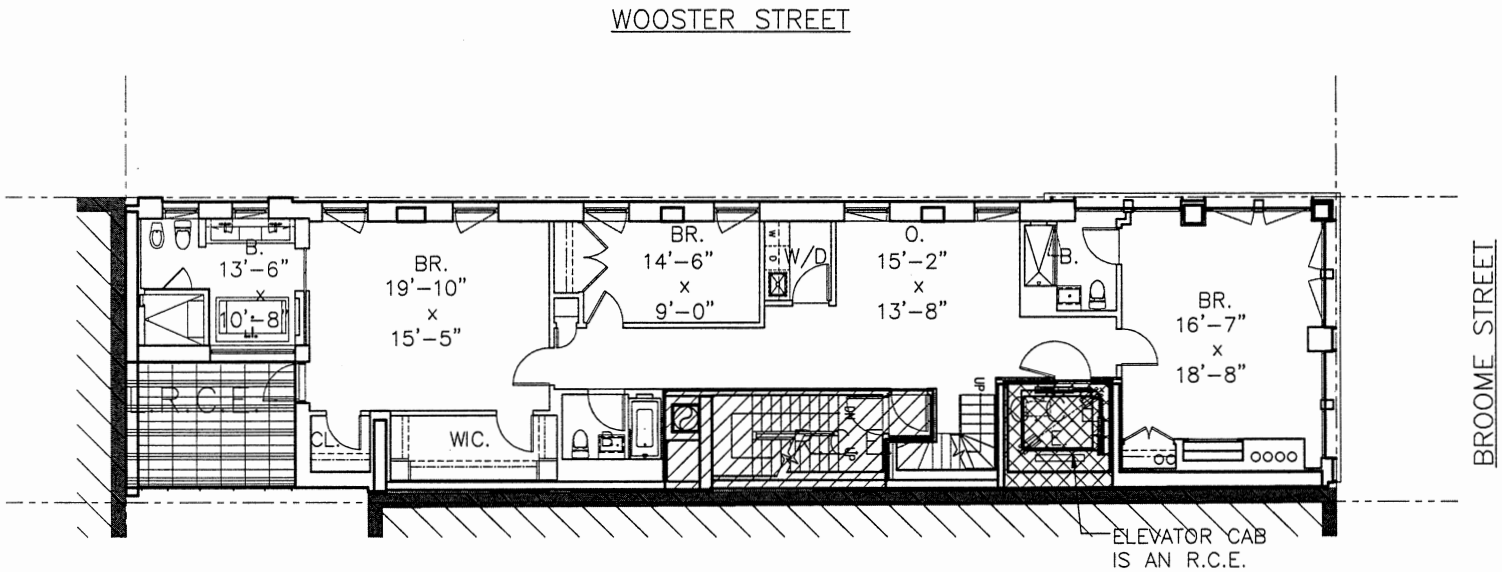

10' 1'
5' 0

5TH FLOOR PLAN

NOTES:
1. ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES.
2. DIMENSIONS NOTED IN PLANS REFLECT INTERIOR DIMENSIONS OF SPACE.
3. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA.
4. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.
5. AREA OF RESIDENTIAL UNIT INCLUDES THE AREA OF THE ELEVATOR SHAFT (G.C.E.)

REGISTERED ARCHITECT
ARPAD BAKSA
16325
STATE OF NEW YORK

5TH FLOOR

UNIT(S): RESIDENTIAL
TAX LOT NO. 1705
APPROX. SF = 2,016 SF

RESIDENTIAL COMMON ELEMENT (R.C.E.):
APPROX. SF = 164 SF

LIMITED RESIDENTIAL COMMON ELEMENT (L.R.C.E.):
APPROX. SF = 144 SF

GENERAL COMMON ELEMENT (G.C.E.):
APPROX. SF = 79 SF

TOTAL GROSS AREA:
APPROX. TOTAL SF = 2,403 SF

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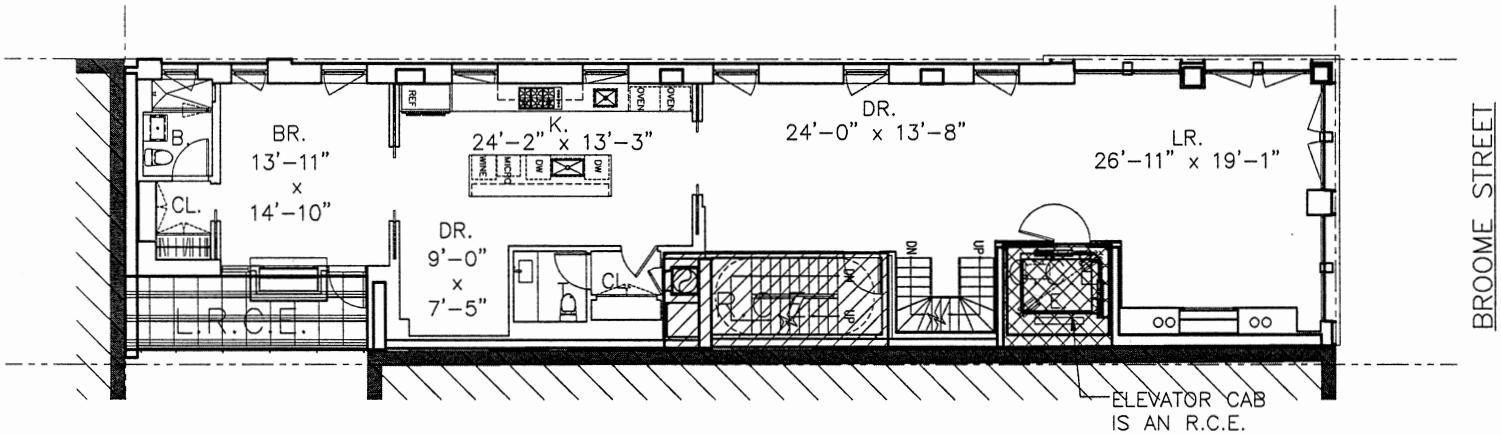

10' 1'
5' 0

6TH FLOOR PLAN

NOTES:
1. ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES.
2. DIMENSIONS NOTED IN PLANS REFLECT INTERIOR DIMENSIONS OF SPACE.
3. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA.
4. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.
5. AREA OF RESIDENTIAL UNIT INCLUDES THE AREA OF THE ELEVATOR SHAFT (G.C.E.)

REGISTERED ARCHITECT
ARPAD BAKSA
16325
STATE OF NEW YORK

6TH FLOOR

UNIT(S): RESIDENTIAL
TAX LOT NO. 1705
APPROX. SF = 2,033 SF

RESIDENTIAL COMMON ELEMENT (R.C.E.):
APPROX. SF = 144 SF

LIMITED RESIDENTIAL COMMON ELEMENT (L.R.C.E.):
APPROX. SF = 122 SF

GENERAL COMMON ELEMENT (G.C.E.):
APPROX. SF = 76 SF

TOTAL GROSS AREA:
APPROX. TOTAL SF = 2,375 SF

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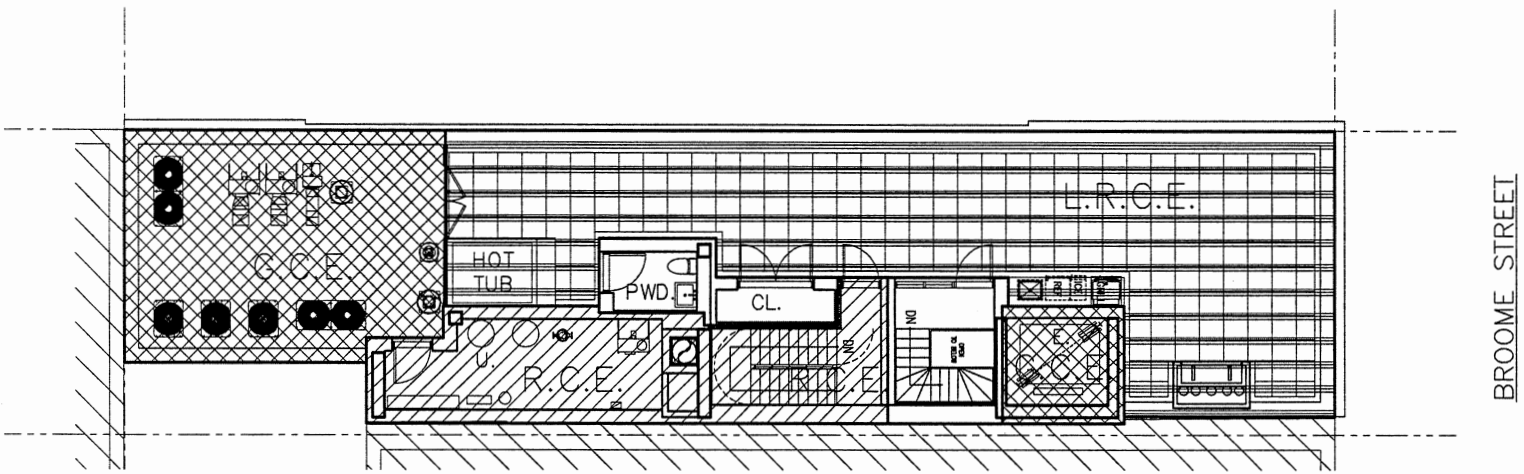

10' 5' 1' 0

ROOF PLAN

NOTES:
1. ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES.
2. DIMENSIONS NOTED IN PLANS REFLECT INTERIOR DIMENSIONS OF SPACE.
3. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA.
4. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.
5. AREA OF RESIDENTIAL UNIT INCLUDES THE AREA OF THE ELEVATOR SHAFT (G.C.E.)

REGISTERED ARCHITECT ARPAD BAKSA 16325 STATE OF NEW YORK

ROOF

UNIT(S): RESIDENTIAL
TAX LOT NO. 1705
APPROX. SF = 214 SF

RESIDENTIAL COMMON ELEMENT (R.C.E.):
APPROX. SF = 388 SF

LIMITED RESIDENTIAL COMMON ELEMENT (L.R.C.E.):
APPROX. SF = 1,101 SF

GENERAL COMMON ELEMENT (G.C.E.):
APPROX. SF = 588 SF

TOTAL GROSS AREA:
APPROX. TOTAL SF = 2,291 SF

170

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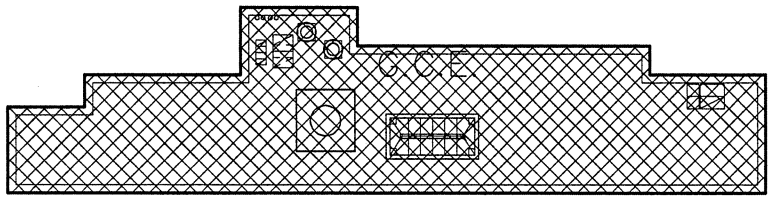
WOOSTER STREET



BROOME STREET

10' 1'
5' 0

BULKHEAD ROOF PLAN

NOTES:
1. ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES.
2. DIMENSIONS NOTED IN PLANS REFLECT INTERIOR DIMENSIONS OF SPACE.
3. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA.
4. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.
5. AREA OF RESIDENTIAL UNIT INCLUDES THE AREA OF THE ELEVATOR SHAFT (G.C.E.)

REGISTERED ARCHITECT
ARPAD BAKSA
16325
STATE OF NEW YORK

BULKHEAD ROOF PLAN

BULKHEAD: MECHANICAL

GENERAL
COMMON ELEMENT (G.C.E.):
APPROX. SF = 700 SF

TOTAL GROSS AREA:
APPROX. TOTAL SF = 700 SF

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172

PURCHASE AGREEMENT

173

PURCHASE AGREEMENT

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52 WOOSTER HOLDINGS LLC

Sponsor

With

Purchaser

For Unit Number _____
52 Wooster Street Condominium
52 Wooster Street
New York, New York 10013

174

TABLE OF CONTENTS

1. THE PLAN 1
2. DEFINITIONS 1
3. THE UNIT 2
4. PURCHASE PRICE 2
5. DEPOSIT TO BE HELD IN TRUST 2
6. CLOSING DATE AND PLACE 3
7. DELIVERY OF THE DEED AND UNIT POWER OF ATTORNEY 3
8. STATUS OF TITLE 4
9. CLOSING ADJUSTMENTS 4
10. MORTGAGE TAX CREDIT 6
11. CLOSING COSTS 6
12. TRANSFER TAX RETURNS 6
13. AGREEMENT SUBJECT TO MORTGAGE 6
14. DEFAULT BY PURCHASER 6
15. AGREEMENT SUBJECT TO PLAN BEING EFFECTIVE 7
16. SPONSOR'S INABILITY TO CONVEY THE UNIT 7
17. FIXTURES, APPLIANCES AND PERSONAL PROPERTY 8
18. CONSTRUCTION 8
19. INSPECTION OF THE UNIT 9
20. DAMAGE TO THE UNIT 9
21. NO REPRESENTATIONS 10
22. PROHIBITION AGAINST ADVERTISING 10
23. BROKER 10
24. AGREEMENT MAY NOT BE ASSIGNED 10
25. BINDING EFFECT 11
26. NOTICES 11
27. JOINT PURCHASERS 12
28. LIABILITY OF SPONSOR 12
29. FURTHER ASSURANCES 12
30. AGREEMENT NOT CONTINGENT UPON FINANCING 12
31. SEVERABILITY 12
32. STRICT COMPLIANCE 13
33. GOVERNING LAW 13

34. WAIVER OF JURY 13
35. ENTIRE AGREEMENT 13
36. CERTAIN REFERENCES 13
37. CAPTIONS 13
38. SUCCESSORS AND ASSIGNS 13
39. CONFIDENTIALITY 13
40. NO ORAL CHANGES 14

SCHEDULE A – Escrowed Funds Rider
SCHEDULE B – Permitted Encumbrances
SCHEDULE C – Inspection Statement

176

UNIT NUMBER _____

52 WOOSTER STREET CONDOMINIUM
52 WOOSTER STREET
NEW YORK, NEW YORK 10013

(TO BE EXECUTED IN QUINTUPLICATE)

AGREEMENT, made as of _____, _____, between Sponsor (defined below) 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 52 Wooster Street Condominium dated _____ _____, 201__ and all amendments thereto, if any, filed with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") at least 3 business days prior to Purchaser's signing this Agreement. If Purchaser has not received and read the Plan and all amendments thereto at least 3 business days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement, by sending written notice of such rescission to Sponsor by certified or registered mail, return receipt requested, or by personal delivery, in either case within 7 days from the date Purchaser delivers an executed Purchase Agreement together with the required Deposit to the Selling Agent. **The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding, except as to inconsistencies arising from changes to the Purchase Agreement negotiated between Sponsor and Purchaser. 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 52 Wooster Holdings LLC, having an office at 641 Lexington Avenue, 24th Floor, New York, New York 10022. Sponsor's taxpayer identification number is _____.

2.2 "Purchaser" means _____ having an address at _____, _____, _____ _____. Purchaser's social security number is _____.

2.3 "Attorney for Sponsor" means Gerstein Strauss & Rinaldi LLP, having an address at 57 West 38th Street, New York, New York 10018, Attention: Lisa J. Rinaldi, Esq. Telephone Number: (212) 398-7900. Facsimile Number: (212) 575-2387. E-mail: LRinaldi@gsrlaw.com

2.4 "Attorney for Purchaser" means _____, having an address at _____, _____, _____, _____ Attention: _____, Esq. Telephone Number: (____) _____.

Facsimile Number: (____) _____. E-mail: _____

2.5 "Selling Agent" means TOWN New Development Sales & Marketing LLC.

2.6 "Co-Broker" means _____.

2.7 "Escrow Agent" means Attorney for Sponsor.

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(s), having the Unit Number(s) in the Declaration, together with (its) (their) undivided % of interest in the Common Elements appurtenant to such Unit(s) set forth below:

UNIT TYPE	UNIT NO.	% OF COMMON INTEREST	PURCHASE PRICE
Residential Unit	_____	_____	$_____

4. PURCHASE PRICE.

4.1 The total purchase price for the Residential Unit is $_____ ("Purchase Price").

The Purchase Price is payable as follows:

(a) $_____ (the "Deposit"), (twenty percent (20%) of the Purchase Price) due upon Purchaser's signing and submitting this Agreement, by check (subject to collection), receipt of which is hereby acknowledged;

(b) $_____, constituting the balance of the Purchase Price, by good certified check of Purchaser or official bank check, payable on the delivery of the deed as hereinafter provided.

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 "Gerstein Strauss & Rinaldi LLP as Escrow Agent." The balance of the Purchase Price shall be made payable to the direct order of "52 Wooster Holdings LLC" (or such other party as Sponsor directs to Purchaser, in writing at least 3 days prior to the date of Closing of Title). If any check is returned for insufficient funds or any other reason, such return shall be deemed to be a default by Purchaser under this Agreement and shall entitle Sponsor to exercise any of the remedies set forth in Article 14 hereof. 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 Gerstein Strauss & Rinaldi LLP, as escrow agent ("Escrow Agent") and shall be held in accordance with the Escrowed Funds Rider annexed hereto as Schedule A and the section of the Plan entitled "Escrow and Trust Fund Requirements". 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. If Purchaser shall default

on his obligations under this Agreement, and Sponsor does not pursue a specific performance claim against Purchaser, then the Deposit shall be released to Sponsor as liquidated damages, and thereafter, neither party shall have any further rights or obligations against or to each other. In the event Sponsor is unable to 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 Gerstein Strauss & Rinaldi LLP, 57 West 38th Street, 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 written notice ("Initial Closing Notice"). After sending the Initial Closing Notice, Sponsor may, from time to time, adjourn the date and hour for Closing on not less than **2 business days** notice to Purchaser, which notice shall fix a new date, hour and place for the Closing of Title. Only the Initial Closing Notice will require 30 days notice. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Sponsor's attorneys at closing an extra fee as set forth in the Plan.

6.2 The term "Closing Date" "Closing" "Closing of Title" or words of similar import, whenever used herein, shall mean the date designated by Sponsor on which the deed to the Unit is delivered to Purchaser, or any adjourned date fixed by Sponsor pursuant to subsection 6.1 hereof.

6.3 From and after the first Closing of a Residential Unit, and provided that a temporary certificate of occupancy has been issued for the Unit, the following language will apply in lieu of 6.1 above:

> "The Closing of Title shall be held at Gerstein Strauss & Rinaldi LLP, located at 57 West 38th Street, 9th Floor, New York, New York (or such other place in the City and State of New York as Sponsor may designate to Purchaser) at __:__ (am) (pm) on the _____ day of _____, ___201__ ("Scheduled Closing Date"). Sponsor may, from time to time, adjourn the date and hour for Closing on not less than ___ **business days** notice to Purchaser, which notice shall fix a new date, hour and place for the Closing of Title. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Sponsor's attorney at Closing an extra fee as set forth in the Plan. If the temporary certificate of occupancy for the Unit expires before the Scheduled Closing Date occurs, Sponsor will adjourn the Closing Date to a date after the temporary certificate of occupancy for the Unit has been renewed. "

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 B annexed hereto and made a part hereof. The deed shall be prepared by Sponsor substantially in the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes, and Sponsor and Purchaser shall duly execute New York City and New York State Transfer Tax returns and any other forms then required by law, all of which shall be prepared by Sponsor. Notwithstanding anything set forth to the contrary, Purchaser shall remain liable for and pay the New York State Mansion Tax, if applicable.

7.2 At the Closing of Title and simultaneously with the delivery of the deed conveying the Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board prepared by Sponsor substantially in the form set forth in Part II of the Plan.

7.3 At the Closing of Title, Purchaser shall execute 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.

7.4 The executed deed and power of attorney to the Condominium Board shall be delivered to the representative of the title company insuring Purchaser's title (or, if no such representative is present, then to Sponsor's attorney) for recording in the City Register's Office, which recording shall be at Purchaser's expense. After being recorded, (i) the deed shall be returned to Purchaser or Purchaser's attorney and (ii) the power of attorney shall be sent to the Condominium Board.

7.5 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 good and insurable title in fee simple to the Unit, free and clear of all liens and encumbrances other than those expressly agreed to by Purchaser or set forth in Schedule B annexed hereto and made a part hereof. Any lien and encumbrance or condition to which title is not to be subject shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to the Closing of Title to the proper party or to Purchaser's title insurance company, together with the attendant recording or filing fee, if any, or (b) Royal Abstract of New York LLC ("Title Company"), or another title company licensed to do business in New York and selected by Sponsor, is or would be willing, in a fee policy issued by it to the Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien at no additional cost or additional premium, to Purchaser.

8.2 Sponsor shall be entitled to adjourn the Closing at any time to remove or correct any defect in title which is not set forth in Schedule B. If Sponsor does adjourn the Closing, Sponsor shall give Purchaser at least 5 business days' prior written notice to Purchaser's attorney of the rescheduled Closing Date.

8.3 If, subsequent to the Closing of Title, Purchaser claims that Sponsor did not convey good and insurable title in fee simple 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. 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 Title 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.

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 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 an interim lease or use and occupancy agreement, if any, covering the Unit.

(d) if the Unit has not been separately assessed, Purchaser shall pay to either Sponsor or the Condominium an amount equal to Purchaser's proportionate share (based upon the percentage of Common Elements owned by such Unit Owner) of the amount of real estate taxes that may be owed for each fiscal tax year (or part thereof) occurring after the fiscal tax period in which the Closing occurs until the Units are separately assessed. These funds will be held in escrow by either the Condominium or the Sponsor and used to either reimburse Sponsor for taxes Sponsor has paid or to pay the next installments of real estate taxes.

9.2 If a Unit has been separately assessed but the Closing of Title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title. If a Unit has not been separately assessed 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 for the tax periods for which Sponsor reasonably anticipates that the separate assessment shall not occur and the percentage interest in the Common Elements appurtenant to the Unit.

9.3 Purchaser hereby agrees that, if Sponsor obtains a refund for real estate taxes paid (or a credit for such taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this subsection shall survive the Closing of Title.

9.4 Provided Sponsor is ready, willing and able to close title in accordance with this Agreement, if Purchaser fails for any reason to close title to his Unit within 10 days of the 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 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 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 day before the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally Scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to his Unit within 10 days of 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 or 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 for a period of 1 year from the Closing Date.

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, if Purchaser elects mortgage financing, Purchaser 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. However, at the Closing of Title, Purchaser shall pay to Sponsor the amount of any mortgage tax credit allowed.

11. CLOSING COSTS.

In addition to those costs and adjustments described in Articles 9 and 10 herein, Purchaser shall be required to pay the other Closing costs which are Purchaser's responsibility as more particularly described in the Section of the Plan entitled "Closing Costs and Adjustments." All such Closing Costs shall be paid by Purchaser, at Closing, by Purchaser's unendorsed personal certified check or by official bank check, in either event drawn upon a bank that is a member of the New York Clearing House Association.

12. TRANSFER TAX RETURNS.

At the Closing, Purchaser and Sponsor shall duly complete and sign before a notary public the real property transfer tax return required to be filed with the City of New York ("RPT Form") and the Combined Real Estate Transfer Tax Return and Credit Line Mortgage Certificate ("Combined Tax Form") and the RP-5217 NYC form, and such other forms as may then be required by law. The RPT and Combined Tax Form shall be delivered at the Closing of Title to the representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for filing with the proper governmental officer.

13. AGREEMENT SUBJECT TO MORTGAGE.

No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any monies deposited hereunder, except as hereinafter set forth. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage heretofore or hereafter made, including, but not limited to, any construction or building loan mortgage, and any advances heretofore or hereafter made thereon and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof, without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

14. DEFAULT BY PURCHASER.

14.1 The following shall constitute "Events of Default" hereunder:

(i) Purchaser's failure to pay the balance of the Purchase Price set forth in Article 4.1(b) hereof, or any Closing apportionment or Closing cost required to be paid by Purchaser in Article 9, 10 or 11 hereof on the Closing Date designated by Sponsor pursuant to Article 6 hereof, or the dishonor of any check given by Purchaser to Sponsor;

(ii) The failure to pay, perform or observe any of Purchaser's other obligations hereunder; or

(iii) If Purchaser is permitted to become the tenant or other occupant of the Unit, Purchaser's failure to pay rent or to perform some other lease or occupancy obligation within the period after notice, if any, set forth in the lease or occupancy or other agreement;

(iv) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or

(v) 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

(vi) If a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the judgment or tax lien.

14.2 **TIME IS OF THE ESSENCE** with respect to Purchaser's obligations to pay the balance of the Purchase Price and to pay, perform or observe 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 (i) cancel this Agreement, or (ii) seek specific performance. If Sponsor elects to cancel, Purchaser shall have 30 days from the giving of the notice of cancellation to cure the specified default. If the default is not cured within such 30 days, then this Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, the entire twenty percent (20%) Deposit and any interest earned thereon. 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 on his or her 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 (including, but not limited to, reasonable legal fees and costs of collection).

15. AGREEMENT SUBJECT TO PLAN BEING EFFECTIVE.

The performance by Sponsor of its obligations under this Agreement is contingent upon the Plan having been declared effective in accordance with the terms and provisions of the Plan (as the same may be amended from time to time). The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in the Plan. If the Plan is abandoned or if, after being declared effective, the Plan is not consummated for any reason and Purchaser is not in default under this Agreement beyond any applicable grace period, this Agreement shall be deemed cancelled and the Deposit, together with interest earned thereon, shall be returned to Purchaser. Upon such return, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan.

16. 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, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such title defect (without any abatement in, or credit against, the Purchase Price, or any claim

or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within 30 days after receipt of notice of termination from Purchaser, return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any. Upon making such payment, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan. The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within 15 days after the giving of Sponsor's notice of election not to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the remedy described in clause (a) above (i.e., to acquire title subject to such inability).

17. 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 (or permitted substitutions or alternates) are included in this sale. No portion of the Purchase Price shall be attributable to such items.

18. CONSTRUCTION.

18.1 The construction of the Unit, including the materials, equipment and fixtures to be installed therein, shall be substantially in accordance with the Plan and the Plans and Specifications (as defined in the Plan), subject to the right of Sponsor to amend the Plan and the Plans and Specifications in order to substitute materials, equipment or fixtures of equal or better quality, provided that the approval of any governmental authorities having jurisdiction is first obtained (if required). The issuance of a temporary certificate of occupancy for a Unit shall be deemed presumptive evidence that the Unit has been fully completed in accordance with the Plan and the Plans and Specifications. The issuance of a final certificate of occupancy for the Building shall be deemed presumptive evidence that the Building has 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."

18.2 The construction of the Building and the Unit and the correction of any defects in construction 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.

18.3 The Closing of Title shall occur only after, or concurrently with, compliance with the prerequisites set forth under "Closing of Title to Units" in Part I of the Plan. As a result, if all other prerequisites not involving the construction of the Unit are met, Purchaser shall be obligated to close and complete payment of the full Purchase Price (without provision for escrow) once a temporary or final certificate of occupancy is issued for the Unit (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.

18.4 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 full Purchase Price, without credit or set-off, and shall have no claim against Sponsor for damages or losses, in the event that the First Closing occurs substantially later than the projected date or the time to complete or to close title to the Unit is delayed or is postponed by Sponsor.

19. INSPECTION OF THE UNIT.

19.1 At least one week (but not more than one month) prior to the Closing Date, Purchaser shall be notified that the Unit is ready for inspection. Upon receipt of the notice, Purchaser shall promptly arrange an appointment with a representative of Sponsor to inspect the Unit within the week prior to the Closing Date. Purchaser or his or her duly authorized agent shall attend such inspection and shall complete, date and sign the Inspection Statement (in the form set forth as Schedule C to this Agreement) and deliver same to the Sponsor's representative at the conclusion of the inspection. **Failure of Purchaser either to arrange such appointment or to inspect the Unit within the week prior to the Closing Date or to so sign and deliver the completed Inspection Statement shall not excuse Purchaser from paying the balance of the purchase price when due and shall constitute Purchaser's full acceptance of the Unit in its condition as of the Closing Date.** However, nothing herein shall relieve Sponsor of its obligations as set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor".

19.2 Any work set forth on the Inspection Statement may 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 required to provide Sponsor with access to the Unit subsequent to the Closing in order to complete punchlist work. Failure to provide the required access shall constitute Purchaser's full acceptance of the Unit in its condition as of the Closing Date. Sponsor has no obligation under the Plan to deposit any monies in escrow at Closing as a result of any punchlist items.

20. DAMAGE TO THE UNIT.

If between the date of this Agreement and the Closing of Title the Unit is damaged by fire or other casualty, the following shall apply:

20.1 The risk of loss to the Unit by fire or other casualty 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 such damage, 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, not to exceed 180 days from Sponsor's election to repair the Unit. 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.

20.2 In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit, or, if the Declaration has been recorded prior thereto, 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 sums deposited by Purchaser hereunder, together with interest earned thereon, if any, and neither party hereto shall have any further rights, obligations or liability to or against the other hereunder or under the Plan, except that if Purchaser is then in default

hereunder (beyond any applicable grace period), Sponsor shall retain all such sums deposited by Purchaser hereunder, together with any interest earned thereon, as and for liquidated damages.

21. NO REPRESENTATIONS.

Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the purchase of the Unit, or any other data, except as herein or in the Plan specifically represented. Purchaser has relied solely on his own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor except as herein or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements or any other part of the Property other than as set forth herein or in the Plan. Except as otherwise set forth in the Plan, Purchaser agrees (a) to purchase the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans is accurate or correct, and (b) that Purchaser shall not be relieved of any Purchaser's obligations hereunder by reason of any immaterial or insubstantial inaccuracy or error. The provisions of this Article 21 shall survive the Closing of Title.

22. PROHIBITION AGAINST ADVERTISING.

Prior to the Closing of Title, Purchaser agrees not to list the Unit for resale or rental with any broker or to advertise or otherwise offer, promote or publicize the availability of the Unit for sale or lease, without Sponsor's prior written consent. Any listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser prior to Closing of Title shall be a default by Purchaser, entitling Sponsor to the remedies set forth in Article 14 hereof.

23. 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. Purchaser shall pay the commission of any broker with whom Purchaser may have dealt, other than the Selling Agent and the Co-Broker. Purchaser agrees that, should any claim be made against Sponsor for commissions by any broker, other than the Selling Agent, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this Article shall survive the Closing of Title.

24. AGREEMENT MAY NOT BE ASSIGNED.

24.1 Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor, which consent may be unreasonably withheld or delayed. An assignment would include the transfer of a beneficial interest in an entity that is Purchaser. 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. Under no circumstances will Sponsor consent to an assignment of the Purchase Agreement in which the Purchaser will receive consideration. Any purported assignment by

Purchaser in violation of this Agreement shall be a default by Purchaser, entitling Sponsor to the remedies set forth in Article 14 hereof, and shall be voidable at the option of Sponsor.

24.2 Notwithstanding anything to the contrary contained in Paragraph 24, if Purchaser has signed this Agreement in an individual name (and not in the name of an entity), Purchaser shall have a one-time right to assign Purchaser's rights under this Agreement, in whole, but not in part, to an entity "controlled" (as such term is defined below) by Purchaser, (the entity to which the rights are assignable may be a trust, limited liability company or a corporation) or to member(s) of Purchaser's immediate family, provided that (i) Purchaser designates such assignee at least 5 business days prior to the Closing Date; (ii) the Closing will not be delayed as a result of such assignment, (iii) the assignee of this Agreement assumes in writing, by an instrument approved by Sponsor's counsel, the obligations of Purchaser under this Agreement, (iv) the assignment is made without consideration and (v) the assignee delivers an "affidavit of intent to reside" in the form required by Sponsor. As used in this subparagraph, the term "control" shall mean the control, either directly or indirectly, of at least 51% of the voting shares or equity interests of such assignee, together with the authority to direct and manage the affairs of such assignee, which shall include Purchaser, being the managing general partner of such partnership or the principal manager or managing member of such limited liability company. Purchaser shall deliver to Sponsor evidence reasonably satisfactory to Sponsor of who controls the entity. Any obligations of Purchaser may be performed by such assignee, and Sponsor agrees to accept such performance as if it were the performance of the Purchaser. No such assignment shall modify Purchaser's obligations hereunder, including without limitation, the named Purchaser's indemnity obligations contained in this Agreement, reduce or limit any liability or obligation of the named Purchaser who shall remain primarily liable notwithstanding any liability assumed by assignee. Unless Purchaser complies with the provisions of this subparagraph, any purported assignment by Purchaser shall be null and void and of no effect as against Sponsor.

25. BINDING EFFECT.

The submission of this Agreement to Purchaser does not create a binding obligation on the part of Sponsor. This Agreement shall not be binding on Sponsor until a fully executed counterpart hereof has been delivered to Purchaser. If this Agreement is not accepted within 30 days from the date hereof by the delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed to have been rejected and cancelled and the Deposit paid on the execution hereof shall be promptly returned to Purchaser. Upon such refund being made, neither party shall have any further rights, obligations liability to or against the other hereunder or under the Plan. Prior to Sponsor's countersigning and returning this Purchase Agreement to Purchaser, and at any time thereafter, Purchaser agrees upon request to provide Sponsor with written information about Purchaser's employment, financial and rental/ownership history. Such information obtained prior to countersignature may be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's sex, race, creed, color, national origin, ancestry, disability, marital status, or other ground proscribed by law.

26. NOTICES.

26.1 Any notice, election, demand, request, letter, consent or other communication hereunder or under the Plan (other than amendments to the Plan, which shall be served in accordance with the Plan, or documents for which the method of delivery is otherwise set forth in the Plan) shall be in writing and either delivered in person or sent, postage prepaid, by registered or certified mail or by Federal Express or other reputable overnight courier, with receipt confirmed to Purchaser at the address given at the beginning of this Agreement with a copy to the Attorney for Purchaser, in the same manner as notice is given to Purchaser, and to Sponsor, at the address given at the beginning of this Agreement, with a copy to the Attorney for Sponsor in the same manner as notice is given to Sponsor. Either party may hereafter

designate to the other in writing a change in the address to which notices are to be sent. Except as otherwise expressly provided herein, a notice shall be deemed given when personal delivery or delivery by overnight courier is effected, or in the case of mailing, the 3rd day after the date of mailing, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself.

26.2 Sponsor hereby designates and empowers Sponsor's counsel Gerstein Strauss & Rinaldi LLP, as Sponsor's agents to give any notice to Purchaser under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself.

27. JOINT PURCHASERS.

The term "Purchaser" shall be read as "Purchasers" if more than one person are Purchasers, in which case their obligations shall be joint and several.

28. LIABILITY OF SPONSOR.

Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligations or undertaking shall be tolled for the length of the period during which such performance was excused.

29. FURTHER ASSURANCES.

Either party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

30. AGREEMENT NOT CONTINGENT UPON FINANCING.

The terms and provisions of this Agreement and Purchaser's obligations hereunder shall not be contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof), and Purchaser understands and agrees that Purchaser's failure to obtain such financing will not relieve Purchaser of Purchaser's obligations hereunder. Purchaser further understands and agrees that if Purchaser chooses to finance Purchaser's purchase of the Unit through a lending institution or any other source and obtains a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in Purchaser's financial status or condition shall release or relieve Purchaser of Purchaser's obligations pursuant to this Agreement, as the terms and conditions of this Agreement and Purchaser's obligations under this Agreement are not contingent upon Purchaser receiving a commitment for financing of the Purchase Price (or any portion thereof) or maintaining any such commitment for such financing. Neither Sponsor nor Selling Agent makes any representations as to the terms or availability of any mortgage financing.

31. SEVERABILITY.

If any provision of this Agreement or the Plan is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Agreement or the Plan and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this

Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by law.

32. STRICT COMPLIANCE.

Any failure by either party to insist upon the strict performance by the other of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and each party, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the other party of any and all of the provisions of this Agreement to be performed by such party.

33. GOVERNING LAW.

The provisions of this Agreement shall be governed by and construed in accordance with the internal laws of the State of New York applicable to agreements made and to be performed wholly in the State of New York, without regard to principles of conflicts of law.

34. WAIVER OF JURY.

Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, or connected with, or relating to, this Agreement or the relationship created hereby or in the Plan. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived.

35. ENTIRE AGREEMENT.

This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them with respect to the subject matter hereof.

36. CERTAIN REFERENCES.

A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The terms "herein," "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used, unless the context otherwise requires. Unless otherwise stated, all references herein to Articles, Sections, subsections or other provisions are references to Articles, Sections, subsections or other provisions of this Agreement.

37. CAPTIONS.

The captions in this Agreement are for convenience of reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof.

38. SUCCESSORS AND ASSIGNS.

The provisions of this Agreement shall bind and enure to the benefit of Purchaser and his 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 the Purchase Agreement confidential. Sponsor and Purchaser agree that any information which is required to be disclosed to the parties' respective lawyers, architects/engineers, accountants, individuals who "need to know" or governmental agencies shall not be deemed to be a breach by Sponsor or Purchaser of the parties' undertaking of confidentiality contained in this Agreement. Any failure by Purchaser to keep the terms and conditions of this Agreement confidential shall be a default by Purchaser, entitling Sponsor to the remedies set forth in Paragraph 14 of 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 hereto or in a separate written agreement signed by the parties hereto or by an amendment to the Plan.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

SPONSOR:

52 WOOSTER HOLDINGS LLC

By:_____
Name:
Title:

PURCHASER(S):

_____

_____

SCHEDULE A

ESCROWED FUNDS RIDER

This Rider is made as of _____ _____, 201__ between 52 Wooster Holdings LLC ("Sponsor") and _____ ("Purchaser") and Gerstein Strauss and Rinaldi LLP ("Escrow Agent").

Re: Unit No. _____ at
52 Wooster Street Condominium
52 Wooster Street
New York, New York 10013

This Rider modifies and supplements the terms of that certain Purchase Agreement for Unit _____ at 52 Wooster Street Condominium between Sponsor and Purchaser and any riders annexed thereto, dated _____ _____, 201__ (collectively, the "Purchase Agreement").

1. The law firm of Gerstein Strauss & Rinaldi LLP, with an address at 57 West 38th Street, 9th Floor, New York, New York 10018, telephone number (212) 398-7900, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Victor R. Gerstein, Esq., Gary J. Strauss, Esq., and Lisa J. Rinaldi, Esq. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

2. Escrow Agent and all authorized signatories hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of the Purchase Agreement or otherwise concerning the maintenance of or release of the Deposit from escrow.

3. Escrow Agent has established a master escrow account entitled "Gerstein Strauss & Rinaldi LLP, Escrow Account" ("Master Escrow Account") at Hudson Valley Bank with an office at 60 East 42nd Street, New York, New York 10165 ("Escrow Bank"). The Deposit will be placed in the Master Escrow Account and the Escrow Agent shall sign the Escrowed Funds Rider within 5 business days after tender of the Deposit and Purchase Agreement by Purchaser to Sponsor or Selling Agent. Any subsequent deposit tendered by Purchaser after the initial Deposit will be placed in the Master Escrow Account within 10 business days after tender by Purchaser to Sponsor or Selling Agent.

4. The Deposit will be placed initially in the non-interest bearing portion of the Master Escrow Account. Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) or a Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)), or a form W-8BEN-E (Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities)) in the forms similar to those 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-8BEN, or W-8BEN-E, the Deposit will thereafter be promptly transferred to an individual interest bearing sub-escrow account in the name of Purchaser. If Purchaser does not deliver the Form W-9, or Form W-8BEN, or Form W-8BEN-E, the Deposit will remain in the non-interest bearing portion of the Master 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 Master Escrow Account so that checks may be drawn thereon.

5. The initial interest rate, if any, will be disclosed to Purchaser, as appropriate, in a letter from Escrow Agent to Purchaser sent within 10 business days after the Deposit has been placed in the Master Escrow Account. If Purchaser does not receive notice that the Deposit has been placed in the Master

Escrow Account within 15 business days after tender of the Deposit, Purchaser may cancel the Purchase Agreement and rescind so long as the right to rescind is exercised within 90 days after tender of the Deposit and Purchase Agreement 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 placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser. Any Deposits made for upgrades and extras, and custom work, shall be deposited into the Master Escrow Account, and released in accordance with the terms of a written agreement between Purchaser and Sponsor and used to pay for or reimburse Sponsor for such upgrades, custom work or extras. As a result, in the event Purchaser is entitled to rescind the Purchase Agreement in accordance with the Plan, Purchaser will not receive a refund of any funds used for such upgrades or extras. If the Plan is not consummated and as a result the Property is not subjected to Condominium ownership, any funds received by Sponsor from Purchaser for upgrades, custom work or extras will be returned to Purchaser, provided Sponsor has not used any such funds for the upgrades or extras. Escrow Agent will not be required to send the letter to Purchaser referred to above in connection with any subsequent deposits tendered by Purchaser after the initial Deposit to Sponsor or Selling Agent and deposited into the Master Escrow Account prior to the Closing.

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

7. Under no circumstances shall Sponsor seek or accept release of the Deposit of Purchaser, in the event of Purchaser's default, until after consummation of the Plan, as evidenced by the acceptance of an effectiveness amendment by the New York State Department of Law. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-3(2-b) and 352-h.

8. Escrow Agent shall release the Deposit if so directed:

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

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

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

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

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

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

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

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

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

10. Escrow Agent shall maintain the Escrow Account under its direct supervision and control.

11. A fiduciary relationship shall exist between Escrow Agent, and Purchaser, and Escrow Agent acknowledges its fiduciary and statutory obligations pursuant to GBL §§ 352(e)(2-b) and 352-h.

12. Escrow Agent may rely upon any paper or document which may be submitted to it in connection with its duties under this Purchase Agreement and which is believed by Escrow Agent to be genuine and to have been signed or presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

13. Sponsor agrees that Sponsor and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the Unit to a designated attorney who is a member of or employed by Escrow Agent, within two (2) business days of tender of the Deposit by Purchaser.

14. Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary duties and statutory obligations as set forth in GBL §§ 352-(e)(2-b) and 352-h and the New York State Department of Law's regulations.

15. Sponsor shall obtain or cause the Selling Agent under the Plan to obtain a completed and signed Form W-9, or W-8BEN, or W-8BEN-E, as applicable, from Purchaser and deliver such form to Escrow Agent together with the Deposit and this Purchase Agreement.

16. Prior to release of the Deposit, Escrow Agent's fees and disbursements shall neither be paid by Sponsor from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

17. Sponsor agrees to defend, indemnify and hold Escrow Agent harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of Escrow Agent's responsibilities arising in connection with this Purchase Agreement or the performance or non-performance of Escrow Agent's duties under this Purchase Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the obligations set forth in this Purchase Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by Escrow Agent to itself.

18. 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 Purchaser whether or not Escrow Agent is in possession of the Deposit and continues to act as Escrow Agent.

19. Escrow Agent is acting merely as a stakeholder. Upon payment of the Deposit pursuant to the Plan, as amended, and this Escrow Funds Rider, Escrow Agent shall be fully released from all liability and obligation with respect to the Deposit. Escrow Agent shall accept a Deposit made by check, subject to collection.

20. Sponsor has agreed to compensate Escrow Agent for services rendered in connection with Escrow Agent's duties under this Escrow Funds Rider. 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.

21. **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, OR ANY OTHER RIDER TO THE PURCHASE AGREEMENT, THE PROVISIONS OF THIS RIDER SHALL GOVERN AND BE BINDING.**

PURCHASER(S):

_____

Name:

_____

Name:

SPONSOR:

52 WOOSTER HOLDINGS LLC

By:_____

Name:
Title:

ESCROW AGENT:
GERSTEIN STRAUSS & RINALDI LLP

By:_____

Name:
Title: Partner

SCHEDULE B

PERMITTED ENCUMBRANCES

1. Building restrictions and zoning and other regulations, resolutions, ordinances, certifications 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 that any encroachments by the Unit upon adjoining Condominium Units or upon the Common Elements, may remain undisturbed as long as they may stand and such state of facts 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 the Sponsor or any former owner of the Land for the erection of any structure or structures on, under or above any street or streets on which the Property may abut.

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. Variation in measurements between tax map lines and record description.

7. Revocability of licenses for vault space, if any, under the sidewalks and streets.

8. Any easement or right of use required by Sponsor or its designee to obtain a temporary, permanent or amended Certificate of Occupancy for the Building or any part of same.

9. 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.

10. Leases and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.

11. The lien of any unpaid Common Charges, real estate tax, water charge or sewer rent, or vault charge, provided the same are adjusted at the Closing of Title.

12. The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board), except that the Sponsor shall pay all such assessments due prior to the Closing Date (with the then current installment to be apportioned as of the Closing Date) and the Purchaser shall pay all assessments due from and after the Closing Date.

13. Any declaration or other instrument affecting the Property which the 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.

14. Any encumbrance as to which the Title Company (or such 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.

15. 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.

16. Any lease covering the Unit(s) made from the Sponsor to the Purchaser.

17. Any violation against the Property (other than the Unit) which is the obligation of the Condominium Board, or another Unit Owner to correct.

18. Standard printed exceptions contained in the form of fee title insurance policy then issued by the Title Company.

19. Any certificate of occupancy for the Building, so long as the same permits, or does not prohibit, use of the Unit for its stated purposes.

20. Declaration made by Linden Associates L.P. and Cedar Associates L.P. dated as of 10/9/07 and recorded 10/17/07 as CRFN 2007000526578.

21. Encroachment Easement Agreement made by and between 52 Wooster Owner LLC (Grantor) and Board of Managers of the Soho-Broome Condominium, 477 Equities Corp., Linden Associates L.P., and Cedar Associates, L.P. (Grantee) dated as of 6/11/13 and recorded 7/9/13 as CRFN 2013000270617.

22. The Landmarks Preservation Commission of the City of New York shows the premises as being within the boundaries of the "SoHo-Cast Iron Historic District" and being designated as such on August 14, 1973. The Notice of Designation filed in connection with the creation of the "SoHo-Cast Iron Historic District" does not list any of the lots on the block bounded by Broome Street on the north, Wooster Street on the west, Grand Street on the south and Greene Street on the east.

SCHEDULE C

INSPECTION STATEMENT

Date: _____, _____

52 Wooster Holdings LLC
641 Lexington Avenue, 24th Floor
New York, NY 10022

Re: 52 Wooster Street Condominium

Gentlemen:

1. On the date hereof, the undersigned has inspected the Unit(s) set forth below which the undersigned is purchasing and have found the Unit(s) to be in good condition, except as otherwise noted below.

2. The undersigned 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 the undersigned moves into the building. The undersigned agrees to sign-off each item requiring adjustment, or repairs, if any, as they are completed.

3. The undersigned acknowledges that Sponsor and its representatives may at certain times subsequent to the date hereof provide an e-mail or letter advising the undersigned of the completion of some or all items indicated on this Inspection Statement. The undersigned further acknowledges that unless a written response from the undersigned is received by Sponsor within seven (7) days of the date of such e-mail or letter, the undersigned shall be deemed to have accepted the noted items as having been completed to the undersigned's satisfaction.

Residential Unit No. _____

_____
Purchaser's Signature

_____
Purchaser's Signature

_____
Sponsor's Representative

UNIT DEED

UNIT DEED

THIS INDENTURE, made the ____ day of _____, ____, between 52 Wooster Holdings LLC, having an address at 641 Lexington Avenue, 24th Floor, New York, NY 10022 ("Grantor") and _____ having an address at _____ ("Grantee").

W I T N E S S E T H :

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit ("Unit") known as Unit No. __ in the building ("Building") known as 52 Wooster Street Condominium ("Condominium") and by the street number 52 Wooster Street, County of New York, City and State of New York, said Unit being designated and described by the above Unit No. in a certain declaration dated _____, 201__, made by Grantor pursuant to Article 9-B of the Real Property Law of the State of New York (the "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 New York County Office of the Register of The City of New York ("Register's Office") on _____, 201__, in CRFN: _____ ("Declaration"). The Unit is also designated as Tax Lot __ in Block 475 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 Arpad Baksa Architect, P.C. on _____, 201__, and filed with the Real Property Assessment Department of The City of New York on _____, 201__, as Condominium No. ____ and also filed in the Register's Office on _____, 2014, as Map No. ____;

TOGETHER with an undivided ____% interest in the Common Elements (as such term is defined in the Declaration);

TOGETHER with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

TOGETHER with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws of the Condominium (the "By Laws"), as the same may be amended from time to time, all of which constitute covenants running with the Land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein.

SUBJECT also to such other liens, agreements, covenants, easements, restrictions, consents and other matters of record as pertain to the Unit, to the Land and/or to the Building (which Land and Building are collectively referred to as the "Property").

TO HAVE AND TO HOLD the same unto the Grantee and the heirs or successors and assigns of the Grantee forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration shall control.

Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration or the By-Laws, the Unit is intended for such use as is in accordance with applicable Law.

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.

GRANTOR:

52 WOOSTER HOLDINGS LLC

By:_____
Name:
Title:

GRANTEE:

_____

(ACKNOWLEDGEMENT)

200

EXHIBIT A

TO UNIT DEED

DESCRIPTION OF THE LAND

52 WOOSTER STREET
NEW YORK, NEW YORK

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the southerly side of Broome Street and the easterly side of Wooster Street;

RUNNING THENCE southerly along the easterly side of Wooster Street a distance of 99 feet 7 inches (deed) 100 feet 2 inches (tax map) to a point on northerly side of lands now or formerly of John Finley;

THENCE easterly along the lands now or formerly of John Finley a distance of 25 feet to a point;

THENCE northerly along a line forming a right angle with the southerly side Broome Street a distance of 99 feet 6-3/4 inches (deed) 100 feet 0-1/4 inch (tax map) to a point on the southerly side of Broome Street, which point is distant 175 feet westerly from the corner formed by the intersection of the southerly side Broome Street with the westerly side of Greene Street;

THENCE westerly along the southerly side of Broome Street a distance of 25 feet to the corner formed by the intersection of the southerly side of Broome Street and the easterly side of Wooster Street, the point or place of BEGINNING.

2 of

LETTER OF TUCHMAN, KORNGOLD, WEISS, LIEBMAN & GELLES, LLP

202

TUCHMAN, KORNGOLD, WEISS, LIEBMAN & GELLES, LLP
COUNSELORS AT LAW
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(212) 687-3747
FAX: (212) 599-4459

BERT TUCHMAN
PAUL J. KORNGOLD
ERIC S. WEISS
DONALD LIEBMAN

BRETT J. GOTTLIEB
YUHTYNG T. PATKA*
GRACE A. BETANCOURT

WALTER R. GELLES (RET.)

* ALSO ADMITTED IN CT & NJ

March 31, 2015

52 Wooster Holdings LLC
c/o Continental Ventures
641 Lexington Avenue, 24th Floor
New York, NY 10022

RE: 52 Wooster Street
Block 475, Lot 40
Borough of Manhattan
City of New York

Dear Sir or Madam:

This letter is in response to your request for an opinion and projection of the estimated real estate tax assessments and taxes upon the completion of construction and creation of a condominium.

You have requested our opinion concerning the real property tax assessment to be levied upon the captioned premises as well as the taxes for the budget year for the first year of condominium operation which you have advised us will be the period January 1, 2016 through December 31, 2016 as well as the first post construction tax year which will be the period July 1, 2016 through June 30, 2017. You have advised us that the project will consist of the construction of a new building containing four apartments plus retail space. You have advised us the construction commenced in March of 2014 and you expect construction to be completed by January of 2016.

In order to prepare this letter and the opinion set forth herein, you have supplied us with certain information upon which we have relied. This information includes your purchase prices and your estimated construction costs. You have also supplied us with a square footage analysis of the project and a copy of the architectural report describing the proposed structure. We have also examined publicly available web sites maintained by the NYC Department of Buildings and Department of Finance.

We have also considered the recent tax assessment history of the property, the cost of the new project, the potential income for the new structure (if operated as a rental), comparable properties in the Borough of Manhattan which have been newly constructed or undergone renovation as well as market conditions in the general area.

In predicting the future assessed value, we have given consideration to the following factors:

1. The current claimed standard of assessment used by the Real Property Division of the New York City Department of Finance is to assess at 45% of value.

2. The estimate of the cost of the construction will be a factor.

3. The potential capitalized net income of the property if operated as a rental.

4. Tax Assessments of comparable properties.

Real Estate Tax Assessments in New York City are made on a fiscal year basis running from July 1 of any one year to the next succeeding June 30. The status of the building on January 5 of any one year is the basis of the assessment for the fiscal year beginning that July 1. The tentative assessment roll containing the tentative 2015/2016 assessed values was published on January 15, 2015 and showed the following values:

Block/Lot	Actual Assessed Value	Tax Class
475/40	$241,398	2A

Real Property Tax Law Section 581 provides that cooperative and condominium apartments shall be assessed for tax purposes as if the building was a comparable rental property. Thus, the Department of Finance is prohibited from utilizing the sales prices of the individual condominium units in determining the assessed valuation. Therefore the prices that you set in your offering plan and any subsequent sales or resales are not relevant in determining the assessed value of the property or of the individual condominium units. Upon conversion to a condominium and after an application is submitted by you, the New York City Department of Finance shall assign individual tax lot numbers to each of the condominium units. The condominium units will be designated as tax class 2C property and will pay on the class 2 tax rate. The 2014/2015 class 2 residential tax rate has been set at $12.855 for each $100 of assessed valuation. The 2015/2016 rate will not be set until later this year.

Tax Class 2C is a protected residential tax class covering predominantly residential condominium buildings where there are ten or fewer residential units and which limits the increases in assessed value that may be imposed on the residential and nonresidential condominium units. Pursuant to Real Property Tax Law Section 1805, the assessor shall not increase the assessment of any parcel in this tax class in any one year, as measured from the

actual assessment on the previous year`s assessment roll, by more than eight percent and shall not increase such assessment by more than thirty percent in any five-year period. Increases due to physical improvements (such as the construction of your building) are added in full to the next year's assessment and are not subject to the 8% and 30% limitations. Therefore, the increase in the assessed value which we forecast below for the 2016/2017 tax year due to the new construction will not be subject to the 8% and 30% limitations.

On January 30, 2013, Governor Cuomo signed legislation extending property tax abatements for homeowners in New York City cooperatives and condominiums through June 30, 2015. The law makes additional changes from the prior law which may eliminate such abatement benefits for units which are not the primary residence of the owner. The law further limits the benefits to a maximum of three units in the building, one of which must be the primary residence of the owner. Therefore, since the current law will expire before the initial budget year, in predicting the taxes on this building we have not given any consideration to this tax benefit. Purchasing residential unit owners should be aware that if the law is renewed, there may be strict time and application deadlines for eligibility which are likely to be in effect.

We caution you that it is possible that there will not be an official apportionment of the assessment for the tax liability among the units until such time as an official apportionment of the assessed value is made and becomes effective. You should explain in your offering plan how taxes are to be allocated among unit owners prior to the apportionment of the tax lots which may be substantially different than the numbers set forth herein.

Predicated upon the foregoing, it is our opinion that the total actual assessed value of the property will be $241,398 for the 2015/2016 tax year and will be $2,500,000 for the 2016/2017 tax year and we have utilized those numbers in estimating the real estate taxes for the initial budget year and the first post construction tax year.

We have been advised that in determining the assessed values for the individual units, the current procedures of the New York City Department of Finance calls for the locking-in of the common interest (elements) percentages (Unit Allocation Factor or UAF) extracted from the condominium declaration filed with the Department of Finance, Survey office and registered at the City Register. Thus the initial allocation of the assessed value of all units should be based on the common interest as set forth in the condominium declaration. You have advised us that the common interests have been apportioned to give 87% to the residential units and the balance to the retail unit. We therefore have allocated the assessed value and resulting taxes utilizing these common interests to the projected assessed values as set forth below.

Therefore assuming the class 2 residential tax rate increases to $13.25 for each $100 of assessed valuation, we make the following projections of the real estate taxes for the budget year January 1, 2016 through December 31, 2016 and the first post construction tax year:

January 1, 2016 through June 30, 2016 (6 Months of 2015/2016 Tax Year)

Unit	Assessed Value	Tax Rate	Tax (6 Months)
Residential	$210,016	13.25%	$13,914
Commercial	$31,382	13.25%	$2,079

July 1, 2016 through December 31, 2016 (6 Months of 2016/2017 Tax Year)

Unit	Assessed Value	Tax Rate	Tax (6 Months)
Residential	$2,175,000	13.25%	$144,094
Commercial	$325,000	13.25%	$21,531

Estimated Initial Budget Year Residential Real Estate Tax	$158,008
Estimated Post Construction Residential Real Estate Tax	$288,188
Estimated Initial Budget Year Commercial Real Estate Tax	$23,610
Estimated Post Construction Commercial Real Estate Tax	$43,063

Our firm has an extensive practice in real estate tax review matters and in 421-a and J-51 tax exemption/ tax abatement applications, and we currently represent the owners of approximately 2,500 buildings in the City of New York, and file applications for correction of the tax assessments and tax exemptions/tax abatements on these properties. This firm and its predecessors have been engaged in such practice for a period in excess of 60 years. Additionally, the writer is the former chairman of the Law Committee of the Associated Builders and Owners of Greater New York, a director of both the New York State Builders Association and the Associated Builders and Owners of Greater New York, a past member of the Tax Certiorari and Condemnation Committee of the Bar Association of the City of New York, and is a director and former President of the Real Estate Tax Review Bar Association, a specialized Bar dealing with real estate tax assessment matters.

Based upon our previous experience with such proceedings, we have issued the within letter with the estimates and caveats contained therein which the specific understanding that our opinion is not a guarantee that the taxes will be exactly as estimated. In no event will we, as

Sponsor's real estate tax counsel, be liable if there are changes in the facts on which we have relied in issuing this opinion, or if there are changes in the applicable statutes, rules and regulations of the City of New York, decisional laws or administrative agency rulings, interpretations and policies on which we have relied which cause this opinion to be inaccurate. Interested parties should be aware that the estimate of the initial real estate tax assessment and taxes cover a period far into the future. Neither we nor any person can guarantee what the real estate taxes will be at any future date. As stated above, changes in law or policies of government agencies may radically change the opinions expressed herein.

The opinion expressed herein is that of the undersigned, and does not purport to express the opinion of the New York City Department of Finance or any city or government agency. That Department's opinions may result in substantially different total taxes for the initial budget year as well as for tax years 2015/2016 and 2016/2017 than set forth herein. We consent to the inclusion of this letter in the offering plan.

Very truly yours,

TUCHMAN, KORNGOLD, WEISS, LIEBMAN & GELLES, LLP.

By: Paul J. Korngold

DECLARATION OF CONDOMINIUM

208

DECLARATION

Establishing a Plan for Condominium Ownership

of the Premises known as
52 WOOSTER STREET CONDOMINIUM
and
having a street address of
52 Wooster Street
New York, New York 10013

Pursuant to Article 9-B of the Real Property
Law of the State of New York

Name: **52 WOOSTER STREET CONDOMINIUM**

Sponsor: **52 Wooster Holdings LLC**
641 Lexington Avenue, 24th Floor
New York, NY 10022

Date of Declaration: **_____, 201__**

Prepared by:
Gerstein Strauss & Rinaldi LLP
Attorneys At Law
57 West 38th Street
New York, New York 10018
(212) 398-7900

The land affected by the within instrument lies in
Block 475, f/k/a Lot 40, n/k/a Lots _____ through ____
on the Tax Map of the Borough of Manhattan,
County of New York, City of New York

209

INDEX TO DECLARATION

ARTICLE 1 DEFINITIONS 1

ARTICLE 2 SUBMISSION OF THE PROPERTY 1

ARTICLE 3 NAME OF THE CONDOMINIUM 1

ARTICLE 4 THE LAND 1

ARTICLE 5 THE PROPERTY AND THE BUILDING 1

ARTICLE 6 THE UNITS 2

ARTICLE 7 THE COMMON ELEMENTS 3

ARTICLE 8 DETERMINATION OF COMMON INTEREST AND RESIDENTIAL COMMON INTEREST 5

ARTICLE 9 USE OF UNITS 6

ARTICLE 10 EASEMENTS FOR THE ENJOYMENT OF THE COMMON ELEMENTS 7

ARTICLE 11 OTHER EASEMENTS 8

ARTICLE 12 ALTERATIONS, ADDITIONS, IMPROVEMENTS AND CHANGES TO UNSOLD RESIDENTIAL UNITS AND THE COMMERCIAL UNIT 12

ARTICLE 13 ACQUISITION OF UNIT BY THE CONDOMINIUM BOARD 14

ARTICLE 14 POWER OF ATTORNEY TO SPONSOR AND THE CONDOMINIUM BOARD 14

ARTICLE 15 TERMINATION OF CONDOMINIUM 15

ARTICLE 16 COVENANT OF FURTHER ASSURANCES 15

ARTICLE 17 COVENANTS RUNNING WITH THE LAND 16

ARTICLE 18 AMENDMENTS TO THIS DECLARATION 17

ARTICLE 19 CONSENTS BY SPONSOR 19

ARTICLE 20 PERSON TO RECEIVE SERVICE 19

ARTICLE 21 INCORPORATION BY REFERENCE 19

ARTICLE 22 WAIVER 19

ARTICLE 23 SEVERABILITY 19

ARTICLE 24 SUCCESSORS AND ASSIGNS 20

ARTICLE 25 CAPTIONS 20

ARTICLE 26 CERTAIN REFERENCES 20

ARTICLE 27 PROVISIONS REGARDING MORTGAGES ENCUMBERING RESIDENTIAL UNITS OTHER THAN UNSOLD RESIDENTIAL UNITS 20

EXHIBIT A. DESCRIPTION OF THE LAND

EXHIBIT B. DESCRIPTION OF THE UNITS

EXHIBIT C. DEFINITIONS

EXHIBIT D. BY-LAWS OF THE CONDOMINIUM

EXHIBIT E. UNIT POWER OF ATTORNEY

210

DECLARATION
OF
52 WOOSTER STREET CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

52 Wooster Holdings LLC, a limited liability company organized under the laws of the State of Delaware, having an office at 641 Lexington Avenue, New York, NY 10022 ("Sponsor"), does hereby declare as follows:

ARTICLE 1
DEFINITIONS

All capitalized terms used in this Declaration that are not otherwise defined in the Articles hereof shall have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used shall otherwise require. All capitalized terms used in this Declaration that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the said capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

ARTICLE 2
SUBMISSION OF THE PROPERTY

Sponsor hereby submits the Property to the provisions of the Condominium Act and pursuant thereto, does hereby establish a regime for the condominium ownership of the Property as more particularly set forth herein and in the By-Laws.

ARTICLE 3
NAME OF THE CONDOMINIUM

The Condominium shall be known as 52 Wooster Street Condominium. Until all Units of the Condominium have been sold and conveyed by Sponsor, the name of the Condominium may not be changed, except by Sponsor, in Sponsor's sole and absolute discretion.

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 The Property is improved by a mixed use building ("Building"). The Building contains a total of 4 Residential Units ("Residential Units") and 1 Commercial Unit, (the

"Commercial Unit") (collectively, "Units"). The Building consists of a cellar and six floors. The Building's superstructure is reinforced concrete.

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 foot area of Units and Limited Residential Common Element(s); number of rooms; the portions of the Common Elements to which such Unit has immediate access; and the Common Interest and Residential Common Interest appurtenant to such Unit. The precise location of each Unit is shown on the Floor Plans.

6.2 Measured horizontally, the Residential Unit sizes are calculated from the exterior face of the exterior walls adjacent to the Unit, to the centerline of the demising wall between Units, corridors, elevator, stairs and other mechanical equipment spaces or any Common Elements not within a Unit, or to the exterior face of the opposite exterior wall. Columns, mechanical pipes, elevator shaft, shaftways, chases, chaseways and conduits are not deducted from measurement of each Unit. Measured vertically, each Residential Unit will consist of the volume from the top of the floor slab (located under the finished flooring and sub-floor materials) to the underside of the concrete ceiling above. The size of Common Elements which fall within the boundaries of a Unit are included in the square foot area of the Unit, even though they are not part of the Unit.

6.3 Measured horizontally, the Commercial Unit size is calculated from the exterior face of the exterior walls adjacent to the Unit, to the centerline of the demising wall between Units, corridors, elevator, stairs and other mechanical equipment spaces or any Common Elements not within a Unit, or to the exterior face of the opposite exterior wall. Columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits are not deducted from measurement of the Commercial Unit. Measured vertically, the Commercial Unit will consist of the volume from the top of the floor slab (located under the finished flooring and sub-floor materials) to the underside of the concrete ceiling above. The size of Common Elements which fall within the boundaries of the Commercial Unit are not deducted from the square foot area of the Commercial Unit, even though they are not part of the Commercial Unit.

The size of Common Elements which fall within the boundaries of a Unit are included in the square foot area of the Unit, but are not part of the Unit.

6.4 Each Unit includes, and each Unit Owner shall be responsible for, the entrance doors and any other doors in or to such Unit, along with frames, saddles and caulking associated therewith, the interior walls and partitions, floors and floor coverings and ceilings affixed, attached or appurtenant to such Unit, smoke detectors, carbon monoxide detectors, window panes and frames and caulking associated therewith, storefronts, seals, retaining mechanisms, and caulking associated therewith, and windows included in storefronts, all plumbing, gas and heating fixtures and equipment such as refrigerators, dishwashers, washers and dryers (whether or not installed by Sponsor), fireplaces and electronic controls igniters, gas valves and draft switches for such fireplaces, heating, ventilating and air conditioning units (including the fans inside the units), heating equipment, ranges and other appliances, sinks, bathtubs, water closets and all other Facilities as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively, such as window panes and frames and caulking associated therewith. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment in the Unit and the fixtures, appliances and equipment to which they are attached, and

any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors. Each Unit shall also include all lighting and electrical fixtures and appliances within the Unit and any special equipment, fixtures or Facilities affixed, attached or appurtenant to the Unit, to the extent located within a Unit from the panel and serving or benefiting only that Unit. 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, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity, 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, the Residential Common Elements and the Limited Residential Common Elements.

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 (A) the Land (including the landscaping), with all easements, rights and privileges appurtenant thereto; (B) those rooms, areas and corridors that are delineated on the Floor Plans as General Common Elements (the "GCE Areas"), as well as those Facilities therein; and (C) the following elements of the Building:

(i) all foundations, structural slabs, columns, beams, supports, girders, structural members and supports, and exterior walls of the Building;

(ii) all floor slabs and concrete ceilings, all sidewalks, curbs, hallways, corridors, mechanical and electrical spaces, trash room, service entrances, vestibules and basements and cellars, storage spaces, mechanical equipment, entrances to, and exits from, the Building and spaces devoted to the use of persons employed with the operation of the Property, to the extent that the same are not expressly included as part of the Residential Common Elements pursuant to the terms of Paragraph (7.3) below or the Limited Residential Common Elements pursuant to the terms of Paragraph (7.4) below or a Unit pursuant to the terms of Article 6 hereof;

(iii) to the extent with or bounding the GCE Areas, interior walls, partitions, floors, window systems other than the glass within window systems; 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 Residential Unit and/or the Commercial Unit, and/or a Residential Common Element and/or a Limited Residential Common Element, from the midpoint of any such wall, partition, floor or ceiling to the boundary line of such General Common Element, as the case may be, to the extent that the same are not expressly included as part of the Residential Common Elements pursuant to the terms of Paragraph (7.3) below or the Limited Residential Common Elements pursuant to the terms of Paragraph (7.4) below or a Unit pursuant to the terms of Article 6 hereof;

(iv) staircases from the cellar to the ground floor and the ground floor landing, marked on the Floor Plans as General Common Elements;

(v) the elevator shaft

(vi) 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 service all the Units and/or all of the General Common Elements, the Residential Common Elements and the Limited Residential Common Elements, to the extent that the same are not expressly included as a part of the Residential Common Elements pursuant to the terms of Paragraph (7.3) below or the Limited Residential Common Elements pursuant to the terms of Paragraph (7.4) below or a Unit pursuant to the terms of Article 6 hereof;

(vii) the portion of the roof of the Building, marked on the Floor Plan as a General Common Element; and

(viii) 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 or the Building to the extent same are not expressly included as part of any Unit or any other specific category of Common Elements or Limited Common Elements as set forth in this Article.

7.3 The Residential Common Elements consist of the portions of the Building that are delineated on the Floor Plans as constituting Residential Common Elements, as well as those Facilities therein, either currently or hereafter existing for the exclusive common use of the Residential Units or of the Residential Unit Owners only. Without intending to limit the generality of the foregoing in any respect, the Residential Common Elements include:

(i) the passenger elevator and the pit and equipment machine rooms and stairways and any vestibule;

(ii) the gas, electric, sprinkler and compactor rooms in the cellar;

(iii) the residential vestibule, hallway and lobby on the ground floor;

(iv) the utility room on the roof of the Building;

(v) all masonry walls, partitions, floors and ceilings in, on or under the Building, separating a Residential Unit from another Residential Unit or a Residential Common Element from another Residential Common Element and that portion of all such masonry walls, partitions, floors and ceilings separating a Residential Common Element from a General Common Element or the Commercial Unit, from the midpoint of any such wall, partition, floor or ceiling to the boundary line of such Residential Common Element;

214

(vi) the exterior façade of the Building and window systems not appurtenant to a Unit from the second floor and above, as well as the exterior façade of the portion of the Building adjacent to the residential vestibule, hallway and lobby;

(vii) all central and appurtenant installations and Facilities for services such as power, light, telephone, intercom, gas, sewer, plumbing, sprinklers, fire protection, hot and cold water distribution, heat, garbage disposal, master & cable television and other mechanical and electrical systems which serve the Residential Units and/or the Residential Common Elements and/or the Limited Residential Common Elements only;

(viii) all interior portions of the Building, to the extent that the same are not expressly included as part of the General Common Elements pursuant to the terms of Paragraph (7.2) above or the Limited Residential Common Elements pursuant to the terms of Paragraph (7.4) below or a Unit pursuant to the terms of Article 6 hereof;

(ix) the stairs from the ground floor to the roof and the landings from the second floor to the roof;

(x) storage rooms located in the cellar level and marked on the Floor Plans as Residential Common Elements; and

(xi) all interior portions of the Building and Facilities that exclusively serve the Residential Units and Residential Common Elements, but only if and to the extent that the same are not expressly included as part of any Unit, the General Common Elements or any other specific category of Common Elements or Limited Common Elements set forth in this Article 7.

7.4 The Limited Residential Common Elements consist of all portions of the Land and Building (other than the Units) that are delineated on the Floor Plans as constituting Limited Residential Common Elements as well as the Facilities therein, and that are for the use of one or more specified Residential Units to the exclusion of all other Units. Without intending to limit the generality of the foregoing in any respect, the Limited Residential Common Elements include any terraces or outdoor roof areas which shall be for the exclusive use of such Residential Unit Owners.

7.5 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 5.6 of the By-Laws.

ARTICLE 8

DETERMINATION OF COMMON INTEREST AND RESIDENTIAL COMMON INTEREST

8.1 The undivided percentage interest of each Unit in the Common Elements is based upon floor space, subject to 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.

8.2 The percentage interest of each Residential Unit in the Residential Common Elements is apportioned in the same proportion that each Residential Unit bears to the aggregate Common Interests of all of the Residential Units in the Condominium.

8.3 Common Expenses may be allocated to one or more Units in a manner different from the allocation of Common Interests, as permitted by the Condominium Act, provided that such allocation is based on (i) estimated usage of a particular service, or based upon special or exclusive use or availability or exclusive control or particular Common Elements by particular Unit Owners, or (ii) a Percentage Interest in Common Elements, and in each case as determined by the Condominium Board, in accordance with and subject to the restrictions set forth in this Declaration and the By-Laws. With respect to the Commercial Unit, Common Expenses shall be allocated by the Condominium Board as are fairly attributable to such Unit, provided, that such expense items are actually utilized in connection with the operation or occupancy of such Unit, and any such allocation must be based on usage or changes in use or from changed circumstances.

ARTICLE 9

USE OF UNITS

9.1 As more particularly set forth in, and subject to the provisions of Law and the By-Laws, the Residential Units may be used for residential purposes. A Residential Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary or any other entity (including, but not limited to, the United States government and any instrumentality thereof and foreign governments and any embassy, consulate, or other instrumentality thereof, any foreign government or any embassy, consulate or other instrumentality thereof) may only be occupied (unless the Condominium Board otherwise consents) by said individual, or an individual officer, director, stockholder or employee of such corporation, or by an individual partner, member, manager or employee of such partnership or limited liability company, or by said individual fiduciary (including directors, officers, stockholders or employees of corporate fiduciaries or 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 non-paying guests of any of the foregoing (and nothing contained in this sentence shall be deemed to prohibit the exclusive occupancy of any Residential Unit by such Family Members or non-paying guests); however, the foregoing restrictions shall not apply to Unsold Units. Any Unit may be used for any lawful home occupation, subject, however, to the following conditions: (1) that same do not violate the terms and conditions of the then existing certificate of occupancy for the Building, (2) that same do not violate applicable Law, (3) the use of such Unit does not adversely affect the use and enjoyment of neighboring or adjacent Units for residential purposes, and (4) no Residential Unit shall be used as a hotel room, hotel suite or on a transient or short-term stay, nor may any Residential Unit be rented, leased or subleased to a Person or entity or transient occupant pursuant to a transient or short-term stay or hotel usage agreement. Notwithstanding the foregoing, Sponsor may rent out an Unsold Residential Unit for short-term use. For the purpose of this entire Section, a Person or entity shall not be considered or defined as a guest if they pay, deliver, convey or give to or on behalf of the Residential Unit Owner any payment, fee or other consideration relating, regarding or otherwise associated with their or someone else's use and occupancy of the Residential Unit.

9.2 The Commercial Unit may be used for any legally permitted purposes, except that in no event may all or any portion of any Commercial Unit be used (i) any sex-related commercial establishment or massage parlor, or establishment where pornographic material is displayed or distributed, or obscene, nude or semi-nude performances are shown live or in a videotaped or other recorded format, except in conjunction with legitimate theatrical or dance performances as permitted by applicable law, (ii) any club, tavern or bar not incidental to restaurant or reception hall use, (iii) any betting parlor, casino or gambling type establishment or (iv) any drug rehabilitation clinic or treatment center.

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) grant permission for the use of any Unsold Unit as a professional office or for any other purpose, provided such use is permitted by Law, and does not violate the then existing certificate of occupancy for the Building or any other governmental regulations, (2) use any Unsold Units as model Units and offices for the selling, leasing, management, operation and promotion of the Unsold Units or for any other purpose, subject only to compliance with Law, and (3) lease an Unsold Unit to third parties.

ARTICLE 10

EASEMENTS FOR THE ENJOYMENT OF THE COMMON ELEMENTS

10.1 Subject to the terms of the By-Laws and the Rules and Regulations, Sponsor, the Unit Owners, all other permitted tenants and occupants of the Building, the Selling Agent, the Managing Agent, the Condominium Board and all officers, partners, employees, agents, guests, invitees and licensees of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the General Common Elements, and the General Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no Person shall use or enjoy the General Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other Persons to do so.

10.2 Subject to the terms of the By-Laws and the Rules and Regulations, Sponsor, the Residential Unit Owners, all other permitted tenants and occupants of Residential Units, the Selling Agent, the Managing Agent, the Condominium Board and all officers, partners, employees, agents, guests, invitees and licensees of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the Residential Common Elements, and the Residential Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no person shall use or enjoy the Residential Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other persons to do so.

10.3 The Commercial Unit Owner shall have an easement, to the extent permitted by Law, and subject to any applicable requirements of the Landmarks Preservation Commission of the City of New York, to erect, maintain, repair and replace, from time to time, one or more signs, on, about, or adjacent to the Property (including on the exterior walls of the Building) for the purpose of advertising the sale or lease of all or any portion of the Commercial Unit and the operation of any business of a tenant or occupant of all or any portion of the Commercial Units, with the size, location, design and lighting of any such sign which is not immediately adjacent to the storefront(s) of the Commercial Unit, being subject to the Condominium Board's approval, which approval shall not be unreasonably withheld, conditioned, delayed or denied. If a Commercial Unit Owner is Sponsor or Sponsor's designee, then there shall be no consent requirement of the Condominium Board relative to the size, location, design and lighting of any sign placed on the Property by that Commercial Unit Owner or the tenant of the Commercial Unit.

10.4 Each Residential Unit Owner whose Residential Unit has one or more appurtenant Limited Residential Common Elements shall have an exclusive easement for the use thereof. The Residential Unit(s) having the same are indicated on Exhibit B.

10.5 Notwithstanding anything to the contrary contained in Section 10.1, or 10.4 hereof, Sponsor and its invitees, licensees, contractors, employees, agents and tenants shall have

an easement in, over, under, through and upon the Common Elements to use the same, without being subject to any fee or charge, for all purposes and activities in connection with the sale or renting of Unsold Residential Units and shall have the right to use any one or more Unsold Residential Units as sales, rental and/or management offices and/or as model units. Such Unsold Residential Units shall remain Units within the meaning of this Declaration, the By-Laws and the Condominium Act, and shall not comprise a part of the Common Elements. In addition, Sponsor shall have the right, to the extent permitted by Law, to use one or more portions of the Common Elements (including but not limited to, lobbies, hallways and corridors), as designated by Sponsor in its sole discretion, without being subject to any fee or charge, for all purposes and activities in connection with the sale or renting of Unsold Units, which right shall include, without limitation, the right to place "for sale", "for rent" and other signs and promotional materials, of such size and content as Sponsor shall determine, in, on, about and adjacent to the exterior walls of the Building.

10.6 Sponsor, its designees and the Commercial Unit Owner shall each have an easement to erect, use, lease, maintain, repair, replace and operate antennae, satellite dishes and other communications equipment, as permitted by Law, on any part of the roof and/or façade of the Building and elsewhere on the Common Elements and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith. Sponsor, its designee(s) and the Commercial Unit Owner shall each be entitled to utilize such easement for their own account or the account of any tenants or licensees of Sponsor or of Sponsor's designee(s) and/or the Commercial Unit Owner, as the case may be. However, the easement shall not be used by the Commercial Unit Owner for the operation of a telecommunications company or any other business whose primary purpose is the broadcasting of telephone, radio, communications or other signals. Sponsor's easement includes the right of Sponsor and/or its designee(s) to enter into agreements with one or more providers of communications equipment and services, such as, without limitation, cellular equipment, cable, internet, satellite dish and similar or dissimilar equipment, which would permit such providers the right to: (i) install, maintain, repair and replace their equipment on the roof of the Building, (ii) install, maintain, repair, replace and remove wires, conduits, cables, ducts, connective equipment and such other equipment whether similar or dissimilar, in and through the Common Elements, and (iii) use a portion of the Common Elements for equipment. Sponsor and/or its designee(s) shall be entitled to retain any revenues from any such provider. In addition, Sponsor shall have an easement to erect, maintain, repair and replace any sign permitted by law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit and the operation of any business of a tenant or occupant of any Unit.

10.7 Sponsor has an easement for access in and to the Common Elements once Sponsor has conveyed all of its Units for promotional purposes relating to other ventures of Sponsor or principals or affiliates of Sponsor.

ARTICLE 11

OTHER EASEMENTS

11.1 Subject to the terms of the By-Laws and to the Rules and Regulations, 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 and/or all Units. 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, 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. Each Unit and the Common Elements shall be subject to such easement and right of access in favor of the Condominium Board incident to the performance of its rights and obligations under the Condominium Documents. Such right of access shall be exercisable by or on behalf of the Condominium Board 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 2 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. Any of the foregoing actions proposed to be taken by a Residential Unit Owner other than Sponsor may be done only with prior written approval of the Condominium Board in its sole discretion and, until a final certificate of occupancy for the Building is obtained, Sponsor, and upon such other conditions as the Condominium Board in its sole discretion shall impose in accordance with the provisions of the Declaration and the By-Laws. 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.

11.2 Sponsor, for so long as it shall own any Unsold Residential Unit, the Commercial Unit Owner(s) with respect to the Commercial Unit, and the Condominium Board, on behalf of all Unit Owners, 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, the Commercial Unit Owner(s) or the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, provided that the granting of such additional utility easements or the relocation of existing utilities will not prevent or unreasonably interfere with the normal conduct of business carried on within the Commercial Unit or with the use of the Residential Units for their permitted purposes, and shall not result in the imposition of any mechanic's lien against any of the Units. Any 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 carried on within the Commercial Unit or with the use of the Residential 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.

11.3 Sponsor and its contractors, employees and agents 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 Unsold Units.

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 Subject to the terms of the By-Laws and the Rules and Regulations, and subject to the last sentence of this Section 11.5, the Commercial Unit Owner shall have an easement to: (i) install, operate, maintain, repair, alter, rebuild, restore and replace the Commercial Unit, and any pipes, wires, ducts, flues, vents, cables, conduits or other lines, equipment or facilities forming a part of or relating to the Unit, located in, over, under, through or upon the Common Elements or elsewhere on the Property; and (ii) install pipes, wires, ducts, flues, vents, cables, conduits or other lines, equipment or facilities in connection with the design, construction, use, operation and/or occupancy of such Unit in, over, under, through or upon Common Elements, including but not limited to, penetrating floor slabs, or attaching flues, ducts or mechanical equipment to the exterior of the Building, or elsewhere on the Property; provided that access to the Common Elements or other portions of the Property in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the use of the Common Elements and such other portions of the Property for their permitted purposes.

11.6 The Condominium and Building shall be designated and known as 52 Wooster Street Condominium. Sponsor shall own and control all rights and interest, appurtenant to the name of the Condominium and/or the Building. Only Sponsor shall have the right to change or assign the name of the Condominium 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 the Sponsor desires in its sole discretion. Only Sponsor shall the right to remove the Plaque, unless mandated by Law.

11.7 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 or any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand.

11.8 In addition to the specific easements set forth in this Article 11 and in Article 10 hereof, the Property and every portion thereof shall be subject to all easements made with the City of New York or with any utility companies or other Persons in effect prior to the recording of this Declaration.

11.9 The following easements shall be applicable, notwithstanding anything to the contrary contained in the Condominium Documents:

11.9.1 The Commercial Unit Owner, the authorized agents of the Commercial Unit Owner, the tenants of the Commercial Unit Owner, and the licensees and invitees of the foregoing, who are physically handicapped, (i) will have a right of access through the residential lobby, which is a Residential Common Element, to use the elevator, which is a Residential Common Element, for the limited purpose of entering and leaving the portion of the cellar level of the Building which comprises the Commercial Unit, and (ii) will have the right to enter and use

the elevator, which is a Residential Common Element, directly from the Commercial Unit, if such elevator is equipped with a door that opens into the Commercial Unit, for the limited purpose of entering and leaving the portion of the cellar level of the Building which comprises the Commercial Unit. Such right of access shall be exercised with reasonable care.

11.9.2 The Commercial Unit Owner, the tenants of the Commercial Unit, the authorized agents of the Commercial Unit Owner, and the authorized agents of the tenants of the Commercial Unit (i) will have a right of access through the residential lobby, which is a Residential Common Elements, to use the elevator, which is a Residential Common Element, to gain access to the cellar for the purpose of installing, maintaining, replacing and effecting repairs to any equipment or machinery servicing the Commercial Unit and located in the cellar, and (ii) will have the right to enter and use the elevator, which is a Residential Common Element, directly from the Commercial Unit, if such elevator is equipped with a door that opens into the Commercial Unit for the purpose set forth in (ii) above. Such right of access shall be exercised with reasonable care.

11.9.3 The Commercial Unit Owner, the tenants of the Commercial Unit Owner, the authorized agents of the Commercial Unit Owner, and the authorized agents of the tenants of the Commercial Unit Owner (i) will have a right of access through the residential lobby, which is a Residential Common Element, to use the elevator, which is a Residential Common Element, and through the sixth floor of Unit PH, which is a Residential Unit, and through the staircase leading from the sixth floor of the Building, and accessed from Unit PH, to the roof of the Building, which staircase is a Residential Common Element, and through the private terrace on the roof of the Building, which private terrace is a Limited Residential Common Element for the exclusive use of Unit PH, for the purpose of installing, maintaining, replacing and effecting repairs to any equipment servicing the Commercial Unit and located on the roof, and (ii) will have the right to enter and use the elevator, which is a Residential Common Element, directly from the Commercial Unit, if such elevator is equipped with a door that opens into the Commercial Unit for the purpose set forth in (ii) above. Such right of access shall be exercised with reasonable care and in the presence of either the superintendent/porter or a representative of the Managing Agent.

11.9.4 The Residential Unit Owners of Units 2, 3 and 4, the tenants of Residential Units 2, 3 and 4, the authorized agents of the Residential Unit Owners of Units 2, 3 and 4, and the authorized agents of the tenants of the Residential Unit Owners of Units 2, 3 and 4 will have a right of access to enter the sixth floor of Unit PH through the Building's elevator, and through the staircase leading from the sixth floor of the Building and accessed from Unit PH, to the roof of the Building, which staircase is a Residential Common Element, and through the private terrace on the roof of the Building, which private terrace is a Limited Residential Common Element for the exclusive use of Unit PH, for the purpose of installing, maintaining, replacing, and effecting any repairs to the equipment servicing Residential Units 2, 3 and 4, respectively, and located on the roof. Such right of access shall be exercised with reasonable care and in the presence of either the superintendent/porter or a representative of the Managing Agent.

11.10 If any of the parties granted easements herein exercise their rights under such easement, then they shall, as applicable, indemnify and hold the Condominium Board, the Unit Owners, and Sponsor (if Sponsor is not the exercising party) harmless from any actual out-of-pocket cost, loss, damage, expense, claim, or liability arising, directly or indirectly, from the exercise of such easement.

ARTICLE 12

ALTERATIONS, ADDITIONS, IMPROVEMENTS AND CHANGES TO UNSOLD RESIDENTIAL UNITS AND THE COMMERCIAL UNIT

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, or the Managing Agent, to:

(a) make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon Unsold Units and their appurtenant Limited Residential Common Elements, if any;

(b) change the layout of, or number of rooms in, any Unsold Units;

(c) 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 Unit or, or (z) otherwise, including incorporating Residential Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Residential Unit) which exclusively benefit an Unsold Residential Unit into such Unit; and

(d) if appropriate, reapportion among the Unsold Units affected by such change in size or number pursuant to the preceding clauses their Common Interest and Residential 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 and Residential Common Interest (other than Unsold Units), as the case may be, 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 and shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and

(iii) such alteration, addition, improvement, or change shall not jeopardize the soundness or structural integrity of any part of the Building.

Notwithstanding the foregoing, however, the aggregate amounts of both the Common Interests of all the Units and the Residential Common Interests of all Residential Units shall always remain at 100%, and no reapportionment of the Common Interest or Residential 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, Residential Common Interest of the affected Unit has been based upon the factors set forth in Article 8 hereof. The certification referred to in the preceding sentence shall be delivered, at Sponsor's election, by Sponsor, the Selling Agent, the Managing Agent, or any other Person reasonably acceptable to the Condominium Board. The provisions of this Article 12 may not be added to, amended, modified, or deleted without the prior written consent of Sponsor. By written permission of the Condominium Board which permission, shall not be unreasonably withheld, any other Unit Owner, may be given with respect to his Unit, the same rights and be subject to the same limitations and conditions as are set forth in this Article with respect to Unsold Units. Notwithstanding the other provisions of this Article, no reapportionment of the

Common Interest appurtenant to any Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest of the affected Unit has been based upon the factors set forth in Article 8 hereof. The certification referred to in the preceding sentence shall be delivered, at Sponsor's election, by Sponsor, the Managing Agent or any other Person reasonably acceptable to the Condominium Board. The provisions of this Article may not be added to, amended, modified or deleted without the prior written consent of Sponsor.

12.2 Except to the extent prohibited by Law, the Commercial Unit Owner shall have the right, without the consent or approval of the Condominium Board, the Unit Owners, the Selling Agent, or the Managing Agent, with respect to the Commercial Unit, respectively, to:

(a) make alterations, additions, or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon the Commercial Unit;

(b) change the use of the Commercial Unit pursuant to Law;

(c) change the layout of, or number of rooms therein;

(d) change the size of the Commercial Unit by (w) subdividing the Commercial Unit into 2 or more separate Units, (x) combining 2 or more Commercial Units resulting from such subdivision or otherwise into 1 or more Commercial Units, (y) altering the boundary walls between any 2 or more separate Units resulting from such subdivision or combination, or (z) otherwise including and incorporating Common Elements which exclusively benefit any one of such Commercial Units into such Unit;

(e) if appropriate, reapportion among the Units affected by such change in size or number pursuant to the preceding clause (c) their respective Common Interests; provided, however, that, with respect to any such alteration, addition, improvement, or change in, to, of, or upon the Unit:

(i) no physical modification shall be made to any other Unit, and the Common Interest or interior dimensions of any other Unit shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto;

(ii) the Commercial Unit Owner(s) shall comply with Law;

(iii) the Commercial Unit Owner(s) shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and

(iv) such alteration, addition, improvement, or change shall not jeopardize the soundness or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property; and

(f) penetrate any concrete floor slab within the Commercial Unit, provided same does not impair the structural integrity of the Building.

In the event of the subdivision of the Commercial Unit into separate Units, the owner of each such newly created Unit shall have all the rights, privileges and benefits, and shall be subject to all the obligations of the original Unit Owner, as provided in this Declaration, the By-Laws and the Rules and Regulations; provided, however, that the owners of such newly created Units shall continue collectively to be entitled to designate one (1) member to the Condominium Board.

Notwithstanding the foregoing, however, the aggregate amounts of the Common Interest of all the Units and the Residential Common Interests of all Residential Units shall always remain at 100%, and no reapportionment of the Common Interest appurtenant to the Commercial Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest has been based upon the factors set forth in Article 8 hereof. The certification referred to in the preceding sentence shall be delivered, at such Unit Owner's election, by the Commercial Unit Owner, the Selling Agent, the Managing Agent, or any other Person reasonably acceptable to the Condominium Board. The provisions of this Article 12 may not be added to, amended, modified, or deleted without the prior written consent of the Commercial Unit Owner(s) as applicable.

ARTICLE 13

ACQUISITION OF UNIT BY THE CONDOMINIUM BOARD

If (a) any Unit Owner surrenders his 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, (b) the Condominium Board, pursuant to the By-Laws or otherwise, either acquires or leases a Unit, together with its Appurtenant Interests, or purchases a Unit, together with its Appurtenant Interests, at a foreclosure or other similar sale, then, in all such events, title to any such Unit and such Appurtenant Interests shall be held by the Condominium Board or its designee, corporate or otherwise, if a Residential Unit, on behalf of all Residential Unit Owners, in proportion to their respective Common Interests and, if a Commercial Unit 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 Residential Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Residential Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Residential Unit Owner's attorney-in-fact, coupled with an interest and with power of substitution, (i) Sponsor, to amend the Condominium Documents pursuant to the terms of Article 18 hereof, and (ii) the Persons who shall from time to time constitute the Condominium Board, jointly, to:

(a) employ counsel for purposes of protesting the New York City real property tax assessments with the Tax Commission and instituting tax certiorari proceedings on behalf of the Residential Unit Owners for the reduction of the assessed valuation of their Residential Units, such Residential 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 or lease any Residential Unit, together with its Appurtenant Interests whose owner desires to sell, convey, transfer, assign, lease, or surrender the same or acquire any Residential 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 Residential Unit Owners;

(c) convey, sell, lease, mortgage, or otherwise deal with (but not to vote the Common Interest, appurtenant to) any Residential Unit so acquired or to sublease any Residential Unit so leased; and

(d) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Condominium that the Condominium Board deems necessary or appropriate to comply with any law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Condominium or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Condominium or the Common Elements that the Condominium Board deems necessary or appropriate or (3) any protests and tax certiorari proceeding affecting Residential Units.

14.2 In confirmation of the foregoing power of attorney, each Residential 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 in the form set forth as an Exhibit E to this Declaration, or in the form otherwise required by Sponsor and/or the Condominium Board.

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 withdrawal of the Property from the provisions of the Condominium Act is authorized by a vote of 100% in number and in Common Interest of all Unit Owners. In the event said withdrawal is authorized as aforesaid, but only in such event, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of his share of such net proceeds all liens on his 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 lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Condominium Board or otherwise, shall, upon prior reasonable written request at the expense of any such other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

16.2 If any Unit Owner who is subject to the terms of this Declaration fails or refuses, within 10 days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which the Unit Owner 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 refuses to execute, acknowledge or deliver such instrument or take such action, then the Condominium Board is hereby authorized as attorney-in-fact for such Unit Owner, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, and such document or action shall be binding on such Unit Owner.

16.3 If any Unit Owner who is subject to the terms of this Declaration fails or refuses, within 10 days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner is required to execute, acknowledge and deliver pursuant to this Declaration at the request of Sponsor or (ii) to deliver a written notice to Sponsor and to the Condominium Board stating the reasons why such Unit Owner refuses to execute, acknowledge or deliver such instrument or take such action, then Sponsor is hereby authorized, as attorney-in-fact for such Unit Owner, coupled with an interest, to execute, acknowledge and deliver such instrument or to take such action in the name of such Unit Owner, and such document or action shall be binding on such Unit Owner.

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 his 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

AMENDMENTS TO THIS DECLARATION

18.1 Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Sponsor, or any Unsold Units, any provision of this Declaration may be added to, amended, modified or deleted by the vote of at least 66 2/3% in number and in Common Interest of all Unit Owners having voting rights 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. 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 any Unsold Units, 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 under Articles 9, 10, 11, 12, 13 and 14 of this Declaration, Articles 9, 10, 11, 12, 13 and 14 of this Declaration may not be amended, modified, added to or deleted unless 80% in number and in Common Interest of all Unit Owners having voting rights affected thereby, approve such amendment, modification, addition or deletion in the manner set forth above.

18.2 Sponsor shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, or the Condominium Board, to execute, acknowledge and record (or, at Sponsor'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 (including, Exhibit B hereto), together with such documents, plans and maps as Sponsor deems appropriate to effectuate the same:

(i) to reflect any changes in Unsold Units or the Commercial Unit and/or the reapportionment of the Common Interest of the affected Unsold Units or the Commercial Unit 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 Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Sponsor to insure title to any Unit,

provided, however, that any amendment made pursuant to the terms of subparagraph (i) or (ii) of this Section shall not (1) change the Common Interest of any Unit other than a Unit owned by

Sponsor, or (2) require a 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.

18.3 The Commercial Unit Owner shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, or the Condominium Board, to require the Condominium Board to execute, acknowledge and record in the Register's Office or elsewhere, if required by Law, one or more amendments to this Declaration (including, to Exhibit B hereto), together with such documents, plans and maps as the Commercial Unit Owner deems appropriate to effectuate the same to reflect any changes in the Commercial Unit and/or the reapportionment of the Common Interest of the Commercial Unit resulting from changes made to the Commercial Unit by the Commercial Unit Owner in accordance with the terms of Article 12 hereof; provided, however, that any such amendment shall not (1) change the Common Interest or Residential 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.

18.4 Any amendment to this Declaration may be executed; (i) if on behalf of Sponsor pursuant to the terms of Section 18.2 hereof, by any principal of Sponsor, or, (ii) if on behalf of the Unit Owners or by the Condominium Board, by any officer of the Condominium, or (iii) if on behalf of the Commercial Unit Owner pursuant to the terms of Section 18.3 hereof, by such Commercial Unit Owner. 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.

18.5 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 adopted for so long as Sponsor owns any Unit if the same would (i) unreasonably interfere with the sale, lease, or other disposition of a Unit owned by Sponsor, (ii) abridge, modify, suspend, eliminate, or otherwise affect any right, power, easement, privilege, or benefit granted to Sponsor, or (iii) impose any discriminatory charge or fee against Sponsor. Notwithstanding anything contained in the Condominium Documents to the contrary, but subject to any limitation imposed by the Condominium Act, no amendment to the Condominium documents shall be adopted if same would (i) unreasonably interfere with the sale, lease, or other disposition of the Commercial Unit(s) by the Commercial Unit Owner(s), (ii) abridge, modify, suspend, eliminate, or otherwise affect any right, power, easement, privilege, or benefit granted to the Commercial Unit Owner(s), or (iii) impose any discriminatory charge or fee against the Commercial Unit Owner(s).

18.6 The Condominium Board shall have the right, without the vote or consent of any Unit Owners (other than the Unit Owners affected by the combination of Units), to execute, acknowledge and record in the Register's Office and elsewhere, if required by Law, one or more amendments to this Declaration (including Exhibit B hereto), together with such documents, plans and maps as the Condominium Board deems appropriate to effectuate the same; and to reflect any changes in Units and/or the reapportionment of the Common Interest of the affected Units resulting from the combination of Units by the respective Unit Owners; provided, however,

that any such amendment shall not (1) change the Common Interest of any Unit other than the Units to be combined, or (2) require a physical modification of any Unit other than the combined Units, 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 holder of such mortgage shall consent thereto by joining in the execution of such amendment.

18.7 The provisions of this Article 18 may not be modified, amended, added to or deleted, in whole or in part, without the consent of Sponsor if the same relate to Sponsor and without the consent of the Commercial Unit Owner if the same relate to the Commercial Unit Owner.

ARTICLE 19

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 Sponsor no longer owns any Units.

ARTICLE 20

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 21

INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the table of definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Unit Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans are, by this reference, each incorporated herein and made a part of this Declaration as if set forth at length in the text hereof.

ARTICLE 22

WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 23

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 24

SUCCESSORS AND ASSIGNS

The rights and/or obligations of Sponsor as set forth herein shall inure to the benefit of and be binding upon any successor or assign or designee of Sponsor or, with the consent of Sponsor, any transferee of all then Unsold Units. 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 25

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 26

CERTAIN REFERENCES

26.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural and vice versa, unless the context otherwise requires.

26.2 The terms "herein," "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used, unless the context otherwise requires.

26.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

ARTICLE 27

PROVISIONS REGARDING MORTGAGES ENCUMBERING RESIDENTIAL UNITS OTHER THAN UNSOLD RESIDENTIAL UNITS

27.1 The following provisions apply to (i) Permitted Mortgagees whose mortgages encumber Residential Units which are not Unsold Residential Units ("Sold Residential Units"), and (ii) any Person who is a guarantor of a mortgage on a Sold Residential Unit made by a Permitted Mortgagee ("Guarantor"):

(i) Amendments to the Declaration that are of a material adverse nature to Permitted Mortgagees of Sold Residential Units will require the written consent of Permitted Mortgagees that represent at least 51% of the Sold Residential Units that are subject to Permitted Mortgages who have provided the Condominium with written notice of their respective Permitted Mortgages.

(ii) The vote to terminate the Condominium, as provided for in Article 15 of this Declaration, shall also require the written consent of Permitted Mortgagees that represent at least 51% of the Sold Residential Units that are subject to Permitted Mortgages who have provided the Condominium with written notice of their respective Permitted Mortgages.

(iii) Any required consent and/or approval required from a Permitted Mortgagee will be deemed given if such Permitted Mortgagee, who has provided the Condominium with written notice of its Permitted Mortgage, fails to submit its written response to the Condominium within 60 days after such Permitted Mortgagee receives notice of the applicable proposal requesting consent and/or approval from the Condominium, provided the applicable proposal from the Condominium was delivered by certified or registered mail with a return receipt requested.

27.2 Any written notice required to be given to the Condominium by a Permitted Mortgagee shall be deemed valid only (i) if delivered by certified or registered mail with a return receipt requested to the Condominium, attention "President, Board of Managers, 52 Wooster Street New York, New York 10013, or to such other address as the Condominium may require, provided written notice of such other address is sent to a Permitted Mortgagee by the Condominium; and (ii) with a copy delivered by certified or registered mail with a return receipt requested to Sponsor, c/o Continental Ventures Realty, 641 Lexington Avenue, 24th Floor New York, New York 10022.

IN WITNESS WHEREOF, Sponsor has caused this Declaration to be executed as of the ____ day of _____, 20___.

SPONSOR:

52 WOOSTER HOLDINGS LLC

By:_____
Name:
Title:

STATE OF NEW YORK)
) ss:
COUNTY OF)

On the _____ day of _____, in the year 20___ before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies) and that by his/her/their signature(s) on the instrument, the individual(s) or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

EXHIBIT A

DESCRIPTION OF THE LAND

52 WOOSTER STREET CONDOMINIUM

52 WOOSTER STREET

NEW YORK, NEW YORK

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the southerly side of Broome Street and the easterly side of Wooster Street;

RUNNING THENCE southerly along the easterly side of Wooster Street a distance of 99 feet 7 inches (deed) 100 feet 2 inches (tax map) to a point on northerly side of lands now or formerly of John Finley;

THENCE easterly along the lands now or formerly of John Finley a distance of 25 feet to a point;

THENCE northerly along a line forming a right angle with the southerly side Broome Street a distance of 99 feet 6-3/4 inches (deed) 100 feet 0-1/4 inch (tax map) to a point on the southerly side of Broome Street, which point is distant 175 feet westerly from the corner formed by the intersection of the southerly side Broome Street with the westerly side of Greene Street;

THENCE westerly along the southerly side of Broome Street a distance of 25 feet to the corner formed by the intersection of the southerly side of Broome Street and the easterly side of Wooster Street, the point or place of BEGINNING.

232

EXHIBIT B

DESCRIPTION OF THE UNITS

52 WOOSTER STREET CONDOMINIUM
52 WOOSTER STREET
NEW YORK, NEW YORK 10013

Unit Designation	# of Rooms Bedrooms/ Baths	Location in Portion of Bldg. Facing Direction Set Forth Below	Approx. Area Sq. Ft.	Approx. Sq. Ft. of Limited Residential Common Elements	Tax Lot No.	Percentage of Common Interest	Percentage of Residential Common Interest	Common Elements to which Unit has Immediate Access

W -West
E - East
N -North
S - South

H – Hallway
EL–Elevator
ST - Stairway

T – 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. Other capitalized terms not defined herein shall have the meanings ascribed to them throughout Part I and Part II of the Plan.

"Adverse Effect", or "adverse effect", as used in the Condominium Documents, shall mean, with respect to any action or proposed change and with respect to any Unit Owner or Unit Owners, that such action or change could, if realized, (i) increase the Common Charges payable by such Unit Owner or Unit Owners by more than 25% per year, or (ii) materially and permanently interfere with such Unit Owner's access to his Unit, or (iii) decrease the useable square footage of a Unit by 5%.

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

"Building" shall mean the Building located at 52 Wooster Street, New York, New York, in which the five (5) Residential Units and one (1) Commercial Unit of the Condominium will be located.

"Buildings Department" or "Department of Buildings" shall mean the Department of Buildings of The City of New York 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 of Title" or "Closing" or "Closing Date" shall mean the date upon which, among other things, a Unit and its appurtenant Common Interest is conveyed to a Purchaser by the delivery by Sponsor to a Purchaser of a deed upon payment by a Purchaser to Sponsor of the purchase price for the Unit.

"Commercial Unit" shall mean the one (1) Commercial Unit in the Building designated as such in the Declaration together with its respective Common Interests.

"Commercial Unit Owner" shall mean the Owner of a Commercial Unit. To the extent the Commercial Unit is further divided, a Commercial Unit Owner shall refer to all owners of Units resulting from the subdivision of the applicable Commercial Unit.

"Common Charges" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata, in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in the By-Laws or in the First Year's Budget) to meet the Common Expenses.

"Common Elements" shall mean the Property, other than the Units themselves, being comprised of the General Common Elements, Residential Common Elements and the Limited Residential 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); (iii) generally, the conduct of the affairs of the Condominium;

and (iv) the amount of real estate taxes for the Property due and owing prior to the date the Units are separately assessed for real estate tax purposes. Common Expenses shall be either General Common Expenses attributable to all Unit Owners or Residential Common Expenses attributable to Residential Unit Owners only.

"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 52 Wooster Street Condominium, which was 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, and presently found in the 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 and the Rules and Regulations.

"Declaration" shall mean the instrument creating the Condominium, as the same may be amended from time to time.

"Deposit" shall mean all deposits, additional deposits, down-payments, advances or payments made by Purchasers prior to the closing of each individual transaction.

"Effective Date" shall mean the date upon which Sponsor has declared the Plan effective pursuant to the provisions of Part 20 of Title 13 NYCRR.

"Facilities" shall mean all personal property and fixtures now or hereafter existing in, on, or under the Land or the Building and either existing for the common use of the Units or the Unit Owners or necessary or convenient for the existence, maintenance, or safety of the Property. For purposes of illustrating the broad scope of such term and without intention to limit the generality of the foregoing in any respect, the term "Facilities" shall include all systems, equipment, apparatus, convectors, radiators, heaters, converters, heat exchangers, mechanisms, devices, machinery, induction units, fan coil units, motors, pumps, controls, tanks, tank assemblies, installations, condensers, compressors, fans, dampers, blowers, thermostats, thermometers, coils, vents, sensors, shut off valves, other 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, drains, catch basins, leaders, filters, incinerators, canopies, closets, cabinets, doors, railings, copings, steps, furniture, mirrors, furnishings, appurtenances, urns, baskets, mail chutes, mail boxes, carpeting, tiles, floor coverings, draperies, shades, window coverings, wallpaper, wallcoverings, trees, shrubbery, flowers, plants, horticultural tubs and horticultural boxes.

"Family Members" shall mean the spouse, children (natural and adopted), stepchildren, grandchildren, siblings, nieces, nephews, parents, 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 Closing" shall mean the Closing of Title with respect to the first Residential Unit or Commercial Unit to be conveyed to a Purchaser pursuant to the terms of the Plan.

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

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

"Force Majeure" shall mean delays caused by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery or inability to obtain materials, government restrictions or other events beyond Sponsor's reasonable control.

"General Common Elements" shall mean those certain portions of the Property (other than the Units, the Residential Common Elements and the Limited Residential Common Elements), 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.

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

"Initial Control Period" shall mean the period ending on the earlier of: (i) the closing of title with Purchasers under the Plan to Residential Units having at least 90% of the aggregate Common Interest appertaining to all Residential Units, or (ii) 5 years after the first Closing of a Residential Unit.

"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.

"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 a trust company, in either event having both an office in the City of New York and a capital surplus and undivided profits of $500,000,000 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 475, Lot 40 and more particularly described in Exhibit A to the Declaration.

"Law" shall mean the laws and ordinances of any or all of the Federal, New York State, New York City, County and Borough governments, 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 Residential Common Element(s)" shall mean those portions of the Property (other than the Units) existing for the use and enjoyment of certain Residential Unit Owners or one or more specified Residential Units to the exclusion of all other Unit Owners, as more particularly described in the Declaration. By way of example, a private roof terrace appurtenant to a Unit is a Limited Residential Common Element.

"Majority of Residential Unit Owners" shall mean those Residential Unit Owners consisting of more than 50% of the total authorized votes of all Residential Unit Owners (determined in accordance with the terms of Section 4.8 of the By-Laws) who have voting rights and are present, in person or by proxy, and voting at any constituted meeting of Residential Unit Owners at which a quorum is present.

"Majority of Unit Owners" shall mean those Unit Owners consisting of more than 50% of the total authorized votes of all Unit Owners (determined in accordance with the terms of Section 4.8 of the By-Laws) who have voting rights and are present, in person or by proxy, and voting at any duly constituted meeting of the 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.

"Mortgage Representatives" shall mean the representatives of the holders of all mortgages encumbering Units, designated by the holders of Institutional Mortgages in accordance with the terms of paragraph (B) of Section 8.6 of the By-Laws.

"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 B 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 of a Permitted Mortgage at the time in question.

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

"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 Section 352-e of the General Business Law of the State of New York and any amendments thereto.

"Plans and Specifications" shall mean the plans and specifications for the construction of the Building which (to the extent required by Law) have been or will be filed with the Department of Buildings and which may from time to time be amended. Any inconsistency in the Plans and Specifications and the Description of Property and Building Condition contained in Part II of the Plan shall be interpreted in accordance with the Description of Property and Building Condition.

"Presentation Date" shall mean the date on which the Plan or an amendment thereto, as the case may be, is personally delivered or the 5th day after mailing to prospective Purchasers and Unit Owners following acceptance of the Plan or an amendment thereto for filing with the Department of Law.

"Property" shall mean the Land, the Building (and any structures attached thereto), 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 Residential Unit the form of which is set forth in Part II of the Plan.

"Purchaser" shall mean a Purchaser of a Unit under a Purchase Agreement.

"Register's Office" shall mean the New York County Office of the Register of The City of New York.

"Residential Common Elements" shall mean those portions of the Common Elements which are available for common use by all Residential Unit Owners.

"Residential Common Expenses" shall mean all costs and expenses to be incurred generally by the Residential Unit Owners pursuant to the Declaration and/or By-Laws in connection with (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Residential Common Elements and/or the Limited Residential Common Elements; or (ii) the establishment and/or maintenance of an operating reserve fund for working capital, for replacements with respect to the Residential Common Elements and/or Limited Residential Common Elements.

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

"Residential Unit Owner" shall mean the owner of a Residential Unit.

"Residential Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, of each Residential Unit Owner in the Residential Common Elements. The total of all Residential Common Interest percentages appurtenant to all Residential Units equals 100%. The Residential Common Interests are the basis for determining a Residential Unit Owner's liability for his share of the Residential Common Expenses. The Residential Common Interest attributable to each Residential Unit is set forth on Exhibit B annexed to the Declaration.

"Rules and Regulations" shall mean the rules and regulations of the Condominium, which are annexed as an addendum to the By-Laws, as any of the same may be amended, modified, added to, or deleted from time to time pursuant to the terms of the By-Laws, provided that they are not in conflict with the terms of the Condominium Act, the Declaration, or the By-Laws.

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

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

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

"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 52 Wooster Holdings LLC, and any of its designees, successors and assigns.

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

"Unit Owner" shall mean any owner of a Unit. All such owners of Units are, collectively, referred to as "Unit Owners".

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

238

EXHIBIT D
TO THE DECLARATION

BY-LAWS

OF

52 WOOSTER STREET CONDOMINIUM

Prepared by:

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239

INDEX TO BY-LAWS

ARTICLE 1 GENERAL 1

Section 1.1 Purpose 1
Section 1.2 Definitions 1
Section 1.3 Applicability of By-laws 1
Section 1.4 Application of By-laws 1

ARTICLE 2 CONDOMINIUM BOARD 1

Section 2.1 General 1
Section 2.2 Status of the Condominium Board 1
Section 2.3 Principal Office of the Condominium Board 2
Section 2.4 Powers and Duties of the Condominium Board 2
Section 2.5 Certain Limitations on the Powers of the Condominium Board 5
Section 2.6 Exercise and Delegation of Powers and Duties 6
Section 2.7 Number, Election and Qualification of Members 7
Section 2.8 Term of Office of Members 7
Section 2.9 Removal and Resignation of Members 7
Section 2.10 Vacancies 8
Section 2.11 Organizational Meeting of the Condominium Board 8
Section 2.12 Regular Meetings of the Condominium Board 8
Section 2.13 Special Meetings of the Condominium Board 8
Section 2.14 Waiver of Notice of Meetings 9
Section 2.15 Quorum of the Condominium Board 9
Section 2.16 Conduct of Meetings 9
Section 2.17 Decisions by the Condominium Board 9
Section 2.18 Compensation of Members 10
Section 2.19 Common or Interested Members of the Condominium Board 10
Section 2.20 Indemnification 10

ARTICLE 3 OFFICERS 13

Section 3.1 General 13
Section 3.2 President 13
Section 3.3 Vice President 13
Section 3.4 Secretary 13
Section 3.5 Treasurer 13
Section 3.6 Election, Term of Office and Qualification of Officers 13
Section 3.7 Removal and Resignation of Officers 13
Section 3.8 Vacancies 14
Section 3.9 Compensation of Officers 14
Section 3.10 Indemnification of Officers 14

ARTICLE 4 UNIT OWNERS 14

Section 4.1 Annual Meetings of the Unit Owners 14
Section 4.2 Special Meetings of the Unit Owners 14
Section 4.3 Place of Meetings 14
Section 4.4 Notice of Meetings 14
Section 4.5 Quorum of the Unit Owners 15

240

Section 4.6 Conduct of Meetings 15
Section 4.7 Order of Business 15
Section 4.8 Voting 15
Section 4.9 Election of Members of the Condominium Board 16
Section 4.10 Designation of Commercial Members to the Condominium Board 17
Section 4.11 Action Without a Meeting 17
Section 4.12 Title to Units 17
Section 4.13 Contractual Liability of Unit Owners 17

ARTICLE 5 OPERATION OF THE PROPERTY 18

Section 5.1 Maintenance and Repairs 18
Section 5.2 Alterations, Additions, Improvements, or Repairs in and to Units 19
Section 5.3 Alterations, Additions, or Improvements to the Common Elements 22
Section 5.4 Intentionally Deleted 22
Section 5.5 Insurance 22
Section 5.6 Casualty or Condemnation 25
Section 5.7 Use of the Property 27
Section 5.8 Use of the Units 28
Section 5.9 Use of the Common Elements 28
Section 5.10 Rights of Access 29
Section 5.11 Modification of the Rules and Regulations 31
Section 5.12 Real Estate Taxes 31
Section 5.13 Fuel and Electricity 31
Section 5.14 Water Charges and Sewer Rents 32
Section 5.15 Record and Audits 32

ARTICLE 6 COMMON CHARGES 32

Section 6.1 Determination of Common Expenses and Fixing of Common Charges and Special Assessments 32
Section 6.2 Payment of Common Charges and/or Special Assessments 35
Section 6.3 Statement of Common Charges and/or Special Assessments 36
Section 6.4 Default in Payment of Common Charges and/or Special Assessments 36

ARTICLE 7 SELLING AND LEASING OF RESIDENTIAL UNITS 38

Section 7.1 General 38
Section 7.2 Right of First Refusal 38
Section 7.3 Acceptance of Offer 39
Section 7.4 Failure to Accept Offer 40
Section 7.5 Termination of, and Exceptions to, the Right of First Refusal 40
Section 7.6 No Severance of Ownership 41
Section 7.7 Payment of Common Charges 41
Section 7.8 Power of Attorney 42
Section 7.9 Gifts and Devises, Etc. 42
Section 7.10 Commencement of Time 42
Section 7.11 Costs and Expenses 42

ARTICLE 8 MORTGAGING OF UNITS 42

Section 8.1 General 42

241

Section 8.2 Restrictions on Mortgaging 42
Section 8.3 Notice of Unpaid Common Charges and Default 43
Section 8.4 Performance by Permitted Mortgagees 43
Section 8.5 Examination of Books 43
Section 8.6 Consent of Mortgagees; Designation of Mortgage Representatives 43

ARTICLE 9 CERTAIN REMEDIES 44

Section 9.1 Self Help 44
Section 9.2 Abatement and Enjoinment 44
Section 9.3 Remedies Cumulative 44
Section 9.4 Costs and Expenses 45

ARTICLE 10 ARBITRATION 45

Section 10.1 Procedure 45
Section 10.2 Variation by Agreement 45
Section 10.3 Binding Effect 46
Section 10.4 Costs and Expenses 46

ARTICLE 11 NOTICES 46

Section 11.1 General 46
Section 11.2 Waiver of Service of Notice 46

ARTICLE 12 AMENDMENTS TO BY-LAWS 47

Section 12.1 General 47
Section 12.2 Special Amendments 47

ARTICLE 13 FURTHER ASSURANCES 48

Section 13.1 General 48
Section 13.2 Failure to Deliver or Act 48

ARTICLE 14 MISCELLANEOUS 49

Section 14.1 Inspection of Documents 49
Section 14.2 Waiver 49
Section 14.3 Conflict 49
Section 14.4 Severability 49
Section 14.5 Successors and Assigns 49
Section 14.6 Gender 49
Section 14.7 Captions 49

ARTICLE 15 TAX STATUS AS A HOMEOWNERS ASSOCIATION 50

Section 15.1 General 50
Section 15.2 Organization 50
Section 15.3 Inurement 50
Section 15.4 Use 50

ARTICLE 16 PROVISIONS REGARDING MORTGAGES ENCUMBERING RESIDENTIAL UNITS OTHER THAN UNSOLD RESIDENTIAL UNITS 50

Section 16.1 Applicability 50
Section 16.2 Termination of Condominium Due to Casualty Loss or Condemnation 50

242

Section 16.3 Notices to Permitted Mortgagees and Guarantor 50
Section 16.4 Condominium Property Insurance 51
Section 16.5 Unpaid Common Charges and Special Assessments 51
Section 16.6 Consent or Approval from a Permitted Mortgagee 51
Section 16.7 Notice from a Permitted Mortgagee 51

ADDENDUM TO THE BY-LAWS

RULES AND REGULATIONS

243

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 all other property, real, personal or mixed, intended for use in connection therewith; and (iii) all other property, real, personal, or mixed, intended for use in connection therewith. The Property has been submitted to the provisions of the Condominium Act by the recording of the Declaration in the Register's Office, of which Declaration these By-Laws form a part. The purpose of the Condominium is to carry on the acquisition, construction, management, maintenance and care of the Common Elements and to perform related functions with respect to the other portions of the Property.

Section 1.2 *Definitions.* All capitalized terms used in these By-Laws that are not otherwise defined in any of the Articles hereof shall have the meanings set forth in Exhibit C to the Declaration, or as same may be otherwise defined in the Declaration, unless the context in which the same are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the aforedescribed capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

Section 1.3 *Applicability of By-Laws.* These By-Laws are applicable to the Property and to the use and occupancy thereof.

Section 1.4 *Application of By-Laws.* All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units, and employees and guests of Unit Owners, as well as all other Persons who may use the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations, as each of the same may be amended from time to time. The acceptance of a deed or other instrument of conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of the Declaration, these By-Laws and the Rules and Regulations, as each of the same may be amended from time to time, are accepted, ratified and will be complied with.

ARTICLE 2

CONDOMINIUM BOARD

Section 2.1 *General.* As more particularly set forth in Sections 2.4, 2.5 and 2.6 hereof, the affairs of the Condominium shall be governed by the Condominium Board. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Condominium Board shall act as, and shall be, the Agent of the Unit Owners, subject to, and in accordance with, the terms of the Declaration and these By-Laws.

Section 2.2 *Status of the Condominium Board.* Unless and until the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon unincorporated associations under, or pursuant to, the terms of the General Association Law of the State of New York. If the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the

extent permitted by Law, the status conferred upon it under, or pursuant to, the terms of the applicable statutes of the State of New York. In either event, however, the Condominium Board shall also have the status conferred upon it under, or pursuant to, the terms of the Condominium Act.

Section 2.3 *Principal Office of the Condominium Board.* The principal office of the Condominium Board shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

Section 2.4 *Powers and Duties of the Condominium Board*

(A) The Condominium Board shall have all of the powers and duties necessary for, or incidental to, the administration of the affairs of the Condominium, provided, however, that the Condominium Board shall not have such powers and duties that by Law, or pursuant to the terms of the Declaration and these By-Laws, may not be delegated to the Condominium Board by the Unit Owners. Without intention to limit the generality of the foregoing in any respect, the Condominium Board shall have the following specific powers and duties:

(i) to operate, maintain, repair, restore, add to, improve, alter and replace the Common Elements including, but not limited to, the Common Elements described in the Declaration, as the Condominium Board shall deem necessary or proper in connection therewith, including (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 right, title and interest 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 prepare and adopt a budget for the Condominium for each fiscal year thereof, setting forth, without limitation: (a) a detailed accounting of the anticipated Common Expenses for the ensuing fiscal year and (b) a detailed projection of all sources and amounts of income necessary to discharge the same;

(v) to 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 Residential Common Expenses and in no event shall Common Charges or Special Assessments or other funds received by the Condominium Board in connection with the Residential Common Elements be utilized to defray any General 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) and with respect to the operation, maintenance, repair, restoration, improvement, alteration

and replacement of the General Common Elements, additionally, the affirmative consent of at least 66 2/3%, in aggregate Common Interest, of all Unit Owners shall be required for the borrowing of any sum in excess of $500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (c) and with respect to the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Residential Common Elements and/or the Limited Residential Common Elements, additionally, the affirmative consent of at least 66 2/3%, in aggregate Residential Common Interest, of all Residential Unit Owners shall be required for the borrowing of any sum in excess of $500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years) and the Commercial Unit Owner will not be liable for the repayment of any portion of such loan; (d) no lien to secure repayment of any sum borrowed may be created on any Unit or its Appurtenant Interests without the express written consent of the Owner of such Unit; and (e) 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 or Residential Common Interest, as applicable, bears to the aggregate Common Interests of all Unit Owners or Residential Common Interests of all Residential Unit Owners, as applicable, 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, the Residential Common Elements and the Limited Residential Common Elements;

(ix) to obtain insurance for the Property, including the Units, pursuant to the terms of Section 5.5 hereof,

(x) to adjust and settle claims under insurance policies obtained pursuant to the terms of Section 5.5 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 of any Residential 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 Residential Unit Owners;

(xiv) to accept the surrender of the Commercial 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;

(xv) to purchase, lease, or otherwise acquire Residential Units offered for sale or lease by their owners, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Residential Unit Owners but only with the consent of a majority of Residential Unit Owners and in connection with a purchase of a Residential Unit, to obtain a mortgage loan secured by such Residential Unit, and/or assess a special assessment for the down payment, purchase price and/or closing costs;

(xvi) 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;

(xvii) to sell, lease, mortgage and otherwise deal with Residential Units acquired by, and to sublease Residential Units leased by, the Condominium Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, provided, however, that the Condominium Board or its designees shall in no event be entitled to vote the votes appurtenant to any such Unit;

(xviii) 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);

(xix) 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;

(xx) to incorporate, to the extent and in the manner provided in the Condominium Act, provided, however, that: (a) the certificate of incorporation and By-Laws of any such resulting corporation shall conform as closely as practicable to the terms of the Declaration and these By-Laws and (b) the terms of the Declaration and these By-Laws shall prevail in the event of any inconsistency or conflict between the terms thereof and the terms of such certificate of incorporation and By-Laws;

(xxi) 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;

(xxii) to execute, acknowledge and deliver: (a) any declaration (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;

(xxiii) 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;

(xxiv) to prepare, execute, acknowledge and institute on behalf of all Residential 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 Residential Units and to assess any costs incurred thereby as a Residential Common Expense;

(xxv) to commence summary eviction proceedings in the name of or on behalf of the Condominium Board and/or a Residential Unit Owner or Residential Unit Owners, as the case may be, against an authorized or unauthorized guest and/or a tenant of a Residential Unit Owner if such authorized or unauthorized guest and/or tenant does not conform to the Rules and Regulations of the Condominium, annexed hereto as an Addendum to the By-Laws, 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 or unauthorized guest and/or tenant, including reasonable attorney's fees, shall be borne by the Residential Unit Owner;

(xxvi) to impose move-in fees and charges and transfer fees in connection with the sale or lease of a Residential Unit, provided no such fees or charges or other conditions of transfer or lease may be imposed upon Sponsor;

(xxvii) to provide for and establish, utilizing Common Charges or Special Assessments, (but not against the Commercial Unit Owner without its consent), such reserve funds as the Condominium Board, in its discretion, believes are prudent to provide periodic repair, replacement and maintenance of the Building's capital plant, subject to the limitations set forth in the Declaration and these By-Laws, including but not limited to Section 6.1(E) of these By Laws; and

(xxviii) to carry out any other duties imposed upon the Condominium Board pursuant to the Declaration and these By-Laws.

(B) The Condominium Board shall be responsible for carrying out the duties imposed upon it under the Condominium Documents regardless of whether a Unit is vacant or occupied by the owner thereof or by a permitted lessee or other permitted occupant.

Section 2.5 *Certain Limitations on the Powers of the Condominium Board*

(A) Notwithstanding anything to the contrary contained in these By-Laws, so long as Sponsor shall continue to own any Residential Units, 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; or

(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, except as set forth in the First Year's Budget; or

(iii) increase or decrease the number or change the kind of employees employed by the Condominium at the time of the First Closing; or

(iv) enter into any service or maintenance contracts for work or otherwise contract for work or otherwise provide services not covered in the First Year's Budget set forth in the Plan, except as is required to reflect normal annual increases in operating services; or

(v) borrow money on behalf of the Condominium; or

(vi) exercise a right of refusal to lease or purchase a Unit.

The written consent of Sponsor shall not be necessary to perform any function or take any action described in clauses (i) through (vi) above, if, and only if, the performance of such action or the carrying out of such action is necessary (and no other alternative is available) to enable the Condominium Board to: (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer. In no event will the limitations imposed herein continue for

more than 5 years from the First Closing. Sponsor shall not exercise veto power over the expenses described in Schedule B or 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.

(B) Notwithstanding anything to the contrary in these By-laws, all determinations of the Condominium Board which affect only the:

(i) Residential Units and do not materially and adversely affect the use and operation of the Commercial Unit(s) and shall not result in any Common Charge or Special Assessment being imposed on the Commercial Unit Owner, shall be made by the members of the Condominium Board elected or designated by the Residential Unit Owners;

(ii) Commercial Unit and do not materially and adversely affect the use and operation of the Residential Units and shall not result in any Common Charge or Special Assessment being imposed on a Residential Unit Owner, shall be made by the member of the Condominium Board designated by the Commercial Unit Owner.

Any dispute as to whether or not a determination materially and adversely affects any Units shall be settled by arbitration in accordance with the provisions of these By-laws. No dispute with respect to whether a determination materially and adversely affects a Unit shall be deemed to exist unless the objecting party specifies the grounds for its objection in writing to the Condominium Board within 10 business days of receipt by it of notice of such determination.

(C) Notwithstanding anything to the contrary contained in these By-Laws, the Condominium Board must obtain the consent of 66 2/3% of the aggregate Common Interest or Residential Common Interest of all Unit Owners in connection with capital expenditures or assessments exceeding $500,000 per fiscal year.

Section 2.6 *Exercise and Delegation of Powers and Duties.*

(A) Any act within the power of the Condominium Board to perform, or 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 three members of the Condominium Board, at least one of whom shall be a member designated by Sponsor for so long as Sponsor shall have the right to designate or elect one or more members of the Condominium Board.

(C) The Condominium Board may employ a Managing Agent to serve at a compensation 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), (xvii), (xix), (xxi), (xxii) or (xxiii) of paragraph (A) of Section 2.4 hereof. In addition, neither the Managing Agent nor any of the committees described in Subsection (B) of this Section 2.6 shall have, or be entitled to exercise, any of the powers of the Condominium Board, except to the extent permitted by Law.

Section 2.7 *Number, Election and Qualification of Members*. Until the first annual meeting of the Unit Owners held pursuant to the terms of Section 4.1 hereof, the Condominium Board shall consist of 3 individuals, all of which are to be designated from time to time by Sponsor. From and after the first annual meeting of the Unit Owners and for so long as Sponsor continues to own at least one Unsold Residential Unit, the Condominium Board shall consist of five (5) individuals, four (4) of which individuals shall be elected and/or designated by the Residential Unit Owners (including Sponsor) ("Residential Members"), and one (1) individual shall be designated by the Commercial Unit Owner ("Commercial Member"), provided however, that during the Initial Control Period, three (3) of the four (4) Residential Members shall be designated by Sponsor. Sponsor may designate the same individual as each of its Residential Members. Except for members designated or elected by Sponsor or the Commercial Unit Owner pursuant to the terms of this Section 2.7 or of Section 2.10 or 4.9 hereof, all members of the Condominium Board shall be either: (i) individual Residential Unit Owners or adult Family Members of an individual Residential 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 Residential Unit Owners or Permitted Mortgagees. In addition, no Unit Owner 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 Owner's 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 three (3) Members of the Condominium Board designated by Sponsor prior to the first annual meeting of the Residential Unit Owners shall expire when the five (5) individuals to be elected or designated at such meeting are so elected and designated, as the case may be. The term of office of each of the five (5) individuals elected and qualified or designated, as the case may be, at the first annual meeting of the Unit Owners pursuant to the terms of Section 4.9 hereof, shall be fixed at one (1) year. Notwithstanding anything to the contrary contained in this Section 2.8, however, each member of the Condominium Board shall serve until said member's 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 elected thereto either by the Residential Unit Owners, pursuant to the terms of Section 4.9 hereof, or by the Condominium Board, pursuant to the terms of Section 2.10 hereof, may be removed from office, with or without cause, by a vote of a Majority of Residential Unit Owners. Any member of the Condominium Board who was designated as such or elected by Sponsor pursuant to the terms of Section 2.7, 2.10, or 4.9 hereof, may be removed, without cause, only by Sponsor. If any member of the Condominium Board who was designated or elected by Sponsor is removed, his successor shall also be designated or elected by Sponsor. Any member of the Condominium Board who was designated by the Commercial Unit Owner may be removed from office without cause only by the Commercial Unit Owner who designated such member. If any member of the Condominium Board who was designated by the Commercial Unit Owner is removed, his successor shall also be designated by the Commercial Unit Owner. However, any member of the Condominium Board, whether designated by the Commercial Unit Owner or by Sponsor, may be removed for cause by the

Condominium Board. Any member of the Condominium Board whose proposed removal is to be acted upon at a meeting of the Unit Owners shall be given prior written notice thereof and an opportunity to be present and heard thereat.

(B) Any member of the Condominium Board may resign his membership at any time by giving written notice thereof to the Condominium Board and, with respect to members of the Condominium Board designated as such by Sponsor, to Sponsor. In addition, any member of the Condominium Board who shall cease to be qualified for membership pursuant to the terms of Section 2.7 hereof shall be deemed to have resigned his 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 Residential Unit Owners shall be filled by an individual who is qualified to be a member pursuant to the terms of Section 2.7 hereof and who is elected by a vote of the majority of the Residential members of the Condominium Board 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. Any vacancy on the Condominium Board that is caused by the removal, resignation or death of a member who was designated as such by the Commercial Unit Owner shall be filled by an individual designated by the Commercial Unit Owner. The Unit Owner permitted to fill a vacancy, may do so by sending written notice to the remaining members of the Condominium Board of the identity of the newly designated Board member, without the need for a special meeting.

(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 his successor shall be selected and qualified at the appropriate annual meeting of the Unit Owners pursuant to the terms of Section 4.9 hereof.

Section 2.11 *Organizational Meeting of the Condominium Board.* The first meeting of the Condominium Board following each annual meeting of the Unit Owners shall be held within ten (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 of the Condominium in a written notice given to all members thereof by personal delivery, mail, or overnight delivery service not later than five business days prior to such date. At such meeting, the officers of the Condominium Board shall be elected.

Section 2.12 *Regular Meetings of the Condominium Board.* Regular meetings of the Condominium Board may be held at such time and place as shall be determined from time to time by a majority of the members thereof, provided that at least four (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 or telegram at least five (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 he deems the same to be necessary or desirable. However, the President shall call such a meeting upon the written request of three (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, or telegram at least three (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 him 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, the following majority of the members of the Condominium Board shall be present at the Condominium Board meeting:

(A) Attendance of a majority of all of the members of the Condominium Board, including the member designated by the Commercial Unit Owner, will be required for any business relating to the General Common Elements, the General Common Expenses, or, all or a portion of the Residential Units and the Commercial Unit.

(B) Attendance of a majority of the Residential Members of the Condominium Board will be required for any business relating solely to the Residential Common Expenses, the Residential Common Elements, or Limited Residential Common Elements or, all or a portion of the Residential Units.

In connection with any meeting of the Condominium Board, 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:

(A) The vote of a majority of those Residential Members, together with the Commercial Member 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 solely to the General Common Elements; the General Common Expenses; or relating to both the Residential Units and the Commercial Unit.

(B) The vote of a majority of those Residential Members attending a duly constituted meeting of the Residential Members at which a quorum is present shall decide all matters on behalf of the

Condominium Board relating solely to the Residential Common Expenses; the Residential Common Elements and Limited Residential Common Elements; or, all or a portion of the Residential 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, together with a copy of the motion or resolution to which the consent relates, shall be duly filed by the Secretary of the Condominium in the minutes of, and retained with the records of, the Condominium Board.

Section 2.18 *Compensation of Members.* No member of the Condominium Board shall receive any compensation from the Condominium for acting as such.

Section 2.19 *Common or Interested Members of the Condominium Board.* Each member of the Condominium Board shall perform his duties, and shall exercise his 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 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 interested members; or, if the votes of the disinterested members of the Condominium Board are insufficient to constitute a quorum, by unanimous vote of the disinterested members of the Condominium Board.

(y) the fact thereof is disclosed to, or known by, a Majority of Unit Owners, and a Majority of Unit Owners having voting rights 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.*

(A) Indemnification of Board Members and Officers.

(i) Any person made, or threatened to be made, a party to an action or proceeding (other than one by or in the right of the Condominium to procure a judgment in its favor), whether civil or criminal, including an action by or in the right of the Condominium, which any member of the Condominium Board or an officer of the Condominium served in any capacity at the request of the Condominium, by reason of the fact that he, his testator or intestate, was a member of the Condominium Board or an officer of the Condominium, shall be indemnified by this Condominium, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees actually and necessarily incurred by him in defense of such action or as a result of such action or proceeding, or any appeal therein, except that no indemnification shall be made to or on behalf of any member of the Condominium Board or an officer if a judgment or other final adjudication adverse to the member of the Condominium Board or an officer establishes that his acts were committed in bad faith or were the result

of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that he personally gained in fact a financial profit or other advantage to which he was not legally entitled.

(ii) The termination of any such civil or criminal action or proceeding by judgment, settlement, conviction or upon a plea of *nolo contendere*, or its equivalent, shall not in itself create a presumption that any such member of the Condominium Board or officer acted in bad faith or that his acts were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that he personally gained in fact a financial profit or other advantage to which he was not legally entitled.

(iii) The Condominium shall indemnify any person made, or threatened to be made, a party to an action by or in the right of the Condominium to procure a judgment in its favor by reason of the fact that he, his testator or intestate, is or was a member of the Condominium Board or officer of the Condominium, or is or was serving at the request of the Condominium as a member of the Condominium Board or officer against amounts paid in settlement and reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with the defense or settlement of such action, or in connection with an appeal therein, if such member of the Condominium Board or officer acted, in good faith, for a purpose which he reasonably believed to be in the best interest of the Condominium, except that no indemnification shall be made to or on behalf of any member of the Condominium Board or officer if a judgment or other final adjudication adverse to the member of the Condominium Board or officer establishes that his acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that he personally gained in fact a financial profit or other advantage to which he was not legally entitled.

(iv) Payment of any amount due an officer or member of the Condominium Board, former officer or member of the Condominium Board or the beneficiaries of a deceased former officer or member of the Condominium Board pursuant to the indemnification created by paragraph (i), (ii) or (iii) above shall be authorized by:

(a) Court order; or

(b) By the Condominium Board acting by a quorum consisting of members of the Condominium Board who are not parties to such action or proceeding upon a finding that the member of the Condominium Board or officer has met the standard of conduct established pursuant to paragraph (i), (ii) or (iii).

(c) If a quorum under subparagraph (b) is not obtainable or, even if obtainable, a quorum of disinterested directors so directs; or

(d) Where a person who has been successful, on the merits or otherwise, in the defense of a civil or criminal action or proceeding of the character described in Section 722 of the Business Corporation Law as authorized in such Section:

(1) By the Condominium Board upon the opinion in writing of independent legal counsel that indemnification is proper in the circumstances because the applicable standard of conduct set forth in paragraph (i), (ii) or (iii) above has been met by such member of the Condominium Board or officer; or

(2) By the Unit Owners of the Condominium upon a finding that the member of the Condominium Board or officer has met the applicable standard of conduct set forth in paragraph (i), (ii) or (iii).

(v) Expenses incurred in defending a civil or criminal action or proceeding may be paid by the Condominium in advance of the final disposition of such action or proceeding upon receipt of an undertaking by or on behalf of such member or officer to repay such amount if the person receiving such advancement or allowance is ultimately found, under the procedure set forth in this Section, not to

be entitled to indemnification or, where indemnification is granted, to the extent the expenses so advanced by the Condominium or allowed by the court exceed the indemnification to which he is entitled.

(vi) No indemnification, advancement, or allowance shall be made under this Section in any circumstances where it appears that if there has been a settlement approved by the court, that the indemnification would be inconsistent with any condition with respect to indemnification expressly imposed by the court in approving the settlement.

(vii) If any expenses or other amounts are paid by way of indemnification, otherwise than by court order or action by the Unit Owners, the Condominium shall, not later than the next annual meeting of Unit Owners unless such meeting is held within three months from the date of such payment, and, in any event, within fifteen months from the date of such payment, mail to its Unit Owners of record at the time entitled to vote for the election of members of the Condominium Board a statement specifying the person(s) paid, the amount(s) paid, and the nature and status at the time of such payment of the litigation or threatened litigation.

(viii) 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 an officer of the Condominium 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). Notwithstanding the foregoing, (i) if any such contract does not involve the Commercial Unit, then in such case, the contract shall state it is made only as agent for the Residential Unit Owners, and the Commercial Member of the Condominium Board shall have no personal liability thereon, and (ii) if any such contract does not involve the Residential Units, then in such case, the contract shall state it is made only as agent for the Commercial Unit Owner, and the Residential Members of the Condominium Board shall have no personal liability thereon. 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 his or her 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 affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct.

(ix) Neither the Condominium Board nor any member thereof shall be liable for either:

(a) any failure or interruption of any utility or other services to be obtained by, or on behalf of, the Condominium Board or to be paid for as a Common Expense except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of the Condominium Board or any member thereof; or

(b) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or the Common Elements and either: (x) caused by the elements, by any Unit Owner, or by any other Person; (y) resulting from electricity, water, snow, or ice that may leak or flow from a Unit or any portion of the Common Elements; or (z) arising out of theft or otherwise.

(B) Nothing contained in this Section 2.20 shall limit any right to indemnification to which any member or any officer may be entitled by contract or under any law now or hereinafter enacted.

ARTICLE 3
OFFICERS

Section 3.1 *General.* The principal officers of the Condominium shall be the President, the Vice President, the Secretary and the Treasurer. The Condominium Board may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its discretion may be necessary or desirable. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed, upon the direction of the Condominium Board, by any two officers of the Condominium or by such lesser number of officers or by such other Person or Persons as may be designated from time to time by the Condominium Board.

Section 3.2 *President.* The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Unit Owners and of the Condominium Board. The President shall have all of the general powers and duties that are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York (hereinafter referred to as the "BCL"), including, but not limited to, the power to appoint the members of all committees created by the Condominium Board from amongst the Unit Owners from time to time as he may decide, in his discretion, are appropriate to assist in the conduct of the affairs of the Condominium.

Section 3.3 *Vice President.* The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If both the President and the Vice President are unable to act, the Condominium Board shall appoint some other member of the Condominium Board to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall be imposed upon him 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 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. The officers of the Condominium Board generally need not be Unit Owners and need not have any interest in the Condominium or in a Unit Owner, as long as those officers have a legal capacity to bind the Unit Owner represented by such officer. However, except where the Residential Member is designated by Sponsor, any officer that is a Residential Member shall be a Residential Unit Owner, or an adult Family Member of a Residential Unit Owner, or an officer, director, partner, manager, member or shareholder of a Residential Unit Owner.

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 his term of office, such officer shall be deemed to have resigned his office effective upon the date upon which his membership shall cease.

Section 3.8 *Vacancies*. Any vacancy in an office shall be filled by a majority vote of the Condominium Board at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose.

Section 3.9 *Compensation of Officers*. No officer of the Condominium shall receive any compensation from the Condominium for acting as such.

Section 3.10 *Indemnification of Officers*. Each officer shall be indemnified as set forth in Paragraph 2.20.

ARTICLE 4

UNIT OWNERS

Section 4.1 *Annual Meetings of the Unit Owners*. The first annual meeting of the Unit Owners shall be held within approximately 30 days after the earlier to occur of: (a) the first anniversary of the First Closing, or (b) the Sponsor has closed title to Residential Units with Purchasers with respect to at least 90% of the Common Interest appertaining to all Residential Units. At such meeting a five (5) member Condominium Board shall be established, as provided both in this Article 4 and in Article 2 hereof. Thereafter, annual meetings of the Unit Owners shall be held on or about the anniversary date of the first annual meeting. At each such subsequent meeting, the Unit Owners (including Sponsor) shall elect or designate 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. Except as provided in Section 4.5 of these By-Laws, the presence, in person or by proxy, of Unit Owners owning Units to which forty percent (40%) or more of the aggregate Common Interests appertain shall constitute a quorum at meetings of the Unit Owners.

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 Residential Unit Owners (excluding the Common Interest Appurtenant to the Commercial Unit). 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 overnight delivery service addressed to his address at the Property, not less than ten (10) nor more than thirty (30) 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 ten (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 thirty (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 Residential Unit Owners*. Except as otherwise provided in these By-Laws, the presence, in person or by proxy, of Residential Unit Owners owning Residential Units to which 40% or more of the aggregate Common Interests appertain (excluding the Common Interests appurtenant to the Commercial Unit) shall constitute a quorum at all meetings of the Residential Unit Owners. If, at any meeting of the Unit Owners, there shall be less than a quorum present, a majority of the Residential Unit Owners present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

Section 4.6 *Conduct of Meetings*. The President shall preside at all meetings of the Unit Owners, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Unit Owners having voting rights 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 having voting rights and 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 having voting rights 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:

(i) Roll call;

(ii) Proof of notice of meeting;

(iii) Reading of the minutes of the preceding meeting (unless waived);

(iv) Reports of officers of the Condominium;

(v) Reports of members of the Condominium Board;

(vi) Reports of committees;

(vii) Election of inspectors of election (when so required);

(viii) Election of members of the Condominium Board (when so required);

(ix) Unfinished business; and

(x) New business.

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 Residential Unit Owner (including Sponsor for so long as Sponsor shall own Unsold Units) shall be entitled to cast one (1) vote at all meetings of the Unit Owners for each .01% of Common Interest attributable to such Unit Owner's Unit(s). Unless a greater percentage is required elsewhere herein or in the Declaration, the vote of a Majority of the Unit Owners entitled to vote shall be binding upon all Unit Owners for all purposes.

(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 two (2) or more Persons own a Unit, they shall designate one (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 one (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(s) of any Unit may designate any Person to act as a proxy on his 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 six months after the date thereof.

(E) Except where otherwise provided by Law, the Declaration and these Bylaws, the affirmative vote of Majority of Unit Owners entitled to vote shall be binding upon all Unit Owners for all purposes.

(F) Except where otherwise provided by law, the Declaration and these By-Laws, the affirmative vote of a Majority of Residential Unit Owners entitled to vote shall be binding upon all Residential Unit Owners for all purposes.

Section 4.9 *Election of Members to the Condominium Board.*

(A) When voting for Residential members of the Condominium Board, each Residential Unit Owner (including Sponsor for so long as Sponsor shall own Unsold Residential Units) shall be entitled to cast one (1) vote for each .01% of Common Interest attributable to his Residential Unit 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 one (1) or more members to be elected. In addition, the terms of paragraphs (B), (C), (D), (E) and (F) of Section 4.8 hereof shall apply to all elections of members of the Condominium Board.

(B) All elections of members of the Condominium Board shall be by written ballot, and each ballot cast shall state: (i) the name of the voting Unit Owner and, if such ballot is cast by proxy, the name of the proxy; (ii) the designation number(s) of the Unit(s) owned by the voting Unit Owner; (iii) the percentage(s) of the Common Interest appurtenant to such Unit(s); and (iv) the names of the candidates for whom such ballot is cast (the number of which names shall not exceed the number of members to be elected). Any ballot that is not cast in conformity with this paragraph (B) shall not be counted. All

election ballots shall be retained in the records of the Condominium, appropriately segregated by election for a period of 2 years.

(C) Subject to the terms of paragraph (D) of this Section 4.9, all elections of Residential Members of the Condominium Board shall be determined by plurality vote of Residential Unit Owners having voting rights and 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 Residential Units owned by Sponsor as it sees fit. However, at elections of members to the Condominium Board held during the Initial Control Period, including, but not limited to, an election held at the first meeting of Unit Owners, Sponsor will have the right to designate three (3) of the four (4) Residential Members to the Condominium Board and all Residential Unit Owners (including Sponsor) shall have the right to vote for the one (1) remaining Residential Member of the Condominium Board.

Subsequent to the Initial Control Period, and for so long as Sponsor continues to own at least one Unsold Residential Unit, Sponsor shall have the right to designate one (1) Residential Member to the Condominium Board, and shall have the right to vote its Common Interest attributable to the Unsold Residential Units for the remaining Residential Members of the Condominium Board. There is no restriction on the right of the Unsold Unit Owners (including Sponsor) to vote for members of the Condominium Board who are not related to or affiliated with Sponsor or other Unsold Unit Owners.

(E) Within 30 days after the Initial Control Period, and at the meeting of the Unit Owners called for the purpose of electing the new members, three (3) of the four (4) members of the Condominium Board who were designated by Sponsor shall immediately resign upon the election of their replacements by the vote of the Unit Owners, including Sponsor.

Section 4.10 *Designation of Commercial Member to the Condominium Board.* The Commercial Unit Owner shall be entitled to designate one (1) Commercial Member to the Condominium Board. When designating a Commercial Member to the Condominium Board, the Commercial Unit Owner shall be entitled to designate the Commercial Member as follows: if there is one (1) or more Commercial Unit Owner and/or Commercial Unit, the Commercial Unit Owners shall collectively have the right to designate one (1) Commercial Member.

Section 4.11 *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 in aggregate Common Interests whenever applicable) to approve such an action at a duly constituted meeting of the Unit Owners pursuant to the Declaration or to these By-Laws consent in writing to the adoption of a resolution approving such action. All written consents given by Unit Owners pursuant to this Section 4.11, together with the motion or resolution acted upon, shall be retained in the records of the Condominium together with a true copy of the resolutions to which they relate.

Section 4.12 *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, limited liability company, partnership, limited partnership, trust or any other entity shall require the delivery to the Condominium Board or its managing agent of such documents as are reasonably requested by the Condominium Board.

Section 4.13 *Contractual Liability of Unit Owners.* Every contract made by the Condominium Board, by any officer of the Condominium, or by any superintendent or Managing Agent of the Building shall state (if obtainable and in addition to the limitation of liability of the members of the Condominium Board and the officers of the Condominium pursuant to the terms of Sections 2.20 and 3.10 hereof, respectively) that the liability of any Unit Owner with respect thereto shall be limited to: (i) such proportionate share of the total liability thereunder as the Common Interest of such Unit Owner bears to

the aggregate Common Interests of all Unit Owners in the case of a contract relating to the General Common Elements, (ii) such proportionate share of the total liability thereunder as the Residential Common Interest of such Residential Unit bears to the aggregate Residential Common Interests of all Residential Unit Owners in the case of a contract relating to the Residential Common Elements, and (iii) such Unit Owner's interest in his 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, window panes and frames and caulking associated therewith, fireplace, the interior side of all doors in or to the Unit, including those from a terrace, balcony, and service entrance, and their frames and saddles, terrace pavers, pedestals, exposed plumbing, gas and heating fixtures and equipment, storefronts, seals, retaining mechanisms, and caulking associated therewith, and windows included in storefronts, air conditioning units, lighting and electrical fixtures, the intercom panel in a Unit, and any Common Elements exclusively used by a Unit Owner pursuant to paragraph (C) of Section 5.9 hereof, but excluding any other Common Elements contained therein) shall be performed by the owner of such Unit at such Unit Owner's sole cost and expense; and

(ii) in or to the General Common Elements (other than any General Common Elements incorporated into one or more Units pursuant to the terms of paragraph (C) of Section 5.9 hereof), shall be performed by the Condominium Board and the cost and expense thereof shall be charged to all Unit Owners as a General Common Expense;

(iii) in or to the Residential Common Elements (other than any Residential Common Elements incorporated into one or more Units pursuant to the terms of paragraph (C) of Section 5.9 hereof) shall be performed by the Condominium Board and the cost thereof shall be charged to all Residential Unit Owners as a Residential Common Expense; and

(iv) in or to the Limited Residential Common Elements shall be performed (a) by the Condominium Board as a Residential 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 Residential Unit Owner having direct and exclusive access thereto), or (b) by the Residential Unit Owner having direct and exclusive access thereto at such Residential Unit Owner's sole cost and expense, if involving non-structural ordinary maintenance, repairs or replacements. Residential Unit Owners are responsible for the maintenance, repair and replacement of any pavers and support pedestals located in any Limited Residential Common Element to which the Residential Unit has exclusive use of.

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. Any paint applied to the exterior side of any door opening from a Residential Unit must be the same color as all other such doors for Residential Units in the Building and as approved by the Managing Agent, so as not to alter the

conformity of the Building. Additionally, all entry door hardware and doorbells shall conform to the Building standard and as approved by the Managing Agent.

(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, is necessitated by the negligence, misuse, or abuse of (i) any Unit Owner, the entire cost and expense thereof shall be borne by such Unit Owner, or (ii) the Condominium Board, the entire cost and expense thereof shall be borne by the Condominium as a General Common Expense attributable to all Unit Owners if relating to the General Common Elements, and as a Residential Common Expense attributable to all Residential Unit Owners if relating to the Residential Common Elements and/or the Limited Residential 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 his Unit or any portion thereof as required herein.

(C) Each Unit and all portions of the Common Elements shall be kept in first-class condition, order and repair (and free of snow, ice and accumulation of water with respect to any roof, balcony or terrace, or other part of the Property exposed to the elements) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Condominium Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work (including, without limitation, painting, repairs and replacements) that is necessary in connection therewith. 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, 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 his Unit. To promote a consistent appearance of the Building from the outside, no Unit Owner shall be allowed 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 consent of the Condominium Board. The Commercial Unit Owner shall have the right, subject to any requirements of the New York City Landmarks Preservation Commission, to change the color of that part of the exterior of the Building which encompasses the Commercial Unit without the consent of the Condominium Board.

(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 five 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 Residential Unit Owner may make any structural alteration, addition, improvement or repair, in or to his Unit or its appurtenant

Limited Residential Common Elements, without the prior written approval of the Condominium Board. In the event, however, that the Condominium Board shall fail to answer any written, reasonably detailed request by a Residential Unit Owner for such approval to changes to its Residential Unit or its appurtenant Limited Residential Common Element, within 30 days after such request is received, such failure to respond shall constitute the Condominium Board's consent thereto. Prior to, and as a condition of, the granting of any such approval, the Condominium Board may, at its sole option, require the Residential Unit Owner to procure and agree to maintain during the course of such work such insurance as the Condominium Board may reasonably prescribe and to execute an agreement, in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions under which such alteration, addition, or improvement, 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 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.

(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 Residential Unit or its appurtenant Limited Residential Common Elements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, and (ii) subdivide, combine and change the boundary walls of Unsold Residential Units, all without the approval of the Condominium Board. In addition, the Commercial Unit Owner shall have the right, pursuant to the terms of Article 12 of the Declaration, to make any alterations, additions, improvements or repairs in or to the Commercial Unit, whether structural or non-structural, interior or exterior, ordinary or extraordinary, subdivide and combine such Commercial Unit, all without the approval of the Condominium Board.

(C) All alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with Law. In connection therewith, the Condominium Board shall execute applications to any departments of the City of New York, or to any other governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements, or repairs in or to a Unit provided that, with respect to all such work of a structural nature to a Residential Unit or its appurtenant Limited Residential Common Elements (but other than that of the nature described in paragraph (B) hereof), the same was approved by the Condominium Board pursuant to the terms of paragraph (A) hereof. Any decorations, fixtures, plantings or wall coverings to be made to or located in a terrace must first be approved by the Condominium Board.

(D) Neither the Condominium Board nor any Unit Owner (other than the Unit Owner(s) making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to his, or their Unit(s) and appurtenant Limited Residential Common Elements), shall incur any liability, cost, or expense either (i) in connection with the preparation, execution, or submission of the applications referred to in paragraph (C) hereof; (ii) to any contractor, subcontractor, materialman, architect, or engineer on account of any alterations, improvements, additions, or repairs made or caused to be made by any Unit Owner; or (iii) to any Person asserting any claim for personal injury or property damage arising therefrom. Any Unit Owner(s) making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to his or their Unit(s) and appurtenant Limited Residential Common Elements, 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 its

Unit which may delay obtaining the permanent certificate of occupancy for the Building, without first notifying Sponsor or the Condominium Board in writing. If consent is granted, such consent may impose requirements with respect to the alterations. Such requirements may include, but need not be limited to, the requirements that:

(i) the Unit Owner use the Sponsor's expediter for all filings with the Buildings Department;

(ii) such work not include any change that would result in a delay in obtaining a temporary or permanent certificate of occupancy for the Building, or any amendment to, or extension of, the certificate of occupancy if theretofore issued;

(iii) 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 respect to such work and the completion of the work with all governmental authorities having jurisdiction;

(iv) 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;

(v) 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;

(vi) Sponsor and its representatives shall be given reasonable opportunity, from time to time, to inspect such work as it progresses;

(vii) 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;

(viii) the Unit Owner shall indemnify and hold Sponsor harmless from any cost, expense, claim, or liability arising, directly or indirectly, from such work, including, without limitation, any cost, expense, claim, or liability incurred or suffered by Sponsor due to any violation of Law or due to any delay in obtaining a temporary or permanent certificate of occupancy for the Building (or any amendment to, or extension of, the certificate of occupancy if theretofore issued) as a result of such work or the failure to make all appropriate governmental filings in connection with same; and

(ix) 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 such Unit Owner is permitted hereunder to resume its work, Sponsor shall have the right to perform any and all work in and to such Unit Owner's Unit as shall be necessary, in Sponsor's sole judgment, in order to avoid any delay in obtaining a temporary or permanent certificate of occupancy for the Building (or any amendment to, or extension of, the certificate of occupancy if theretofore issued), whether or not such work shall be in compliance with the plans and specifications for the work theretofore performed by, or on behalf of, such

Unit Owner. The cost and expense of any such work performed by Sponsor shall be borne by such Unit Owner and shall be paid to Sponsor within 15 days of Sponsor's written demand therefor.

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 General Common Expense attributable to all Unit Owners, if relating to the General Common Elements, or a Residential Common Expense attributable to all Residential Unit Owners, if relating to the Residential Common Elements and/or Limited Residential 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 or the Residential Common Elements and/or the Limited Residential 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 Residential Unit Owner's, if relating to the Residential Common Elements and/or the Limited Residential Common Elements (including Sponsor if Sponsor then owns any Unsold Residential Unit) owning 66 2/3% of the aggregate Common Interests or Residential Common Interests, as applicable, at a duly constituted meeting of the Unit Owners or the Residential Unit Owners, as applicable, and by the 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 (so long as Sponsor shall own at least one (1) Unsold Residential Unit) is first obtained. In no event will the limitations imposed in the preceding sentence continue for more than five (5) years from the First Closing. Sponsor will not withhold consent to any addition, alteration or improvement to the Common Elements, if such addition, alteration or improvement is required to comply with Law, or to remedy any notice of violation or to remedy any work order by an insurer.

Section 5.4 *Intentionally Deleted*

Section 5.5 *Insurance*.

(A) If the same shall be obtainable, the Condominium Board shall obtain, and shall maintain in full force and effect, special multi-peril property insurance policies including fire with extended "all risk" coverage, with 100% full replacement cost coverage as more fully described below, and agreed valuation, vandalism and malicious mischief endorsements, insuring (a) the entire Building (both the Units and Common Elements therein), and (b) the personal property constituting or part of, and/or located within, and/or used in connection with the operation of, the Common Elements, otherwise belonging to the Condominium; except for, in either case, Unit Specific Property as to any of the Units (the "Condominium Property Insurance"). "Unit Specific Property" shall, as to any Unit, mean (i) the improvements and betterments (including fixtures, furnishings and equipment) that (x) are located entirely within the interior volume of space defined by the dimensional boundaries of the Unit (or any Limited Residential Common Elements serving only such Unit), measured from the inside surfaces of all exterior or interior separating/demising walls, and (y) in all events, are non-structural or otherwise not part of any Common Elements (other than Limited Residential Common Elements serving only such Unit), and (ii) any personal property located within such Unit (or any Limited Residential Common Elements serving only such Unit) and belonging to the Unit Owner or tenant or other occupant of the Unit. The policies of Condominium Property Insurance shall name the Condominium Board, all of the Unit Owners and all Permitted Mortgagees (collectively, the "PI Named Parties"), as their respective interest may appear. Each of the said policies shall contain:

(i) waivers, in favor of each PI Name Party, of (a) subrogation, (b) any defense based upon co-insurance or other insurance;

(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 ("Loss Payees"), as provided in Section 5.6 hereof;

(iii) a New York standard mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the proceeds thereof shall be paid to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Condominium Board and the Insurance Trustee set forth in subparagraph (ii) above and in Section 5.6 hereof; and

(iv) a provision that such policy may not be either canceled or substantially modified except upon at least 30 days prior written notice to the Condominium Board and all insureds who may have requested such notice, including Permitted Mortgagees.

Duplicate originals or certificates of insurance of all such policies and of all renewals thereof, together with proof of payment of premiums, shall be on file at the office of the Managing Agent. Copies thereof shall be delivered to any Unit Owner or Permitted Mortgagee on written request thereof.

(B) The Condominium Board shall also obtain and maintain, to the extent it deems practicable:

(i) commercial general liability insurance, covering all claims on an "occurrence basis" for personal injury, death, or property damage including, without limitation, contractual liability, independent contractors and products and completed operations mobility, arising out of any occurrence on, in or about the Common Elements or adjoining streets, sidewalks and passageways, and listing as additional insureds (except, the Unit Owners shall not be named insureds, but rather additional insureds, with respect to occurrences within such Unit Owner's Unit or its Limited Residential Common Elements, if any) (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 his own Unit or its Limited Residential 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) an "increased cost of construction" endorsement; and an endorsement covering demolition, the loss of the value of the undamaged portions of the Building and the cost of debris removal;

(xi) at the option of the Condominium Board, umbrella or excess liability insurance, at a limit to be determined by the Condominium Board;

(xii) 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 and shall be written on such forms and with such substance as is customary under then-existing market conditions for other property and buildings similar in nature, use, location, height and type of construction to the Property, in New York County.

(C) All policies of insurance to be maintained by the Condominium Board shall contain such limits as the Condominium Board shall from time to time determine, provided, however, that:

(i) with respect to insurance policies maintained by the Condominium Board pursuant to paragraph (A) hereof, the coverage shall be in an amount equal to not less than 100% of the full replacement cost of the Building, exclusive of footings and foundations, without deduction for depreciation, as approved by a casualty insurance company, a qualified insurance broker, or another qualified source;

(ii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (i) of paragraph (B) hereof, such policies shall contain single limits of not less than $1,000,000 in the aggregate; and

(iii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (ii) of paragraph (B) hereof, the coverage shall be in an amount equal to the aggregate of all of the Unit Owners' Common Charges for one year.

Any insurance policies maintained by the Condominium Board may also provide for such deductible amounts as the Condominium Board shall determine. The Condominium Board shall review the limits of each insurance policy, as well as the amount of any deductible sum thereunder, at least once each year.

(D) The cost of all insurance maintained by the Condominium Board pursuant to this Section 5.5, 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 General Common Expense or the Residential Unit Owners as a Residential Common Expense, depending on the item to which the coverage relates.

(E) Each Unit Owner will be required to maintain, at and from the Closing of Title to his Unit, casualty insurance with respect to Unit Specific Property, as well as liability insurance with respect to occurrences in or about the Unit. A Residential Unit Owner shall also be required to obtain such insurance for occurrences in or about its Limited Residential Common Elements. All such policies shall contain waivers of subrogation and further 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. The casualty and liability insurance, each with coverage of no less than $1,000,000, shall be obtained from an insurance carrier with Best rating of A+XV and shall include the Condominium as an additional insured. A Residential Unit Owner shall provide the Managing Agent with a certificate of insurance evidencing such coverage at Closing and shall provide the Managing Agent with an updated certificate of insurance each year at least 30 days prior to the expiration of such coverages. The certificate should also include a requirement of at least 30 days notice of cancellation or material change be given to the Condominium. A Residential Unit Owner shall also require any tenant of its Unit to maintain similar coverages from an insurance carrier with Best rating of A+XV and to provide the Managing Agent a certificate of insurance evidencing such coverage at the time of lease signing and at each anniversary thereafter. The tenant's certificate must include the Residential Unit Owner and the Condominium as additional insureds and the certificate should include a requirement that at least 30 days notice of cancellation or material change be given to the Condominium and the

Residential Unit Owner. It will be the responsibility of the Residential Unit Owner to obtain the documents required from its tenant and to submit them to the Managing Agent and/or the Condominium.

(F) If there shall be a Casualty Loss, proof of loss statements shall be promptly submitted to the insurance company(ies) issuing the Condominium Property Insurance by (i) the Board, with respect to any damage to the Common Elements, or (ii) each Unit Owner, with respect to any damage to its Unit (but not including damage to any of its Unit Specific Property). The adjustment and settlement of any and all claims under the Condominium Property Insurance shall be made by the Condominium Board, acting on behalf of all the PI Named Parties.

(G) After the settlement of all claims in respect of any Casualty Loss under the policies of Condominium Property Insurance has been finalized by the Condominium Board consistent with the provisions of this Section 5.5, then, consistent with Section 5.6 hereof, the Loss Payees shall direct the payment of proceeds of such insurance to either (x) the Condominium Board (if such proceeds of such insurance are $1,000,000 or less in the aggregate) or (y) the Insurance Trustee (if such proceeds of such insurance are greater than $1,000,000 in the aggregate), in any such case to be held in Trust Funds as more particularly provided in Section 5.6 hereof.

Section 5.6 *Casualty or Condemnation.*

(A) In the event that either (i) the Building or any part thereof are damaged or destroyed by fire or other casualty ("Casualty Loss") or (ii) the General Common Elements and/or Residential Common Elements and/or Limited Residential Common Expense, 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 5.5 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 Residential Unit Owner's with respect to the portion thereof allocated to a Casualty Loss to or Taking of the Residential Common Elements, the Limited Residential Common Elements and the Residential Units, and their Permitted Mortgagees and shall be disbursed pursuant to the terms of this Section 5.6. Notwithstanding anything to the contrary contained either in this paragraph (A) or elsewhere in this Section 5.6, however, no Unit Owner whose Unit, its appurtenant Limited Residential 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 he 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 comprising the Common Elements and Units affected by such Casualty Loss, other than Unit Specific Property or (ii) in the event of a Taking, the portion(s) of the Common Elements or the Units (but not Unit Specific Property) 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 Residential Common Elements, if any, or any portion thereof, shall be the subject of all or part of any Work shall have the right subject to the terms of Section 5.2 hereof, to supervise any redecorating of his Unit or of such Limited Residential Common Element, if any. The Unit Owners shall arrange for the prompt repair or restoration of the Unit Specific Property and any other interior portion of their respective

Units which is their responsibility to repair and/or restore, or the responsibility of the tenant of such Unit, such as appliances, fixtures, improvements made therein by a Unit Owner or tenant of a Unit Owner, or any furniture, furnishings, flooring, decorations, belongings, or other personal property supplied or installed by either Unit Owners or the tenants of Unit Owners.

(C) In the event that Work shall be performed pursuant to the terms of paragraphs (B) and (D) of this Section 5.6, 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 Residential Unit Owners for Work to the Residential Common Elements and/or the Limited Residential Common Elements, and all proceeds of such Special Assessment shall become part of the Trust Funds. If, conversely, the Trust Funds shall prove to be more than sufficient to discharge the cost and expense of performing the Work, such excess shall be paid to all Unit Owners in proportion to their respective Common Interests, with respect to Work to the Common Elements, except that no payment shall be made to a Unit Owner until there has first been paid, out of such Unit Owner's share of such excess, such amounts as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens. Notwithstanding the foregoing, however, in the event that the Unit Owners are assessed pursuant to the terms of the second sentence of this paragraph (C) for any projected deficiency in the amount of the Trust Funds available to the Condominium Board and, after the payment of all costs and expenses incurred in connection with the Work, any portion of the Trust Funds remaining unspent, such excess Trust Funds shall, to the extent of such Special Assessment, be deemed to be, and shall constitute, an unspent Special Assessment and shall be paid to the Unit Owners so assessed in proportion to their respective Common Interests, with respect to Work to the Common Elements, free of any claim of any lienor (including without limitation, any Permitted Mortgagee).

(D) If either 75% or more of the Building is destroyed or substantially damaged by fire or other casualty or 75% or more of the Building is 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 such sufficient number of Unit Owners shall either fail or refuse to so resolve, the Work shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, shall be paid to all Unit Owners in proportion to their respective Common Interest, to the extent allocated to destroyed or damaged portions of the General Common Elements and to all Residential Unit Owners in proportion to their respective Residential Common Interest, to the extent allocated to destroyed or damaged portions of the Residential Units or the Residential Common Elements or the Limited Residential Common Elements, and to the Commercial Unit Owner, to the extent allocated to destroyed or damaged portions of the Commercial Unit, 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.

(E) In the event that the damage resulting from a Casualty Loss shall (i) render one or more Units wholly or partially unusable for the purposes permitted herein and in the Declaration or (ii) destroy the means of access to one or more Units, the installments of Common Charges otherwise payable by the owner of any Unit so affected thereby shall proportionately abate until such Unit shall again be rendered usable for such purposes and/or until the means of access thereto shall be restored, as the case may be. Notwithstanding the foregoing, however, if such Casualty Loss shall be caused by the act, the omission to

act, or the negligence of the owner of a Unit so affected thereby, by a Family Member of such Unit Owner, or by a tenant or other occupant of such Unit, such installments of Common Charges shall abate only to the extent of any proceeds of rent insurance actually collected by the Condominium Board with respect to such Unit.

(F) If (i) a portion of any Unit shall be taken in condemnation or by eminent domain and (ii) the Condominium shall not be terminated by reason of a simultaneous Taking pursuant to the terms of paragraph (D) hereof, the Common Interest and Residential Common Interest, where applicable, appurtenant to such Unit shall be adjusted in the proportion that the total floor area of such Unit and its appurtenant Limited Residential Common Elements, if any, after such Taking bears to the total floor area of such Unit and its appurtenant Limited Residential 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 and new Residential Common Interest, where applicable, 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 and new Residential Common Interest, where applicable, 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 and Residential Common Interest, where applicable, of the other or remaining Units shall be adjusted accordingly and reflected in an amendment to the Declaration duly executed and acknowledged by the Condominium Board and the owners of, all of the other or remaining Units together with the holders of the Permitted Mortgages.

(G) As used in this Section 5.6, 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 5.6, 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; 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 5.6 between Unit Owners or between any Unit Owner(s) and the Condominium Board shall be resolved by arbitration pursuant to the terms of Article 10 hereof.

Section 5.7 *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 Residential 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. In the event that the rate of insurance for the Property is increased as a direct result of a particular or unique use being made of the Commercial Unit and not as a result of the typical uses for which such Commercial Unit may be occupied or used, the Commercial Unit Owner shall be obligated to pay the amount of such increase in the rate of insurance. 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 5.8 *Use of the Units.*

The terms and provisions of Article 9 of the Declaration govern the use of the Units and the terms and provisions of Article 9 of the Declaration are incorporated herein by reference.

Section 5.9 *Use of the Common Elements*

(A) Subject to the terms of paragraphs (B) and (C) of this Section 5.9, 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 as storage areas) 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 tradesmen to utilize exclusively the elevator and entrance designated by the Condominium Board for transporting packages, merchandise, or other objects.

(B) *Intentionally left blank.*

(C) The Owner or Owners of any two or more Units, which Units are the only Units serviced or benefited by any General or Residential Common Element adjacent or appurtenant to such Units (for example, that portion at the end of any residential hallway that is directly adjacent to any such Units located on opposite sides of such hallway) shall, with the consent of the Condominium Board (which consent shall not be unreasonably withheld or delayed), have the right to use such General or Residential Common Elements exclusively, as if it were a part of such Units (including the right, in the above example of a portion of a hallway, to enclose such portion), and no amendment to the Declaration or reallocation of Common Interests shall be made by reason thereof. In such event, however, such Owner or Owners shall, at his or their sole cost and expense, both (i) operate, maintain and repair such General or Residential Common Element for so long as such owner or owners exercise such exclusive right of use and (ii) restore such General or Residential Common Element to its original condition, reasonable wear and tear excepted, after such owner or owners cease to exercise such exclusive right of use.

(D) The terms of paragraph (A) of this Section 5.9 shall not apply to Sponsor for so long as there are any Unsold Residential 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, without limitation, on the exterior walls of the Building or adjacent to the main entrance thereof; (ii) have its employees, contractors, subcontractors and sales agents present on the Property; and (iii) do all things necessary or appropriate, including the use of the Common Elements (such as lobbies, corridors and the like), to sell, lease, manage, or operate Unsold Residential 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.

Section 5.10 *Rights of Access.*

(A) Subject to the rights of existing tenants and other occupants of Unsold Residential Units, each Unit Owner shall grant to the Condominium Board, to the Managing Agent or manager (if any), to the superintendent, if any, 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 his Unit and its appurtenant Limited Residential Common Elements, if any, and any other category of Common Element appurtenant to his Unit for the purposes of:

(i) making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property;

(ii) curing defaults hereunder or under the Declaration or violations of the Rules and Regulations committed by such Unit Owner or correcting any conditions originating in his Unit and threatening another Unit or all or a portion of the Common Elements;

(iii) performing maintenance, installations, alterations, repairs, or replacements to the mechanical or electrical services, air conditioning equipment or other portions of the Common Elements or Limited Residential Common Elements appurtenant to its Unit or elsewhere in the Building;

(iv) reading, maintaining, or replacing utility meters relating to the Common Elements, to his Unit, or to any other Unit;

(v) correcting any condition that violates the provisions of any Permitted Mortgage encumbering another Unit;

(vi) conducting an inspection, with an insurance adjuster, relative to an insurance claim; or

(vii) inspecting and maintaining, on a quarterly basis, a Residential Unit's heating, ventilation and air-conditioning equipment.

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 one day's advance notice and only in such a manner as will not unreasonably interfere with the normal conduct of business of the Commercial Unit Owner or with the use of the Residential Units and their appurtenant Limited Residential 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) Right of Access Benefitting the Commercial Unit

(i) The Commercial Unit Owner, the authorized agents of the Commercial Unit Owner, the tenants of the Commercial Unit Owner, and the licensees and invitees of the foregoing, who are physically handicapped, (a) will have a right of access through the residential lobby, which is a Residential Common Element, to use the elevator, which is a Residential Common Element, for the limited purpose of entering and leaving the portion of the cellar level of the Building which comprises the Commercial Unit (such right of access shall be exercised with reasonable care); and (b) will have the right to enter and use the elevator, which is a Residential Common Element, directly from the Commercial Unit, if such elevator is equipped with a door that opens into the Commercial Unit, for the limited purpose of entering and leaving the portion of the cellar level of the Building which comprises the Commercial Unit.

(ii) The Commercial Unit Owner, the tenants of the Commercial Unit, the authorized agents of the Commercial Unit Owner, and the authorized agents of the tenants of the Commercial Unit (a) will have a right of access through the residential lobby, which is a Residential Common Elements, to use the elevator, which is a Residential Common Element, to gain access to the cellar for the purpose of installing, maintaining, replacing and effecting repairs to any equipment or machinery servicing the Commercial Unit and located in the cellar, and (b) will have the right to enter and use the elevator, which is a Residential Common Element, directly from the Commercial Unit, if such elevator is equipped with a door that opens into the Commercial Unit for the purpose set forth in (a) above. . Such right of access shall be exercised with reasonable care.

(iii) The Commercial Unit Owner, the tenants of the Commercial Unit Owner, the authorized agents of the Commercial Unit Owner, and the authorized agents of the tenants of the Commercial Unit Owner (a) will have a right of access through the residential lobby, which is a Residential Common Element, to use the elevator, which is a Residential Common Element, and through the sixth floor of Unit PH, which is a Residential Unit, and through the staircase leading from the sixth floor of the Building, and accessed from Unit PH, to the roof of the Building, which staircase is a Residential Common Element, and through the private terrace on the roof of the Building, which private terrace is a Limited Residential Common Element for the exclusive use of Unit PH, for the purpose of installing, maintaining, replacing and effecting repairs to any equipment servicing the Commercial Unit and located on the roof, and (b) will have the right to enter and use the elevator, which is a Residential Common Element, directly from the Commercial Unit, if such elevator is equipped with a door that opens into the Commercial Unit for the purpose set forth in (a) above. . Such right of access shall be exercised with reasonable care and in the presence of either the superintendent/porter or a representative of the Managing Agent.

Except in cases of emergency (that is, a condition requiring repairs or replacement immediately necessary for the preservation or safety of a Unit and/or the Building or for the safety of the occupants of a Unit and/or the Building or other individuals, or required to avoid the suspension of any necessary service in a Unit and/or the Building), the foregoing rights of access shall be exercised only upon not less than one day's advance notice and only in such a manner as will not unreasonably interfere with the normal conduct of business of a Commercial Unit Owner or with the use of the Residential Units and their appurtenant Limited Residential 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. Notwithstanding the foregoing, the exercise of the rights of access described in section 5.10 (B)(i), i.e., for handicap access to cellar, shall not require any advance notice.

(C) Rights of Access Benefitting Residential Units 2, 3 and 4. The Residential Unit Owners of Units 2, 3 and 4, the tenants of Residential Units 2, 3 and 4, the authorized agents of the Residential Unit Owners of Units 2, 3 and 4, and the authorized agents of the tenants of the Residential Unit Owners of Units 2, 3 and 4 will have a right of access to enter the sixth floor of Unit PH through the Building's elevator, and through the staircase leading from the sixth floor of the Building and accessed from Unit PH, to the roof of the Building, which staircase is a Residential Common Element, and through the private terrace on the roof of the Building, which private terrace is a Limited Residential Common Element for the exclusive use of Unit PH, for the purpose of installing, maintaining, replacing, and effecting any repairs to the equipment servicing Residential Units 2, 3 and 4, respectively, and located on the roof. Such right of access shall be exercised with reasonable care and in the presence of either the superintendent/porter or a representative of the Managing Agent.

Except in cases of emergency (that is, a condition requiring repairs or replacement immediately necessary for the preservation or safety of a Unit and/or the Building or for the safety of the occupants of a Unit and/or the Building or other individuals, or required to avoid the suspension of any necessary service in a Unit and/or the Building), the foregoing rights of access shall be exercised only upon not less

than one day's advance notice and only in such a manner as will not unreasonably interfere with the normal conduct of business of a Commercial Unit Owner or with the use of the Residential Units and their appurtenant Limited Residential 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.

(D) Each Unit Owner shall grant a right of access to his Unit and its appurtenant Limited Residential Common Elements, if any, and the Condominium Board shall grant rights of access to the Common Elements, to Sponsor and its contractors, subcontractors, agents and employees for the purpose of fulfilling Sponsor's obligations as set forth in the Plan or in any amendment thereto, provided that access thereto shall not be exercised, with respect to any Unit and its appurtenant Limited Residential Common Elements, if any, in such a manner as will unreasonably interfere with the use of such Unit and its appurtenant Limited Residential Common Elements, if any, for their permitted purposes.

(E) Sponsor also reserves a right of access in and to the Common Elements, once Sponsor has conveyed all of its Units, for promotional purposes relating to other ventures of Sponsor or principals or affiliates of Sponsor.

(F) If any of the parties granted rights of access herein exercise their rights under any such right of access, then they shall, as applicable, indemnify and hold the Condominium Board, the Unit Owners, and Sponsor (if Sponsor is not the exercising party) harmless from any actual out-of-pocket cost, loss, damage, expense, claim, or liability arising, directly or indirectly, from the exercise of such right of access.

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 having voting rights, 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 thirty 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 adversely affect Unsold Units owned by Sponsor and the sale, lease or use thereof, without the prior written consent of Sponsor. 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 adversely affect the Commercial Unit and the use thereof, without the prior written consent of the Commercial Unit Owner.

Section 5.12 *Real Estate Taxes.* Unless and until real estate taxes are billed directly to Unit Owners by the City Collector, the Condominium Board shall assess against each Unit Owner its proportionate share of the taxes due and promptly pay such taxes as a Common Expense and shall include the amount to be paid on account of a Unit in Common Charges. 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 and Electricity.* Unless and until electricity and fuel is billed directly to Unit Owners by the supply company, in accordance with and subject to the provisions of the Plan, the cost and expense of electricity and 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: (a) the Unit Owners as a General Common Expense for such portion attributable to the General Common Elements, (b) the Commercial Unit Owner as a General Common Expense for such portion attributable to the Commercial Unit, and (c) the Residential Unit Owners as a Residential

Common Expense for such portion attributable to the Residential Units and/or the Residential Common Elements and/or the Limited Residential 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 General Common Expense.

Section 5.14 *Water Charges and Sewer Rents.* Unless and until water is separately metered in a Unit and water charges and sewer rents are billed directly to a Unit Owner by the City Collector, in accordance with and subject to the provisions of the Plan, the cost and expense of water serving or benefiting a Unit and/or Common Element shall be: (i) considered part of the expense of maintaining such Unit and/or Common Element, (ii) determined by the Condominium Board, (iii) paid by the Condominium Board, and (iv) charged to: (a) the Unit Owners as a General Common Expense for such portion attributable to the General Common Elements, (b) the Commercial Unit Owner as a General Common Expense for such portion attributable to the Commercial Unit, and (c) the Residential Unit Owners as a Residential Common Expense for such portion attributable to the Residential Units and/or the Residential Common Elements and/or the Limited Residential 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 General Common Expense.

Section 5.15 *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 four (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 General Common Expense. The fiscal year of the Condominium shall be a calendar year.

(C) Copies of the Condominium Documents, the Plan and the contract with any Managing Agent shall be maintained at the office of the Condominium Board and shall be available for inspection by the Unit Owners and their authorized agents during reasonable business hours.

ARTICLE 6
COMMON CHARGES

Section 6.1 *Determination of Common Expenses and Fixing of Common Charges and Special Assessments*

(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 and as provided in Section 6.1(E) below, which allocations are based on the proportion of expenses and charges fairly attributable to Units, based upon estimated usage of particular services, or

based upon special or exclusive use or availability or exclusive control of particular Common Elements by particular Unit Owners. 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 ten (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 Section 6.1 (E) hereof, 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 people working at the Condominium under a service contract or reducing the number so working (or anticipated in the First Year's Budget) for the Property on the date of recording the Declaration, except with the Sponsor's prior written consent, or eliminating or reducing the insurance coverage below that provided for the Property on such date, except with the concurrence of a majority of the members of the Condominium Board elected by Unit Owners other than Sponsor. All Unit Owners will be given a copy of the proposed annual budget of the Condominium at least ten (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 allocated between the Residential Units and the Commercial Unit in accordance with the allocations set forth in the First Year's Budget and as provided in Section 6.1(E) below. In the event the cost or expense resulting in the Special Assessment does not fall within one of the categories in the First Year's Budget or as set forth in Section 6.1(E) below, then the Special Assessment shall be based on the proportion of expenses and charges fairly attributable to Units, based upon estimated usage of particular services, and/or based upon special or exclusive use or availability or exclusive control of particular Common Elements by particular Unit Owners. Special Assessments levied against the Residential Unit Owners relative to (i) the General Common Elements, after the aforementioned allocation between the Residential Units and the Commercial Unit is effected, and (ii) the Residential Common Elements and/or the Limited Residential Common Elements shall be levied against all Residential Unit Owners in proportion to their respective Residential Common Interests. 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 fifteen (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 6.4 hereof).

(D) The excess of all rents, profits and revenues derived from the rental or use of any space forming a part of, or included in, any, General Common Element, or Residential Common Element remaining after deduction of all expenses incurred in connection with generating the same shall constitute income of the Unit Owners or the Residential Unit Owners, as applicable and shall be collected on behalf of the Unit Owners or Residential Unit Owners, as applicable by the Condominium Board and applied against the General Common Expenses attributable to the General Common Elements, or the Residential Common Expenses attributable to the Residential Common Elements, or the Limited Residential Common Elements, as appropriate 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 General Common Expenses attributable to the General Common Elements, or the Residential Common Expense attributable to the Residential Common Elements or the Limited Residential Common Elements depending on whether the excess relates to the General Common Elements or the Residential Common Elements or the Limited Residential Common Elements for the next succeeding year(s) of operation. No Unit Owner shall be entitled to a distribution of any portion of such excess unless the Condominium Board shall determine to distribute all or part of such excess to all Unit Owners pro-rata, in proportion to their respective Common Interests, or Residential Common Interests, as appropriate and any such distributions must be made out of the Common Charges collected from Unit Owners.

(E) Common Expenses may be allocated in a manner different from the allocation by Common Interest, as permitted by the Condominium Act and these By-Laws, provided that such allocation is based on the proportion of expenses and charges fairly attributable to such Units, based on actual usage of particular services and/or based upon special or exclusive use or availability or exclusive control of particular Common Elements by particular Unit Owners. Pursuant to the foregoing, allocations of the following Common Expenses based other than on General Common Interest are set forth below. Any dispute among the Owners of the Residential Units and the Commercial Unit concerning the allocation of Common Expenses shall be resolved pursuant to the Arbitration procedures in Article 10 of these By-Laws. The allocations of Common Expenses between the Residential Units and the Commercial Unit in the First Year's Budget set forth below are deemed presumptive evidence of reasonableness. The Condominium Board may not modify these allocations without the consent of the Commercial Unit Owner. The allocations are as follows:

ESTIMATED EXPENSES	Residential Units	Commercial Unit
Management Fee	87.00%	13.00%
Electricity	95.00%	5.00%
Gas	100.00%	0.00%
Water and Sewer Charges	100.00%	0.00%
Supplies and Repairs	95.00%	5.00%
Service Maintenance Contracts		
Building Labor Maintenance	95.00%	5.00%
Elevator Maintenance	100.00%	0.00%
Air Conditioning Maintenance	100.00%	0.00%
Boiler Maintenance	87.00%	13.00%
Sprinkler Maintenance	87.00%	13.00%
Fire Extinguisher Maintenance	87.00%	13.00%
Water Treatment Maintenance	87.00%	13.00%

ESTIMATED EXPENSES	Residential Units	Commercial Unit
Landscaping	100.00%	0.00%
Exterminator	87.00%	13.00%
Virtual Doorman	100.00%	0.00%
Insurance	87.00%	13.00%
Professional Fees	87.00%	13.00%
Administration	87.00%	13.00%
Reserve for Contingency	87.00%	13.00%

(F) During the Initial Control Period, Sponsor shall have the right, in its sole discretion, to delay the obligation of the Unit Owners to pay Common Charges from and after the First Closing, for a period to be determined by the Sponsor provided that the expenses of the Condominium (including, but not limited to, insurance premiums) during such period are paid by, and the contingency line item on Schedule B to the Offering Plan is funded by, Sponsor. Upon commencement of the obligation to pay Common Charges, there will not be a Special Assessment for any expense set forth in the First Years Budget. During any period during which the obligation to pay Common Charges are delayed, Sponsor shall remain obligated to update the budget for the Condominium, as provided for in the governing regulations.

Section 6.2 *Payment of Common Charges and/or Special Assessments*

(A) All Unit Owners (including Sponsor with respect to Residential 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) No Unit Owner shall be liable for the payment of any part of the Common Charges and any Special Assessments assessed against his Unit subsequent to a sale, transfer, or other conveyance by him of such Unit, together with its Appurtenant Interests, made in compliance with the terms of Article 7 hereof. A Purchaser or other successor-in-title to the owner of a Unit shall be liable for the payment of all Common Charges and any Special Assessments accrued and unpaid against such Unit prior to his 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 Residential Unit, any remaining unpaid Common Charges and Special Assessments that are not collected from such foreclosure sale or from the defaulting Residential Unit Owner shall be deemed a Residential Common Expense,

collectible from all those who are Residential Unit Owners at the time the same is levied. In the case of the Commercial Unit, any remaining unpaid Common Charges and Special Assessments that are not collected from such foreclosure or sale or from the defaulting Commercial Unit Owner shall be deemed a Common Expense, collectible from all those who are Commercial Unit Owners, as the case may be, at the time that the same is levied.

(C) Subject to the terms and conditions contained in these By-Laws, any Unit Owner may convey his 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 Residential Unit to the Condominium Board and thereby exempt itself from Common Charges and any Special Assessments attributable to such Residential Unit thereafter accruing unless the aggregate Residential Common Interests then appertaining to the Unsold Residential Units constitute 15% or less of the total Residential Common Interests then appertaining to all Residential 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 Residential Unit(s) being conveyed multiplied by 24. With respect to the Commercial Unit, at least 5 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 Commercial Unit being conveyed multiplied by 24.

(D) No Unit Owner shall be exempted from liability for the payment of Common Charges or Special Assessments by waiving the use or enjoyment of any or all of the Common Elements or by abandoning his 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 5.6 hereof, no Unit Owner shall be entitled to a diminution or abatement in the Common Charges or Special Assessments payable thereby for any inconvenience or discomfort arising from: (i) the failure or interruption of any utility or other services; (ii) the making of repairs or improvements to the Common Elements or any Unit (including, without limitation, such Unit) pursuant to the terms of Section 5.1, 5.2, or 5.3 hereof; or (iii) any action taken by the Condominium Board or the officers of the Condominium to comply with Law.

Section 6.3 *Statement of Common Charges and/or Special Assessments.* The Condominium Board shall promptly provide a written statement of unpaid Common Charges and/or Special Assessments due from any Unit Owner upon its receipt of a written request therefor from such Unit Owner. In addition, each Unit Owner shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 6.4 *Default in Payment of Common Charges and/or Special Assessments.*

(A) The Condominium Board shall take prompt action to collect any Common Charges and/or Special Assessments due to the Condominium Board that remain unpaid for more than fifteen (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 reasonable 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 with the collection of Common Charges and/or Special Assessments, 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 and/or Special Assessments, 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 and/or Special Assessments, 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 and/or Special Assessments, 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 and/or Special Assessments with interest as aforesaid and/or in foreclosing the aforementioned lien, including, without limitation, reasonable attorneys' fees and disbursements and court costs; (ii) a late charge of $150 per month for Common Charges and/or Special Assessments which remain unpaid for more than ten (10) days after the date when due, plus all expenses of collection including but not limited to reasonable attorneys' 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 his 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 and/or Special Assessments, 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 Residential Unit Owner shall at any time lease its Residential Unit and shall default in the payment of any Common Charges and/or Special Assessments or additional Common Charges and/or Special Assessments, the 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 Residential 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 reasonable attorneys' fees)

in connection with the above shall be borne by the Unit Owner and shall constitute Common Charges payable by such Unit Owner.

ARTICLE 7

SELLING AND LEASING OF RESIDENTIAL UNITS

Section 7.1 *General.* Subject to the terms of Section 7.5 hereof, each Residential Unit Owner may (i) sell his Residential Unit, and (ii) lease his Residential Unit for periods of one (1) year or more only, provided however, no Residential Unit Owner may sell or lease his Unit except in compliance with the applicable provisions of this Article 7. Any purported sale or lease consummated in default in the applicable terms hereof shall be voidable at the sole election of the Condominium Board, and, if the Condominium Board shall so elect, the selling or leasing Residential 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 Residential Unit Owner. Such Residential Unit Owner shall reimburse the Condominium Board for all costs and expenses paid or incurred in connection with such proceedings, including, without limitation, reasonable attorneys' fees and disbursements and court costs. The Commercial Unit may be sold or leased without the consent of the Condominium Board or any other Unit Owner.

Section 7.2 *Right of First Refusal.*

(A) Subject to the terms of Sections 7.5 and 7.9 hereof, any contract to sell a Residential Unit, together with the Appurtenant Interests and any lease of a Residential Unit ("Sale Agreement or Lease Agreement") shall contain the following language: "THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE HEREBY MADE EXPRESSLY SUBJECT TO THE RIGHTS IF ANY, OF THE 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 Residential Unit Owner executing the same ("Offeree Unit Owner") shall send written notice thereof to the Condominium Board by (i) certified or registered mail, return receipt requested, or (ii) overnight delivery service, 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 his Residential Unit, together with the Appurtenant Interests, or to lease his Residential Unit, as the case may be, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Residential Unit Owners, subject, however, to any variance therefrom provided in Section 7.3 hereof. The giving of such notice shall further constitute a representation and warranty by the Offeree Unit Owner to the Condominium Board, on behalf of all Residential 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 thirty (30) business days (in the event of a proposed sale) and fifteen (15) business days (in the event of a proposed lease) after receipt of the notice referred to in paragraph (A) hereof together with such further information as may have been requested pursuant to the terms of paragraph (B) hereof, to purchase such Residential Unit together with its Appurtenant

Interests or to lease such Residential Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise) on behalf of all Residential 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 Residential Unit without the prior approval of a Majority of all Residential Unit Owners. The Condominium Board shall, however, have the right to release or waive any such option without prior approval of a Majority of Residential Unit Owners.

The Condominium Board may use the Unit for any use permitted under the Declaration or these By-Laws.

(D) The Condominium Board may not discriminate against any person on the basis of race, creed, color, national origin, sex, sexual orientation, age, disability, marital status or other grounds prohibited by Law in connection with its exercise of its right of first refusal with respect to the sale or lease of a Unit.

Section 7.3 *Acceptance of Offer*

(A) In the event that the Condominium Board shall elect, within the time and in the manner provided in Section 7.2 hereof, to purchase a Residential Unit together with its Appurtenant Interests, to lease such Residential Unit, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed, in either event in accordance with the terms of the Sale Agreement or Lease Agreement, at the office of the attorneys for the Condominium Board within forty-five (45) days after the day upon which the Condominium Board shall give notice of its election to accept such offer.

(B) If such Residential Unit and its Appurtenant Interests are to be purchased by the Condominium Board or its designee on behalf of all Residential 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 Residential Unit Owner (other than the Offeree Unit Owner) in accordance with the terms of paragraph (C) of Section 6.1 hereof and/or the Condominium Board may, in its discretion, finance the acquisition of such Residential Unit; provided, however, that no such financing may be secured by an encumbrance on or a hypothecation of any portion of the Property other than the Residential Unit to be purchased together with its Appurtenant Interests. In addition, if the Outside Offeror was to assume or to take title to the Residential Unit subject to the Offeree Unit Owner's existing mortgage or mortgages pursuant to the Sale Agreement, the Condominium Board may purchase the Residential 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 Residential Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, on behalf of all Residential 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, the New York State Real Estate Transfer Tax and the New York City Real Property Transfer Tax) notwithstanding any terms of the Sale Agreement to the contrary. Real estate taxes, mortgage interest (if applicable) and Common Charges shall be apportioned between the Offeree Unit Owner and the Condominium Board or its designee as of the closing date, notwithstanding any terms of the Sale Agreement to the contrary. Thereafter, such Residential Unit shall be held, so long as the same is owned by the Condominium Board or its designee, on behalf of all Residential 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 Residential Unit and the entire Property, as herein provided.

(C) In the event that such Residential Unit is to be leased by the Condominium Board or its designee on behalf of all Residential Unit Owners, the Offeree Unit Owner shall execute and deliver to the Condominium Board or such designee a lease covering such Residential Unit by and between the Offeree Unit Owner, as landlord, and the Condominium Board or such designee, as tenant. Such lease shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., and shall contain all of the terms and conditions of the Lease Agreement not in conflict with such form of lease, including, without limitation, the rental and term provided for therein. Notwithstanding anything to the contrary set forth hereinabove or in the Lease Agreement, however, such lease shall expressly provide that the Condominium Board or such designee may enter into a sublease of the premises demised thereunder without consent of the landlord.

Section 7.4 *Failure to Accept Offer.*

(A) In the event that the Condominium Board shall fail to accept an offer made pursuant to the terms of Section 7.2 hereof within the respective times set forth in paragraph (C) thereof, the Offeree Unit Owner shall be free to consummate the transaction embodied in the Sale Agreement or Lease Agreement within sixty (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 sixty (60) day period, then, should the Offeree Unit Owner thereafter elect to sell such Residential Unit together with its Appurtenant Interests or to lease such Unit(s), 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 twelve (12) month period, except the Condominium Board shall have the right to waive this limitation for good cause shown, in its sole discretion.

(B) Any deed of a Residential 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 therein.

(C) Each lease of a Residential Unit to an Outside Offeror shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., subject to such modifications as may be approved in writing by the 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 his interest in such lease or sublet the premises demised thereunder or any part thereof without the prior written consent of the Condominium Board in each instance; and

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

Section 7.5 *Termination of, and Exceptions to, the Right of First Refusal.*

(A) A certificate executed and acknowledged by the Secretary of the Condominium or the Managing Agent, stating that the provisions of Section 7.2 hereof have been met by a Residential 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 Residential Unit to which the same shall relate, together with its Appurtenant Interests, may be sold, conveyed, or leased free and clear of the terms and conditions contained in Section 7.2 hereof. The Condominium Board shall furnish or cause the Managing Agent to furnish without charge, such certificate upon written request to any Residential Unit Owner in respect to whom the provisions of Sections 7.2 hereof have, in fact, been terminated. In no event, however, shall the right of first refusal described in Section 7.2 hereof be deemed released or waived by the Condominium Board (as opposed to satisfied pursuant to the express terms of Sections 7.2, 7.3 and 7.4 hereof) in the absence of the certificate that has been duly executed, acknowledged and issued by the Secretary of the Condominium or the Managing Agent as aforesaid.

(B) The terms and conditions contained in Section 7.2, 7.3 and 7.4 hereof shall not apply with respect to any sale, lease or conveyance of a Residential Unit together with its Appurtenant Interests by:

(i) the Residential Unit Owner thereof to any of his adult Family Members, to any combination of the same, or to a trust for the benefit of any of them, or to any entity wholly-owned by any combination of the foregoing; provided, however, that if the succeeding Residential Unit Owner is an infant or a person judicially declared incompetent of managing his affairs, then such Residential Unit shall be held by the personal representative of such infant or incompetent, or in the case of a Residential Unit Owner that is not an individual, to any entity or individual that owns more than 50% of the legal and beneficial interests of such Residential Unit Owner or to any entity with respect to which such Residential Unit Owner (individual or otherwise) owns more than 50% of the legal and beneficial interest thereof;

(ii) Sponsor or its designee with respect to the Residential Units owned by Sponsor or its designee;

(iii) the Condominium Board;

(iv) any proper officer conducting the sale of a Residential Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure; or

(v) any Permitted Mortgagee or its nominee, that has acquired title to any Residential Unit at any foreclosure sale of its Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction; or

(vi) the Commercial Unit Owner;

provided, however, that each succeeding Residential Unit Owner shall be bound by, and his Unit shall be subject to, all of the terms and conditions of this Article 7.

(C) The terms and conditions contained in Section 7.2, 7.3 and 7.4 hereof shall not apply with respect to any sale, lease or conveyance of the Commercial Unit, together with its Appurtenant Interests.

Section 7.6 *No Severance of Ownership.* No Unit Owner shall execute any deed or other instrument conveying title to his Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, conveyed, or otherwise disposed of, except as part of a sale, conveyance, or other disposition of the Unit to which such interests are appurtenant or as part of a sale, conveyance, or other disposition of such part of the Appurtenant Interests of all Units. Nothing contained in this Section 7.6, however, shall prohibit the lease of any Unit without the simultaneous lease of its Appurtenant Interests.

Section 7.7 *Payment of Common Charges.* No Unit Owner shall be permitted to convey or lease his Unit unless he 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. 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.

Section 7.8 *Power of Attorney.* At the time of acquiring title to a Residential Unit and as a condition thereof, the new Residential Unit Owner shall duly execute, acknowledge and deliver to the representative of his 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, or in the form otherwise required by Sponsor and/or the Condominium Board.

Section 7.9 *Gifts and Devises, Etc..* Any Residential Unit Owner shall be free to convey or transfer his Residential 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 Residential Unit Owner shall be bound by, and his Residential 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 thirty (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 as a result of 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 his Unit, subject only to the terms and conditions contained in Section 8.2 hereof. Any Unit Owner who mortgages his Unit, or the holder of such mortgage, shall supply the Condominium Board with the name and address of his mortgagee and shall file a conformed copy of the note and mortgage with the Condominium Board. Any Unit Owner who satisfies a mortgage covering his 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". The terms and conditions contained in this Section 8.1, however, shall not apply to Sponsor or the owner of the Commercial Unit.

Section 8.2 *Restrictions on Mortgaging*

(A) No Residential Unit Owner shall be permitted to mortgage, pledge, or hypothecate his Unit unless and until he 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 Residential Unit Owner shall execute any mortgage or other document mortgaging, pledging, or hypothecating title to his 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 Residential Unit shall be substantially in the form used by any Institutional Lender.

(D) Any mortgage covering a Residential Unit shall be made by an Institutional Lender, Sponsor, or by a Residential Unit Owner providing purchase money financing in connection with the sale of his Residential Unit.

Section 8.3 *Notice of Unpaid Common Charges and Default.* Whenever requested in writing by a Permitted Mortgagee, the Condominium Board shall promptly report to such Permitted Mortgagee any default by his mortgagor(s) in the payment of Common Charges or Special Assessments or in the observance or performance of any of the provisions of the Condominium Documents as to which the Condominium Board has knowledge then exists. The Condominium Board shall, when giving notice to a Unit Owner of any such default, also send a copy of such notice to his Permitted Mortgagee, if so requested. However, the Condominium Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of any default by his mortgagor under the Condominium Documents, provided that (i) the Condominium Board shall advise such Permitted Mortgagee of the default promptly after discovering such failure and (ii) if the Condominium Board shall foreclose a lien on such mortgagor's Unit pursuant to the terms of Section 6.4 hereof by reason of such default, the Condominium Board shall pay to such Permitted Mortgagee any net proceeds of any foreclosure sale of such Unit (after retaining all sums due and owing to the Condominium Board pursuant to the Condominium Documents) or such lesser sum as shall be due and owing to such Permitted Mortgagee.

Section 8.4 *Performance 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 his Permitted Mortgagee, and the Condominium Board shall accept such Permitted Mortgagee's payment or performance with the same force and effect as if the same were paid or performed by such Unit Owner.

Section 8.5 *Examination of Books.* Each Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 8.6 *Consent of Mortgagees; Designation of Mortgage Representatives.*

(A) Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Condominium Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against his 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 three (3) Mortgage Representatives by giving written notice thereof to the Condominium Board, which Mortgage Representatives shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgagees under the Declaration or these By-Laws. Any designation of a Mortgage Representative pursuant to the terms of this paragraph (B) shall be effective until any successor Mortgage Representative is designated pursuant to the terms hereof and

written notice thereof is given to the Condominium Board. Unless otherwise required by Law, no holders of mortgages (which are not Institutional Mortgages) shall be entitled to participate in the designation of Mortgage Representatives, but all holders of mortgages encumbering Units shall be subject to all determinations made by the Mortgage Representatives pursuant to the terms of the Declaration or these By-Laws.

ARTICLE 9

CERTAIN REMEDIES

Section 9.1 *Self Help.* If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, including, without limitation, any breach of his obligation to paint, decorate, maintain, repair, or replace his Unit or its appurtenant Limited Residential Common Elements, if any, pursuant to the terms of Article 5 hereof, and shall fail to cure such violation or breach within five (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 five (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 Residential 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 his 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 or the Commercial Unit Owner shall give to Sponsor and the Commercial Unit Owner 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, Sponsor, the Commercial Unit Owner 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, Sponsor or the Commercial Unit Owner, as the case may be. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise or non-exercise, of any other remedy.

Section 9.4 *Costs and Expenses.* All sums of money expended, and all costs and expenses incurred, by (i) the Condominium Board in connection with the abatement, enjoinment, removal, or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of Section 9.1 or paragraph (A) of Section 9.2 hereof or (ii) Sponsor or the Commercial Unit Owner in connection with any abatement, enjoinment, or remedy of any violation or breach of the Condominium Documents pursuant to the terms of paragraph (B) of Section 9.2 hereof, shall be immediately payable by (a) in the event set forth in subparagraph (i) hereof, such Unit Owner to the Condominium Board or (b) in the event set forth in subparagraph (ii) hereof, the offending party (i.e., the Condominium Board or the Unit Owner) to Sponsor or the Commercial Unit Owner, as the case may be, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of two percent per month (but in no event in excess of the maximum rate chargeable to such Unit Owner pursuant to Law). All sums payable by a Unit Owner to the Condominium Board pursuant to the terms of this Section 9.4 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

ARTICLE 10

ARBITRATION

Section 10.1 *Procedure.*

(A) Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in the City of New York in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in the City of New York before one (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 ten (10) days after his selection or appointment. Any arbitrator appointed or selected in connection with any arbitration to be conducted hereunder shall be a disinterested attorney having at least ten (10) years experience in real estate and shall be a member of a law firm having at least five (5) members whose principal office is located in the City of New York.

(B) The decision of the arbitrator shall be rendered in a signed and acknowledged written instrument, original counterparts of which shall be sent simultaneously to the parties to the dispute within ten (10) days after the determination of the question at issue by the arbitrator.

(C) No arbitrator shall have any liability to any party to the arbitration by reason of the arbitrator's participation in any determination made under this Article 10, and each of the parties to the arbitration shall indemnify and hold harmless the arbitrator from and against any and all claims asserted against such arbitrator by reason of his participation in any such determination.

(D) All arbitrators shall apply the law of the State of New York without regard to conflicts of laws principles, and shall have no power to issue any monetary award for damages, whether compensatory or punitive, or to modify any of the provisions of the Declaration or these By-Laws, the Plan, and their power and jurisdiction are hereby limited accordingly.

Section 10.2 *Variation by Agreement.* The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of Section 10.1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of

the New York Civil Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes".

Section 10.3 *Binding Effect.* The decision in any arbitration conducted pursuant to the terms of Section 10.1 and 10.2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

Section 10.4 *Costs and Expenses.*

(A) The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his 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 General Common Expenses, to be borne by all Unit Owners, if such arbitration relates to the Units, generally, or to the General Common Elements, and shall constitute Residential Common Expenses, to be borne by all Residential Units Owner if such arbitration relates solely to the Residential Units or the Residential Common Elements or the Limited Residential Common Elements.

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 (i) registered or certified mail, return receipt requested, postage prepaid, or (ii) "Federal Express" or other overnight nationally recognized next business day delivery service, with proof of delivery and receipt, addressed:

(i) if to the Condominium Board, to the Condominium Board at its principal office as set forth in Section 2.3 hereof, with a copy sent by regular first class mail to the Managing Agent (if any) at its principal office address as aforesaid;

(ii) if to a Unit Owner other than Sponsor, to such Unit Owner at his 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 (1) deposited with the U.S. Postal Service by registered or certified mail, or (2) deposited with an office of a nationally recognized overnight next business day delivery service, 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.

289

ARTICLE 12

AMENDMENTS TO BY-LAWS

Section 12.1 *General.*

(A) Subject to the terms of paragraph (B) hereof and subject, further, to any provisions contained in the Declaration or these By-Laws with respect to any amendments ("Special Amendments") affecting or in favor of Sponsor, any Unsold Residential Unit(s), the Commercial Unit Owner, the Commercial Unit, 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 having voting rights either taken at a duly constituted meeting thereof or given in writing without a meeting as provided in Section 4.11 hereof. Each duly adopted amendment, modification, addition, or deletion hereof or hereto shall be effectuated in an instrument executed and recorded in the Register's Office by or on behalf of the Condominium Board as attorney-in-fact of all Unit Owners having voting rights, 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 4.11 hereof, in which Secretary's Certification there shall be described the number and percentage (where applicable) of Unit Owners having voting rights approving the same and, if voted at a meeting, the date, time and place of such meeting. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) Notwithstanding anything to the contrary contained in paragraph (A) hereof, but still subject to any provision contained in the Declaration or these By-Laws with respect to Special Amendments:

(i) the Common Interest and Residential Common Interest, if any, appurtenant to any Unit, as set forth in the Declaration, shall not be altered without the consent of the Unit Owner thereof, except as otherwise provided in paragraph (F) of Section 5.6 hereof;

(ii) no amendment, modification, addition, or deletion agreed to pursuant to the terms of paragraph (A) hereof shall be effective without the prior written consent of the Mortgage Representatives, if any, provided, however, that no such consent shall be unreasonably withheld or delayed; and

(iii) the terms of Section 5.8 hereof may not be amended, modified, added to, or deleted unless (in addition to the consent, if required, of the Mortgage Representatives as provided above) not less than 80% in number and in 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 or the Commercial Unit Owner, without the consent of the Condominium Board or the Unit Owners shall be embodied in an instrument executed and recorded in the Register's Office by Sponsor or Commercial Unit Owner, as the case may be, as attorney-in-fact of both the Condominium Board and all Unit Owners, which power-of-attorney shall be deemed to be irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Certification by Sponsor or Commercial Unit Owner certifying that the amendment, modification, addition, or deletion set forth therein was effectuated by Sponsor or Commercial Unit Owner 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, any Commercial Unit Owner, any Unsold Residential Unit, or the holder of any present mortgage, pledge, lien, or security agreement covering any Unsold Residential Unit or Commercial Unit unless and until Sponsor, and/or such holder in the case of an Unsold Residential Unit or affected Commercial Unit Owner, and/or the holder in the case of a Commercial Unit Owner, 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 5.5 or 5.6, paragraph (B) of Section 6.2, or Article 8 hereof shall be effective with respect to the holder of any Permitted Mortgage theretofore made unless and until such Permitted Mortgagee shall have given its written consent thereto.

(D) Amendments, modifications, additions or deletions of or to the Declaration, these By-Laws and the Rules and Regulations may be necessary, appropriate or desirable in connection with the operation of a Commercial Unit or the subdivision, combination, altering, or improvement to a Commercial Unit and it is contemplated that in connection therewith an affected Commercial Unit Owner will cause the Declaration, these By-Laws and the Rules and Regulations to be so amended, modified, added to or deleted from and that the resulting provisions thereof may be similar or dissimilar to those affecting the Residential Units and the Residential Unit Owners. In the case of any such amendment, modification, addition or deletion which does not adversely affect the Residential Units or the Residential Unit Owners, the Commercial Unit Owner shall be the attorney-in-fact for the Residential Unit Owners (including Sponsor so long as Sponsor owns any Unsold Residential Units), coupled with an interest, for the purpose of approving, executing and recording any instrument effecting such amendment, modification, addition or deletion.

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 Residential 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 after request therefor, to take any action that such Residential 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 Residential 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 Residential Unit Owner or other Person, and such document or action shall be binding on such Residential Unit Owner or other Person.

(B) If the Condominium Board, any Residential 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 after request therefor, to take any action that the Condominium Board, such Residential Unit Owner, or Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws or the Declaration, at the request of Sponsor or the Commercial Unit Owner, as the case may be, then Sponsor or the Commercial Unit Owner, as the case may be, is hereby authorized, as attorney-in-fact for the Condominium Board, such Unit Owner, or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Condominium Board, such Unit Owner or other Person, and such document or action shall be binding on the Condominium Board, such Unit Owner, or other Person. The Condominium Board shall not unreasonably withhold, condition, delay or deny its consent or approval with respect to any matter contained in these By-Laws or the Declaration 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.

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 or, with the consent of Sponsor, any transferee of all of the then Unsold Residential Units. The rights and/or obligations of the Commercial Unit Owner as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignee of the Commercial Unit Owner or, with the consent of the Commercial Unit Owner, any transferee of such Commercial Unit.

Section 14.6 *Gender.* A reference in these By-Laws to any one gender, masculine or feminine, includes the other one, and the singular includes the plural, and vice-versa, unless the context otherwise requires.

Section 14.7 *Captions.* The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of these By-Laws or the intent of any provision hereof.

ARTICLE 15

TAX STATUS AS A HOMEOWNERS ASSOCIATION

Section 15.1 *General.* The Condominium Board should meet the requirements for qualification 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 *Use.* The Residential Units are intended to be used in accordance with applicable Law.

ARTICLE 16

PROVISIONS REGARDING MORTGAGES ENCUMBERING RESIDENTIAL UNITS OTHER THAN UNSOLD RESIDENTIAL UNITS

Section 16.1 *Applicability.* The following provisions apply to (i) Permitted Mortgages made by Permitted Mortgagees encumbering Residential Units other than Unsold Residential Units ("Sold Residential Units"), and (ii) any Person who is a guarantor of a mortgage on a Sold Residential Unit made by a Permitted Mortgagee ("Guarantor").

Section 16.2 *Termination of Condominium Due to Casualty Loss or Condemnation.* Notwithstanding anything contained to the contrary in these By-Laws, any vote by Unit Owners to terminate the Condominium due to casualty loss or a taking shall also require the written consent of Permitted Mortgagees that represent at least 51% of the Sold Residential Units that are subject to Permitted Mortgages who have provided the Condominium with written notice of their respective Permitted Mortgages.

Section 16.3 *Notices to Permitted Mortgagees and Guarantor.*

Notwithstanding anything to the contrary contained in these By-Laws, any Permitted Mortgagee and Guarantor who has provided the Condominium with written notice of, as applicable, its respective Permitted Mortgage or guaranty, shall have the right to timely written notice of the following:

(A) Any casualty loss or taking that affects either a material portion of the Building or the Unit secured by the applicable Permitted Mortgage.

(B) Any 60-day delinquency in the payment of Common Charges or Special Assessments owed by the Residential Unit Owner subject to a Permitted Mortgage or a guaranty from a Guarantor.

(C) A lapse, cancellation, or material modification of any insurance policy maintained by the Condominium.

(D) Any proposed action that requires the consent of a specified percentage of Permitted Mortgagees.

Section 16.4 *Condominium Property Insurance.* The policies of condominium property insurance shall name each Permitted Mortgagee who has provided the Condominium with written notice of its Permitted Mortgage, as its interest may appear. Any such Permitted Mortgagee shall be considered and shall have the rights as their interest may appear and any such Permitted Mortgagee shall be listed as an additional insured on the Condominium Property Insurance.

Section 16.5 *Unpaid Common Charges and Special Assessments.* A Permitted Mortgagee who obtains title to a Sold Residential Unit pursuant to the remedies in its Permitted Mortgage or through foreclosure shall not be liable for the payment of unpaid Common Charges and Special Assessments accrued prior to the acquisition date of the Sold Residential Unit by the Permitted Mortgagee.

Section 16.6 *Consent or Approval from a Permitted Mortgagee.* Any required consent and/or approval required from a Permitted Mortgagee will be deemed given if a Permitted Mortgagee, who has provided the Condominium with written notice of its Permitted Mortgage, fails to submit its written response to the Condominium within 60 days after such Permitted Mortgagee receives notice of the applicable proposal requesting consent and/or approval from the Condominium, provided the applicable proposal from the Condominium was delivered by certified or registered mail with a return receipt requested.

Section 16.7 *Notice from a Permitted Mortgagee.* Any written notice required to be given to the Condominium by a Permitted Mortgagee shall be deemed valid only (i) if delivered by certified or registered mail with a return receipt requested to the Condominium, attention "President, Board of Managers, 52 Wooster Street, New York, New York 10013, or such other address as the Condominium may require, provided written notice of such other address is sent to a Permitted Mortgagee by the Condominium.

* * * * *

ADDENDUM TO THE BY-LAWS

RULES AND REGULATIONS

1. The sidewalks, entrance passages, public halls, elevators, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Units.

2. No velocipedes, bicycles, rollerblades, scooters, or similar vehicle or any motorized vehicle shall be taken into or from the Building through the main entrance or shall be allowed in any of the elevators of the Building other than the elevator designated by the Condominium Board or the Managing Agent for such purpose, and no baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the public halls, passageways, or other public areas of the Building.

3. All service and delivery persons will be required to use the service entrance or such other entrance of the Building designated by the Condominium Board or the Managing Agent. In addition, all servants, messengers and tradespeople visiting the Building shall use the elevator designated by the Condominium Board or the Managing Agent for the purpose of ingress and egress, and shall not use any of the other elevators, if any, for any purpose, provided, however, that nurses in the employ of Unit Owners or their Family Members, guests, tenants, subtenants, licensees, or invitees may use any 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 by the elevator designated by the Condominium Board or the Managing Agent for the purpose and only through the service entrance, if any.

5. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the halls or on any of the staircases or fire tower landings of the Building, nor shall any fire exit thereof be obstructed in any manner.

6. No Unit may be used for the storage of any flammable materials or any other materials the storage of which may constitute a building code violation or which will increase the insurance requirements for the Building.

7. No refuse from the Units shall be sent to the service area of the Building, except at such times and in such manner as the Condominium Board or the Managing Agent may direct. Nothing shall be hung or shaken from any doors, windows, or placed upon the window sills, of the Building, and no Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom.

8. There shall be no playing or lounging in the entrances, passages, public halls, elevators, vestibules, corridors, stairways, or fire towers of the Building.

9. The Condominium Board or the Managing Agent may, from time to time, curtail or relocate any portion of the Common Elements devoted to storage or service purposes in the Building.

10. Nothing shall be done or kept in any Residential 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 his Unit, or in the Common Elements that will result in the cancellation of insurance on the Building, or the provisions thereof, or that would be in violation of any Law. No Unit Owner or any of his Family Members, agents, servants, employees, licensees, or visitors shall, at any time, bring into or keep in his Unit, any inflammable, combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of such Unit.

11. There shall be no barbecuing in the Units, in their appurtenant Limited Residential Common Elements, if any, or in the Common Elements. Notwithstanding the foregoing, barbecuing and/or cooking will be permitted on terraces only if permitted under applicable law and Building Department rules and regulations.

12. No Residential Unit Owner shall make, cause, or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from his Residential Unit or its appurtenant Limited Residential 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 Residential 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 Residential Common Elements, if any, between midnight and the following 8:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall any Residential Unit Owner practice of suffer to be practiced either vocal or instrumental music between the hours of 8:00 P.M. and the following 9:00 A.M. No construction, repair work, or other installation involving noise shall be conducted in any Residential Unit except on weekdays (not including legal holidays) and only between the hours of 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 Residential Unit without the written consent of the Condominium Board. In no event shall any Unit Owner maintain more than two (2) pets in a Unit without the consent of the Condominium Board. Each Unit Owner who keeps any type of pet in his Unit will be required to: (a) indemnify and hold harmless the Condominium, 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. In no event shall any bird, reptile, or animal be permitted in any public elevator of the Building, other than the elevator designated by the Condominium Board or the Managing Agent for that purpose, or in any of the public portions of the Building, unless carried or on leash. No pigeons or other birds or animals shall be fed from the window sills, or other public portions of the Building, or on the sidewalk or street adjacent to the Building. In no event may pets be kept in a terrace.

14. No group tour or exhibition of any Residential Unit or its contents shall be conducted, nor shall any auction sale be held in any Residential Unit, without the consent of the Condominium Board or the Managing Agent in each instance. In the event that any Residential 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 floor area of each Residential Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting, or equally effective noise reducing material.

16. No window guards or other window decorations shall be used in or about any Residential 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 Residential Unit be colored or painted.

17. No ventilator or air conditioning device shall be installed in any Residential Unit or its appurtenant Limited Residential 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 Residential 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 such Unit.

21. Each Unit Owner shall keep his Unit and its appurtenant Limited Residential 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 agents of the Condominium Board or the Managing Agent, and any contractor or workman authorized by the Condominium Board or the Managing Agent, may enter any room or Unit at any reasonable hour of the day, on at least one (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.

23. The Condominium Board or the Managing Agent may retain a pass-key to each Residential 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 Residential Unit Owner is not personally present to open and permit an entry to his Residential 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 Residential Unit Owner's property).

24. If any key or keys are entrusted by a Unit Owner, by any Family Member thereof, or by his agent, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for such Unit Owner's Unit or an automobile, 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 23 above) be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

25. 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 common terrace. Such roof includes a Limited Residential Common Element which is for the exclusive use of a particular Unit Owner.

26. 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.

27. 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, provided however

any such revision that affects the rights of Sponsor or the Commercial Unit Owner under the Condominium Documents shall require the prior written consent of Sponsor or the Commercial Unit Owner, as applicable. Further, any such consent or approval may, in the discretion of the Condominium Board or the Managing Agent, be conditional in nature.

28. No Residential 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, decking 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 (2) inches above such surface. No planting shall be permanently affixed to the terrace or roof surface and shall be able to be easily moved. It shall be the responsibility of the Residential Unit Owner to maintain the containers in good condition, and the drainage tiles and weep holes in operating condition. Such Residential 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 roof and 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.

29. No Residential Unit Owner shall enclose, erect a greenhouse and/or alter the terrace appurtenant to a Residential Unit in such a way that will alter the conformity of the Building, without the prior written consent of the Condominium Board.

30. Complaints regarding the service of the Condominium shall be made in writing to the Condominium Board or to the Managing Agent.

31. A Residential Unit Owner must notify the Managing Agent in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the applicable Residential Unit. In such event, each Residential Unit Owner shall have installed at the Residential Unit, at the Residential Owner's expense, the required window guards (or safety stops in lieu of window guards, designed specifically to prevent a child from falling out of a window), in all windows of the Unit, in compliance with applicable Law, and shall not remove them until permitted by Law, and in any event, without first notifying the Managing Agent of the intended removal of the window guards or safety stops.

32. No minor children are allowed on a common area terrace, if any, without the supervision of a parent or an authorized adult.

EXHIBIT E

TO THE DECLARATION

UNIT OWNER POWER OF ATTORNEY

UNIT OWNER POWER OF ATTORNEY

Terms used in this Residential Unit Owner Power of Attorney which are used (a) in the declaration (the "Declaration") establishing a plan for condominium ownership of the premises known as 52 Wooster Street Condominium ("Condominium") and by the street number 52 Wooster Street, New York, New York under Article 9-B of the Real Property Law of the State of New York, dated _____, 2014, and recorded in the Office of the Register of The City of New York on _____, 201___ in CRFN:_____, or (b) in the By-Laws of the 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 Residential Unit __ (the "Unit") in 52 Wooster Street Condominium which is designated and described as Unit No. _____ in the Declaration and also designated as Tax Lot ____ in Block 475 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, 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 Residential Unit Owners, in accordance with such Residential Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a Majority of Residential Unit Owners having voting rights, to acquire or lease any Residential Unit, together with its Appurtenant Interests, from any Residential Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Unit, together with its Appurtenant Interests, from any Unit Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a Majority of Residential Unit Owners having voting rights, to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Residential Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present, (2) to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Property or (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Property or the Common Elements which the Condominium Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Condominium Board shall constitute the acts of said attorneys-in-fact.

The undersigned (does) (do) hereby irrevocably nominate, constitute and appoint 52 Wooster Holdings LLC (hereinafter referred to as "Sponsor") as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to amend from time to time the Declaration, By-Laws and the

Rules and Regulations of the Condominium, or any of said documents, when such amendment (1) shall be required to reflect any changes in Unsold Residential Units and/or the reapportionment of the Common Interests of the affected Unsold Residential 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 Residential 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 Residential Unit provided, however, that any amendment made pursuant to the terms of subdivision (1) or (2) of this paragraph shall not (i) change the Common Interest of the Undersigned's Residential Unit, (ii) require a material, physical modification to the Undersigned's Residential Unit, or (iii) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender covering the Undersigned's Residential 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 Sponsor shall cease to own any Residential Unit in the Condominium.

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

STATE OF)
) ss:
COUNTY OF)

On _____, _____, before me, the undersigned, a notary public in and for said state, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies) and that by his/her/their signature(s) on the instrument, the individual(s) or the person on behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

301

UNIT OWNER'S SPECIMEN TITLE POLICY

Stewart Title Insurance Company

AMERICAN LAND TITLE ASSOCIATION OWNERS POLICY (6-17-2006) WITH NEW YORK COVERAGE ENDORSEMENT APPENDED (A.L.T.A.)

SCHEDULE A

Policy No [Policy No]

Title Number	**Effective Date**	**Amount of Insurance**
[Title Number]	[Closing Date]	$[Purchase Price]

1. **Name of Insured:** [Purchasers]

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:**

   Who acquired title by deed from 52 Wooster Holdings, LLC dated [Closing Date] and to be recorded in the Office of the Register of the City of New York, County of New York.

4. **The land referred to in this Policy is described herein on Schedule A Description of Premises.**

   For Information: Premises known as: 52 Wooster Street Condominium
   52 Wooster Street, Unit ____, New York, NY

_____
Authorized Signatory

Stewart Title Insurance Company

SCHEDULE A
DESCRIPTION OF PREMISES

Title No. [Title No.]
Policy No. [Policy No.]

THE CONDOMINIUM UNIT (hereinafter referred to as the "Unit") in the building (hereinafter referred to as the "Building") known as **52 Wooster Street Condominium** and by the Street Number **52 Wooster Street,** County of New York, State of New York, said Unit being designated and described as **Residential Unit No.** _____ in a Declaration dated ____ made by **52 Wooster Holdings, LLC**, pursuant to Article 9-B of the Real Property Law of the State of New York (hereinafter referred to as the "Condominium Act") establishing a Plan for condominium ownership of the Building and the Land (hereinafter referred to as the "land") upon which the building is situate (which land is more particularly described in Exhibit A annexed hereto and by this reference made a part hereof), which Declaration was recorded in the Office of the City Register of the City of New York, County of New York, on _____**, as CRFN** _____, and has been amended as set forth on Schedule B annexed and by this reference made a part hereof (which Declaration and Amendments (if applicable) thereto are hereinafter collectively referred to as the "Declaration"). This Unit is also designated as **Tax Lot** ____ **in Block 475** of the County of New York on the Tax Map of the Real Property Assessment Department and on the Floor Plans of the Building, Certified by _____, Architects, on _____ and filed with the Real Property Assessment Department on _____ **as Condominium Plan No.** _____ and also filed in the Office of the City Register of the City of New York, County of New York, on _____ **as Condominium Map No. CRFN**_____**.**

TOGETHER with an undivided _____ **%** interest in the Common Elements (as such term is defined in the Declaration).

TOGETHER with and **SUBJECT** to the rights, obligations, easements, restrictions and other provisions set forth in the Declaration, Floor plans and the By-Laws of **52 Wooster Street Condominium**, as the same may be amended from time to time (herein after referred to as the "By-Laws"), all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein.

The land on which the building and unit is located is situated in the County of New York and State of New York and is more fully described in the Declaration of Condominium recorded in the Office of the City Register of the City of New York, County of New York, on _____**, as CRFN** _____**.**

304

Stewart Title Insurance Company

EXHIBIT A

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:

BEGINNING at the corner formed by the intersection of the southerly side of Broome Street and the easterly side of Wooster Street;

RUNNING THENCE southerly along the easterly side of Wooster Street a distance of 99 feet 7 inches (deed) 100 feet 2 inches (tax map) to a point on northerly side of lands now or formerly of John Finley;

THENCE easterly along the lands now or formerly of John Finley a distance of 25 feet to a point;

THENCE northerly along a line forming a right angle with the southerly side Broome Street a distance of 99 feet 6 ¾ inches (deed) 100 feet 0 ¼ inch (tax map) to a point on the southerly side of Broome Street, which point is distant 175 feet westerly from the corner formed by the intersection of the southerly side Broome Street with the westerly side of Greene Street;

THENCE westerly along the southerly side of Broome Street a distance of 25 feet to the corner formed by the intersection of the southerly side of Broome Street and the easterly side of Wooster Street, the point or place of BEGINNING.

For Information Only: Said premises are known as 52 Wooster Street Condominium, 52 Wooster Street, Unit ____, New York, NY and designated as Block 475 Lot ____ as shown on the Tax Map of the City of New York, County of New York.

305

Stewart Title Insurance Company

Policy No [Policy No.]
Title No [Title No.]

SCHEDULE B

Showing defects, liens, encumbrances and other matters against which the Company does not, by this Policy, insure:

1. Declaration made by Linden Associates L.P. and Cedar Associates L.P. dated as of 10/9/07 and recorded 10/17/07 as CRFN 2007000526578.

2. Encroachment Easement Agreement made by and between 52 Wooster Owner LLC (Grantor) and Board of Managers of the Soho-Broome Condominium, 477 Equities Corp., Linden Associates L.P., and Cedar Associates, L.P. (Grantee) dated as of 6/11/13 and recorded 7/9/13 as CRFN 2013000270617.

3. The Landmarks Preservation Commission of the City of New York shows the premises as being within the boundaries of the "SoHo-Cast Iron Historic District" and being designated as such on August 14, 1973. The Notice of Designation filed in connection with the creation of the "SoHo-Cast Iron Historic District" does not list any of the lots on the block bounded by Broome Street on the north, Wooster Street on the west, Grand Street on the south and Greene Street on the east.

4. The policy will except the terms, conditions and easements set forth in the Declaration of Condominium and By-Laws dated _____ and recorded _____ in the Office of the City Register of the City of New York, County of New York, as CRFN _____. Policy insures that a valid condominium has been created pursuant to Article 9B of the Real Property Law, as amended.

5. The policy will except any state of facts which an accurate survey and inspection of Unit would show, but policy insures that any encroachments by insured Unit upon adjoining Units or upon common elements may remain undisturbed.

6. Mortgage in the original principal amount of $[Loan Amount] made by [Purchaser] to [Lender] dated [Closing Date] and to be recorded in the Office of the Register of the City of New York, County of New York.

306

Stewart Title Insurance Company

STANDARD NEW YORK ENDORSEMENT
(Owner's Policy)

Title No [Title No.]

Attached to and made a part of Policy No. [Policy No.]

1. The following is added as a Covered Risk:

   "11. Any statutory lien arising under Article 2 of the New York Lien Law for services, labor or materials furnished prior to the date hereof, and which has now gained or which may hereafter gain priority over the estate or interest of the insured as shown in Schedule A of this policy."

2. Exclusion Number 5 is deleted, and the following is substituted:

   5. Any lien on the Title for real estate taxes, assessments, water charges or sewer rents imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as Shown in Schedule A.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

IN WITNESS WHEREOF, the Company has caused its corporate name and seal to be hereunto affixed by its duly authorized officers

DATED: [Closing Date]

Stewart Title Insurance Company

By_____
Authorized Signatory

357

Stewart Title Insurance Company

CONDOMINIUM ENDORSEMENT

Title No. [Title No.]

Attached to and made a part of Policy No. **[Policy No.]**

The Company insures the insured against loss or damage sustained by reason of:

1. The failure of the unit identified in Schedule A and its common elements to be part of a condominium within the meaning of the condominium statutes of the State of New York.

2. The failure of the documents required by the condominium statutes to comply with the requirements of the statutes to the extent that such failure affects the title to the unit and its common elements.

3. Present violations of any restrictive covenants which restrict the use of the unit and its common elements and which are created by the condominium documents, except violations relating to environmental protection unless a notice of a violation thereof has been recorded or filed in the Public Records and is not excepted in Schedule B. The restrictive covenants do not contain any provisions which will cause a forfeiture or reversion of title.

4. The priority of any lien for charges and assessments at Date of Policy provided for in the condominium statutes and condominium documents over the lien of any insured first mortgage identified in Schedule A.

5. The failure of the unit and its common elements to be entitled by law to be assessed for real property taxes as a separate parcel.

6. Any obligation to remove any improvements which exist at Date of Policy because of any present encroachments or because of any future unintentional encroachments of the common elements upon any unit or of any unit upon the common elements or another unit.

7. The failure of title by reason of a right of first refusal to purchase the unit and its common elements which was exercised or could have been exercised at Date of Policy.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the amount of insurance.

IN WITNESS WHEREOF, the Company has caused this Endorsement to be signed on the date below to be valid when countersigned by an authorized officer of the Company, all in accordance with its By-Laws.

Dated: [Closing Date]

Countersigned **Stewart Title Insurance Company**

Authorized Signatory

FORM W-8BEN (INDIVIDUALS)
AND
FORM W-8BEN-E (ENTITIES)

309

Form **W-8BEN-E**

(February 2014)

Department of the Treasury
Internal Revenue Service

Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities)

▶ For use by entities. Individuals must use Form W-8BEN. ▶ Section references are to the Internal Revenue Code.
▶ Information about Form W-8BEN-E and its separate instructions is at *www.irs.gov/formw8bene*.
▶ Give this form to the withholding agent or payer. Do not send to the IRS.

OMB No. 1545-1621

Do NOT use this form for:	**Instead use Form:**
• U.S. entity or U.S. citizen or resident	W-9
• A foreign individual	W-8BEN (Individual)
• A foreign individual or entity claiming that income is effectively connected with the conduct of trade or business within the U.S. (unless claiming treaty benefits)	W-8ECI
• A foreign partnership, a foreign simple trust, or a foreign grantor trust (unless claiming treaty benefits) (see instructions for exceptions)	W-8IMY
• A foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession claiming that income is effectively connected U.S. income or that is claiming the applicability of section(s) 115(2), 501(c), 892, 895, or 1443(b) (unless claiming treaty benefits) (see instructions)	W-8ECI or W-8EXP
• Any person acting as an intermediary	W-8IMY

Part I Identification of Beneficial Owner

1 Name of organization that is the beneficial owner

2 Country of incorporation or organization

3 Name of disregarded entity receiving the payment (if applicable)

4 Chapter 3 Status (entity type) (Must check one box only):

☐ Corporation ☐ Disregarded entity ☐ Partnership
☐ Simple trust ☐ Grantor trust ☐ Complex trust ☐ Estate ☐ Government
☐ Central Bank of Issue ☐ Tax-exempt organization ☐ Private foundation

If you entered disregarded entity, partnership, simple trust, or grantor trust above, is the entity a hybrid making a treaty claim? If "Yes" complete Part III. ☐ Yes ☐ No

5 Chapter 4 Status (FATCA status) (Must check one box only unless otherwise indicated). (See instructions for details and complete the certification below for the entity's applicable status).

☐ Nonparticipating FFI (including a limited FFI or an FFI related to a Reporting IGA FFI other than a registered deemed-compliant FFI or participating FFI).
☐ Participating FFI.
☐ Reporting Model 1 FFI.
☐ Reporting Model 2 FFI.
☐ Registered deemed-compliant FFI (other than a reporting Model 1 FFI or sponsored FFI that has not obtained a GIIN).
☐ Sponsored FFI that has not obtained a GIIN. Complete Part IV.
☐ Certified deemed-compliant nonregistering local bank. Complete Part V.
☐ Certified deemed-compliant FFI with only low-value accounts. Complete Part VI.
☐ Certified deemed-compliant sponsored, closely held investment vehicle. Complete Part VII.
☐ Certified deemed-compliant limited life debt investment entity. Complete Part VIII.
☐ Certified deemed-compliant investment advisors and investment managers. Complete Part IX.
☐ Owner-documented FFI. Complete Part X.
☐ Restricted distributor. Complete Part XI.
☐ Nonreporting IGA FFI (including an FFI treated as a registered deemed-compliant FFI under an applicable Model 2 IGA). Complete Part XII.
☐ Foreign government, government of a U.S. possession, or foreign central bank of issue. Complete Part XIII.
☐ International organization. Complete Part XIV.
☐ Exempt retirement plans. Complete Part XV.
☐ Entity wholly owned by exempt beneficial owners. Complete Part XVI.
☐ Territory financial institution. Complete Part XVII.
☐ Nonfinancial group entity. Complete Part XVIII.
☐ Excepted nonfinancial start-up company. Complete Part XIX.
☐ Excepted nonfinancial entity in liquidation or bankruptcy. Complete Part XX.
☐ 501(c) organization. Complete Part XXI.
☐ Nonprofit organization. Complete Part XXII.
☐ Publicly traded NFFE or NFFE affiliate of a publicly traded corporation. Complete Part XXIII.
☐ Excepted territory NFFE. Complete Part XXIV.
☐ Active NFFE. Complete Part XXV.
☐ Passive NFFE. Complete Part XXVI.
☐ Excepted inter-affiliate FFI. Complete Part XXVII.
☐ Direct reporting NFFE.
☐ Sponsored direct reporting NFFE. Complete Part XXVIII.

6 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address** (other than a registered address).

City or town, state or province. Include postal code where appropriate. Country

7 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate. Country

8 U.S. taxpayer identification number (TIN), if required **9a** ☐ GIIN **b** ☐ Foreign TIN **10** Reference number(s) (see instructions)

Note. Please complete remainder of the form including signing the form in Part XXIX.

Part II **Disregarded Entity or Branch Receiving Payment.** (Complete only if disregarded entity or branch of an FFI in a country other than the FFI's country of residence.)

11 Chapter 4 Status (FATCA status) of disregarded entity or branch receiving payment

☐ Limited Branch. ☐ Reporting Model 1 FFI. ☐ U.S. Branch.

☐ Participating FFI. ☐ Reporting Model 2 FFI.

12 Address of disregarded entity or branch (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address** (other than a registered address).

City or town, state or province. Include postal code where appropriate.

Country

13 GIIN (if any)

Part III **Claim of Tax Treaty Benefits** (if applicable). (For chapter 3 purposes only)

14 I certify that (check all that apply):

a ☐ The beneficial owner is a resident of _____ within the meaning of the income tax treaty between the United States and that country.

b ☐ The beneficial owner derives the item (or items) of income for which the treaty benefits are claimed, and, if applicable, meets the requirements of the treaty provision dealing with limitation on benefits (see instructions).

c ☐ The beneficial owner is claiming treaty benefits for dividends received from a foreign corporation or interest from a U.S. trade or business of a foreign corporation and meets qualified resident status (see instructions).

15 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article _____ of the treaty identified on line 14a 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 IV **Sponsored FFI That Has Not Obtained a GIIN**

16 Name of sponsoring entity: _____

17 **Check whichever box applies.**

☐ I certify that the entity identified in Part I:

- Is an FFI solely because it is an investment entity;
- Is not a QI, WP, or WT; **and**
- Has agreed with the entity identified above (that is not a nonparticipating FFI) to act as the sponsoring entity for this entity.

☐ I certify that the entity identified in Part I:

- Is a controlled foreign corporation as defined in section 957(a);
- Is not a QI, WP, or WT;
- Is wholly owned, directly or indirectly, by the U.S. financial institution identified above that agrees to act as the sponsoring entity for this entity; **and**
- Shares a common electronic account system with the sponsoring entity (identified above) that enables the sponsoring entity to identify all account holders and payees of the entity and to access all account and customer information maintained by the entity including, but not limited to, customer identification information, customer documentation, account balance, and all payments made to account holders or payees.

Part V **Certified Deemed-Compliant Nonregistering Local Bank**

18 ☐ I certify that the FFI identified in Part I:

- Operates and is licensed solely as a bank or credit union (or similar cooperative credit organization operated without profit) in its country of incorporation or organization;
- Engages primarily in the business of receiving deposits from and making loans to, with respect to a bank, retail customers unrelated to such bank and, with respect to a credit union or similar cooperative credit organization, members, provided that no member has a greater than five percent interest in such credit union or cooperative credit organization;
- Does not solicit account holders outside its country of organization;
- Has no fixed place of business outside such country (for this purpose, a fixed place of business does not include a location that is not advertised to the public and from which the FFI performs solely administrative support functions);
- Has no more than $175 million in assets on its balance sheet and, if it is a member of an expanded affiliated group, the group has no more than $500 million in total assets on its consolidated or combined balance sheets; **and**
- Does not have any member of its expanded affiliated group that is a foreign financial institution, other than a foreign financial institution that is incorporated or organized in the same country as the FFI identified in Part I and that meets the requirements set forth in this Part V.

311

Part VI Certified Deemed-Compliant FFI with Only Low-Value Accounts

19 ☐ I certify that the FFI identified in Part I:

- Is not engaged primarily in the business of investing, reinvesting, or trading in securities, partnership interests, commodities, notional principal contracts, insurance or annuity contracts, or any interest (including a futures or forward contract or option) in such security, partnership interest, commodity, notional principal contract, insurance contract or annuity contract;
- No financial account maintained by the FFI or any member of its expanded affiliated group, if any, has a balance or value in excess of $50,000 (as determined after applying applicable account aggregation rules); **and**
- Neither the FFI nor the entire expanded affiliated group, if any, of the FFI, have more than $50 million in assets on its consolidated or combined balance sheet as of the end of its most recent accounting year.

Part VII Certified Deemed-Compliant Sponsored, Closely Held Investment Vehicle

20 Name of sponsoring entity: _____

21 ☐ I certify that the entity identified in Part I:

- Is an FFI solely because it is an investment entity described in §1.1471-5(e)(4);
- Is not a QI, WP, or WT;
- Has a contractual relationship with the above identified sponsoring entity that agrees to fulfill all due diligence, withholding, and reporting responsibilities of a participating FFI on behalf of this entity; **and**
- Twenty or fewer individuals own all of the debt and equity interests in the entity (disregarding debt interests owned by U.S. financial institutions, participating FFIs, registered deemed-compliant FFIs, and certified deemed-compliant FFIs and equity interests owned by an entity if that entity owns 100 percent of the equity interests in the FFI and is itself a sponsored FFI).

Part VIII Certified Deemed-Compliant Limited Life Debt Investment Entity

22 ☐ I certify that the entity identified in Part I:

- Was in existence as of January 17, 2013;
- Issued all classes of its debt or equity interests to investors on or before January 17, 2013, pursuant to a trust indenture or similar agreement; **and**
- Is certified deemed-compliant because it satisfies the requirements to be treated as a limited life debt investment entity (such as the restrictions with respect to its assets and other requirements under § 1.1471-5(f)(2)(iv)).

Part IX Certified Deemed-Compliant Investment Advisors and Investment Managers

23 ☐ I certify that the entity identified in Part I:

- Is a financial institution solely because it is an investment entity described in §1.1471-5(e)(4)(i)(A); **and**
- Does not maintain financial accounts.

Part X Owner-Documented FFI

Note. This status only applies if the U.S. financial institution or participating FFI to which this form is given has agreed that it will treat the FFI as an owner-documented FFI (see instructions for eligibility requirements). In addition, the FFI must make the certifications below.

24a ☐ (All owner-documented FFIs check here) I certify that the FFI identified in Part I:

- Does not act as an intermediary;
- Does not accept deposits in the ordinary course of a banking or similar business;
- Does not hold, as a substantial portion of its business, financial assets for the account of others;
- Is not an insurance company (or the holding company of an insurance company) that issues or is obligated to make payments with respect to a financial account;
- Is not owned by or in an expanded affiliated group with an entity that accepts deposits in the ordinary course of a banking or similar business, holds, as a substantial portion of its business, financial assets for the account of others, or is an insurance company (or the holding company of an insurance company) that issues or is obligated to make payments with respect to a financial account; **and**
- Does not maintain a financial account for any nonparticipating FFI.

Part X Owner-Documented FFI *(continued)*

Check box 24b or 24c, whichever applies.

b ☐ I certify that the FFI identified in Part I:

- Has provided, or will provide, an FFI owner reporting statement that contains:
  - The name, address, TIN (if any), chapter 4 status, and type of documentation provided (if required) of every individual and specified U.S. person that owns a direct or indirect equity interest in the owner-documented FFI (looking through all entities other than specified U.S. persons);
  - The name, address, TIN (if any), chapter 4 status, and type of documentation provided (if required) of every individual and specified U.S. person that owns a debt interest in the owner-documented FFI (including any indirect debt interest, which includes debt interests in any entity that directly or indirectly owns the payee or any direct or indirect equity interest in a debt holder of the payee) that constitutes a financial account in excess of $50,000 (disregarding all such debt interests owned by participating FFIs, registered deemed-compliant FFIs, certified deemed-compliant FFIs, excepted NFFEs, exempt beneficial owners, or U.S. persons other than specified U.S. persons); **and**
- Any additional information the withholding agent requests in order to fulfill its obligations with respect to the entity.

c ☐ I certify that the FFI identified in Part I has provided, or will provide, an auditor's letter, signed within four years of the date of payment, from an independent accounting firm or legal representative with a location in the United States stating that the firm or representative has reviewed the FFI's documentation with respect to all of its owners and debt holders identified in §1.1471-3(d)(6)(iv)(A)(2), and that the FFI meets all the requirements to be an owner-documented FFI. The FFI identified in Part I has also provided, or will provide, an FFI owner reporting statement of its owners that are specified U.S. persons and Form(s) W-9, with applicable waivers.

Check box 24d if applicable.

d ☐ I certify that the entity identified in line 1 is a trust that does not have any contingent beneficiaries or designated classes with unidentified beneficiaries.

Part XI Restricted Distributor

25a ☐ (All restricted distributors check here) I certify that the entity identified in Part I:

- Operates as a distributor with respect to debt or equity interests of the restricted fund with respect to which this form is furnished;
- Provides investment services to at least 30 customers unrelated to each other and less than half of its customers are related to each other;
- Is required to perform AML due diligence procedures under the anti-money laundering laws of its country of organization (which is an FATF-compliant jurisdiction);
- Operates solely in its country of incorporation or organization, has no fixed place of business outside of that country, and has the same country of incorporation or organization as all members of its affiliated group, if any;
- Does not solicit customers outside its country of incorporation or organization;
- Has no more than $175 million in total assets under management and no more than $7 million in gross revenue on its income statement for the most recent accounting year;
- Is not a member of an expanded affiliated group that has more than $500 million in total assets under management or more than $20 million in gross revenue for its most recent accounting year on a combined or consolidated income statement; **and**
- Does not distribute any debt or securities of the restricted fund to specified U.S. persons, passive NFFEs with one or more substantial U.S. owners, or nonparticipating FFIs.

Check box 25b or 25c, whichever applies.

I further certify that with respect to all sales of debt or equity interests in the restricted fund with respect to which this form is furnished that are made after December 31, 2011, the entity identified in Part I:

b ☐ Has been bound by a distribution agreement that contained a general prohibition on the sale of debt or securities to U.S. entities and U.S. resident individuals and is currently bound by a distribution agreement that contains a prohibition of the sale of debt or securities to any specified U.S. person, passive NFFE with one or more substantial U.S. owners, or nonparticipating FFI.

c ☐ Is currently bound by a distribution agreement that contains a prohibition on the sale of debt or securities to any specified U.S. person, passive NFFE with one or more substantial U.S. owners, or nonparticipating FFI and, for all sales made prior to the time that such a restriction was included in its distribution agreement, has reviewed all accounts related to such sales in accordance with the procedures identified in §1.1471-4(c) applicable to preexisting accounts and has redeemed or retired any, or caused the restricted fund to transfer the securities to a distributor that is a participating FFI or reporting Model 1 FFI securities which were sold to specified U.S. persons, passive NFFEs with one or more substantial U.S. owners, or nonparticipating FFIs.

Part XII Nonreporting IGA FFI

26 ☐ I certify that the entity identified in Part I:

- Meets the requirements to be considered a nonreporting financial institution pursuant to an applicable IGA between the United States and _____;
- Is treated as a _____ under the provisions of the applicable IGA (see instructions); **and**
- If you are an FFI treated as a registered deemed-compliant FFI under an applicable Model 2 IGA, provide your GIIN:

313

Part XIII Foreign Government, Government of a U.S. Possession, or Foreign Central Bank of Issue

27 ☐ I certify that the entity identified in Part I is the beneficial owner of the payment and is not engaged in commercial financial activities of a type engaged in by an insurance company, custodial institution, or depository institution with respect to the payments, accounts, or obligations for which this form is submitted (except as permitted in §1.1471-6(h)(2)).

Part XIV International Organization

Check box 28a or 28b, whichever applies.

28a ☐ I certify that the entity identified in Part I is an international organization described in section 7701(a)(18).

b ☐ I certify that the entity identified in Part I:

- Is comprised primarily of foreign governments;
- Is recognized as an intergovernmental or supranational organization under a foreign law similar to the International Organizations Immunities Act;
- The benefit of the entity's income does not inure to any private person;
- Is the beneficial owner of the payment and is not engaged in commercial financial activities of a type engaged in by an insurance company, custodial institution, or depository institution with respect to the payments, accounts, or obligations for which this form is submitted (except as permitted in §1.1471-6(h)(2)).

Part XV Exempt Retirement Plans

Check box 29a, b, c, d, e, or f, whichever applies.

29a ☐ I certify that the entity identified in Part I:

- Is established in a country with which the United States has an income tax treaty in force (see Part III if claiming treaty benefits);
- Is operated principally to administer or provide pension or retirement benefits; **and**
- Is entitled to treaty benefits on income that the fund derives from U.S. sources (or would be entitled to benefits if it derived any such income) as a resident of the other country which satisfies any applicable limitation on benefits requirement.

b ☐ I certify that the entity identified in Part I:

- Is organized for the provision of retirement, disability, or death benefits (or any combination thereof) to beneficiaries that are former employees of one or more employers in consideration for services rendered;
- No single beneficiary has a right to more than 5% of the FFI's assets;
- Is subject to government regulation and provides annual information reporting about its beneficiaries to the relevant tax authorities in the country in which the fund is established or operated; **and**
  - Is generally exempt from tax on investment income under the laws of the country in which it is established or operates due to its status as a retirement or pension plan;
  - Receives at least 50% of its total contributions from sponsoring employers (disregarding transfers of assets from other plans described in this part, retirement and pension accounts described in an applicable Model 1 or Model 2 IGA, other retirement funds described in an applicable Model 1 or Model 2 IGA, or accounts described in §1.1471-5(b)(2)(i)(A));
  - Either does not permit or penalizes distributions or withdrawals made before the occurrence of specified events related to retirement, disability, or death (except rollover distributions to accounts described in §1.1471-5(b)(2)(i)(A) (referring to retirement and pension accounts), to retirement and pension accounts described in an applicable Model 1 or Model 2 IGA, or to other retirement funds described in this part or in an applicable Model 1 or Model 2 IGA); **or**
  - Limits contributions by employees to the fund by reference to earned income of the employee or may not exceed $50,000 annually.

c ☐ I certify that the entity identified in Part I:

- Is organized for the provision of retirement, disability, or death benefits (or any combination thereof) to beneficiaries that are former employees of one or more employers in consideration for services rendered;
- Has fewer than 50 participants;
- Is sponsored by one or more employers each of which is not an investment entity or passive NFFE;
- Employee and employer contributions to the fund (disregarding transfers of assets from other plans described in this part, retirement and pension accounts described in an applicable Model 1 or Model 2 IGA, or accounts described in §1.1471-5(b)(2)(i)(A)) are limited by reference to earned income and compensation of the employee, respectively;
- Participants that are not residents of the country in which the fund is established or operated are not entitled to more than 20 percent of the fund's assets; **and**
- Is subject to government regulation and provides annual information reporting about its beneficiaries to the relevant tax authorities in the country in which the fund is established or operates.

d ☐ I certify that the entity identified in Part I is formed pursuant to a pension plan that would meet the requirements of section 401(a), other than the requirement that the plan be funded by a trust created or organized in the United States.

e ☐ I certify that the entity identified in Part I is established exclusively to earn income for the benefit of one or more retirement funds described in this part or in an applicable Model 1 or Model 2 IGA, accounts described in §1.1471-5(b)(2)(i)(A) (referring to retirement and pension accounts), or retirement and pension accounts described in an applicable Model 1 or Model 2 IGA.

314

Part XV Exempt Retirement Plans (Continued)

f ☐ I certify that the entity identified in Part I:

- Is established and sponsored by a foreign government, international organization, central bank of issue, or government of a U.S. possession (each as defined in §1.1471-6) or an exempt beneficial owner described in an applicable Model 1 or Model 2 IGA to provide retirement, disability, or death benefits to beneficiaries or participants that are current or former employees of the sponsor (or persons designated by such employees); **or**

- Is established and sponsored by a foreign government, international organization, central bank of issue, or government of a U.S. possession (each as defined in §1.1471-6) or an exempt beneficial owner described in an applicable Model 1 or Model 2 IGA to provide retirement, disability, or death benefits to beneficiaries or participants that are not current or former employees of such sponsor, but are in consideration of personal services performed for the sponsor.

Part XVI Entity Wholly Owned by Exempt Beneficial Owners

30 ☐ I certify that the entity identified in Part I:

- Is an FFI solely because it is an investment entity;
- Each direct holder of an equity interest in the investment entity is an exempt beneficial owner described in §1.1471-6 or in an applicable Model 1 or Model 2 IGA;
- Each direct holder of a debt interest in the investment entity is either a depository institution (with respect to a loan made to such entity) or an exempt beneficial owner described in §1.1471-6 or an applicable Model 1 or Model 2 IGA.
- Has provided an owner reporting statement that contains the name, address, TIN (if any), chapter 4 status, and a description of the type of documentation provided to the withholding agent for every person that owns a debt interest constituting a financial account or direct equity interest in the entity; **and**
- Has provided documentation establishing that every owner of the entity is an entity described in §1.1471-6(b), (c), (d), (e), (f) and/or (g) without regard to whether such owners are beneficial owners.

Part XVII Territory Financial Institution

31 ☐ I certify that the entity identified in Part I is a financial institution (other than an investment entity) that is incorporated or organized under the laws of a possession of the United States.

Part XVIII Excepted Nonfinancial Group Entity

32 ☐ I certify that the entity identified in Part I:

- Is a holding company, treasury center, or captive finance company and substantially all of the entity's activities are functions described in §1.1471-5(e)(5)(i)(C) through (E);
- Is a member of a nonfinancial group described in §1.1471-5(e)(5)(i)(B);
- Is not a depository or custodial institution (other than for members of the entity's expanded affiliated group); **and**
- Does not function (or hold itself out) as an investment fund, such as a private equity fund, venture capital fund, leveraged buyout fund, or any investment vehicle with an investment strategy to acquire or fund companies and then hold interests in those companies as capital assets for investment purposes.

Part XIX Excepted Nonfinancial Start-Up Company

33 ☐ I certify that the entity identified in Part I:

- Was formed on (or, in the case of a new line of business, the date of board resolution approving the new line of business) _____ (date must be less than 24 months prior to date of payment);
- Is not yet operating a business and has no prior operating history or is investing capital in assets with the intent to operate a new line of business other than that of a financial institution or passive NFFE;
- Is investing capital into assets with the intent to operate a business other than that of a financial institution; **and**
- Does not function (or hold itself out) as an investment fund, such as a private equity fund, venture capital fund, leveraged buyout fund, or any investment vehicle whose purpose is to acquire or fund companies and then hold interests in those companies as capital assets for investment purposes.

Part XX Excepted Nonfinancial Entity in Liquidation or Bankruptcy

34 ☐ I certify that the entity identified in Part I:

- Filed a plan of liquidation, filed a plan of reorganization, or filed for bankruptcy on _____;
- During the past 5 years has not been engaged in business as a financial institution or acted as a passive NFFE;
- Is either liquidating or emerging from a reorganization or bankruptcy with the intent to continue or recommence operations as a nonfinancial entity; **and**
- Has, or will provide, documentary evidence such as a bankruptcy filing or other public documentation that supports its claim if it remains in bankruptcy or liquidation for more than three years.

Part XXI 501(c) Organization

35 ☐ I certify that the entity identified in Part I is a 501(c) organization that:

- Has been issued a determination letter from the IRS that is currently in effect concluding that the payee is a section 501(c) organization that is dated _____; **or**
- Has provided a copy of an opinion from U.S. counsel certifying that the payee is a section 501(c) organization (without regard to whether the payee is a foreign private foundation).

315

Part XXII Non-Profit Organization

36 ☐ I certify that the entity identified in Part I is a non-profit organization that meets the following requirements:

- The entity is established and maintained in its country of residence exclusively for religious, charitable, scientific, artistic, cultural or educational purposes;
- The entity is exempt from income tax in its country of residence;
- The entity has no shareholders or members who have a proprietary or beneficial interest in its income or assets;
- Neither the applicable laws of the entity's country of residence nor the entity's formation documents permit any income or assets of the entity to be distributed to, or applied for the benefit of, a private person or non-charitable entity other than pursuant to the conduct of the entity's charitable activities or as payment of reasonable compensation for services rendered or payment representing the fair market value of property which the entity has purchased; **and**
- The applicable laws of the entity's country of residence or the entity's formation documents require that, upon the entity's liquidation or dissolution, all of its assets be distributed to an entity that is a foreign government, an integral part of a foreign government, a controlled entity of a foreign government, or another organization that is described in this Part XXII or escheats to the government of the entity's country of residence or any political subdivision thereof.

Part XXIII Publicly Traded NFFE or NFFE Affiliate of a Publicly Traded Corporation

Check box 37a or 37b, whichever applies.

37a ☐ I certify that:

- The entity identified in Part I is a foreign corporation that is not a financial institution; **and**
- The stock of such corporation is regularly traded on one or more established securities markets, including _____ (name one securities exchange upon which the stock is regularly traded).

b ☐ I certify that:

- The entity identified in Part I is a foreign corporation that is not a financial institution;
- The entity identified in Part I is a member of the same expanded affiliated group as an entity the stock of which is regularly traded on an established securities market;
- The name of the entity, the stock of which is regularly traded on an established securities market, is _____; **and**
- The name of the securities market on which the stock is regularly traded is _____.

Part XXIV Excepted Territory NFFE

38 ☐ I certify that:

- The entity identified in Part I is an entity that is organized in a possession of the United States;
- The entity identified in Part I:
  - Does not accept deposits in the ordinary course of a banking or similar business,
  - Does not hold, as a substantial portion of its business, financial assets for the account of others, or
  - Is not an insurance company (or the holding company of an insurance company) that issues or is obligated to make payments with respect to a financial account; **and**
- All of the owners of the entity identified in Part I are bona fide residents of the possession in which the NFFE is organized or incorporated.

Part XXV Active NFFE

39 ☐ I certify that:

- The entity identified in Part I is a foreign entity that is not a financial institution;
- Less than 50% of such entity's gross income for the preceding calendar year is passive income; **and**
- Less than 50% of the assets held by such entity are assets that produce or are held for the production of passive income (calculated as a weighted average of the percentage of passive assets measured quarterly) (see instructions for the definition of passive income).

Part XXVI Passive NFFE

40a ☐ I certify that the entity identified in Part I is a foreign entity that is not a financial institution (other than an investment entity organized in a possession of the United States) and is not certifying its status as a publicly traded NFFE (or affiliate), excepted territory NFFE, active NFFE, direct reporting NFFE, or sponsored direct reporting NFFE.

Check box 40b or 40c, whichever applies.

b ☐ I further certify that the entity identified in Part I has no substantial U.S. owners, or

c ☐ I further certify that the entity identified in Part I has provided the name, address, and TIN of each substantial U.S. owner of the NFFE in Part XXX.

Part XXVII Excepted Inter-Affiliate FFI

41 ☐ I certify that the entity identified in Part I:

- Is a member of an expanded affiliated group;
- Does not maintain financial accounts (other than accounts maintained for members of its expanded affiliated group);
- Does not make withholdable payments to any person other than to members of its expanded affiliated group that are not limited FFIs or limited branches;
- Does not hold an account (other than a depository account in the country in which the entity is operating to pay for expenses) with or receive payments from any withholding agent other than a member of its expanded affiliated group; **and**
- Has not agreed to report under §1.1471-4(d)(2)(ii)(C) or otherwise act as an agent for chapter 4 purposes on behalf of any financial institution, including a member of its expanded affiliated group.

316

Part XXVIII Sponsored Direct Reporting NFFE

42 Name of sponsoring entity: _____

43 ☐ I certify that the entity identified in Part I is a direct reporting NFFE that is sponsored by the entity identified in line 42.

Part XXIX 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:

- The entity identified on line 1 of this form is the beneficial owner of all the income to which this form relates, is using this form to certify its status for chapter 4 purposes, or is a merchant submitting this form for purposes of section 6050W,
- The entity identified 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 income tax treaty, or (c) the partner's share of a partnership's effectively connected income, **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 the entity on line 1 is the beneficial owner or any withholding agent that can disburse or make payments of the income of which the entity on line 1 is the beneficial owner.

I agree that I will submit a new form within 30 days if any certification on this form becomes incorrect.

Sign Here ▶

Signature of individual authorized to sign for beneficial owner	Print Name	Date (MM-DD-YYYY)

☐ **I certify that I have the capacity to sign for the entity identified on line 1 of this form.**

Part XXX Substantial U.S. Owners of Passive NFFE

As required by Part XXVI, provide the name, address, and TIN of each substantial U.S. owner of the NFFE. Please see instructions for definition of substantial U.S. owner.

Name	Address	TIN

Instructions for the Requester of Forms W–8BEN, W–8BEN–E, W–8ECI, W–8EXP, and W–8IMY

(Rev. July 2014)

Department of the Treasury
Internal Revenue Service

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to the Forms W-8 and their instructions for requesters, such as legislation enacted after they were published, go to *Form-W-8,-Certificate-of-Foreign-Status*.

What's New

In 2010, Congress passed the Hiring Incentives to Restore Employment Act of 2010, P.L. 111-147 (the HIRE Act), which added chapter 4 of Subtitle A to the Code, consisting of sections 1471 through 1474 of the Code and commonly referred to as "FATCA" or "chapter 4." Under chapter 4 and the regulations thereunder, a withholding agent that makes withholdable payments on or after July 1, 2014, to a payee that is a foreign financial institution (FFI) generally must withhold 30% on the payment unless the withholding agent is able to treat the FFI as a participating FFI, deemed-compliant FFI, or an exempt beneficial owner. Additionally, a participating FFI or registered deemed-compliant FFI is generally required to perform due diligence procedures to identify its account holders for purposes of chapter 4 and to report or withhold, as appropriate, on such account holders that are U.S. account holders, recalcitrant account holders, or nonparticipating FFIs. A withholding agent is also required to withhold on withholdable payments made on or after July 1, 2014, to a nonfinancial foreign entity (NFFE), unless it is able to treat the NFFE as other than a passive NFFE that fails to identify its substantial U.S. owners (or certify that it does not have any substantial U.S. owners). In January 2013, final regulations were published that provide due diligence, withholding, and reporting rules for both U.S. withholding agents and FFIs under chapter 4 (T.D. 9610, available at *www.irs.gov/irb/2013-15_IRB/ar16.html*). Additionally, temporary and proposed regulations were released in February 2014, providing updated regulations under chapter 4 (T.D. 9657, available at *www.irs.gov/irb/2014-13_IRB/ar06.html*) as well as guidance amending certain of the regulations under chapters 3 and 61 of the Code to coordinate with the requirements of chapter 4 (T.D. 9658, available at *www.irs.gov/irb/2014-13_IRB/ar07.html*). Additional guidance was provided in Notice 2014-33, 2014-21 I.R.B. 1033, available at *www.irs.gov/irb/2014-13_IRB/ar04.html*.

In order to document an account holder or other payee, a withholding agent or an FFI may need to obtain a withholding certificate (i.e., Form W-8 series) to establish the chapter 4 status of a payee or an account holder or the payee's chapter 3 status, or to validate a payee's or an account holder's claim of foreign status when there are U.S. indicia associated with the payee or the account. See *Due Diligence Requirements*, later outlined in these instructions. Forms W-8ECI, W-8EXP, and W-8IMY have been updated to reflect the documentation requirements of chapter 4. Additionally, Form W-8BEN has been divided into two versions — Form W-8BEN for use by individuals and Form W-8BEN-E for use by entities. Form W-8BEN will continue to be used to document nonresident alien individuals, while Form W-8BEN-E will be used to document foreign entities, for purposes of chapters 3 and 4, and under certain other sections of the Code in order to establish their status for withholding or reporting purposes. If you are a withholding agent making a payment of U.S. source fixed or determinable, annual or periodical (FDAP) income, you should continue to fulfill your chapter 3 reporting and withholding obligations (as required) using these forms in addition to using these forms to satisfy any withholding or reporting obligations you may have under chapter 4. These updated forms replace prior versions of Forms W-8.

Purpose of Instructions

These instructions supplement the instructions for the following forms and provide, for each form, notes to assist withholding agents and FFIs in validating the forms for chapter 3 and 4 purposes in addition to outlining the due diligence requirements applicable to withholding agents for establishing a beneficial owner's foreign status and claim for reduced withholding under an income tax treaty. These notes for chapters 3 and 4 are not inclusive of all requirements that may apply to a withholding agent for validating Forms W-8. A withholding agent should also reference the instructions for each Form W-8 and applicable regulations under chapter 3 and chapter 4 describing the requirements for withholding certificates.

- Form W-8BEN, Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals).
- Form W-BEN-E, Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities).

- Form W-8ECI, Certificate of Foreign Person's Claim That Income Is Effectively Connected With the Conduct of a Trade or Business in the United States.
- Form W-8EXP, Certificate of Foreign Government or Other Foreign Organization for United States Tax Withholding and Reporting.
- Form W-8IMY, Certificate of Foreign Intermediary, Foreign Flow-Through Entity, or Certain U.S. Branches for United States Tax Withholding and Reporting.

For general information and the purpose of each of the forms described in these instructions, see those forms and their accompanying instructions. For definitions of terms used and not defined in these instructions, see the Forms W-8 and their accompanying instructions for definitions that also apply for purposes of these instructions.

TIP *Throughout these instructions, a reference to or mention of "Form W-8" includes Forms W-8BEN, W-8BEN-E, W-8ECI, W-8EXP, and W-8IMY.*

Requirements to Withhold

For purposes of sections 1441 and 1442, a withholding agent must withhold 30% of any payment of an amount subject to chapter 3 withholding made to a payee that is a foreign person unless it can associate the payment with documentation (for example, Form W-8 or Form W-9, Request for Taxpayer Identification Number and Certification) upon which it is permitted to rely to treat the payment as made to (a) a payee that is a U.S. person or (b) a beneficial owner that is a foreign person entitled to a reduced rate of or exemption from withholding. See, however, Regulations section 1.1441-1(c)(17), allowing a payment to be associated with documentary evidence rather than a Form W-8 for a payment made outside the United States with respect to an offshore obligation under Regulations section 1.6049-5(c)(1). A withholding agent must also withhold under section 1443 on certain payments to foreign tax-exempt organizations that constitute unrelated business taxable income or are subject to the 4% excise tax imposed by section 4948. However, a withholding agent making a payment to a foreign person need not withhold if the foreign person assumes responsibility for withholding on the payment as a qualified intermediary, a withholding foreign partnership, or a withholding foreign trust and has provided a valid Form W-8IMY certifying to such status. Withholding is also not required if the payment is made to a U.S. branch of a foreign insurance company or foreign bank or a territory financial institution that agrees to be treated as a U.S. person under the requirements of Regulations section 1.1441-1(b)(2)(iv)(A) and provides a valid Form W-8IMY certifying to such status.

Generally, an amount is subject to withholding for purposes of chapter 3 if it is an amount from sources within the United States that is FDAP income. FDAP income is all income included in gross income, including interest (and original issue discount), dividends, rents, royalties, and compensation. FDAP income does not include most gains from the sale of property (including market discount and option premiums). FDAP income also does not include items of income excluded from gross income without regard to the U.S. or foreign status of the owner of the income, such as interest under section 103(a).

Generally, under section 1446, a partnership that allocates effectively connected taxable income (ECTI) to a foreign person must withhold at the highest tax rate applicable to that person for the type of income allocated (for example, ordinary income or capital gains). Unless the partnership is a publicly traded partnership, the partnership must withhold in the year the ECTI is allocable to the foreign partner, rather than the year in which the distribution is made. The partnership may rely on documentation (for example, Form W-8BEN, Form W-8BEN-E, or Form W-9) to determine if the partner is foreign or domestic and the type of partner (for example, individual or corporate). A partnership that does not receive valid documentation or knows or has reason to know that the documentation is incorrect or unreliable must presume the partner is foreign.

For purposes of chapter 4, a withholding agent must withhold 30% of any payment of U.S. source FDAP income that is a withholdable payment (defined in Regulations section 1.1473-1(a)) made to a nonparticipating FFI under Regulations section 1.1471-2(a), an NFFE that is not an excepted NFFE (defined in Regulations section 1.1472-1(c)(1)) and does not disclose its substantial U.S. owners (or certify that it has no substantial U.S. owners) under Regulations section 1.1472-1(b), or an exempt beneficial owner under Regulations section 1.1471-6. In addition, a withholding agent that is a participating FFI must withhold to the extent required under Regulations section 1.1471-4(b) and its FFI agreement, which, in addition to the requirements mentioned in the previous sentence, requires withholding on withholdable payments made to recalcitrant account holders of the FFI. A similar requirement applies in certain cases to certain classes of registered deemed-compliant FFIs. See Regulations section 1.1471-5(f)(1). A participating FFI (or registered deemed-compliant FFI) may use a Form W-8 to document and establish the foreign status of an account holder. See Regulations section 1.1471-5(g) for when a participating FFI or registered deemed-compliant FFI must treat an account holder as a recalcitrant account holder. An FFI that is considered a reporting FFI under a Model 1 or Model 2 intergovernmental agreement (IGA) may apply the requirements of the applicable IGA to document its account holders for purposes of FATCA.

Who Is a Withholding Agent?

Any person, U.S. or foreign, in whatever capacity acting, that has control, receipt, custody, disposal, or payment of an amount subject to withholding for chapter 3 purposes or a withholdable payment for chapter 4 purposes is a withholding agent. The withholding agent may be an individual, corporation, partnership, trust, association, or any other entity, including (but not limited to) any foreign intermediary, foreign partnership, or U.S. branch of certain foreign banks and insurance companies. If several persons qualify as withholding agents for a single payment, the tax required to be withheld must only be withheld once. Generally, the person who pays (or causes to be paid) an amount subject to withholding under

chapter 3 or a withholdable payment to the foreign person (or to its agent) must withhold. See the Instructions for Form 1042, Annual Withholding Tax Return for U.S. Source Income of Foreign Persons, and Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding, for return filing and information reporting obligations with respect to payments made to foreign persons.

For ECTI allocable to a foreign partner, the partnership is generally the withholding agent and must file Form 8804, Annual Return for Partnership Withholding Tax (Section 1446), Form 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax, and Form 8813, Partnership Withholding Tax Payment Voucher (Section 1446).

Responsibilities of a Withholding Agent

Chapter 3 and Form 1099 Responsibilities

If you are a withholding agent making a payment of U.S. source interest, dividends, rents, royalties, commissions, nonemployee compensation, other FDAP gains, profits, or income, and certain other amounts (including broker and barter exchange transactions, and certain payments made by fishing boat operators), you are generally required to obtain from the payee either a Form W-9 or a Form W-8. These forms are also used to establish a person's status for purposes of domestic information reporting (for example, on a Form 1099) and backup withholding, including to determine, for purposes of section 6050W, whether a participating payee is a foreign person. If you receive a Form W-9, you must generally make an information return on a Form 1099 (unless the payee has provided a valid code on the form to indicate it is an exempt recipient). If you receive a Form W-8, you are exempt from reporting on Form 1099, but you may have to file Form 1042-S and withhold under the rules applicable to payments made to foreign persons. See the Instructions for Form 1042-S for more information. See, however, Regulations section 1.1441-1(c)(17), allowing a payment to be associated with documentation other than a Form W-8 for a payment made outside the United States with respect to an offshore obligation under Regulations section 1.6049-5(c)(1).

Generally, for purposes of chapter 3, you must withhold 30% from the gross amount of FDAP income paid to a foreign person that is an amount subject to chapter 3 withholding under Regulations section 1.1441-2(a) unless you can reliably associate the payment with a Form W-8 or other permitted documentation. You can reliably associate a payment with a Form W-8 if you hold a valid form, you can reliably determine how much of the payment relates to the form, and you have no actual knowledge or reason to know that any of the information or certifications on the form are unreliable or incorrect. In addition, a partnership that has ECTI allocable to a foreign partner is a withholding agent with respect to that income and must withhold in accordance with the provisions of Regulations sections 1.1446-1 through 1.1446-6. See the Instructions for Forms 8804, 8805, and 8813.

Generally, a foreign person that is a partner in a partnership that submits a Form W-8 for purposes of section 1441 or 1442 will satisfy the documentation requirements under section 1446. However, in some cases the documentation requirements for sections 1441 and 1442 do not match the documentation requirements of section 1446. For example, a partner may generally submit Form W-8BEN-E to establish itself as a foreign person for purposes of section 1446, but a foreign partnership or foreign grantor trust must submit Form W-8IMY and accompanying documentation as provided by Regulations sections 1.1446-1 through 1.1446-6. Also, the owner of a disregarded entity, rather than the entity itself, must submit the appropriate Form W-8 for purposes of section 1446.

Failure to Obtain Form W-8 or Form W-9 — Presumption Rules

If you do not receive a Form W-8 or Form W-9 that you may rely upon, or cannot otherwise determine whether a payment should be treated as made to a U.S. person or to a foreign person, use the presumption rules provided in the Regulations under sections 1441, 1446, 1471, 6045, and 6049. However, you may not withhold at a reduced rate by applying the presumption rules if you have actual knowledge that a higher withholding rate is applicable.

Chapter 4 Responsibilities

For purposes of chapter 4, if you are a withholding agent making a withholdable payment to an entity payee, you must establish the chapter 4 status of the entity payee (as required for chapter 4 purposes) to determine if withholding applies by generally obtaining a Form W-8 that you can reliably associate with the payment. If you are not making a withholdable payment, a valid chapter 4 status is generally not required on the form for the payee, but see the additional requirements for providing a chapter 4 status by an entity providing a Form W-8IMY. You can reliably associate a payment with a Form W-8 for purposes of establishing a payee's chapter 4 status if, prior to the payment, you obtain a valid form that contains the information required for chapter 4 purposes, you can reliably determine how much of the payment relates to the documentation, and you have no actual knowledge or reason to know that any of the information, certifications, or statements in, or associated with, the documentation are unreliable or incorrect for chapter 4 purposes. See Regulations section 1.1471-3(e)(4) for "reason to know" standards for purposes of chapter 4.

Thus, a withholding agent must also determine if a payment is a withholdable payment without regard to exceptions from withholding applicable under chapter 3 and, for each such withholdable payment, must obtain a Form W-8 upon which it is permitted to rely under chapter 4 to determine the chapter 4 status of a payee that is a foreign person for purposes of whether withholding applies under chapter 4. See, however, Regulations section 1.1471-3(d) for cases in which a withholding agent may obtain other documentation to determine an entity payee's chapter 4 status. For a participating FFI or registered deemed-compliant FFI, see the requirements under Regulations section 1.1471-4 or the requirements of an applicable IGA for the

documentation permitted to be used to document an account holder for purposes of FATCA.

If you determine that you are making a withholdable payment to an entity and cannot reliably associate the payment with a Form W-8 or other permitted documentation that is valid for chapter 4 purposes, you are required to treat the entity payee as a nonparticipating FFI such that withholding applies under Regulations section 1.1471-2(a). If you are making a withholdable payment to an NFFE, you must withhold under Regulations section 1.1472-1 unless the NFFE (or other entity that is the beneficial owner of the payment) certifies on Form W-8 that it does not have any substantial U.S. owners or identifies its substantial U.S. owners or is a class of NFFE that certifies its status on Form W-8 to obtain an exemption from these requirements. See also Regulations sections 1.1471-2(a)(4)(ii) and 1.1472-1(b)(2) for transition rules for withholdable payments made to entities prior to July 1, 2016, for which withholding (and establishing a payee's chapter 4 status) is not generally required before that date. If you are a withholding agent that is a participating FFI, you are required to withhold on withholdable payments made to accounts held by recalcitrant account holders as well as to nonparticipating FFIs (including entities treated as nonparticipating FFIs under the chapter 4 presumption rules) under Regulations section 1.1471-4(b). See Regulations section 1.1471-4(c) for the standards of knowledge applicable to participating FFIs when documenting their account holders. A participating FFI acting as a withholding agent with respect to a withholdable payment made to an NFFE that is not an account holder of the participating FFI must also withhold to the extent required under Regulations section 1.1472-1 and, as applicable, based on the chapter 4 presumption rules. If you make a withholdable payment to a payee (including a payee that is not an account holder), you may be required to report the payment on Form 1042-S or on Form 8966, FATCA Report, or both, to the extent required in the instructions for those forms. See the Instructions for Form 1042-S and Form 8966 for more information.

You may use the Form W-8 received from a payee or an account holder documenting the payee or account holder in connection with your withholding and reporting obligations under chapter 4 (in addition to those under chapter 3).

Do not send Forms W-8 to the IRS. Instead, keep the forms in your records for as long as they may be relevant to the determination of your tax liability under section 1461 (for payments subject to withholding under chapter 3), section 1474 (for withholdable payments under chapter 4), or Regulations section 1.1471-4(c)(2)(iv) (for an FFI documenting account holders).

Requesting Form W-8

Request a Form W-8 described in these instructions from any person to whom you are making a payment that you presume or otherwise believe to be a foreign person. You should request the form before making a payment so that you have the form when you make the payment. A withholding agent or payer that fails to obtain a Form W-8 or Form W-9 and fails to withhold as required under the presumption rules may be assessed tax at the 30% rate or backup withholding rate of 28%, as well as interest and penalties for lack of compliance. See later in the discussion of Form W-8IMY as to the extent that form is required to be collected by a withholding agent making a payment to a qualified securities lender.

A partnership should request a Form W-8 or W-9 from any partner that is allocated income that is effectively connected with the conduct of the partnership's U.S. trade or business. A partnership that fails to withhold as required under section 1446 is liable for the tax required to be withheld. In addition, the partnership may be liable for interest, penalties, and additions to the tax even if there is no underlying tax liability due from a foreign partner on its allocable share of partnership ECTI.

When you receive a completed Form W-8, you must review it for completeness and accuracy with respect to the claims made on the form. This responsibility extends to the information attached to Form W-8, including for Form W-8IMY, withholding statements, beneficial owner withholding certificates, or other documentation and information to the extent such documentation is required to be associated with the Form W-8IMY. See below for specific requirements for each type of Form W-8. You may accept a valid Form W-8 for chapter 3 or 61 (for Form 1099 reporting) purposes that does not contain a valid chapter 4 status for an entity payee with respect to payments that you determine are not withholdable payments. Otherwise, you must request a chapter 4 status be provided in accordance with these instructions. See *Notes for Validating Form W-8IMY*, later in these instructions, for when a chapter 4 status is required on Form W-8IMY.

If you are a withholding agent making a withholdable payment or a payment subject to chapter 3 withholding and you make the payment to an intermediary, you must obtain documentation (for example, Form W-8IMY) from such intermediary (including the intermediary's chapter 4 status if the payment is also a withholdable payment), as well as any required documentation from the beneficial owner or owners of the payment.

Requesting Prior Form W-8 Versions

For purposes of chapter 3, a withholding agent can request the prior version of Form W-8 if the form is executed before the end of the six month period beginning with the month after the revision date shown on the form, and may rely on the form until the form's period of validity expires. See Regulations sections 1.1441-1(e)(4)(ii) and (viii)(C). For purposes of chapter 4, a withholding agent may request the prior version of Form W-8 but may rely on the prior version of the form only to the extent permitted under the allowance for reliance on a pre-FATCA Form W-8. See Regulations section 1.1471-3(d)(1) regarding reliance on a pre-FATCA Form W-8 for chapter 4 purposes and the period of validity for a form used for this purpose. Notwithstanding the above, for purposes of both chapters 3 and 4, a withholding agent making a payment to, or documenting, an entity payee or account holder can request the prior version of a Form W-8BEN-E, W-8IMY, W-8EXP, or W-8ECI prior to January 1, 2015, and with respect to chapter 3 may rely on the form to the extent

otherwise permitted until the form's period of validity expires (subject to a change in circumstances), but with respect to chapter 4 may rely on the form only to the extent permitted under the allowance for reliance on a pre-FATCA Form W-8. A withholding agent may rely on a prior version of a Form W-8 described in the preceding sentence only if it is provided to the withholding agent prior to January 1, 2015. Also see Notice 2014-33, 2014-21 I.R.B. 1033, available at www.irs.gov/irb/2014-13_IRB/ar07.html for when a withholding agent may treat an obligation open before January 1, 2015, as a preexisting obligation for purposes of applying the due diligence procedures under chapter 4.

FFI's Requirement To Request Form W-8 To Document Account Holders

If you are an FFI maintaining an account for an account holder, you may be required to perform due diligence procedures to identify and document a U.S. account holder or entity account holder even if you are not making a payment that is a withholdable payment (or an amount subject to chapter 3 withholding) to the account holder. You may also use Forms W-8 to document the chapter 4 status of a foreign account holder regardless of whether you make a payment that is a withholdable payment or an amount subject to chapter 3 withholding to the account holder, and to validate a claim of foreign status made by the account holder when the account has certain U.S. indicia. For example, an FFI may treat an individual account holder that has U.S. indicia (as described in Regulations section 1.1471-4(c)(5)(iv)(B)) as a foreign person for purposes of its U.S. account reporting requirements when the individual provides a withholding certificate (Form W-8BEN) and certain documentary evidence establishing foreign status. Similar documentation rules apply to a registered deemed-compliant FFI for chapter 4 purposes. See Regulations section 1.1471-5(f)(1).

In the case of an FFI documenting an account holder of an account that the FFI determines is excepted as a financial account under Regulations section 1.1471-5(b)(2), a Form W-8 (or other permitted documentation for chapter 4 purposes) need not be provided unless the form is associated with amounts subject to withholding under chapter 3. In such a case, a valid chapter 4 status need not be provided on the form (only the information needed for chapter 3 purposes with respect to the account holder).

Requirements for Payment Settlement Entities (PSEs)

Under section 6050W, a PSE is required to report certain payments on Form 1099-K made to a participating payee if the PSE does not establish the foreign status of the payee. A Form W-8BEN, W-8BEN-E, or W-8ECI (as applicable) may be used for this purpose. See the requirements of section 6050W for when other documentation may be used for this purpose.

Special Rules for Requesting Specific Types of Forms W–8

Form W–8BEN

Request Form W-8BEN from any foreign individual to whom you are making a payment subject to chapter 3 withholding or a withholdable payment if he or she is the beneficial owner of the income, whether or not he or she is claiming a reduced rate of, or exemption from, withholding (including under an applicable income tax treaty). In addition, if you are a partnership, request Form W-8BEN for purposes of section 1446 from any foreign partner that is an individual who is allocated ECTI. A beneficial owner is required to enter a U.S. taxpayer identification number (TIN) on line 5 if he or she is submitting the form to a partnership that conducts a trade or business in the United States.

Also request Form W-8BEN when an individual payee may claim an exception from domestic information reporting on Form 1099 (including section 6050W) and backup withholding under section 3406 as a foreign person for certain types of income, including broker proceeds, short-term original issue discount, bank deposit interest, foreign source interest, dividends, rents, or royalties.

Finally, request Form W-8BEN if you are a participating FFI or registered deemed-compliant FFI required to establish the foreign status of an individual account holder for chapter 4 purposes or under the requirements of an applicable IGA, absent obtaining other applicable documentation that may be used for this purpose under chapter 4 or the IGA.

TIN requirements for Forms W-8BEN. You should request the individual payee's foreign TIN to be completed on line 6 of the Form W-8BEN if the payee is providing the Form W-8BEN with respect to an obligation held at your U.S. office and you are a financial institution. If a foreign TIN is not provided for the payee in this case, you may not treat the Form W-8BEN as valid if you know that the payee has a foreign TIN that it has not provided, unless you have a record of the TIN in your account files that you are able to report on Form 1042-S. In any other case in which the foreign TIN is not provided, you must obtain the individual payee's date of birth on line 8 in order to treat the Form W-8BEN as valid unless you otherwise have the individual payee's date of birth in your account files for the payee that you are able to report on a Form 1042-S. Note that a future revision to Form W-8BEN may require you to obtain both a foreign TIN and date of birth for a payee described in this paragraph.

Form W–8BEN–E

Request Form W-8BEN-E from any foreign entity to which you are making a payment of an amount subject to chapter 3 withholding or a withholdable payment if the entity is the beneficial owner of the income, whether or not it is claiming a reduced rate of, or exemption from, withholding (including under an applicable income tax treaty). A foreign reverse hybrid entity claiming treaty benefits on its own behalf should submit to you a Form W-8BEN-E with respect to the income for which treaty

benefits are being claimed even though it is not the beneficial owner of the income under U.S. tax principles. See *Special Requirements for Hybrid and Reverse Hybrid Entities*, later in these instructions, for further requirements for chapter 4 purposes. In addition, if you are a partnership, request Form W-8BEN-E for purposes of section 1446 from any foreign partner that is an entity that is allocated ECTI (other than a foreign partner that is a partnership, grantor trust, or person or organization that qualifies to file Form W-8EXP). A beneficial owner is required to enter a U.S. TIN for section 1446 purposes on line 8 if it is submitting the form to a partnership that conducts a trade or business in the United States. Also request Form W-8BEN-E when an entity payee may claim an exception from domestic information reporting as a foreign person (including for section 6050W purposes) or to establish that certain income from notional principal contracts is not effectively connected with the conduct of a U.S. trade or business for purposes of the reporting requirements on Form 1042-S for such payments. See Regulations section 1.1441-4.

For a Form W-8BEN-E that is associated with a withholdable payment to a foreign entity, you must obtain a valid chapter 4 status for the entity to the extent required for chapter 4 purposes to determine if withholding applies under chapter 4, and must obtain an applicable certification in Parts IV through XXVIII unless provided otherwise in the instructions for Form W-8BEN-E (see *Alternative Certifications Under an Applicable IGA*, below). Also, see Regulations section 1.1471-1(b)(19) (defines chapter 4 status). A valid chapter 4 status is not required to be provided when the form is associated with a payment subject to chapter 3 withholding that is not a withholdable payment, when the payment is made with respect to a preexisting obligation before January 1, 2016, to the extent provided in Regulations section 1.1471-2(a)(4)(ii) or 1.1472-1(b)(2), or the payment is made to an account that is excepted as a financial account under Regulations section 1.1471-5(b)(2).

If you are a participating FFI or registered deemed-compliant FFI, request Form W-8BEN-E (or other permitted documentation) to document the chapter 4 status of an entity account holder, regardless of whether you make a withholdable payment or an amount subject to chapter 3 withholding to such entity when you are required to do so under your chapter 4 due diligence requirements or under the requirements of an applicable IGA.

Alternative Certifications Under an Applicable IGA

If you are an FFI covered under a Model 1 IGA or Model 2 IGA using Form W-8BEN-E to document account holders pursuant to the due diligence requirements of Annex I of an applicable IGA, you may be permitted to request alternative certifications from your account holders in accordance with the requirements of and definitions applicable to the IGA to which you are subject instead of the certifications in Parts IV through XXVIII of the Form W-8BEN-E (which are based on the regulations under chapter 4). You should provide those certifications to account holders that provide you with a Form W-8BEN-E, and the account holder should attach the completed certification to the Form W-8BEN-E in lieu of completing a certification otherwise required in Parts IV through XXVIII of the form. In such a case, you must provide a written statement to the account holder stating that you have provided the alternative certification to meet your due diligence requirements under an applicable IGA and must associate the certification with the Form W-8BEN-E.

If you are a withholding agent (including an FFI), you may also request and rely upon an alternative certification from an entity account holder to establish that the account holder is an NFFE (rather than a financial institution) under an applicable IGA. An entity providing such a certification will still be required, however, to provide its chapter 4 status (i.e., the type of NFFE) in Part I, line 5, as determined under the regulations or IGA, whichever is applicable to the withholding agent. For example, if you are a U.S. withholding agent that receives a Form W-8BEN-E from an entity account holder certifying to its status as a publicly traded NFFE, you may request a written certification that the entity is not a financial institution as defined under the IGA applicable to the entity and document it under the regulations by obtaining the NFFE's certification of its chapter 4 status in Part I, line 5. However, a nonprofit organization treated as an active NFFE under Annex I of an applicable IGA may provide an alternative certification that it is an NFFE that qualifies as a nonprofit organization under an applicable IGA. In such a case, the nonprofit organization will not be required to check a box in Part I, line 5, and the withholding agent may treat the entity as an excepted NFFE.

If you receive an alternative certification under an applicable IGA described in the preceding paragraphs, you may rely on such certification unless you know or have reason to know the certification is incorrect.

Requirements for Obtaining and Verifying a Global Intermediary Identification Number (GIIN)

If you receive a Form W-8BEN-E from an entity payee that is identified in Part I, line 1, that is claiming chapter 4 status as a participating FFI (including a reporting Model 2 FFI) or registered deemed-compliant FFI (including a reporting Model 1 FFI), or a nonreporting IGA FFI under a Model 2 IGA, provided that the nonreporting IGA FFI is treated as a registered deemed-compliant FFI under the Model 2 IGA, you must obtain and verify the entity's GIIN against the published IRS FFI list. See Regulations sections 1.1471-3(d)(4)(i) and 1.1471-3(e)(3).

If you make a withholdable payment to a direct reporting NFFE, you must obtain and verify the direct reporting NFFE's GIIN against the published IRS FFI list.

For payments made prior to January 1, 2016, a registered deemed-compliant FFI that is a sponsored FFI, or a direct reporting NFFE that is a sponsored direct reporting NFFE, must provide the GIIN of its sponsoring entity to you if it has not obtained its own GIIN. See Regulations section 1.1471-3(e)(3)(iv) for the requirements to verify the GIIN against the published IRS FFI list for withholdable payments made to direct reporting NFFEs and sponsored direct reporting NFFEs.

If you make a withholdable payment to a branch of an FFI identified in a box shown on Part II of the form that provides you a GIIN, you must verify against the FFI list the GIIN (if applicable) provided in Part II, line 13, rather than the GIIN for the entity provided in Part I, line 9a.

You may only accept a Form W-8BEN-E with Part II completed if the entity shown in Part II is an FFI that is a branch of the entity identified in line 1 and the branch is receiving a withholdable payment or if the entity shown in Part II is a disregarded entity that is identified in Part I, line 3, as receiving the payment. If you receive such a Form W-8BEN-E from a branch or disregarded entity described in the preceding sentence that is receiving such a payment associated with the form, you must verify the GIIN of the branch or disregarded entity against the published IRS FFI list and not that of the entity identified in Part I, line 1.

For a withholdable payment made to a certified deemed-compliant FFI that is a sponsored, closely held investment vehicle, you must obtain a GIIN for the sponsoring entity and verify it against the published IRS FFI list.

If you receive a Form W-8BEN-E from an entity payee that is claiming chapter 4 status as a participating FFI, reporting Model 1 FFI, reporting Model 2 FFI, registered deemed-compliant FFI, direct reporting NFFE, sponsored direct reporting NFFE, or sponsoring entity of an NFFE that contains "Applied for" in the box for the GIIN, the payee must provide its GIIN within 90 days of providing the form. A Form W-8BEN-E from such a payee that does not include a GIIN, or includes a GIIN that does not appear on the published IRS FFI list, will be invalid for purposes of chapter 4 beginning on the date that is 90 days after the date the form is provided. See Regulations section 1.1471-3(e)(3)(iii) and (iv).

Prior to January 1, 2015, if you receive a Form W-8BEN-E from an entity payee that is claiming chapter 4 status as a reporting Model 1 FFI, you are not required to obtain the entity payee's GIIN. A form from such an entity without the GIIN is valid for payments made prior to January 1, 2015.

You may accept a GIIN that is indicated and clearly identified on the form rather than provided as required in box 9a or another box permitted in the Instructions for Form W-8BEN-E if the GIIN is clearly identified as being furnished with respect to the box.

If you receive a Form W-8 from a payee or an account holder that contains a TIN or GIIN, you may not rely on the TIN or GIIN if the number provided is incomplete or truncated.

Further Notes for Validating Form W-8BEN-E

Part I, Line 4 (Chapter 3 Status). If you receive a Form W-8BEN-E from an entity that indicates in Part I, line 4, that the entity is a disregarded entity, partnership, simple trust, or grantor trust, and the entity has checked "No" in Part I, line 4, of the Form W-8BEN-E, then you should not accept the Form W-8BEN-E if the form is used with respect to payments that are subject to chapter 3 withholding. In such a case, you should request the entity complete a Form W-8IMY, if the entity is a partnership, simple trust, or grantor trust, or have the owner of a disregarded entity complete the appropriate Form W-8 based on the owner's characteristics if the entity is a disregarded entity. An FFI documenting an account holder under its chapter 4 requirements or under an applicable IGA may, however, accept the Form W-8BEN-E when the entity account holder does not receive payments subject to chapter 3 withholding or withholdable payments associated with the form.

Part I, Line 5 (Chapter 4 Status). If you receive a Form W-8BEN-E from an entity that is a certified deemed-compliant FFI under Regulations section 1.1471-5(f)(2), a deemed-compliant FFI under an applicable IGA, or an exempt beneficial owner, the entity should not check the box in Part I, line 5, of Form W-8BEN-E for Nonparticipating FFI (including a limited FFI or an FFI related to a Reporting IGA FFI other than a registered deemed-compliant FFI or participating FFI). Instead, it should check the appropriate box for its status as a certified deemed-compliant FFI, nonreporting IGA FFI, or exempt beneficial owner. See the Instructions for Part I, line 5, of Form W-8BEN-E.

Part I, Line 9 (Foreign TIN). You should request the entity payee's foreign TIN to be completed on line 9b of the Form W-8BEN-E if you are a financial institution maintaining the payee's obligation at your U.S. office. If the foreign TIN is not provided, you may not treat the Form W-8BEN-E as valid if you know that the entity payee has a foreign TIN that it has not provided, unless you have record of the TIN in your account files that you are able to report on Form 1042-S.

Part X, Line 24 (Owner-Documented FFI). You may accept a Form W-8BEN-E from an entity claiming status as an owner-documented FFI that you agree to treat as an owner-documented FFI that does not check box 24d in Part X regardless of whether you know that the entity is a trust that has one or more contingent beneficiaries. You may accept this certificate (and may otherwise treat an entity as an owner-documented FFI) only if you are a designated withholding agent under the chapter 4 regulations.

Form W–8ECI

Request Form W-8ECI from any foreign person or organization to which you are making a payment if it is the beneficial owner of the income and it claims that the income is effectively connected with the conduct of a trade or business in the United States. However, request a Form W-8BEN or W-8BEN-E (as applicable) from a foreign partner that is allocated income that is effectively connected with the conduct of the partnership's trade or business in the United States, unless the foreign partner has made an election under section 871(d) or section 882(d).

Notes for Form W-8ECI

If you are an FFI maintaining accounts for account holders and you receive a Form W-8ECI from an account holder,

you may also need to obtain other documentation for determining the account holder's chapter 4 status to meet your documentation requirements as a participating FFI or registered deemed-compliant FFI.

If you receive a Form W-8ECI without a U.S. TIN entered on line 7, you may not treat the income as effectively connected with a U.S. trade or business and you must apply the appropriate presumption rules.

Your receipt of Form W-8ECI serves as a representation by the payee or beneficial owner that the items of income identified on line 11 are effectively connected with the conduct of a trade or business within the United States. Therefore, if a beneficial owner provides you with a Form W-8ECI, you may treat all of the U.S. source income identified on line 11 paid to that beneficial owner as effectively connected with the conduct of a trade or business within the United States and not as a withholdable payment for purposes of chapter 4 (see Regulations section 1.1473-1(a)(4)(ii)). Therefore, a chapter 4 status is not required for a payee who provides a valid Form W-8ECI, except in the circumstances described above (for an FFI documenting an account holder under its chapter 4 requirements or the requirements of an applicable IGA).

If you pay items of income that are not identified on line 11 by the beneficial owner as effectively connected with the conduct of a trade or business within the United States, you are generally required to obtain from the beneficial owner another type of Form W-8.

You may not treat an amount as income effectively connected with the conduct of a trade or business within the United States unless the beneficial owner gives you a valid Form W-8ECI. However, there are exceptions for income paid on notional principal contracts and payments made to certain U.S. branches.

Notional principal contracts reportable on Form 1042-S. Withholding at a 30% rate is not required on amounts paid under the terms of a notional principal contract whether or not a Form W-8ECI is provided (except when a payment made under such contract is U.S. source income, such as a dividend equivalent amount under section 871(m)). However, if the income is effectively connected with the conduct of a U.S. trade or business, it is reportable by the withholding agent on Form 1042-S (regardless of whether the payment is U.S. source income). A withholding agent must treat income as effectively connected with the conduct of a U.S. trade or business, even if a Form W-8ECI has not been received, if the income is paid to a qualified business unit of a foreign person located in the United States or if the income is paid to a qualified business unit of a foreign person located outside the United States and the withholding agent knows, or has reason to know, the payment is effectively connected with the conduct of a U.S. trade or business. However, a payment is not treated as effectively connected with the conduct of a U.S. trade or business if the payee provides a Form W-8BEN-E representing that the income is not effectively connected with a U.S. trade or business or makes a representation in a master agreement that governs the transactions in notional principal contracts between the parties (for example, an International Swaps and Derivatives Association agreement), or in the confirmation on the particular notional principal contract transaction, that the payment is not effectively connected with the conduct of a U.S. trade or business. See Regulations section 1.1441-4(a)(3)(ii) and the instructions for Form W-8BEN-E described earlier.

Payments to certain U.S. branches treated as effectively connected income. Payments to U.S. branches of certain foreign persons that have not agreed to be treated as U.S. persons under Regulations section 1.1441-1(b)(2)(iv)(A) and that have provided a U.S. TIN are presumed to be effectively connected with the conduct of a trade or business within the United States even if the foreign person (or its U.S. branch) does not give you a Form W-8ECI or withholding certificates with respect to other persons receiving the payment for which a Form W-8IMY is provided by the U.S. branch.

If Form W-8IMY or the branch's EIN is not provided, the income paid cannot be treated as effectively connected income, and the withholding agent must withhold when the payment is collected by the branch on behalf of other persons.

Form W–8EXP

Request Form W-8EXP from any foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession to which you are making a payment subject to chapter 3 withholding if such person is claiming an exemption from withholding under sections 1441, 1442, and 1443 pursuant to section 115(2), 501(c), 892, or 895, or claiming a reduced rate of withholding under section 1443(b).

A withholding agent making a withholdable payment will also be required to determine the chapter 4 status of the person submitting Form W-8EXP to determine an exemption from withholding under chapter 4. In some instances, for example, a payee that is claiming an exemption from withholding under sections 1441, 1442, and 1443 will also be an exempt beneficial owner that is not subject to withholding for purposes of chapter 4. See Regulations section 1.1471-6. You should also request Form W-8EXP when the government, organization, or other entity referred to in the first sentence of this paragraph is claiming an exemption from withholding under chapter 4 as an exempt beneficial owner under Regulations section 1.1471-6, as a tax-exempt organization under section 501(c), or as an entity with another chapter 4 status to which withholding under chapter 4 does not apply (among the chapter 4 statuses shown on Form W-8EXP). See line 4 of Form W-8EXP for the chapter 4 statuses that may be claimed on this form.

If you are an FFI documenting an account holder that is a tax-exempt organization or exempt beneficial owner under Regulations section 1.1471-6 to which you do not pay amounts subject to withholding under chapter 3, you may instead require that the account holder complete Form W-8BEN-E to establish its status for chapter 4 purposes. For purposes other than documenting a payee

or account holder claiming a reduced rate of withholding pursuant to section 115(2), 501(c), 892, 895, or 1443, you may request Form W-8BEN-E (such as to establish only the entity's foreign status) or W-8ECI (to establish that the income is effectively connected with a U.S. trade or business).

A Form W-8EXP submitted by a foreign person for purposes of withholding under sections 1441 through 1443 will also establish that partner's foreign status for purposes of section 1446. However, except as provided in Regulations section 1.1446-3(c)(3) (regarding certain tax-exempt organizations described in section 501(c)), the submission of Form W-8EXP will have no effect on whether the partner is subject to withholding under section 1446.

A withholding agent may treat a payee as an international organization without requiring a Form W-8EXP if the name of the payee is one designated as an international organization by Executive Order (pursuant to 22 U.S.C. 288 through 288(f)) and other facts surrounding the payment reasonably indicate that the beneficial owner of the payment is an international organization. With regard to amounts derived from bankers' acceptances for chapter 3 purposes, a withholding agent may treat a payee as a foreign central bank of issue without requiring a Form W-8EXP if the name of the payee and other facts surrounding the payment reasonably indicate that the beneficial owner of the payment is a foreign central bank of issue.

A U.S. TIN is required if the beneficial owner is claiming an exemption based solely on a claim of tax-exempt status as a foreign private foundation (or other foreign organization described under section 501(c)). However, a U.S. TIN is not required from a foreign private foundation that is subject to the 4% excise tax on gross investment income (under section 4948(a)) on income that would be exempt from withholding except for section 4948(a) (for example, portfolio income).

Form W–8IMY

Request Form W-8IMY from any person that is an intermediary (whether a qualified intermediary (QI) or a nonqualified intermediary, including certain U.S. branches or territory financial institutions), a withholding foreign partnership (WP), a withholding foreign trust (WT), or a flow-through entity to which you make a withholdable payment or payment that is a reportable amount (as described in Regulations section 1.1441-1(e)(3)(vi)). A flow-through entity includes a foreign partnership (other than a WP), a foreign simple or grantor trust (other than a WT), and, for any payments for which a treaty benefit is claimed, any entity to the extent it is treated as fiscally transparent under section 894. See the Instructions for Form W-8IMY for when a Form W-8IMY is required to be provided by a U.S. branch. Form W-8IMY should also be provided by an entity to claim status as a qualified securities lender (QSL) with respect to payments of U.S. source substitute dividends and may be relied upon regardless of whether the QSL acts as an intermediary with respect to substitute dividends associated with the form. In a case in which an entity certifies on Form W-8IMY its status as a QSL, you may make payments of substitute dividends to this entity without requiring a withholding statement when the QSL provides a written statement that it is not acting as an intermediary with respect to such payments associated with the form or certifies its status as a QI. Additionally, you may rely on documentation that does not include a chapter 4 status for an account holder or an intermediary or flow-through entity when the withholding statement provided by such entity indicates that the payment is made to an account excluded as a financial account under Regulations section 1.1471-5(b)(2).

The chapter 4 status of an intermediary or flow-through entity is also required on the form if the form is associated with a withholdable payment and you are required to determine the entity's status for chapter 4 purposes. Except to the extent provided otherwise in applicable regulations, appropriate withholding certificates, documentary evidence, and withholding statements must be associated with Form W-8IMY for both chapter 3 and 4 purposes or you must apply the presumption rules. See the Instructions for Form W-8IMY for details on these requirements, including the requirements for chapter 3 withholding rate pools permitted to be provided to withholding agents by QIs, and when chapter 4 withholding rate pools may be included in withholding statements provided by intermediaries and flow-through entities. A participating FFI or registered deemed-compliant FFI may also request Form W-8IMY from an intermediary or flow-through entity that is an account holder of the participating FFI or registered deemed-compliant FFI to establish its chapter 4 status (when required for chapter 4 purposes) or status under an applicable IGA even when no payments subject to chapter 3 withholding or withholdable payments are made to the account. In such a case, a withholding statement is not required.

Notes for Validating Form W-8IMY

TIN, Chapter 4 Status, and Withholding Statement. A QI, WP, or WT must provide the EIN that was issued to the entity in such capacity (its QI-EIN, WP-EIN, or WT-EIN) as well as its GIIN if it is an FFI (other than a QI that is a limited FFI), a direct reporting NFFE, or a sponsoring entity as required for chapter 4 purposes when it is receiving a withholdable payment associated with the Form W-8IMY unless an exception for providing a chapter 4 status applies (for example, a Form W-8IMY provided with respect to a preexisting account (see Regulations section 1.1471-2(a)(4)(ii)). See the Instructions for Form W-8BEN-E and the discussion of Form W-8BEN-E earlier in these instructions for the requirements with respect to obtaining and validating a GIIN that also apply with respect to an entity providing a Form W-8IMY, including when a branch of an FFI receives a withholdable payment and when a GIIN is not required on Form W-8IMY and when a chapter 4 status is not required on this form. Because status as a QI, WP, or WT for a financial institution is limited to certain classes of FFIs, for Forms W-8IMY associated with withholdable payments, a withholding agent must validate that the QI, WP, or WT certifies its status when required for chapter 4 purposes described in Regulations sections 1.1441-1(e)

(5)(ii) (for a QI), 1.1441-5(c)(2) (for a WP), or 1.1441-5(e)(5)(v) (for a WT). However, for certain QIs that are not financial institutions, you may request the written statement described later in these instructions to establish its chapter 4 status. Also see the Instructions for Form W-8IMY and the section 1441 regulations for the permitted chapter 4 statuses of these entities.

A U.S. TIN is also required for an entity certifying its status as a QSL with respect to U.S. source substitute dividend payments and for a U.S. branch or territory financial institution providing a Form W-8IMY to evidence its agreement to be treated as a U.S. person. In a case in which you make a payment of a substitute dividend to a QSL for which you are required to determine the QSL's chapter 4 status, you must collect Form W-8IMY. In a case in which a QSL's chapter 4 status is not required, you may continue to rely on the written certification of its compliance with the requirements of QSL status as required in Section III.C of Notice 2010-46, 2010-24 I.R.B. 757, available at *www.irs.gov/irb/2010-24_IRB/ar09.html*, until such certification expires.

A chapter 4 status is also required on a Form W-8IMY when the intermediary or flow-through entity providing the form is a participating FFI or registered deemed-compliant FFI that is using the form to provide a withholding statement allocating a payment to a chapter 4 withholding rate pool of U.S. payees (in addition to when a chapter 4 status is otherwise required for withholdable payments). Additionally, for a Form W-8IMY provided by an intermediary allocating a payment to such a pool, the intermediary must provide the certification required on the form in Part IV with respect to its compliance with the requirements of Regulations section 1.6049-4(c)(4) (or similar requirement under chapter 61 for a payment other than interest). In the case of a QI providing a withholding statement allocating a payment to this pool, the QI must check the applicable certification(s) in Part III, line 14e(i) and/or 14e(ii). If the QI provides the certification in line 14e(i), the QI must certify to its chapter 4 status as a participating FFI (including a reporting Model 2 FFI) or registered deemed-compliant FFI (including a reporting Model 1 FFI.)

If a participating FFI or registered deemed-compliant FFI that is an intermediary or flow-through entity provides you with a withholding statement and documentation for its account holders and payees, you are not required to verify the information on the account holders and payees provided in the documentation for chapter 4 purposes unless it is facially incorrect, and you are not required to obtain supporting documentation for the payee in addition to the information provided on the withholding statement unless you are obtaining the documentation for purposes of chapter 3 or 61, or unless you know that the documentation review conducted by the participating FFI or registered deemed-compliant FFI was not adequate for purposes of chapter 4. See Regulations section 1.1471-3(e)(4)(vi)(B) for standards that apply in such a case to determine that chapter 4 withholding does not apply (such that you may then determine the rate of withholding applicable for chapter 3 purposes).

A QI that is a limited FFI may provide a Form W-8IMY associated with a withholding statement allocating a payment to a pool of exempt beneficial owners for which the QI is receiving the payment.

For a QI providing this form that is not an FFI, the entity is not required to provide a chapter 4 status on Form W-8IMY and need not check a box in Part I, line 5. You may request that the entity certify, on a statement associated with the form, that the entity is a QI that is an NFFE to clarify its chapter 4 status as other than an FFI.

An intermediary or flow-through entity may provide a status for chapter 4 purposes found under the requirements of (and documentation permitted under) an applicable IGA for an account holder, and a withholding agent may rely upon such status and documentation. Additionally, see the earlier instructions for Form W-8BEN-E and Form W-8IMY for further details on alternative certifications that may be requested by withholding agents for such cases.

1446 requirements. Request Form W-8IMY for purposes of section 1446 only from a foreign upper-tier partnership or foreign grantor trust. Generally, for purposes of section 1446, the Form W-8IMY submitted by these entities is used to transmit the forms of the owners of these entities. When such other forms are provided, a partnership may look through these entities to the beneficial owners when determining its section 1446 tax obligation.

Special Requirements for Hybrid and Reverse Hybrid Entities

A hybrid entity is any person (other than an individual) that is treated as fiscally transparent (rather than as a beneficial owner) for purposes of declaring its status under the Code but is not treated as fiscally transparent by a country with which the United States has an income tax treaty. A hybrid entity, however, may be considered a payee for chapter 4 purposes when receiving a withholdable payment when it is a flow-through entity (i.e., not a disregarded entity) in addition to its partners, beneficiaries, or owners as applicable. See Regulations section 1.1471-3(a) (defining who is a payee of a withholdable payment) and Regulations section 1.1471-3(d) for entities required to be documented for chapter 4 purposes.

If you are making a payment to a hybrid entity that is making a claim for treaty benefits as a qualified resident under an applicable tax treaty on its own behalf, the hybrid entity should provide a Form W-8BEN-E to claim treaty benefits. If the hybrid entity is receiving a payment that is a withholdable payment, it should also provide to you a Form W-8IMY along with a withholding statement (if required) establishing the chapter 4 status of each of its partners, beneficiaries, or owners as a condition for providing the rate of withholding under the treaty on the entire payment. If the hybrid entity is a disregarded entity, the single owner should provide a Form W-8BEN-E or W-8BEN (as applicable) along with the Form W-8BEN-E for the hybrid entity. Line 10 of the Form W-8BEN-E may be used by the hybrid entity to associate the Forms W-8.

For an entity that is a reverse hybrid entity receiving a withholdable payment, you should obtain a Form

W-8BEN-E from the entity to establish its chapter 4 status. Additionally, with respect to a payment for which the entity is claiming a reduced rate of withholding for its partners, beneficiaries, or owners, as applicable, you have obtained from the entity a Form W-8IMY with applicable documentation with respect to claims of treaty benefits for reduced withholding made by partners, beneficiaries, or owners in the entity. Otherwise, withholding will apply under chapter 4 based on the presumptions under Regulations section 1.1473-1(f) regardless of whether otherwise valid treaty claims are made by such persons.

Due Diligence Requirements

You are responsible for ensuring that all information relating to the type of income for which Form W-8 is submitted is complete and appears to be accurate and, for an entity providing the form, includes a chapter 4 status (if required as described above). In general, you may rely on the information and certifications provided on the form (including the status of the beneficial owner as an individual, corporation, etc.) unless you have actual knowledge or reason to know that the information is unreliable or incorrect. You have reason to know that the information is unreliable or incorrect if you have knowledge of relevant facts or statements contained in the withholding certificate or other documentation that would cause a reasonably prudent person in your position to question the claims made. For example, if you have information in your records that contradicts information provided on the form, you may not rely on the form. If you know or have reason to know that any information is unreliable or incorrect, you must obtain a new Form W-8 or other appropriate documentation.

Reason to know. You have reason to know that a Form W-8 is unreliable or incorrect if the Form W-8 is incomplete with respect to any item that is relevant to the claims made, the form contains any information that is inconsistent with the claims made, the form lacks information necessary to establish that the beneficial owner is entitled to a reduced rate of withholding, or the withholding agent has other account information that is inconsistent with the claims made. See, however, the allowance to use other documentation to validate a Form W-8 for an inconsequential error on a Form W-8 described below in these instructions.

If you are a withholding agent that is a financial institution (as defined in Regulations section 1.1471-5(e)), insurance company, or a broker or dealer in securities that maintains an account for a direct account holder (beneficial owner) making a payment of U.S. source FDAP income to a direct account holder, you have reason to know that a Form W-8BEN or W-8BEN-E provided by the direct account holder is unreliable or incorrect for such payments if one or more of the following circumstances exist with respect to a claim of foreign status for chapter 3 or 4 purposes or a claim of treaty benefits. In that case, you must either request a new form or the additional documentation to substantiate the claims on the form. See Regulations section 1.1441-7(b)(3) for the limits on reason to know for the entities referenced in this paragraph for purposes of chapter 3. See Regulations section 1.1471-3(e)(4)(v) for when a withholding agent may rely on a code or classification under Regulations section 1.1471-3(c)(5)(ii)(B) to treat an entity as a foreign person for chapter 4 purposes (including the U.S. indicia relevant for such purposes). For participating FFIs documenting the status of account holders for purposes of the FFI's chapter 4 requirements, see Regulations section 1.1471-4(c).

A withholding agent described above may not rely on a Form W-8BEN or Form W-8BEN-E if:

1. The withholding agent has classified the account holder as a U.S. person in its account information, the Form W-8 has a current permanent residence address or a current mailing address in the United States, the withholding agent has a current residence or current mailing address in the United States as part of its account information, the account holder notifies the withholding agent of a new residence or mailing address in the United States, or, only to the extent described in Regulations section 1.1441-7(b)(5), the withholding agent has a U.S. telephone number as the sole telephone number for the account holder. However:

a. An individual who has provided a Form W-8BEN may be treated as a foreign person if:

- The withholding agent has in its possession or obtains documentary evidence (as described in Regulations section 1.1471-3(c)(5)(i)) (which does not contain a U.S. address) supporting the claim of foreign status, and the individual provides the withholding agent with a reasonable explanation, in writing, supporting his or her claim of foreign status,
- For a payment made outside the U.S. with respect to an offshore obligation (as defined in Regulations section 1.6049-5(c)(1)), the withholding agent has in its possession or obtains documentary evidence establishing foreign status (as described in Regulations section 1.1471-3(c)(5)(i)) that does not contain a U.S. address,
- With respect to an offshore obligation (as defined in Regulations section 1.6049-5(c)(1)), the withholding agent classifies the individual as a resident of the country where the obligation is maintained and is required to report payments to the individual annually to the tax authority of the country in which the obligation is maintained and that country has an income tax treaty or information exchange agreement in effect with the United States, or
- The withholding agent has classified the account holder as a U.S. person in its account information, and the withholding agent has in its possession or obtains documentary evidence (as described in Regulations section 1.1471-3(c)(5)(i)(B)) evidencing citizenship in a country other than the United States.

b. An entity that has provided a Form W-8BEN-E may be treated as a foreign person if the withholding agent does not know or have reason to know that it is a flow-through entity and:

- The withholding agent has in its possession or obtains documentation establishing foreign status (as described in Regulations section 1.1471-3(c)(5)(i) and as applicable to entities) that substantiates that the entity is actually organized or created under the laws of a foreign country, or
- For a payment made with respect to an offshore obligation (as defined in Regulations section 1.6049-5(c)(1)), the withholding agent classifies the entity as a

resident of the country in which the account is maintained, the withholding agent is required to report a payment made to the entity annually to the tax authority of the country in which the account is maintained and that country has an income tax treaty or tax information exchange agreement in effect with the United States.

2. The form is provided with respect to an offshore obligation and the account holder has provided standing instructions directing the withholding agent to pay amounts from its account to an address in, or an account maintained in, the United States, unless the account holder provides a reasonable explanation in writing that supports its foreign status or provides documentary evidence (as described in Regulations section 1.1471-3(c)(5)(i)) supporting its foreign status.

3. The Form W-8BEN is provided by an individual and is used to establish foreign status and the withholding agent has, either on accompanying documentation or as part of its account information, an unambiguous indication of a place of birth for the individual in the United States, unless the withholding agent has in its possession or obtains documentary evidence (described in Regulations section 1.1471-3(c)(5)(i)(B)) evidencing citizenship in a country other than the United States and either:

- A copy of the individual's Certificate of Loss of Nationality of the United States, or
- A reasonable written explanation of the account holder's renunciation of U.S. citizenship or the reason the account holder did not obtain U.S. citizenship at birth.

4. The Form W-8 is used to establish residence in a treaty country and:

a. The permanent residence address is not in the treaty country or the withholding agent is notified of a new permanent residence address that is not in the treaty country. However, the beneficial owner may be treated as a resident of the treaty country if it provides a reasonable explanation for the permanent residence address outside the treaty country or the withholding agent has in its possession, or obtains, documentary evidence described in Regulations section 1.1471-3(c)(5)(i) that establishes residency in the treaty country.

b. The mailing address is not in the treaty country or the withholding agent has a mailing address that is not in the treaty country as part of its account information. However, the beneficial owner may be treated as a resident of the treaty country if:

- The withholding agent has in its possession, or obtains, documentary evidence supporting the claim of residence in the treaty country and the additional documentation does not contain an address outside the treaty country,
- The withholding agent has in its possession, or obtains, documentation that establishes that the beneficial owner is an entity organized in a treaty country (or an entity managed and controlled in a treaty country, if required by the applicable treaty),
- The withholding agent knows that the address outside the treaty country (other than a P.O. box or in-care-of address) is a branch of the account holder that is a resident of the treaty country, or
- The beneficial owner provides a written statement that reasonably establishes entitlement to treaty benefits.

c. The account holder has standing instructions for the withholding agent to pay amounts from its account to an address outside, or an account maintained outside, the treaty country unless the account holder provides (or has provided) a reasonable explanation, in writing, establishing the account holder's residency in the applicable treaty country or the withholding agent has in its possession or obtains documentary evidence (described in Regulations section 1.1471-3(c)(5)(i)) establishing the account holder's residence in the applicable treaty country.

For additional information on the standards of knowledge for chapter 3 purposes applicable to withholding agents for relying on a claim of foreign status or a claim of residency in a treaty country, see Regulations section 1.1441-7(b) (including special rules for accounts documented before July 1, 2014, including when a withholding agent is required to identify whether an individual has a U.S. place of birth for such an account).

For additional information on the standards of knowledge applicable to withholding agents for Forms W-8 provided for chapter 4 purposes, see Regulations section 1.1471-3(e).

Where required, a reasonable explanation supporting an individual's claim of foreign status means a written statement prepared by the individual, or, in the alternative, a checklist provided by the withholding agent and completed by the individual stating that the individual meets one of the requirements listed in Regulations section 1.1441-7(b)(12)(i) through (iv). See Regulations section 1.1441-7(b)(12) for purposes of chapter 3 and Regulations section 1.1471-3(e)(4)(viii) for purposes of chapter 4.

Dual claims. If you are making payments to a foreign entity that is simultaneously claiming a reduced rate of tax on its own behalf and on behalf of persons in their capacity as interest holders in that entity, you may, at your option, accept the dual claims even though you hold different withholding certificates that require you to treat the entity inconsistently for different payments or for different portions of the same payment, or you may choose to apply only the claim made by the entity, provided the entity may be treated as the beneficial owner of the income. If, however, inconsistent claims are made for the same portion of a payment, you may either reject both claims and request consistent claims or you may choose which reduction to apply. For partnerships that allocate effectively connected taxable income to partners that are foreign partnerships, the rules under section 1.1446-5 apply.

Requesting a New Form W-8

Request a new Form W-8:

- Before the expiration of the validity period of an existing Form W-8 (see *Period of Validity* below for more information);
- If the existing form does not support a claim of reduced rate for a type of income that the submitter of the form has not previously received or is incomplete with respect to any claim made on the form; or

- If you know or have reason to know of a change in circumstances that makes any information on the current form unreliable or incorrect for purposes of chapter 3 or 4 (to the extent applicable based on the claims made on the form). For limits on reason to know if you are a financial institution, insurance company, or broker or dealer in securities, see Regulations sections 1.1441-7(b)(3) (if you are a withholding agent with respect to a payment subject to chapter 3 withholding) and 1.1471-3(d)(4)(v) (if you are a withholding agent with respect to a withholdable payment).

Example. A foreign individual investor opens an account with a broker to purchase U.S. Treasury bonds and provides Form W-8BEN to obtain the portfolio interest exemption. The investor does not complete Part II of Form W-8BEN (because he is not claiming treaty benefits). Later, the investor purchases U.S. stock and claims treaty benefits on dividend income. The investor at that time completes a new Form W-8BEN providing the information required in Part II.

Period of Validity

Generally, a Form W-8 is valid from the date signed until the last day of the third succeeding calendar year. For example, a Form W-8BEN signed on September 30, 2015, remains valid through December 31, 2018. However, under certain conditions a Form W-8 will have an indefinite validity period, unless there has been a change in circumstances. For example, a Form W-8BEN-E provided by an entity to support its foreign status along with documentary evidence to support a claim made on the form. To determine the period of validity for a Form W-8 for purposes of chapter 3, see Regulations section 1.1441-1(e)(4)(ii). To determine the period of validity for a Form W-8 for purposes of chapter 4, see Regulations section 1.1471-3(c)(6)(ii). For the validity period of a pre-FATCA Form W-8 that may be relied upon by a withholding agent for chapter 4 purposes, see Regulations section 1.1471-3(d)(1).

Forms Received That Are Not Dated or That Contain Inconsequential Errors or Omissions

If a Form W-8 is valid except that the person providing the form has not dated the form, the withholding agent may date the form from the day it is received and measure the validity period from that date. A withholding agent generally may treat a withholding certificate as valid if it contains an error or omission that is inconsequential and the withholding agent has sufficient documentation on file to supplement the missing information. However, a failure to establish an entity type or make a required certification is not inconsequential. For example, if an entity beneficial owner receiving a withholdable payment selects a certified deemed-compliant FFI status on line 5 of Form W-8BEN-E but does not complete the corresponding required certifications in Part V, the form is invalid for chapter 4 purposes. On the other hand, for a Form W-8 for which the person signing the form does not also print a name before the signature when required on the form, the withholding agent need not treat the form as incomplete if the withholding agent has documentation or information supporting the identity of the person signing the form. See Regulations sections 1.1441-1(b)(7)(iv) for chapter 3 purposes and 1.1471-3(c)(7)(i) for chapter 4 purposes for further information about the rules for withholding certificates that contain inconsequential errors.

Substitute Forms W–8

You may develop and use your own Form W-8BEN, W-8BEN-E, W-8ECI, W-8EXP, or W-8IMY (a substitute form) if its content is substantially similar to the IRS's official Form W-8BEN, W-8BEN-E, W-8ECI, W-8EXP, or W-8IMY (to the extent required by these instructions) and it satisfies certain certification requirements. You may develop and use a substitute form that is in a foreign language, provided that you make an English translation of the form and its contents available to the IRS upon request. You may combine Forms W-8BEN, W-8BEN-E, W-8ECI, W-8EXP, and W-8IMY into a single substitute form. A form that satisfies these substitute forms requirements may be treated as a similar agreed form for purposes of an applicable Model 1 IGA, if the partner jurisdiction does not decline such treatment.

You may omit the chapter 4 certifications on your substitute form if such certifications are not required based on the payments made to the payees or account holders. You may not, however, omit the chapter 4 certifications if you are an FFI documenting the chapter 4 status of your account holders under your chapter 4 requirements or under an applicable IGA. You may choose to provide a substitute form that does not include all of the chapter 4 statuses provided on the Form W-8, but the substitute form must include any chapter 4 status for which withholding may apply, such as the categories for a nonparticipating FFI or passive NFFE.

You are also required to furnish instructions for the substitute form to the extent and manner provided in the official instructions for the official form.

You may incorporate a substitute Form W-8 into other business forms you customarily use, such as account signature cards, provided the required certifications are clearly set forth. However, you may not:

1. Use a substitute form that requires the payee, by signing, to agree to provisions unrelated to the required certifications, or

2. Imply that a person may be subject to 30% withholding or backup withholding unless that person agrees to provisions on the substitute form that are unrelated to the required certifications.

A substitute Form W-8 is valid only if it contains the same penalties of perjury statement and certifications as the official forms and the required signature. However, if the substitute form is contained in some other business form, the words "information on this form" may be modified to refer to that portion of the business form containing the substitute form information. The design of the substitute form must be such that the information and certifications that are being attested to by the penalties of perjury statement clearly stand out from any other information contained in the form.

Content of Substitute Form

Form W-8BEN. The substitute Form W-8BEN must contain all of the information required in Part I, lines 1 through 7, and line 8. The certifications in Part II must be included in a substitute form only if treaty benefits are claimed, and then only to the extent that the certifications are required. For example, Form W-8BEN, line 10, special rates and conditions (applicable to a claim for treaty benefits), is not required if this form is being requested from an individual receiving a payment of U.S. source dividends from stocks that are actively traded on an established securities market.

Penalties of perjury statement. The design of the substitute Form W-8BEN must be such that the information and certifications that are being attested to by the penalties of perjury statement clearly stand out from any other information contained on the form. Additionally, the following statement must be presented in the same manner as in the preceding sentence and must appear immediately above the single signature line: "The Internal Revenue Service does not require your consent to any provisions of this document other than the certifications required to establish your status as a non-U.S. individual and, if applicable, obtain a reduced rate of withholding."

Non-IRS Form for Individuals

A withholding agent may also substitute its own form for an official Form W-8BEN, regardless of whether the substitute form is titled as a Form W-8. The form must include the name and address of the individual that is the payee or beneficial owner, all countries in which the individual is resident for tax purposes, the individual's city and country of birth, and a tax identification number, if any, for each country of residence. The form may also request other information required for purposes of tax or anti-money laundering (AML) due diligence in the United States or in other countries.

Penalties of perjury statement. A non-IRS form for individuals must contain a signed and dated certification made under penalties of perjury that the information provided on the form is accurate and will be updated by the individual within 30 days of a change in circumstances that causes the form to become incorrect. However, the signed certification provided on a form need not be signed under penalties of perjury if the form is accompanied by documentary evidence that supports the individual's claim of foreign status. Such documentary evidence may be the same documentary evidence that is used to support foreign status in the case of a payee whose account has U.S. indicia as described in Regulations sections 1.1471-3(e) and 1.1471-4(c)(4)(i)(A).

Form W-8BEN-E. The substitute Form W-8BEN-E must contain all of the information required in Part I, lines 1 through 6, and lines 8 and 9 if a U.S. or foreign TIN (or a GIIN) is required. The certifications in Part II must be included in a substitute form if you are making a withholdable payment to a branch or disregarded entity owned by the payee that is a class of FFI identified in Part II operating in a jurisdiction other than the jurisdiction of residency of the entity named in Part I of the form. See discussion regarding payments to branches or disregarded entities in *Further Notes for Validating Form W-8BEN-E*, earlier in these instructions. The certifications in Part III must be included only if treaty benefits are claimed, and then only to the extent that the certifications are required. See *Alternative Certifications Under an Applicable IGA*, earlier in these instructions, for circumstances in which the chapter 4 certifications may be replaced with alternative certifications.

Penalties of perjury statement. The design of the substitute Form W-8BEN-E must be such that the information and certifications that are being attested to by the penalties of perjury statement clearly stand out from any other information contained on the form. Additionally, the following statement must be presented in the same manner as in the preceding sentence and must appear immediately above the single signature line: "The Internal Revenue Service does not require your consent to any provisions of this document other than the certifications required to establish your status as a non-U.S. person, establish your chapter 4 status (if required), and, if applicable, obtain a reduced rate of withholding. "

Form W-8ECI. The substitute Form W-8ECI must contain all of the information required in Part I other than line 9. The certifications in Part II of Form W-8ECI must be included in a substitute form.

Penalties of perjury statement. The design of the substitute Form W-8ECI must be such that the information and certifications that are being attested to by the penalties of perjury statement clearly stand out from any other information contained on the form. Additionally, the following statement must be presented in the same manner as in the preceding sentence and must appear immediately above the single signature line: "The Internal Revenue Service does not require your consent to any provisions of this document other than the certifications required to establish your status as a non-U.S. person and that the income for which this form is provided is effectively connected with the conduct of a trade or business within the United States."

Form W-8EXP. The substitute Form W-8EXP must contain all of the information required in Part I, lines 1 through 5, line 7, if a U.S. TIN is required, and line 8. The substitute Form W-8EXP must also contain all of the statements and certifications contained in Parts II and III as applicable with respect to the purpose for which the form is provided, but a specific statement needs to be included (in its entirety) only if it is relevant to the type of entity providing the form. For example, if the only beneficial owners a U.S. withholding agent has as account holders are foreign governments for purposes of both chapters 3 and 4, the withholding agent may use a substitute Form W-8EXP that contains the required information in Part I, plus the required statements and certifications from Parts II and III that are related to foreign governments, as opposed to the certifications for other types of entities that would otherwise be providing the Form W-8EXP.

Penalties of perjury statement. The design of the substitute Form W-8EXP must be such that the information and certifications that are being attested to by the penalties of perjury statement clearly stand out from any other information contained on the form. Additionally, the following statement must be presented in the same

manner as in the preceding sentence and must appear immediately above the single signature line: "The Internal Revenue Service does not require your consent to any provisions of this document other than the certifications required to establish your status as a foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession."

Form W-8IMY. The substitute Form W-8IMY must contain all of the information required in Part I, lines 1 through 6, line 8 if a U.S. TIN is required, and line 9, if a GIIN is required. The information required in Part II must be included in a substitute form if you are making a withholdable payment to a branch or disregarded entity provided by the payee that is a class of FFI identified in Part II operating in a jurisdiction other than the jurisdiction of residence of the entity named in Part I of the form. See discussion regarding payments to branches or disregarded entities in *Further Notes for Validating Form W-8BEN-E*, earlier in these instructions. The substitute Form W-8IMY must also contain all of the statements and certifications relevant to chapter 3 contained in Parts III through VIII if you are making a payment subject to withholding under chapter 3 and, except as otherwise indicated in the form's instructions, the statements and certifications relevant to the chapter 4 status contained in Parts IX through XXVI for the intermediary or flow-through entity providing the form if you are making a withholdable payment or if you are an FFI documenting your account holders for purposes of chapter 4 or the applicable IGA. However, a specific part needs to be included (in its entirety) only if it is relevant. For example, if the only intermediaries to which a U.S. withholding agent makes payments are qualified intermediaries that are participating FFIs, the withholding agent may use a substitute Form W-8IMY that contains only the required information from Part I (including line 9 to collect the intermediaries' GIINs), plus the statements and certifications from Part III. A substitute Form W-8IMY must also incorporate the same attachments as the official form (such as a withholding statement and beneficial owner documentation, to the extent otherwise required). A withholding agent may also include any information in a substitute Form W-8IMY, or require any information to be associated with the form, that is reasonably related to his obligation to withhold and correctly report payments.

Penalties of perjury statement. The design of the substitute Form W-8IMY must be such that the information and certifications that are being attested to by the penalties of perjury statement clearly stand out from any other information contained on the form. Additionally, the following statement must be presented in the same manner as in the preceding sentence and must appear immediately above the single signature line: "The Internal Revenue Service does not require your consent to any provisions of this document other than the certifications required to establish:1) your status as a qualified intermediary, a nonqualified intermediary, a specific type of U.S. branch, a withholding foreign partnership, a withholding foreign trust, a nonwithholding foreign partnership, a nonwithholding foreign simple trust, or a nonwithholding foreign grantor trust; 2) your chapter 4 status; and/or 3) your status as a qualified securities lender."

FORM W-9
(REQUEST FOR TAXPAYER IDENTIFICATION NUMBER)

333

Form **W-9**
(Rev. December 2014)
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.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification; check only **one** of the following seven boxes:
☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate
☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶
Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner.
☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):
Exempt payee code (if any)
Exemption from FATCA reporting code (if any)
(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.)

Requester's name and address (optional)

6 City, state, and ZIP code

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally 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 instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number
☐☐☐ – ☐☐ – ☐☐☐☐

or

Employer identification number
☐☐ – ☐☐☐☐☐☐☐

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here **Signature of U.S. person ▶** **Date ▶**

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at *www.irs.gov/fw9*.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding?* on page 2.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),

2. Certify that you are not subject to backup withholding, or

3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and

4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States:

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, 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* above.

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

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account, list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note. ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C Corporation, or S Corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. 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 line 2.

e. **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 Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should 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 line 1. 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 line 2, "Business name/disregarded entity name." 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.

335

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box in line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box in line 3.

Limited Liability Company (LLC). If the name on line 1 is an LLC treated as a partnership for U.S. federal tax purposes, check the "Limited Liability Company" box and enter "P" in the space provided. If the LLC has filed Form 8832 or 2553 to be taxed as a corporation, check the "Limited Liability Company" box and in the space provided enter "C" for C corporation or "S" for S corporation. If it is a single-member LLC that is a disregarded entity, do not check the "Limited Liability Company" box; instead check the first box in line 3 "Individual/sole proprietor or single-member LLC."

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space in line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

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 U.S. commonwealth or possession, 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 U.S. commonwealth or possession

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 reportable under section 6045(f), 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 requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

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 U.S. commonwealth or possession, 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 Regulations 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 Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note. You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns.

Line 6

Enter your city, state, and ZIP code.

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 this page), 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 SSA 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 line 1 must sign. Exempt payees, see *Exempt payee code* earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account[1]
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor[2]
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee[1]
b. So-called trust account that is not a legal or valid trust under state law	The actual owner[1]
5. Sole proprietorship or disregarded entity owned by an individual	The owner[3]
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	**Give name and EIN of:**
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity[4]
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations 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 2.

***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, 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 (TIGTA) 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.

CERTIFICATION OF SPONSOR AND PRINCIPALS

PART 20: CERTIFICATION OF SPONSOR AND PRINCIPALS

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

Re: Condominium Offering Plan
52 Wooster Street
New York, New York

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:

52 WOOSTER HOLDINGS LLC

Sworn to before me this
25 day of June, 2015

SHOSHANA ISAKOV
Notary Public, State of New York
No. 01IS6155297
Qualified in Queens County
Commission Expires Nov. 06, 2018

By: _____
Amir Chaluts, Member and Manager

_____
Amir Chaluts, Principal

Sworn to before me this
25 day of June, 2015

SHOSHANA ISAKOV
Notary Public, State of New York
No. 01IS6155297
Qualified in Queens County
Commission Expires Nov. 06, 2018

By: _____
Jane Gol, Member and Manager

_____
Jane Gol, Principal

Sworn to before me this
25 day of June, 2015

SHOSHANA ISAKOV
Notary Public, State of New York
No. 01IS6155297
Qualified in Queens County
Commission Expires Nov. 06, 2018

_____
Benjamin Gordon, Principal

CERTIFICATION OF ARCHITECT

CERTIFICATION OF SPONSOR'S ARCHITECT PURSUANT TO SECTION 20.4 OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED.

2 July 2015

New York State Department of Law
Real Estate Finance Bureau
120 Broadway
New York, NY 10271

Re: 52 Wooster Street
New York, NY 10013

Dear Sir/Madam:

The undersigned, Arpad Baksa, Architect, certifies as follows:

The Sponsor of the condominium offering plan to convert the captioned property to condominium ownership retained my firm to prepare a report describing the construction of the property (the "Report"). We visually inspected existing portions of the constructed property on 15 January 2014 and we examined the building plans and specifications that were prepared by Arpad Baksa Architect. P.C. dated 7 January 2014 and prepared the Report dated 2 July 2015, a copy of which is intended to be incorporated into the Offering Plan so that prospective purchasers may rely on the Report.

I am a registered architect in the State of New York.

I understand that I am 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.

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

I 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 and/or construction, provided that renovation and/or construction is in accordance with the plans and specifications that I examined;

(ii) in my 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 construction, provided that construction is in accordance with the plans and specifications that I examined;

(iii) does not omit any material fact;

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

342

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

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

(vii) does not contain any representation or statement which is false, where I; (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.

I further certify that I am not owned or controlled by and have no beneficial interest in the Sponsor and that my 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.

ARPAD BAKSA ARCHITECT, P.C.

By: ----------
Arpad Baksa, R.A., #16325

REGISTERED ARCHITECT
ARPAD BAKSA
16325
STATE OF NEW YORK

Sworn to before me this
2nd day of -July----, 2015

Notary Public

Garamvolgyi, Xenia
Notary Public State of New York
No. 01GA6204250
Qualified in New York Coun
Commission Expires 04/13/2017

52 Wooster_Condo report

CERTIFICATION OF BUDGET EXPERT

JORDAN COOPER & ASSOCIATES INC.

PART 20: CERTIFICATION OF BUDGET EXPERT AS TO ADEQUACY OF BUDGET

Date: Thursday, April 2, 2015

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

Re: Condominium Offering Plan
52 Wooster Street Condominium
52 Wooster
New York, New York ("Property")

Dear Sir/Madam:

The sponsor of the condominium offering plan for the captioned Property retained our firm to review or prepare the Schedule B, containing projections of income and expenses for the year of condominium operation commencing January 1, 2016 ("Budget Year") and Schedule B1. Jordan Cooper & Associates has been engaged in the management of residential real estate for the past 20 years, manages approximately 20 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 the Schedule B and B1.

We have reviewed the Schedule B and B1 and investigated the facts set forth in the Schedule B and B1and the facts underlying them with due diligence in order to form a basis for this certification. We also have relied on my/our experience in managing residential buildings.

We certify that the projections in the Schedule B and B1appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected Budget Year.

We certify that the Schedule B and B1:

(i) set forth in detail the projected income and expenses for the Budget Year;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the Budget Year;

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by 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 or expenses for the Budget Year.

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.

Jordan Cooper & Associates

By: _____
Name: Paul T. Brensilber
Title: President

Sworn to before me this
2nd day of April 2015

_____
Notary Public

JEANETTE JUAREZ
NOTARY PUBLIC - STATE OF NEW YORK
No. 01JU6163412
Qualified in Kings County
Commission Expires March 26, 2019

346

CERTIFICATION OF BUDGET EXPERT CONCERNING ADEQUACY OF COMMON CHARGES PAYABLE BY COMMERCIAL UNIT OWNER

JORDAN COOPER & ASSOCIATES INC.

PART 20: CERTIFICATION BY EXPERT
CONCERNING ADEQUACY OF COMMON CHARGES
PAYABLE BY THE COMMERCIAL UNIT OWNER

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

Re: Condominium Offering Plan
52 Wooster Street Condominium
52 Wooster
New York, New York ("Property")

Dear Sir/Madam:

The sponsor of the condominium offering plan for the captioned Property retained our firm to review or prepare Schedule B which includes projections of Common Charges payable by the owner of the Commercial Unit. Jordan Cooper & Associates has been engaged in the management of residential real estate for the past 20 years, manages approximately 20 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 the Commercial Unit listed in Schedule B.

We have reviewed Schedule B as it impacts upon the Commercial Unit and investigated the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in Schedule B for the Common Charges payable by the owner of Commercial Unit appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such Commercial Unit for the projected First Year of Condominium Operation, and that the allocation of Common Charges attributable to the Commercial Unit also reflects special or exclusive use or availability or exclusive control of particular common areas.

We certify that the estimates in Schedule B for the Common Charges payable by the owner of the Commercial Unit:

(i) set forth in detail the projected Common Charges for the Commercial Unit 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 Common Charges payable by the owner of the Commercial Unit;

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

440 NINTH AVENUE • 15th FLOOR • NEW YORK, NY 10001 • 212.888.6100 • FACSIMILE 212.888.0414
WEB: www.jordancooper.com • E-MAIL: propertymanagement@jordancooper.com

(v) do not contain any fraud, deception, concealment or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by 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 Common Charges attributable to the Commercial Unit for the First Year of Condominium Operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Jordan Cooper & Associates

By: _____
Name: Paul T. Brensilber
Title: President

Sworn to before me this
2nd day of April, 2015

_____
Notary Public

JEANETTE JUAREZ
NOTARY PUBLIC - STATE OF NEW YORK
No. 01JU6163412
Qualified in Kings County
Commission Expires March 26, 2019

REAL PROPERTY LAW SECTION 339-KK

McKinney's 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 has been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this **section** shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim.

(d) Nothing in this **section** shall limit any rights of unit owners or of the board of managers existing under any other law or agreement.

(e) Payment by a rental tenant to the condominium association made in connection with this **section** shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

Credits

(Added L.1998, c. 422, § 3, eff. July 22, 1998.)

351

EASEMENT AGREEMENT DATED AS OF MARCH 17, 2008

809832

EASEMENT AGREEMENT

This **EASEMENT AGREEMENT** (this "Agreement") is made as of the 17th day of March, 2008, by and between **THE BOARD OF MANAGERS OF THE SOHO-BROOME CONDOMINIUM** (the "Board"), having an address at 477-479 Broome Street, New York, New York, **477 EQUITIES CORP.** ("Residential Owner"), having an address at 477-479 Broome Street, New York, New York, **LINDEN ASSOCIATES L.P.**, a New York limited partnership, having an address at 271 Madison Avenue, 22nd Floor, New York, New York 10016 ("Linden"), and **CEDAR ASSOCIATES L.P.**, a New York limited partnership, having an address at 271 Madison Avenue, 22nd Floor, New York, New York 10016 ("Cedar"").

WITNESSETH:

WHEREAS, the Board is, in accordance with the provisions of the Declaration (the "Declaration") and the By-Laws (the "By-Laws") of The Soho-Broome Condominium recorded on September 26, 1995, in the New York County office of the Register of the City of New York, in Reel 2246, at page 1427, authorized to execute this Agreement on behalf of all of the Unit Owners (as such term is defined in the Declaration), who are, collectively, the owners of that certain parcel of land, together with the buildings and improvements thereon, known as and by the street address 477-479 Broome Street and located in the City, County and State of New York, and being Lots 1201 and 1202 in Block 475 on the Tax Map of the City of New York, Borough of Manhattan, as more particularly described in Exhibit A annexed hereto and made a part hereof (the "477 Broome Property"); and

WHEREAS, Linden and Cedar are the owners of said Lot 1201, which comprises the commercial condominium unit located at the 477 Broome Property (the "Commercial Unit"); and, in their capacity as owners of the Commercial Unit, are referred to herein, collectively, as "Commercial Owner"; and

WHEREAS, Residential Owner is the owner of said Lot 1202, which comprises the residential condominium unit located at the 477 Broome Property (the "Residential Unit"); and

WHEREAS Linden and Cedar are the owners of that certain parcel of land known as and by the street address 52 Wooster Street and located in the Borough of Manhattan, City, County and State of New York, and being Lot 40 in Block 475 on the Tax Map of the City of New York, Borough of Manhattan, as more particularly described in Exhibit B annexed hereto and made a part hereof (the "52 Wooster Property"), and, in their capacity as owners of the 52 Wooster Property, are referred to herein, collectively, as "52 Wooster Owner"); and

WHEREAS 52 Wooster Owner desires certain easement rights over the 477 Broome Property for purposes of ingress and egress in the event of fire or other emergency; and

WHEREAS, the Board and Commercial Owner are willing to grant to 52 Wooster Owner such easement rights, as hereinafter set forth, for purposes of ingress and egress in the event of fire or other emergency; and

WHEREAS, in order to expand the residential lobby in the existing building, Residential Owner desires certain easement rights for ingress and egress in, over and upon a portion of the Commercial Unit; and

WHEREAS, Commercial Owner is willing to grant to the Board such easement rights, as hereinafter set forth, for purposes of expansion of the residential lobby; and

WHEREAS, Commercial Unit Owner desires certain easement rights with respect to the installation, utilization, operation, maintenance, repair, alteration, rebuilding, restoration and replacement within said residential lobby and other portions of the existing building of mechanical equipment serving the Commercial Unit; and

WHEREAS, the Board and Residential Owner are willing to grant Commercial Owner such easement rights, as hereinafter set forth, for the purpose of installing, utilizing, operating, maintaining, repairing, altering, rebuilding, restoring and replacing such mechanical equipment;

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree and declare as follows:

ARTICLE 1
EASEMENT BENEFITING THE 52 WOOSTER PROPERTY

1.1 Grant of Easement. Each of the Board, Residential Owner and Commercial Owner, for itself and its successors and assigns, hereby grants and conveys to 52 Wooster Owner, its successors and assigns, a non-exclusive, perpetual easement, over, across and through the 52 Wooster Easement Area (defined below), to be used for the sole purpose of pedestrian ingress and egress by any occupants and other persons present at or upon the 52 Wooster Property, in the event of a fire or other emergency occurring in or about, threatening or affecting the 52 Wooster Property, and for no other purpose. The term "52 Wooster Easement Area" shall mean the Wall Opening (defined below) and that portion of the ground floor of the building existing on the 477 Broome Property on the date hereof, including the stairs on the exterior of the building leading to the northwest entrance on Broome Street, as more particularly described in Exhibit C annexed hereto and made a part hereof. If the building existing on the 477 Broome Property on the date hereof or any building hereafter erected on the 477 Broome Property is demolished, the Board and Commercial Owner shall designate another area of the 477 Broome Property to serve as the 52 Wooster Easement Area. The 52 Wooster Easement Area shall, in all events, be sufficient to permit such fire and other emergency access by means of the easements granted herein as may lawfully be required in order for any building now or hereafter erected on the 52 Wooster Property to comply in all respects and at all times with all applicable laws, ordinances, rules and regulations of all governmental authorities having jurisdiction with respect to the 52 Wooster Property and the 477 Broome Property (collectively,

as same may be modified or supplemented from time to time, the "Legal Requirements") pertaining to fire and other egress from any such building; provided, however, that nothing herein shall require the Board or Commercial Owner to pay for any installation or improvement of any fire and emergency access doors, corridors, stairways or other alterations within the 477 Broome Property or any building now or hereafter erected thereon. The term "Wall Opening" shall mean an opening in the wall of the building existing on the 477 Broome Property on the date hereof that separates the 477 Broome Property from the 52 Wooster Property, as more particularly described in Exhibit C., which is to be constructed by 52 Wooster Owner at its sole cost and expense after the date hereof. The Board and Commercial Owner agree that during the construction of the Wall Opening, 52 Wooster Owner and its agents, employees and contractors shall have the right to enter upon the 477 Broome Property from time to time as may be reasonably necessary in connection with such construction.

1.2 Maintenance. The 52 Wooster Easement Area shall at all times, at 477 Broome's sole cost and expense, be maintained by the Board, Commercial Owner and Residential Owner in good condition and kept by the Board, Commercial Owner and Residential Owner clear of any and all obstructions that would either hinder or interfere with the use of the 52 Wooster Easement Area for the purpose described above; it being agreed that such maintenance obligations shall be Residential Owner's with respect only to that portion of the 52 Wooster Easement Area that is a part of the Residential Limited Common Elements (as described in the Declaration), shall be Commercial Owner's with respect only to that portion of the 52 Wooster Easement Area that is a part of the Commercial Unit (except that the Board shall nevertheless be responsible for any maintenance obligations with respect to the Residential Limited Common Elements and the Commercial Unit to the extent provided in the By-Laws), and the Board's with respect only to that portion of the 52 Wooster Easement Area that is a part of the General Common Elements (as described in the Declaration).

ARTICLE 2
EASEMENT BENEFITING THE RESIDENTIAL UNIT

2.1 Grant of Easement. Commercial Owner, for itself and its successors and assigns, hereby grants and conveys to Residential Owner a non-exclusive, perpetual easement over, across and through the 477 Commercial Easement Area (defined below), to be used for the sole purpose of pedestrian ingress and egress by any tenants and other occupants of the Residential Unit and their guests and invitees and the employees and agents of Residential Owner, and for no other purpose. The term "477 Commercial Easement Area" shall mean that portion of the Commercial Unit on the ground floor of the building existing on the 477 Broome Property on the date hereof more particularly described in Exhibit D annexed hereto and made a part hereof.

2.2 Construction Of Wall. The wall of the residential lobby, which shall separate the 477 Commercial Easement Area from the remaining portion of the Commercial Unit, shall be constructed at the expense of Commercial Owner. Residential Owner agrees that during the construction of such wall, Commercial Owner and its agents, employees and contractors shall have the right to enter upon the Residential Unit and Residential Limited Common Elements (as defined in the Declaration) pertinent to the Residential Unit from time to time as may be reasonably necessary in connection with such construction.

2.3 Maintenance. It is hereby agreed that the 477 Commercial Easement Area shall be maintained and repaired by Residential Owner in good condition and that such obligation to maintain and repair the 477 Commercial Easement Area shall be the responsibility of Residential Owner as if the 477 Commercial Easement Area were a Residential Limited Common Element (except that the Board shall nevertheless be responsible for the maintenance and repair of the 477 Commercial Easement Area to the extent that it would responsible under the By-Laws if the 477 Commercial Easement Area were a Residential Limited Common Element).

ARTICLE 3
EASEMENT BENEFITING THE COMMERCIAL UNIT

3.1 Grant of Easement. Each of the Board and Residential Owner, for itself and its successors and assigns, hereby grants and conveys to Commercial Owner, its successors and assigns, an exclusive, perpetual easement, over, across and through the HVAC Easement Area (defined below), to be used for purposes of installing, utilizing, operating, maintaining, repairing, altering, rebuilding, restoring and replacing mechanical equipment (including, but not limited to, heating, ventilation and air-conditioning equipment) serving the Commercial Unit. Notwithstanding the foregoing, until such time as Commercial Owner commences the installation of any such mechanical equipment in the HVAC Easement Area, the easement granted in this Section 3.1 shall be non-exclusive. The term "HVAC Easement Area" shall mean that portion of the ground floor of the building existing on the 477 Broome Property on the date hereof more particularly described in Exhibit E annexed hereto and made a part hereof (which portion includes, *inter alia*, a part of the 477 Commercial Easement Area).

3.2 Additional Easement. Additionally, Commercial Owner shall have, and the Board and Residential Owner hereby grant to Commercial Owner, a non-exclusive, perpetual easement over, across and through such portions of the Residential Unit, the General Common Elements and the Residential Limited Common Elements (including, but not limited to, the residential lobby) for the purpose of installing, utilizing, operating, maintaining, repairing, altering, rebuilding, restoring and replacing mechanical equipment in the HVAC Easement Area.

3.3 Use of Easement. In using the HVAC Easement Area and the easement described in Section 3.2 for their intended purposes, Commercial Owner shall use commercially reasonable efforts to minimize interference with the normal use of the Residential Unit, the General Common Elements and the Residential Limited Common Elements (including, but not limited to, the residential lobby) for their permitted purposes.

ARTICLE 4
MISCELLANEOUS PROVISIONS

4.1 Covenants to Run with the Land. All of the grants, interests, covenants, agreements and conditions contained in this Agreement (a) shall run with the lands and buildings affected; and (b) shall inure to the benefit of and be binding upon each party to this Agreement and each such party's successors and assigns.

4.2 Remedies. The parties hereto agree that in the event of any breach or threatened breach of this Agreement by any party, the other parties shall have the right to any remedy available at law or equity, including but not limited to specific performance and injunctive relief. If any party incurs any legal fees or expenses arising out of the enforcement of its rights hereunder against another party or arising out of another party's default under this Agreement, such reasonable fees and expenses shall be payable by the defaulting party upon rendition of a bill or statement therefor.

4.3 Recordation. This Agreement may be recorded by any party.

4.4 Modification. This Agreement may not be modified, amended or terminated except in a writing signed by each of the parties hereto; except that the provisions of Article 1 may be modified, amended or terminated in a writing signed only by 52 Wooster Owner, the Board and Commercial Owner and the provisions of Article 2 may be modified, amended or terminated in a writing signed only by Commercial Owner and Residential Owner.

4.5 Governing Law. This Agreement shall be governed by and construed in accordance with the internal, substantive laws of the State of New York, without regard to the conflict of laws principles thereof.

4.6 Headings. The captions and headings herein are for convenience and reference only and in no way define or limit the scope or content of this Agreement or in any way affect its provisions.

4.7 Entire Agreement. This Agreement and the Exhibits attached hereto contain the final and entire agreement between the parties hereto and are intended to be an integration of all prior negotiations and understandings as between the parties hereto with regard to the easement referred to herein.

[*The next page is the signature page.*]

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties hereto as of the day and year first above written.

THE BOARD OF MANAGERS OF THE SOHO-BROOME CONDOMINIUM

By: _____
Name: JOHN P. GREEN
Title: PRESIDENT

477 EQUITIES CORP.

By: _____
Name: JOHN P. GREEN
Title: PRESIDENT

LINDEN ASSOCIATES L.P.

By: _____
Name: Ori D. Alpert
Title: Authorized Signatory

CEDAR ASSOCIATES L.P.

By: _____
Name: Charles Alpert
Title: General Partner

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 17th day of March, 2008, before me, the undersigned, personally appeared JOHN P GREEN, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

SEAL

MADELINE SHABOT
Notary Public, State of New York
No. 24-4706187
Qualified in Kings County
Commission Expires December 31, 2009

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 17th day of March, 2008, before me, the undersigned, personally appeared JOHN P. GREEN, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

MADELINE SHABOT
Notary Public, State of New York
No. 24-4706187
Qualified in Kings County
Commission Expires December 31, 2009

SEAL

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 17 day of March, 2008, before me, the undersigned, personally appeared OMD. Alpert, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Madeline Shabot
Notary Public

MADELINE SHABOT
Notary Public, State of New York
No. 24-4706187
Qualified in Kings County
Commission Expires December 31, 2009

SEAL

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 17 day of March, 2008, before me, the undersigned, personally appeared CHARLES Alpert, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Madeline Shabot
Notary Public

MADELINE SHABOT
Notary Public, State of New York
No. 24-4706187
Qualified in Kings County
Commission Expires December 31, 2009

RIR
Herrick, Feinstein LLP
2 Park Avenue
New York, N.Y. 10016
Attention: Belinda Schwartz, Esq.

SEAL

360

EXHIBIT A

Legal Description
477 Broome Property

EXHIBIT A TO THE DECLARATION
OF THE SOHO-BROOME CONDOMINIUM
DESCRIPTION OF THE LAND

DESCRIPTION

All that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situated, lying and being in the Borough of Manhattan, City and County of New York, consisting of Lots Number 81, 82 and 83 and part of Lot Number 80 on a certain map entitled, "Map of the Estate of Abijan Hammond, in the 8th Ward", made by D. Ewen Surveyor, from an original survey made by E. Banker, April 1795 and filed in the Office of the Register of the County of New York, May 3, 1827 as Map in Tin Case Number 13 and which said lots and part of said lot taken together are bounded and described as follows:

BEGINNING at the point on the Southerly side of Broome Street at a point distant 100 feet Westerly from the corner formed by the intersection of the Westerly side of Greene Street and the said Southerly side of Broome Street;

RUNNING THENCE Westerly along the Southerly side of Broome Street, 75 feet±

THENCE Southerly at right angles with Broome Street, 100.0½ feet± to the land now or later of John Finley;

THENCE Easterly along the same, 75 feet±

THENCE Northerly at right angles with Broome Street, 99.7 feet ± to the said Southerly side of Broome Street, at the point or place of BEGINNING.

EXHIBIT B

Legal Description
52 Wooster Property

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

Beginning at a point on the southerly side of Broome Street, distant 175 feet westerly from the corner formed by its intersection with the westerly side of Greene Street and running

Thence westerly along the southerly side of Broome Street 25 feet to the easterly side of Wooster Street;

Thence southerly along the easterly side of Wooster Street 99 feet 7 inches to the land now or formerly of John Finley;

Thence easterly along the same 25 feet; and

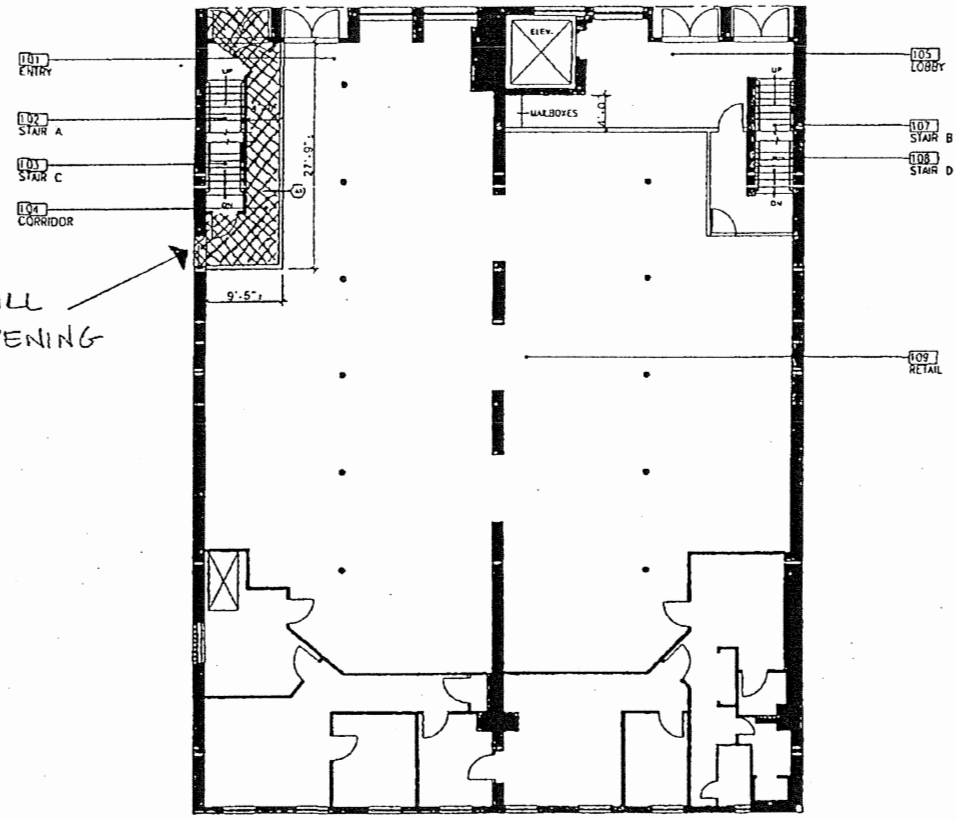
Thence northerly at right angles to Broome Street 99 feet 6 ¾ inches to the point or place of Beginning.

EXHIBIT C
52 Wooster Easement Area

365

52 WOOSTER EASEMENT AREA

BROOME STREET



1 PROPSED 1ST FLOOR PLAN
SCALE: 1/16" = 1'-0"

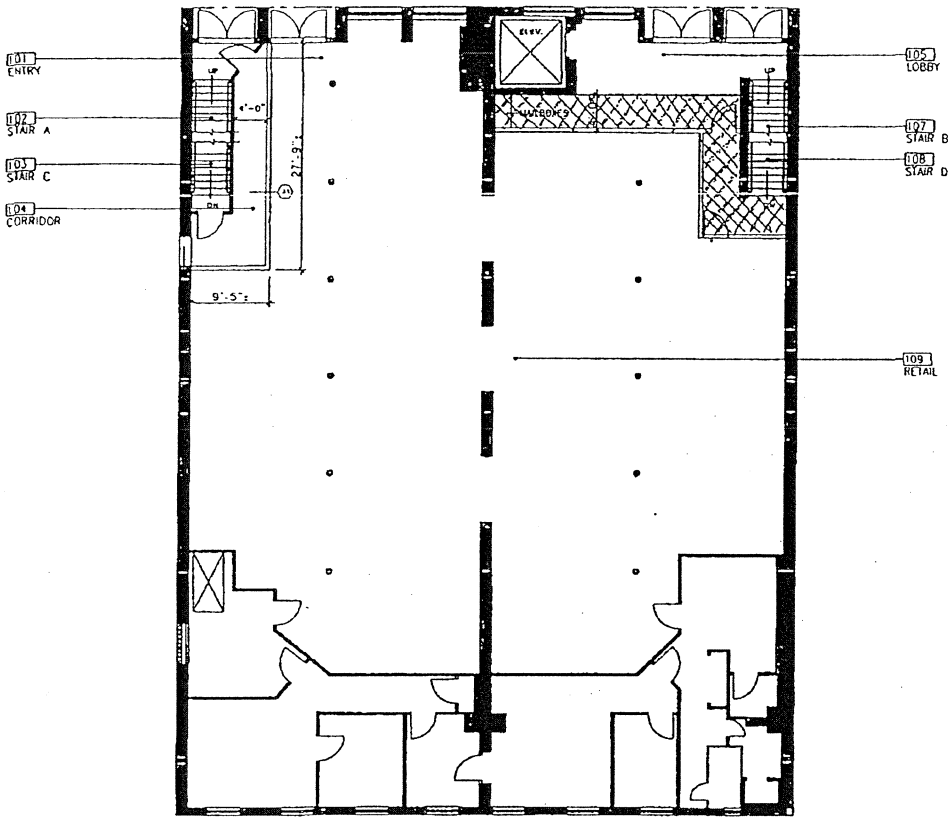
— EASEMENT AREA

PROJECT 477 BROOME STREET NEW YORK, NY 10003	ARPAD BAKSA ARCHITECT, P.C.	REVISION DATE PROJECT NO. 1323 DATE 14 FEB 07 DRAWN BY AG SCALE N.T.S.
DRAWING TITLE SCHEME 1 - 1ST FLOOR PLAN	99 WALL STREET SUITE 1500 NEW YORK, NY 10005-4301 t: 212.766.4191 f: 212.766.4473 info@arpad-baksa-architect.com	SHEET NO SK-100

EXHIBIT D
477 Commercial Easement Area

477 COMMERCIAL EASEMENT AREA

BROOME STREET



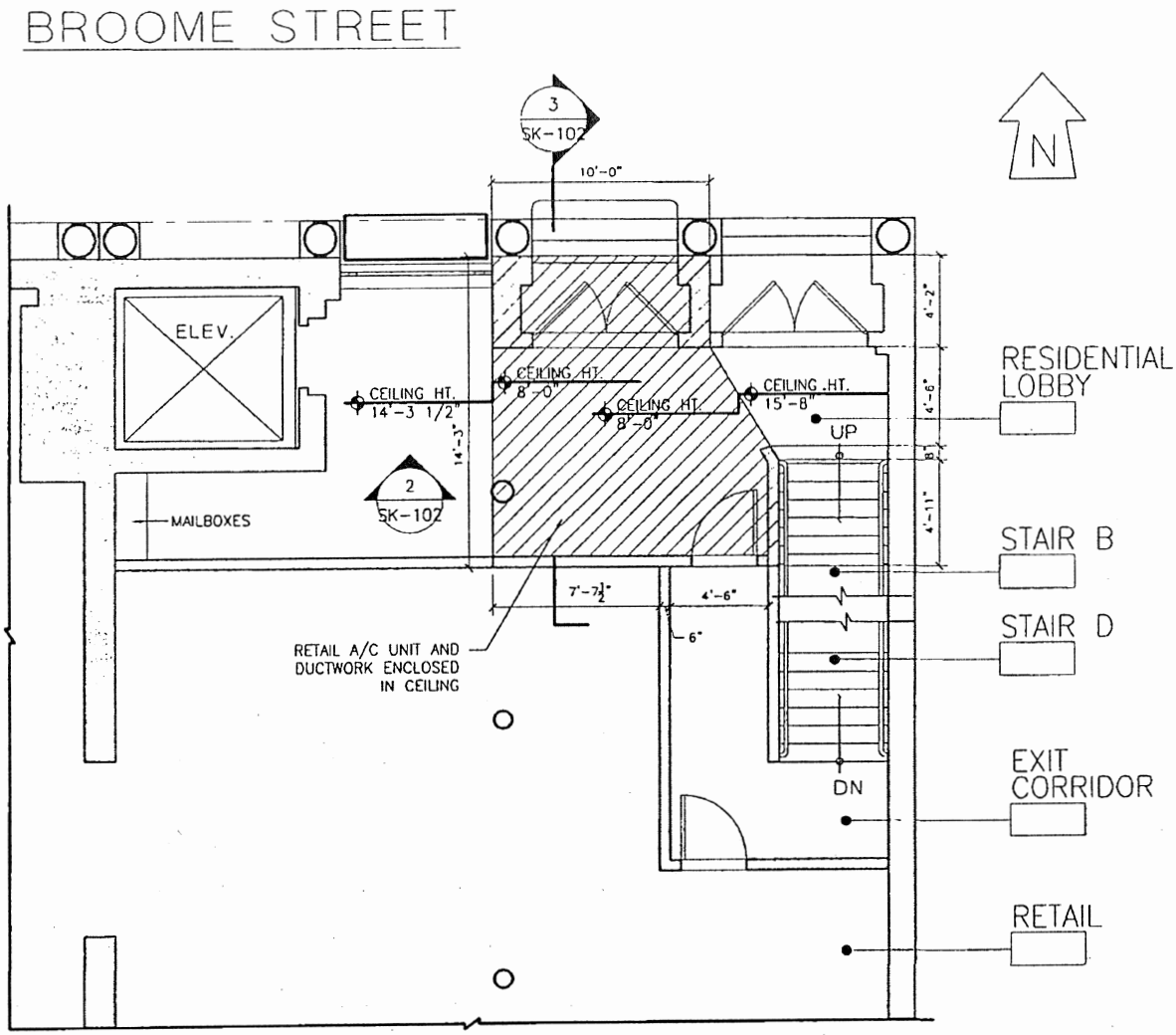
1 PROPSED 1ST FLOOR PLAN
SCALE: 1/16" = 1'-0"

— EASEMENT AREA

PROJECT 477 BROOME STREET NEW YORK, NY 10003	ARPAD BAKSA ARCHITECT, P.C.	REVISION DATE PROJECT NO. 1323 DATE 14 FEB 07 DRAWN BY AG SCALE N.T.S.
DRAWING TITLE SCHEME 1 - 1ST FLOOR PLAN	99 WALL STREET SUITE 1500 NEW YORK, NY 10005-4301 t: 212.768.4191 f: 212.768.4473 info@arpad-baksa-architect.com	SHEET NO SK-100

EXHIBIT E
HVAC Easement Area

369



1 LOBBY
SCALE: 1/8" = 1'-0"

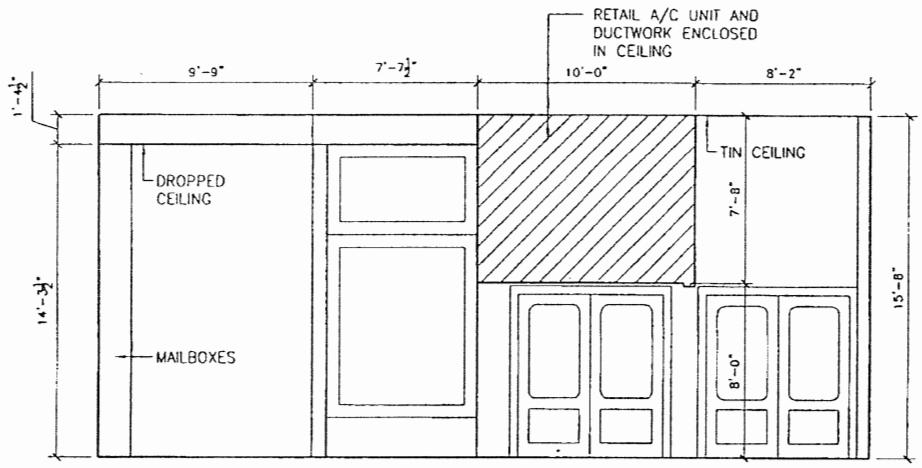
477 BROOME ST
NEW YORK, N.Y. 10003

EASEMENT - HVAC UNIT
1ST FL. PART PLAN

ARPAD BAKSA
ARCHITECT, P. C.
Architecture, Preservation and Interiors since 1984
99 Wall Street, Suite 1600
New York, N.Y. 10005-4301
Tel: 212-768-4191
Fax: 212-768-4473
E-mail: info@arpad-baksa-architect.com
www.arpad-baksa-architect.com

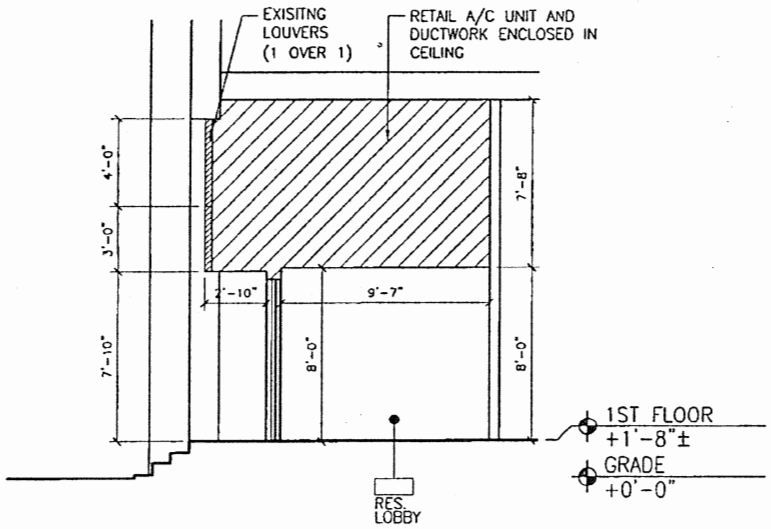
1411
18 JAN 08
-
1/8"-1'-0"
SK-101

370



2 RESIDENTIAL LOBBY INTERIOR ELEVATION

SCALE: 1/8" = 1'-0"



3 SECTION

SCALE: 1/8" = 1'-0"

477 BROOME ST
NEW YORK, N.Y. 10003

EASEMENT - HVAC UNIT
1ST FL. PART PLAN

ARPAD BAKSA
ARCHITECT, P. C.
Architecture, Preservation and Interiors since 1984

99 Wall Street, Suite 1600
New York, N.Y. 10005-4301
Tel: 212-768-4191
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www.arpad-baksa-architect.com

1411
18 JAN 08
-
1/8"-1'-0"

SK-102

371

AMENDMENT OF EASEMENT AGREEMENT DATED FEBRUARY 24, 2009

372

809832

B-475
L-1201, 1202
and 40

AMENDMENT OF EASEMENT AGREEMENT

This **Easement Agreement Amendment,** dated this 24th day of February, 2009 by and between **THE BOARD OF MANAGERS OF THE SOHO-BROOME CONDOMINIUM** (the "Board"), having an address at 477-479 Broome Street, New York, New York, **477 EQUITIES CORP.** ("Residential Owner"), having an address at 477-479 Broome Street, New York, New York, **LINDEN ASSOCIATES L.P.,** a New York limited partnership, having an address at 271 Madison Avenue, 22nd Floor, New York, New York 10016 ("Linden"), and **CEDAR ASSOCIATES L.P.**, a New York limited partnership, having an address at 271 Madison Avenue, 22nd Floor, New York, New York 10016 ("Cedar").

WITNESSETH

WHEAREAS the Board, Residential Owner, Linden, and Cedar (collectively, the "Parties") entered into an Easement Agreement, dated March 17, 2008 (Easement Agreement") ; and

WHEREAS, the Parties wish to amend said Easement Agreement,

NOW, THEREFORE, for and in consideration of the foregoing recitals, the mutual promises contained herein, and for other good and valuable consideration which is hereby acknowledged, and intending to be legally bound, the Parties hereto agree as follows:

1. Exhibit C to the Easement Agreement is hereby modified by deleting the plans and diagrams attached to the Easement Agreement on March 17, 2008 and replacing them with the plans and diagrams which are attached hereto.

2. Exhibit D to the Easement Agreement is hereby modified by deleting the plans and diagrams attached to the Easement Agreement on March 17, 2008 and replacing them with the plans and diagrams which are attached hereto.

3. Exhibit E to the Easement Agreement is hereby modified by deleting the plans and diagrams attached to the Easement Agreement on March 17, 2008 and replacing them with the plans and diagrams which are attached hereto.

4. This amendment of the Easement Agreement shall: (a) run with the lands and buildings affected; (b) shall inure to the benefit of and be binding upon each party to this Amendment of Easement Agreement and to the Easement Agreement and each such party's successors and assigns.

5. Except as herein expressly modified, all of the provisions of the Easement Agreement, as amended, are hereby ratified and confirmed.

IN WITNESS WHEREOF, this amendment of the Easement Agreement has been duly executed by the parties hereto, the date and year first above written.

THE BOARD OF MANAGERS OF THE SOHO-BROOME CONDOMINIUM

By: _____
Name: Richard Black
Title: President

LINDEN ASSOCIATES L.P

By: _____
Name: Ori D. Alpert
Title: Authorized Signatory

477 EQUITIES CORP.

By: _____
Name: Richard Black
Title: President

CEDAR ASSOCIATES L.P.

By: _____
Name: Charles Alpert
Title: General Partner

374

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 24 day of February, 2009, before me, the undersigned, personally appeared Richard Bloch, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Madeline Shabot

Notary Public

MADELINE SHABOT
Notary Public, State of New York
No. 24-4706187
Qualified in Kings County
Commission Expires December 31, 20 09

SEAL

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 24 day of February, 2009, before me, the undersigned, personally appeared Richard Bloch, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Madeline Shabot

Notary Public

MADELINE SHABOT
Notary Public, State of New York
No. 24-4706187
Qualified in Kings County
Commission Expires December 31, 2009

SEAL

375

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 24th day of February, 2009, before me, the undersigned, personally appeared DAVID ALPERT, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Madeline Shabot

Notary Public

MADELINE SHABOT
Notary Public, State of New York
No. 24-4706187
Qualified in Kings County
Commission Expires December 31, 2009

SEAL

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 24th day of February, 2009, before me, the undersigned, personally appeared CHARLES ALPERT, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Madeline Shabot

Notary Public

SEAL

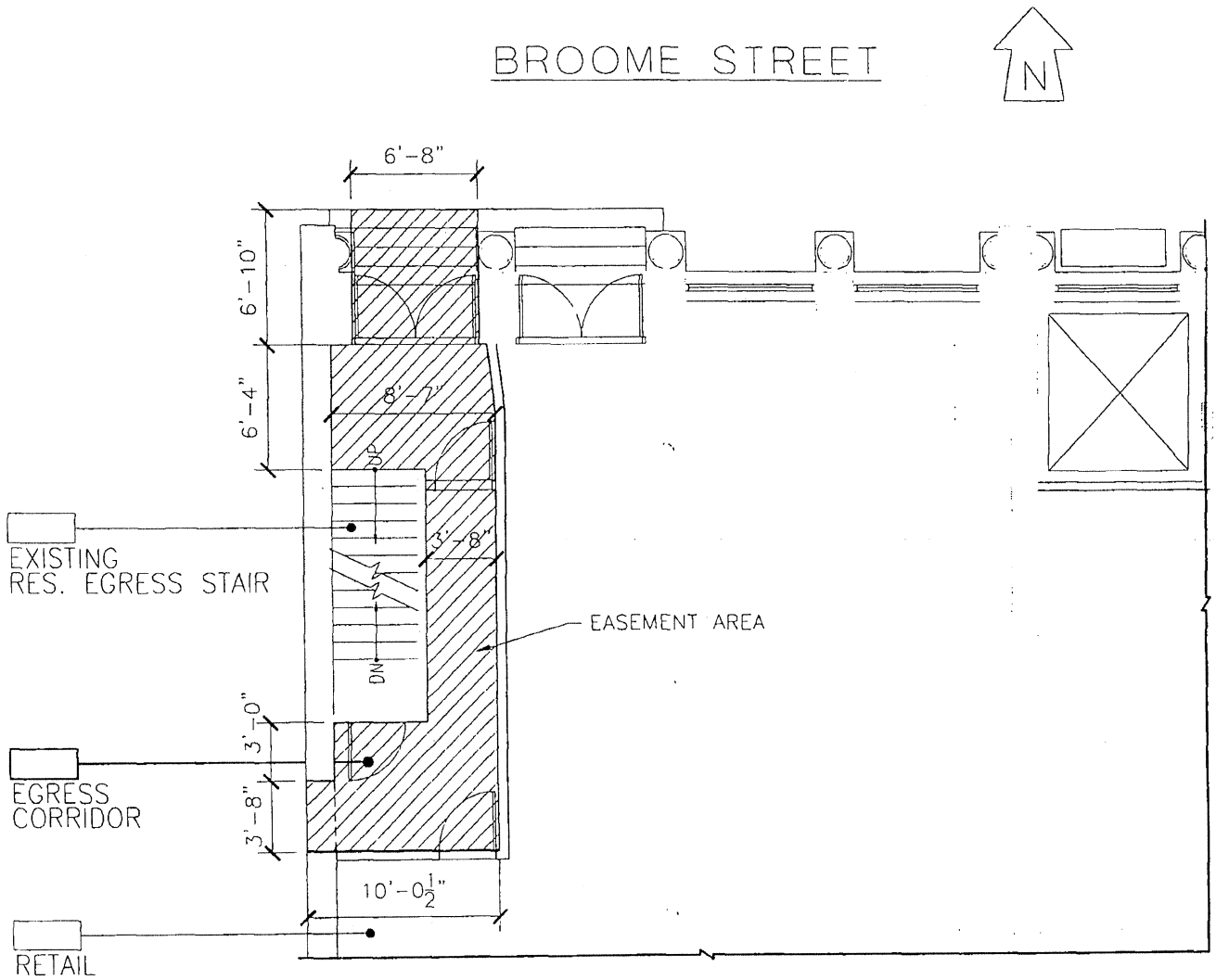
MADELINE SHABOT
Notary Public, State of New York
No. 24-4706187
Qualified in Kings County
Commission Expires December 31, 2009

R&R
Herrick, Feinstein LLP
2 Park Avenue
New York, NY 10016
Attention: Belinda Schwartz, Esq.

EXHIBIT C

52 Wooster Easement Area

377



1 LOBBY
SCALE: 1/8" = 1'-0"

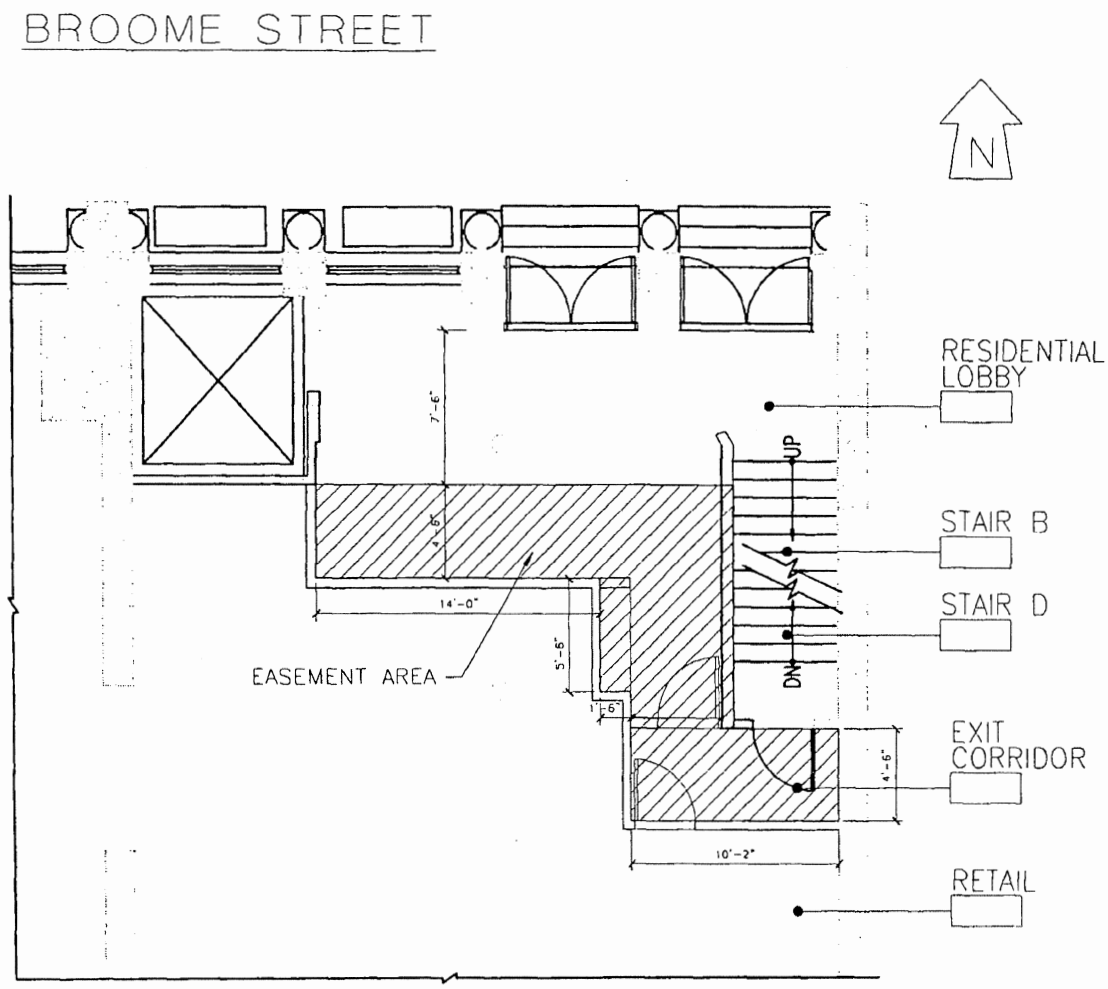
REVISION DATE 05 FEB 09

PROJECT 477 BROOME ST NEW YORK, N.Y. 10003	ARPAD BAKSA ARCHITECT, P. C. Architecture, Preservation and Interiors since 1984	99 Wall Street, Suite 1600 New York, N.Y. 10005-4301 Tel: 212-758-4191 Fax: 212-758-4473 E-mail: info@arpad-baksa-architect.com www.arpad-baksa-architect.com
DRAWING TITLE 52 WOOSTER 1ST FL. EASEMENT AREA		

PROJECT NO.	1411
DATE	18 JAN 08
REFERENCE	-
SCALE	1/8"-1'-0"
SHEET NO	SK-104

EXHIBIT D

477 Commercial Easement Area



1 LOBBY
SCALE: 1/8" = 1'-0"

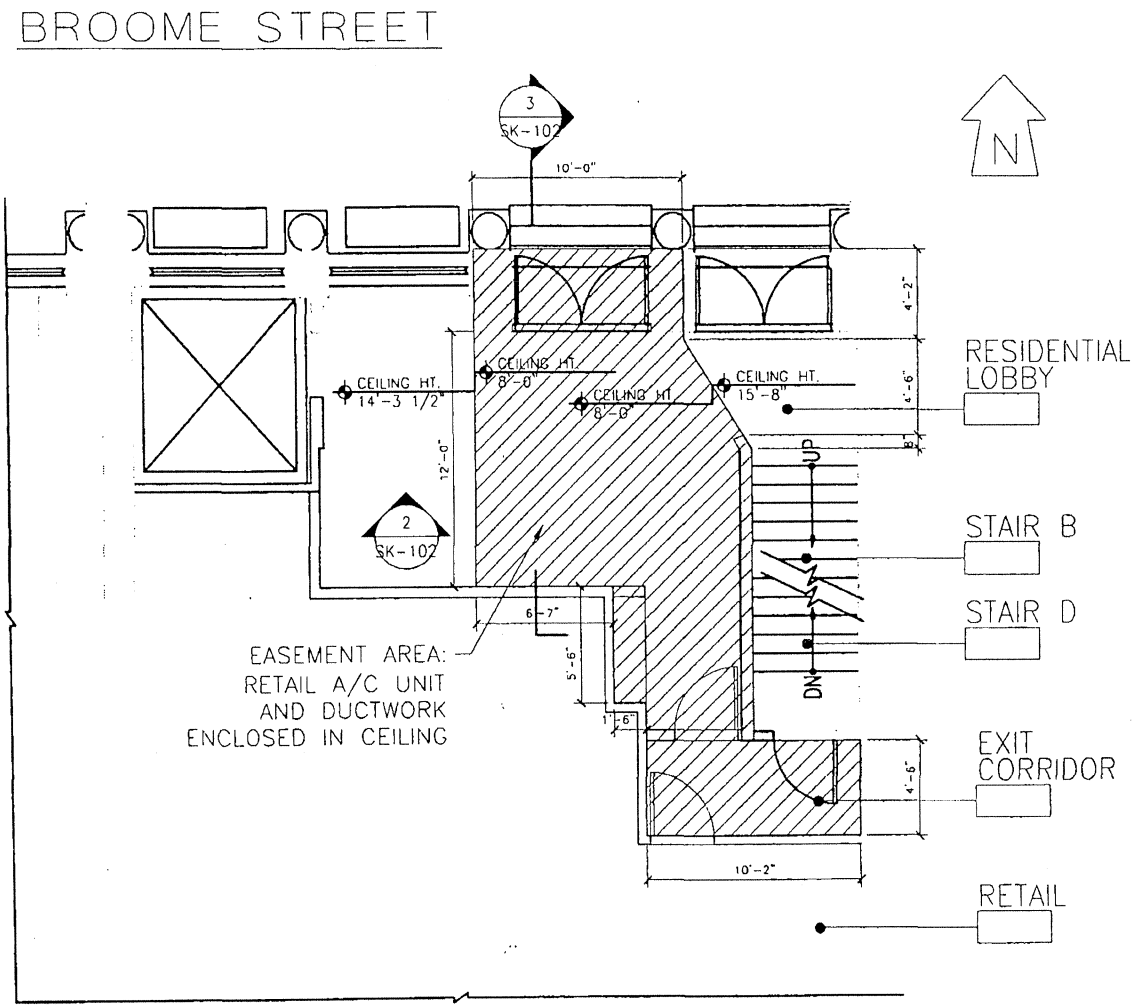
REVISION DATE 05 FEB 09

PROJECT 477 BROOME ST NEW YORK, N.Y. 10003	ARPAD BAKSA ARCHITECT, P. C. Architecture, Preservation and Interiors since 1984	99 Wall Street, Suite 1600 New York, N.Y. 10005-4301 Tel: 212-788-4191 Fax: 212-788-4473 E-mail: info@arpad-baksa-architect.com www.arpad-baksa-architect.com	PROJECT NO. 1411 DATE 18 JAN 08 REFERENCE - SCALE 1/8"-1'-0"
DRAWING TITLE 477 BROOME 1ST FLOOR COMM. EASEMENT AREA			SHEET NO SK-103

380

EXHIBIT E

HVAC Easement Area

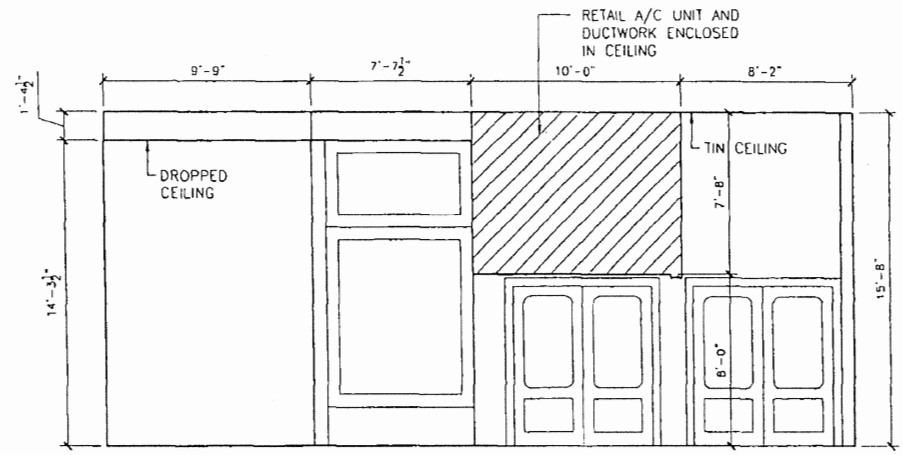


1 LOBBY
SCALE: 1/8" = 1'-0"

REVISION DATE 05 FEB 09

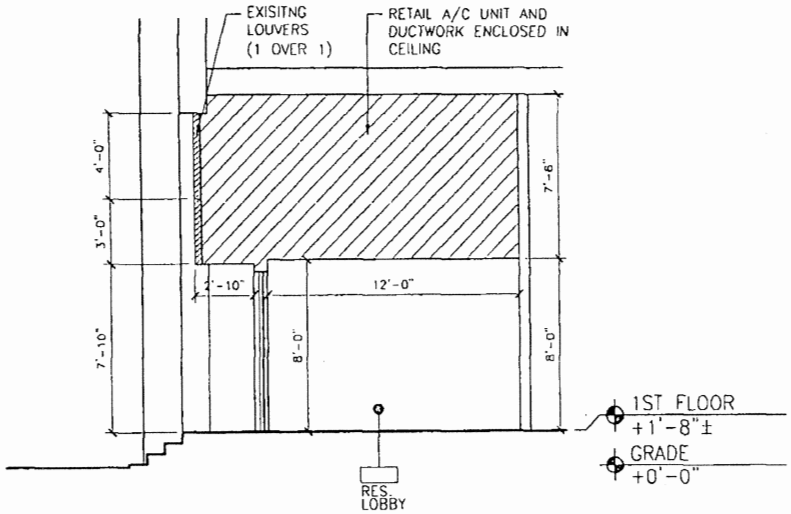
PROJECT 477 BROOME ST NEW YORK, N.Y. 10003	ARPAD BAKSA ARCHITECT, P. C. Architecture, Preservation and Interiors since 1984	99 Wall Street, Suite 1600 New York, N.Y. 10005-4301 Tel: 212-788-4191 Fax: 212-788-4473 E-mail: info@arpad-baksa-architect.com www.arpad-baksa-architect.com
DRAWING TITLE EASEMENT - HVAC UNIT 1ST FL. PART PLAN		

PROJECT NO.	1411
DATE	18 JAN 08
REFERENCE	-
SCALE	1/8"-1'-0"
SHEET NO	SK-101



2 RESIDENTIAL LOBBY INTERIOR ELEVATION

SCALE: 1/8" = 1'-0"



3 SECTION

SCALE: 1/8" = 1'-0"

REVISION DATE 21 JAN 09

PROJECT	477 BROOME ST NEW YORK, N.Y. 10003
DRAWING TITLE	EASEMENT - HVAC UNIT 1ST FL. PART SECTIONS

ARPAD BAKSA
ARCHITECT, P. C.
Architecture, Preservation and Interiors since 1984

99 Wall Street, Suite 1600
New York, N.Y. 10005-4301
Tel: 212-768-4191
Fax: 212-768-4478
E-mail: info@arpad-baksa-architect.com
www.arpad-baksa-architect.com

PROJECT NO.	1411
DATE	18 JAN 08
REFERENCE	-
SCALE	1/8"-1'-0"
SHEET NO	SK-102

ENCROACHMENT EASEMENT AGREEMENT DATED AS OF JUNE 11, 2013

384

ENCROACHMENT EASEMENT AGREEMENT

THIS ENCROACHMENT EASEMENT AGREEMENT (this "**Agreement**") is made as of this 11th day of June, 2013, by:

52 WOOSTER OWNER LLC, a New York limited liability company, having an address at 271 Madison Avenue, 22nd Floor, New York, New York 10016 ("**Grantor**");

to and for the benefit of:

THE BOARD OF MANAGERS (the "**Board**") OF THE SOHO-BROOME CONDOMINIUM (the "**Condominium**"), having an address at 477-479 Broome Street, New York, New York, for itself and on behalf of all unit owners of said Condominium, 477 EQUITIES CORP. (the "**Co-op**"), having an address at 477-479 Broome Street, New York, New York, as owner of the residential unit of the Condominium, and LINDEN ASSOCIATES L.P., a New York limited partnership ("**Linden**"), and CEDAR ASSOCIATES L.P., a New York limited partnership ("**Cedar**"), each having an address at 271 Madison Avenue, 22nd Floor, New York, New York 10016, collectively, as owner of the commercial unit of the Condominium.

The Board, Co-op, Linden and Cedar are collectively, the "**Grantee**".

RECITALS

WHEREAS, Grantor is the owner of that certain parcel of land known as and by the street address 52 Wooster Street, New York, New York, and being Lot 40 in Block 475 on the Tax Map of the City of New York, Borough of Manhattan (the "**Tax Map**"), as more particularly described in Exhibit A annexed hereto and made a part hereof (the "**Wooster Property**");

WHEREAS, a declaration establishing a plan for condominium ownership of the premises located at 477-479 Broome Street, New York, New York (the "**Condominium Property**") has been duly recorded on September 26, 1995, in the New York County office of the Register of the City of New York (the "**City Register's Office**"), in Reel 2246, at page 1427, establishing the Condominium. The Condominium Property is more particularly described on Exhibit B annexed hereto and made a part hereof;

Sec:

WHEREAS, the Co-op owns fee title interest in the residential unit of the Condominium together with its proportionate undivided interest in the common elements of the Condominium, which residential unit is designated on the Tax Map as Block 475, Lot 1202, as more particularly described on Exhibit C-1 annexed hereto and made a part hereof;

Blk: 475

Lot: 40, 1201 & 1202

WHEREAS, Linden and Cedar collectively own fee title interest in the commercial unit of the Condominium together with its proportionate undivided interest in the common elements of the Condominium, which commercial unit is designated on the Tax Map as Block 475, Lot 1201, as more particularly described on Exhibit C-2 annexed hereto and made a part hereof; and

WHEREAS, the building existing on the Condominium Property (the "**Building**") leans onto the Wooster Property (the "**Encroachment**") and Grantor desires to grant and convey by

this instrument to Grantee and the Condominium Property, as more particularly described below, for so long as the Building shall stand, an easement for the continued existence of the Encroachment and a right of access to maintain, repair and replace the Building from time to time.

NOW, THEREFORE, the parties, intending to be legally bound hereby, in consideration of the sum of TEN DOLLARS ($10.00) in hand paid by Grantee to Grantor, and for other good and valuable consideration the receipt and the legal adequacy of which being hereby acknowledged by Grantor, the Grantor hereby represents, covenants and agrees as follows:

1. Easement. Grantor does hereby irrevocably and unconditionally give, grant and convey to Grantee and to its successors and assigns, for so long as the Building shall stand, an easement for the continued existence of the Encroachment on and/or over the Wooster Property (the "**Easement**").

2. Right of Access. During the term of this Easement, Grantee and its employees, agents, contractors and service providers shall have free and unfettered right of access ("**Right of Access**") onto the Wooster Property in order to maintain, repair and replace the Building from time to time; provided, however, such Right of Access shall not in any way infringe upon, interfere with or restrict Grantor's right to lawfully construct any improvements on the Wooster Property and any such maintenance, repair and replacement work shall be (i) performed in accordance with all applicable legal requirements and in a prompt, safe and efficient manner; (ii) undertaken in a manner so as not to unreasonably interfere with the use, occupancy or enjoyment of the Wooster Property and any improvements located thereon, (iii) undertaken in a manner customary for such work in the City of New York and (iv) at Grantee's sole cost and expense.

3. No Fee, Charge or Imposition. No fee, charge or other imposition shall be levied or assessed by Grantor against Grantee by reason of this Agreement or the grant of the Easement or the Right of Access or the exercise of such Right of Access. Grantor shall have the exclusive responsibility and obligation, without reimbursement from Grantee, to pay all real estate taxes, assessments and impositions levied against the Wooster Property by the New York City Department of Finance and all other governmental authorities having jurisdiction.

4. Run with Land. This Agreement and the Easement and Right of Access granted and conveyed hereby are irrevocable, cannot be interrupted or abridged for so long as the Building shall stand and shall run in favor of Grantee, the Grantee's Building and the Condominium Property, and burdens the Wooster Property and all rights, interests and estates appurtenant to the Wooster Property. No violation of any term or provision hereof shall result in an abridgement, forfeiture or reversion of the Easement and Right of Access granted hereunder.

5. Changes, Termination or Waiver. This Agreement may not be modified, changed or terminated, nor any provision waived, orally, but only by a written agreement duly signed and acknowledged by Grantor and Grantee, and recorded in the City Register's Office.

6. Merger. All prior statements, undertakings, negotiations, discussions, promises and agreements made to each party hereto with regard to this matter are merged in this Agreement and have no further force or effect unless they are contained herein.

7. Entire Agreement. This Agreement contains the entire understanding and agreement of the parties with respect to the subject matter hereof and supersedes any other agreement by or among them.

8. Governing Law. The internal laws of the State of New York shall govern the interpretation and enforcement of this instrument without regard to the legal principles of conflict of laws.

9. Interpretation. No negative inference or interpretation shall be made against the party who or whose attorney drafted this Agreement.

10. Successors and Assigns. This Agreement and the Easement and Right of Access granted hereunder shall be binding upon Grantor and its successors and assigns, and shall inure to the benefit of the parties comprising the Grantee and their respective successors and assigns.

11. Captions. The paragraph captions are for convenience only and are not part of the text of this Agreement and shall not be used to interpret its provisions.

12. Recitals. The Recitals to this Agreement are an integral part hereof and are hereby incorporated herein with the same force and effect as though set forth at length.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the Grantor has executed this Agreement and the Easement and Right of Access have been granted as of the date first above written.

GRANTOR:

52 WOOSTER OWNER LLC,

a New York limited liability company

By: _____
Name: Charles Alpert
Title: Manager

By: _____
Name: Ori D. Alpert
Title: Manager

GRANTEES:

THE BOARD OF MANAGERS OF THE SOHO-BROOME CONDOMINIUM

By: _____
Name: Richard Black
Title: President

477 EQUITIES CORP.

By: _____
Name: Richard Black
Title: President

Signatures continue on the following page

388

LINDEN ASSOCIATES L.P.,
a New York limited partnership

By: LINDEN ASSOCIATES GP LLC,
its general partner

By:_____
Name: Ori D. Alpert
Title: Manager

CEDAR ASSOCIATES L.P.,
a New York limited partnership

By:_____
Name: Charles Alpert
Title: General Partner

Signature page to Easement Agreement

369

GRANTOR'S
ACKNOWLEDGMENTS

STATE OF NEW YORK)
:ss.:
COUNTY OF NEW YORK)

On the 11 day of June in the year 2013, before me, the undersigned, a Notary Public in and for said State, personally appeared CHARLES ALPERT, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

MADELINE SHABOT
Notary Public, State of New York
No. 24-4706187
Qualified in Kings County
Commission Expires December 31, 2013

SEAL

STATE OF NEW YORK)
:ss.:
COUNTY OF NEW YORK)

On the 11 day of June in the year 2013, before me, the undersigned, a Notary Public in and for said State, personally appeared OLI D. ALPERT, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

MADELINE SHABOT
Notary Public, State of New York
No. 24-4706187
Qualified in Kings County
Commission Expires December 31, 2013

SEAL

HF 8287013v.3 #10490/0008

350

GRANTEES'
ACKNOWLEDGMENTS

THE BOARD OF MANAGERS OF THE SOHO-BROOME CONDOMINIUM

STATE OF NEW YORK)
:ss.:
COUNTY OF NEW YORK)

On the 10th day of June in the year 2013, before me, the undersigned, a Notary Public in and for said State, personally appeared RICHARD BLOCK, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Madeline Shabot
Notary Public

MADELINE SHABOT
Notary Public, State of New York
No. 24-4706187
Qualified in Kings County
Commission Expires December 31, 2013

SEAL

477 EQUITIES CORP.

STATE OF NEW YORK)
:ss.:
COUNTY OF NEW YORK)

On the 10th day of June in the year 2013, before me, the undersigned, a Notary Public in and for said State, personally appeared RICHARD BLOCK, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Madeline Shabot
Notary Public

MADELINE SHABOT
Notary Public, State of New York
No. 24-4706187
Qualified in Kings County
Commission Expires December 31, 2013

SEAL

HF 8287013v.3 #10490/0008

391

GRANTEES'
ACKNOWLEDGMENTS

LINDEN ASSOCIATES L.P.

STATE OF NEW YORK)
:ss.:
COUNTY OF NEW YORK)

On the 11 day of June in the year 2013, before me, the undersigned, a Notary Public in and for said State, personally appeared DAVID D. ALPERT, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Madeline Shabot
Notary Public

MADELINE SHABOT
Notary Public, State of New York
No. 24-4706187
Qualified in Kings County
Commission Expires December 31, 2013

CEDAR ASSOCIATES L.P.

SEAL

STATE OF NEW YORK)
:ss.:
COUNTY OF NEW YORK)

On the 11 day of June in the year 2013, before me, the undersigned, a Notary Public in and for said State, personally appeared CHARLES ALPERT, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Madeline Shabot
Notary Public

MADELINE SHABOT
Notary Public, State of New York
No. 24-4706187
Qualified in Kings County
Commission Expires December 31, 2013

SEAL

HF 8287013v.3 #10490/0008

392

EXHIBIT A

DESCRIPTION OF WOOSTER PROPERTY

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 SOUTHERLY SIDE OF BROOME STREET, DISTANT 175 FEET WESTERLY FROM THE CORNER FORMED BY ITS INTERSECTION WITH THE WESTERLY SIDE OF GREENE STREET AND

RUNNING THENCE WESTERLY ALONG THE SOUTHERLY SIDE OF BROOME STREET 25 FEET TO THE EASTERLY SIDE OF WOOSTER STREET;

THENCE SOUTHERLY ALONG THE EASTERLY SIDE OF WOOSTER STREET 99 FEET 7 INCHES TO THE LAND NOW OR FORMERLY OF JOHN FINLEY;

THENCE EASTERLY ALONG THE SAME 25 FEET;

THENCE NORTHERLY AT RIGHT ANGLES TO BROOME STREET 99 FEET 6 3/4 INCHES TO THE POINT OR PLACE OF BEGINNING.

EXHIBIT B

DESCRIPTION OF CONDOMINIUM PROPERTY

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, CONSISTING OF LOTS NUMBER 81, 82, 83 AND PART OF LOT NUMBER 80 ON A CERTAIN MAP ENTITLED "MAP OF ESTATE OF ABIJAN HAMMOND, IN THE 8TH WARD" MADE BY D. EWEN SURVEYOR, FROM AN ORIGINAL SURVEY MADE BY E. BANKER, APRIL 1795 AND FILED IN THE OFFICE OF THE REGISTER OF THE COUNTY OF NEW YORK MAY 3, 1827, AS MAP IN TIN CASE NUMBER 13, AND WHICH SAID LOTS AND PART OF SAID LOT TAKEN TOGETHER ARE BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHERLY SIDE OF BROOME STREET AT A POINT DISTANT 100 FEET WESTERLY FROM THE CORNER FORMED BY THE INTERSECTION OF THE WESTERLY SIDE OF GREENE STREET AND THE SAID SOUTHERLY SIDE OF BROOME STREET;

RUNNING THENCE WESTERLY ALONG THE SOUTHERLY SIDE OF BROOME STREET SEVENTY FIVE FEET (75±);

THENCE SOUTHERLY AT RIGHT ANGLES WITH BROOME STREET, 100.0¼ FEET ± TO THE LAND NOW OR LATER OF JOHN FINLEY;

THENCE EASTERLY ALONG THE SAME 75 FEET±;
THENCE NORTHERLY AT RIGHT ANGLES WITH BROOME STREET 99.7 FEET± TO THE SAID SOUTHERLY SIDE OF BROOME STREET AT THE POINT OR PLACE OF BEGINNING.

394

EXHIBIT C-1

DESCRIPTION OF RESIDENTIAL UNIT

THE CONDOMINIUM UNIT (HEREINAFTER REFERRED TO A THE "UNIT") AT THE SOHO-BROOME CONDOMINIUM AND KNOWN AS AND BY THE STREET NUMBER 477 BROOME STREET, IN THE BOROUGH OF MANHATTAN, CITY, COUNTY AND STATE OF NEW YORK, SAID UNIT BEING DESIGNATED AND DESCRIBED AS THE RESIDENTIAL UNIT IN A CERTAIN DECLARATION DATED JULY 25, 1995, MADE BY ROCKSPRINGS MANAGEMENT COMPANY PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY LAW OF THE STATE OF NEW YORK (HEREINAFTER REFERRED TO AS THE "CONDOMINIUM ACTS") ESTABLISHING A PLAN FOR CONDOMINIUM OWNERSHIP OF THE BUILDING AND THE LAND (HEREINAFTER REFERRED TO AS THE "LAND"), UPON WHICH THE BUILDING IS SITUATE, (WHICH LAND IS MORE PARTICULARLY HEREINAFTER DESCRIBED), WHICH DECLARATION WAS RECORDED IN THE OFFICE OF THE REGISTER OF THE CITY OF NEW YORK, COUNTY OF NEW YORK, ON SEPTEMBER 26, 1995, IN REEL 2246, PAGE 1427 (WHICH DECLARATION AND AMENDMENTS THERETO ARE HEREINAFTER COLLECTIVELY REFERRED TO AS THE "DECLARATION").
THIS UNIT IS ALSO DESIGNATED AS TAX LOT 1202 IN BLOCK 475 OF SECTION 2 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, AS CONDOMINIUM PLAN NO. 916 AND ALSO FILED IN THE CITY REGISTER'S OFFICE ON SEPTEMBER 26, 1995, AS CONDOMINIUM MAP NO. 5330;
TOGETHER WITH AN UNDIVIDED 70% INTEREST IN THE COMMON ELEMENTS AS SUCH TERM IS DEFINED IN THE DECLARATION.

THE LAND IS 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, CONSISTING OF LOTS NUMBER 81, 82, 83 AND PART OF LOT NUMBER 80 ON A CERTAIN MAP ENTITLED "MAP OF ESTATE OF ABIJAN HAMMOND, IN THE 8TH WARD" MADE BY D. EWEN SURVEYOR, FROM AN ORIGINAL SURVEY MADE BY E. BANKER, APRIL 1795 AND FILED IN THE OFFICE OF THE REGISTER OF THE COUNTY OF NEW YORK MAY 3, 1827, AS MAP IN TIN CASE NUMBER 13, AND WHICH SAID LOTS AND PART OF SAID LOT TAKEN TOGETHER ARE BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHERLY SIDE OF BROOME STREET AT A POINT DISTANT 100 FEET WESTERLY FROM THE CORNER FORMED BY THE INTERSECTION OF THE WESTERLY SIDE OF GREENE STREET AND THE SAID SOUTHERLY SIDE OF BROOME STREET;

RUNNING THENCE WESTERLY ALONG THE SOUTHERLY SIDE OF BROOME STREET SEVENTY FIVE FEET (75±);

THENCE SOUTHERLY AT RIGHT ANGLES WITH BROOME STREET, 100.0¼ FEET ± TO THE LAND NOW OR LATER OF JOHN FINLEY;

THENCE EASTERLY ALONG THE SAME 75 FEET±;
THENCE NORTHERLY AT RIGHT ANGLES WITH BROOME STREET 99.7 FEET± TO THE SAID SOUTHERLY SIDE OF BROOME STREET AT THE POINT OR PLACE OF BEGINNING.

EXHIBIT C-2

DESCRIPTION OF COMMERCIAL UNIT

THE CONDOMINIUM UNIT (HEREINAFTER REFERRED TO A THE "UNIT") AT THE SOHO-BROOME CONDOMINIUM AND KNOWN AS AND BY THE STREET NUMBER 477 BROOME STREET, IN THE BOROUGH OF MANHATTAN, CITY, COUNTY AND STATE OF NEW YORK, SAID UNIT BEING DESIGNATED AND DESCRIBED AS THE COMMERCIAL UNIT IN A CERTAIN DECLARATION DATED JULY 25, 1995, MADE BY ROCKSPRINGS MANAGEMENT COMPANY PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY LAW OF THE STATE OF NEW YORK (HEREINAFTER REFERRED TO AS THE "CONDOMINIUM ACTS") ESTABLISHING A PLAN FOR CONDOMINIUM OWNERSHIP OF THE BUILDING AND THE LAND (HEREINAFTER REFERRED TO AS THE "LAND"), UPON WHICH THE BUILDING IS SITUATE, (WHICH LAND IS MORE PARTICULARLY HEREINAFTER DESCRIBED), WHICH DECLARATION WAS RECORDED IN THE OFFICE OF THE REGISTER OF THE CITY OF NEW YORK, COUNTY OF NEW YORK, ON SEPTEMBER 26, 1995, IN REEL 2246, PAGE 1427 (WHICH DECLARATION AND AMENDMENTS THERETO ARE HEREINAFTER COLLECTIVELY REFERRED TO AS THE "DECLARATION").
THIS UNIT IS ALSO DESIGNATED AS TAX LOT 1201 IN BLOCK 475 OF SECTION 2 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, AS CONDOMINIUM PLAN NO. 916 AND ALSO FILED IN THE CITY REGISTER'S OFFICE ON SEPTEMBER 26, 1995, AS CONDOMINIUM MAP NO. 5330;
TOGETHER WITH AN UNDIVIDED 30% INTEREST IN THE COMMON ELEMENTS AS SUCH TERM IS DEFINED IN THE DECLARATION.

THE LAND IS 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, CONSISTING OF LOTS NUMBER 81, 82, 83 AND PART OF LOT NUMBER 80 ON A CERTAIN MAP ENTITLED "MAP OF ESTATE OF ABIJAN HAMMOND, IN THE 8TH WARD" MADE BY D. EWEN SURVEYOR, FROM AN ORIGINAL SURVEY MADE BY E. BANKER, APRIL 1795 AND FILED IN THE OFFICE OF THE REGISTER OF THE COUNTY OF NEW YORK MAY 3, 1827, AS MAP IN TIN CASE NUMBER 13, AND WHICH SAID LOTS AND PART OF SAID LOT TAKEN TOGETHER ARE BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHERLY SIDE OF BROOME STREET AT A POINT DISTANT 100 FEET WESTERLY FROM THE CORNER FORMED BY THE INTERSECTION OF THE WESTERLY SIDE OF GREENE STREET AND THE SAID SOUTHERLY SIDE OF BROOME STREET;

RUNNING THENCE WESTERLY ALONG THE SOUTHERLY SIDE OF BROOME STREET SEVENTY FIVE FEET (75±);

THENCE SOUTHERLY AT RIGHT ANGLES WITH BROOME STREET, 100.0¼ FEET ± TO THE LAND NOW OR LATER OF JOHN FINLEY;

THENCE EASTERLY ALONG THE SAME 75 FEET±;
THENCE NORTHERLY AT RIGHT ANGLES WITH BROOME STREET 99.7 FEET± TO THE SAID SOUTHERLY SIDE OF BROOME STREET AT THE POINT OR PLACE OF BEGINNING.

396

ENCROACHMENT EASEMENT AGREEMENT

GRANTOR:	52 WOOSTER OWNER LLC
GRANTOR'S PREMISES:	Block 475, Tax Lot 40 Borough of Manhattan, County and State of New York
GRANTEE:	THE BOARD OF MANAGERS OF THE SOHO-BROOME CONDOMINIUM, for itself and on behalf of all unit owners of said Condominium, and 477 EQUITIES CORP., as owner of the residential unit of the Condominium, and LINDEN ASSOCIATES L.P., and CEDAR ASSOCIATES L.P., collectively, as owner of the commercial unit of the Condominium
GRANTEE'S PREMISES:	Block 475, Tax Lots 1201 & 1202 Borough of Manhattan, County and State of New York

RECORD AND RETURN TO:

Herrick, Feinstein LLP
2 Park Avenue
New York, New York 10016
Attention: Belinda G. Schwartz, Esq.

RESOLUTION OF CITY PLANNING COMMISSION DATED MAY 7, 2008, APPROVING THE GRANTING OF A SPECIAL PERMIT FOR THE CONSTRUCTION OF THE BUILDING IN THE M1-5B SOHO-CAST IRON ZONING DISTRICT

CITY PLANNING COMMISSION

May 7, 2008/Calendar No. 9 C 070159 ZSM

IN THE MATTER of an application submitted by Rocksprings Management Company pursuant to Sections 197-c and 201 of the New York City Charter for the grant of a special permit pursuant 74-712(a) of the Zoning Resolution to modify the use regulations of Section 42-10 to allow Use Group 2 uses (residential uses) on the 2nd thru 6th floors, and Section 42-14D (2) to allow Use Group 6 uses (retail uses) on the ground floor of a proposed mixed use development on property located at 52-54 Wooster Street (Block 475, Lot 40), in an M1-5B District, within the SoHo Cast Iron Historic District, Borough of Manhattan, Community District 2.

The application for the special permit was filed by Rocksprings Management Company on October 16, 2006, to allow Use Group 6 uses on the ground floor and residential use on the upper floors of a proposed building at the southeast corner of Broome and Wooster streets, within an M1-5B District in the SoHo-Cast Iron Historic District.

BACKGROUND

The applicant is seeking a special permit pursuant to Section 74-712 (Developments in Historic Districts) to facilitate the construction of a mixed-use building in an M1-5B zoning district in the SoHo-Cast Iron Historic District in Manhattan.

The surrounding portion of the SoHo neighborhood generally contains five- to six-story buildings along Wooster, Greene, and Broome streets. While the upper floors in many of these buildings have been converted to dwelling units, including joint living-work quarters for artists and interim multiple dwellings, the upper floors in other buildings contain offices, art galleries or other commercial uses. Ground floor uses in the vicinity primarily consist of a mix of restaurants, and home furnishing and clothing stores.

Proposed Project

The proposed development is comprised of a six-story 5 - FAR residential building with retail use on the ground floor to be constructed on a 2,500 square foot zoning lot located at the southeast corner of Broome and Wooster streets that is currently occupied by a 10-space accessory parking lot. The rectangular-shaped lot has 25 feet of frontage on Broome Street and 100 feet of frontage on Wooster Street.

The proposed building would contain 12, 498 square feet of floor area; including 10,192 square feet of residential use and 2,306 square feet of retail use. The proposed development would consist of five dwelling units. Ground floor retail space would be located on both Broome and Wooster streets and the residential entrance would be located on Broome Street.

Residential use is not permitted in M1-5A/B zoning districts and new construction is restricted to a specific set of conforming uses which include light industry, warehousing, wholesaling, parking facilities, and hotels. In addition, according to the use regulations for an M1-5B district, uses below the second story are limited to wholesale, business service, warehouse and light industrial uses (Use Groups 7, 9, 11, 16, 17A, 17B, 17C and 17E).

Section 74-712(a) allows, in M1-5A and M1-5B districts, in historic districts, the modification of use regulations by special permit on vacant sites, land with minor improvements, or sites where not more than 20 percent of the site is occupied by an existing building. The applicant is seeking a special permit pursuant to Section 74-712(a) to allow the modification of the use regulations of the M1-5B district in order to allow retail use on the ground floor and residential uses in the proposed building. In order to grant the special permit, the City Planning Commission is required to find that the proposed use modifications would have minimal adverse effects on the conforming uses in the surrounding area.

ENVIRONMENTAL REVIEW

This application (C 070159 ZSM) was reviewed pursuant to the New York State Environmental Quality Review Act (SEQRA), and the SEQRA regulations set forth in Volume 6 of the New York Code of Rules and Regulations, Section 613.00 et seq. and the City Environmental Quality Review (CEQR) Rules of Procedure of 1991 and Executive Order No. 91 of 1977. The designated CEQR number is 07DCP018M. The lead is the City Planning Commission.

After a study of the potential environmental impacts of the proposed action, a Negative Declaration was issued on January, 7, 2008.

UNIFORM LAND USE REVIEW

This application (C 070159 ZSM) was certified as complete by the Department of City Planning on January 7, 2008 and was duly referred to Community Board 2 and the Borough President, in accordance with Title 62 of the Rules of the City of New York, Section 2-02(b).

Community Board Public Hearing

Community Board 2 held a public hearing on the application on February 14, 2008, and on February 21, 2008, by a vote of 35 in favor, 0 opposed, and 0 abstentions, adopted a resolution recommending approval of the application.

Borough President Recommendation

This application was considered by the Manhattan Borough President, who issued a recommendation on March 28, 2008 approving the application.

City Planning Commission Public Hearing

On March 26, 2008 (Calendar No. 4), the City Planning Commission scheduled April 9, 2008 (Calendar No. 14) for a public hearing on this application (C 070159 ZSM). The hearing was duly held on April 9, 2008 (Calendar No. 10). There were two speakers in favor of the application and none in opposition.

The applicant's attorney described the subject proposal and stated that it met the requisite findings. The speaker noted that the developer has retained an engineering firm to ensure the structural stability of the surrounding buildings during construction. The speaker further noted that the project will meet or exceed all requirements of the Department of Buildings with regard to the protection of buildings in historic districts during construction. He also noted that the developer will be meeting with the Department of Transportation to develop a plan to minimize traffic during construction.

A representative of the Borough President reiterated the Borough President's support for the application as well as the Borough President 's concern that that project comply with the Department of Building's Technical Policy and Procedure Notice #1088 (Procedures for the Avoidance of Damage to Historic Structures Resulting from Adjacent Construction).

There were no other speakers and the hearing was closed.

CONSIDERATION

The Commission believes that the grant of this special permit pursuant to Sections 74-712(a), and 74-712(b) is appropriate.

The Commission believes that the modification of use regulations to allow residential and Use Group 6 uses at 52-54 Wooster Street will have minimal adverse effects on the conforming uses in the surrounding area and would not affect neighborhood character. The predominant conforming uses in the surrounding area include a mix of JLWQAs and commercial uses on the upper floors and retail uses on the ground floors of buildings. The Commission recognizes that the surrounding area contains a significant number of dwelling units and that both conforming and non-conforming commercial uses line the ground-level frontages along Broome and Wooster streets. The Commission notes that the ground floor Use Group 6 use and the upper floor residential use proposed for the building are analogous to the uses occupying most of the surrounding buildings.

The Commission notes that the developer has retained an engineering firm to ensure the structural stability of the surrounding buildings during construction. The Commission further notes that the applicant stated that the project will meet or exceed all requirements of the Department of Buildings with regard to the protection of buildings in historic districts during construction.

The Commission believes that the proposed mixed-use building will fill a gap in the historic Broome and Wooster Street corridors and will be consistent with and supportive of the character of the surrounding mixed-use area. The Commission believes that the proposed building would be compatible with the scale of the surrounding area. The Commission notes that the two buildings on the Broome Street frontage of the block are both 85 feet in height, while the adjacent building on Wooster Street is almost 100 feet tall. The proposed building rises to 85 feet and would line up with the roofs of the adjacent buildings. The Commission further notes

that the scale of the building, as approved by the LPC, is compatible with the scale of the buildings in the surrounding area, complementing them with its similar size and bulk.

FINDINGS

The City Planning Commission hereby makes the following findings pursuant to Section 74-712 (a) and (b) (Developments in Historic Districts) of the Zoning Resolution:

Such use modifications

(i) have minimal adverse effects on the conforming uses in the surrounding area;

(ii) are compatible with the character of the surrounding area; and

(iii) for modifications that permit residential use, result in a development that is compatible with the scale of the surrounding area.

RESOLUTION

RESOLVED, that the City Planning Commission finds that the actions described herein will have no significant impact on the environment; and be it further

RESOLVED, by the City Planning Commission, pursuant to Sections 197-c and 200 of the New York City Charter, that based on the environmental determination, and the consideration and findings described in this report, the application of Rocksprings Management Company pursuant to Sections 197-c and 201 of the New York City Charter for the grant of a special permit pursuant 74-712 of the Zoning Resolution to modify the use regulations of Section 42-10 to allow U.G. 2 uses (residential use) on the 2nd thru 6th floor and penthouse and Section 42-14D(2) to allow U.G. 6 uses (retail use) on portions of the ground floor of a proposed mixed use development on a zoning lot where not more than twenty percent of the lot area is occupied by an existing building on property located at 52-54 Wooster Street (Block 229, Lot 1), in an M1-

5B District, within the SoHo Cast Iron Historic District, Borough of Manhattan, Community District 2 is approved, subject to the following terms and conditions:

The property that is the subject of this application (C 070159 ZSM) shall be developed in size and arrangement substantially in accordance with the dimensions, specifications and zoning computations indicated on the following plans, prepared by Arpad Baksa, Architect, P.C. and filed with this application and incorporated in this resolution:

Drawing No.	Title	Last Date Revised
CP-3	First Floor Plan	01 Nov 07
CP-4	Second Floor Plan	01 Nov 07
CP-5	Third Floor Plan	01 Nov 07
CP-6	Fourth Floor Plan	01 Nov 07
CP-7	Fifth Floor Plan	01 Nov 07
CP-8	Sixth Floor Plan	01 Nov 07
CPZ-1	Zoning Calculations	01 Nov 07
CPT-2	Site Plan	01 Nov 07

2. Such development shall conform to all applicable provisions of the Zoning Resolution, except for the modifications specifically granted in this resolution and shown on the plans listed above which have been filed with this application. All zoning computations are subject to verification and approval by the New York City Department of Buildings.

3. Such development shall conform to all applicable laws and regulations relating to its construction, operation and maintenance.

4. All leases, subleases, or other agreements for use or occupancy of space at the subject property shall give actual notice of this special permit to the lessee, sublessee or occupant.

5. Upon the failure of any party having any right, title or interest in the property that is the subject of this application, or the failure of any heir, successor, assign, or legal representative of such party, to observe any of the covenants, restrictions, agreements, terms or conditions of this resolution whose provisions shall constitute conditions of the special permit hereby granted, the City Planning Commission may, without the consent of any other party, revoke any portion of or all of said special permit. Such power of revocation shall be in addition to and not limited to any other powers of the City Planning Commission, or of any other agency of government, or any private person or entity. Any such failure as stated above, or any alteration in the development that is the subject of this application that departs from any of the conditions listed above, is grounds for the City Planning Commission or the City Council, as applicable, to disapprove any application for modification, cancellation or amendment of the special permit hereby granted.

6. Neither the City of New York nor its employees or agents shall have any liability for money damages by reason of the city's or such employee's or agent's failure to act in accordance with the provisions of this special permit.

The above resolution (C 070159 ZSM), duly adopted by the City Planning Commission on May 7, 2008 (Calendar No. 9), is filed with the Office of the Speaker, City Council, and the Borough

President together with a copy of the plans of the development, in accordance with the requirements of Section 197-d of the New York City Charter.

AMANDA M. BURDEN, FAICP, Chair
KENNETH J. KNUCKLES, Esq., Vice Chairman
ANGELA M. BATTAGLIA, IRWIN G. CANTOR, P.E., ANGELA R. CAVALUZZI, R.A., ALFRED C. CERULLO, III, BETTY Y. CHEN, MARIA M. DEL TORO, RICHARD W. EADDY, NATHAN LEVENTHAL, SHIRLEY A. MCRAE, JOHN MEROLO, KAREN A. PHILLIPS, Commissioners

407

CERTIFICATE OF APPROPRIATENESS DATED OCTOBER 23, 2006 ISSUED BY THE NEW YORK CITY LANDMARKS PRESERVATION COMMISSION AND AMENDMENTS DATED JULY 29, 2008, MAY 18, 2012 AND MAY 19, 2014

408

THE NEW YORK CITY LANDMARKS PRESERVATION COMMISSION
1 CENTRE STREET 9TH FLOOR NORTH NEW YORK NY 10007
TEL: 212 669-7700 FAX: 212 669-7780

PERMIT

CERTIFICATE OF APPROPRIATENESS

ISSUE DATE:	EXPIRATION DATE:	DOCKET #:	COFA #:
10/23/2006	09/19/2012	07-2548	COFA 07-2853

ADDRESS	BOROUGH:	BLOCK/LOT:
52-54 WOOSTER STREET HISTORIC DISTRICT SOHO-CAST IRON	MANHATTAN	475/40

Display This Permit While Work Is In Progress

ISSUED TO:
Ori Alphert
Rocksprings Management Co.
271 Madison Avenue
New York, NY 10016

Pursuant to Section 25-307 of the Administrative Code of the City of New York, the Landmarks Preservation Commission, at the Public Meeting of September 19, 2006, following the Public Hearing and Public Meeting of July 11, 2006, voted to grant a Certificate of Appropriateness for the proposed work at the subject premises, as put forth in an application completed on June 15, 2006. This permit will expire on September 19, 2012.

The work, as approved, consists of constructing a six-story building, on a vacant lot at the corner of Wooster and Broome Streets, with storefronts on the ground floor and residential at the upper floors. The 25-foot street frontage on Broome Street to be clad in metal, and the 100-foot street footage on Wooster Street to be clad in red brick except for the two corner bays which will match the metal of the Broome Street façade. The proposal, as initially presented to the Commission included a more liberal use of metal cladding on the Wooster Street façade, an awing located at the residential entrance, a more elaborate cornice featuring an awning; larger window openings on both facades, and a smaller diameter corner column running up the length of the building. This work was shown in material samples, and presentation boards labeled LPC 001, 002, 003 101, 102, 201, 301, 302, 303, 304, 305, 306, 307, 308, 309, 501 and 502, dated June 27, 2006, and presentation boards labeled LPC 001, 002, 003, 004, 201,, 301, 304, 307, 308, 309 and 502, dated September 8, 2006, all prepared by Arpad Baksa Architect, submitted as components of the application, and presented at the Public Hearing and Public Meetings.

In reviewing this proposal, the Commission noted that the SoHo Cast Iron Historic District designation report describes 50-52 Wooster Street is a vacant lot at the southwest corner of Wooster Street and Broome Street, and is presently used as a parking lot. The Commission further noted that the historic district is significant for its role

in the commercial development of New York City, as well as for the survival of the largest concentration of full and partial cast iron facades anywhere in the world. The Commission finally noted that this application is being made in conjunction with an application at City Planning Commission for a special permit pursuant to section 74-712 of the zoning resolution.

With regard to this proposal, the Commission found that the construction of a new building on this vacant lot will enhance the character of the historic district by reinforcing the street wall on both streets and establishing a built corner at the intersection of Wooster and Broome Streets; that the overall height of the building, and the palette of materials and finishes, including metal and brick, will recall and harmonize with the surrounding streetscapes and relate well to the other buildings on corner lots found throughout the historic district; that the composition of the facade and use of the metal and masonry materials will evoke in a contemporary way, the corner buildings in this historic district, which feature cast iron front facades that wrap around the corner onto masonry side facades; that the details of the facade, with a grid of painted metal piers and spandrels, recessed windows and storefronts, and simply articulated brick façade bays with punched window openings along the longer façade, are proportional to one another, and will recall facade features found on many historic buildings in this historic district; that the fenestration pattern within the brick facade will relate well to the pattern and scale of window openings at adjacent buildings; that the height and articulation of the proposed metal ground floor storefronts, each recessed 12 inches from the outer face of the columns, and consisting of paired entry doors, and display windows with bulkheads and transoms, will recall the configuration of the historic storefronts located elsewhere in the historic district; that the three metal bracket signs, will be in keeping with traditional signage found in this historic district; and that in terms of overall scale, proportions, design, details, and materials, the proposed building will support the special architectural and historic character of the block and the SoHo-Cast Iron Historic District. Based on these findings, the Commission determined that the work is appropriate to the historic district, and voted to approve this application.

PLEASE NOTE: This permit is issued contingent upon the Commission's review and approval of the final Department of Building filing set of drawings. No work can begin until the final drawings have been marked approved by the Landmarks Preservation Commission with a perforated seal. Please submit these drawings to the Landmarks Preservation Commission staff when they become available.

Also, as the approved work consists of subsurface work, the applicant is required to strictly adhere to the Department of Buildings TPPN 10/88 governing in-ground construction adjacent to historic buildings. It is the applicant's obligation at the time of applying for their permit to inform the Departmen

This permit is issued on the basis of the building and site conditions described in the application and disclosed during the review process. By accepting this permit, the applicant agrees to notify the Commission if the actual building or site conditions vary or if original or historic building fabric is discovered. The Commission reserves the right to amend or revoke this permit, upon written notice to the applicant, in the event that the actual building or site conditions are materially different from those described in the application or disclosed during the review process.

All approved drawings are marked approved by the Commission with a perforated seal indicating the date of approval. The work is limited to what is contained in the perforated documents. Other work or amendments to this filing must be reviewed and approved separately. The applicant is hereby put on notice that performing or maintaining any work not explicitly authorized by this permit may make the applicant liable for criminal and/or civil penalties, including imprisonment and fines. This letter constitutes the permit; a copy must be prominently displayed at the site while work is in progress. Please direct inquiries to Kim Valente.

410

Robert B. Tierney
Chair

PLEASE NOTE: PERFORATED DRAWINGS AND A COPY OF THIS PERMIT HAVE BEEN SENT TO:

Arpad Baska, Arpad Baska Architect, P.C.

cc: Arpad Baska Architect, P.C.; William Neeley, Deputy Director of Preservation; John Weiss, Deputy Legal Counsel;

411

THE NEW YORK CITY LANDMARKS PRESERVATION COMMISSION
1 CENTRE STREET 9TH FLOOR NORTH NEW YORK, NY 10007
TEL: 212 669-7700 FAX: 212 669-7780

July 29, 2008

ISSUED TO:

Ori Alphert
Rockspings Management Co.
271 Madison Avenue
New York, NY 10016

Re: **MISCELLANEOUS/AMENDMENTS**
LPC - 090840
MISC 09-2352
52-54 WOOSTER STREET
HISTORIC DISTRICT
SOHO-CAST IRON
Borough of Manhattan
Block/Lot: 475 / 40

Pursuant to Section 25 306 of the Administrative Code of the City of New York, the Landmarks Preservation Commission issued Certificate of Appropriateness 07-2853 (LPC 07-2548) issued October 23, 2006 for constructing a six-story building, on a vacant lot at the corner of Wooster and Broome Streets, with storefronts on the ground floor and residential at the upper floors. A copy of Certificate of Appropriateness 07-2853 is appended. On June 16, 2008, the staff of the Landmarks Preservation Commission received a request to amend the approved work.

The proposed amendment consists of the reviewing the final Department of Building filing drawings. This work is described in an application to the Landmarks Preservation Commission, and drawings labeled T001, Z001, Z002, Z003, DB001, DB002, DB003, DB007, DB008, A001, A002, A003, A101, A102, A201, A202, A301, A302, A401, A402, A501, A502, A503, A504, A507, A509, A510, A511, A512, A515, A517, A600, A603, A606, A609, A611, A701, A702, A703, C001, F001, F002, F003, dated July 2, 2008, signed and sealed by Arpad Baksa, R.A. and H001, H100 through H106, H200,H201, P1,P100, P101, P102, P103, P104, P200, P201, SA1,SA2,SA3,SA4,SP001,SP100,SP101, SP102,SP103,SP200, DATED LAST REVISED June 10, 2008, signed and sealed by Valentine M. Antohi, P.E. and S101, S102, S103, S200, S201, S202, S210,S220,S300,S401 and S401, dated June 13, 2008, signed and sealed by Joseph F. Tortorella, P.E., and submitted as a component of this application.

With regard to this proposal, the Commission finds that the work consists of final Department of Building filing drawings; and that the amended work is in the spirit of the original approval and consistent with Certificate of Appropriateness 07-2853. Based on these findings, the proposed work is approved and Certificate of Appropriateness 07-2853 is hereby amended to incorporate these changes.

This amendment is being issued based on the building and site conditions described in the application and disclosed during the review process. By accepting this permit, the applicant agrees to notify the Commission if the actual building or site conditions vary or if original or historic building fabric is discovered. The Commission reserves the right to amend or revoke this permit, upon written notice to the applicant, in the event that the actual

building or site conditions= area materials different from those described in the applicant or disclosed during the review process.

All approved drawings are marked approved by the Commission with a perforated seal indicating the date of the approval. The approved work is limited to what is contained in the perforated documents. Other work or amendments to this filing must be reviewed and approved separately. The applicant is hereby put on notice that performing any work not explicitly authorized by this permit may make the applicant liable for criminal and/or civil penalties, including imprisonment and fines. This letter constitutes the permit; a copy must be prominently displayed at the site while work is in progress. Please direct inquires to Kim Valente.

K. Valente

Kim Valente

413

THE NEW YORK CITY LANDMARKS PRESERVATION COMMISSION
1 CENTRE STREET 9TH FLOOR NORTH NEW YORK, NY 10007
TEL: 212 669-7700 FAX: 212 669-7780

May 18, 2012

ISSUED TO:

Ori Alpert
Rocksprings Management Co
271 Madison Avenue
New York, NY 10016

Re: **MISCELLANEOUS/AMENDMENTS**
LPC - 131933
MISC 13-2096
52-54 WOOSTER STREET
HISTORIC DISTRICT
SOHO-CAST IRON
Borough of Manhattan
Block/Lot: 475 / 40

The staff of the Landmarks Preservation Commission recently received a request for a renewal of Certificate of Appropriateness 07-2853 (LPC 07-2548) for the construction of a new six-story building at the subject premises. Accordingly, the staff reviewed the request, and finds that it conforms to the criteria set forth in Title 63 of the Rules of the City of New York, Section 7-03. Therefore, the permit is renewed, and the new expiration date is September 19, 2015. Thank you for your cooperation.

Cynthia Danza

cc: Arpad Baksa Architect, PC; W. Neeley, Deputy Director of Preservation

414

THE NEW YORK CITY LANDMARKS PRESERVATION COMMISSION
1 CENTRE STREET 9TH FLOOR NORTH NEW YORK NY 10007
TEL: 212 669-7700 FAX: 212 669-7780

May 19, 2014

ISSUED TO:

Ori Alpert
Rocksprings Management Co
271 Madison Avenue
New York, NY 10016

Re: **MISCELLANEOUS/AMENDMENTS**
LPC - 157025
MISC 15-7886
52 WOOSTER STREET
HISTORIC DISTRICT
SOHO-CAST IRON
Borough of Manhattan
Block/Lot: 475 / 40

Pursuant to Section 25-307 of the Administrative Code of the City of New York, the Landmarks Preservation Commission, at the Public Meeting of September 19, 2006, following the Public Meeting and Public Hearing of July 11, 2006, issued Certificate of Appropriateness 07-2853 (LPC 07-2548), to construct a brick and metal clad six-story building on a vacant lot; Miscellaneous/Amendment 13-2096 (LPC 13-1933) to extend the expiration date of the permit to September 19, 2015; and Miscellaneous/Amendment 15-3439 (LPC 14-9076) for enlarging the rooftop bulkhead and moving the chimney. Subsequently, the Commission received a request to amend the work approved under these permits.

The proposed amendment consists of changing the window setback depths on the 3rd through 6th floors, which varied from 9" to 2' 7", to match the approved 2nd floor depth of 11", as shown in drawings A001, A002, A003, A101, A102, and A201, revised May 1, 2014, prepared by Arpad Baksa, Architect.

With regard to this change, the Commission finds that a consistent window depth on all floors is more typical of the historic district; that the windows will maintain a deep recess from the 2nd through 6th floors; that the change in the depth of the windows will not detract from the approved design, nor alter its harmonious relationship with the streetscape and historic district; and that the proposed change to the windows are in keeping with the spirit of the Certificate of Appropriateness. Based on these findings, Certificate of Appropriateness 07-2853 is further amended to include this change.

This amendment is issued on the basis of the building and site conditions described in the application and

415

disclosed during the review process. By accepting it, the applicant agrees to notify the Commission if actual building or site conditions vary, or if original or historic building fabric is discovered. The Commission reserves the right to amend or revoke this permit, upon written notice to the applicant, in the event that the actual building or site conditions are materially different from those described in the application or during the review process.

All approved drawings are marked approved by the Commission with a perforated seal indicating the date of the approval. The approved work is limited to what is contained in the perforated documents. Other work or amendments to this filing must be reviewed and approved separately. The applicant is hereby put on notice that performing any work not explicitly authorized by this permit may make the applicant liable for criminal and/or civil penalties, including imprisonment and fines. This letter constitutes the permit; a copy must be prominently displayed at the site while work is in progress. Please direct inquiries to Lisa Schaeffer.

Lisa Schaeffer

cc: A. Baksa, Arch.

416

INTERIM USE AND OCCUPANCY AGREEMENT

417

INTERIM USE AND OCCUPANCY AGREEMENT

AGREEMENT made as of this ____ day of _____, 2016, by and between **52 WOOSTER HOLDINGS LLC** (the "**Sponsor**"), and _____ (the "**Purchaser**").

W I T N E S S E T H :

WHEREAS, Purchaser has executed a purchase agreement ("**Purchase Agreement**"), for the purchase of Unit _____ (referred to as the "**Unit**") at 52 Wooster Street, New York, New York ("**Building**"), pursuant to the terms and conditions set forth in the Condominium Offering Plan, as amended, for the Building (the "Offering Plan");

WHEREAS, Purchaser has requested permission from Sponsor to occupy for the purposes of storing furniture and painting the Unit and move himself and his personal property into the Unit prior to the Closing Date (as such term is defined in the Purchase Agreement); and

WHEREAS, in order to accommodate Purchaser, Sponsor is willing to permit Purchaser to have a limited occupancy right to the Unit upon the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Prior to Sponsor's delivery of the Unit to Purchaser for occupancy under this Agreement, Purchaser shall inspect the Unit in the presence of Sponsor's representative. Purchaser and Sponsor's representative shall complete, date and sign the statement ("Inspection Statement") that the condition of the Unit is acceptable to Purchaser at the conclusion of the inspection, and the statement shall be retained by Sponsor's representative. The Inspection Statement shall contain a list of work to be done ("Punch List Work") by the Sponsor in order to complete the Unit in accordance with the terms of the Offering Plan and Purchase Agreement. Any Punch List Work set forth on the Inspection Statement may be completed by the Sponsor in a reasonable period of time following the execution of this Agreement, and shall not be grounds for delaying the Closing. Purchaser shall provide Sponsor with reasonable access to the Unit during Purchaser's occupancy in order to complete the Punch List Work. Purchaser (i) shall not

be entitled to another inspection of the Unit prior to the Closing Date; and (ii) at Closing, shall accept possession to the Unit in its "as is" condition.

2. Sponsor hereby agrees that Purchaser shall have the right to occupy the Unit for the period ("**Occupancy Period**") commencing on the Occupancy Date (defined below) and continuing until the earlier of: (i) the Closing Date on which Purchaser purchases the Unit pursuant to the Purchase Agreement; (ii) thirty (30) days after the date Purchaser seeks to rescind or terminate the Purchase Agreement; (iii) the Cancellation Date, as defined in paragraph 4 below and (iv) thirty (30) days after the date Sponsor abandons the Offering Plan, or otherwise terminates this offer of Units under the Offering Plan. Each of the dates referred to in (i), (ii) (iii) and (iv) above is referred to as the "**Termination Date**." On the Termination Date, the Cancellation Date, or such earlier date on which the term of this Agreement ends, if Tenant does not simultaneously close under the Purchase Agreement, Purchaser shall deliver to Sponsor possession of the Unit, in broom clean condition and free of all tenancies and occupants. In addition, Purchaser shall repair all damage to the Unit caused by Purchaser.

3. The "**Occupancy Date**" shall be **_____, 2016**. As consideration for the occupancy of the Unit, Purchaser shall pay to Sponsor a use and occupancy charge for the term of Purchaser's occupancy pursuant to this Agreement in an amount of **$_____** [insert sum of monthly common charges and real estate taxes] per month ("**Use Payment**"). No portion of the Use Payment will be credited towards the Unit's purchase price. In addition, Purchaser shall be responsible to pay all utility charges resulting from occupancy of the Unit, including but not limited to, cable, electricity and telephone. Purchaser hereby indemnifies Sponsor from and against any claims made by third parties as a result of Purchaser's failure to pay such charges. This indemnity shall survive the Closing and/or termination of this Agreement. Purchaser shall make the first monthly Use Payment on the date hereof, in addition to the sum of $_____, representing the pro-rated Use Payment for the period commencing on the Occupancy Date, and ending on _____, 2016 (last day of month in which term begins). Purchaser shall thereafter make monthly payments of the Use Payment during the remaining Occupancy Period on the first day of each month. If the Termination Date, or such earlier date on which the term of the Agreement ends, occurs on any day other than the first day of a month, the Use Payment paid for that month shall be subject to adjustment by pro-rating the Use Payment based on the number of days which constituted the Occupancy Period in that month. In the event Purchaser defaults

under the Purchase Agreement, or Purchaser rescinds its obligations under the Purchase Agreement, Purchaser shall not be entitled to the return of any Use Payment. Purchaser's failure to pay the Use Payment or purchase the Unit pursuant to the Purchase Agreement shall be deemed to be a breach of the terms of this Agreement.

4. (A) If Purchaser fails to close or defaults under the Purchase Agreement, or if Purchaser shall default in the performance of any obligations pursuant to this Agreement and/or the executed Purchase Agreement, then in any one or more of such events, upon Sponsor serving Purchaser written notice (the "Default Notice") of no less than thirty (30) days (the "Default Notice Period"), specifying the nature of said default, then upon the expiration of the Default Notice Period, if Purchaser shall have failed to remedy such default, Sponsor may serve Purchaser with a written notice cancelling this Agreement ("Cancellation Notice") of no less than five (5) days (the "Cancellation Notice Period"), and upon the expiration of the Cancellation Notice Period (the "Cancellation Date"), this Agreement and the term hereunder shall end and expire as fully and completely as if the Cancellation Date were the day herein definitely fixed for the end and expiration of this Agreement and the term thereof, and Purchaser shall then immediately deliver possession of the Unit to Sponsor, but Purchaser shall remain liable as hereinafter provided.

(B) If the Cancellation Notice provided for in (A) of this paragraph 4 shall have been given, and the term hereunder shall expire as aforesaid; or if Purchaser shall be in default of payment of the Use Payment or any other sums due under this Agreement, or if the term of this occupancy agreement expires for any other reason, then and in any such events, Sponsor may without notice, re-enter the Unit either by force or otherwise, remove Purchaser's effects, and hold the Unit as if this Agreement had not been made; and Purchaser hereby waives the service of notice of intention to re-enter or to institute legal proceedings to that end.

(C) In the event of a default under this Agreement, Purchaser agrees to reimburse Sponsor for (i) the reasonable costs of repairing or replacing any damage to the Unit resulting from Purchaser's occupancy and (ii) all actual and incidental costs incurred by Sponsor as a result of Purchaser's occupancy of the Unit, including but not limited to, recovering possession of the Unit, storage fees for Purchaser's belongings, utility charges, restoring the Unit to its original condition, and reasonable attorneys' fees.

5. During the Occupancy Period, Purchaser shall be obligated to maintain and keep the Unit clean and in good repair and condition. Purchaser shall have no right to alter the Unit in any way including, but not limited to, painting or installing wall-to-wall carpeting. No persons other than Purchaser and Purchaser's immediate family may occupy the Unit, and the Unit may not be sublet, and/or occupied by any other person without the express written consent of Sponsor, which consent may be denied in Sponsor's absolute discretion.

6. Purchaser acknowledges that while the Unit may be in all other respects complete and ready for occupancy, certain other services and facilities in the Building may be subject to shut-off or otherwise unavailable as a result of ongoing construction in the Building. Purchaser agrees that the failure of any such services or facilities shall not be an objection or defense by Purchaser to any of the conditions or obligations stated hereunder or under any executed Purchase Agreement.

7. It is specifically understood and agreed that Sponsor shall be exempt from, and Purchaser shall indemnify and hold Sponsor harmless from, any and all liability for any damage or injury to persons or property or arising from any cause or happening whatsoever in, on, or to the Unit from the Occupancy Date (including without limitation, reasonable attorney's fees incurred in connection with the enforcement of this Agreement) ("Claims"). This indemnity shall survive the Closing and/or termination of this Agreement. Commencing on the Occupancy Date, Purchaser shall maintain general comprehensive liability and fire insurance coverage in an amount of no less than $2,000,000 per occurrence, and against any loss or damage to Purchaser's personal belongings, and such insurance policy shall name the Sponsor, the Condominium and the managing agent as additional insureds, and shall not be cancellable without prior notification to, and consent of, Sponsor. Purchaser shall not take possession of the Unit until such time as the certificate of insurance, acceptable to Sponsor, has been delivered to Sponsor.

8. It is specifically understood and agreed that nothing contained herein shall waive or modify the rights of Sponsor or Purchaser under the executed Purchase Agreement in the event the parties hereto fail to close title to the Unit in accordance with the terms of the Purchase Agreement.

9. The parties hereto acknowledge that this Agreement is a revocable license and not a lease and that a landlord/tenant relationship is not established by virtue of Purchaser's

occupancy of the Unit, which occupancy is provided solely as an accommodation to Purchaser, at the request of Purchaser. Purchaser also acknowledges that no rental protection laws are applicable to Purchaser or any member of Purchaser's family who occupies the Unit pursuant to this Agreement.

10. Purchaser acknowledges that if this Agreement terminates by reasons other than the Purchaser's purchase of the Unit, the timely surrender by Purchaser of the Unit upon the Termination Date and/or Cancellation Date is an important inducement to Sponsor in entering into this Agreement. If the Unit is not surrendered upon the Termination Date and/or Cancellation Date, Purchaser, at the option of Sponsor, shall be deemed to be occupying the Unit on a month-to-month basis, at a monthly rental equal to $_____ per month, subject to all of the other terms of this Agreement. Purchaser acknowledges that the monthly sum payable to Sponsor during the period Purchaser holds over past the term of this Agreement is not a penalty, and constitutes the fair value of the Unit for the applicable holdover period. Purchaser's obligations under this paragraph shall survive the termination of this Agreement.

11. In the event Purchaser holds over beyond the Termination Date and/or the Cancellation Date, Purchaser (i) agrees that the Sponsor, without notice, may forthwith commence a summary holdover proceeding for the purpose of regaining possession of the Unit; (ii) agrees in said holdover proceeding to consent to the personal and subject matter jurisdiction of the Court and to waive any and all substantive defenses to the proceeding; (iii) consents to the immediate entry of a final judgment of possession of the Unit, warrant to issue forthwith; (iv) represents that the above-referenced final judgment of possession is absolute and unconditional; and (v) agrees not to apply for any stay of execution of the warrant of eviction.

12. Purchaser acknowledges and agrees that while residing in the Unit under this Agreement, Purchaser is subject to the By-Laws, Rules and Regulations and provisions of the Declaration Establishing a Plan for Condominium Ownership (collectively, the "Document") of the Condominium. Purchaser further acknowledges and agrees that Purchaser shall not perform any act, or fail to perform an act, if the performance or failure to perform would be a violation of or default under the Document. Purchaser agrees to observe and be bound by all the terms contained in the Document that apply to the occupant or user of the Unit or a user of the

Condominium common areas and facilities. Purchaser agrees to observe all of the Rules and Regulations of the Condominium, as referenced in the Document and otherwise.

13. Purchaser acknowledges that Purchaser has obtained the advice of counsel prior to executing this Agreement.

14. In the event of any conflict between the terms of this Agreement and the terms of the Purchase Agreement, the terms of this Agreement shall control. If a term or provision of this Agreement is deemed illegal or unenforceable, that term or provision shall no longer apply and the remainder of this Agreement shall remain in full force and effect.

15. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New York.

16. The parties hereto agree that any terms and provisions referred to in the attached Purchase Agreement are hereby incorporated by reference into this Agreement.

17. Any notices shall be sent pursuant to the terms set forth in the attached Purchase Agreement.

18. This Agreement may be executed in one or more counterparts and together shall constitute one and the same document.

19. Any default by Purchaser under this Agreement, including but not limited to failing to pay the Use Payment, shall constitute a default by Purchaser under the Purchase Agreement. Upon such default, Sponsor, in its sole discretion, may enforce all of its rights under the Purchase Agreement, including, but not limited to, terminating the Purchase Agreement, retaining the Deposit held under the Purchase Agreement, together with all interest earned thereon. Before Sponsor utilizes the default under this Agreement as the sole reason to declare a default under the Purchase Agreement, Sponsor shall either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser unless the Purchaser has vacated the Unit. Upon the cancellation of the Purchase Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations under the Purchase Agreement 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 sales.

20. This Agreement may not be changed or terminated orally but only by an agreement in writing signed by the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of this day and year first above written.

SPONSOR:

52 WOOSTER HOLDINGS LLC

By:_____

PURCHASER:

_____

_____