CONDOMINIUM OFFERING PLAN FOR

BRYANT PARK SOUTH CONDOMINIUM

16 WEST 40th STREET
NEW YORK, NEW YORK 10018

57 Condominium Residences	$252,700,000.00
Total Offering	$252,700,000.00
Working Capital Fund*	$ 306,646.66

The Condominium will also have 3 Non-Residential Units (a Hotel Unit, a Restaurant Unit and a Retail Unit), which are not being offered for sale at this time.

* This is an estimate of the Working Capital Fund which will be funded by contributions collected from each Purchaser at closing. The actual amounts cannot now be determined, however the amount listed above for the Working Capital Fund is based on the current Budget for the First Year of Condominium Operation. The Working Capital Fund may be depleted by closing adjustments. See the Sections entitled "Working Capital Fund and Apportionments" for further details.

SPONSOR:	SELLING AGENT:
HFZ Bryant Park Owner LLC c/o HFZ Capital Group LLC 600 Madison Avenue New York, New York 10022 (212) 300-8000	Corcoran Sunshine Marketing Group 888 Seventh Avenue New York, New York 10106 (212) 634-6501

The term of the initial offering of this Plan commenced on September 22, 2015 and expires on September 21, 2016 unless the said date is extended in a duly filed amendment.

BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL UNITS, THIS PLAN MAY NOT RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH THE MAJORITY OF UNITS ARE OWNED BY OWNER-OCCUPANTS OR INVESTORS UNRELATED TO THE SPONSOR. (SEE SPECIAL RISKS SECTION OF THE PLAN). THIS OFFERING PLAN IS THE SPONSOR'S ENTIRE OFFER TO SELL THESE CONDOMINIUM UNITS. NEW YORK LAW REQUIRES THE SPONSOR TO DISCLOSE ALL MATERIAL INFORMATION IN THIS PLAN AND TO FILE THIS PLAN WITH THE NEW YORK STATE DEPARTMENT OF LAW PRIOR TO SELLING OR OFFERING TO SELL ANY CONDOMINIUM UNIT. FILING WITH THE DEPARTMENT OF LAW DOES NOT MEAN THAT THE DEPARTMENT OR ANY OTHER GOVERNMENT AGENCY HAS APPROVED THIS OFFERING.

THIS PLAN CONTAINS SPECIAL RISKS TO PURCHASERS. SEE PAGE (1).

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PART I

A. SPECIAL RISKS TO BE CONSIDERED BY PURCHASERS

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 (the "OAG") strongly urges you to read this offering plan carefully and to consult with an attorney before signing an agreement to purchase a condominium unit.

1. Unlimited Right to Rent. Sponsor will endeavor in good faith to sell all of the Residential Units in a reasonably timely manner; however, there is no certainty as to the period of time required to sell all of the Residential Units. Sponsor may unconditionally elect to rent rather than sell Residential Units from time to time. Residents of the Condominium may be comprised of Residential Unit Owners and tenants leasing from Sponsor or 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, and a Residential Unit Owner seeking to resell or refinance a Residential Unit may experience difficulty. Further, residents of the Condominium who are not Unit Owners have no investment in their Units and, therefore, do not share the same economic interests as Unit Owners in the maintenance and care of the Building's facilities and amenities, 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 not gain control and management of the Condominium, until the expiration of the Initial Control Period (as such term is defined in the Condominium By-Laws). See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further detail.

2. Use of Units. The Bryant Park South Condominium contains 57 Residential Units that are being offered for sale under this Offering Plan and are part of the Residential Section of the Bryant Park South Condominium (the "Condominium"), which also contains a Non-Residential Section consisting of an approximately 226 room Hotel (the "Hotel Unit"), a Restaurant Unit, a Retail Unit and the Non-Residential, Hotel, Restaurant and Retail Common Elements. The Condominium will also include HVAC Common Elements and Hotel-Residential Common Elements. Only the Residential Units (and their appurtenant interest in the Common Elements) are offered pursuant to this Offering Plan.

20 West 40 Bryant Park Owner LLC obtained a "no-action" letter from the OAG on September 11, 2014, permitting the initial creation of the Condominium prior to the effectiveness of this Offering Plan. Pursuant to such no-action letter, Declarant will record the Declaration of Condominium and divide the building into four (4) units i.e., the Initial Residential Unit (which will comprise the entire Residential Section), the Hotel Unit, the Retail Unit and the Restaurant Unit. Declarant shall also be permitted under the no-action letter to convey the Hotel Unit, the Retail Unit and Restaurant Unit to South BP Associates, LLC, a

Delaware limited liability company, an entity affiliated with the Declarant (which will retain ownership thereof) (the "Initial Non-Residential Grantee") and, to convey the Initial Residential Unit to the Sponsor. The Initial Residential Grantee is the Sponsor under this Plan. The Sponsor will not declare the Plan effective or close on any Units until the Residential Section is conveyed to the Sponsor.

The Residential Units may generally be used only for residential purposes and, subject to compliance with the Declaration and the By-Laws, for a lawful home occupation as defined in the New York City zoning resolution; and may be leased by the Unit Owners thereof to tenants only for periods of not less than one year. The entrance to the Residential Section and the Residential Lobby will be on the Ground Floor and the Residential Units will be located on Floors 15 through 33 of the Building. There will also be shared amenities in the cellars. The Residential Units and their Residential Common Elements and Residential Limited Common Elements are referred to collectively as the Residential Section. The Residential Section occupies a portion of the Sub-Cellar, a portion of the First Floor, a portion of the Third Floor, and all of Floors 15 through 33.

The Non-Residential Units (which are not offered for sale under this Plan) may be used for any lawful purpose, including, without limitation, for hotel, residential, public events, restaurant and non-residential purposes. The Hotel Unit consists of a portion of the Sub-Cellar, a portion of the First Floor and Floors 2 through 14 and an elevator machine room located on the 16th Floor. The Restaurant Unit consists of a portion of the First Floor and the Cellar. The Retail Unit consists of a portion of the First Floor.

Sponsor makes no representations whatsoever with respect to the uses to which all or any portion of the Non-Residential Units (the Hotel Unit, the Restaurant Unit and the Retail Unit) or their appurtenant Common Elements or any public spaces within the Building may be put at any time; nor does Sponsor make any representation with respect to the identity of the owners or users or future owners of any of the Non-Residential Units at any time. Neither the Condominium's board of managers (the "Condominium Board") nor the residential board of managers (the "Residential Board") will have any right to restrict or limit any of the uses of, or alterations in or to, the Non-Residential Units which are permitted by law and applicable zoning ordinances. No income derived from any Unit will constitute income to either of the Boards or any Unit Owner other than the owner of the Unit producing the revenue. While it is currently anticipated that the Hotel Unit will not be subdivided into individual hotel condominium units, no representation or warranty is made with respect to any subsequent subdivision or offering with respect to the Hotel Unit.

3. **Effectiveness**. Sponsor's offer to sell the Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR (i.e., Agreements signed by bona fide purchasers for fifteen percent (15%) of the Units offered under the Plan). Sponsor may declare the Plan effective after selling a minimum of fifteen percent (15%) of the Units offered for sale in the Building. Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to submit the Property to a condominium regime and convey Units with fewer than a minimum number of sales if purchasers counted towards effectiveness do not ultimately purchase a Unit. Please refer

to the Section entitled "Effective Date" in Part I of the Plan for further details. Sponsor will endeavor in good faith to sell all of the Units in a reasonably timely manner; however, there is no certainty as to the period of time required to sell all of the Units. However, the Sponsor may decide to rent certain Units from time to time. As a consequence of the foregoing, residents of the Building may be comprised of both Unit Owners and tenants leasing from Sponsor or other Unit Owners. It is possible that a significant proportion of Unit Owners will not be residents of the Building and that a significant portion of residents in the Building may not be Unit Owners, and a Unit Owner seeking to resell or refinance a Unit may experience difficulty. Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium. See Section of the Plan entitled "Rights and Obligations of Sponsor" for further detail.

Sponsor's construction financing does not contain a minimum number or percentage of units which must be under contract before the Plan can be declared effective. Sponsor's lender is Banco Inbursa, S. A. and Sponsor's construction financing contains minimum release prices set by lender and a required minimum payment per sale which must be made to the lender in order for the lender to release its lien from the unit being sold. The construction loan does not establish an explicit requirement that the Sponsor sell rather than rent Units. Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to submit the Property to a condominium regime and convey Units with fewer than a minimum number of sales if purchasers counted towards effectiveness do not ultimately purchase a Unit. Please refer to the Section entitled "Effective Date" in Part I of the Plan for further details. Sponsor will endeavor in good faith to sell all of the Residential Units in a reasonably timely manner; however, there is no certainty as to the period of time required to sell all of the Residential Units. Sponsor may decide to rent certain Residential Units from time to time. As a consequence of the foregoing, residents of the Residential Section may be comprised of both Residential Unit Owners and tenants leasing from Sponsor or other Residential Unit Owners. It is possible that a significant proportion of Residential Unit Owners will not be residents of the Residential Section and that a significant portion of residents in the Residential Section may not be Residential Unit Owners, and a Residential Unit Owner seeking to resell or refinance a Residential Unit may experience difficulty. See Section of the Plan entitled "Rights and Obligations of Sponsor" for further detail.

The Plan may, at the option of Sponsor, be abandoned a) at any time before it is declared effective and b) after it is declared effective in the event of: (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 or without litigation or for less than one percent of the Total Offering; (2) substantial damage to or destruction of the Building (or any portion thereof) by fire or other casualty that cannot be repaired prior to the date set for the First Closing for less than one percent of the Total Offering; or (3) a taking of all or part of the Property in condemnation proceedings or by eminent domain. See the Sections entitled "Description of Property and Improvements" and the "Rights and Obligations of Unit Owners and the Condominium Boards" for further discussion.

4. **Right to Rent or Sell Units**. Sponsor reserves the unconditional right to rent or lease, rather than sell, the Unsold Residential Units. As a result, Purchaser may be acquiring a Unit that has been previously occupied, but unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Unit will be delivered at closing free and clear of all leases and tenancies. In addition, because Sponsor reserves the unconditional right to rent or lease Units, there is no commitment to sell more Residential Units than the fifteen percent (15%) of such Units necessary to declare the Plan effective and, accordingly, Residential Unit Owners may never gain effective control and management of the Condominium and/or Residential Section, and the First Annual Meeting may never occur.

Sponsor's lender is Banco Inbursa, S. A. and Sponsor's construction financing contains minimum release prices set by lender and a required minimum payment per sale which must be made to the lender in order for the lender to release its lien from the unit being sold. Sponsor's construction financing does not contain a minimum number or percentage of units which must be under contract before the Plan can be declared effective. The construction loan does not establish an explicit requirement that the Sponsor sell rather than rent Units.

(See the Sections entitled "Introduction", "Procedure to Purchase", and "Rights and Obligations of Sponsor" in Part I of the Plan for further discussion.

5. **Financing**. Although a Purchaser may obtain financing from a lending institution or any other source, his or her obligation to purchase a Residential Unit pursuant to his or her Agreement shall not be contingent on obtaining financing for such purchase. Neither Sponsor nor the Selling Agent makes any representations as to the terms or availability of any mortgage financing. Prospective Purchasers are, therefore, advised to pre-qualify for financing with their lender before signing an Agreement. However, prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be fixed, and it could expire before the Closing Date. In addition, given the current economic climate, a lending institution could withdraw its commitment if, for example, it believes a Purchaser's financial condition has worsened or that the Residential Unit's appraised value has decreased. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan for further details.

If Purchaser obtains a mortgage loan for the purchase of the Unit (the "Purchase Money Mortgage"), the Purchaser will pay to Sponsor a sum equal to the partial mortgage tax credit to which the Purchaser may be entitled pursuant of Section 339-ee(2) of the Condominium Act, which sum shall be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor in connection with any existing mortgage(s). Alternatively, Sponsor may require, in its sole discretion, that a Purchaser who is financing the purchase of said Unit with a Purchase Money Mortgage, must cause the lender making such loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to the Purchase Money Mortgage as determined by Sponsor. Upon such assignment, that portion of the Purchase Money Mortgage assigned by Sponsor, will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. Sponsor shall be solely entitled to the benefits of such exemption and accordingly, Purchaser must pay to Sponsor an amount equal to the mortgage recording tax which would have otherwise been due in connection with the recording of the Purchase Money Mortgage.

Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include requiring that a certain percentage of apartments in a building or group of buildings be sold before a lender will consider making a loan. Thus, it may be possible for a purchaser to experience difficulty obtaining a loan in a building or group of buildings where the sponsor or holder of unsold shares has not sold a substantial percentage of the apartments in the building or group of buildings, which in some cases may be as high as 70%. Moreover, some lenders will not provide financing in a building or group of buildings where an investor other than the original sponsor has an ownership interest of 10% or more. It also may be difficult for a purchaser to resell an apartment if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions.

6. **Fannie Mae and FHA.** To the extent permitted by applicable Law, the provisions of the Declaration and By-Laws may comply with certain requirements of Federal National Mortgage Association ("Fannie Mae") and the Federal Housing Authority ("FHA"). Sponsor, at its sole cost and expense, may file applications with Fannie Mae and FHA in order to have the Condominium added to a list of "approved" condominiums. There is no guaranty or assurance that Sponsor will complete said applications or satisfy the criteria for approvals, or in the event that either or both of the Fannie Mae and FHA requirements are satisfied, whether the Condominium will continue to satisfy such criteria. Purchasers should further be advised that if FHA approval is granted to the Condominium, no more than thirty percent (30%) of the total Residential Units may be encumbered by FHA securitized, guaranteed or insured loans. It shall not be a basis for a Purchaser to rescind an Agreement if for any reason, Sponsor's application to either or both of Fannie Mae and FHA, is not submitted or approved. In addition, in accordance with the requirements of Fannie Mae and FHA, at least ten percent (10%) of the total operating budget for the first year of Condominium operation is required to be set aside for a capital repair and replacement reserve fund in order to fund the replacement reserves for capital expenditures and deferred maintenance (the "Reserve Contribution"), as more particularly described in the projected "Budget for First Year of Condominium Operation, Schedule B", in Part I of the Plan. There is no guarantee or assurance that the Reserve Contribution will be provided as a line item in the operating budget after the first year of Condominium operation or that Purchasers will be able to obtain mortgages insured by Fannie Mae and/or FHA. The applicable Board reserves the right, in its sole discretion (including without limitation during the Initial Control Period) to use the Reserve Contribution towards any capital expenditures it deems appropriate. The Reserve Contribution can only be used for the repair and replacement of the General Common Elements or the Residential Common Elements, as the case may be. Please refer to the Section entitled "Introduction" in Part I of the Plan.

7. **Payment.** At the time an Agreement to purchase a Unit (the "Agreement") is executed, a Purchaser is required to make an Option Payment in an amount equal to at least ten percent (10%) of the Purchase Price and, on the earlier of (i) thirty (30) days after the Plan is declared effective or (ii) within one hundred twenty (120) days after the execution of the respective Agreement, a Purchaser is required to make an additional Option Payment of ten percent (10%) of the Purchase Price to bring the total Option Payments to twenty percent (20%) of the Purchase Price. The Option Payments are option payments which, if the Purchaser closes, will be applied to the Purchase Price, or, as described below, if the Purchaser

fails to close, will be delivered to Sponsor. Notwithstanding the foregoing, foreign governments and persons with diplomatic immunity will be obligated to make an Option Payment in an amount equal to at least fifty percent (50%) of the Purchase Price on the execution of the Agreement. In the event a Purchase defaults under his or her Agreement, and does not cure such default within thirty (30) days after Sponsor gives written notice to the Purchaser of such default, Sponsor may, at its option, either cancel the Agreement and retain, as liquidated damages, the entire Option Payment made by the Purchaser, together with any interest earned thereon, if any. TIME IS OF THE ESSENCE to a Purchaser as to a Purchaser's obligations pursuant to the Agreement, including, without limitation, for the payment of the balance of the Purchase Price. For purposes of this Plan and the Agreement, the term "TIME BEING OF THE ESSENCE" shall mean that a failure by Purchaser to do what is required at the time specified in the Agreement is a material breach of the Agreement and an Event of Default entitling Sponsor to remedies set forth in this Plan and the Agreement. Please refer to the Section of the Plan entitled "Procedure to Purchaser" in Part I for further discussion.

8. Default. In the event that a Purchaser fails to close title on the date set for Closing or otherwise fails to perform any other obligation under his or her Agreement, and such default is not cured within 30 days after Sponsor gives written notice to such Purchaser of the default, Sponsor may, at its option, cancel the Agreement and retain as liquidated damages the Option Payment made by the Purchaser, together with all interest earned thereon. Additionally, if a Purchaser fails for any reason to close title on the originally scheduled closing date and Sponsor elects not to cancel the Agreement: (a) the closing apportionments to be made at the closing will be made as of midnight of the day preceding the originally scheduled closing date; and (b) the Purchaser will be required to pay to Sponsor an amount equal to 0.05% of the purchase price of the Unit in question for each day that the closing is adjourned.

In the event a Purchaser defaults and the Option Payment previously paid (together with any interest thereon) is retained by Sponsor (subject to the terms of the Plan), as liquidated damages, it is acknowledged and agreed by Sponsor and each Purchaser that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of such a default by a prospective Purchaser, and that the Option Payment (including all interest) shall constitute and be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred and shall be paid by Purchaser to and retained by Sponsor. In such case, but only in such case, Purchaser shall have no further liability to Sponsor in respect of the Agreement (except for those matters expressly specified therein or herein to survive the termination thereof); however, such Purchaser shall not have any right whatsoever to the return of all or any portion of its Deposit (or any interest thereon). The election by Sponsor to retain and the retention by Sponsor of the Option Payment (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor.

Purchasers are further advised that if a Purchaser makes an Option Payment in excess of $250,000 for the purchase of a unit, such Option Payment will not be federally insured in excess of $250,000; and (ii) while the Option Payment is in the non-interest bearing checking portion of the Master Escrow Account, the Option Payment may not be fully federally insured

even if the Option Payment does not exceed $250,000. Funds drawn on out-of-state or foreign banks will not be accepted as payment of the purchase for a Residential Unit unless otherwise agreed by Sponsor. In addition, if Purchaser makes an Option Payment of less than $250,000 but the Purchaser maintains other accounts at the same bank, those accounts may count toward the $250,000 limit.

All funds received by the Sponsor for upgrades or extras must initially be placed in an escrow account. However, Purchasers should note as a special risk that such funds may be released from the escrow account by the escrow agent as long as the Sponsor uses the funds for such upgrades or extras. As a result, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds used for upgrades or extras. See the Section entitled "Procedure to Purchase" for the further discussion of the foregoing.

9. Control of the Condominium. The Condominium will have three Boards: the Residential Board, which will be elected by the owners of the Residential Units; a Non-Residential Board, which consists of representatives of the Non-Residential Section, and the Condominium Board, which consists of representatives of the owners of the Residential Units, the Hotel Unit, Retail Unit, and the Restaurant Unit. Sponsor as the owner of Unsold Residential Units will have voting control of the Residential Board during the period which continues until the earlier to occur of: (i) the sale by the Sponsor of one hundred percent (100%) of the aggregate Common Interests of the Residential Units or (ii) five (5) years after the First Closing (the "Initial Control Period"). The Residential Unit Owners will never have control of the Condominium Board. During the period that Sponsor controls the Residential Board, Sponsor will have control of maintenance, facilities and services to be provided to Unit Owners and will determine the Residential Common Charges to be paid by all Residential Unit Owners. At all Unit Owner meetings, each Unit Owner (or his or her proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Residential Units) shall be entitled to cast one vote for each percentage of Common Interest pertaining to the respective Unit.

After the Initial Control Period, the Condominium Board shall be comprised of six members: two members designated by the Residential Board, two members designated by the Hotel Unit Owner, one member designated by the Retail Unit and one member designated by the Restaurant Unit Owner. Accordingly, the Residential Unit Owners will never control the Condominium Board. During the Initial Control Period, all three (3) members of the Residential Board will be Sponsor appointees and the Condominium Board will include two (2) members appointed by the Sponsor and two (2) members appointed by the Initial Non-Residential Grantee. For so long as Sponsor owns at least one (1) Residential Unit, Sponsor shall be entitled to designated one (1) member to the Residential Board and one (1) of the two (2) member of the Condominium Board to be appointed by the Residential Board.

Pursuant to Article 2 of the By-laws, the Condominium Board shall have the powers and duties necessary and incidental to the administration of the affairs of the Condominium. Subject to such authority of the Condominium Board, generally, but subject to the provisions of the Declaration and Condominium By-Laws governing the same, all determinations which affect only the Residential Section and do not adversely affect any of the Non-Residential Units, Non-Residential Unit Owners or the General Common Elements shall be

made by the Residential Board. Any dispute between the Residential Board and the Condominium Board as to which Board shall be entitled to make any determination shall be settled by arbitration in the manner provided in the Condominium By-Laws. As more fully set forth (and except as may otherwise be provided) in Article 2 of the Condominium 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.

In order to make certain that the entire Building has a consistent appearance, the Condominium Board will have the right to require repairs to or replacements of, the façade and the common hallways throughout the Building. In order to maintain Hotel Brand Standards imposed by the Hotel Name Rights Holder, the Hotel Name Rights Holder can insist that the Condominium Board make repairs or replacements to the façade of the Building, maintained at a certain level of excellence in order to protect the Hotel Brand Standards. The Condominium Board's failure to comply with the Hotel Name Rights Holder's requirements could result in (i) the loss of the right to use the Brand, and (ii) exposure of the Condominium Board to all rights and remedies available against the Condominium Board under law or equity. The Hotel Brand shall be deemed a third-party beneficiary of the covenants contained in Article 30 of the Declaration.

The Condominium Board, at the request of a Non-Residential Unit Owner, will enter into a non-disturbance agreement with any tenant with which the Non-Residential Unit Owner has entered into a lease for all or any portion of the Non-Residential Units. Under the terms of the non-disturbance agreement, the tenant will acknowledge that the lease is subject and subordinate to the Declaration and the Board will agree that the rights of the tenants under the lease(s) will not be disturbed in the event of a default by the Non-Residential Unit Owners unless the tenant is violating the By-Laws or the Rules and Regulations or the tenant fails to pay all or a portion of its rent to the Condominium in payment of the Non-Residential Unit Owner's common charges.

All determinations with respect to the continuance or discontinuance of any of the services in the Building, if initially made available, will be made by the Condominium Board or the Residential Board, which Residential Board will be controlled by Sponsor for so long as any Residential Units are owned by Sponsor or until five (5) years after the First Closing, whichever is earlier. (See the Section entitled "Control by Sponsor"). Please refer to the Description of the Property set forth in its entirety in Part II of the Plan for further details regarding services and facilities at the Property. Neither Sponsor, the Managing Agent nor the Boards will in any event be liable for the availability, interruption, discontinuance or quality of any services in the Building, including, but not limited to, any services provided by any outside company or person, or for any injury to person or damage to property resulting from any act or omission of such company or persons or their employees or agents, except to the extent that any such injury to person or damage to property occurs as a result of the gross or intentional negligence of Sponsor, the Managing Agent or either of the Boards, as the case may be.

The sale or lease of Residential Units is subject to a right of first refusal by the Residential Board. Leases of Residential Units, other than Unsold Residential Units, may not be for terms shorter than one (1) year. The Condominium Board does not have the right to approve

or disapprove purchasers, and as a result, there is no limit on the number of owners who may purchase a Unit for investment rather than for personal occupancy, and there may always be a substantial percentage of Unit Owners who are non-residents. However, the Residential Board has the right to reject sales and leases to Purchasers and tenants who themselves (or residents of their Units) have diplomatic immunity or have been convicted of violent crimes or child molestation without being required to exercise the right of first refusal.

At meetings of the Residential Unit Owners, Sponsor will have the right to vote all of the Common Interests appurtenant to the Units owned by Sponsor as it sees fit. In addition, at elections of members to the Residential Board held after the Initial Control Period, (a) Sponsor and/or its designee shall have the right to vote to elect two of the six members of the Residential Board otherwise to be elected by the Unit Owners (including Sponsor), who are family members or employees of Sponsor, such designee or other Unsold Residential Unit Owner(s), and (b) Sponsor, such designee and all other Unit Owners shall have the right to vote for the remaining members of the Residential Board who shall not be family members or employees of Sponsor. (See the Sections of this Plan entitled "Control by Sponsor" and "The Condominium Board" for further discussion.)

10. Board Members. The By-Laws do not include a provision that after the expiration of the Initial Control Period a majority of the Residential Board must be Unit Owner-occupants or members of a Unit Owner-occupant's household who are unrelated to Sponsor and its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment. (See the Sections of this Plan entitled "Control by Sponsor" and "The Condominium Board" for further discussion.)

11. Sponsor Veto Power. Sponsor may not exercise veto power over expenses in Schedule B, or expenses required to remedy any notice of violation, or to remedy any work ordered by an insurer. Until the earlier of when Sponsor and its designees have conveyed title to one hundred percent (100%) of the aggregate Common Interests of the Residential Units, or five (5) years after the closing of the first Residential Unit (the "First Closing"), neither the Condominium Board nor the Residential Board may take any of the following actions without Sponsor's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Residential Unit, or (b) assess any General Common Charges or Residential Common Charges for the creation of, addition to or replacement of all or part of a working capital, reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, or (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services, or (e) borrow money on behalf of the Condominium, or the Residential Section, or (f) exercise a right of first refusal to lease or purchase a Residential Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary (and no other alternative is available) to enable the Condominium Board or the Residential Board or to comply with laws, rules or regulations of any governmental authority

having jurisdiction over the Condominium (see the Section entitled "Control By Sponsor" for further details). Purchasers can perform work in their Units that does not in any way interfere with the completion of the Building and the issuance of a Permanent Certificate of Occupancy.

12. Amendments. No amendment, modification, addition or deletion of the Declaration, By-Laws or Rules and Regulations shall be effective in any way, (a) without the prior written consent of the affected Non-Residential Unit Owner(s) with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations which adversely affects the Non-Residential Units modifying the permitted uses or operation of any Non-Residential Units or affecting the rights, privileges, easements, licenses or exemptions granted to any Non-Residential Unit Owners or otherwise adversely affecting Sponsor or its designee or the owner of any Unsold Residential Units, as the case may be, or (b) as long as Sponsor still owns one (1) or more Residential Units in the Building, without the prior written consent of Sponsor or its designee or the owner of any Unsold Residential Units, as the case may be, with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Sponsor or its designee or the owner of any Unsold Residential Units, as the case may be, or otherwise adversely affecting Sponsor or its designee or the owner of any Unsold Residential Units, as the case may be. (See the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board".)

13. Power of Attorney. Each Purchaser of a Residential Unit will be obligated to enter into a power of attorney at the closing of title to a Unit. The form of power of attorney, set forth in Part II of the Plan, grants broad powers to the Condominium Board and the Residential Board, as the case may be, to enter into agreements affecting the General Common Elements and the Residential Common Elements, as the case may be. The power of attorney also grants to (a) Sponsor the right to amend the Condominium Declaration with respect to any Unsold Residential Unit and (b) the Non-Residential Unit Owner the right to amend the Condominium Declaration with respect to the Non-Residential Units. Please refer to the form of power of attorney set forth in its entirety in Part II of the Plan.

14. Construction. Construction is a complicated process requiring the coordination of numerous tasks and the balancing of complex mechanical and architectural systems. No assurance can be given with regard to the accuracy of any projected completion dates set forth herein. During the first year of Condominium operations, construction workers and related personnel will be at the Property from time to time making adjustments and performing various tasks related to the completion of construction. Various systems, including but not limited to the amenities, water supply, air conditioning, heating, cooling, ventilating and elevators, may require more than a year after the First Unit Closing to complete. Although operable, these systems may need to be shut down temporarily from time to time. Various other adjustments, to windows and elevators and other systems, may require eighteen (18) months or more after the First Closing to complete. Sponsor may not fully complete the decoration of the lobby or the corridors in the Building, including but not limited to installing light fixtures, hanging wall coverings or laying carpeting, until that particular floor is fully occupied by Residential Unit Owners. Unless your Agreement contains an outside closing date, the Sponsor

is not obligated to schedule a Purchaser's closing within any specified time frame or to ensure that closing of title to a Purchaser's Unit will occur by any date certain. Notwithstanding the foregoing, Sponsor's completion schedules noted above do not vitiate Sponsor's obligations to close the first Residential Unit within the First Year of Condominium Operation pursuant to the Budget or to offer rescission to Purchasers if the Budget is increased by 25% or more. Please refer to the Section of the Plan entitled "Description of Property" in Part I of the Plan for further details.

Sponsor may agree, in its sole discretion, to perform custom work ("Custom Work") to a Residential Unit (including without limitation combining or further dividing Residential Units). Unless otherwise agreed to by Sponsor, a Purchaser shall bear the costs of the Custom Work (the "Custom Work Costs") which Custom Work Costs shall be due and payable by Purchaser to Sponsor upon the execution of the Agreement for the Residential Unit and deposited in an escrow account with Escrow Agent in accordance with the Plan, unless otherwise agreed to by Sponsor. The Custom Work Costs may be released from the Escrow Agent's escrow account upon the Escrow Agent's receipt of written notification from Sponsor's Architect to the Escrow Agent that all or any portion of the Custom Work has been commenced in the Residential Unit. In the event a Purchaser becomes entitled to rescission after the release of the Custom Work Costs or any portion thereof to Sponsor, the Purchaser shall not receive a refund of any Custom Work Costs, if any, used to perform Custom Work in the Residential Unit.

The Sponsor as well as the Condominium Board and the Residential Board may refuse to permit a Residential Unit Owner to perform alterations in a Residential Unit until such time as the Building has been completed and a final certificate of occupancy has been obtained therefor. In addition, certain services, such as cable, computer, and other similar services may be provided by outside suppliers and delays in these services will not be the responsibility of the Sponsor unless such delays are caused by Sponsor. Purchasers may perform work in their Units that does not require a permit and does not interfere with Sponsor's completion of the Building.

During the period when Sponsor is completing construction of the Building, move-ins into the Building may be restricted to certain periods when the elevators and other access to the Building are not being utilized by the construction trades. The first Temporary Certificate of Occupancy may be issued for some but not all of the Residential Units and Sponsor may complete construction of certain Residential Units before others. Purchasers should also note that even if the First Closing occurs on or before October 1, 2016 (or such other date projected as the date of commencement of operation at the time the Agreement was entered into) or within the twelve (12) month period thereafter, the closing of subsequent Units may be substantially delayed beyond such dates if a temporary certificate of occupancy has not been issued for such Units or for the floor on which such Units are located. Accordingly, Purchasers may not be able to close title to their respective Residential Unit(s) for some period of time after signing their respective Agreements and after the closing of the first Unit. In such a case, provided that the Sponsor is pursuing completion of construction and issuance of a certificate of occupancy and is otherwise in compliance with its obligations under the Plan, a Purchaser will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of substantial delays and will not be excused from paying the full purchase price for the Unit. **PROSPECTIVE PURCHASERS SHOULD THEREFORE**

CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.

In order to meet the possible varying demand for number and type of Residential Units, or to meet particular requirements of prospective purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of any Board, Unit Owner or mortgagee, to (a) change the layout of, or number of rooms in, any Unsold Residential Unit, (b) change the size and/or number of Unsold Residential Units by dividing one or more such Units into two or more separate Unsold Residential Units, combining separate Unsold Residential Units (including those resulting from such subdivision or otherwise) into one or more Unsold Residential Units, altering any boundary walls between one or more Unsold Residential Units, or otherwise, incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Residential Unit into such Unsold Residential Unit, (c) designate a Common Element as part of a newly created Unit or Limited Common Element or designate all or part of a Unit as a newly created Unit, Common Element, Limited Common Element, and (d) if appropriate, reapportion among the Unsold Residential Units affected by any such change, their aggregate Common Interests, provided that none of the foregoing will adversely affect the Non-Residential Units without their consent and the Sponsor obtains a new §339-i Opinion letter providing that the changed unit is in compliance with RPL §339-i. In the event of any change pursuant to (b) - (d) above, such change shall be disclosed in a duly filed amendment to the Plan. No such change, including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Unit, will be made with respect to any Unsold Residential Unit for which an Agreement is then in effect and the Purchaser thereunder is not in default unless (i) the Purchaser consents to such change or (ii) such change is not a material change in the size, common interest, dimension, floor space or layout of such Unsold Residential Unit. The Common Interest of a Residential Unit may change if there is a change in the floor space or the additional factors of relative value to other space in the Condominium, the uniqueness of the Residential Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Residential Unit. No material change will be made in the size or quality of the Common Elements except by amendment to the Plan and, when applicable, by amendment to the Declaration. Unless all Purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of the Common Elements. Sponsor may not modify the Common Interests of sold Units without consent from the respective Unit Owners. Please see the Section of the Plan entitled "Changes in Prices and Units" for further details.

15. No Warranty. Sponsor is obligated to construct the Building in accordance with all applicable Laws and codes and Department of Buildings ("DOB") Plans and Specifications as well as the provisions of the Plan. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability of any Residential Unit or Common Element. Unless caused by a violation of the sound transmission code, noise code or other applicable code, there is no warranty as to sound transmission. Unless caused by a failure of Sponsor to comply with applicable code provisions and DOB Plans and Specifications, Sponsor is not responsible for, nor can it make any

guarantees regarding odors, levels of noise or vibrations resulting from the operation of the Building or the Units or the degree of privacy which will be afforded to Residential Unit Owners in their Residential Units or on their Residential Terraces. Unless caused by a code violation or a violation of Law, there is no warranty with respect to mold, mildew, spores, fungi or other toxins. There is no warranty as to air, view or light quality. Sponsor's obligation, regardless of any limitations in the warranty, is to construct the premises in accordance with all applicable Laws and codes and DOB Plans and Specifications, and any conflict between (a) the disclaimers and (b) Sponsor's obligation to construct the premises in accordance with all applicable Laws and codes and DOB Plans and Specifications, shall be resolved in favor of the latter. In no event will Sponsor be liable for incidental, special or consequential damages. Please see the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details.

16. Certificate of Occupancy. **In order for the Sponsor to obtain a final Certificate of Occupancy for the Building, the Non-Residential Unit Owners must first build out the Non-Residential Units, as the Non-Residential Unit is being delivered to the Non-Residential Unit Owner as raw space. Sponsor makes no representation or warranty that the Department of Buildings will issue a final certificate of occupancy or as to when after issuance of the first temporary Certificate of Occupancy the final Certificate of Occupancy will be issued**. Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a permanent certificate of occupancy ("PCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and PCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property conforms substantially to the DOB approved plans and specifications, and to the requirements of all applicable laws, rules, and regulations for the uses and occupancies specified in the TCO. No change of use or occupancy shall be made unless a new certificate of occupancy is issued. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a PCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a PCO 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 PCO within such two year period. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE PCO FOR THE ENTIRE BUILDING, AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE PCO 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.

Furthermore, because Unit Owners may undertake renovations to individual Units prior to the procurement of a final certificate of occupancy, such renovations may cause

additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its principal(s) are obligated to procure the final certificate of occupancy.

It has been customary for units in newly constructed and gut rehab co-ops and condos to close after a TCO covering such units has been issued. Sponsor will send closing notices for units covered by TCOs and purchasers will be required to close with a TCO, rather than a PCO in place. TCOs are issued for three months at a time.

The NYC Department of Buildings advises purchasers of houses and apartments, who close with only a TCO in place, to consult with their attorneys and engineers to assure that sufficient funds are escrowed or otherwise secured for sponsor to obtain a PCO. It is strongly recommended that buyers consult the DOB Website/Consumers Tips for its recommendation when buying units in a building that does not have a PCO.

Purchasers should seriously consider negotiating closing based on a permanent certificate of occupancy, not a temporary certificate of occupancy. If purchasing a Residential Unit covered by a temporary certificate of occupancy, Purchasers should consult a licensed architect or engineer to determine what work has to be done in order for the Building to receive a permanent certificate of occupancy. Purchasers are advised to visit the Department of Buildings' website for further recommendations when purchasing a Residential Unit that does not have a permanent certificate of occupancy.

The Sponsor as well as the Condominium Board and the Residential Board may refuse to permit a Residential Unit Owner to perform alterations in a Residential Unit until such time as the Building has been completed and a permanent certificate of occupancy has been obtained therefor. In addition, certain services, such as cable, computer, and other similar services may be provided by outside suppliers and delays in these services will not be the responsibility of the Sponsor unless such delays are caused by the Sponsor. See the Section of the Plan entitled "Description of Property and Improvements" for further discussion.

17. Real Estate Taxes. The real estate tax estimates for each Unit were calculated on the assumption that the real estate taxes for the Residential Section payable with respect to each Unit for the first year of Condominium operation will be allocated in proportion to each Unit's percentage interest in the Common Elements. Upon determination of individual tax lots and individual Unit assessments, the New York City tax authorities may allocate taxes between the Units in proportion to each Unit's purchase price rather than its percentage interest in the Common Elements, and, if so, Units having the same percentage interest may pay different real estate taxes. Purchasers should note that the real estate taxes for the first year of Condominium operation are less than the taxes will be for the second year of Condominium operation benefits since the first year's tax estimate includes six (6) months of assessed valuation of the Property prior to the completion of the Building which is a substantially lower valuation. Assuming the Property does not receive any abatement from real estate taxes, the taxes during the second year of operation, and subsequent years, will be higher than the taxes during the first year of operation. Please refer to the Section entitled "Real Estate Taxes" in Part I of the Plan for further details.

In addition, the New York City tax authorities may assess taxes against the Building in a different manner and in a different amount than that assumed by Sponsor's real estate tax attorney and, if so, Unit Owners may pay significantly different real estate taxes than those set forth on Schedule A. Sponsor can only estimate, based on reasonable, professional third party expert assumptions, what the real estate taxes for each Residential Unit will be. Only the New York City tax authorities will make this determination upon the filing of tax lots. See the Sections entitled "Schedules and Notes" — Schedule A and "Real Estate Taxes" in Part 1 of the Plan for further discussion.

18. Homeowners Association. Sponsor anticipates that the Condominium will not qualify as a homeowners association under Section 528 of the Internal Revenue Code of 1986, as amended. Assuming the Condominium does not qualify as a homeowners association, or if it does but chooses not to make the election noted above, the present state of the law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. As discussed in the Attorney's Income Tax Opinion, the tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of such income (including the nonmembership, and possibly membership, income described above less expenses related to such income) is subject to Federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. Schedule B, Budget for the First Year of Condominium Operation, does not contemplate any income which might be taxable and accordingly does not budget any amounts for taxes for nonmembership or membership income. Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners or otherwise treated. The tax treatment of the Condominium may be affected by regulations relating to entity classification, which were adopted by the United States Treasury Department on December 17, 1996. Please refer to the Attorney's Income Tax Opinion and the Section entitled "Taxes–Deductions to Residential Unit Owners and Tax Status of Condominium" in Part I of the Plan for further discussion.

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

20. Common Charges. The Unit Owners will each be obligated to pay only those Common Expenses that are fairly attributable to their respective Units. Accordingly, the Residential Unit Owners will not pay expenses related to the operation of the Hotel Unit, the Restaurant Unit or the Retail Unit and the Non-Residential Unit Owners will pay, based on the respective Common Interests of such Units, their share of the Common Expenses for the budget items for Insurance, Legal and Audit, Other and Contingency. The Non-Residential Units will not bear any Common Expenses attributable to the budget items for Gas, Heating and Hot Water and Electricity. The Non-Residential Units will not pay for other members of the Building staff, who are expected to serve only the Residential Unit Owners. In addition, the Common Expenses

for Repairs, Maintenance and Supplies and certain Service Contracts have also been allocated based on anticipated use of the items comprising Repairs, Maintenance and Supplies and of the particular service covered by such service contract. In the opinion of Sponsor's Budget Expert, the allocated Common Charges payable by the Non-Residential Units are sufficient to cover expenses fairly attributable to the Non-Residential Units.

The contingency reserve provided for in the Projected Budget for the First Year of Condominium Operation (Schedule B) is intended to provide a fund for unanticipated repairs and replacements not included in the budgets and for increases in operating expenses above the amounts projected. No other reserve fund for capital expenditures has been established. The contingency reserve is not intended and may not be sufficient to meet the cost of any major capital repairs or replacements which may be required. If funds are required to meet such costs, it may be necessary to increase Common Charges or institute a special assessment.

See the Section of this Plan entitled "Rights and Obligations of Unit Owners and the Condominium Boards" for further discussion.

21. Waiver Period. Sponsor reserves the right to delay the commencement of collection of Common Charges payable by the Residential Section. During any such delay, the Sponsor will timely pay all expenses of the Condominium, including but not limited to insurance premiums and any reserve fund payments required by lenders (the "Operating Expenses"). The Operating Expenses will not include the funding of the contingency reserve. Upon commencement of collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium. Sponsor shall remain obligated to update the budget for the Condominium as provided for in 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 and will further disclose such fact in the Post-Closing Amendment to the Offering Plan. Such Amendment will also disclose the anticipated period of delay. Sponsor will notify all Unit Owners in writing 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 following amendment to the Offering Plan. During the Condominium's initial two (2) fiscal years, the Condominium Board's and Residential Board's authority shall include the right to base the amount of Common Charges on actual costs and expenditures and/or to make retroactive adjustments to the amount of Common Charges payable by Unit Owners for any period to reflect actual operating costs for such period. Please see Section 6.1.7 of the By-laws for more information.

22. Terraces. The terraces may not be used for any type of occupancy, including but not limited to: dining, sleeping, living room, recreation or an office. Such use may result in a violation against the Building issued by the Department of Buildings.

23. Children. Each Unit Owner will notify the Managing Agent in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Unit. Each Unit Owner shall, at such Unit Owner's expense, install the required window guards in all windows of the Unit. Windows contain limit stops, which may not be removed. The Unit Owner shall maintain all window stops installed in the Unit and shall not remove same

until permitted by applicable law. Please see the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Boards of Managers" for further details.

24. **Sponsor Obligations**. If Sponsor sells ten (10) or more Residential Units or 20% of the total number of units in the Building to one purchaser, Sponsor reserves the right to designate the purchaser of such blocks of Units as an additional "sponsor" under this Plan and the Declaration. The party so designated as a "sponsor" will have those additional rights and obligations of a "sponsor" as more fully described in the Plan. Please refer to the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further details.

25. **Sponsor's Common Charges**. No bond or other security has been posted by Sponsor to secure its obligation to pay Common Charges, special assessments and real estate taxes with respect to Unsold Residential Units. Sponsor represents that it has the financial resources to meet such obligations with respect to Unsold Residential Units. Sponsor will pay the common charges for the Non-Residential Units for so long as such Units are owned by Sponsor. Please refer to the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further details.

26. **Windows**. The exterior surface of all windows can be washed from the inside of the Building and, when determined by the Condominium Board shall be washed and cleaned by the Board and the cost and expense thereof shall be a Common Expense. The interior glass surfaces of all windows located in any Unit and the exterior glass surfaces of all windows located in the Non-Residential Units shall be washed and cleaned at the sole discretion of the Unit Owner or occupant thereof as such Unit Owner's sole cost and expense. In addition, to promote a consistent aesthetic appearance of the Building, each Unit Owner will be required to install window treatments having a dark gray colored backing on the sides facing the windows in his or her Unit, which window treatments and backings must conform to any specifications (including a new color) established from time to time by the Condominium Board. Please refer to the Section entitled "Rights and Obligations of Unit Owners and the Boards of Managers" under the subsection entitled "Repairs to and Maintenance of Units and Common Elements" in Part 1 of the Plan for further details. The exterior of the Building shall be maintained in accordance with the Hotel Brand Standards.

27. **Protecting the Unit**. The Units will have large glass windows, which should be covered during the portions of the day when the sun is strongest in order to maintain the temperature of the Units' rooms at comfortable levels and to conserve energy. The floors are made of a wood product. Wood is a natural product and expands and contracts with weather conditions, which will cause the floors' appearance to change. Moreover, in order to maintain the quality of the floor, the humidity level within the Unit should be kept between 30% and 60% and the floors should not be washed with water and should be otherwise maintained according to the manufacturer's recommendations. The stone finishes in the Units must also be resealed regularly in accordance with the manufacturer's recommendations.

28. **Views.** Changes in zoning or construction of new buildings within the vicinity of the Property could affect existing views. No assurance can be given that the views

currently existing (or existing when Purchaser first purchases or occupies the Unit) will continue to exist unchanged.

29. Mechanical Equipment. Cooling towers and other mechanical equipment necessary for the maintenance and operation of the Building and the Units will be located in the Subcellar, Cellar, 6th Floor, Mezzanine and roof of the two story building on 39th Street and the roof of the tower. The Condominium Board with respect to the Common Elements, the Residential Board with respect to the Residential Common Elements and the Non-Residential Unit Owners with respect to the Non-Residential Common Elements will be responsible for ensuring that the mechanical equipment is operated in accordance with Law, including requirements governing acceptable levels of noise and odor emissions. In addition, the use of the Non-Residential Units as a Hotel and a Restaurant will each generate noise and other disturbances. Sponsor is not responsible for, nor can Sponsor make any guarantees regarding the level or noise or odors resulting from the operation of the Building or the Units.

All MEP, Fire Protection and Life Safety Systems servicing the Building other than the HVAC units which exist within and service exclusively the Residential Unit. Accordingly, decisions relating to the timing and cost of maintenance repairs and replacements will be made by the Owner of the Hotel Unit. Such costs will be shared based on usage rather than percentage interest in the Common Elements. See the Description of Property in Part II of this Plan for further discussion.

30. Transfer Tax. Purchasers shall be obligated to pay the NYC Real Property Transfer Tax and NYS Real Property Transfer Tax (Deed Stamps) which by law are the primary obligation of the Seller. If the purchase price of the Residential Unit is $1,000,000 or more, Purchaser shall also be obligated to pay the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax", currently one percent (1%) of the purchase price, which by law is the primary obligation of the Purchaser. For purposes of calculating the taxes payable, the amounts of such taxes (other than the Mansion Tax) will be included in the consideration subject to such tax. Regarding the Mansion Tax, purchase price and transfer taxes payable by Purchaser are added together by NYS Department to arrive at total consideration. Therefore, a Residential Unit priced at $985,000, where Purchaser pays transfer tax, would subject Purchaser to liability for Mansion Tax as the aggregate of price plus tax would exceed $1,000,000. (See the Section entitled "Closing Costs and Adjustments" for further details).

31. First Closing. The Sponsor anticipates that the First Closing of a Unit will occur by October 1, 2016. Purchasers will be offered a right of rescission if: (i) the actual date of closing of title to the first Unit; or (ii) the projected date of closing of title to the first Unit occurs later than September 30, 2017, twelve months after the projected date for the First Closing. If the Plan is amended to provide for a later projected date for the First Closing, Purchaser will be entitled to an offer of rescission if the First Closing occurs more than twelve (12) months beyond that amended, later date. However, if the first Unit closing occurs before September 30, 2017, the Sponsor may schedule the closing of title to other Units significantly later than such date. Unless Purchaser's Agreement contains an outside closing date, the Sponsor is not obligated to schedule a Purchaser's closing within any specified time frame or to

ensure that closing of title to Purchaser's Unit will occur by any date certain. Notwithstanding the foregoing, Sponsor's completion schedules noted above do not vitiate Sponsor's obligations to close the first Residential Unit within the First Year of Condominium Operation pursuant to the Budget or to offer rescission to Purchasers if the Budget is increased by 25% or more. See the Sections of this Plan entitled "Schedule B Projected Budget for First Year of Condominium Operation" and "Procedure to Purchase" for further discussion. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.

32. Closing Costs. All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchasers of Residential Units shall also be responsible for payment of the following fees to Sponsor's attorneys, Holland & Knight LLP, in connection with the closing of title to Purchaser's Unit: (i) the sum of $3,500 to reimburse Sponsor for its legal fees in handling the sale, (ii) if the Purchaser requests the Closing to occur other than at the offices of Holland & Knight LLP or such other place as Sponsor may designate in its closing notice and Sponsor consents to such change, an attendance fee of $500 for each Closing held within Manhattan and $750 for each Closing held in any borough outside Manhattan, (iii) if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Agreement, or for the addition, deletion or substitution of names on the Agreement, Purchaser shall pay a fee of $1,000 to Sponsor's attorneys, payable in advance, for preparation of an assignment agreement (Purchaser may pay more than one fee pursuant to this paragraph with respect to a single Unit), (iv) if Purchaser obtains mortgage financing, then Purchaser shall pay the Sponsor's attorneys an additional fee of $750 to defray the additional costs associated therewith, (v) if the closing is adjourned through no fault of Sponsor, the Purchaser will be required to pay Sponsor's attorneys an additional fee of $1,000 for each adjournment to help defray the cost of preparing for and coordinating the new closing unless Sponsor has agreed to the adjournment, (vi) if any custom work is to be done in the Unit, then Purchaser shall pay Sponsor's attorneys an additional fee to defray the additional cost associated therewith for negotiating and preparing the requisite documents on an hourly basis at Holland & Knight LLP's customary rates, (vii) $250 for the preparation of ACRIS transfer documents required by the City of New York and (viii) Purchaser shall pay Sponsor's counsel the sum of $600 in connection with the consideration, review and processing of any agreement of exchange or the like which Sponsor is requested to execute in connection with any tax deferred exchange under section 1031 of the Internal Revenue Code. Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single unit and other additional charges may apply. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's Counsel shall be paid by Purchaser prior to closing upon notice to Purchaser. Please refer to the Section of the Plan entitled "Closing Costs and Adjustments" for further details.

Purchasers or any other persons entering into an interim lease for a Unit shall be required to pay the legal fees of Sponsor's counsel in connection therewith upon the execution of the interim lease. Such legal fees are estimated to be approximately $2,500 assuming that the Purchaser's counsel does not negotiate the terms of the interim lease. Any fees above $2,500 will be billed on an hourly basis at Holland & Knight LLP's customary rates. In connection with the Closing of a Unit subject to an interim lease, all other charges or other fees due under an

interim lease shall be adjusted as of midnight of the day preceding the Closing Date to the Residential Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any interim lease for any Unit. Please refer to the Sections of the Plan entitled "Closing Costs and Adjustments" and "interim leases" for further details.

33. Warranties. On closing of the acquisition of a Residential Unit, the Purchaser will receive warranties for the appliances in the Unit. Except as contained on Purchaser's inspection statement Sponsor shall not be obligated to correct, repair, or replace any and all defects relating to construction of the Residential Units, the Non-Residential Units, the Common Elements, or in the installation or operation of any appliances, fixtures, or equipment therein, except as expressly provided in this Plan. See the Section of this Plan entitled "Terms of Sale" for further discussion.

34. Common Interests. The Common Interest of each of the Units has been determined pursuant to Section 339-i(1)(iv) of the Condominium Act and accordingly based upon a comparison of the floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of common elements for exclusive or shared use and the overall dimensions of the particular Unit. Based upon final specifications, construction conditions and/or "as-built" plans for the Building reflecting relative measurements, areas and uses of portions of the Building, application of such method of allocation of Common Interest may justify a minor increase or decrease in the aggregate Common Interest appurtenant to the Residential Units and a corresponding decrease or increase in the Common Interest appurtenant to the Non-Residential Units. In such event, the Common Interest appurtenant to each individual Residential Unit would be adjusted (by a minimal amount) pro rata. Sponsor expressly reserves the right, from time to time prior to the First Closing, to effect such a change in the Common Interests and to amend the Plan so as to reflect the same, provided that Sponsor obtains a new §339-i opinion letter provided that the Common Interests are in compliance with RPL §339-i. Sponsor will not change the Common Interest associated with a Unit that has already closed without the new owner's consent. In no event, however, will the Common Interest of any Residential Unit be increased as a result of any of the foregoing by more than 5%. See the Section of the Plan entitled "Changes in Price and Unit" for further discussion.

35. Easement. The Non-Residential Unit Owners and Sponsor, for so long as Sponsor owns any Unsold Residential Units, shall have and the Units and Common Elements shall be subject to, an easement to use the Common Elements of the Building for any lawful purpose including, but not limited to, the purposes of (a) installing, utilizing, operating, maintaining, repairing, altering, rebuilding, restoring and replacing satellite dishes and other communication equipment on the roofs and façade of the Building and elsewhere on the Common Elements and the conduit and other Facilities relating thereto and (b) maintaining any encroachment on any Unit, or any Common Elements or elsewhere on the Property resulting from the installation, operation, maintenance, repair, alteration, rebuilding, restoration or replacement thereof; provided that access to any unit or Common Element in furtherance of such easements shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of any assignee or licensee of Sponsor, Non-Residential Unit Owner for the purpose of servicing the Condominium or any other building or

area. The Condominium shall not be entitled to any portion of fees, compensation or other profits received by Sponsor or the Non-Residential Unit Owners for the use of the aforesaid easements or equipment. Any satellite dishes or other facilities placed upon the roof or façade of the Building or elsewhere on the Common Elements by Sponsor or the Non-Residential Unit Owner or their assignees or licensees shall be the exclusive property of Sponsor or the Non-Residential Unit Owner or their assignees or licensees and neither the Condominium nor any Unit Owner shall have any rights with respect thereto. Please see the section of the Plan entitled "Rights and Obligations of Unit Owners and the Boards of Managers" under the subsection entitled "Easements" for further details.

36. Security Systems. No representation or warranty is made and no assurance is given that the security systems and procedures of the Condominium will prevent personal injury or damage to or loss of personal property. While Unsold Residential Units are being offered for sale or lease by Sponsor or its designees there may be a greater number of visitors in the Residential Section than would otherwise be the case. Transients will always be using the Non-Residential Section of the Building. No representation or warranty is made and no assurance is given as to when such selling or leasing activity will terminate. Neither Sponsor nor its designee nor the Managing Agent nor the Non-Residential Unit Owner shall be liable or responsible for any personal injury or for any loss or damage to personal property which may result from the failure of the Condominium's security systems and procedures, including, without limitation, those procedures with regard to any delivery of packages, provided that any such failure is not caused by the negligence of Sponsor or its designees, the Managing Agent or the respective agents. Please refer to the Section of the Plan entitled "Description of Property and Improvements" under the subsection entitled "General" for further details.

37. Hotel Brand. The owner of the Hotel Unit may from time to time either own rights in, or enter into agreements providing it with rights in, certain trademarks, trade names and/or other intellectual property allowing for the association of the Hotel with a particular brand or chain (such brand or chain, the "Hotel Brand"; and such intellectual property, the "Hotel Brand Intellectual Property"). For so long as the Hotel Unit is associated with the Hotel Brand, the owner of the Hotel Unit and the Hotel Brand shall each have the right to require that the Hotel Unit and the Condominium (including, without limitation, the Common Elements) be operated, managed and maintained at a minimum according to the standards of quality, service, character, appearance and image required by the Hotel Brand for hotels using the Hotel Brand Intellectual Property, as the same may be amended from time to time (the "Hotel Brand Standards"). The referenced rights or agreements may be terminated or may expire without renewal, resulting in the removal of the Hotel Brand designation then in use from the Hotel Unit, if among other things, the Hotel Unit is sold, the Hotel Brand trademark is no longer affiliated with the Hotel Unit Owner, or if the Hotel Unit or the Building is not managed, operated and maintained in a manner consistent with the Hotel Brand Standards or if the Hotel Name Rights Holder associated with a particular brand is no longer operating the Hotel Unit. The Hotel Brand Intellectual Property shall at all times remain the sole and exclusive property of the Hotel Brand. Under no circumstances shall the Hotel Brand Intellectual Property be deemed part of the Condominium property or an appurtenance of any Unit. In no event shall the Condominium, the Condominium Board, Residential Board nor the Unit Owners have any right, title or interest in any name under which the Hotel Unit is operated or in any other aspect of the Hotel Brand

Intellectual Property, or in any licensing arrangement between the Hotel Brand and any other party. There are no guarantees that the Hotel Unit will be operated with a particular Hotel Brand or that the current Hotel Operator or any affiliate thereof will operate the Hotel Unit at closing for any period following closing. However, any hotel operated in the Hotel Unit shall be a Hotel as defined in the Definitions. Purchasers should note that the Declarant will be the initial owner of the Hotel Unit, the Retail Unit and the Restaurant Unit and the Declarant shall be permitted under the no-action letter to convey the Hotel Unit, the Retail Unit and Restaurant Unit to South BP Associates, LLC, a Delaware limited liability company, an entity affiliated with the Declarant (which will retain ownership thereof) and, to convey the Initial Residential Unit to the Sponsor. See the Section of this Plan entitled "Introduction" for further discussion.

Notwithstanding any other condition, statement, or understanding of any Unit Owner, the Condominium Board or any other person to the contrary, (i) the Hotel Brand shall not be deemed to, and has not acted as, the developer, architect, engineer, contractor, sponsor, broker or marketer (or in any similar capacity) in connection with the Project or the marketing or sale of the Units; and (ii) the owner of the Hotel Brand does not make, and shall not be deemed to have made, any representations or warranties of any nature whatsoever in connection with the Project, creation of the Condominium or the marketing or sale of the Units. Purchasers are not third party beneficiaries of the Hotel Brand or Hotel Brand Intellectual Property. No Residential Unit Owner shall be deemed a third-party beneficiary of any agreements between Sponsor or any other owner of the Hotel Unit and the Hotel Brand. No Residential Units shall be, nor shall the Residential Units be considered to be, branded with the Hotel Brand. The Hotel Brand shall be deemed a third-party beneficiary of the covenants contained in Article 30 of the Declaration

38. Hotel Services. The Hotel Operator may provide certain "hotel type" services that may be available on an a la carte basis (with additional charges) to the Residential Unit Owners for which the Unit Owners will have to arrange directly with the Hotel Operator. Purchasers of Residential Units are not third party beneficiaries of Sponsor's rights under its agreements with a Hotel Operator. Neither Sponsor nor the Hotel Unit Owner make any representations regarding the completion of the Hotel, the degree of finish or decoration of the Hotel, whether the Hotel Unit will be operated by the Hotel Operator or be operated as a Hotel or to the use to which the Hotel Unit or Non-Residential Unit will be put or the services to be made available to the Unit Owners. Notwithstanding anything herein to the contrary, the Hotel Operator may elect not to provide services to Residential Units in whole or in part, and/or may condition any services to the Residential Units. The owner of the Hotel Unit or the Hotel Operator may also offer interval ownership of portions of specific floors in the Building at some point in the future. If that were to occur, it would be offered pursuant to a separate Offering Plan or other filing acceptable to the New York State Department of Law. No floors in which Residential Units have been previously sold would be involved in the interval ownership program, if one is developed. See the Sections of this Plan entitled "Introduction" and "Description of Property and Improvements" for further discussion.

39. Risk of Loss. Prior to the First Closing, the entire Building will be insured by Sponsor; after the First Closing, the entire Building will be insured by the Condominium. A person in possession who is not an owner cannot insure a Unit since that person has no ownership interest, and the Unit cannot be doubly insured. A person who takes

possession prior to closing assumes the risk of loses not covered by insurance. If the Purchaser is or becomes the tenant or occupant of a Unit before the Closing and, before such Closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss, not covered by insurance and the obligation not to repair the damage, unless the cause thereof originated outside of the Unit or did not result from the acts of such purchaser or other occupants of the Unit or such Purchaser's guests, invitees or workmen. Otherwise, the risk of loss to any Unit by fire or other casualty until the closing of title to such Unit (or an earlier taking of possession by the Purchaser) is assumed by Sponsor. Purchasers are advised that 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 pursuant to an interim lease or written .Agreement with Sponsor, at which time such risk to the contents of the Unit (but not to any portion of the Unit or Common Elements otherwise insured by Sponsor or the Condominium Board) shall be assumed by Purchaser, but without any obligation or liability by Sponsor to repair or restore any Unit). In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Unit, the Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price for the subject Unit. In the event of an occurrence of a fire or other casualty, Sponsor shall notify the Purchaser as to whether or not Sponsor will restore the Unit no later than two (2) months after the date of the occurrence of the fire or other casualty. In addition, Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Boards and other Unit Owners, belong entirely to Sponsor. In the event that Sponsor elects to repair or restore a Unit, Sponsor will restore the Unit and Common Elements to substantially the same condition that the Unit and Common Elements existed in immediately prior to the casualty, and essential services (such as utilities and heat) and a reasonable means of ingress and egress to the street will be restored. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of an 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 Unit Owners and Boards of Managers"), the Agreement shall be deemed canceled and of no further force or effect and Escrow Agent shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, whereupon the parties to the Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan; provided, however, notwithstanding anything to the contrary herein, Sponsor shall retain the Custom Work Costs and/or Restoration Costs, if any, together with interest earned thereon, as and for liquidated damages. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan.

40. Condominium Services. All determinations with respect to the continuance of any of the services in the Building, if initially made available, will be made by the Condominium Board, which will be controlled by the Non-Residential Unit Owners. Determinations as to the services in the Residential Section will be made by the Residential Board, which will be controlled by Sponsor during the Initial Control Period. (See the Section

entitled "Control by Sponsor"). Please refer to the Description of the Property set forth in its entirety in Part II of the Plan for further details regarding services and facilities at the Property. Neither Sponsor, the Managing Agent nor the Boards will in any event be liable for the availability, interruption, discontinuance or quality of any services in the Building, including, but not limited to, any services provided by any outside company or person, or for any injury to person or damage to property resulting from any act or omission of such company or persons or their employees or agents, except to the extent that any such injury to person or damage to property occurs as a result of the negligence of Sponsor, the Managing Agent or either of the Boards, as the case may be.

41. Floor Plans. Purchasers should note that the square footage of each Residential Unit as reflected in Schedule A and the Floor Plans set forth in Part II of the Plan is approximate within reasonable tolerances and may change due to field conditions and construction variances and tolerances. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. Because dimensions listed are based on measurements from exterior walls, they do not accurately represent the interior space in the Unit and will exceed the actual floor area. Floor area may include columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits which may be incorporated behind protruding walls or may be separately enclosed as freestanding columns thereby reducing the available floor area. The approximate indoor floor area of each Residential Unit has been measured from the exterior side of the glass or the exterior Building walls, or from the midpoint of the interior walls and partitions separating the Residential Unit from another Residential Unit, and from the exterior side of public corridors, stairs, elevators, other mechanical equipment spaces or any other Common Elements. Dimensions measured from exterior walls may not accurately represent the interior space in the Unit and may significantly exceed interior space. Dimensions measured from exterior walls may exaggerate such interior space by as much as ten percent (10%). See Schedule A for the square footage measurement of each Residential Unit.

The Floor Plans set forth in Part II depict the layouts of the Residential Units. Purchasers should note that the square footage of each Residential Unit as reflected in Schedule A and the Floor Plans set forth in Part II of the Plan is approximate within reasonable tolerances and may change due to field conditions and construction variances and tolerances. Because dimensions listed are based on measurements from exterior walls, they do not accurately represent the interior space in the Unit and will exceed the actual floor area. Floor area may include columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits which may be incorporated behind protruding walls or may be separately enclosed as freestanding columns thereby reducing the available floor area. Ceiling heights are estimates only. The clearance between the top of the floor slab on one floor and the top of the floor slab on the next floor will vary among the Residential Units and certain Residential Units may have less clearance and all or portions of the ceilings in certain rooms within other Residential Units may have a lesser clearance as the result of construction variances or the presence of beams, ducts and other and mechanical spaces in such Residential Units. Because dimensions listed are based on measurements from floor slabs, they do not accurately represent the heights of the Residential Units from the finished floor to the finished ceiling. Ceiling heights within any given room may also vary. Kitchens, bathrooms, closets, foyers, hallways and entryways typically have dropped

ceilings. Please refer to the Notes to Schedule A in Part I of the Plan the "Description of Property" in Part II of the Plan for further details.

42. Marketing Floors. All references in the Plan and in marketing materials to "floors" are references to their "marketing" designations and may not correspond to the designation given to the floors on the plans submitted to the New York City Department of Buildings (the "DOB Plans"). The 13th construction floor on the DOB Plans shall be the 14th floor for marketing purposes and each floor above shall be re-numbered accordingly. There is no 13th Floor for marketing purposes.

43. Insurance. Neither the Condominium Board nor the Residential Board is required to obtain or maintain any insurance with respect to any property contained in any Unit or any liability with respect to occurrences in or about each Unit. Consequently, all Unit Owners are required to obtain and maintain (i) a personal liability policy if the Unit Owner is an individual or (ii) Non-Residential general liability insurance if the Unit Owner is a corporate entity, against claims for personal injury death or property damage occurring in, on or about such Unit Owner's Unit and the Common Elements, if any, exclusive and/or appurtenant to his or her Unit affording protection of at least $1,000,000 per occurrence, plus at least $3,000,000 umbrella liability coverage. Further requirements with respect to such insurance are more particularly set forth in the By-Laws. In addition, all Residential Unit Owners are urged to obtain personal property insurance with respect to the fixtures, furniture, furnishings and other personal property located within their respective Units. Purchasers are also advised that the insurance policies to be maintained by or on behalf of the Board will be on a "replacement cost" basis and will not cover losses to the extent that "market value" of a Unit may exceed its insured replacement cost. Further, as a result of current fluctuations in the insurance market, neither the Condominium Board nor the Residential Board will be required to obtain or maintain terrorism coverage but may do so, and in such event, the cost thereof shall be a Common Expense as described in the Condominium By-Laws. See the Section of this Plan entitled "Rights and Obligations of Unit Owners and the Condominium Boards" for further discussion.

44. Alterations. All alterations to a Residential Unit or the Residential Section or services for a Residential Unit Owner or the Residential Section shall be performed in a manner which will not interfere with, or cause any labor disturbances or stoppages in, the work of Condominium employees, hotel employees or other contractors or subcontractors employed in the Residential Units or the Building; and in all events, in compliance with the Declaration, the Condominium Bylaws, the Rules and Regulations, the overall Building standards and applicable laws. In furtherance of the foregoing, the Condominium Board may require that the Residential Board also assume and/or subject itself to the applicable union contracts. See the Section of this Plan entitled "Rights and Obligations of Unit Owners and the Condominium Boards" for further discussion

45. Rule Against Perpetuities. In order to preclude any application of the Rule Against Perpetuities which might otherwise invalidate the Agreement, the Agreement shall expire, unless otherwise previously terminated, on the date that is the earlier to occur of (i) twenty-one years after the date of the Agreement, or (ii) the time period legally permitted by the Rule Against Perpetuities in the State of New York, in which case the Option Payment and all

interest accrued thereon shall be returned to Purchaser. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan.

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

47. **No Third Party Beneficiaries**. No party other than the respective Purchasers from the Sponsor shall have any right or benefit herein or herefrom, including without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of Sponsor's obligations hereunder and no such third party (including without limitation, parties purchasing from Purchasers) shall be deemed to have received any benefit as a result of any of the provisions of the Plan. Please refer to the Section entitled "General" in Part I of the Plan for further details. Nothing contained herein shall prevent the Condominium Board or the Residential Board from their ability to enforce Sponsor's obligations.

48. **No Invasive Testing**. Prior to the closing of a Residential Unit, Purchasers shall not be entitled to conduct any invasive testing in the Residential Unit including, without limitation, making holes in the walls or ceiling and/or removing sheet rock, tiles, wood flooring, windows or window panes to test for mold, asbestos, lead paint, mildew, spores, fungi or other toxins or for any other purpose. Please refer to the Sections entitled "Terms of Sale" and "Rights and Obligations of Sponsor" in Part I of the Plan.

49. **Sponsor's Use of the Building for Promotional Functions**. Sponsor and its designee(s) shall have the right, until the tenth (10th) anniversary of the First Closing (or until no Unsold Residential Units remain, if earlier), to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events and/or promotional functions (e.g., with respect to any sales programs for Unsold Residential Units). Such activities will result in excess traffic and noise in the Building, and may interfere with owner-occupants' enjoyment of the Building. See the Section of this Plan entitled "Rights and Obligations of Sponsor" for further discussion

50. **Superintendent**. The Residential Section will have a superintendent that will reside within 200 feet of the Building.

51. **Resale Restrictions**. In order to facilitate the Sponsor's sale of the Residential Units, Purchasers are prohibited prior to acquisition of a Unit and for a period of twelve (12) months after acquisition of the Unit from selling or leasing their Unit, listing their Unit for sale or resale or lease with any broker or otherwise advertising, promoting or publicizing

the availability of their Unit for sale or lease. Any such sale or lease, listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives shall constitute a default under the Agreement, entitling Sponsor to the remedies set forth therein and any lease or conveyance in violation of the foregoing will be voidable by Sponsor. See the Sections of the Plan entitled "Assignment of Agreements" and Procedure to Purchase" for further discussion.

52. **Sponsor Principals**. In addition to Sponsor, the individual principals of Sponsor are required by the Department of Law to execute the Certification by Sponsor and Sponsor's Principals ("Certification") set forth in Part II of the Plan, solely in connection with enforcement by the Department of Law of Article 23-A of the General Business Law (the "Martin Act"). The principals of Sponsor who have executed the Certification expressly disclaim the existence of any private right of action in connection with or arising from their execution of the Certification. As decided by a unanimous appeals court in the recent case entitled 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), Appellate Division, First Department, individual principals of a sponsor are not personally liable for claims (as described in the case and pleadings) by individual unit owners or the Condominium Board to the extent such claims are premised solely on alleged violations of an offering plan and the certification of sponsor and principals contained in the offering plan, absent liability under another statute or under an alter-ego or other veil-piercing theory. See the Section of the Plan entitled "Procedure to Purchase" and the Option Agreement set forth in Part II of the Plan for details.

53. **Lot Line Windows**. There are lot-line windows at floors five (5) through thirty-two (32) on the East façade with the lot-line windows at floors five (5) through eight (8) protected by either fire-rated glazing and frames or by a sprinkler head inside the building above each window. The adjacent neighboring building cannot be altered or replaced to block the lot-line windows in the apartments. Lot line windows are windows situated along a building's property line. These windows are not permitted to be used to provide legal light and air for habitable rooms under the Multiple Dwelling Law. The layout of Units shown in the Plan complies with this requirement. If a building sharing a lot line with these windows should be reconstructed or renovated so as to increase its height along the lot line then, pursuant to Building Code, some or all of the lot line windows on the affected floors may have to be closed and eliminated. In that event, the Unit Owners owning Units with lot line windows affected by the neighboring development will be obligated to close the windows at their own cost and expense. Sponsor estimates the cost to be $800 per window. Please refer to the Section of the Plan entitled "Description of Property" in Part II of the Plan for further details.

54. **Excess Development Rights**. Declarant expressly reserves all excess air or developmental rights appurtenant to the Property if the Building is ever upzoned, meaning if the floor area ratio ("FAR") associated with the zoning district designation applicable to the Property is increased from the FAR associated with the current zoning designation. As a result, if the Building is ever upzoned, unless Development Rights are separately acquired therefor on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the Board or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable Legal Requirements, may not be possible or may be limited. Further, as a result

of such reservation by Declarant, if the Building is ever upzoned, Declarant may transfer or sell such Development Rights to the owner(s) of adjoining properties or offsite and in such case such properties may be increased as a result of such transfer or sale. Declarant will not use any Development Rights obtained as a result of an upzoning of the Building to add additional floors to the top of the Building. See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further detail.

55. HVAC Common Elements. The HVAC Common Elements include heating, ventilation and air conditioning supply system and HVAC related Facilities (including, but not limited to motors, ductwork, fans and controls), the emergency generator room and the related equipment, equipment room and pump room, the cooling tower, related HVAC Facilities and related exterior space on the Roof Level. The HVAC Common Elements are under the control of the Hotel Unit Owner until the HVAC enters the Residential Section; but the cost of the any upgrades, operation, Maintenance, repair and replacement of the HVAC Common Elements shall be determined by the Hotel Unit Owner and shared by all the respective Unit Owners serviced by the HVAC Common Elements (including the Residential Units) based on their respective Common Interest percentage. The cost of usage of the HVAC Common Elements shall be the responsibility of the Hotel Unit and all of the Residential Unit Owners as measured by meters and/or sub-meters. The Non-Residential Board, the Residential Board, the Residential Unit Owners and/or the Condominium Board will not make these decisions. See the Section of the Plan entitled "Introduction" for further discussion.

B. INTRODUCTION

HFZ Bryant Park Owner LLC, a Delaware limited liability company ("Sponsor"), hereby presents this offering plan (the "Plan") for the establishment of condominium ownership of certain real estate consisting of approximately 12,178 square feet on the south side of 40th Street between Fifth Avenue and Sixth Avenue (the "Land"), including a thirty two story building (the "Building") containing 57 Residential Units, which are referred to collectively as the "Residential Units." The Residential Units and the Residential Common Elements and the Residential Limited Common Elements are referred to collectively as the "Residential Section". The Building will also contain a Hotel Unit, a Restaurant Unit, and a Retail Unit, which are referred to collectively as the "Non-Residential Units", together with the appurtenances thereto. The Non-Residential Units and the Non-Residential, Hotel, Restaurant and Retail Common Elements are referred to collectively as the "Non-Residential Section". The Land and the Building are collectively referred to herein as the "Property". The condominium will be known as the "Bryant Park South Condominium" and is called the "Condominium" in this Plan.

The purpose of the Plan is to set forth in detail all material facts relating to the offering by Sponsor of the 57 Residential Units (referred to collectively as the "Offered Units"). At this time, neither the Hotel Unit, the Restaurant Unit nor the Retail Unit will be offered for sale. The Building has four street level entrances to be used for the Residences, the Hotel, Retail and the Restaurant. The Hotel Unit Owner shall have the right to divide the Hotel Unit. Sponsor may from time to time amend or supplement the Plan by filing an amendment with the New York State Department of Law (the "Department of Law") and serving such amendment on Purchasers and Unit Owners.

Sponsor reserves the unconditional right to rent or lease, rather than sell, the Unsold Residential Units. As a result, Purchaser may be acquiring a Unit that has been previously occupied, but unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Unit will be delivered at closing free and clear of all leases and tenancies. Sponsor's lender is Banco Inbursa, S. A. and Sponsor's construction financing does not contain a minimum number or percentage of units which must be under contract before the Plan can be declared effective. The construction financing contains minimum release prices set by lender and a required minimum payment per sale which must be made to the lender in order for the lender to release its lien from the unit being sold. The construction loan does not establish an explicit requirement that the Sponsor sell rather than rent Units. In addition, because Sponsor reserves the unconditional right to rent or lease Units, there is no commitment to sell more Residential Units than the fifteen percent (15%) of such Units necessary to declare the Plan effective and, accordingly, Residential Unit Owners may never gain effective control and management of the Condominium and/or Residential Section, and the First Annual Meeting may never occur. (See the Sections entitled "Introduction", "Procedure to Purchase", and "Rights and Obligations of Sponsor" in Part I of the Plan for further discussion.)

The Plan is presented in two parts (in one volume) which together constitute the entire Plan. Part I sets forth a general description of the Plan and Part II contains all of the material terms of the transaction and the basic documents necessary to create the Condominium and to otherwise effectuate the provisions of the Plan. Also included in Part II is a detailed physical

description of the Property, certifications of Sponsor and Sponsor's architect, certifications of an expert selected by Sponsor concerning the adequacy of the budget for the first year of Condominium operation and certain agreements to which the Condominium will be bound. In addition, Sponsor has filed exhibits to the Plan with the Department of Law, which are presented as Parts A (Certifications), B (General), C (Engineering) and D (Other Information). The Plan, including all Schedules set forth herein in Parts A, B, C and D of the exhibits, constitutes the entire offer of Sponsor. Copies of the Plan and the exhibits will be available for inspection by prospective Purchasers without charge and for copying at reasonable fees at Sponsor's office and at the offices of the Department of Law, 120 Broadway, 23rd Floor, New York, New York. Copies of the Plan and the exhibits may also be borrowed from Sponsor upon payment of two hundred and fifty ($250) dollar deposit, which amount will be fully refunded after either (i) the prompt return of all borrowed materials in good condition or (ii) the execution by the borrower of an Agreement subsequently accepted by Sponsor. All of these documents are important and should be carefully read by prospective purchaser. Prospective Purchasers are also advised to consult with their own attorneys or other advisers before agreeing to purchase. All capitalized terms used in the Plan shall have the meanings ascribed thereto in the Section entitled "Certain Definitions", unless otherwise indicated.

1. The Condominium

20 West 40 Bryant Park Owner LLC (the "Developer" and "Declarant") is constructing the Building on the Land, which will be subject to a Certificate of Occupancy. More specifically, the Declarant is constructing the core and shell of the Building, as well as the Hotel, Restaurant, and Retail, and the Sponsor (as defined below) is responsible for completion of the Residential Section of the Building. The Building will contain thirty three stories above grade. The floors in the Building are named (from bottom to top): Sub-Cellar (or "SC"), Cellar (or "C"), First Floor, Floors 2-33 and Roof. The Residential Units contain 115,244 square feet. The Declarant is conveying the Residential Section to HFZ Bryant Park Owner LLC (the "Sponsor"). The Plan will not be declared effective and Residential Units will not be closed until the Residential Section is conveyed to Sponsor.

As more particularly described herein, the Building will include (a) a Residential Section containing the 57 Residential Units on Floors 15-33, the Residential Common Elements and the Residential Limited Common Elements, and (b) a Non-Residential Section, which will be comprised of the Hotel Unit, the Restaurant Unit and the Retail Unit, and the Non-Residential Hotel, Restaurant and Retail Common Elements. The Hotel Unit consists of approximately 87,904 square feet in the one Subcellar and Cellar of the Building, on the First Floor and Floors 2 through 14, the Restaurant Unit consists of 10,197 square feet on the First Floor and Cellar, and the Retail Unit consists of 4,250 square feet on the First Floor. Residential Unit Owners and Permitted Users (hereinafter defined) shall be granted access to and use of the Hotel Services. The Hotel Services include access to and use of the health club ("Health Club") and all services offered therein (collectively, the "Hotel Amenity Facility").

There are several types of Common Elements in the Condominium. General Common Elements consist of all Common Elements, other than the Residential Common Elements, Residential Limited Common Elements, Hotel Common Elements, Retail Common

Elements, Restaurant Common Elements, Non-Residential Common Elements, HVAC Common Elements and Hotel-Residential Common Elements and include the parts of the Building which serve or benefit or are necessary or convenient for the existence, maintenance or safety of both the Non-Residential Section and the Residential Section. Limited Common Elements consist of those Common Elements that serve or benefit exclusively (a) the Residential Units or the Residential Unit Owners (in which event they are called "Residential Common Elements"), (b) one or more but not all of the Residential Units or the Residential Unit Owners (in which even they are called "Residential Limited Common Elements"), (c) all of the Non-Residential Units or all of the Non-Residential Unit Owners (in which event they are called "Non-Residential Common Elements"), (d) the Hotel Unit or Hotel Unit Owner (in which event they are called "Hotel Common Elements"), (e) the Restaurant Unit or Restaurant Unit Owner (in which event they are called "Restaurant Common Elements"), (f) the Retail Unit or Retail Unit Owner (in which event they are called "Retail Common Elements"), and (g) the Residential Section and the Hotel Unit (in which event they are called "Hotel-Residential Common Elements"). The Residential Common Elements include parts of the Building which serve or benefit exclusively the Residential Units. The Residential Limited Common Elements include those portions of the Building available for the exclusive use of some but not all Residential Unit Owners. The Non-Residential Common Elements are generally those Common Elements which serve or benefit exclusively the Non-Residential Units and/or the Non-Residential Unit Owners. The Hotel Common Elements are generally those Common Elements which serve or benefit exclusively the Hotel Unit and/or the Hotel Unit Owner. The Restaurant Common Elements are generally those Common Elements which serve or benefit exclusively the Restaurant Unit and/or the Restaurant Unit Owner. The Retail Common Elements are generally those Common Elements which serve or benefit exclusively the Retail Unit and/or the Retail Unit Owner. The Common Elements are described in detail in the Declaration in Part II of this Offering Plan and in the "Description of Property and Improvements" in Section D of Part I of this Offering Plan.

There will be available to occupants of the Residential Section, certain residential services, including, but not limited to, doorman, automatic elevators, and cable television and internet service at an additional charge, lounge, security systems and communication facilities.

The Non-Residential Units will initially be owned by the Declarant and the Declarant shall be permitted to convey the Hotel Unit, the Retail Unit and Restaurant Unit to South BP Associates, LLC, a Delaware limited liability company, an entity affiliated with the Declarant (which will retain ownership thereof) and, to convey the Initial Residential Unit to the Sponsor. The Hotel Unit (the "Hotel") and the Restaurant Unit will initially be operated by the Unit Owner thereof or an affiliate of Declarant or South BP Associates, LLC (the "Hotel Operator"). In connection therewith, the Hotel Operator may provide, for additional fees to be determined by the Hotel Unit Owner, certain hotel services to Residential Unit Owners including housekeeping, room service, laundry, dry cleaning and other services typically offered in a luxury hotel. Please refer to the Section of the Plan entitled "Description of Properties and Improvements" under the subsection entitled "Services and Facilities" for further details. Neither Sponsor, the Hotel Unit Owner nor the Hotel Operator has made any representation or warranty that the Hotel Unit is or will continue to be operated as a hotel by the Hotel Operator, or that the current Hotel Operator will continue to be the operator of any such hotel in the Hotel Unit. If the Hotel Brand or the Hotel Operator is no longer managing the Hotel Unit or the

Residential Section, then either the Hotel Brand and/or the Hotel Operator has the right to terminate all or any portion of the services (including, without limitation, hotel services) to all or any portion of the Residential Units. Notwithstanding anything herein to the contrary, Hotel Operator may elect not to provide services to Residential Unit Owners in whole or in part, and/or may condition any provision of services to the Residential Units.

2. Features of Condominium Ownership

The ownership of a Residential Unit is similar in many respects to the ownership of a private home. Each Unit Owner owns fee title to his or her Unit and is entitled to the exclusive possession thereof. The owners of the Residential Units are entitled to the exclusive use of the Residential Common Elements. He or she also owns, in common with the owners of all other Residential Units, an undivided interest in (and right to use) the Residential Common Elements, and, in common with the owners of all other units, an undivided interest in (and right to use) the General Common Elements.

Each Unit Owner is obligated to comply with the Declaration and By-Laws, rules and regulations, and any other requirements of the Condominium Board and the Residential Board. The Condominium Board and the Residential Board have the authority to manage the Condominium and the Residential Units, respectively. The Residential Unit Owners have the right to vote for members of the Residential Board, who will select the representatives of the Residential Unit Owners on the Condominium Board after the Initial Control Period. During the Initial Control Period, the Sponsor will control the Residential Board.

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

To the extent permitted by applicable Law, the provisions of the Declaration and By-Laws may comply with certain requirements of Federal National Mortgage Association ("Fannie Mae") and the Federal Housing Authority ("FHA"). Sponsor, at its sole cost and expense, may file applications with Fannie Mae and FHA in order to have the Condominium added to a list of "approved" condominiums. There is no guaranty or assurance that Sponsor will complete said applications or satisfy the criteria for approvals, or in the event that either or both of the Fannie Mae and FHA requirements are satisfied, whether the Condominium will continue to satisfy such criteria. Purchasers should further be advised that if FHA approval is granted to the Condominium, no more than thirty percent (30%) of the total Residential Units may be encumbered by FHA securitized, guaranteed or insured loans. It shall not be a basis for a Purchaser to rescind an Agreement if for any reason, Sponsor's application to either or both of Fannie Mae and FHA, is not submitted or approved. In addition, in accordance with the requirements of Fannie Mae and FHA, at least ten percent (10%) of the total operating budget for the first year of Condominium operation is required to be set aside for a capital repair and replacement reserve fund in order to fund the replacement reserves for capital expenditures and

deferred maintenance (the "Reserve Contribution"), as more particularly described in the projected "Budget for First Year of Condominium Operation, Schedule B", in Part I of the Plan. There is no guarantee or assurance that the Reserve Contribution will be provided as a line item in the operating budget after the first year of Condominium operation or that Purchasers will be able to obtain mortgages insured by Fannie Mae and/or FHA. The applicable Board reserves the right, in its sole discretion (including without limitation during the Initial Control Period) to use the Reserve Contribution towards any capital expenditures it deems appropriate. The Reserve Contribution can only be used for the repair and replacement of the General Common Elements or the Residential Common Elements, as the case may be.

A Unit Owner may decorate the interior of his or her Unit in any way desired except as otherwise provided in this Offering Plan, the By-Laws and Rules and Regulations and law, and will be solely responsible for the cost of maintenance and interior repairs to his Unit after Closing. The Residential Board may not limit or restrict the rights of the Non-Residential Unit Owner to decorate the Non-Residential Units. Notwithstanding the foregoing, the portion of all curtains, drapes, blinds or other window treatments visible from the exterior of the Building must be dark gray to give the Building a uniform exterior appearance and must be compliance with the Hotel Brand Standards.

Once separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for the payment of, nor will his or her Unit be subjected to, any lien arising from the non-payment of real estate taxes on other Units. Please refer to the opinion of Holland & Knight LLP, counsel to Sponsor, set forth in full in Part I of the Plan, for a discussion regarding the deductibility for federal, New York State and New York City income tax purposes, of real estate taxes and the interest paid on a mortgage, if any, on a Residential Unit.

The Condominium Board does not have the right to approve or disapprove a purchaser of a Residential Unit. With certain exceptions (for example, Sponsor and its designee are not required to give the Residential Board a right of first refusal with respect to any Unsold Residential Units), any sale or lease of a Residential Unit will be subject to a right by the Residential Board to acquire or lease such Residential Unit or to produce a third party to acquire or lease such Unit on the same terms as were offered to the owner of such Unit. The Non-Residential Unit Owners may sell or lease all or any portion of their Units, without any restriction or limitation imposed pursuant to the Declaration or the By-Laws. For a more complete discussion of the foregoing, see the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board– Sales and Leases of Units". Currently, there is no limit on the number of owners who may purchase for investment (rather than for personal occupancy). Accordingly, there may always be a substantial percentage of owners who are non-residents.

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

conveyed. The Condominium will comply with all statutes and regulations applicable to condominiums in the State of New York.

Residential Common Expenses, which are payable only by Residential Unit Owners and are included in their Residential Common Charges, are allocated among Residential Unit Owners in proportion to their respective Residential Common Interests. In addition, the Residential Common Charges include the Residential Unit Owner's allocable portion of the General Common Expenses. The cost of operating the Hotel Unit, the Restaurant Unit, and the Retail Unit will be borne entirely by the Hotel Unit Owner, the Restaurant Unit Owner, and the Retail Unit Owner, respectively, except that the Residential Units will pay their Common Interest percentage of the costs associated with operating and maintaining the Health Club. Residential Unit Owners, as such, will have no interest in any rents, profits or revenues derived from the rental or use of any space in the Non-Residential Units and the Non-Residential Unit Owners, as such, will have no interest in any rents, profits or revenues derived from the rental or use of any space in the Residential Section. The costs and expenses of operating and maintaining the General Common Elements will generally be shared by all Unit Owners in proportion to their respective Common Interest except as otherwise provided in Schedule B "Projected Budget for First Year of Condominium Operation" in Part I of the Plan or in accordance with the terms of the By-Laws. The Condominium Board and the Residential Board may make allocations of General Common Expenses and Residential Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with law. The Condominium Board cannot change the method of allocation of Common Expenses or increase the number of building employees servicing the Non-Residential Units as set forth in Schedule B, without the consent of the Non-Residential Unit Owners.

Residential Common Expenses, which are payable only by Residential Unit Owners and are included in their Residential Common Charges, are allocated among Residential Unit Owners in proportion to their respective Residential Common Interests. In addition, the Residential Common Charges include the Residential Unit Owner's allocable portion of the General Common Expenses.

The Residential Board will be responsible for deciding all matters solely concerning the Residential Section. The Non-Residential Board will be responsible for deciding all matters concerning the Non-Residential Units. The Hotel Unit Owner will be responsible for deciding all matters solely concerning the Hotel Unit and the Hotel Common Elements and the HVAC Common Elements, the Restaurant Unit Owner will be responsible for deciding all matters solely concerning the Restaurant Unit and the Retail Unit Owner will decide all matters relating to the Retail Unit. One member of the Board designated by the Hotel Unit and one member of the Board designated by the Residential Units will be responsible for deciding all matters solely concerning the Hotel-Residential Common Elements. Matters affecting both the Residential Section and the Non-Residential Section or affecting the General Common Elements will be decided by the Condominium Board, which shall be comprised of representatives of the Residential Board, the Hotel Unit Owner, the Retail Unit Owner and the Restaurant Unit Owner and will be controlled by Non-Residential Unit Owners. Sponsor shall not hold a majority of seats on the Residential Board after the First Annual Meeting, which is to occur thirty (30) days

following the end of the Initial Control Period (the earlier of (i) five (5) years from the date of the First Closing or (ii) the date upon which Sponsor sells one hundred percent (100%) of the aggregate Common Interests of the Residential Units). Please refer to the Section entitled "Control by Sponsor" in Part I of the Plan for further details.

As more particularly set forth in the By-Laws, the Residential Board will determine the amount of Residential Common Expenses and the portion of the Residential Common Expenses reasonably payable by the Residential Unit Owners and the Condominium Board will determine the amount of General Common Expenses, which are payable by the Residential Board and the Non-Residential Board. On a monthly basis or at such other times as the Residential Board determines, the Residential Board will assess Residential Common Charges to meet Residential Common Expenses and the Residential Board's pro rata share of General Common Charges. Such charges will be assessed against Residential Unit Owners in proportion to their respective Common Interests except as otherwise determined by the Condominium Board or the Residential Board in accordance with the Condominium Act, Sections 339-(i) and (m). As set forth in Schedule B – "Projected Budget for First Year of Condominium Operation" the Non-Residential Unit Owners share only in the costs for insurance, heating, water and sewer, life safety equipment (sprinkler), electricity, administration, contingency and management fees based upon its Common Interests and shares the costs of a portion of other expenses such as the cost for labor and related expenses, capital reserve fund, repairs and maintenance and other miscellaneous office expenses based upon estimated usage

The cost of improvements, repairs, alterations and additions to the Residential Section ("Residential Common Expenses") except for the HVAC System (which are a part of the HVAC Common Elements) will be determined by the Residential Board and assessed against all Residential Unit Owners in proportion to their respective Common Interests. The Non-Residential Unit Owners will be responsible for collecting all sums necessary to meet the obligations of the Non-Residential Section including, without limitation, payment of its pro rata share of General Common Charges.

After the closing of title to a Residential Unit, a Residential Unit Owner will be solely responsible for maintaining casualty insurance with respect to the fixtures, equipment and personal property situated within his or her Residential Unit, as well as liability insurance with respect to occurrences in or about his or her Residential Unit. The By-Laws require that each Unit Owner maintain such insurance coverage. The Condominium Board will be solely responsible for maintaining casualty and liability insurance with respect to the Common Elements, in accordance with the provisions of the By-Laws. See the Section entitled "Rights and Obligations of Unit Owners and the Boards of Managers" for a more complete discussion of the foregoing.

There are no limitations on who may purchase Residential Units. Under the New York Real Property Law, a condominium unit may be owned by an individual, a corporation, a partnership, an association, a trust or any other entity which is permitted to take title pursuant to New York law. Notwithstanding the foregoing, Sponsor is not obligated to offer or sell any Units and may, if it chooses, withhold one or more Units for future sale for any reason whatsoever, without the consent of either of the Boards, any Unit Owner, or mortgagee, to refuse

to approve and execute (a) an Agreement for any Unit and (b) an Agreement or Agreements, as the case may be, for more than one Unit to any one person or entity; provided, however, that, in either event, Sponsor shall not discriminate against any person because of his or her race, creed, color, sex, disability, marital status, age, ancestry, national origin or other ground proscribed by law. No binding obligation will arise for the sale of a Unit unless and until an Agreement executed by both Purchaser and Sponsor, has been exchanged and Sponsor has collected the funds constituting Purchaser's required Option Payment thereunder (see the Section entitled "Procedure to Purchase" for more details). Sponsor will not accept an offer of purchase from an individual younger than eighteen (18) years of age or an incompetent under law.

Current zoning permits the residential use of all Residential Units offered for sale and the Non-Residential use of the Non-Residential Units. Neither the Condominium Board nor the Unit Owners will have any right to restrict or limit any lawful use of the Non-Residential Units. No representation or warranty is made as to who the owner(s) or tenant(s) of the Non-Residential Units may be at any time or as to the uses to which the Non-Residential Units may be put at any time and the Plan will be amended to disclose any new owner of the Non-Residential Units. It is noted that applicable zoning permits a broad range of uses of such space, including, by way of example only and not by way of limitation, community facility use, retail use, use as an eating and/or drinking establishment and use for service establishments. However, the Non-Residential Units will not be used for any obscene or noxious purpose.

Since the existing mortgages and construction loans covering the Property will not be satisfied at or prior to the First Closing, at or prior to the First Closing, each mortgagee will either: (i) consent to the formation of the Condominium and acknowledge that its lien will be limited to Unsold Residential Units; (ii) subordinate the lien of its mortgage to the Declaration; or (iii) release its lien on the Unit being conveyed and its interest in the Common Elements.

The Condominium Board does not have the right to approve or disapprove purchasers, and as a result, there is no limit on the number of owners who may purchase a Unit for investment rather than for personal occupancy, and there may always be a substantial percentage of Unit Owners who are non-residents.

THE PURCHASE OF A CONDOMINIUM UNIT HAS MANY SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES. THE ATTORNEY GENERAL STRONGLY URGES YOU TO READ THIS OFFERING PLAN CAREFULLY AND TO CONSULT WITH AN ATTORNEY BEFORE SIGNING AN AGREEMENT.

3. Offering of Units for Sale

Sponsor hereby offers 57 Residential Units. The prices for each of the Units offered under the Plan are listed in Schedule A entitled "Purchase Prices and Related Information for the Projected First Year of Condominium Operation." **THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY ANY GOVERNMENT AGENCY.**

The estimated Common Charges for each Unit for the first year of operation of the Property as a condominium are also set forth in Schedule A.

Each Purchaser of a Residential Unit will be required to make a contribution to the Working Capital Fund of the Residential Section, as the case may be. Such contribution, to be made at the time of Closing of the Unit, shall be in an amount equal to two (2) months' Common Charges in effect at the time of closing for each Unit purchased. (See the Section entitled "Working Capital Fund and Apportionments").

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 his or her Unit, interest and amortization payments on the mortgage, if any, which such Purchaser may, at his or her option, obtain, and charges for electricity consumed in his or her Unit.

The charges for electricity consumed by each Residential Unit Owner individually will be separately metered and billed to each Unit Owner by Con Ed. Water charges and sewer rents, assessed by The City of New York, will be billed to the Unit Owners as a Common Expense. The costs and expenses of central heat and gas with respect to the Residential Section will be included in Residential Common Charges; Residential Unit Owners will be required to pay charges for electricity consumed by the fan coil HVAC Units for each Residential Unit which provides air conditioning and heating to each Residential Unit. Electricity and gas in the Non-Residential Units will be separately metered and water and sewer provided to the Non-Residential Units will be separately sub-metered. Schedule A sets forth estimates of the amounts of real estate taxes which will be payable with respect to each Residential Unit. See the Notes to Schedule A with respect to the bases of such estimates.

C. CERTAIN 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 and the By-Laws:

"Adversely affect", 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 Owners, that such action or change could, if realized, (i) increase the Common Charges payable by such Unit Owner or Owners, (ii) materially interfere with such Unit Owner's access to its Unit or Units, (iii) obstruct or degrade the view from the windows of such Unit Owner's Unit, (iv) otherwise materially diminish such Unit Owner's use and enjoyment of its Unit or Units, (v) decrease voting rights of such Unit Owner or Unit Owners, (vi) adversely affect Building services available to the Unit or Units, (vii) adversely affect a Unit Owner's access to the Common Elements, or (viii) adversely affect a Unit Owner's right to sell, lease or transfer a Unit.

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

"Boards" refers to the Condominium Board, the Residential Board, and the Non-Residential Board.

"Building" refers to the structures and improvements including above and below grade segments, known as "Bryant Park South Condominium" located at 16 West 40th Street, New York, New York in which the Units of the Condominiums are located.

"By-Laws" refer to the By-Laws governing the operations of the Condominium, the form of which is set forth in Part II of the Plan.

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

"Closing" refers to the time, place and procedure by which fee title to the Residential Unit in question is conveyed to a Purchaser pursuant to a fully executed Agreement.

"Closing Date" refers to the date on which Closing occurs.

"Common Charges" refer to the aggregate of General Common Charges, Non-Residential Common Charges, Residential Common Charges.

"Common Elements" refer to the General Common Elements, the Residential Common Elements, the Residential Limited Common Elements, the Hotel Common Elements, the Restaurant Common Elements, the Retail Common Elements, the HVAC Common Elements, the Hotel-Residential Common Elements and the Non-Residential Common Elements.

"Common Expenses" refer to the costs and expenses incurred from General Common Elements, the Residential Common Elements, the Residential Limited Common Elements, the

Hotel Common Elements, the Restaurant Common Elements, the Retail Common Elements, the HVAC Common Elements, the Hotel-Residential Common Elements and the Non-Residential Common Elements.

"Common Interest" refers to the proportionate undivided interest, expressed as a numerical percentage, in the Common Elements appertaining to each Unit determined in accordance with the Declaration. The Common Interest is the basis of determining, among other things, a Unit Owner's (a) voting power, and (b) share of any distributions upon termination of the Condominium.

"Completion Date" shall be the date when the Building is substantially complete and the first Temporary Certificate of Occupancy for a Residential Unit is issued and is anticipated to be on or about October 1, 2016.

"Condominium" refers to the Bryant Park South Condominium.

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

"Condominium Board" refers to the overall board of managers of the Condominium comprised of representatives of the Residential Board, the Hotel Unit Owner, the Restaurant Unit Owner and the Retail Unit Owner.

"Custom Work" refers to specially ordered work to a Residential Unit.

"Custom Work Costs" refers to the cost of Custom Work, for which the Purchaser is obligated to pay.

"Declarant" or "Developer" refers to 20 West 40 Bryant Park Owner LLC, a Delaware limited liability company, which is developing the Property.

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

"Department of Law" refers to the New York State Department of Law.

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

"First Annual Meeting" refers to a meeting of Residential Unit Owners called within thirty (30) days after the end of the Initial Control Period.

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

"Floor Plans" refer to the floor plans of the Building, as the same may be amended from time to time, which are approved by the Real Property Assessment Bureau of The City of New York and filed with the City Register's Office.

"General Common Charges" refer to costs and expenses payable to the Condominium Board by the Residential Board, the Hotel Unit Owner, the Restaurant Unit Owner and the Retail Unit Owner for the purpose of meeting General Common Expenses. Residential Common Charges include the Residential Unit Owner's allocable portion of the General Common Expenses.

"General Common Elements" refer to the Land and all parts of the Building, including its foundations, and supports, other than the Units and the Limited Common Elements, as more particularly described in Sections 8.1.1 and 8.3 of the Declaration.

"General Common Expenses" refer to costs and expenses incurred or projected in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the General Common Elements.

"Hotel Amenities" refer to the amenities located in the Subcellars of the Building that are available only to the guests of the Hotel and Residential Unit Owners.

"Hotel Brand" and "Hotel Brand Intellectual Property" refers to certain trademarks, trade names, and/or other intellectual property allowing for the association of the Hotel with a particular brand or chain.

"Hotel Brand Standards" refers to the minimum standards of quality, service, character, appearance and image required by the Hotel Brand for hotels using the Hotel Brand Intellectual Property, as same may be amended from time to time.

"Hotel Name Rights Holder" refers to the individual or entity that licenses the Hotel Brand to the Hotel Unit Owner.

"Hotel Operator" refers to the operator of the Hotel Unit, whether as the Hotel Unit Owner, lessee of the Hotel Unit, or as an agent, manager or independent contractor of, or otherwise on behalf of, the Hotel Unit Owner, pursuant to a hotel management agreement or otherwise. Sponsor makes no representation whatsoever with respect to the continuation of such Hotel Operator or the identity of any subsequent Hotel Operator.

"Hotel-Residential Common Elements" refers to those Limited Common Elements which serve or benefit only the Hotel Unit and the Residential Section.

"Hotel Unit" refers to the Hotel located in portions of the Subcellar, First Floor and Floors 2 through 14.

"Hotel Unit Owner" refers to the owner or owners of the Hotel Unit.

"Hotel Standards" shall mean standards for a "four star boutique hotel."

"HVAC Common Elements" refers to heating, ventilation and air conditioning supply system consisting of motors, ductwork, fans and controls, the emergency generator room and the related equipment, equipment room and pump room, and the cooling tower and related exterior

space on the Roof Level, the HVAC Common Elements are under the control of the Hotel Unit Owner until the HVAC enters the Residential Section; but the cost of the any upgrades, operation, maintenance, repair and replacement of the HVAC Common Elements shall be determined by the Hotel Unit Owner and shared by all the respective Unit Owners serviced by the HVAC Common Elements (including the Residential Units) based on their respective Common Interest percentage. The cost of usage of the HVAC Common Elements shall be the responsibility of the Hotel Unit and all of the Residential Unit Owners as measured by meters and/or sub-meters.

"HVAC System" refers to the system that produces the Condominium's heat, ventilation and air conditioning.

"Initial Control Period" refers to the period ending the earlier to occur of: (i) the sale by the Sponsor of one hundred percent (100%) of the aggregate Common Interests of the Residential Units or (ii) five (5) years after the First Closing.

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

"Law" or "Laws" shall mean the laws, statutes, treaties, rules, codes, ordinances, and regulations of any or all of the federal, state, city, county and local governments and rules, regulations, orders and/or 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 Condominium, the Property or any part thereof, including Common Elements and the Units, and/or the direction of any public officer pursuant to any such laws, and, to the extent a Unit Owner and/or the Board, the Property or any part thereof, including any Unit or any part of the Common Elements, as the case may be, is bound thereby or subject thereto, any judgments, decrees, injunctions, writs, orders, notices of violation or like action of any such governmental authorities.

"Managing Agent" refers to the Managing Agent or manager of the Condominium.

"Mortgage Representative" refers to a representative appointed by the holder(s) of an institutional mortgage who is empowered to act on behalf of the holder(s) of an institutional mortgage with respect to any matter requiring their consent or approval under the Declaration or By-Laws.

"No Action Letter" is described in Special Risk # 1.

"Non-Residential Common Charges" refers to assessments payable by the Non-Residential Unit Owners for the purpose of meeting the Non-Residential Unit Owner's pro rata share of General Common Expenses.

"Non-Residential Common Elements" refers to those Common Elements which serve or benefit exclusively the Non-Residential Units and/or the Non-Residential Unit Owners, as more particularly described in Sections 8.6 and 8.8 of the Declaration.

"Non-Residential Common Expenses" refers to the costs and expenses incurred or projected in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Non-Residential Common Elements.

"Non-Residential Section" refers to the Non-Residential Units and Non-Residential, Hotel, Restaurant and Retail Common Elements.

"Non-Residential Units" refers to the Hotel Unit, the Restaurant Unit and Retail Unit in the Cellar, Subcellar, on the First Floor and on the 2nd through 14th Floors containing approximately 98,267 square feet and, to the extent the Non-Residential Units are further divided, the Non-Residential Units shall refer to all of the Units resulting from the subdivision of the Non-Residential Units.

"Non-Residential Unit Owner" refers to the owner or owners of the Non-Residential Units. In the event the Non-Residential Units are subdivided, Non-Residential Unit Owners shall refer to the owners all of the Units resulting from the subdivision of the Non-Residential Units.

"Offered Units" refers to the Residential Units being offered for sale by the Sponsor.

"Offeree" refers to (a) Purchasers who have executed and delivered Agreements for Residential Units and are not in default thereunder, (b) Unit Owners, and (c) any other person or entity who, pursuant to law, is an offeree of the Plan.

"Option Payment" refers to the initial payments made by the Purchaser of a Residential Unit.

"Optional Services" refers to certain hotel-type services that will be made available to the Residential Unit Owners by the Hotel Operator at a certain extra charges which will be paid by the Residential Unit Owner to the Hotel Operator. Such services will be subject to such rules and regulations and fees as may be imposed by the Hotel Operator in its sole and absolute discretion.

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

"Permitted Mortgage" refers to a mortgage permitted to be placed upon a Unit or Units pursuant to the provisions of the By-Laws.

"Permitted Mortgagee" refers to the holder of any Permitted Mortgage and shall include, without limitation, such banks and financial institutions as constitute the holders of the construction loan mortgages given by Sponsor to acquire and construct the Property.

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

"Plans and Specifications" refers to the plans and specifications for the Building which (to the extent required by law) are filed with, and approved by, the Department of Buildings of The City of New York, which plans and specifications may, from time to time, have been amended or changed, or may hereafter be amended or changed in accordance with the provisions of the Plan.

"Project Standards" means the highest of the following standards: (1) the standard required to maintain and operate the Condominium (and all Units therein) in a condition and a quality level no less than that which existed at the time that the initial construction of the Building was completed (ordinary wear and tear expected), (2) the standards maintained in similar mixed-use hotel/residential buildings in Manhattan, and (3) the standard for maintenance and operation of the Hotel Unit required under the management agreement between the Hotel Unit Owner and the Hotel Manager or any franchise or license agreement entered into by and between the Hotel Unit Owner and a third party franchisor or licensor of the Hotel Brand.

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

"Property Deed" refers to the deed dated July 10, 2013 pursuant to which the Declarant acquired fee title to the Property.

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

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

"Residential Common Charges" refer to assessments payable to the Residential Board by Residential Unit Owners for the purpose of meeting the cost of the Residential Common Expenses.

"Residential Common Elements" refer to those Common Elements which serve or benefit exclusively the Residential Unit and/or the Residential Unit Owners, as more particularly described in Section 8.4 of the Declaration.

"Residential Common Expenses" refer to the costs and expenses incurred or projected in connection with repair, maintenance, replacement, restoration, improvement, alteration and addition of and to the Residential Common Elements or in connection with any services or facilities exclusively benefiting the Residential Section or the Residential Unit Owners. Residential Common Expenses include the Residential Unit Owner's allocable portion of the General Common Expenses.

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

"Residential Limited Common Elements" refer to those Common Elements which serve or benefit exclusively one or more but not all the Residential Units and/or the Residential Unit Owners.

"Residential Manager" is described in the section of the Plan called "Services and Facilities."

"Residential Rules and Regulation" refers to the rules and regulations relating to the Residential Unit Owners made in accordance with the By-Laws and attached thereto as Schedule A.

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

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

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

"Residents" refer to the people residing in the Building regardless of whether they are Unit Owners, renters, or other occupants of the Units.

"Restaurant Unit" refers to the restaurant located on the First Floor and Cellar of the Building.

"Restaurant Unit Owner" refers to the owner of the Restaurant Unit.

"Retail Unit" refers to the Retail in the Cellar and a portion of the First Floor.

"Retail Unit Owner" refers to the owner of the Retail Unit.

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

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

"Selling Agent" refers to Corcoran Sunshine Marketing Group, or any successor selling agent at the time in question

"Sponsor" refers to HFZ Bryant Park Owner LLC, a Delaware limited liability company, and its successors and assigns.

"Sponsor and/or its designee(s)", "Sponsor or a designee of Sponsor" or similar terms refers to Sponsor and any designee of Sponsor including a purchaser of Unsold Residential Units.

"Substantially Equal or Better Quality" shall mean materials, appliances, equipment and/or fixtures that have substantially the same life expectancy, warranty, basic performance, and maintenance expectations.

"Time of the Essence" shall mean that a failure by Purchaser to do what is required at the time specified in the Agreement is a material breach of the Agreement and an Event of Default.

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

"Unit" or "Condominium Unit" refers to space designated as a Unit in the Declaration, consisting, generally, of either a specific residence or a portion of the space in the Building, together with an appurtenant proportionate undivided interest in the General Common Elements. All of such Units are collectively referred to as "Units".

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

"Unsold Residential Unit" refers to (a) any Residential Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Sponsor or its designee, or a Unit that is acquired, individually or collectively, by a principal of Sponsor or a group of which Sponsor, or one or more of their principals, is a member or (b) any Residential Unit for which there is a signed Agreement but for which Closing has not yet occurred.

All other capitalized terms used in Part I of the Plan not separately defined in Part I shall have the meanings ascribed thereto in the By-Laws or in the Declaration, as the case may be.

D. DESCRIPTION OF PROPERTY AND IMPROVEMENTS

1. Construction of the Building

The Building contains the General Common Elements, HVAC Common Elements, Hotel-Residential Common Elements, a Non-Residential Section, consisting of the Hotel Unit, the Restaurant Unit, and Retail Unit, and the Non-Residential, Hotel, Restaurant, and Retail Common Elements and a Residential Section consisting of the Residential Units, the Residential Common Elements and Residential Limited Common Elements.

The Building, including the individual Units therein, is a new construction project which will be completed substantially in accordance with the Plan and Specifications and all applicable zoning and building laws, regulations, codes and other government requirements. No Asbestos Containing Material will be present in insulating or fire-proofing material contained in the Building. Following completion of the Building, Temporary Certificates of Occupancy for individual Units and the Building and/or a final Certificate of Occupancy for the Units and the Building will be issued by the Department of Buildings of the City of New York and copies of the Plans and Specifications for the Building will be filed with the Department of Buildings of the City of New York.

All references in the Plan and in marketing materials to "floors" are references to their "marketing" designations and may not correspond to the designation given to the floors on the plans submitted to the New York City Department of Buildings (the "DOB Plans"). The 13th construction floor on the DOB Plans shall be the 14th floor for marketing purposes and each floor above shall be re-numbered accordingly. There is no 13th Floor for marketing purposes.

Under the present construction schedule it is anticipated that, except for finishing work to stairways, hallways, and other areas of the Building which are not intended for the exclusive use of any particular Unit Owner and work, if any, which Sponsor performs in individual Units, certain Units will be substantially completed by the Completion Date and a first Temporary Certificate of Occupancy with respect to portions of the Building will be obtained on or about the Completion Date both subject to Unavoidable Delays. Sponsor does not, however, warrant or guarantee the foregoing completion or occupancy dates for the Building. The first Temporary Certificate of Occupancy may be issued for some but not all of the Units and Sponsor may complete construction of certain Units before others. Notwithstanding the foregoing, Sponsor's completion schedules noted above do not vitiate Sponsor's obligations to close the first Residential Unit within the First Year of Condominium Operation pursuant to the Budget or to offer rescission to Purchasers if the Budget is increased by 25% or more.

Sponsor has engaged Stonehill & Taylor Architects, P.C. ("Sponsor's Architect"), as architects for the Building, WSP Group, as the mechanical engineer for the Building and Severud Associates Consulting Engineer, as the structural engineer for the Building. T.G. Nickel & Associates LLC is the construction company responsible for the construction of the building and is affiliated with the Sponsor.

Sponsor reserves the right to amend or modify the Plans and Specifications in any way not material to this offering or in a manner disclosed in this offering, including, without limitation, changing materials, appliances, equipment, fixtures and other construction and design details set forth therein or in the "Description of Property" set forth in Part II of the Plan and to substitute in their place similar materials, appliances, equipment and/or fixtures of Substantially Equal or Better Quality, provided that any necessary approval of any governmental authority having jurisdiction thereof is timely obtained. Any or all of the foregoing shall give rise to no right of rescission on the part of any Purchaser and may be made without prior notice or amendment to the Plan.

2. Residential Units

Subject to the rights of Sponsor and its designee to change the number of Residential Units, there will be a total of 57 Residential Units situated on Floors 15 through 33 of the Building. Detailed descriptions of the Residential Units including a finish schedule are set forth in the Declaration and in the "Description of Property" in Part II of the Plan. See also the Section entitled "Changes in Prices and Units." Please refer to Schedule A, "Prices of Units and Related Information" for further details.

Except as otherwise agreed by the parties, the Residential Units will be delivered to Purchasers with a primer plus one finish coat of paint. Each Purchaser will be obligated to do all other painting and decorating of his or her Residential Unit at his or her own cost and expense.

Included in the sale of each Residential Unit are the following: refrigerator/freezer, kitchen cabinets, microwave, gas range, automatic dishwasher, coffeemaker, garbage disposal, washing machine and dryer and individually controlled heating and cooling units. The manufacturer, model number and specifications for the foregoing appliances and equipment are set forth in the "Description of Property." As more fully set forth under the Section entitled "Description of Property and Improvement – Construction of the Building," these fixtures, appliances and equipment are subject to change by Sponsor. Sponsor may negotiate to make modifications or changes in any Residential Unit or to do special work therein to provide different or additional appliances, equipment furnishings or decorations, provided that Sponsor shall not be bound to do so unless agreed to by Sponsor in a written instrument which is incorporated as an addendum to the Agreement.

Residential Unit Owners will be permitted to use Health Club and optional services, as described further in the Description of Property section of the Plan. The visitors to the Hotel Unit will not have the right to use the Residential Common Elements. Sponsor and its designee reserve the right, without prior notice or amendment to the Plan, to use Unsold Residential Units on any floor of the Building as sales and rental offices and model apartments for the Building. In the event Sponsor or its designee thereafter elects to sell any such Unsold Residential Units, Sponsor or its designee 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 Residential Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Residential Unit to the Purchaser of the Residential Unit unless such Purchaser agrees to pay Sponsor an amount as determined by Sponsor in addition to the purchase price for such Residential Unit.

A Residential Unit Owner may only use his or her Residential Unit for a purpose consistent with the local zoning ordinance, as amended from time to time, any other applicable ordinance or statute, and any regulation of a governmental authority with jurisdiction over the Condominium, including, but not limited to, local building codes and the Multiple Dwelling Law, as such statutes, ordinances and regulations may be amended from time to time, but in no event may a Residential Unit Owner use his Residential Unit for a use violative of the By-Laws or the Deed Restrictions which are described in the Section of the Plan entitled "Non-Residential Section". Residential Units cannot be leased for terms shorter than one year.

There will be no modifications or extras for any Residential Unit unless set forth in the Agreement for such Residential Unit. Moreover, Sponsor shall not be obligated to correct and shall have no liability or responsibility to any Purchaser for, and no Purchaser shall be entitled to any reduction in or credit against the purchase price of his or her Residential Unit or be otherwise relieved from performing his or her obligations under the Agreement as a result of minor or insubstantial inaccuracy or error in the floor plans for such Residential Unit as set forth in Part II of the Plan.

3. Hotel Unit, Restaurant Unit and Retail Unit

The Non-Residential Units include the approximately 226 Room Hotel Unit, which will be comprised of a portion of the Sub-cellar, a portion of the First Floor and Floors 2 through 14 and an elevator machine room located on the Sixth Floor. The Restaurant Unit is contained on a portion of the First Floor and Cellar. The Retail Unit will be comprised of portions of the First Floor. The Non-Residential Units will include space that may be utilized for any lawful purpose.

The Residential Board will have no right to restrict or limit the method of operation, any uses or appearance of the Non-Residential Units, which are permitted by law and/or applicable zoning ordinances. No rules affecting the operation of the Non-Residential Units may be adopted or modified by the Boards without the prior written consent of the Non-Residential Unit Owners. All or any part of the Non-Residential Units may be leased or subleased by the Non-Residential Unit Owners, as more fully set forth in the Declaration. Subject to compliance with all applicable laws and governmental rules and regulations, if any, the Non-Residential Units may be sold without prior notice. The Non-Residential Units may be divided by the Non-Residential Unit Owners. Any such sale or division of the Non-Residential Unit Owners shall be disclosed in a duly filed amendment to the Plan. (See the Section entitled "Changes in Prices and Units"). The Residential Unit Owners will have no interest in the rents, profits or revenues from the rental or use of any space in the Non-Residential Units.

The Hotel Unit Owner shall have the right, with the consent of the Condominium Board, at Hotel Unit Owner's sole cost and expense, to alter, modify, restore or construct the

street level façade of the Building, provided that such alterations, modifications, restoration or construction are in compliance with applicable law and do not affect the structural integrity of the Building, increase cost of the insurance and are consistent with Project Standards. Sponsor and the Non-Residential Unit Owners also have an easement to use the sidewalks surrounding portions of the Building for purposes permitted by law at no expense. In addition to basing charges on Common Interests, the Condominium Board may also make allocations and assessments of General Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as allocations are reasonable under the circumstances and are in accordance with applicable provisions of the law.

No representation is made with respect to the continued ownership by Sponsor of all or any portion of the Non-Residential Units or as to who the tenants or occupants of any portion of the Non-Residential Units may be at any time or as to the uses to which any portion of the Non-Residential Units may be put at any time (except that the Non-Residential Units may be used for any lawful purpose or as otherwise limited by the Plan). Any sale of the Non-Residential Units shall be disclosed in a duly filed amendment to the Plan. The use of the Non-Residential Units may generate noise or other disturbances over which the Residential Unit Owners will have no control. See the Section of the Plan entitled "Location and Area Information" for more information about the use of the Property.

4. General Common Elements

Generally, the General Common Elements consist of all Common Elements other than the Residential Common Elements, Residential Limited Common Elements, the Hotel Common Elements, the Restaurant Common Elements, the Retail Common Elements, Non-Residential Common Elements, HVAC Common Elements, and the Hotel-Residential Common Elements and include, among other things, the following: (a) the Land; (b) all foundations, footings, columns, girders, concrete floor slabs and ceilings (except to the extent included as the Residential Common Elements, Residential Limited Common Elements, the Hotel Common Elements, the Restaurant Common Elements, the Retail Common Elements, Non-Residential Common Elements, HVAC Common Elements, or the Hotel-Residential Common Elements), beams, supports, and interior load bearing walls, together with the exterior walls of the Building, (c) corridors and all fire staircases, landings and stairs which are not Residential Common Elements, Residential Limited Common Elements, the Hotel Common Elements, the Restaurant Common Elements, the Retail Common Elements, Non-Residential Common Elements, HVAC Common Elements, or Hotel-Residential Common Elements or part of any Unit; (d) meter rooms, electrical rooms, gas meter room, pump room, domestic hot water room, and janitorial toilet and sink; (e) general illumination fixtures and security systems; (f) all passages, hallways, stairs, corridors, mechanical and other rooms, areas and spaces located in the Building serving both the Residential Section and Non-Residential Section, which are not Residential Common Elements, Residential Limited Common Elements, the Hotel Common Elements, the Restaurant Common Elements, the Retail Common Elements, Non-Residential Common Elements, HVAC Common Elements, Hotel-Residential Common Elements or part of any Unit; (g) the water tower; (h) the emergency generator room; and (i) all other parts of the Building and the apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit or are necessary or

convenient for the existence, maintenance or safety of both the Non-Residential Section and the Residential Section. A detailed description of the General Common Elements is set forth in the Declaration.

5. Residential Common Elements

Generally, the Residential Common Elements include, among other things, the following: (a) Residential elevators (including their shafts, pits, machinery and appurtenant facilities); (b) the Residential entrance and lobby, vestibule, package room, toilette, elevator lobby, security system, service vestibule and service corridor and the mailroom on the Ground floor of the Building; (c) passages, hallways, stairs and corridors to the extent any of the same are for the exclusive use of the Residential Section; (d) electric panels, closets, feeders and risers serving the Residential Section; (e) the service vestibule and trash chutes servicing each of the floors; (f) all mechanical space and other rooms, areas and spaces located in the Building serving exclusively the Residential Units, the Residential Common Elements and the Residential Limited Common Elements and which are not General Common Elements, Hotel Common Elements, Restaurant Common Elements, Retail Common Elements, Non-Residential Common Elements, HVAC Common Elements, Hotel-Residential Common Elements or part of any Unit; (g) the windows in the public portions of the Residential Section; and (h) all other apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit exclusively the Residential Units. A detailed description of the Residential Common Elements is contained in the Declaration.

6. Residential Limited Common Elements

The Residential Limited Common Elements include those portions of the Building available for the exclusive use of some but not all Residential Unit Owners. Initially the Residential Limited Common Elements are the terraces adjacent to several Residential Units.

7. Services and Facilities

Generally, all services normally associated with the operation and maintenance of a luxury residential condominium will be provided to Residential Unit Owners at no cost other than Common Charges; these services are described below. There will be a variety of other services offered which will be available to Residential Unit Owners at their option. (See "Optional Services" described below). Notwithstanding the foregoing, however, the Board shall at all times maintain, operate and staff the Building in compliance with, and subject to, all applicable Legal Requirements.

Under present plans, all of the services and facilities described herein will initially be provided and made available to Residential Unit Owners immediately following the First Closing, except as otherwise indicated.

(a) Entrance

The Residential Section, the Hotel Unit, the Restaurant Unit and the Retail Unit will each have separate entrances on 40th Street.

(b) Doorman

It is anticipated that a doorman will be on duty at the lobby of the Residential Section twenty-four (24) hours a day, seven (7) days a week.

(c) Elevator Service

Two (2) automatic passenger elevators will be in service, twenty-four (24) hours a day, seven (7) days a week, for the exclusive use of Residential Unit Owners residing in the Building.

(d) Cable Television Service

A cable television system will be available for the use of the Residential Unit Owners. The charges for primary connections and subsequent monthly fees related to the service will be determined by, and payable by the Unit Owner directly to the cable company. Additional cable service (i.e., Home Box Office or Showtime) will also be available from the cable company providing the service for an additional charge on the same basis. A cable outlet will be located in each living room and bedroom. Sponsor makes no representation that cable television service will be available to any Residential Unit Owner upon its initial occupancy of a Residential Unit. Sponsor has entered into an agreement with Time Warner Entertainment Company, L.P. ("Time Warner") and Verizon ("Verizon"), granting them the right to install wires, cables and other components of its system (the "Cable Facilities") in the Building's internal conduit system and granting them an easement for the installation, repair or replacement of the Cable Facilities and certain rights to relocate the Cable Facilities which shall remain the property of Time Warner and Verizon (the "Cable Agreement"). The Condominium will own and maintain the internal conduit system in which the Cable Facilities are located. The Condominium will be subject to and bound by the terms of the agreements with Time Warner and Verizon.

(e) Electrical Systems Telephone Service and Internet Access

Electrical service will be metered and separately billed to each Unit Owner by Con Ed. Local and long distance telephone, internet and cable service will be provided by Verizon or other telephone service provider and separately billed to each Unit Owner. Each Residential Unit will be prewired for telephone service. All charges for hi-speed internet service (including activation, installation and subscription charges) will be paid by each Unit Owner who subscribes directly to the hi-speed internet service provider.

(f) Mail

All incoming mail for the Residential Units will be delivered by the United States Postal Service and placed in mailboxes on the First Floor.

(g) Laundry

Each Residential Unit will contain a washer and dryer.

(h) Refuse Disposal

There will be one refuse chute on each floor serving the Residential Units leading directly to the compactor room.

(i) Emergency Generator

One elevator, egress emergency lighting, fire alarm system, and domestic water booster pump will be connected to the emergency generator. Also, one emergency circuit per residence will be connected to emergency generator power.

(j) Optional Services

It is the current intention of Sponsor that, following the establishment of the Condominium, certain hotel-type services will be made available to the Residential Unit Owners. These services will be the responsibility of the Hotel Operator to administer for those Residential Unit Owners who will be entitled to receive same at certain extra charges which will be paid by the Residential Unit Owner to the Hotel Operator. Such services will be subject to such rules and regulations and fees as may be imposed by the Hotel Operator in its sole and absolute discretion.

These services presently include the following:

(i) Housekeeping Service. A staff of housekeepers may be available on a part-time or full-time basis from an independent concessionaire or from the Hotel Operator for Residential Unit Owners who desire housekeeping services.

(ii) Food Services. It is anticipated that food services will be available through the Hotel or other sources. If available, these services will be payable directly to the provider by the Unit Owner, tenant or occupant. Limited room service may be offered by the operator of the Hotel subject to availability and advance notice, and with fees and delivery surcharges to be determined by the operator of the Hotel.

(k) Hotel Amenities

Residential Unit Owners and Permitted Users (hereinafter defined) shall be granted access to and use of the Hotel Services. The Hotel Services include access to and use of the health club ("Health Club") and all services offered therein (collectively, the "Hotel Amenity Facility"). If any Health Club services are offered within individual Hotel rooms (whether by Hotel Manager or a third party provider), then Hotel Manager will cause, at the Residential Unit Owner's sole cost and expense, such services to be similarly provided to Permitted Users in their Residential Unit in accordance with the Hotel Standards and except as specifically set forth herein to the contrary, on the same terms and conditions as offered to guests of the Hotel Section; provided however, the Hotel Manager may utilize a third party provider to provide any such services (i.e., personal training or other services) to Permitted Users within the Residential Units, subject to such services being provided by such third party provider in accordance with the Hotel Standard. For the first two years after the purchase of an Unsold Residential Unit from Sponsor, a Residential Unit Owner or its Permitted Users shall have access to the 6th Floor club of the Hotel (the "Terrace Club") at no charge. After such two year period, Residential Unit Owners will be permitted to pay for access to the Terrace Club to the extent it exists at market rate fees or costs. "Permitted User" means a Residential Unit Owner, its beneficial owners (if a legal entity), tenants, sub-tenants, guests, all immediate family members (provided that children under the age of sixteen (16) of Permitted Users are accompanied by an adult Permitted User) of such parties (as to each of the foregoing, to the extent such individuals are actually occupying the Residential Unit at the time of such use of the Hotel Services). Residential Unit Owners shall pay their Common Interest percentage of the costs for operation and maintenance of the Health Club. Visitors of the Hotel Unit will not have the right to use the Residential Common Elements.

The Hotel will be operated in accordance with Hotel Standards. The lobby of the Hotel will be built to mimic the lobby of the Residential Units in the degree of cost, luxury, layout, and style with similar finishes, except to the extent necessary to be somewhat tempered. The elevators for the Hotel will be of the same standard as the elevators for the Residential Units.

The use, occupancy, marketing, advertisement or promotion of the Hotel Unit or any portion thereof under timeshare or fractional ownership or other condominium equivalent sales of portions of the Hotel Unit (other than sales pertaining to uses ancillary to hotel use, such as retail/restaurant use) is prohibited before the earlier to occur of (a) the sale of 85% of the Residential Units and (b) three (3) years from the commencement of such sales of the Residential Units.

The Restaurant Unit will be run by a high end restaurateur and will provide dining services to the Residential Unit Owners.

At Sponsor's sole discretion, the lobby of the Building and the Common Elements may contain artwork, which will be on loan from the Sponsor or a gallery designated by Sponsor (collectively, "Sponsor's Artwork"). There is no guaranty that Sponsor's Artwork will always (or ever) be in the lobby and the Common Elements. Sponsor reserves the right to remove Sponsor's Artwork from the lobby and the Common Elements at any time (or not to install it at all), at Sponsor's sole discretion, or remove Sponsor's Artwork from the Building. The Condominium shall have no liability with respect to the condition of Sponsor's Artwork, except in the event of damage to the artwork caused as a result of negligence or willful misconduct of

the Board, managing agent, any Unit Owner, or any relative, visitor, guest, invitee, employee or agent of a Unit Owner, or any relative, visitor, guest, invitee, employee or agent of a Unit Owner. No representation or warranty is made as to the subject matter or value of Sponsor's Artwork.

8. General Provisions Concerning Services and Facilities

No representation or warranty is made as to the continued operation of any of the foregoing services or facilities and neither Sponsor nor the Boards shall have any liability with respect to or arising from any Unit Owner's, tenant's or occupant's use of any of the foregoing or the amount of the fees charged therefor. Furthermore, all of the services and facilities related to the Hotel (e.g. housekeeping service and food service) will be provided by the Hotel; not the Sponsor or the Residential Board. Therefore, such services will only be provided at the discretion of the Hotel Operator.

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

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

Although Sponsor anticipates that many of the services described above will be available at the time of the First Closing, prospective Purchasers should note that the Hotel Amenities may not be available until the later of: (i) twelve months after the First Closing; or (ii) the closing of title to and occupancy of at least 50% of the Residential Units. In addition, certain of the amenities described in the Plan may not be arranged or available until after such interim period. However, it is anticipated that at all times after the First Closing, the Residential Section lobby will be attended 24 hours per day, seven days per week, and there will be at least one elevator servicing every floor on which there are occupied Residential Units. The interim level staffing will at all times during this period be commensurate with the levels of occupancy from time to time and adequate to properly maintain the Building. Purchasers are also advised that during such period and beyond, various systems, including, but not limited to, water supply, air conditioning, heating, cooling, ventilating and elevators, may be incomplete and may be disrupted temporarily and from time to time.

Purchasers are further advised to note that construction in general is a complicated process which requires the coordination of numerous concurrent tasks, contractors, and suppliers and the balancing of complex mechanical and architectural systems, all of which is subject to unanticipated delays and difficulties and necessarily involves noise, disruption, construction dust, debris and inconvenience. Thus, for a period of time following the First Closing through, including and beyond the closing of title to any particular purchaser's Residential Unit, work should be expected to be undertaken and continue by or on behalf of: (i) Declarant to complete construction of the shell and core of the Building, as well as the Hotel, Restaurant, and Retail Units, and Sponsor to complete construction of the Residential Section of the Building; (ii) individual Residential Unit Owners within their Units (to perform custom renovations, etc.); and (iii) the Non-Residential Unit Owners to complete renovation, build-out, furnishing and equipping their Units. During at least the first year of operation, construction workers and related personnel of Sponsor and others will be at the Property from time to time performing construction work, making adjustments and performing various other tasks related to the completion of renovation, fitting out of, and moving into, the Units and other portions of the Building which may compromise the security of the Building from time to time. Elevators and personnel may be taken out of service and diverted to facilitate renovation and exterior hoists may be in place during at least the year following the First Closing and from time to time thereafter, as needed, in connection with construction being performed in Units by the Unit Owners thereof. Sponsor may not fully complete the decoration or finishing of the lobby, corridors, elevator finishes and other portions of the Building, including, but not limited to, installing light fixtures, painting, hanging wall coverings or laying carpeting, until that particular floor is fully occupied by Unit Owners or, if additional construction within a Unit is anticipated, for some period thereafter. All of the foregoing work and conditions will create a noisy and otherwise disruptive condition in the Building during the period such work is being performed. Certain portions of the Common Elements may be completed before or after completion of any particular Purchaser's Unit. As a result, certain amenities and benefits anticipated to be available to Unit Owners may not be available until such other portions of the Building are completed and fully operational. Sponsor shall have no liability whatsoever in the event these services are delayed, not made available, or discontinued or disrupted. Further, the Boards and/or Sponsor may impose conditions and deadlines upon the planning, performing and completion of such work. No assurance can be given with regard to the accuracy of any projected schedules or completion dates set forth herein or with respect to the duration of any interim service periods or periods of potential disruption of the Unit Owners and their tenants or occupants, all such dates and timetables, to the extent provided, being only good faith estimates. Notwithstanding the foregoing, Sponsor's completion schedules noted above do not vitiate Sponsor's obligations to close the first Residential Unit within the First Year of Condominium Operation pursuant to the Budget or to offer rescission to Purchasers if the Budget is increased by 25% or more.

9. Security Procedures

The Residential Board is vested with the responsibility of devising and carrying out security procedures with respect to the Residential Section. Such procedures may be adopted and from time to time changed by the Residential Board as such Residential Board, in its discretion, determines to be appropriate to secure the Residential Section. The Hotel Operator will be responsible for security procedures for the Hotel.

No representation or warranty is made and no assurance is given that the security systems and procedures of the Residential Section and of the Condominium will prevent personal injury or damage to or loss of personal property. While Unsold Residential Units are being offered for sale or lease by Sponsor or its designees there will be a greater number of visitors to the Residential Section than would otherwise be the case. No representation or warranty is made and no assurance is given as to when such selling or leasing activity will terminate. Neither Sponsor nor its designee nor the Managing Agent nor the Non-Residential Unit Owner shall be liable or responsible for any personal injury or for any loss or damage to personal property which may result from the failure of the Residential Section's or the Condominium's security systems and procedures, including, without limitation, those procedures with regard to any delivery of packages, provided that any such failure is not caused by the negligence of Sponsor or its designees, the Managing Agent or their respective agents. Please refer to the Description of Property set forth in its entirety in Part II of the Plan for further details regarding security procedures.

E. LOCATION AND AREA INFORMATION

1. Location and Services

The Condominium is located in Midtown Manhattan in the City of New York, on 40th Street between Fifth Avenue and Sixth Avenue, across the street from Bryant Park and around the corner from the main branch of the New York Public Library.

New York City is the largest city in the United States, as well as one of the principal urban centers of the world. Manhattan is the center of New York City, containing numerous business and financial centers, excellent regional transportation, cultural activities, recreational and open-space park areas, educational facilities, superb medical centers and a vast array of restaurants. New York is the nation's principal financial center. It is the home of the New York Stock Exchange and the American Stock Exchange. About 50 of the country's "Fortune 500" corporations have their principal corporate headquarters in Manhattan; almost a quarter of the nation's major law firms, and the "big four" accounting firms maintain offices in Manhattan. Manhattan is also recognized as the national center of the advertising, communications, broadcasting, publishing and garment industries.

Surrounding Area

The Building is located in Midtown Manhattan, near Bryant Park. The area includes residential apartments, commercial offices, shopping and restaurants. Currently, there is a new growth of residential apartments in the area.

Shopping, Commercial and Recreational Facilities

There is a wide variety of commercial establishments located near the premises located on 40th Street between Fifth Avenue and Sixth Avenue including pharmacies, groceries, banks, restaurants and other stores. Numerous attractions are located within easy access to the Condominium. Among them are The New York Public Library, the Empire State Building, Grand Central Terminal, and the Museum of Modern Art. Times Square, Broadway and the Theater district are a short distance away. The Condominium is also near many fine dining restaurants, active nightlife, and high end shopping.

Schools

Numerous private schools, public schools and parochial schools are easily accessible from the Premises. The public schools in the area include Jacqueline Kennedy Onassis High School at 120 West 46th Street; Manhattan Nursery School at 38 West 32nd Street; Repertory Company High School for Theatre Arts at 143 West 43rd Street; Satellite Academy High School at 120 West 30th Street; Norman Thomas High School at 111 East 33rd Street, and; Manhattan Academy for Arts and Language at 111 East 33rd Street. Certain public school programs require that parents apply for admission for their children. Private schools in the area include Children's Creative Learning Center at 90 Park Avenue; Chelsea Day School at 319 Fifth Avenue; Lyceum Kennedy French American School at 225 East 43rd Street, and; Fusion

Academy at 460 Park Avenue South. Private Schools in the area for children with special needs include The Lighthouse International at 111 East 59th Street.

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

Excellent educational facilities are within close proximity to the Condominium. The educational facilities within close proximity to the Condominium include Fordham University, Columbia University, New York University, and The New School University and are diverse enough to satisfy every age group, from young to adult interested in post-graduate classes.

Transportation

New York City is served by three major airports - LaGuardia Airport, Kennedy International Airport and Newark International Airport. Passenger railroad service is provided from Pennsylvania Station, located at Seventh Avenue and West 33rd Street and Grand Central Station, located at Lexington Avenue and 42nd Street. Transportation to and from the Building, and through, New York City is available by taxi, limousine, and private automobile. Public transportation via subways and buses is also readily available. Subway lines 7, B, D, F, M, are accessible at a stop located at West 40th Street and Avenue of the Americas. Access to the 1, 2, 3, A, C, E, N, Q, R, S trains are available at West 40th Street and Broadway. In addition, the area is serviced by the following bus lines: M5 and M9. The BXM3 and BXM4 also stop nearby.

Police, Fire, Water, Postal Service, Sanitation, Snow Removal and Road Maintenance

These services are provided by The City of New York and all charges (except water) are financed through real estate taxes paid by Unit Owners to The City of New York. The Premises is located in the Midtown South Precinct with the station located at 353 West 35th Street. Fire protection is provided from Engine Company 65 fire station located at 33 West 43rd Street. Water charges for the Units will be metered and paid by Unit Owners as a Common Expense of the Condominium. The zip code for the Building will be 10018 which, as of the date hereof, is serviced by the Midtown Station located at 223 West 38th Street.

Medical Facilities

The area is served by numerous hospitals and medical facilities located within an approximate two-mile radius of the Condominium including Beth Israel Medical Group at 55 East 51st Street; Manhattan Endoscopy Center at 535 Fifth Avenue, and; University Eye Center at 33 West 42nd Street.

The Condominium is also within easy access to some of the best medical facilities in the New York area, including the New York-Presbyterian Hospital-Cornell Medical Center

(located at 68th Street and York Avenue), Memorial Sloan Kettering Cancer Center, and New York University.

Religious Facilities

Local houses of worship include, but are not limited to, the following: Church of Our Savior (Roman Catholic), Redeemer Presbyterian Church (Protestanism), Saint Agnes Church (Roman Catholic), C3 Church Manhattan (Denomination), Chabad Lubavitch of Midtown, Young Israel, West Side Jewish Center, and The Shinnyo Center.

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

2. Zoning and Use

The Property is situated on Block 841 and spans lots 30, 58, 59 and 60. Lot 30 is zoned Ml-6 and lots 58, 59 and 60 are zoned C5-3. The street addresses of the Property are 14-22 West 40th Street and 13 West 39th Street. The footprint of the Project is 12,178 square feet and contains approximately 186,940 zoning floor area.

The Proposed Project is being development pursuant to a the City Planning Commission ("CPC") special permit pursuant to Zoning Resolution Section 74-711. Zoning Resolution Section 74-711 provides that the CPC may permit modification of the use and bulk regulations on zoning lots containing an existing landmark building if: (1) the Landmarks Preservation Commission ("LPC") has issued a report stating that a program has been established for the continuing maintenance that will result in the preservation of the landmark building, and that such use or bulk modifications, or restorative work required under the continuing maintenance program, contributes to a preservation purpose; (2) the LPC has issued a certificate of appropriateness, other permit, or report stating that such bulk modifications relate harmoniously to the subject landmark building; (3) the CPC finds that such bulk modifications have minimal adverse effects on the structures or open space in the vicinity; and (4) the CPC finds that such use modifications have minimal adverse effects on the conforming uses in the building and the surrounding area. The LPC issued such report and issued a certificate of appropriateness and on March 26, 2008, and after reviewing and considering the LPC report, CPC approved the special permit request made by 40th Street Partners LLC under Section 74-711 of the Zoning Resolution. Therefore the Building is compliant with the Zoning Resolution of the City of New York.

F. SCHEDULE A
PRICES OF UNITS AND RELATED INFORMATION

SCHEDULE A

Bryant Park South Condominium
16 WEST 40TH STREET
NEW YORK, NY

OFFERING PRICES AND RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION OCTOBER 1, 2016-SEPTEMBER 30, 2017

(1) UNIT	NO. BED-ROOMS	NO. BATHS/HALF BATH	(2) APPROX UNIT SQUARE FOOTAGE	(2) APPROX EXTERIOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) RESIDENTIAL COMMON INTEREST	(4) GENERAL COMMON INTEREST	(5) PROJECTED MONTHLY COMMON CHARGES	(6) PROJECTED MONTHLY RE TAXES	(7) PROJECTED TOTAL MONTHLY CARRYING CHARGES
16 A	2	2BA/1PR	1388		$ 3,820,000.00	1.5519%	0.8037%	$2,379.46	$2,051.12	$4,430.58
16 B	1	1BA	1088		$ 2,640,000.00	1.2165%	0.6300%	$1,865.17	$1,607.80	$3,472.96
16 C	2	2BA	1233		$ 2,780,000.00	1.3786%	0.7140%	$2,113.74	$1,822.07	$3,935.81
16 D	1	1BA	911		$ 1,915,000.00	1.0186%	0.5275%	$1,561.73	$1,346.23	$2,907.97
17 A	2	2BA/1PR	1391		$ 3,880,000.00	1.5630%	0.8095%	$2,396.41	$2,065.73	$4,462.14
17 B	1	1BA	1074		$ 2,685,000.00	1.2068%	0.6250%	$1,850.28	$1,594.96	$3,445.24
17 C	2	2BA	1292		$ 2,905,000.00	1.4517%	0.7519%	$2,225.85	$1,918.71	$4,144.56
17 D	1	1BA	907		$ 1,955,000.00	1.0191%	0.5278%	$1,562.57	$1,346.96	$2,909.53
18 A	2	2BA/1PR	1391		$ 3,940,000.00	1.5707%	0.8135%	$2,408.21	$2,075.91	$4,484.12
18 B	1	1BA	1074		$ 2,735,000.00	1.2127%	0.6281%	$1,859.39	$1,602.82	$3,462.22
18 C	2	2BA/1PR	1329		$ 2,995,000.00	1.5007%	0.7772%	$2,300.87	$1,983.38	$4,284.25
18 D	1	1BA	1067		$ 2,255,000.00	1.2048%	0.6240%	$1,847.28	$1,592.37	$3,439.65
19 A	2	2BA/1PR	1391		$ 4,000,000.00	1.5784%	0.8174%	$2,420.02	$2,086.08	$4,506.10
19 B	1	1BA	1074		$ 2,785,000.00	1.2187%	0.6312%	$1,868.51	$1,610.68	$3,479.19
19 C	2	2BA/1PR	1329		$ 3,100,000.00	1.5080%	0.7810%	$2,312.15	$1,993.10	$4,305.25
19 D	1	1BA	1067		$ 2,315,000.00	1.2107%	0.6270%	$1,856.33	$1,600.18	$3,456.51
20 A	2	2BA/1PR	1391		$ 4,060,000.00	1.5861%	0.8214%	$2,431.82	$2,096.26	$4,528.08
20 B	1	1BA	1074		$ 2,830,000.00	1.2246%	0.6342%	$1,877.62	$1,618.54	$3,496.16
20 C	2	2BA/1PR	1329		$ 3,275,000.00	1.5154%	0.7848%	$2,323.43	$2,002.82	$4,326.25
20 D	1	1BA	1067		$ 2,410,000.00	1.2166%	0.6301%	$1,865.39	$1,607.99	$3,473.37
21 A	2	2BA/1PR	1391		$ 4,120,000.00	1.5938%	0.8254%	$2,443.62	$2,106.44	$4,550.06
21 B	1	1BA	1074		$ 2,880,000.00	1.2306%	0.6373%	$1,886.74	$1,626.39	$3,513.13
21 C	2	2BA/1PR	1329		$ 3,390,000.00	1.5227%	0.7886%	$2,334.71	$2,012.55	$4,347.25
21 D	1	1BA	1067		$ 2,500,000.00	1.2225%	0.6332%	$1,874.44	$1,615.79	$3,490.23
22 A	2	2BA/1PR	1391		$ 4,180,000.00	1.6015%	0.8294%	$2,455.43	$2,116.61	$4,572.04
22 B	1	1BA	1074		$ 2,930,000.00	1.2365%	0.6404%	$1,895.85	$1,634.25	$3,530.10
22 C	2	2BA/1PR	1329		$ 3,510,000.00	1.5301%	0.7924%	$2,345.99	$2,022.27	$4,368.26
22 D	1	1BA	1067		$ 2,535,000.00	1.2284%	0.6362%	$1,883.50	$1,623.60	$3,507.09
23 A	2	2BA/1PR	1391		$ 4,240,000.00	1.6092%	0.8334%	$2,467.23	$2,126.79	$4,594.02
23 B	1	1BA	1074		$ 2,980,000.00	1.2425%	0.6435%	$1,904.97	$1,642.11	$3,547.07
23 C	2	2BA/1PR	1329		$ 3,565,000.00	1.5374%	0.7962%	$2,357.26	$2,031.99	$4,389.26

23 D	1	1BA	1067		$ 2,570,000.00	1.2344%	0.6393%	$1,892.55	$1,631.40	$3,523.96
24 A	2	2BA/1PR	1391		$ 4,300,000.00	1.6169%	0.8374%	$2,479.04	$2,136.96	$4,616.00
24 B	1	1BA	1074		$ 3,025,000.00	1.2484%	0.6465%	$1,914.08	$1,649.96	$3,564.05
24 C	2	2BA/1PR	1329		$ 3,620,000.00	1.5448%	0.8001%	$2,368.54	$2,041.71	$4,410.26
24 D	1	1BA	1067		$ 2,610,000.00	1.2403%	0.6423%	$1,901.61	$1,639.21	$3,540.82
25 A	2	2BA/1PR	1650		$ 4,980,000.00	1.9271%	0.9980%	$2,954.63	$2,546.93	$5,501.56
25 B	2	2BA/1PR	1882		$ 5,575,000.00	2.1980%	1.1384%	$3,370.07	$2,905.04	$6,275.12
25 C	2	2BA/1PR	1329		$ 3,740,000.00	1.5522%	0.8039%	$2,379.82	$2,051.44	$4,431.26
26 A	2	2BA/1PR	1650		$ 5,110,000.00	1.9362%	1.0028%	$2,968.64	$2,559.00	$5,527.64
26 B	2	2BA/1PR	1882		$ 5,670,000.00	2.2084%	1.1437%	$3,386.04	$2,918.81	$6,304.86
26 C	2	2BA/1PR	1329		$ 3,830,000.00	1.5595%	0.8077%	$2,391.10	$2,061.16	$4,452.26
27 A	2	2BA/1PR	1650		$ 5,245,000.00	1.9453%	1.0075%	$2,982.64	$2,571.07	$5,553.71
27 B	2	2BA/1PR	1882		$ 5,760,000.00	2.2189%	1.1491%	$3,402.02	$2,932.58	$6,334.60
27 C	2	2BA/1PR	1329		$ 3,885,000.00	1.5669%	0.8115%	$2,402.38	$2,070.88	$4,473.26
28 A	2	2BA/1PR	1650		$ 5,325,000.00	1.9545%	1.0122%	$2,996.64	$2,583.14	$5,579.78
28 B	2	2BA/1PR	1882		$ 5,905,000.00	2.2293%	1.1545%	$3,417.99	$2,946.35	$6,364.34
28 C	2	2BA/1PR	1329		$ 3,940,000.00	1.5742%	0.8153%	$2,413.66	$2,080.60	$4,494.26
29 A	2	2BA/1PR	1650		$ 5,410,000.00	1.9636%	1.0169%	$3,010.64	$2,595.21	$5,605.86
29 B	2	2BA/1PR	1882		$ 6,000,000.00	2.2397%	1.1599%	$3,433.96	$2,960.12	$6,394.08
29 C	2	2BA/1PR	1329		$ 4,000,000.00	1.5816%	0.8191%	$2,424.94	$2,090.33	$4,515.26
30 A	4	4BA	2707		$ 9,435,000.00	3.2365%	1.6762%	$4,962.26	$4,277.53	$9,239.78
30 B	3	3BA	2068		$ 6,715,000.00	2.4725%	1.2805%	$3,790.89	$3,267.80	$7,058.69
31 A	4	4BA	2667		$ 9,600,000.00	3.2034%	1.6590%	$4,911.56	$4,233.83	$9,145.40
31 B	3	3BA	2068		$ 6,940,000.00	2.4839%	1.2864%	$3,808.44	$3,282.93	$7,091.37
*PH A	4	4BA/1PR	4163	1168	$ 17,100,000.00	5.3757%	2.7841%	$8,242.16	$7,104.85	$15,347.02
*PH B	3	3BA/2PR	4034	1033	$ 16,300,000.00	5.1793%	2.6824%	$7,941.06	$6,845.30	$14,786.36
RESIDENTIAL TOTAL	**105BR**		**85323**	**2201**	**$252,700,000.00**	**100.0000%**	**51.7900%**	**$153,323.33**	**$132,166.67**	**$285,490.00**
HOTEL UNIT			92184				41.6800%	$39,420.83		
RESTAURANT UNIT			10197				4.6100%	$12,661.50		
RETAIL UNIT			4250				1.9200%	$1,347.50		
NON-RESIDENTIAL TOTAL			**106631**				**48.2100%**	**$53,429.83**		
GRAND TOTAL			**191954**				**100.0000%**	**$206,753.17**		

*Duplex

Notes to Schedule A

1. Amounts are projected on the assumption that the First Year of Operation will be the year from October 1, 2016 to September 30, 2017. The actual First Year of Residential Section Operation may begin earlier or later than that year. Plans depicting layouts of Residential Units in this Schedule A appear in Part II of the Plan. Purchasers should note that the square footage of each Unit as reflected in Schedule A and the Floor Plans set forth in Part II of the Plan is approximate. The room count for each Unit was determined by Sponsor's architect.

   The approximate indoor floor area of each Residential Unit has been measured from the exterior side of the glass or the exterior Building walls, or from the midpoint of the interior walls and partitions separating the Residential Unit from another Residential Unit, or from the exterior side of any public corridors, stairs, elevators, other mechanical equipment spaces or any other Common Elements. Columns and mechanical pipes, with the exception of the kitchen exhaust shaft and adjacent express riser shaft (whether along the perimeter or within the Residential Unit) are not deducted from the square foot area of the Residential Unit. Outdoor floor areas of a balcony and/or terrace and /or stoop appurtenant to a Residential Unit are not included in the Residential Unit's floor area. Dimensions measured from exterior walls may not accurately represent the interior space in the Residential Unit and may exceed interior space. Dimensions measured from exterior walls may exaggerate such interior space by as much as ten percent (10%).

2. Any floor plan or sketch or schedule shown to a prospective Purchaser is only an approximation of the square foot area and layout of the Unit in question. However, any material change will be set forth in an amendment to the Plan, and no material change (for example, a reduction in square footage in excess of 5%) will be made in the size (i.e., decrease), configuration, or layout of a Unit for which an Agreement has been executed unless the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control), and where no practicable alternative (in the exercise of sound construction management practices) is available, and in such event, Sponsor will offer the materially adversely affected Purchaser(s) the right, for at least 15 days, to rescind their Agreements and receive a refund of their Option Payments, together with all interest earned thereon. An increase in the size of a room or Unit will not on its own give rise to a right of rescission. There is a rebuttable presumption that an area that is diminished by 5% or less is not material.

3. Sponsor has reserved the right to change the purchase prices (as well as other terms of sale) of Units not subject to executed Agreements, so Purchasers may pay different prices for similar Units. The purchase prices and other terms of the

Agreements may be subject to negotiation with Sponsor. 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 or modify other terms of sale without filing an amendment to the Plan at any time during the offering period if such a decrease in the purchase price or modification of such other terms of sale does not constitute a general offering or an advertised price but is rather the result of an individually negotiated transaction (see the section of the Plan entitled "Changes in Prices and Units"). In addition to the purchase price, Purchaser will be responsible at Closing for certain closing costs as explained in the Section entitled "Closing Costs and Adjustments" in Part I of the Plan including, without limitation, the obligation to contribute two month's common charges to the working capital fund of the Condominium. Purchasers are advised to consult with their attorneys as to the exact closing costs they will incur in purchasing their Units.

4. The respective Percentage Interest of each Unit in the Common Elements, in accordance with the provisions of Section 339-i(l)(iv) of the New York Condominium Act, is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. In the event that Sponsor negotiates with individual purchasers to change the layout or dimensions of their respective Units and such changes involve the inclusion, in the Unit, of areas formerly designated as Common Elements, or involve adding to the Common Elements, space that was previously incorporated in the Residential Units, the Common Elements of all of the Units may change slightly. Any such de minimis change in the Common Elements prior to the recording of the Declaration shall not be deemed a material change and shall not give rise to a right of rescission on the part of any purchaser. The percent interest of each Unit in the Common Elements is apportioned in the same proportion that the Unit bears to the aggregate Common Interests of all Units.

5. The estimates contained in this schedule were computed by Sponsor's Condominium Budget Expert on the assumption that the first year of Condominium operation will be the year from October 1, 2016 to September 30, 2017, and are based on such Condominium Budget Expert's estimate of the receipts and expenses of the Residential Section for the projected year. The actual first year of Condominium operation may be earlier or later than such year. If the actual or anticipated date of commencement of condominium operation is delayed by more than six (6) months from the commencement of the projected first year of condominium operation, Sponsor will amend the Plan to include a revised budget disclosing current projections. If such amended projections exceed original projections by twenty-five percent (25%) or more, Sponsor will offer all purchasers the right to rescind for a period of fifteen (15) days after the date of the presentation of the amendment setting forth the right to rescind.

The estimated monthly Residential Common Charges for each Residential Unit are based on the Schedule B-1 - Projected Budget for First Year of Condominium Operation prepared by Sponsor's Condominium Budget Expert. The estimated monthly Residential Common Charges include the cost of central heating for the Units. In addition to these estimated payments, each Residential Unit Owner will be responsible for real estate taxes for such Residential Unit, mortgage payments under a loan or loans, if any, obtained to finance the purchase of the Residential Unit, the cost of electricity supplied to the Residential Unit which will be separately submetered and payable by the Unit Owner to the Residential Board, the insurance which must be carried by each Residential Unit Owner with respect to liability and casualty to the contents of the Unit and the cost of interior repairs and decorations to the Residential Unit. Until the Units are separately assessed, real estate taxes shall be part of Common Expenses, as provided in the Condominium By-Laws. In addition, capital repairs, additions, improvements, alterations and restorations to Residential Section are Residential Common Expenses which will be borne solely by the Residential Unit Owners. The first year of operation may include a portion of the year in which the Buildings are not fully occupied or all services are not provided. Accordingly, the first year of operation may not be indicative of subsequent years. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.

6. It is estimated that the aggregate real estate taxes attributable to all Residential Unit Owners for the first year of Condominium operation after reassessment (October 1, 2016 through September 30, 2017) will total approximately $1,586,000, based on an opinion prepared by Podell, Schwartz, Schechter & Banfield, LLP dated July 29, 2015. This estimate assumes the following: (a) an estimated total taxable assessed valuation for all the Residential Units of $10,900,000 for the last nine (9) months of the City's fiscal 2016 tax year (from July 1, 2016 through June 30, 2017) reflecting a partially completed building and an estimated 2016/2017 residential class "2" tax rate of $12.883 per $100 of assessed valuation; and (b) an estimated total taxable assessed valuation for all the Residential Units of $16,500,000 for the first three (3) months of the 2017 tax year (from July 1, 2017 through June 30, 2018) reflecting a completed building and an estimated 2017/2018 residential class "2" tax rate of $12.883 per $100 of assessed valuation. Purchasers should note that the real estate taxes for the first year of Condominium operation are less than the taxes will be for the second year of Condominium operation benefits since the first year's tax estimate includes nine (9) months of the 2016/2017 tax year, which pre-dates the Building's completion. Assuming the Residential Units do not receive any abatement from real estate taxes, the taxes during the second year of operation, and subsequent years, will be higher than the taxes during the first year of operation.

SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY REAL ESTATE TAXES, OR TAX RATES WILL BE AS

PROJECTED OR THAT THE ESTIMATED ALLOCATIONS WILL NOT BE CHANGED.

The estimate of the assessed value and real estate taxes for each Residential Unit has been determined by multiplying the total estimated taxes due with respect to the Residential Units by the relative percentage of Common Interest set forth on Schedule A herein. Sponsor makes no representation that the assessed values or real estate taxes will not be apportioned based on a different method. Please refer to the Section of the Plan entitled "Real Estate Taxes" and the opinions of Holland & Knight LLP and Podell, Schwartz, Schechter & Banfield, LLP as set forth in Part I of the Plan for further discussion regarding real estate taxes for the residential portion of the Property.

Following the Property's apportionment into various Condominium Units, each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes on other Units. Prior to the issuance of separate tax lots, the real estate tax estimates for each Residential Unit will be determined by multiplying the total taxes due with respect to the Residential Units by a percentage derived by dividing the Common Interest of each Residential Unit by the total Common Interests of all Residential Units. Although the New York City tax authorities' stated policy is to apportion assessed values among various condominium units based on percentage of common interests set forth in the respective condominium declaration, other methods (such as relative sales price) have been employed in the past. If an alternative method is utilized, Residential Units having the same percentage interest may pay different real estate taxes. Taxes are likely to increase following the Building's completion and after separate assessment.

PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT A GUARANTEE OR WARRANTY (i) that the New York City tax assessor will allocate individual Residential Unit assessments on the basis of each Residential Unit's percentage interest in the Common Elements; (ii) that the assessed value of the incomplete Property during the fiscal tax year 2016/2017 will be $10,900,000, (iii) that the taxable assessed value of the residential portion of the Property during the fiscal tax year 2017/2018 will be $16,500,000; or (iv) that the tax rate will be 12.883% per $100 of assessed value.

See the Section entitled "Income Tax Deductions to Residential Unit Owners and Tax Status of Condominium" and the Tax Opinion of Holland & Knight LLP in Part I of the Plan for a discussion concerning the deductibility of real estate taxes paid with respect to a Residential Unit.

G. SCHEDULE B
PROJECTED BUDGET FOR
FIRST YEAR OF CONDOMINIUM OPERATION

SCHEDULE "B"
Bryant Park South Condominium
Projected Budget for the First Full Year of Condominium Operation
October 1, 2016 - September 30, 2017

PROJECTED INCOME:

Common Charges (1).....	
Residential Units Common Charges.....	$513,494
Hotel Unit Common Charges	$473,050
Restaurant Unit Common Charges.....	$ 151,938
Retail Unit Common Charges	$ 16,170
TOTAL PROJECTED INCOME.....	$1,154,652

PROJECTED EXPENSES

Salary, Wages, Payroll Taxes & Benefits (2).....	$171,521
Heat (3).....	$169,528
Electricity (4).....	$ 53,744
Water & Sewer (5).....	$346,559
Repairs & Maintenance (6).....	$ 50,000
Services & Supplies (7).....	$ 73,000
Insurance (8).....	$153,300
Management Fee (9).....	$ 50,000
Legal & Auditing Fees (10).....	$ 12,000
Administration (11).....	$ 25,000
Contingency (12).....	$ 50,000
TOTAL PROJECTED EXPENSES (13).....	$1,154,652

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

Notes to Schedule B

(1) COMMON CHARGES - (Budget - $1,154,652)

The estimated Common Charges to be collected from Unit Owners during the first year of Condominium operation are based upon the assumption that the first year of Condominium operation will be the twelve months commencing October 1, 2016. The actual first year of operation may be earlier or later, therefore, the actual costs may vary.

The allocation for the General Common Expenses to be borne by the Residential Unit's, Hotel Unit, Restaurant Unit and the Retail Unit has been allocated on the basis of each Unit's respective Percentage of Common Interest 51.79%, 41.68%, 4.61% and 1.92% and in certain cases based on each unit's usage of a particular expense line item.

		Residential Unit	Hotel Unit	Restaurant Unit	Retail Unit
		51.7900%	41.6800%	4.6100%	1.9200%
Projected Income					
Common Charges					
Residential Unit Common Charges	513,494	513,494			
Hotel Unit Common Charges	473,050		473,050		
Restaurant Unit Common Charges	151,938			151,938	
Retail Unit Common Charges	16,170				16,170
Total Projected Income	1,154,652	513,494	473,050	151,938	16,170
Projected Expenses					
Salary, Benefits, Payroll Taxes	171,521	88,831	71,490	7,907	3,293
Heat	169,528	93,956	67,370	7,838	364
Electricity	53,744	27,834	22,400	2,478	1,032
Water & Sewer	346,559	88,824	139,527	114,662	3,546
Repairs & Maintenance	50,000	25,895	20,840	2,305	960
Services & Supplies	73,000	37,807	30,426	3,365	1,402
Insurance	153,300	79,395	63,895	7,067	2,943
Management Fee	50,000	25,895	20,840	2,305	960
Legal & Auditing Fees	12,000	6,215	5,002	553	230
Administration	25,000	12,947	10,420	1,153	480
Contingency	50,000	25,895	20,840	2,305	960
Total Projected First Year Expenses	1,154,652	513,494	473,050	151,938	16,170

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

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

(2) SALARIES, WAGES, PAYROLL TAXES & BENEFITS - (Budget - $171,521)

The budgeted amount includes base wages, worker's compensation and disability insurance, welfare and pension costs, payroll taxes and the cost of sick days, holidays and vacation pay for a projected shared building staff of Property (Hotel) Manager, Maintenance Manager, Porter (Guest Service Representative) and Handyman (maintenance assistant). The full Residential staff will be employed as of the First Unit Closing of the Residential Section but the level of service/staff provided by the Hotel employees is not guaranteed at that time. The projected level of staffing for the Building complies with all applicable housing and labor laws. It is anticipated that such employees will be non-union members. These hotel employees will be devoting the majority of their time to service the Hotel Unit but some of each of these employees time will be spent on the Condominium Common Elements. It is anticipated that the Property Manager will devote 10% of his weekly duties and the maintenance manager 25% of his week's time. 75% of the handyman's and porter's time will be allocated to serving the condominium and therefore 75% of the porter's and handyman's payroll costs will be borne by the Condominium.

PAYROLL & BENEFITS

	Time Devoted Condominium	Base Wage	Annual Allocated to Condominium
Property Manager (Hotel Manager)	0.10	$200,000	$20,000
Maintenance Manager	0.25	$83,200	$20,800
Porter (Guest Service Representative)	0.75	$49,036	$36,785
Handyman (Maintenance Assistant)	0.75	$53,924	$40,451
Estimated Year End Bonus			$5,500
	TOTAL YEARLY WAGES		$123,536

Multiply by 1.1 to bring to 57 pay weeks to allow for sick days, holidays and vacation pay

		TOTAL WAGES	$135,890

The following expenses are mandated by law for each employee:

FICA Employer		7.65%	$10,396
NY State Unemployment	(1st $8,500)	7.50%	$1,179
Federal Unemployment	(1st $7,000)	1.10%	$173
State Disability Insurance	(Yearly)	$45	$83
Workers Compensation			$1,600
		TOTAL MANDATED	$13,431

Each Employee will receive the following Additional Benefits:

Health Insurance	(Per Employee)	$12,000	$22,200
		TOTAL BENEFITS	$22,200
		TOTAL PAYROLL & BENEFITS	**$171,521**

(3) **HEAT - (Budget - $169,528)**

In a letter dated July 7, 2015 the budgeted amount was estimated by WSP, sponsor's consulting engineer, having an address at 512 Seventh Avenue, New York, NY 10018. They estimate that the annual usage of gas for heat for the entire condominium will be 113,321 therms at a cost of $1.36 per therm resulting in a total cost of $154,117 during the first year of Condominium operation. A 10% inflation has been added to this cost.

The cost of each Unit's heat has been allocated based upon WSP's letter with the Shared heat allocated to each Unit based upon its Common Interest Percentage.

Unit	therms	cost/therm
Residential	60,434	$82,190
Hotel	43,125	$58,650
Restaurant	5,028	$6,838
Retail	155	$211
Shared	4,579	$6,227

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

(4) **ELECTRICITY - (Budget - $53,744)**

The electricity consumption for the general common areas and shared systems for the First Year of Condominium Operation was estimated by WSP in a letter dated July 7, 2015. They estimated the usage to be 222,081 kilowatts at $0.22 per kilowatt or an annual cost of $48,858.

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

Each unit will be individually metered or submetered for consumption of electricity within their own units.

(5) **WATER & SEWER – (Budget - $346,599)**

The building will have a single main water meter, which will measure actual water usage. Based upon a letter from WSP dated July 7, 2015 estimated water and sewer charges for all units are shown below

Unit	Water & Sewer Usage (ccf)	Cost at combined rate of $9.86 per ccf of water	Cooling Tower Makeup Water Usage (gallons/year)	Cost at $3.81 per ccf of water	Total Cost
Residential	7,564	$74,576	1,620	$6,173	$80,749
Hotel	12,238	$120,669	1,620	$6,173	$126,842
Restaurant	10,437	$102,908	349	$1,331	$104,239
Retail	323	$3,183	11	$41	$3,224
Total					$315,054

The total estimated costs for water and sewer for the First Year of Condominium Operation is anticipated to be $315,054. A 10% inflation factor had been added.

(6) REPAIRS & MAINTENANCE – (Budget - $50,000)

Since the Building will be newly constructed it has no operating history upon which to project future costs of repairs and maintenance. No major capital repairs are included in the First Year's Budget since all major construction and mechanical systems will be new. Future major capital repairs to the Common Elements will be borne by all Unit Owners. The budgeted figure for this item includes the cost of normal maintenance and repairs to the Common Elements of the Building that are the responsibility of the Condominium. In subsequent years, as warranties expire and the mechanical equipment ages, the budgeted expense for repair and maintenance will increase. Each Unit Owner will be responsible for the cost of the interior maintenance, repairs, decoration and painting of their respective units, including the appliances, incremental heating/air-conditioning units and any Limited Residential Common Elements appurtenant thereto.

Repairs and Maintenance have been allocated to all Units based upon each Unit's Percentage of Common Interest.

(7) SERVICE & SUPPLIES - (Budget - $73,000)

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

All of the mechanical systems within the Building will be new, and some will be under a full service maintenance contract for the first year of Condominium operation from the contractor who will install the system. No maintenance or service contracts have been entered into as of the date of the Plan. While this Schedule B includes a reasonable allowance for possible increases in cost that may occur prior to and during the first year of Condominium operations, no warranty is made that the actual cost for these or other services will be in accordance with this projection.

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

Heating and Cooling System	$25,000
Elevator Maintenance (shared service elevator)	$10,000
Water Treatment	$14,000

Miscellaneous Supplies	$15,000
Emergency Generator	$5,000
Snow Removal	$4,000

(8) INSURANCE – (Budget - $153,300)

Based upon the proposal dated August 13, 2014, from The Rampart Group having an address at 1983 Marcus Avenue, Lake Success, NY 11802. The following insurance coverage will be obtained for the Building for the first year of Condominium operation:

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

Property Policy

$100,845,805	All Risks "Special" Form, No Co-insurance, Replacement Cost, with agreed amount on Building $10,000 Deductible on Building and Personal Property
$ 845,000	Business Income Limit
Included	Boiler & Machinery

Commercial Liability Insurance

$ 1,000,000	Per Occurrence
$ 2,000,000	General Aggregate
$ 1,000,000	Personal & Advertising Injury Liability
$ 1,000,000	Fire Legal Liability
$ 5,000	Medical Payments
$ 1,000,000	Employee Benefits Liability-$1,000 Deductible
$ 1,000,000	Non Owned Automobile/Hired Car Liability
$ 1,000,000	Directors & Officers Liability-annual aggregate - $2,500 Retention

Condominium Crime

$ 1,000,000	Annual aggregate

Umbrella Liability

$ 100,000,000 – Per Occurrence/Aggregate

The annual premium for the above mentioned insurance policy is estimated to be $153,300.

The insurance costs are for the entire Condominium and have been allocated to all units within the Condominium based upon each unit's Common Interest.

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

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

- fire or casualty losses to the contents of his unit and any replacements, additions, upgraded fixtures and improvements therein; and

- liability for personal injury or property damage as a result of occurrences in his Unit, including water damage legal liability to cover damage arising from leaks or other conditions within the Unit.

(9) MANAGEMENT FEE - (Budget - $50,000)

At or prior to the First Closing, the Condominium will enter into a management agreement with Club Quarters Management, LLC having an address at One Atlantic Street, 5th Floor, Stamford, CT 06901 a real estate management firm affiliated with the Sponsor. The agreement will be for an initial term of 2 years. Thereafter, the agreement will be automatically renewed from year to year, but may be cancelled by either party without cause, upon not less than sixty (60) days' prior written notice.

The Managing Agent will receive an annual fee of $50,000 payable in equal monthly installments of $4,166.66. The Managing Agent's fee for the first year of Condominium operation is comparable to the "going rate" for similar services in comparable buildings.

The Management Fee has been allocated to each Unit based on each Unit's Percentage of Common Interest.

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

(10) LEGAL & AUDIT FEES – (Budget - $12,000)

The Condominium will engage a law firm to act as the attorney for the Condominium for minor miscellaneous legal matters. The estimated cost for these services for the Condominium's first year is $6,500. Based upon a proposal from Cywiak & Company LLP, located at 19 West 44th Street, New York, NY 10036 to provide tax returns and financial statement preparation for the Condominium, 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 Common Interest.

(11) ADMINISTRATION – (Budget - $25,000)

The budgeted amount includes anticipated expenses for telephone, cell phones, internet, postage, printing, miscellaneous Office supplies, payroll processing costs, permits and fees.

These costs for administration have been allocated to each unit within the Condominium based upon each Unit's Percentage of Common Interest.

(12) CONTINGENCY – (Budget - $50,000)

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

The contingency 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.

(13) TOTAL PROJECTED EXPENSES – (Budget - $1,154,652)

The projections set forth in this budget assume that the first year of Condominium operation will cover the period from October 1, 2016 through September 30, 2017.

IN THE OPINION OF PENMARK PROPERTY ADVISORS, LLC, HAVING AN OFFICE AT 828 HEMPSTEAD TPKE, FRANKLIN SQUARE, NY 11010. THE PROJECTED INCOME IS ADEQUATE TO MEET THE ESTIMATED EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION. THE BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY BY ANYONE THAT THE ANNUAL COMMON CHARGES OR COMMON EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY BY THE BOARD WILL BE AS SET FORTH IN THE BUDGET. IN FACT, IT IS LIKELY THAT THE ACTUAL INCOME AND EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION WILL VARY FROM THE AMOUNTS SHOWN IN THE BUDGET.

SCHEDULE B-1
PROJECTED BUDGET

SCHEDULE "B-1"
Bryant Park South Condominium
Projected Budget for the First Full Year of Condominium Operation
October 1, 2016 - September 30, 2017

PROJECTED INCOME:

Residential Unit Common Charges (1).....	$1,839,880
TOTAL PROJECTED INCOME.....	$1,839,880

PROJECTED EXPENSES:

Salary, Wages, Payroll Taxes & Benefits (2).....	$648,186
Hot Water (3).....	$ 24,699
Cooking Gas (4).....	$ 10,318
Electricity (5).....	$284,183
Repair & Maintenance (6).....	$ 25,000
Services & Supplies (7).....	$188,000
Management Fee (8).....	$ 75,000
Legal & Audit Fees (9).....	$ 11,000
Administration (10).....	$ 20,000
Common Charges payable for Shared Expenses (11).....	$513,494
Contingency (12).....	$ 40,000
TOTAL PROJECTED EXPENSES (13).....	$1,839,880

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

Notes to Schedule B-1

(1) COMMON CHARGES - (Budget - $1,839,880)

The estimated Common Charges to be collected from Residential Unit Owners during the first year of Condominium Operation are based upon the assumption that the first year of Condominium Operation will be the twelve months commencing October 1, 2016. The actual first year of operation may be earlier or later.

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

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

(2) SALARIES, WAGES, PAYROLL TAXES & BENEFITS - (Budget - $648,186)

The budgeted amount includes base wages, worker's compensation and disability insurance, welfare and pension costs, payroll taxes, and the cost of sick days, holidays, and vacation pay for a projected residential building staff of 1 Non-Resident Manager, 1 handymen, 4.2 concierges and 2 porters. The full Residential staff will be employed as of the First Unit Closing of the Residential Section but the level of service/staff provided by the Hotel employees is not guaranteed at that time. The projected level of staffing for the building complies with all applicable housing and labor laws. It is anticipated that such employees will be non-union members.

Position	Base Wage Rate
(1) Manager	$90,000
(1) Handyman	$1,000 per week
(6.2) 4.2 concierges, 2 porters	$950 per week

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

Total Base Wages	$482,763
FICA @7.65% of Base Wages	$ 36,931
Worker's Compensation @ 5.5% of total wages	$ 26,552
FUI & FUTA-NYS Unemployment @ 600 Per Employee	$ 5,400
NYS Disability @ $60 per employee	$ 540
Health @ 12,000 per employee	$ 96,000

Total Benefit	$165,423
Total Wages, Taxes, & Benefits	$648,186

These payroll costs will be borne exclusively by the Residential Units. The other Units will not share in this expense item.

(3) HOT WATER – (Budget - $24,699)

The budgeted amount is based upon a letter from WSP, Sponsors Consulting Engineers, located at 512 Seventh Avenue, New York, NY dated July 7, 2015. It is anticipated that the annual consumption of gas for hot water for the Residential Units will be approximately 16,510 therms at an average rate of $1.36 per therm including sales tax for a total cost of $22,454. A 10% inflation factor has been added.

(4) COOKING GAS – (Budget - $10,318)

The Residential Units will not be separately metered for gas to be used for cooking. Based on a letter dated July 7, 2015, from WSP, located at 512 Seventh Avenue, New York, NY, it is estimated that the gas cost for apartment cooking based on 6,897 therms, at an average rate of $1.36 per therm including applicable sales tax, will be $9,380. A 10% inflation factor has been added.

(5) ELECTRICITY - (Budget - $284,183)

The electricity consumption for the Residential Section for the first year of Condominium Operation was estimated by WSP in a letter dated July 7, 2015 at 1,174,308 kilowatt hours of electricity, at an average rate of $.22 per kilowatt hour of electricity including applicable sales tax, resulting in an annual cost of $258,348. This is based on common area loads being supplied through a single house meter at Con Edison rate SC9-1 and the rates are based on the currently effective rates. Both the fuel adjustment and surcharge vary from month to month so an average was used in this cost estimate.

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

These costs are only the estimated electricity for the Common Elements within the residential section of the building. All other Units will be separately metered or sub metered for their electricity.

(6) REPAIRS & MAINTENANCE (Budget - $25,000)

Since the Building will be newly constructed it has no operating history upon which to project future costs of repairs and maintenance. No major capital repairs are included in the First Year's Budget since all major construction and mechanical systems will be new. The budget figure for this item includes the cost of normal maintenance and repairs to the Residential Section's Common Elements. Each Unit owner will be responsible for the cost of interior maintenance, repairs, decorations and paintings of their respective units including the appliances, incremental heating, air conditioning units and any Limited Residential Common Elements appurtenance thereto.

(7) **SERVICE & SUPPLIES - (Budget - $188,000)**

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

All of the mechanical systems within the Building will be new, and some will be under a full service maintenance contract for the first year of Condominium operation from the contractor who will install the system. No maintenance or service contracts have been entered into as of the date of the Plan. While this Schedule B includes a reasonable allowance for possible increases in cost that may occur prior to and during the first year of Condominium Operations, no warranty is made that the actual cost for these or other services will be in accordance with this projection.

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

Heating and Cooling System	$ 20,000
Elevator Maintenance	$ 30,000
Marble Maintenance	$ 10,000
Exterminator	$ 8,000
Cleaning & General Supplies	$ 20,000
Window Washing	$ 60,000
Landscaping/Flowers	$ 12,000
Uniform Cleaning & Maintenance	$ 15,000
Building Link	$ 3,000
Fire Protection/Sprinkler System	$ 10,000

(8) **MANAGEMENT FEE - (Budget - $75,000)**

At or prior to the First Closing, the Condominium will enter into a management agreement with HFZ Management, having an office address at 600 Madison Ave, New York, NY, a real estate firm affiliated with the Sponsor. The agreement will be for an initial term of 2 year. Thereafter, the agreement will be automatically renewed from year to year, but may be cancelled by either party without cause, upon not less than sixty (60) days' prior written notice.

The Managing Agent will receive an annual fee of $75,000 payable in equal monthly installment of $6,250.00 for services unique to the Residential Unit. 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 Residential Unit Owners also share in the $50,000 management fee to operate the Condominium which will be allocated to all Unit's based on Common Interest as set forth in Schedule B and such share is included in line item 11 of this Schedule B-1.

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

(9) **LEGAL AND AUDIT FEES – (Budget - $11,000)**

The Residential Section will engage a law firm to act as the attorney for the Residential Section for minor miscellaneous legal matters. The estimated cost for these services for the Residential Section's first year of Condominium operation is $6,500. Based upon a proposal from Cywiak & Company LLP, located at 19 West 44th Street, New York, NY 10036 to provide tax returns and financial statement preparation for the Residential Section, it is estimated that the first year cost for these services will be $5,500.

The Legal and Audit Fees has 2 components an $11,000 charge for legal and audit costs unique to the operation of the Residential Unit's and the Residential Unit's allocable share of the $12,000, legal and audit fee anticipated to be incurred in the operation of the Condominium.

(10) ADMINISTRATION – (Budget - $20,000)

The budgeted amount includes anticipated expenses for telephone, cell phone and internet service, postage, printing, miscellaneous office supplies, payroll processing costs, permits and fees, and local telephone usage.

Administration has 2 Components, a $20,000 charge for administrative costs unique to the operation of the Residential Units and the Residential Units allocated share of the $25,000 administrative costs anticipated to be incurred in the operation of the Condominium.

(11) COMMON CHARGES PAYABLE FOR SHARED EXPENSES –(Budget-$513,494)

The Residential Units will pay their allocated share of the costs associated with the operation of the general Common Elements of the Condominium. This expenses is anticipated to be $513,494 for the first year of Condominium Operation.

(12) CONTINGENCY (Budget - $40,000)

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

(13) TOTAL PROJECTED EXPENSES – (Budget -1,838,720)

The projections set forth in this budget assume that the first year of Condominium operation will cover the period from October 1, 2016 – September 30, 2017.

IN THE OPINION OF PENMARK PROPERTY ADVISORS, LLC, HAVING AN ADDRESS AT 828 HEMPSTEAD TURNPIKE, FRANKLIN SQUARE, NEW YORK 11010. THE PROJECTED INCOME IS ADEQUATE TO MEET THE ESTIMATED EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION. THE BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY BY ANYONE THAT THE ANNUAL COMMON CHARGES OR COMMON EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY BY THE BOARD WILL BE AS SET FORTH IN THE BUDGET. IN FACT, IT IS LIKELY THAT THE ACTUAL INCOME AND EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION WILL VARY FROM THE AMOUNTS SHOWN IN THE BUDGET.

H. COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-(i)

PENMARK
PROPERTY ADVISORS, LLC

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

August 27, 2015

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

Re: Condominium Offering Plan
Bryant Park South Condominium
20 West 40th Street
New York, New York

Dear Sir/Madam:

20 West 40 Bryant Park Owner LLC ("Sponsor") of the Condominium Offering Plan ("Offering Plan") for the Property retained Penmark Property Advisors, LLC ("Firm") to review the percentage of Common Interest in the Common Elements allocated to each Units in the Property set forth in Schedule A of the Offering Plan.

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

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

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

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

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

Very truly yours,

PENMARK PROPERTY ADVISORS, LLC

By: _____
Name: Leslie Bogen Winkler
Title: Manager

PENMARK PROPERTY ADVISORS, LLC
828 HEMPSTEAD TURNPIKE FRANKLIN SQUARE, NY 11010
T: 646.485.6138 • C: 212.702.8732 • PENMARKPROPERTYADVISORS.COM

I. NON-RESIDENTIAL SECTION

The Condominium will contain one Non-Residential Section consisting of the Hotel Unit, the Restaurant Unit and Retail Unit (referred to collectively as the "Non-Residential Units") and the Non-Residential, Hotel, Restaurant, and Retail Common Elements. The Non-Residential Units are not being offered for sale at this time. The Non-Residential Units consist of approximately 98,267 square feet on portions of the Cellar, Subcellar, First Floor through 14th Floor of the Building.

The Hotel Unit Owner will make all decisions with regard to the Hotel Unit, the Restaurant Unit Owner will make all decisions with regard to the Restaurant Unit, and the Retail Unit Owner will make all decisions with regard to the Retail Unit. The Hotel Unit Owner will have the right to designate two members to the Condominium Board. All decisions relating to the Non-Residential Common Elements, including the portion of the façade of the Building enclosing the Non-Residential Section, will be made by the Non-Residential Board, which consists of five (5) members, three members appointed by the Hotel Unit Owner, one member appointed by the Restaurant Unit Owner and one member appointed by the Retail Unit Owner.

The Hotel Unit Owner and the Non-Residential Unit Owners have certain special rights under the Declaration, including the right to subdivide the Non-Residential Units, an easement of ingress and egress through certain Common Elements, and an easement for the installation, maintenance, repair and replacement of signs. Under the terms of the Declaration, the Non-Residential Units may be used for any lawful purpose, including, without limitation, use as a hotel (including bars, restaurants, health club and/or night club) department and other retail stores, theaters, banks, restaurants and Non-Residential and professional offices and studios.

The Residential Board will have no right to restrict or limit the method of operation, use or appearance of the Non-Residential Units which are permitted by law and applicable zoning ordinances. No rules affecting the operation of the Non-Residential Units may be adopted or modified by the Boards without the consent of the affected Unit Owner. All or any part of the Hotel Unit may be leased or subleased by the Hotel Unit Owner and all or any part of the Non-Residential Units may be leased or subleased by the Non-Residential Unit Owners, as the case may be, all as more fully set forth in the Declaration subject to the restrictions set forth in the preceding paragraphs. Subject to compliance with all applicable laws and governmental rules and regulations, if any, the Non-Residential Units may be sold without prior notice. The Residential Unit Owners will have no interest in the rents, profits or revenues from the rental or use of any portion of the Non-Residential Units.

Any disputes between any Unit Owner (including, without limitation, the Non-Residential Unit Owners) and the Condominium Board will be resolved by arbitration to be conducted in New York City by the American Arbitration Association. The cost of the arbitrator and the actual and reasonable attorneys' fees of the prevailing party shall be borne by the losing party. The American Arbitration Association's fee schedule is attached as Exhibit 18 in Part II of the Plan. In this regard, should the Non-Residential Unit Owners lose such arbitration, the cost of the arbitrator and the actual and reasonable legal fees of such Unit Owner or the Condominium Board, as the case may be, shall be borne by the Non-Residential Unit Owners. If

the Condominium Board should lose any such arbitration, the cost of the arbitrator and the actual and reasonable legal fees of the Non-Residential Unit Owners shall be a Common Expense to be shared by all Unit Owners in accordance with their respective Common Interests. Please see Article 12 of the By-laws for more information,

No representation is made with respect to the continued ownership by Sponsor of all or any portion of the Non-Residential Units or as to who the tenants or occupants of any portion of the Non-Residential Units may be at any time or as to the uses to which any portion of the Non-Residential Units may be put at any time (except that the Non-Residential Units may be used for any lawful purpose or as otherwise limited by the Plan), and no assurance is given that such tenants, occupants or uses will not be objectionable to Residential Unit Owners or other parties.

The basis for projecting the share of expenses attributable to the Non-Residential Units is the Common Interest of such Units except that, as described below and in Schedule B, "Projected Budget for First Year of Condominium Operation" the Non-Residential Unit Owners' share of certain expenses (such as insurance, administration and contingency) are based upon their Common Interests and their share of a portion of other expenses (such as heating and water and sewer) are based upon estimated usage. Other costs such as the costs for hot water, gas, service contracts and the passenger elevator contract are not borne at all by the Non-Residential Unit Owners because such utilities and/or services are either separately metered or not used by the Non-Residential Unit Owners. Refer to Schedule B – Projected Budget for the First Full Year of Condominium Operation for further details regarding the split of Common Expenses.

As set forth in the opinion of Penmark Management LLC, the Common Charges projected to be payable by the owners of the Non-Residential Units are sufficient to cover the Common Expenses fairly attributable to those Units. The Declaration and By-Laws authorize the special allocation and apportionment of profit and expenses or specific expense item based on special or exclusive use or availability or exclusive control of particular Units or Common Elements. Any dispute regarding such allocation or apportionment shall be resolved by arbitration in accordance with the By-Laws.

The Non-Residential Unit Owners have the right to freely sell the Non-Residential Units, or to freely lease all or part of the Non-Residential Units, as the case may be, without having to first offer the same for sale or lease to any Board.

Certain easements have been reserved to the Non-Residential Unit Owners and the Sponsor in the Declaration. The Non-Residential Unit Owners and the Sponsor and their successors and assigns to the extent permitted by law, have an easement to erect, maintain, repair and replace, from time to time, one or more signs on the Property, including but not limited to signs on the facade of the Building and on any awnings, canopies or other protrusions from the facade of the Building, for the purposes of advertising (i) the sale or lease of any of the Unsold Residential Units and all or any portion of the Non-Residential Units provided, however, that any such signs are in keeping with the first class nature of the Building, and (ii) the operation of any business of a tenant or occupant of all or any portion of any Non-Residential Unit, provided, that such signs are contained within the areas designated by the Declarant or Sponsor, as applicable,

for signs. The Non-Residential Unit Owners and their successors and assigns shall have an easement to erect, maintain, repair and replace from time to time, lights and lighting fixtures on the Common Elements of the Condominium. Although the Non-Residential Unit Owners may have certain rights or obligations in the Declaration which differ from those of the Residential Unit Owners, such rights and obligations will not have a materially adverse impact upon the Condominium.

The Condominium Board and the Residential Board, at the request of the Sponsor or the Non-Residential Unit Owner, will enter into a non-disturbance agreement with any tenant with which Sponsor or its designee or the Non-Residential Unit Owner has entered into a lease for all or any of the Non-Residential Units unless the tenant is violating the By-Laws or the Rules and Regulations or otherwise creating a nuisance or the tenant fails to pay all or a portion of its rent to the Condominium in payment of the Non-Residential Unit Owner's common charges. Under the terms of the non-disturbance agreement, the tenant will acknowledge that the lease is subject and subordinate to the Declaration and the Boards will agree that so long as there is no event of default under said lease, as would entitle Sponsor or the Non-Residential Unit Owner or any successor landlord under the lease to terminate the lease or dispossess the tenant thereunder, the tenant shall not be named or joined in any action or proceeding to foreclose the Boards' lien on a Non-Residential Unit for Common Charges or any other sums of any sort, and the Boards shall agree that the lease shall not be terminated nor shall the tenant's use, possession, or enjoyment of the Non-Residential Units in question be interfered with, nor shall the leasehold estate granted by the lease be affected in any manner, nor shall any of the rights of the tenant granted under the lease be affected in any manner, in any foreclosure or other action or proceeding instituted under or in connection with such lien or in the exercise of any rights of the Boards, or, in case any Board takes possession of the Non-Residential Units pursuant to any provision of the Declaration or By-Laws, or otherwise; provided however that if any Board or any other party succeeds to the interests of Sponsor under the lease the tenant will agree to be bound to such Board or party under all of the terms, covenants and conditions of the lease and the tenant will attorn to such Board or party as its landlord. Any insurance coverage obtained by the Condominium Board on the Non-Residential Units is subject to the approval of the owner of the Non-Residential Units.

J. CHANGES IN PRICES AND UNITS

Purchase prices for all Offered Units 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 any Board, Unit Owner or mortgagee, to change the price, including, without limitation, the manner of payment thereof and other terms of sale of any Offered Unit, except that no such change with respect to any Offered Unit for which an Agreement is then in effect may be made without the consent of the Purchaser. No such change will be made other than pursuant to a duly filed amendment to the Plan filed in advance of any such change, except that Sponsor reserves the right to decrease purchase prices or modify other terms of sale without filing an amendment to the Plan at any time during the offering period if such a decrease in the purchase price or modification of such other terms of sale does not constitute a general offering or an advertised price but is rather the result of an individually negotiated transaction. If any such change is made, a Purchaser of a Unit affected thereby may pay a different price 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 Agreement, including but not limited to: purchase price; the amount of the Option Payment; financing and other contingencies; the availability of financing; the payment of Purchaser's financing fees and other closing costs; work to be performed in the Unit or the revision of floor plans and the allocation and payment of costs therefor; the availability of Common Charge rebates, Purchase Price rebates and subsidies payable as a credit against the Purchase Price or on a periodic basis; and extensions of time periods within which to perform obligations under the Agreement. Sponsor reserves the right from time to time to add and/or delete negotiable terms from the list set forth above for all or some Purchasers without further amendment to this Offering Plan. No Purchaser will benefit from any terms and conditions negotiated with any other Purchaser, and a Purchaser's failure to so benefit will not give rise to any rights of rescission under an Agreement.

In order to meet the possible varying demand for number and type of Residential Units, or to meet particular requirements of prospective purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of any Board, Unit Owner or mortgagee, to (a) change the layout of, or number of rooms in, any Unsold Residential Unit, (b) change the size and/or number of Unsold Residential Units by dividing one or more such Units into two or more separate Unsold Residential Units, combining separate Unsold Residential Units (including those resulting from such subdivision or otherwise) into one or more Unsold Residential Units, altering any boundary walls between one or more Unsold Residential Units, or otherwise, incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Residential Unit into such Unsold Residential Unit, (c) designate a Common Element as part of a newly created Unit or Limited Common Element or designate all or part of a Unit as a newly created Unit, Common Element, Limited Common Element, and (d) if appropriate, reapportion among the Unsold Residential Units affected by any such change, their aggregate Common Interests, provided that none of the

foregoing will adversely affect the Non-Residential Units without their consent and provided the Sponsor obtains a new §339-i Opinion letter providing that the changed unit is in compliance with RPL §339-i. In the event of any change pursuant to (b) - (d) above, such change shall be disclosed in a duly filed amendment to the Plan. No such change, including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Unit, will be made with respect to any Unsold Residential Unit for which an Agreement is then in effect and the Purchaser thereunder is not in default unless (i) the Purchaser consents to such change or (ii) such change is not a material change in the size, common interest, dimension, floor space or layout of such Unsold Residential Unit. The Common Interest of a Residential Unit may change if there is a change in the floor space or the additional factors of relative value to other space in the Condominium, the uniqueness of the Residential Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Residential Unit. No material change will be made in the size or quality of the Common Elements except by amendment to the Plan and, when applicable, by amendment to the Declaration. Unless all Purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of the Common Elements. Sponsor may not modify the Common Interests of sold Units without consent from the respective Unit Owners.

Once the Declaration is recorded, no change may be made in the number of Residential Units or number of rooms within a Residential Unit, nor may the size of any Residential Unit be changed by subdivision or combination or alteration of boundary walls as aforesaid or otherwise, nor may the Common Interest of any Residential Unit be changed, unless, in each such event, the Declaration and Floor Plans and this Plan are amended with the consent of each Residential Unit Owner whose Residential Unit is so changed. Sponsor will have the right to amend or to cause the Condominium Board to amend the Declaration to reflect any such change and to file such amendment and any necessary plans and specifications in connection therewith. Sponsor cannot unilaterally amend the Declaration where consent of other Residential Unit Owners is required but not given.

It should be noted that as long as the layout and dimensions of a Unit conform materially to the Unit Plans, a Purchaser will not be excused from purchasing his Unit and will not have any claim against Sponsor as a result of any insubstantial or immaterial change.

K. PROCEDURE TO PURCHASE

1. General Information

A person desiring to purchase a Unit will be required to execute an Agreement in quadruplicate (i.e., four (4) original copies), which will be in the form set forth in Exhibit 1 of Part II of the Plan.

Prospective Purchasers shall be afforded not less than three (3) business days to review the Plan and all amendments thereto prior to executing an Agreement. If an Purchaser has not received the Plan at least three (3) full business days prior to executing an Agreement or not fewer than seven (7) days after delivering an executed Agreement with the required deposit, a Purchaser shall have the right to rescind the Agreement within seven (7) days after the date of the Agreement. The Agreement sets forth in detail the terms of sale with respect to each Unit and should be read carefully by each prospective Purchaser. Prospective Purchasers should be aware that if any conflict exists between the Plan and the Agreement, the provisions of the Plan shall in all events control except where such provisions were requested by Purchaser and agreed to by Sponsor.

Purchaser's obligation to purchase a Unit pursuant to the Agreement shall not be contingent on Purchaser obtaining financing for such purchase. The Condominium Board does not have the right to approve or disapprove a purchaser of a Residential Unit. With certain exceptions (for example, Sponsor and its designee are not required to give the Residential Board a right of first refusal with respect to any Unsold Residential Units), any sale or lease of a Residential Unit will be subject to a right by the Residential Board to acquire or lease such Residential Unit or to produce a third party to acquire or lease such Unit on the same terms as were offered to the owner of such Unit. The Non-Residential Unit Owners may sell or lease all or any portion of their Units, without any restriction or limitation imposed pursuant to the Declaration or the By-Laws. For a more complete discussion of the foregoing, see the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board– Sales and Leases of Units". Currently, there is no limit on the number of owners who may purchase for investment (rather than for personal occupancy). Accordingly, there may always be a substantial percentage of owners who are non-residents.

Agreements will not be binding on Sponsor until approved and executed by Sponsor, and delivered by Sponsor to the prospective Purchaser even if the Sponsor has deposited the Option Payment. Sponsor will have thirty (30) days after delivery by Purchaser of an executed Agreement and the Option Payment required thereby, within which to accept or reject such Agreement. Sponsor reserves the right to request thorough identification and financial information concerning any prospective Purchaser, subject to any limitations and requirements imposed by law.

If an Agreement is not accepted by Sponsor within the aforesaid thirty (30) day period, the Agreement shall be deemed to have been rejected and canceled and all sums theretofore deposited thereunder, without interest, shall be returned to the prospective Purchaser within ten (10) days. Sponsor hereby reserves the right at any time and from time to time for any

reason whatsoever, without prior notice or prior amendment to the Plan and without the consent of any Board, to refuse to approve and execute (a) an Agreement for any Unit, except as prohibited by law, and (b) an Agreement(s) for more than one Unit to any one person or entity.

The Agreement and Plan 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 23A of the General Business Law of the State of New York.

At the time of execution of an Agreement, a Purchaser is required to make a payment in an amount equal to the sum of ten percent (10%) of the Purchase Price (or 50% of the Purchase price if the Purchaser has diplomatic immunity) and within one hundred twenty (120) days thereafter, or thirty (30) days after the Plan is declared effective, if it is earlier, an additional ten percent (10%) of the purchase price (collectively the "Option Payment"). The Option Payment shall be paid by good certified check of Purchaser or official bank check or, at Sponsor's sole option, by wire transfer. In the event the Purchaser defaults, the Sponsor shall have the right to retain the Option Payment. All Option Payment checks must be made payable to the direct order of "Holland & Knight LLP, Escrow Agent". All checks delivered in payment of the Option Payment shall be accepted by Sponsor subject to collection, and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem such Agreement to be canceled and of no further force or effect.

Each prospective Purchaser should note that Sponsor is only obligated to provide the equipment, fixtures and furnishings described in the "Description of Property" set forth in Part II of this Plan. If a person desiring to purchase a Unit requests that Sponsor perform special work on such Unit or provide extra furnishings, including, but not limited to, any deviation from the materials or specifications described in the "Description of Property", 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 Agreement and Sponsor may require such person to pay for said special work or furnishings in advance together with the cost of removing the special work if the Purchaser fails to close. Any funds received by Sponsor for upgrades, extras, or custom work must initially be placed in the Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor. However, Purchasers should note that such funds may be released from the Escrow Account by Sponsor as long as the Sponsor uses such funds for such special work. As a result, in the event the Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds used for special work. Notwithstanding the foregoing, Purchaser will receive a refund of any funds used for special work if the right of rescission is offered because of Sponsor's withdrawal or abandonment of the Plan or other acts by Sponsor. 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 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 imply or represent that any Unit will contain such furniture, furnishings, equipment or

decorations upon delivery of the Unit to Purchaser unless Purchaser agrees to pay Sponsor an amount determined by Sponsor in addition to the purchase price for such Unit.

The balance of the purchase price shall be payable simultaneously with the delivery of the deed to the Unit by an official bank check or an unendorsed certified check drawn on or issued by a New York bank or trust company which is a member of The New York Clearinghouse Association, or at Sponsor's sole option, by wire transfer, 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 Option Payment will be credited or paid to Purchaser at Closing.

TIME IS OF THE ESSENCE AS TO PURCHASER'S OBLIGATIONS PURSUANT TO THE AGREEMENT, INCLUDING, WITHOUT LIMITATION, FOR THE PAYMENT OF THE BALANCE OF THE PURCHASE PRICE. FUNDS DRAWN ON OUT-OF-STATE OR FOREIGN BANKS WILL NOT BE ACCEPTED IN PAYMENT OF THE PURCHASE PRICE FOR A UNIT UNLESS OTHERWISE AGREED BY SPONSOR.

After the Plan is declared effective, Purchasers will receive at least thirty (30) days' prior notice of the originally scheduled Closing Date and, in the event Purchaser fails to close on the designated date, then Purchaser will have a thirty (30) day period after notice within which to cure, time being of the essence, such default, following which Sponsor shall have the remedies set forth below. A Purchaser may waive notice of such Purchaser's Closing Date. In the event of any default by Purchaser under his or her Agreement, and if Purchaser does not cure such default within thirty (30) days after Sponsor gives written notice to the Purchaser of default, Sponsor may, at its option, cancel such Agreement and retain the Option Payment made by Purchaser, 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. In addition, Sponsor shall also be entitled to retain (i) any amount spent by Sponsor for special work requested by Purchaser, provided that Purchaser is not entitled to rescission for acts by Sponsor and (ii) the reasonable cost to restore the Unit to its condition prior to such special work being performed. Sponsor will fix dates for closing title to all Unsold Residential Units for which Agreements have been executed by serving notice upon each Purchaser stating the date of the First Closing and setting such Purchaser's Closing Date unless a specific Closing Date is contained in the Agreement.

If a Purchaser fails for any reason to close title to his or her Unit on the originally scheduled Closing Date (a) the closing apportionments described in the Section 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 Agreement and this Plan, an amount equal to 0.05% 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, unless Sponsor has agreed to the adjournment.

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

Prior to one year after a Purchaser's closing of its Unit, Purchasers are prohibited 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. It is anticipated that the First Closing will occur on the Completion Date, the date set forth in Schedule B as the commencement date for the first year of Condominium operation. In the event the project commencement date of Condominium operation is twelve (12) months or later than the anticipated date of the First Closing, Sponsor will offer all Purchasers the right to rescind their Agreements and have their Option Payments refunded to them. In the event that the project commencement date of Condominium operation is six (6) months later than the anticipated date of the First Closing, the Plan will be amended to include a revised budget disclosing the then current budget projections. If the Common Charges in the revised budget increase by twenty-five percent (25%) or more, Sponsor will offer all Purchasers the right to rescind their Agreements and have their Option Payments refunded to them. Any Purchaser electing rescission will have their Option Payments and any interest earned thereon returned; provided however, that Sponsor may retain any escrow funds expended for special work at the request of the Purchaser as well as the cost of any work necessary to restore the Unit to its condition prior to such work having been performed. Rescission need not be offered to any a Purchaser who is in default under such Purchaser's Agreement, beyond the expiration of any applicable grace period, provided that Sponsor shall only retain the Option Payment of a Purchaser in accordance with the escrow and trust fund requirements of General Business Law Sections 352-e(2b) and 352-h and the Attorney General's regulations promulgated pursuant thereto as described in the subsection of the Plan entitled "Escrow and Trust Fund Requirements" in this Section of the Plan.

At the time of execution of an Agreement, Purchaser is not required to sign a power of attorney to the Condominium Board. Notwithstanding the foregoing, at the closing of title and simultaneously with the delivery of the deed conveying a Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board and the Residential Board and Sponsor substantially in the form set forth in Part II of the Plan.

If the Plan is withdrawn or abandoned, the Option Payment previously paid to and actually collected by Sponsor, together with any interest earned thereon, shall be returned to Purchaser within ten (10) days of the date of such withdrawal or abandonment, in accordance with the provisions herein set forth.

From and after the Closing of each Unit, Purchaser will become obligated for the payment of Common Charges in proportion to the Purchaser's Common Interest, 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 or she has taken possession of his Unit, and

whether or not all work required to be performed by Sponsor or anyone else in or to his Unit or the Building has been completed.

Prior to the First Closing, the entire Building will be insured by Sponsor; after the First Closing, the entire Building will be insured by the Condominium. A person in possession who is not an owner cannot insure a Unit since that person has no ownership interest, and the Unit cannot be doubly insured. A person who takes possession prior to closing assumes the risk of loses not covered by insurance. If the Purchaser is or becomes the tenant or occupant of a Unit before the Closing and, before such Closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss, not covered by insurance and the obligation not to repair the damage, unless the cause thereof originated outside of the Unit or did not result from the acts of such purchaser or other occupants of the Unit or such Purchaser's guests, invitees or workmen. Otherwise, the risk of loss to any Unit by fire or other casualty until the closing of title to such Unit (or an earlier taking of possession by the Purchaser) is assumed by Sponsor. 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 an Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Unit, the Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the purchase price for the subject Unit. In such event Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Boards and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of an 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 casualty occurs after the first closing and the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and Boards of Managers"), the Agreement shall be deemed canceled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, whereupon the parties to the Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan; provided, however, notwithstanding anything to the contrary herein, if Purchaser is then in default under the Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

Agreements are not assignable without the prior written consent of Sponsor, which consent may be granted or denied by Sponsor in its sole discretion.

2. Escrow and Trust Fund Requirements

The Agreement is attached hereto as Exhibit 1 in Part II of the Plan. The relevant escrow trust fund provisions are included in Article 12 of the Agreement, which must be executed by the Escrow Agent.

All Option Payments received by Sponsor under an Agreement will be held in escrow in conformity with the provisions set forth below.

All Option Payments made pursuant to an Agreement are subject to the escrow and trust fund requirements of the State of New York Lien Law Section 71a(3), the General Business Law of the State of New York Sections 352-e(2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto.

Any provision of any contract or agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the escrow agent holding trust funds is absolutely void. The provisions of the Attorney General's regulations concerning escrow/trust funds shall prevail over any conflicting or inconsistent provision in the Plan or in an Agreement. Purchasers shall not be obligated to pay any legal or other expense of Sponsor in connection with the establishment, maintenance or defense of obligations arising from the handling or disposition of trust funds.

Escrow Agent

All Option Payments made by Purchasers prior to the closing of each individual transaction, will be placed, within five (5) business days after the Agreement has been signed by all necessary parties, in a segregated special escrow account of Holland & Knight LLP, the escrow agent for Sponsor and Purchaser (the "Escrow Agent"), whose address is 31 West 52nd Street, New York, New York 10018 and whose telephone number is (212) 513-3308. The attorneys who are signatories on this account authorized to withdraw funds are: Stuart M. Saft, Renee I. Covitt, Neil N. Beaton, Richard A. Crowley, William J. Honan, Martin P. Miner, Randal R. Craft Jr., Michael J. Frevola, Nancy L. Hengen, Christopher G. Kelly, Alan D. Reitzfeld, Sean C. Sheely, James M. Spitzer Jr., Barry Vasios, Arthur E. Rosenberg, Vincent J. Foley, R. Scott Johnson, Lance Myers and Christopher R. Nolan. 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.

Escrow Account

The Escrow Agent has established a master escrow account at JPMorgan Chase Bank (the "Bank") at its branch located at 270 Park Avenue, New York, New York entitled "Holland & Knight LLP - Bryant Park South Condominium, Escrow Account" (the "Master Escrow Account"). All Option Payments will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. Each Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) in the form set forth in Part II of the Plan or a Form W-8 (Certificate of Foreign Status) in the form set forth in Part II of the Plan, as applicable, to Sponsor or Selling Agent at the time Purchaser tenders the Option Payment and the Agreement. If a Option Payment is accompanied by a completed and signed Form W-9 or Form W-8, the Option Payment will thereafter be promptly transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser. The interest rate for all Option Payments transferred to an individual interest bearing sub-escrow savings

account shall be the prevailing rate for such accounts, which is currently .1%. Interest shall begin to accrue upon placing the Option Payment into the individual interest bearing sub-escrow savings account. All interest earned thereon shall be paid to Purchaser at Closing. If a Purchaser does not deliver the Form W-9 or Form W-8, the Option Payment will remain in the non-interest bearing checking portion of the Master Escrow Account. No fees of any kind may be deducted from the Master Escrow Account or individual escrow accounts, and Sponsor shall bear all costs associated with the maintenance of the Master Escrow Account and individual escrow accounts. At such time as the Option Payment is released, the Option Payment will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the Master Escrow Account so that checks may be drawn thereon. The Bank is covered by federal bank Option Payment insurance to a maximum of $250,000 per individual deposit. The following are special risks of this offer: (i) if a Purchaser makes an Option Payment in excess of $250,000 for the purchase of a unit, such Option Payment will not be federally insured in excess of $250,000; and (ii) while the Option Payment is in the non-interest bearing checking portion of the Master Escrow Account, the Option Payment may not be fully federally insured even if the Option Payment does not exceed $250,000. In addition, if Purchaser makes an Option Payment of less than $250,000 but maintains other accounts at the same bank, those accounts could be used to count toward the $250,000 limit.

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

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

If a Purchaser tenders all or a portion of the Option Payment without an executed Agreement, Sponsor shall have the right to reject the Option Payment and return it to Purchaser: (i) within five (5) business days after tender, if the Option Payment has not been deposited into escrow, and (ii) at any time, if the Option Payment has been deposited into escrow.

The checking account portion of the Master Escrow Account will not be interest-bearing. The sub-escrow savings account portion of the Master Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Agreement, or (ii) Purchaser is entitled to a return of the Option Payment. All interest will be credited to Sponsor only in the event Purchaser defaults. The interest rate to be earned will be the prevailing rate for these accounts which varies. Interest will begin to accrue after deposit within: (i) one (1) business day, if the Option Payment is cash or cash equivalent, or (ii) three (3) business days, if the Option Payment is other than cash or cash equivalent, of the transfer of the Option Payment from the checking account portion of the Master Escrow Account into the sub-escrow savings account portion of the Master Escrow Account.

All instruments shall be made payable directly to the order of "Holland & Knight LLP, as Escrow Agent." Endorsed instruments will not be accepted.

In the event a check delivered by a Purchaser fails of collection, the Agreement will be deemed void ab initio (as if the 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 five (5) business days of Sponsor receiving notice from Escrow Agent of such failure of collection.

Notification to Purchaser

Within five (5) business days after the fully executed Agreement has been tendered to Escrow Agent along with the Option Payment, the Escrow Agent shall sign the Agreement and place the Option Payment into the Master Escrow Account. Within ten (10) business days after deposit of the first portion of the Option Payment into the Master Escrow Account, Escrow Agent will notify Purchaser and Sponsor that such funds have been deposited into escrow and will provide the account number and the initial interest rate, if any. Any deposits made for upgrades, extras, or custom work shall be initially deposited into the Master Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.

The Escrow Agent is obligated to send notice to the Purchaser once the Option Payment is placed in the Master Escrow Account. If Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the first portion of the Option Payment, Purchaser may cancel the purchase and rescind so long as the right to rescind is exercised within ninety (90) days after tender of the Agreement and Option Payment to Escrow Agent or may apply to the Attorney General for relief. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, N.Y. 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Option Payment was timely deposited in the Master Escrow Account in accordance with the New York State Department of Law's regulations concerning Option Payments and requisite notice was timely mailed to Purchaser.

Release of Funds

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

Under no circumstances shall Sponsor seek or accept release of the Option Payment of a defaulting Purchaser until after consummation of the Plan, as evidenced by 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.

Escrow Agent will hold the Option Payment in escrow until otherwise directed:

(i) pursuant to terms and conditions set forth in the Agreement in Article 12 upon closing of title to the Unit; or

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

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

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

Sponsor will not object to the release of the Option Payment to:

(a) all Purchasers after an amendment abandoning the Plan is accepted for filing by the Department of Law; or

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

Purchaser will not object and will be deemed to have agreed, without the need for a written agreement, to the release of the Option Payment to Sponsor in the event Sponsor and Purchaser close title under the Agreement. The Department of Law may perform random reviews and audits of any records involving the Escrow Account to determine compliance with all applicable statutes and regulations.

Escrow Agent shall be permitted to act as counsel to Sponsor in any dispute as to the disbursement of the Option Payment or any other dispute between Sponsor and a Purchaser whether or not Escrow Agent is in possession of the Option Payment and continues to act as Escrow Agent. Sponsor has agreed to indemnify Escrow Agent from all costs, claims, expenses and damages incurred in connection with or arising out of the performance or non-performance of Escrow Agent's duties under Article 12 of the Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of Article 12 of the 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 Article 12 of the Agreement, if any. Escrow Agent's fees and disbursements will neither be paid by Sponsor from the Option Payment nor deducted from the Option Payment by any financial institution under any circumstance. Escrow Agent will maintain all records concerning the Master Escrow Account for seven years after the release of funds.

Sponsor may agree to modify the floor plans and finishes of certain Residential Units or to do special work or provide extras to the Residential Units as requested by individual Purchasers as negotiated by Sponsor and Purchaser. Purchaser shall bear the cost of such modification to floor plans and finishes in advance together with the cost of removing the special work if the Purchaser fails to close. All funds received by Sponsor from Purchasers for such modified or additional work in Units, as aforesaid, shall be initially placed in escrow and shall be paid to Sponsor by the escrow agent to be used by Sponsor to pay for such work. Accordingly, in the event a Purchaser becomes entitled to rescission after the release of such funds, the Purchaser shall not receive a refund of any funds used for special work or extras, unless Purchaser is entitled to rescission because of Sponsor's withdrawal or abandonment of the Plan or other acts of Sponsor.

Waiver Void

Any provision of any Agreement or separate agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding any Option Payment 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 conflict or inconsistent provisions in the Agreement, Plan or any amendment thereto.

3. Foreign Missions: Required Notification and Waiver of Diplomatic or Sovereign Immunity

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

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

to receive process for and on behalf of Purchaser in any state of Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Agreement.

4. Date of the First Closing; Closing Notices

After this Plan is declared effective, Sponsor shall fix dates for closing title to Units for which Agreements have been fully executed. Sponsor will give each Purchaser not less than thirty (30) days prior written notice of the date, time and place (in the Borough of Manhattan) for the Closing. Purchasers may, but are not required, to waive this thirty (30) day notice. At Closing, such Purchaser shall pay the balance of the purchase price stated in the Agreement by unendorsed, personal certified check or by official cashier check.

5. Default

In the event a Purchaser fails to close title on the date set for Closing or otherwise fails to perform any other obligation under his or her Agreement, and such default is not cured within 30 days after Sponsor gives written notice to such Purchaser of the default, Sponsor, at its option, on behalf of itself and the Condominium Board, may (i) cancel such Agreement and retain as liquidated damages the Deposit made by the Purchaser together with all interest earned thereon, it being acknowledged and agreed by Sponsor and each Purchaser that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of such a default by a prospective Purchaser, and that the Deposit (including all interest) shall constitute and be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred and shall be paid by Purchaser to Sponsor as Sponsor's sole and exclusive remedy or (ii) bring an action against the Purchaser for specific performance, in which event, the Purchaser could be compelled by court order to complete the purchase of the Unit. In the event Sponsor elects to cancel the Agreement and retain the Deposit, all rights, obligations and liabilities of Sponsor and the Purchaser to each other shall cease and terminate and Purchaser shall have no further liability to Sponsor in respect of the Agreement (except for those matters expressly specified therein or herein to survive the termination thereof); however, such Purchaser shall not have any right whatsoever to the return of all or any portion of its Deposit (or any interest thereon). The payment of the Deposit (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor.

In the event Sponsor elects not to cancel the Agreement as a result of the failure of the Purchaser to close on the date specified by Sponsor, or if Sponsor approves a request from the Purchaser to adjourn the closing date, then Sponsor may require that: (a) the Purchaser pay Sponsor interest at a rate of 0.05% per day (or such lower daily rate which is the legal limit, if 0.05% per day exceeds the legal limit) on the total Purchase Price, computed from the original closing date until the transaction is actually closed; and (b) all apportionments between Sponsor and the Purchaser be made as of the original closing date; in addition, the Purchaser shall reimburse Sponsor for any additional costs incurred by Sponsor as a result of the Purchaser's delay.

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

As provided in the form of Agreement, which is set forth in Part II of the Plan as Exhibit 1, the following occurrences, among other things, without limitation of any other term or provision thereof or of the Plan, shall constitute an event of default under a Purchaser's Agreement: (a) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; (b) the appointment of a non-bankruptcy trustee or receiver over Purchaser or Purchaser's property, or the filing of an involuntary petition in bankruptcy against Purchaser; or (c) the filing of a judgment or tax lien against Purchaser which Purchaser does not pay or bond within 30 days after the filing thereof.

6. Prohibition Against Advertising, Selling or Leasing

Purchasers are prohibited prior to acquisition of a Unit and for a period of twelve (12) months after acquisition of the Unit from selling or leasing their Unit, listing their Unit for sale or resale or lease with any broker or otherwise advertising, promoting or publicizing the availability of their Unit for sale or lease. Any such sale or lease, listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives shall constitute a default under the Agreement, entitling Sponsor to the remedies set forth therein and any lease or conveyance in violation of the foregoing will be voidable by Sponsor.

7. Risk of Loss

Prior to the First Closing, the entire Building will be insured by Sponsor; after the First Closing, the entire Building will be insured by the Condominium. A person in possession who is not an owner cannot insure a Unit since that person has no ownership interest, and the Unit cannot be doubly insured. A person who takes possession prior to closing assumes the risk of loses not covered by insurance. If the Purchaser is or becomes the tenant or occupant of a Unit before the Closing and, before such Closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss, not covered by insurance and the obligation not to repair the damage, unless the cause thereof originated outside of the Unit or did not result from the acts of such purchaser or other occupants of the Unit or such Purchaser's guests, invitees or workmen. Otherwise, the risk of loss to any Unit by fire or other casualty until the closing of title to such Unit (or an earlier taking of possession by the Purchaser) is assumed by Sponsor.

If the Purchaser is or becomes the tenant or occupant of a Unit before the Closing and, before such Closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss and the obligation to repair the damage, unless the cause thereof originated outside of the Unit or did not result from the acts of such purchaser or other occupants

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

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

8. Financing

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

9. Transfer (and Mansion) Taxes

Purchasers shall be responsible (as is customary in condominium offerings) to pay at the closing of title to their Unit(s) the New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax notwithstanding the fact that these taxes are, by law the primary obligation of the seller. For purposes of calculating the transfer taxes payable, the amounts of such taxes will be included in the consideration subject to such tax. Currently, for the purchase of a single Unit, the New York City Real Property Transfer Tax is one percent (1%) of the consideration paid for a Unit if such consideration is $500,000 or less and 1.425% of the consideration if such consideration is more than $500,000; and the New York State Real Estate

Transfer Tax is presently $2 for each $500 (or fractional part thereof) of the consideration paid for a Unit. Purchasers shall also be obligated to pay the New York State Additional Tax pursuant to Article 31 of the New York State Tax Law, commonly referred to as the "Mansion Tax," currently (as of the date of filing of this Plan) one percent (1%) of the total consideration paid when such consideration is $1,000,000 or more, which tax by law is the primary obligation of the Purchaser. It is likely that the purchase price, payable by purchasers, together with any other amounts paid by the Purchaser which are the obligation of Sponsor, will be added together by the New York State Department of Taxation and Finance and the New York City Department of Finance or, collectively, the "taxing authorities" to arrive at total consideration for transfer tax and mansion tax purposes. However, Sponsor makes no representation regarding the calculation of such taxes or of the "consideration" upon which the taxing authorities may base such taxes and shall have no liability with respect thereto. Purchasers should consult with their own counsel and/or tax advisors.

10. Unit Owner Power of Attorney

At the Closing and simultaneously with the delivery to Purchaser of the deed conveying the Residential Unit, Purchaser shall execute and acknowledge the Residential Unit Owner Power of Attorney substantially in the form set forth in Part II of the Plan as Exhibit 2 to: (a) the persons who shall from time to time constitute the Condominium Board, designating such Board as the Purchaser's attorney-in-fact, for the purpose of acquiring or leasing in the name of the Condominium Board or its designee on behalf of all Unit Owners any Unit and to otherwise deal with the Condominium and the Common Elements, all in accordance with the provisions of the Declaration and the By-Laws; and after any such acquisition or leasing of any Unit, to manage, convey, sell, lease, sublease, mortgage or otherwise deal with any such Unit so acquired or leased, as the case may be, all in accordance with the provisions of the Declaration and By-Laws. Failure by any Purchaser to deliver such document at closing shall constitute an event of default under a Purchaser's Agreement, entitling Sponsor to all remedies set forth in such Agreement; and (b) Declarant, for the purpose of amending the Declaration and effectuating the rights granted to Declarant under the Declaration and the By-Laws and this Plan and consenting on behalf of each Unit Owner, as a party in interest, to any declaration or other agreement effecting a merger or division of the zoning lot in which the Property is located, with any other tax lots to form a single zoning lot for the purpose of transferring to or from Sponsor, or its successors or assigns, all or any portion of the Air Rights.

L. ASSIGNMENT OF AGREEMENTS

An Agreement may not be assigned by the Purchaser thereunder. If a Purchaser desires to assign its rights under an Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by, the Purchaser that differs from the name on the Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), the Purchaser will be required to deliver to Selling Agent or Sponsor's Counsel, four signed assignments of the Agreement (to be prepared by Sponsor's Counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), as well as two (2) completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification) or Form W-8BEN, as applicable, which must be delivered to the Selling Agent or Sponsor's Counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of $1,500 made payable to "Holland & Knight LLP" (for services rendered in connection with the assignment), not less than 20 days prior to the date scheduled for the Purchaser's closing. In the event such fee is not collected prior to the Closing, it is payable at the Closing. In no event will the Purchaser (or its assignee or any added or substituted party) have the right to adjourn or postpone the closing as a result of such change or assignment. Furthermore, if Purchaser is requesting to assign the Agreement to an entity, then the Purchaser shall furnish to Sponsor's Counsel, all organizational documents containing proof that the proposed assignee entity is authorized to assume the Agreement and close on the Unit. Sponsor is not obligated to consent to any such change or assignment and, if Sponsor refuses to consent, the Purchaser will not be excused from his or her obligations under the Agreement; and the prohibition against advertising or listing any Unit(s) for sale or resale with any broker or otherwise advertising, promotion or publicizing the availability of such Unit(s) for sale shall remain if effect.

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

M. EFFECTIVE DATE

Sponsor's offer to sell the Residential Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR (i.e., agreements signed by bona fide purchasers including investors for at least 15% (9 Units) of the Units offered under the Plan). The Plan must be declared effective when Agreements have been executed by prospective purchasers and accepted by Sponsor with respect to eighty percent (80%) (46 Units) of the Units offered for sale. The Plan may be declared effective at an earlier date, at Sponsor's sole election, when bona fide Agreements (including those executed by investors) have been executed and accepted by Sponsor with respect to fifteen percent (15%) of the Units being offered for sale under the Plan. Sponsor will not declare the Plan effective until Declarant has conveyed the Residential Unit to Sponsor.

The Plan will not be declared effective based on Agreements: (i) signed by purchasers who have been granted a right of rescission that has not yet expired or been waived; or (ii) signed by purchasers who have not been afforded at least three (3) business days to review this Plan and all filed amendments prior to executing an Agreement or at least seven (7) days to rescind; or (iii) signed by any purchaser who is Sponsor, the Selling Agent, the Managing Agent, or a principal of 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 thereof may be counted only if Sponsor has submitted proof satisfactory to the Department of Law establishing that the purchaser is bona fide).

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

The Plan may, at the option of Sponsor, be abandoned a) at any time before it is declared effective and b) after it is declared effective in the event of: (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 or without litigation or for less than one percent of the Total Offering; (2) substantial damage to or destruction of the Building (or any portion thereof) by fire or other casualty that cannot be repaired prior to the date set for the First Closing for less than one percent of the Total Offering; or (3) a taking of all or part of the Property in condemnation proceedings or by eminent domain.

In the event the Plan is withdrawn or abandoned, the Plan will be abandoned by duly filed amendment and all Option Payments, together with interest earned thereon, if any, will be returned to Purchasers within ten (10) days following such withdrawal or abandonment. Upon the return of the Option Payments, together with any interest earned thereon, the Agreements will be null and void and Sponsor will have no further obligation or liability to Purchasers under the Plan or the Agreements. Sponsor shall promptly submit an amendment to the Department of

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

Sponsor's offer to sell the Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR (i.e., Agreements signed by bona fide purchasers for fifteen percent (15%) of the Units offered under the Plan). Sponsor may declare the Plan effective after selling a minimum of fifteen percent (15%) of the Units offered for sale in the Building. Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to submit the Property to a condominium regime and convey Units with fewer than a minimum number of sales if purchasers counted towards effectiveness do not ultimately purchase a Unit. Sponsor will endeavor in good faith to sell all of the Units in a reasonably timely manner; however, there is no certainty as to the period of time required to sell all of the Units. However, the Sponsor may decide to rent certain Units from time to time. As a consequence of the foregoing, residents of the Building may be comprised of both Unit Owners and tenants leasing from Sponsor or other Unit Owners. It is possible that a significant proportion of Unit Owners will not be residents of the Building and that a significant portion of residents in the Building may not be Unit Owners, and a Unit Owner seeking to resell or refinance a Unit may experience difficulty. Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium.

N. TERMS OF SALE

1. Precondition for Closing

The term "Closing" as used herein refers to the conveyance of title to a Unit from Sponsor to Purchaser by the delivery to Purchaser of a deed upon payment by Purchaser to Sponsor of the balance of the purchase price for such Unit. After the Plan has been declared effective, Sponsor shall provide Purchasers with at least thirty (30) days notice of the scheduled Closing Date. The Closing to each Unit shall be held at the offices of Sponsor's attorneys, Holland & Knight LLP, 31 West 52nd Street, New York, New York 10019 or at such other place as Sponsor may designate on not less than two (2) business days' notice prior to the Closing. 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;

(b) 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;

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

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

(e) the execution and delivery by Sponsor of a bargain and sale deed with covenants against grantor's acts (which deed shall be substantially in the form set forth in Part II of the Plan) conveying title to the Unit and its appurtenant Common Interest, free and clear of all liens, encumbrances and other title exceptions other than the Permitted Encumbrances;

(f) the assignment by Sponsor to Purchaser of the right to proceed under any existing assignable warranties covering appliances, equipment or fixtures installed in his Unit, and the assignment by Sponsor to the Condominium Board or Residential Board of the right to proceed under any existing assignable warranties covering appliances, equipment or fixtures installed in the Common Elements. (Purchasers should be aware that warranties vary in length, depending partly on when the appliances, equipment and fixtures covered by such warranties are first installed. Sponsor

makes no representation as to which, if any, of the warranties will continue to remain in force upon the Closing Date of any particular Unit);

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

(h) 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 or her 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.

Sponsor is not obligated to repair any damage from a casualty or other cause that occurs before the closing of a Purchaser's Unit. If Sponsor elects to repair any such damage, Purchaser's Agreement will remain in full force and effect, and Purchaser shall not have the right to reject title or receive a credit against or an abatement of, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. If Sponsor notifies Purchaser that it does not elect to repair or restore the Unit, the Agreement shall be deemed canceled and Sponsor shall return to Purchaser all sums deposited by Purchaser under the Agreement, together with interest earned thereon, if any, except if Purchaser is in default under the Agreement, Sponsor shall retain any such sums as and for liquidated damages.

A Closing will take place only concurrently with the issuance of a temporary certificate of occupancy for a specific unit until the issuance of a temporary or final certificate of occupancy for the entire Building or, issuance of a partial, temporary or final certificate of occupancy for the Unit.

No personal property located within a Residential Unit as of the date the Agreement is executed or located within the Common Elements on the date the Declaration is filed, that is owned by the Sponsor is included in the conveyance, unless the Agreement or the Declaration, as the case may be, specifically includes it.

If the construction loan on the Building is not satisfied at or prior to the First Closing, at the First Closing the mortgagee will release its lien on the Condominium Unit being conveyed and the Common Elements.

2. Acceptance of Deed

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 Agreement, in 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of

New York governing the acceptance for filing of this Plan) and in General Business Law Section 352-e to survive delivery of the deed.

3. Inspection Statement

The Purchaser of a Unit shall inspect such Unit prior to the Closing Date and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan, provided that if Purchaser finds that Sponsor's improvements have not been completed as described in the Plan then Sponsor and the Purchaser in question will agree to include on the inspection statement a list of incomplete work of a material nature to be completed in the Unit by Sponsor following the Closing Date. Sponsor shall have no obligation to complete any work described herein which is not specifically designated by the Purchaser on the inspection statement. A Purchaser shall receive notice that a Unit is available for inspection pursuant to this Paragraph. A Purchaser who fails to inspect such Unit within at least ten (10) business days prior to the Closing shall be deemed to have accepted the Unit in good condition and in accordance with the terms of the Plan.

4. Condition of Unit

Notwithstanding anything to the contrary set forth above, in no event shall the Sponsor be responsible for any condition resulting from (i) normal wear and tear or natural deterioration or from the normal settling or shifting of the Building; (ii) for defects of an insubstantial nature, such as, without limitation, nail pops, ridging on sheet rock walls, lumber shrinkage, door sticking or window sticking due to weather, door warpage, scratches in formica or porcelain surfaces, bath and kitchen title grouting, adjustment of any bi-fold doors, walls not square, electrical plates not straight, discoloration or shrinkage, slight separation between base and floor, (iii) normal settlement and deflection or any consequential damage resulting therefrom including, without limitation, minor cracks in any concrete roof pavers, or concrete cracks which do not impair the structural soundness of the Building, (iv) minor variations in any floor levels, (v) ceiling imperfections, (vi) minor painting defects, (vii) alignment of bathroom finishes, (viii) minor air infiltration from windows, (ix) normal plumbing system, heating system and air conditioning system noises, (x) normal floor noises and creaking, (xi) minor carpet or floor discoloring or stretching, (xii) variations in width, length or tone of wood floor strips, also, normal shrinkage or expansion of wood flooring due to changes in moisture content of wood, (xiii) repair of chips, scratches, mars, breaks or other defects in windows and window sashes, sliding glass doors, shower doors, electrical fixtures and globes, painted surfaces, sinks, tubs, basins, kitchen cabinets and countertops, vanity tops and cabinets, ceramic tile, marble floors, saddles, appliances, woodwork and doors, mirrors, hardware, appliance cabinets and flooring, (xiv) subsequent to the Unit Closing, paint touch-ups, repairs of dented appliances or replacement of fluorescent light ballasts, (xv) cracks or variations in tone, finish or color of any marble used in bathrooms or cracks, variations in tone, finish or color of vanity tops or other marble aggregate surfaces, (xvi) salting or color variation in exterior colored mortar and deep colored brick, (xvii) ponding and/or controlled drainage on the roof surface, or (xviii) cracks in any pressure treated wood or redwood used or intended for use outside the Building. Sponsor shall be obligated to repair only abnormally chipped stone, formica and porcelain surfaces, which repair shall be made by filling the stone or formica or refinishing the porcelain, but

Sponsor shall not be obligated to replace such stone, formica or porcelain surfaces, unless any of the aforementioned conditions violate the NYC Building Code or other applicable law or regulation. Sponsor's obligation for the condition of a Unit is limited to the original Purchase of a Unit from the Sponsor. Sponsor shall have no responsibility for any condition in any Unit that is resold by a Purchaser from the Sponsor.

5. Tax-Deferred Exchanges

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

6. Risk of Loss

Prior to the First Closing, the entire Building will be insured by Sponsor; after the First Closing, the entire Building will be insured by the Condominium. A person in possession who is not an owner cannot insure a Unit since that person has no ownership interest, and the Unit cannot be doubly insured. A person who takes possession prior to closing assumes the risk of loses not covered by insurance. If the Purchaser is or becomes the tenant or occupant of a Unit before the Closing and, before such Closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss, not covered by insurance and the obligation not to repair the damage, unless the cause thereof originated outside of the Unit or did not result from the acts of such purchaser or other occupants of the Unit or such Purchaser's guests, invitees or workmen. Otherwise, the risk of loss to any Unit by fire or other casualty until the closing of title to such Unit (or an earlier taking of possession by the Purchaser) is assumed by Sponsor. If

the Purchaser is or becomes the tenant or occupant of a Unit before the Closing and, before such Closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss and the obligation to repair the damage, unless the cause thereof originated outside of the Unit or did not result from the acts of such purchaser or other occupants of the Unit or such Purchaser's guests, invitees or workmen. Otherwise, the risk of loss to any Unit by fire or other casualty until the closing of title to such Unit (or an earlier taking of possession by the Purchaser) is assumed by Sponsor, but Sponsor has no obligation or liability to repair or restore any Unit. If a Unit is damaged or destroyed by fire or other casualty prior to the closing of title, but after the signing of an Agreement, and Sponsor gives written notice to the Purchaser of Sponsor's election to repair or restore the Unit, then the Agreement shall continue in full force and effect, and the Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights, if any, of the Condominium Board, and other Unit Owners, belong entirely to Sponsor.

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

O. CLOSING COSTS AND ADJUSTMENTS

As more particularly set forth in the Agreement, in addition to Purchaser's own legal fees, Purchaser will pay the closing costs set forth below at the time of the closing of title of the Purchaser's Units. Recording charges, fees 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 in an amount equal to two (2) months' Common Charges then applicable to each Unit being purchased.

(b) Purchaser will pay the premium for title insurance, which will vary depending upon the purchase price of the Unit. Purchasers may use a title insurance company of their choice without additional cost. As of July, 2015, the discounted premium for owner's title insurance is seventy percent of the sum of $402 for the first $35,000 of fee insurance plus from $4.67 for each $1,000 of additional fee insurance up to $50,000. For additional rates, please refer to the schedule below.

FEE AMOUNT	PREMIUM				
50,000.00	351	+	3.80	per thousand up to	100,000.00
100,000.00	541	+	3.05	per thousand up to	500,000.00
500,000.00	1762	+	2.79	per thousand up to	1,000,000.00
1,000,000.00	3157	+	2.57	per thousand up to	5,000,000.00

(c) If a purchaser elects to simultaneously obtain both fee title insurance and mortgage title insurance from First American Title Insurance Company, the premium for the mortgage title insurance will be at a simultaneous rate. The premium for mortgage title insurance will be computed using the "Basic Rate" schedule as described below. The premium on the amount of the loan policy that does not exceed the owner's policy shall be calculated at thirty percent (30%) of the regular scheduled rate for loan policies as outlined on the schedule below.

LOAN AMOUNT	PREMIUM				
35,000.00	73	+	1.17	per thousand up to	50,000.00
50,000.00	90	+	.95	per thousand up to	100,000.00
100,000.00	137	+	.77	per thousand up to	500,000.00
500,000.00	445	+	.70	per thousand up to	1,000,000.00
1,000,000.00	795	+	.64	per thousand up to	5,000,000.00

(d) If a Purchaser obtains title insurance from a title insurance company other than First American Title Insurance Company and Sponsor incurs additional legal fees and expenses as a result of the requirements of such title insurance company, the Purchaser will reimburse Sponsor at closing for the amount of such additional legal fees and expenses so incurred.

(e) A fee for recording the Unit Deed and Unit Power of Attorney. First American Title Insurance Company charges $32.00 as a base recording charge plus

$5 per page plus $30.00 documents service charge and charges a mortgage recording fee (if any) at a rate of $32.00 per instrument plus $5 per page and a $30.00 document service charge. Each title company establishes its own additional service and surcharges in this regard.

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

(g) The New York City Real Property Transfer Tax ("RPT Tax"), which currently, for the purchase of a single Unit is one percent (1%) of the purchase price of a Unit $500,000 or less (1.425% of the purchase price if over $500,000), and the New York State Documentary Stamp Tax ("NYS Tax"), presently $2.00 for each $500.00 (or part thereof) of the purchase price of a Unit. For purposes of calculating the taxes payable, the amounts of such taxes will be included in the consideration subject to tax. Therefore, the steps to compute the tax are:

(i) Multiply the purchase price by the RPT Tax rate to compute the City tentative tax.

(ii) Multiply the purchase price by the NYS Tax rate to compute the tentative NYS Tax.

(iii) Add the tentative taxes to the purchase price.

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

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

Example:

Purchase price = $1,500,000.00

(1)	$1,500,000.00 x 1.425%	= $	21,375.00
(2)	$1,500,000.00 x .4%	= $	6,000.00
(3)	$1,500,000.00 + $27,375	= $	1,527,375.00 ("Adjusted Purchase Price")
(4)	$1,527,375.00 x 1.425%	= $	21,790.09 (inc. $25.00 filing fee for RPT)
(5)	$1,527,375.00 x .4% (rounded up to nearest $2)	= $	6,110.00

(6) $1,527,375.00 x 1% = $ 15,273.75 (the "Mansion Tax" – see below)

Where a purchaser purchases two or more Units the NYC RPT Tax rate where the consideration is $500,000 or less will be 1.425%, while the tax rate where the consideration is in excess of $500,000 will be 2.625%. The City of New York Department of Finance has recently taken the position that the consideration for the transfer of each Unit is not aggregated for purposes of determining total consideration. There is no guarantee that the City of New York will not change its positions with respect to the purchase of multiple Units by the same purchaser.

(h) If the purchase price of the Unit is $1,000,000 or more, the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax", currently one percent (1%) of the purchase price. Purchase price and transfer taxes payable by purchaser are added together by NYS Department to arrive at total consideration. Therefore, a residential unit priced at $985,000, where purchaser pays transfer tax, would subject purchaser to liability for Mansion Tax as the aggregate of price plus tax would exceed $1,000,000.

(i) The legal fees of Sponsor's attorneys in the amount of $3,500.00 will be payable by a purchaser to Holland & Knight LLP. All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's attorneys, Holland & Knight LLP, in connection with the closing of title to Purchaser's Unit: If the Purchaser requests the Closing to occur other than at the offices of Holland & Knight LLP or such other place as Sponsor may designate in its closing notice and Sponsor consents to such change, an attendance fee of $500 for each Closing held within Manhattan and $750 for each Closing held in any borough outside Manhattan. In addition, if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Agreement, or for the addition, deletion or substitution of names on the Agreement, Purchaser shall pay a fee of $1,000 to Sponsor's attorneys, payable in advance for preparation of an assignment agreement (Purchaser may pay more than one fee pursuant to this paragraph with respect to a single Unit), (a) if Purchaser obtains mortgage financing, then Purchaser shall pay the Sponsor's attorneys an additional fee of $500 to defray the additional costs associated therewith, (b) if the closing is adjourned through no fault of Sponsor, the Purchaser will be required to pay Sponsor's attorneys an additional fee of $1,000 for each adjournment to help defray the cost of preparing for and coordinating the new closing unless Sponsor has agreed to the adjournment, (c) $250 for the preparation of ACRIS transfer documents required by the City of New York. Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single unit; and (d) Purchaser shall pay Sponsor's counsel the sum of $600 in connection with the consideration, review and processing of any agreement of exchange or the like which Sponsor is requested to execute in connection with any tax deferred exchange under section 1031 of the Internal revenue Code. If any custom work is to be done in the Unit, then Purchaser shall pay Sponsor's Counsel an additional fee to defray the additional cost associated therewith for negotiating and preparing the requisite documents on an hourly basis at Holland &

Knight LLP's customary rates. Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single unit, other additional charges may apply. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's counsel shall be paid by Purchaser prior to closing upon notice to Purchaser. Please refer to Special Risk 14(c) below and the Section of the Plan entitled "Closing Costs and Adjustments" for further details.

(j) Purchasers or any other persons entering into an interim lease for a Unit shall be required to pay the legal fees of Sponsor's counsel in connection therewith upon the execution of the interim lease. Such legal fees are estimated to be approximately $2,500 assuming that the Purchaser's counsel does not negotiate the terms of the interim lease. Any fees above $2,500 will be billed on an hourly basis at Holland & Knight LLP's customary rates. In connection with the Closing of a Unit subject to an interim lease, all other charges or other fees due under an interim lease shall be adjusted as of midnight of the day preceding the Closing Date to the Residential Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any interim lease for any Unit. Please refer to the Sections of the Plan entitled "Closing Costs and Adjustments" and "interim leases" for further details.

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

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) of the estimated annual real estate taxes and tax assessments which are assessed or to be assessed against the Unit, together with one-twelfth (1/12) of the annual fire and casualty insurance policy premiums for the Unit, or other amounts, and, at Closing, Purchaser may be required to deposit with 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.

Example: Mandatory Closing Costs

Purchaser will pay the following mandatory Closing costs based on rates in effect in June, 2015 and assuming the Purchase Price is $1,500,000 and the form of documents in the Part II of this Plan are used (all amounts are approximate and rounded to the nearest whole dollar).

(1) Fee to record Unit deed (assuming 8 pages + 1 cover page) and Unit Owner's Power of Attorney (assuming 7 pages + 1 cover page) at a rate of $30 for each instrument plus $5 per page, plus an additional $32 for recording each instrument.	$209.00
(2) Title insurer's service charge and recording fee to record the Unit deed and Unit Owner's Power of Attorney	$60.00 (estimated & approximate)
(3) New York State transfer tax (also called the documentary stamps) at the rate equal to the Adjusted Purchase Price (see Example following (g) above; multiply the purchase price by the RPT Tax rate to compute the City tentative tax, then multiply the purchase price by the NYS Tax rate to compute the NYS Tax, then add the tentative taxes to the purchase price to arrive at the Adjusted Purchase Price) x .4% (rounded up to the nearest $2)	$6,110.00
(4) New York City transfer tax (at the rate of 1% of an Adjusted Purchase Price of $500,000 or less, or at the rate of 1.425% of an Adjusted Purchase Price of more than $500,000)	$21,765.09
(5) "Mansion Tax" of 1% of the Adjusted Purchase Price (if the Adjusted Purchase Price is $1,000,000 or more)	$15,273.75
Total projected mandatory Closing costs:	$43,417.84* (estimated & approximate)

* Note: This figure does not include the required Working Capital Fund payment equal to two (2) months' projected Common Charges and the legal fee due Sponsor's attorneys. In addition, governmental recording fees may vary from time to time. Title company service charges (if any) may also be imposed depending on the title agent or insurer.

Example: Elective Closing Costs

Assuming the purchase of the Unit is financed with a mortgage loan for 80% of the Purchase Price (or $1,200,000) and both fee and mortgage title insurance are obtained simultaneously for Purchaser and Purchaser's mortgage lender, Purchaser would pay the following projected elective Closing costs based upon rates in effect as of June, 2015 (all amounts are approximate and rounded to the nearest whole dollar):

(1) Mortgage recording tax (at a rate of 2.05% of the mortgage – if less than $500,000 – or 2.175% of the mortgage – if $500,000 or more), minus $25 and minus .25% payable by the mortgage lender before deducting the statutory credit against the mortgage tax credit payable to Sponsor.	$23,100.00
(2) Mortgage recording fee (assuming 20 pages) at the rate of $32 per instrument, $5 per page.	$132.00
(3) Municipal charge to record the mortgage tax credit affidavit.	$25.00
(4) Premium for simultaneous fee ($4,436) and mortgage ($919) title insurance	$5,355.00
(5) Other projected potential mortgage loan costs (assuming: "points" of 1% of mortgage amount, appraisal of $250, lender's legal fee of $750, UCC-1 filing fee of $70 and $200 allowance for miscellaneous expenses)	$13,375.00*
(6) Allowance for title closer gratuity and contingencies.	$250.00
Total projected elective closing costs:	$42,237.00 (estimated and approximate)

*Note: This projection does not include: (a) escrows for real estate taxes, Common Charges or other sums that might be required by Purchaser's mortgage lender, (b) a travel fee to Sponsor's attorneys in the event the Purchaser's lender or its counsel refuses to close at the office of Sponsor's attorneys, (c) a fee to any attorney Purchaser may engage, or (d) possible travel fees for Purchaser's lender.

Purchaser's actual Closing costs will be based upon the applicable governmental and title company rates in effect on the Unit Closing Date.

The foregoing projections of mandatory and elective Closing costs are not guaranteed. Although the projections are believed to be reasonable, there are a number of unknown factors (such as the mortgage loan Closing costs, which may vary widely amongst different lenders). As a result, the actual Closing costs may be higher or lower, perhaps substantially, than those projected.

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

At Closing, adjustments will be made as of midnight of the day preceding the Closing Date between Sponsor and each Purchaser with respect to (a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed) on the basis of the period for which assessed, (b) Common Charges 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 Closing, each Unit Owner will pay a pro rata share (in the proportion that such Unit's Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes with respect to the Property to the Condominium Board as Common Charges. (Please refer to Schedule A for an estimate of real estate taxes payable during the first year of Condominium operation). The Condominium Board will pay such taxes either to the Finance Administration of the City of New York or directly to Sponsor if Sponsor has already paid such real estate taxes. If any Unit Owner fails to pay his pro rata share as set forth above, the Condominium Board will have a lien on such Unit for non-payment of Common Charges. (See the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board--Common Charges: Collection and Lien for Non-Payment" for further discussion.) At such time as a Unit is separately assessed and separately billed, its Unit Owner will pay such taxes directly to the taxing authority.

If a Purchaser fails for any reason to close title to his or her Unit on the originally scheduled Closing Date, (a) the closing apportionments described above will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) Purchaser will be required to pay to Sponsor, 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 Agreement and this Plan, an amount equal to 0.05% of the purchase price of his or her Unit for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date.

Except as specifically set out in this Plan, Sponsor must pay all costs and expenses incurred in connection with the promulgation and consummation of this Plan, the creation of the Condominium and the initial sale of Units, including, but not limited to, all selling expenses and commissions payable to Selling Agent for the initial sale of Units pursuant to this Plan, advertising, printing and architects' fees, the fees of Sponsor's 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 entitled "Rights and Obligations of Sponsor.")

P. RIGHTS AND OBLIGATIONS OF SPONSOR

1. Sponsor's Obligations with Respect to the Building

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

(a) Sponsor will diligently, expeditiously and at its sole cost and expense, perform or cause to be performed such work, and will supply or cause to be supplied all materials, necessary to complete construction of the Building substantially in accordance with the Plans and Specifications. Sponsor shall not be obligated to correct and will not be liable to any Purchaser as a result of any insubstantial variations from the Plans and Specifications or the description of the Building or a Unit set forth in the Plan. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. Sponsor reserves the right to amend or modify, in any way, the Plans and Specifications (including, without limitation, changing materials, appliances, equipment, fixtures and other construction details), provided, however, that:

(i) any materials, appliances, equipment and fixtures which Sponsor may substitute shall be similar products of Substantially Equal or Better Quality; and

(ii) Sponsor shall not (1) materially change the size or location of the Units, other improvements or Common Elements or (2) make any changes that affect the percentage of common interests or adversely affect the value of any Unit to which title has closed or for which an Agreement has been executed and is in effect, unless all affected Unit Owners and contract vendees consent in writing to such change.

Notwithstanding the foregoing, any such changes, if material (for example, variations in square footage in excess of 5%), shall be disclosed by Sponsor in a duly filed amendment to the Plan and, when applicable, to the Declaration. No such change will be made if the same would materially adversely affect any Purchaser under an Agreement which has been countersigned by Sponsor and returned to the Purchaser unless (i) the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Laws, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists, and in such event, Sponsor will, in the amendment disclosing such material adverse change, offer the affected Purchaser(s) the right, for at least 15 days, to rescind their Agreement(s) and receive refund of their Option Payment(s), together with all interest earned thereon, (ii) the affected Purchaser consents or (iii) the Purchaser is in default. No material change will be made in the size or location of any Unit's other improvements or Common Elements if such changes affect the percentage of Common Interests or adversely affect the value of

any Unit to which title has closed or for which an Agreement has been executed and is in effect unless all affected Unit Owners and contract vendees consent in writing to such change. However, as long as the layout and dimensions of a Unit conform substantially to the Plans and Specifications, a Purchaser will not be excused from purchasing a Unit by reason of a minor, non-material deviation or change and will not have any claims against Sponsor as a result thereof. The issuance of a temporary or final Certificate of Occupancy for the entire Residential Section of the Building shall be deemed presumptive evidence that the construction of such portion of the Building and its appurtenances and all of the Residential Units has been substantially completed in accordance with this Plan and the Plans and Specifications.

However, notwithstanding the foregoing, Sponsor or its representatives will correct, repair or replace all defects in the construction of the Residential Section of the Building and its appurtenances and the Residential Units, or in the installation or operation of any appliances, fixtures or equipment in the same, or will cause the same to be corrected, repaired or replaced, but only if such defects are due to improper workmanship or material substantially at variance with the Plans and Specifications, and Sponsor is notified by the Residential Board or the affected Residential Unit Owner in writing of such defect: (i) as to the Common Elements, within three (3) months from the date of substantial completion of the portion(s) of the Common Elements which is claimed to be defective; or (ii) as to any Residential Unit, on or prior to the date of closing for such Unit, except that if any such defect in a Unit can be detected only by occupancy of the Unit, Sponsor will correct such defect if notified in writing by the Unit Owner within three (3) months from the earlier of the closing of title to such Unit or the commencement date of an interim lease for such Unit. Notwithstanding the foregoing, Sponsor will not be responsible for correcting any defects in construction or installation or operation of any appliances, equipment or fixtures with respect to which assignable warranties or other undertakings (however denoted) from contractors, materialmen or others are assigned to the Residential Board, the Condominium Board or any Unit Owner(s); or for any condition resulting from normal wear and tear or natural deterioration or from normal settling or shifting of the Building, or for defects of an insubstantial nature, such as, without limitation, partial demise of any trees, shrubs, or other landscape improvements, nail pops, ridging on gypsum board/sheet rock walls, lumber shrinkage, doors or windows sticking due to weather, door warpage, scratches in formica or porcelain surfaces, bath and kitchen title grouting cracks, adjustment of any bi-fold doors, walls not square, electrical plates not straight, discolorations or shrinkages, normal settlement and deflection or any consequential damage resulting therefrom including, without limitation, cracks in any concrete roof pavers, or concrete cracks which do not impair the structural soundness of the Building, ceiling imperfections, slight separation in joints of kitchen tile or wood flooring, warping, cupping or creaking of wood flooring or any nicks, scratches, gouges, imperfections or discolorations thereof, floors slightly out of level, variations in width, length or tone of wood floor strips or other flooring or floor finishes, also, normal shrinkage or expansion of wood flooring due to changes in moisture content of wood, ceiling imperfections, painting defects, alignment of bathroom finishes, minimal air infiltration from windows, any consequential damage resulting from settling (including, without limitation, concrete or drywall cracks which go not impair the structural

soundness of the Building), normal plumbing, heating and air conditioning noises, or minor carpet discoloring and stretching; or for paint touch-ups or for repair of chips, mars, breaks or other defects in windows, and window sashes, sliding glass doors, lighting fixtures and globes, interior painted surfaces, sinks, tubs, bowls, shower doors, kitchen cabinets, counter tops, vanity tops and bases, medicine cabinets, doors, mirrors, saddles, appliances, woodwork, doors, hardware, flooring and appliance cabinets, salting or color variation in exterior colored mortar and deep colored brick, ponding and/or controlled drainage on the roof surface, or cracks in any pressure treated wood or redwood used or intended for use outside the Building. Sponsor shall be obligated to repair only abnormally chipped stone, formica and porcelain surfaces, which repair shall be made by filling the stone or formica or refinishing the porcelain, but Sponsor shall not be obligated to replace such stone, formica or porcelain surfaces. Except as expressly set forth herein, Sponsor has no obligation to make any repairs of any kind. In no event shall Sponsor be liable for special or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise) to Purchasers or the Condominium Board, it being intended that Sponsor's sole obligations under the Plan shall be to repair or, at Sponsor's option, replace (or cause to be repaired or replaced) any defective item of construction (whether arising as a result of defects in material or improper workmanship or material substantially at variance with the Plans and Specifications), in accordance with the terms and conditions set forth in this paragraph, provided, however, that nothing contained herein is intended to relieve Sponsor of liability for actual damages resulting from property damage or personal injury arising as a result of negligence of Sponsor or its authorized agents or employees in connection with the transactions contemplated in the Plan.

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

The Purchaser of a Residential 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 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.

Under the present construction schedule, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, government restrictions, acts of god or other events beyond its reasonable control, it is anticipated that, except for finishing work to stairways, hallways and other areas of the Building which are not intended for the exclusive use of any one Unit Owner and specialized work, if any, which Sponsor agrees to perform in individual Units at the request of Purchasers, a first temporary certificate of occupancy could be issued on the Completion Date and the Building will be substantially completed by the Completion Date, subject to Unavoidable Delays. Sponsor, however, makes no warranty or representation as to the date of substantial completion or the issuance of the first temporary certificate of occupancy. Purchasers should note, however, that the Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date.

Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the purchase price for his or her Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Year of Operation is to be delayed by six months or more, in which case Sponsor will amend the Plan to include a revised Budget with current projections and if: (i) such amended budget exceeds the projected Budget set forth herein by 25% or more; or (ii) the first Closing does not occur within 12 months after the Completion Date, the date set forth in Schedule B as the commencement date for the projected First Year of Operation, then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than 15 days after the presentation date of the amendment containing such revised budget or after such 12-month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Option Payment and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. As set forth in the Section of this Plan entitled "Effective Date," no closing of title to any Unit will take place prior to the Plan being declared effective.

During the period when Sponsor is completing construction of the Building, move-ins into the Building may be restricted to certain periods when the elevators and other access to the Building are not being utilized by the construction trades. The first Temporary Certificate of Occupancy may be issued for some but not all of the Residential Units and Sponsor may complete construction of certain Residential Units before others. Purchasers should also note that even if the First Closing occurs on or before October 1, 2016 (or such other date projected as the date of commencement of operation at the time the Agreement was entered into) or within the twelve (12) month period thereafter, the closing of subsequent Units may be substantially delayed beyond such dates if a

temporary certificate of occupancy has not been issued for such Units or for the floor on which such Units are located. Accordingly, Purchasers may not be able to close title to their respective Residential Unit(s) for some period of time after signing their respective Agreements and after the closing of the first Unit. In such a case, provided that the Sponsor is pursuing completion of construction and issuance of a certificate of occupancy and is otherwise in compliance with its obligations under the Plan, a Purchaser will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of substantial delays and will not be excused from paying the full purchase price for the Unit.

(b) In order for the Sponsor to obtain a final Certificate of Occupancy for the Building, the Non-Residential Unit Owners must first build out the Non-Residential Units, as the Non-Residential Unit is being delivered to the Non-Residential Unit Owner as raw space. Sponsor makes no representation or warranty that the Department of Buildings will issue a final certificate of occupancy or as to when after issuance of the first temporary Certificate of Occupancy the final Certificate of Occupancy will be issued. Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a permanent certificate of occupancy ("PCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and PCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property conforms substantially to the DOB approved plans and specifications, and to the requirements of all applicable laws, rules, and regulations for the uses and occupancies specified in the TCO. No change of use or occupancy shall be made unless a new certificate of occupancy is issued. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a PCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a PCO 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 PCO within such two year period. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE PCO FOR THE ENTIRE BUILDING, AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE PCO 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.

It has been customary for units in newly constructed and gut rehab co-ops and condos to close after a TCO covering such units has been issued. Sponsor will send closing notices

for units covered by TCOs and purchasers will be required to close with a TCO, rather than a PCO in place. TCOs are issued for three months at a time.

The NYC Department of Buildings advises purchasers of houses and apartments, who close with only a TCO in place, to consult with their attorneys and engineers to assure that sufficient funds are escrowed or otherwise secured for sponsor to obtain a PCO. It is strongly recommended that buyers consult the DOB Website/Consumers Tips for its recommendation when buying units in a building that does not have a PCO.

(c) In the event that a closing takes place prior to the issuance of a final Certificate of Occupancy for the Unit, Sponsor shall maintain all deposits and funds in the special escrow account required by Section 352-e(2)(b) of the New York General Business Law unless the Sponsor's engineer or architect certifies that a lesser amount will be necessary to complete the work necessary to obtain a final Certificate of Occupancy for the Unit, in which case the sum exceeding the amount so certified by the Sponsor's engineer or architect may be released from escrow. Alternatively, Sponsor may deposit with the escrow agent an unconditional, irrevocable letter of credit or post a surety bond in the amount so certified, in which event same will be reflected by duly filed amendment to the Plan. Any amount held in escrow, in excess of the amount certified as reasonably necessary to complete the work needed to obtain the final Certificate of Occupancy, can be released from escrow from time to time upon the receipt by Escrow Agent of a request by Sponsor.

(d) Each Unit and the fixtures and personal property contained therein are being sold and delivered as described in the Plan, at the time of transfer of title to such Unit, unless Sponsor and Purchaser otherwise agree. Sponsor will maintain each Unit, and the fixtures and personally contained therein, up to the time of the transfer of title to the Unit in question. The Purchaser of a Unit shall inspect such Unit prior to the Closing Date and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan. However, if the Purchaser finds that Sponsor's improvements have not been completed, although such improvements have been substantially completed, then Sponsor and the Purchaser in question will immediately thereafter agree to include on the inspection statement a list of incomplete work of a nature to be completed in the Unit by Sponsor following the Closing for the Unit in question. The failure of Sponsor to complete such work shall not be a ground for Purchaser delaying the Closing. Sponsor shall have no obligation to complete any work described herein which is not specifically designated on the inspection statement by the Purchaser, except for work necessary to cure violations of the NYC Building Code or other applicable law or regulation, to obtain a temporary or final Certificate of Occupancy or to cure latent defects.

(e) Following the recording of the Declaration, Sponsor will deliver, assign or otherwise grant to the Residential Board, on behalf of all Residential Unit Owners, or the Condominium Board, on behalf of all Unit Owners, as the case may be, the right to proceed under any assignable warranties and other undertakings received by Sponsor from contractors, materialmen or others in connection with the construction and

equipping of the Building, except that warranties and undertakings received by Sponsor which relate to appliances, equipment or fixtures located in the Unit of a Purchaser shall be assigned to such Purchaser on the date of closing of title to his Unit. Purchasers should be aware that warranties vary in length, depending partly on when the appliances, equipment and fixtures covered by such warranties are first installed. Sponsor makes no representation as to which, if any, of the warranties will continue to remain in force upon the Closing Date of any particular Unit provided, however that the warranties for the appliances in each Unit will commence from the date the Unit is first occupied for residency.

(f) Sponsor shall not be obligated to correct, repair, or replace any and all defects relating to construction of the Residential Units, the General Common Elements, the Residential Common Elements and the Residential Limited Common Elements, or in the installation or operation of any appliances, fixtures, or equipment therein, except as expressly provided in this Plan. Sponsor will not warrant the materials or workmanship of any Unit or any of the Common Elements except as stated in the Plan. The Housing Merchant Implied Warranty Law (GBL Article 36-B) is not applicable to this offering because such law is applicable to units in buildings of five stories or less.

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

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

(i) 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.

(j) Sponsor shall have the obligation to defend any suits or proceedings arising out of Sponsor's acts or omissions and to indemnify the Condominium Board and the Unit Owners in any such action or proceeding as is required by law.

(k) Immediately following the issuance of a final Certificate of Occupancy for the Building, Sponsor will deliver to the Condominium Board a complete set of mechanical, electrical and plumbing drawings for the entire Building.

(l) 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.

(m) Sponsor will pay all Common Charges (or as applicable, operating expenses, special assessments and real estate taxes allocated to any Unsold Residential Unit in accordance with the provisions of the By-Laws. Sponsor represents that it has the financial resources to meet such obligations with respect to Unsold Residential Units. Sponsor will fund its financial obligations from proceeds from the sales of Offered Units, rental income from Unsold Residential Units, and financing. No bond or other security will be posted by Sponsor with respect to this obligation. Sponsor reserves the right to delay the commencement of collection of Common Charges payable by the Residential Section. During any such delay, the Sponsor will timely pay all expenses of the Condominium, including but not limited to insurance premiums and any reserve fund payments required by lenders (the "Operating Expenses"). The Operating Expenses will not include the funding of the contingency reserve. Upon commencement of collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium. Sponsor shall remain obligated to update the budget for the Condominium as provided for in 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 and will further disclose such fact in the Post-Closing Amendment to the Offering Plan. Such Amendment will also disclose the anticipated period of delay. Sponsor will notify all Unit Owners in writing 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 following amendment to the Offering Plan. During the Condominium's initial two (2) fiscal years, the Condominium Board's and Residential Board's authority shall include the right to base the amount of Common Charges on actual costs and expenditures and/or to make retroactive adjustments to the amount of Common Charges payable by Unit Owners for any period to reflect actual operating costs for such period. Please see Section 6.1.7 of the By-laws for more information.

(n) Sponsor will initially procure on behalf of the Condominium Board the insurance relating to the Condominium which is required to be maintained by the Condominium Board in accordance with the provisions of the By-Laws (see the Section entitled "Rights and Obligations of the Boards") the cost of which insurance has been reflected in the Projected Budget set forth in Schedule B.

(o) 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 six 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.

(p) Sponsor is obligated to deliver to the Condominium Board a set of "as-built" plans for the Building and all books of account and records pertaining to the Building's operation which are in Sponsor's possession on the First Closing.

(q) Sponsor may dissolve or liquidate at any time. In the event of such an occurrence or the transfer to an investor of ten (10) or more Units or twenty percent (20%) of the Units in the Condominium, whichever is less, in connection with Sponsor's liquidation of its interest in the Residential Units, the principals of Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of Sponsor for those Units under this Plan, applicable law or regulations.

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

(s) Prior to the First Closing, the entire Building will be insured by Sponsor; after the First Closing, the entire Building will be insured by the Condominium. A person in possession who is not an owner cannot insure a Unit since that person has no ownership interest, and the Unit cannot be doubly insured. A person who takes possession prior to closing assumes the risk of loses not covered by insurance. If the Purchaser is or becomes the tenant or occupant of a Unit before the Closing and, before such Closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss, not covered by insurance and the obligation not to repair the damage, unless the cause thereof originated outside of the Unit or did not result from the acts of such purchaser or other occupants of the Unit or such Purchaser's guests, invitees or workmen. Otherwise, the risk of loss to any Unit by fire or other casualty until the closing of title to such Unit (or an earlier taking of possession by the Purchaser) is assumed by Sponsor. 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 an Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Unit, the Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the purchase price for the subject Unit. In such event Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Boards and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to

the signing of an 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 casualty occurs after the first closing and the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and Boards of Managers"), the Agreement shall be deemed canceled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, whereupon the parties to the Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan; provided, however, notwithstanding anything to the contrary herein, if Purchaser is then in default under the Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

Purchasers should note that Sponsor's construction lender does not impose any obligations on sponsor with regard to renting rather than selling units. There is no certainty as to the period of time required to sell all of the Residential Units. If Sponsor makes a bulk sale of all or some of its Unsold Residential Units, the transferee successor sponsor shall be bound by Sponsor's representations regarding its commitment to sell Residential Units. Sponsor's construction financing does not contain a minimum number of Units to be sold before the Plan can be declared effective or provisions relating to the renting of Units. The Declarant may retain ownership of the Hotel Unit or the Sponsor and may decide to rent certain Residential Units from time to time. As a result, Purchaser may be acquiring a Unit that has been previously occupied, but unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Residential Unit will be delivered at closing free and clear of all lease and tenancies. In addition, because Sponsor reserves the unconditional right to rent or lease Units, there is no commitment to sell more Residential Units than the fifteen percent (15%) of such Units necessary to declare the Plan effective and, accordingly, Residential Unit Owners may never gain effective control and management of the Condominium and/or Residential Section, and the First Annual Meeting may never occur.

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 Unsold Residential Units. Sponsor will use reasonable efforts in order to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit for its permitted purposes. If reasonable care under the circumstances is exercised to safeguard the Unit Owner's property, such entry shall not render Sponsor or its authorized agents liable for any damage to the Unit or to the personalty or fixtures contained therein.

The foregoing sets forth the entire obligations of Sponsor hereunder and no others shall be implied, except that nothing contained herein shall be deemed to limit the rights of Unit Owners under their respective Agreements or to include any financial limitation on Sponsor's liability for failure to perform its obligations under the Plan. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures other than as set forth in the Plan.

Obligations of Sponsor hereunder with respect to the Residential Section shall be enforceable by the Residential Board on behalf of Residential Unit Owners and obligations with respect to the General Common Elements shall be enforceable by the Condominium Board on behalf of all Unit Owners. Sponsor shall have no obligation to any Purchaser of a Unit other than the Purchasers to whom Sponsor sold Units. By operation of law, Sponsor appointed Board Members have a fiduciary duty to the Unit Owners. In addition, 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 90 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 90 day period.

Except as set forth above or as required by law or governmental regulation, Sponsor has not furnished any bond or other security for the performance of the obligations of Sponsor under the Plan. The ability of Sponsor to perform its obligations hereunder will partly depend upon its financial condition at the time it is called upon to perform. No representation can be made that it will be financially able to perform any or all of such obligations. Unless expressly provided to the contrary herein, the obligations of Sponsor under the Plan shall survive the delivery of the respective Unit deeds. In the event Sponsor is not financially able to perform its obligations under the Plan, sales will cease and the Plan will be amended to offer rescission to purchasers, if any.

Sponsor has obtained construction financing from Banco Inbursa, S. A. for the project as more fully set forth in the Section of the Plan entitled "Description of the Property and Improvements" and anticipates obtaining a final certificate of occupancy for the Building within two (2) years after the First Closing. Sponsor's construction financing does not contain a minimum number or percentage of units which must be under contract before the Plan can be declared effective. The construction financing contains minimum release prices set by lender and a required minimum payment per sale which must be made to the lender in order for the lender to release its lien from the unit being sold.

2. Alterations of Unsold Residential Units

In order to meet the possible varying demand for number and type of different Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor and its designees reserve the right (except to the extent prohibited by applicable Legal Requirements and subject to the Declaration and By-Laws) at any time and from time to time, before and after the recording of the Declaration, without prior notice and without the consent of the Condominium Board, any Unit Owner or mortgagee, to: (i) make alterations, additions, improvements, replacements and/or repairs whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon any Unsold Residential Unit(s); (ii) change the use (subject to compliance with all Laws, including, without limitation, the certificate of occupancy for such Unit) or layout of, or number of rooms in, any Unsold Residential Unit(s) from time to time; (iii) change the size and/or number of Unsold Residential Unit(s) by subdividing one or more Unsold Residential Units into two or more separate Units, combining separate Unsold Residential Units (including those resulting from such subdivision or otherwise)

into one or more Units, converting an Unsold Residential Unit or any portion thereof to a Common Element, altering the boundary walls between any Unsold Residential Units, or otherwise, including incorporating the use of any portion of the Limited Common Elements adjacent or appurtenant thereto (but only to the extent that such Limited Common Elements are not required to be maintained as Limited Common Elements based upon such alterations); (iv) whether in respect of subdivisions or combinations of the Unsold Residential Units or otherwise, designate all or any part of an Unsold Residential Unit or a Common Element as part of a newly created or expanded Unsold Residential Unit or Common Element (v) if appropriate, reapportion among the Unsold Residential Units affected by such change, their Common Interests, provided, however, that after the recording of the Declaration, no change in any Unit's Common Interest will be made without obtaining the prior consent of all Unit Owners affected by such change; and (vi) use any Unsold Residential Unit(s) as models and sales and/or promotion offices in connection with the sale or rental of the Units, subject only to compliance with applicable governmental laws and regulations as to any such use. Any such change described in subsections (ii) through (v) in the immediately preceding paragraph and additionally any material adverse change in the size or quality of any of the Common Elements shall be disclosed by Sponsor in a duly filed amendment to the Plan and, when applicable, to the Declaration. Unless all Purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of Common Elements unless Sponsor, in the amendment disclosing such change, offers the affected Purchaser(s) who are not otherwise in default under their Agreements, the right, for at least fifteen (15) days after the Presentation Date, to rescind their Agreement(s) and receive a prompt refund of their Deposit(s), together with all interest earned thereon. In the event of any such change after the Declaration is recorded, the Declaration and Floor Plans shall each be amended and such amendments duly recorded and disclosed in a duly filed amendment to the Plan.

Notwithstanding the foregoing, no material adverse change will be made in a Unit's size, layout or percentage of Common Interest if an Agreement has been executed and delivered to Sponsor for such Unit provided that the Purchaser is not in default thereunder, unless (a) the affected Purchaser consents to such changes; or (b) such changes are dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists. In the event material adverse changes are made pursuant to (b) of the immediately preceding sentence which materially and adversely affect the percentage of Common Interest allocable to a Unit or the size or quality of Common Elements, Sponsor will, in the amendment disclosing such material adverse change, offer the affected Purchaser(s) who are not otherwise in default under their Agreements, the right, for at least fifteen (15) days after the Presentation Date, to rescind their Agreement(s) and receive a prompt refund of their Deposit(s), together with all interest earned thereon.

The Common Interest of a Residential Unit may change if there is a change in the floor space or additional factors of relative value to other space in the Condominium, the uniqueness of the Residential Unit, the availability of Common Elements, for exclusive or shared use and the overall dimensions of a particular Unit.

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

3. Insurance

Sponsor will initially procure on behalf of the Condominium Board, to take effect on or before the date of the First Closing, the insurance relating to the Condominium which is required to be maintained by the Condominium Board in accordance with the provisions of the By-Laws (see "Rights and Obligations of the Unit Owners and the Condominium Board" in Part I below), the cost of which insurance has been reflected in the Budget set forth as Schedule B in Part I. To the extent any policy obtained and paid for by Sponsor shall satisfy the insurance requirements of the Condominium Board for the Condominium in respect of any period following the First Closing, the Condominium Board shall reimburse Sponsor for its prorated share of the cost of such coverage.

4. Casualty

Prior to the First Closing, the entire Building will be insured by Sponsor; after the First Closing, the entire Building will be insured by the Condominium. A person in possession who is not an owner cannot insure a Unit since that person has no ownership interest, and the Unit cannot be doubly insured. A person who takes possession prior to closing assumes the risk of loses not covered by insurance. If the Purchaser is or becomes the tenant or occupant of a Unit before the Closing and, before such Closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss, not covered by insurance and the obligation not to repair the damage, unless the cause thereof originated outside of the Unit or did not result from the acts of such purchaser or other occupants of the Unit or such Purchaser's guests, invitees or workmen. Otherwise, the risk of loss to any Unit by fire or other casualty until the closing of title to such Unit (or an earlier taking of possession by the Purchaser) is assumed by Sponsor. If the Purchaser is or becomes the tenant or occupant of a Unit before the Closing and, before such Closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss and the obligation to repair the damage, unless the cause thereof originated outside of the Unit or did not result from the acts of such purchaser or other occupants of the Unit or such Purchaser's guests, invitees or workmen. Otherwise, the risk of loss to any Unit by fire or other casualty until the closing of title to such Unit (or an earlier taking of possession by the Purchaser) is assumed by Sponsor, but Sponsor has no obligation or liability to repair or restore any Unit. If a Unit is damaged or destroyed by fire or other casualty prior to the closing of title, but after the signing of an Agreement, and Sponsor gives written notice to the Purchaser of Sponsor's election to repair or restore the Unit, then the Agreement shall continue in full force and effect, and the Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in

satisfaction of any claim or action in connection with such loss shall, subject to the rights, if any, of the Condominium Board, and other Unit Owners, belong entirely to Sponsor.

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

5. Dissolution

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

6. Successors to Sponsor

Sponsor reserves the right to sell ten (10) or more Units and to designate the purchaser of such block(s) of Units as a "sponsor" under this Plan. The party so designated as a "sponsor" will have those additional rights and obligations (including the obligation to comply with all applicable Legal Requirements) applicable to a "sponsor" as more fully described in the Plan.

7. Right of Access

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

8. Miscellaneous

Sponsor and/or its designee (and their respective successors and assigns) shall have an easement for so long as the Condominium shall remain in existence: (i) to erect, use, lease, maintain, repair, replace and operate a platform and other facilities for the purpose of erecting, using, leasing, licensing, maintaining, repairing, replacing and operating antennae, satellite dishes and other communications equipment on any part of any roof of the Building that

is not occupied as of the date hereof for any other Building installations or as a common recreational area for the Unit Owners; and (ii) to erect, use, lease, maintain, repair, replace and operate related electronic and other communications equipment in any portion of any mechanical equipment room that is not occupied as of the date hereof by any other Building installations, and the right to erect partitions separating such portion from the balance of such equipment room; in each case, without the consent of, or charge by, the Board or any other Unit Owners; provided, however, that Sponsor (or its designee) shall give prior notice to the Board of the type and location of any such equipment before installation. Any obligations of Sponsor under any lease, license or other right of use granted by Sponsor with respect to any roof or the aforesaid mechanical equipment room shall be the obligation solely of Sponsor and not of the Condominium and any rights of Sponsor, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, shall be the right solely of Sponsor and not of the Condominium. In connection with such easements and related rights, Sponsor and its designee (and their respective successors and assigns) and the respective tenants and licensees shall each have, to the extent necessary or advisable for such erection, use, lease, maintenance, repair, replacement and operation, an easement in common with all Unit Owners for ingress, egress and the use of any Common Elements. The Units shall be subject to such easement. The Unit Owners will not have any interest in the rents, profits or revenues from the rental, use or sale of any such space pursuant to the aforementioned easements and rights.

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

9. General

Sponsor's representations, warranties and covenants under the Plan and under the GBL, which are required to be performed subsequent to the closing of title to a Unit will survive the delivery of the deed to such Unit only for the time periods set forth in this Plan or as otherwise required by Legal Requirements. The obligations of Sponsor to pay Common Charges and to perform its other duties as a Unit Owner with respect to any Unsold Residential Units will survive for as long as Sponsor owns the same.

Sponsor agrees to indemnify the Condominium Board and the Unit Owners against, hold them harmless from and defend on their behalf any suits, proceedings, or claims arising out of any default by Sponsor in performing its obligations under this Plan or any breach of any representation expressly made by Sponsor in this Plan and resulting: (a) as to any Unit, from any occurrence taking place prior to the closing of title to such Unit; or (b) as to the Common Elements, from any occurrence taking place prior to the First Closing. However, Sponsor will not be liable for, or obligated to defend, any suits, proceedings or claims arising out of any occurrence taking place from and after the respective dates set forth above, except those arising out of any negligence or violation of Article 23A of the New York State General Business Law by Sponsor or as explicitly stated in this Plan.

The obligations of Sponsor hereunder shall be enforceable by the 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 90 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 90 day period.

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

Until Sponsor no longer controls the Condominium Board, Sponsor will cause the Condominium Board to maintain the Building in substantially the same manner and condition as on the Presentation Date of this Plan (subject to ordinary wear and tear) and in accordance with the Legal Requirements, subject in all respects to Sponsor's right to change the Units and/or the Common Elements as set forth herein.

Q. INTERIM LEASES

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

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

If Sponsor agrees to lease a vacant Residential Unit, the lease will be for a rent and upon such other terms and conditions as may be agreed upon by Sponsor and the tenant; provided, however, that in the case of an interim lease to a Purchaser, such lease will provide that an uncured default by the Purchaser under the Agreement (that is, a default not cured within 30 days after the sending of written notice thereof) will constitute a default under the lease entitling the landlord (i.e., Sponsor) , at its sole option, to immediately terminate such lease whereupon the lessee must vacate the Unit within ten (10) days thereafter. The Agreement will contain a similar provision entitling Sponsor to terminate the Agreement and retain the Option Payment (and any interest thereon) as liquidated damages, and not as a penalty, in the event the Purchaser fails to cure a default under such Purchaser's lease, if any, within the applicable grace period (if any) and either: (a) Sponsor has obtained an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser or (b) the Purchaser has vacated the Unit. No portion of the rental paid under any lease will be credited towards the purchase price of a Unit unless the lease and the Agreement therefor expressly so provide.

In the event of any amendment to the Plan which discloses a material adverse change to the Plan and offers the Purchaser a right to rescind, if a Purchaser who is a tenant under an interim lease duly elects to rescind, the Purchaser's Option Payment will be returned subject to the terms of the Plan and the interim lease made with such Purchaser's Option Payment will be returned subject to the terms of the Plan and the interim lease made with such Purchaser shall be cancelled and possession of the Unit must be surrendered within sixty (60) days thereafter free of all occupants and in broom clean condition. A Purchaser shall be liable to Sponsor for any and all damages, costs and expenses incurred by Sponsor by reason of any failure to vacate within a 60-day period. If such failure to timely vacate occurs prior to the First Closing, the Purchaser shall be liable for use and occupancy in an amount equal to twice the rent under the interim lease. If such failure to vacate occurs after the First Closing, the Purchaser shall be liable for twice the costs of carrying the Unit (such as Common Charges, real estate taxes and the allocable portion, based on such Unit's Common Interest, of debt service on any loan covering the Unsold

Residential Units) as calculated by Sponsor. In addition, irrespective of when failure to timely vacate occurs, such Purchaser shall be liable to Sponsor for loss of profit and all costs and expenses incurred by Sponsor to obtain possession of the Unit, including the cost of litigation and reasonable attorneys' fees and expenses. In the event the Plan is abandoned, a Purchaser who has entered into an interim lease will have no right to remain in occupancy as a tenant after the abandonment of the Plan.

R. CONTROL BY SPONSOR

Sponsor as the owner of Unsold Residential Units will, at its option, have control of the Residential Board during the period which continues until the earlier to occur of: (i) the Sponsor and its designees as Holders of Unsold Residential Units have sold one hundred percent (100%) of the Common Interest or (ii) five (5) years after the First Closing (the "Initial Control Period"). During the Initial Control Period of the Residential Board, Sponsor would be able to control maintenance, facilities and services to be provided to Residential Unit Owners and would determine the Residential Common Charges to be paid by all Residential Unit Owners and the enforcement of Sponsor's obligations by said Board(s).

The Residential Board shall initially consist of three (3) persons designated by Sponsor, and the Condominium Board shall initially consist of four (4) members, two (2) members designated by the Sponsor and two (2) persons designated by the Hotel Unit Owner. Commencing with the end of the Initial Control Period, as defined herein, the Residential Board shall consist of seven (7) persons, and the Condominium Board shall consist of six (6) persons.

At the First Annual Meeting and at all times thereafter, Sponsor may be able to elect members of the Residential Board as a result of its ownership of or interest in Unsold Residential Units. Sponsor shall retain voting control of the Residential Board (and the Condominium Board) if Sponsor and its designees are able to cast sufficient votes at such meetings to establish such control. In addition, for so long as Sponsor owns at least one (1) Residential Unit, Sponsor shall also have the right, at its option, to designate at least one member of the Residential Board. For so long as Sponsor owns at least one (1) Residential Unit, Sponsor shall be entitled, at its option, to designated one (1) member to the Residential Board and one (1) of the two (2) member of the Condominium Board to be appointed by the Residential Board. At meetings of the Residential Unit Owners, Sponsor will have the right to vote all of the Common Interests appurtenant to the Units owned by Sponsor as it sees fit. In addition, at elections of members to the Residential Board held after the Initial Control Period, (a) Sponsor and/or its designee shall have the right to vote to elect two of the six members of the Residential Board otherwise to be elected by the Unit Owners (including Sponsor), who are family members or employees of Sponsor, such designee or other Unsold Residential Unit Owner(s), and (b) Sponsor, such designee and all other Unit Owners shall have the right to vote for the remaining members of the Residential Board who shall not be family members or employees of Sponsor.

The By-Laws do not include a provision that after the expiration of the Initial Control Period a majority of the Residential Board must be Unit Owner-occupants or members of a Unit Owner-occupant's household who are unrelated to Sponsor and its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment. Residential Unit Owners may never gain control of the Residential Board and the First Annual Meeting may never occur because Sponsor has the unlimited right to rent.

After the end of the Initial Control Period, a majority of the Residential Board must be Residential Unit Owners who are neither family members nor employees of the Sponsor and its

principals. Within thirty (30) days after the end of the Initial Control Period, the Sponsor will call a special meeting of the Residential Unit Owners (the "First Annual Meeting") at which time the Residential Unit Owners will elect members to the Residential Board to replace the positions the Sponsor is relinquishing. After the First Annual Meeting, the Residential Board and the Hotel Unit Owner shall each appoint two (2) members to the Condominium Board and the Restaurant Unit Owner and Retail Unit Owner shall each appoint one (1) member. The number of Residential Board members and the number or composition of Condominium Board members may not be changed except in accordance with the procedures described in the By-Laws.

Until Sponsor or its designee has conveyed title to one hundred percent (100%) of the Common Interest appurtenant to the Residential Units, or five (5) years after the First Closing, whichever shall occur earlier, the Condominium Board and the Residential 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 Residential Unit, (b) assess any General Common Charges or Residential Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services, (e) borrow money on behalf of the Condominium or on behalf of the Residential Section, or (f) exercise a right of first refusal to lease or purchase a Residential Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in items (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary, and no other alternative is available, to enable the Condominium Board or the Residential Board to comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium.

During the Initial Control Period, Sponsor may not exercise veto power over expenses described in the Section entitled "Schedule B- Projected Budget for First Year of Condominium Operation" (the "Budget") or over expenses required (i) to comply with applicable laws or regulations; or (ii) to remedy any notice of violation; or (iii) to remedy any work order by an insurer.

Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required to comply with any Legal Requirements applicable to the Building, or to remedy any notice of violation entered against the Building or to comply with any proper work order by an insurer of the Building. Sponsor may, however, exercise veto power over expenses other than those described in the preceding sentence, to the extent provided in the Plan, for a period ending not more than five (5) years after the First Closing or whenever Sponsor and its designees have conveyed title to all Units.

Sponsor reserves the right to delay the commencement of collection of Common Charges payable by the Residential Section. During any such delay, the Sponsor will timely pay all expenses of the Condominium, including but not limited to insurance premiums and any reserve fund payments required by lenders (the "Operating Expenses"). The Operating Expenses will

not include the funding of the contingency reserve. Upon commencement of collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium. Sponsor shall remain obligated to update the budget for the Condominium as provided for in 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 and will further disclose such fact in the Post-Closing Amendment to the Offering Plan. Such Amendment will also disclose the anticipated period of delay. Sponsor will notify all Unit Owners in writing 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 following amendment to the Offering Plan.

S. CONDOMINIUM BOARDS

The affairs of the Condominium shall be governed by the Condominium Board, which shall initially be comprised of four (4) members, two (2) members designated by Sponsor and two (2) representatives of the Hotel Unit Owner. The Residential Board shall initially be comprised of three (3) members designated by Sponsor. The initial three (3) members of the Residential Board shall be Ziel Feldman, Nir Meir and John Shannon. Ziel Feldman is the principal of the Sponsor.

Within thirty (30) days after the end of the Initial Control Period, the Residential Board will call for the First Annual Meeting of Residential Unit Owners, such meeting to be held not less than 10 days nor more than 40 days after such date. At the First Annual Meeting, the incumbent Board members shall resign and the Residential Unit Owners shall elect a new Residential Board consisting of seven (7) members. (See the Section entitled "Control by Sponsor.") Thereafter, at each annual meeting, members of the Residential Board shall be elected and shall serve until the next annual meeting thereof and until a successor has been elected and qualified. Thereafter, the Condominium Board shall consist of six (6) members. The Residential Board shall appoint two (2) members to the Condominium Board and the Hotel Unit Owner shall appoint two (2) members to the Condominium Board, the Restaurant Unit Owner and the Retail Unit Owner shall each appoint one (1) member to the Condominium Board. Residential Unit Owners may never gain control of the Residential Board and the First Annual Meeting may never occur because Sponsor has the unlimited right to rent.

The Non-Residential Board shall consist of five (5) members: three (3) members appointed by the Hotel Unit Owner; one (1) member appointed by the Restaurant Unit Owner; and one (1) member appointed by the Retail Unit Owner.

After the First Annual Meeting, a majority of the Residential Board must be Residential Unit Owners who are neither relatives nor employees of Sponsor and its principals.

Special meetings of the Unit Owners can be called by the President of the Board, by a majority of the Board, or by a petition signed by 25% in Common Interests of Unit Owners.

Except for Board members designated by Sponsor or its designee, all members of the Residential Board must be either Residential Unit Owners or certain interested parties (e.g. directors, or shareholders of Unit Owners) as described in the By-Laws. No member of the Residential Board shall continue to serve on the Residential Board if, during his term of office, said member shall cease to be a Residential Unit Owner or an interested party. All Board members shall serve without compensation. The By-Laws do not include a provision that after the expiration of the Initial Control Period a majority of the Residential Board must be Unit Owner-occupants or members of a Unit Owner-occupant's household who are unrelated to Sponsor and its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment.

The Boards shall collectively have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium. All determinations which affect only the Residential Section and do not adversely affect the Hotel Unit, the Restaurant Unit or the Retail Unit, the Hotel Unit Owner, the Restaurant Unit Owner or the Retail Unit Owner or the business of the tenants or occupants thereof, shall be made by the Residential Board. Similarly, all determinations which affect only the Hotel Unit, the Restaurant Unit Owner or the Retail Unit and do not adversely affect the Residential Section or the use of Residential Units for their permitted purposes, shall be made by the Hotel Unit Owner, the Restaurant Unit Owner, and the Retail Unit Owner, as the case may be. The By-Laws provide that the Non-Residential Units may be used for any lawful purpose, including, but not limited to, retail stores, banks, restaurant, health clubs, theaters, hotels and professional offices except for certain limitations as more fully described in the Section of the Plan entitled "Non-Residential Units", and that no sale, lease, sublease or use of any Non-Residential Unit shall be deemed to adversely affect the Residential Section. Generally, all other determinations with respect to the administration of the affairs of the Condominium including those which (i) relate to the Residential Section and do not in any way adversely affect the Non-Residential Units, and vice versa, or (ii) relate to or affect the General Common Elements, shall be made by the Condominium Board, except that the Condominium Board can require that the public hallways in the Residential Section be maintained or replaced to maintain a Building standard appearance and the Hotel Brand Standards.

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

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

Annual meetings of Residential Unit Owners shall be held within approximately thirty (30) days of each anniversary of the First Annual Meeting. At such meetings, the Residential Unit Owners shall elect the seven (7) member Residential Board, subject to any rights of Sponsor to designate Board members, and there shall also be transacted such other business as may properly come before such meetings. In addition, special meetings may be held from time to time pursuant to the By-Laws. The Secretary of the Residential Board shall mail a notice of each annual or special meeting of the Residential Section to all Residential Unit Owners of record. The notice, which will generally be given at least ten (10) days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the By-Laws or Declaration, at all meetings of Residential Unit Owners, the presence in person or by proxy of Residential Unit Owners owning more than fifty (50%) percent of the Common Interests attributable to all Residential Units shall constitute a quorum and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Residential Unit Owners.

At all meetings of the Residential Unit Owners, each Residential Unit Owner (or his proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Residential Units) shall be entitled to cast a vote equal to its percentage interest in the Common Elements.

The principal officers of the Residential Board shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Residential Board. The principal officers of the Condominium Board shall be a President, a Vice President, a Treasurer and a Secretary. The initial members of the Condominium Board shall be Ziel Feldman, who shall serve as President, Nir Meir, who shall serve as Vice President, Jon Horowitz, who shall serve as Secretary, and Adam Bahna, who shall serve as Treasurer of the Condominium Board, respectively. Each of these individuals is a principal of or is affiliated with the Sponsor or its principals. The Condominium Board and the Residential Board may appoint additional officers. Except as otherwise provided by the Board for which he or she serves, no officer shall receive any compensation for acting as such. The By-Laws provide that all instruments of the Condominium Board or of the Residential Board are to be executed by any officer thereof or by such other person or persons as may be designated by the applicable Board. However, any expenditure over $2,500 by the Condominium Board or the Residential Board must be countersigned by two members of the respective Board.

The term of office of the members of the Residential Board and Condominium Board shall be for one year or until their successors are elected. Members of the Residential Board and Condominium Board shall serve without compensation. Any member of any 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 Board. Notwithstanding the term of such member's office, such resignation shall take effect at the time specified therein.

A member of the Residential Board designated or elected by the Residential Unit Owners may be removed with or without cause by an affirmative vote of a majority of Residential Unit Owners (as defined in the By-Laws) who are present at a meeting containing a quorum of Residential Unit Owners; provided, however, that Residential Board members designated by Sponsor may only be removed with cause and replaced by another Sponsor designee. No member of the Residential Board shall continue to serve on the Residential Board if, during his term of office, said member shall cease to be a Residential Unit Owner or an interested party; provided, however, that this provision respecting Residential Unit ownership and Residential Board membership shall not apply to members of the Residential Board designated by Sponsor or its designee. A member of the Condominium Board can only be removed or replaced by the Unit Owner who designated the board member.

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

All officers, Board members and employees of the Condominium will be bonded at all times from and after the First Closing under fidelity bonds in favor of the Residential Section or the Condominium. The amount and cost of the bonds has been provided for in the projected

budget for the first year of Condominium operation contained in Schedule B. The By-Laws provide to the extent permitted by applicable Law, no member of any Board shall have any personal liability with respect to any contract, act or omission of any Board or of any Managing Agent or Administrative Agent or manager in connection with the affairs or operation of the Condominium, the Non-Residential Units, or the Residential Section or any Limited Common Element (except in their capacities as Unit Owners). Board members shall have no liability to Unit Owners except that a Board member shall be liable for his or her own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member and each Residential Board member, as the case may be, against any liability or claim except those arising out of such member's own bad faith or willful misconduct.

Generally, subject to certain exceptions concerning, among other things, Sponsor, the Non-Residential Units, and Unsold Residential 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 (a) only the Residential Section or the Residential 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 Residential Unit Owners, (b) only the Non-Residential Unit or the Non-Residential Unit Owner may be amended, modified, added to or deleted by the Non-Residential Unit Owner and (c) the General Common Elements of all Unit Owners may be amended, modified, added to or deleted by affirmative vote of at least 66 2/3% in number and in Common Interest of all Unit Owners; provided, however, that the Common Interest appurtenant to each Unit may not be altered without the written consent of all Unit Owners directly affected thereby.

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

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

T. UNSOLD RESIDENTIAL UNITS

Any Residential Units that have not been subscribed to and fully paid for prior to the Closing are Unsold Residential Units. Sponsor, and other individuals designated to hold Unsold Residential Units by Sponsor, will be known as the holder(s) of Unsold Residential Units. At or prior to the Closing, all of the Unsold Residential Units will be acquired by Sponsor or by other financially responsible individuals. Units will cease to be Unsold Residential Units once purchased for occupancy or if a holder of Unsold Residential Units, a principal of Sponsor or a person related by blood or marriage to a holder of Unsold Residential Units or a principal of Sponsor takes occupancy of the Unit to which the Unsold Residential Units are allocated. The Sponsor or other holders of Unsold Residential Units will collect the rent on the Unsold Residential Units and pay the common charges and Real Estate Taxes on the Unsold Residential Units as well as the debt service on any mortgage that is a lien on the Unsold Residential Units. In the event that the Unsold Residential Unit is unrented, subject to rent abatement, or the rent is less than the aggregate of the common charges, real estate taxes and debt service, the Sponsor or holder of Unsold Residential Units will be required to fund the difference from other source.

A holder of Unsold Residential Units shall comply with the trust fund and escrow provisions of GBL sections 352-h and 352-e subdivision (2-b).

Sponsor represents that it has the financial resources to meet its obligations with respect to the Unsold Residential Units, which it intends to fund in part from projected sales of the Residential Units and from rents collected from tenants in the Units whose Residential Unit it holds. Sponsor has agreed that if a holder of Unsold Residential Units fails to fulfill its obligations under the By-Laws, Sponsor will be liable therefor until such time as the Unsold Residential Units cease to be Unsold Residential Units (at which time Sponsor will no longer be responsible for the performance of the obligations under the By-Laws). The Condominium will have a lien on all Unsold Residential Units to secure the payment of their obligations. Sponsor has furnished no bond or other security, and Sponsor's ability to perform will depend solely upon its financial condition if and when called upon to perform.

Unsold Residential Units may be sold and assigned by their holders, and the corresponding Units sublet, without the consent of or requesting or obtaining a waiver of the right of first refusal from, the Condominium Board and without payment of or incurring any charge imposed by the Managing Agent or the Condominium Board in connection with such sale or sublease. Among other rights, a holder of Unsold Residential Units shall have the right to mortgage the Unsold Residential Units as collateral for a loan.

As of the date of the initial presentation of the Offering Plan, the Property is encumbered by a mortgage held by Banco Inbursa, S. A., which the Sponsor anticipates will be paid from proceeds from the sale of Units. At each Closing, the lender will release its security interest on the Unit that is closing and the lender will continue to have a security interest on the Unsold Residential Units and their appurtenant Common Interests.

A holder of Unsold Residential Units will have the same right as Sponsor to change the size and/or layout of the Unit(s) into two (2) or more Units or to combine all or any portion of

any such Unit(s) into one (1) or any desired number of Units by duly filed amendment to this Plan. A resulting reallocation of common interests shall be based upon the criteria contained in RPL 339(i), but the total number of common interests reallocated shall remain the same. Changes in a Unit's layout will be made in compliance with applicable law, ordinances, orders, rules and regulations. A holder of Unsold Residential Units may use an Unsold Residential Unit as a model or sales or rental office.

A holder of Unsold Residential Units will amend the Plan to provide current and accurate information about the offering, including the same information about the holders of Unsold Residential Units as is required for principals of Sponsor, until the Unsold Residential Units have been sold to bona fide purchasers or have otherwise ceased to be Unsold Residential Units. A holder of Unsold Residential Units will also provide prospective Purchasers with a copy of the Plan and all filed amendments.

U. RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE CONDOMINIUM BOARDS

1. Sales and Leases of Residential Units

Each Residential Unit Owner may sell or lease his or her Residential Unit provided such Unit Owner (the "Transferor") first gives the Residential Board, on behalf of all Residential Unit Owners, notice of his or her intention to sell or lease such Unit and an opportunity to purchase or lease such Unit at the same price or rental and on the same terms as were offered in good faith by a prospective purchaser or lessee, as more specifically provided in Article 9 of the By-Laws. If the Residential Board does not elect to purchase or lease the Residential Unit within twenty days after receipt of the offering Residential Unit Owner's notice, the Transferor will have an additional sixty days to enter into a written agreement with the prospective purchaser or lessee, as the case may be, embodying the terms set forth in said notice. In the event such written agreement is not executed by the Transferor within said sixty-day period or such sale or lease is not consummated within an additional sixty days following the expiration of said sixty-day period, the Transferor will be required to again first offer the same to the Residential Board, provided that the Residential Board shall be entitled to waive, or to permit an extension of, either or both of such sixty day periods. The Residential 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 present in person or by proxy and voting at a meeting at which a quorum is present. In any vote of all the Residential Unit Owners, the Transferor shall have the right to vote in any vote conducted by the Residential Board for the purpose of determining whether the Residential Board shall exercise its right of first refusal to purchase or lease the Transferor's Unit. Any such deed given by a Transferor 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 Residential Board, that the tenant shall not assign the lease or sublet the demised premises or any part thereof without the prior consent in writing of the Residential Board, and that the Residential Board, if permitted by applicable 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. No lease of a Residential Unit shall have a term of less than one (1) year.

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

A Residential Unit Owner may lease, sell or convey the Residential Unit to a spouse, adult child or grandchild, parent, grandparent or adult sibling, may convey his Residential Unit by gift, may 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 restrictions upon the sale and lease of Residential Units shall not apply to Sponsor, the Sponsor's mortgagee or their designees with respect to any Unsold Residential Units or to Residential Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure, and they shall be free to sell or lease without first offering to sell or lease to the Residential Board. Such restrictions shall also be inapplicable to the Non-Residential Units, whether owned by Sponsor or its designee or by any subsequent owner or by any mortgagee, and, subject to compliance with applicable laws and governmental regulations, if any, the Non-Residential Unit Owners shall be free to sell, lease, mortgage or otherwise transfer or hypothecate all or any part of the Non-Residential Units.

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

Notwithstanding anything contained herein to the contrary, prior to (a) one (1) year after the Purchaser's closing on its Unit, Purchasers will not be permitted to sell their Units without obtaining the Sponsor's written approval, and (b) the Purchaser's closing of the purchase of the Purchaser's Residential Unit the Purchaser may not (i) list the Residential Unit for resale with any broker or otherwise, and (ii) advertise, promote or publicize the availability of his or her Residential Unit for sale or lease.

2. Use of Units

Residential Units may be used as a residence or for any lawful purpose, provided such use, does not violate the then existing Certificate of Occupancy or the Deed Restrictions covering such Residential Unit and complies with all applicable governmental regulations.

Each Unit Owner shall notify the Managing Agent and/or Administrative Agent in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Unit. The Condominium shall install at such Unit Owner's expense, the required window guards in all windows of the Unit. The Unit Owner shall maintain all window stops installed in the windows of each Unit and shall not remove same until permitted by applicable law and in any event, without full knowledge of the Managing Agent and/or Administrative Agent. The portion of all curtains, drapes, blinds or other window treatments visible from the exterior of the Building must be dark gray to give the Building a uniform exterior appearance and must be compliance with the Hotel Brand Standards.

Sponsor or its designee may, without the permission of any 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 law, does not violate the then existing Certificate of Occupancy covering such Unit and the user of such Unit complies with all applicable governmental regulations and (b) retain ownership of one or more Units for use as models and sales, rental and/or promotion offices in connection with the sale or rental of other Units in the Condominium.

The current zoning law permits a person who resides in a Residential Unit to use up to 25% of the floor area of his Unit (but in no event to exceed 500 square feet) for certain home occupations including a fine arts studio, professional offices (e.g., lawyer, doctor or dentist) and teaching of not more than four persons. No transient tenant (i.e. stays of less than thirty (30) days) may be accommodated in a Residential Unit.

Declarant and the Non-Residential Unit Owners (and its designees, successors and assigns) reserves the right to use the Non-Residential Units for any lawful purpose permitted under the Zoning Resolution of the City of New York and other applicable law except that the Non-Residential Units may not be used for any obscene or noxious purpose.

No nuisance, immoral, improper, offensive or unlawful use shall be allowed in the Residential Section or any portion thereof. All valid laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof relating to any portion of the Property shall be complied with at the sole expense of the respective Unit Owners or Boards, whoever or whichever shall have the obligation to maintain or repair such portion of the Property.

No "For Sale", "For Rent", "For Lease" sign, or any other sign evidencing a similar purpose, or other window display or advertising shall be maintained or permitted in any Residential Unit or that violate the Hotel Brand Standards, except that these sign restrictions shall not apply with respect to Unsold Residential Units or Non-Residential Units.

No awnings, air conditioning equipment or ventilators shall be installed or modified in the Residential Section without prior written approval of the Residential Board or that violate the Hotel Brand Standards. No radio or television aerial, satellites or other similar device shall be erected by Residential Unit Owners on the roof or exterior walls, windows or terraces of the Building or on the Property, in violation of the Hotel Brand Standards without obtaining in each instance the written consent of the Condominium Board.

No more than two (2) pets may be kept in a Residential Unit without the consent of the Board or the Managing Agent. Each Unit Owner who keeps any type of pet in his or her Unit will be required to: (a) indemnify and hold harmless the Condominium, Residential Board, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all reasonable Rules and Regulations of the Board adopted with respect thereto; and, (c) clean up after their pet.

Each Unit Owner shall keep his or her 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 or her own Unit in accordance with the provisions of the By-Laws and the rules and regulations of municipal departments or agencies having jurisdiction thereof. The Rules and Regulations concerning the use of Residential Units may be amended from time to time by the Residential Board provided that copies thereof are furnished to each Residential Unit Owner prior to the time that they become effective (except that no amendment thereof affecting the Non-Residential Units or Unsold Residential Units may be made unless agreed to by the Non-Residential Unit Owners or Sponsor or its designee, as the case may be). Further restrictions on the use and leasing of Units are set forth in the By-Laws and Rules and Regulations.

The use, occupancy, marketing, advertisement or promotion of the Residential Units under timeshare, fractional ownership, interval exchange (whether the program is based on direct exchange of occupancy rights, cash payments, reward programs or other point or accrual systems) or other membership plans or arrangements (collectively, "Occupancy Plans") through which a participant in the plan or arrangement acquires an ownership interest in the Residential Unit with attendant rights of periodic use and occupancy or acquires contract rights to such periodic use and occupancy of the Residential Unit or a portfolio of accommodations including the Residential Unit is absolutely prohibited. Such prohibition shall not apply to Residential Units that are owned or controlled by the owner or operator of the Hotel or their affiliates, provided the Occupancy Plan is managed by a Hotel Brand Party, the operator of the Hotel or any of their designees. The Hotel Brand Owner, the owner of the Hotel and/or the operator of the Hotel may enforce this restriction by any applicable remedy at law or in equity, including, without limitation, obtaining injunctive relief, damages and attorneys fees and costs.

3. Mortgage of Units by Unit Owners

Each Unit Owner may mortgage his or her Unit, provided that the conditions with respect thereto set forth in the By-Laws are first complied with by him or her. As more fully set forth in the By-Laws, these conditions include the requirements that (a) the mortgage be substantially in the form of the New York Board of Title Underwriters form of mortgage or other standard forms of mortgage, except for such changes or additions as may be required to permit a lender to make the loan (provided that this shall not apply to the mortgages of Sponsor, its designees or affiliates), (b) the applicable 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 or her Unit, other than Permitted Mortgages. Notwithstanding the foregoing, the Sponsor and the Non-Residential Unit Owners shall have the right to mortgage any Non-Residential Unit without any restriction or limitation.

As more particularly set forth in the Section entitled "Amendments to Condominium Documents", in certain instances the consent of the Non-Residential Mortgage Representative and/or the Residential Mortgage Representative is necessary in order to amend the Declaration, By-Laws or Rules and Regulations. The By-Laws provide that no more than three (3) Mortgage Representatives shall be designated by the holders of mortgages (a) which satisfy the conditions set forth in the By-Laws (as described above) and (b) which holders of such mortgages are (i) Sponsor or its designee and any mortgagee of Sponsor, its designee or affiliates, (ii) a bank, trust company, insurance company, real estate investment, mortgage trust, investment bank, trustee of a securitization or any other mortgagee, generally in the business of making real estate condominium loans, or (iii) a governmental or union employee, welfare, pension or retirement fund or system.

4. Common Charges; Determination and Assessment

Residential Common Expenses, which are payable only by Residential Unit Owners and are included in their Residential Common Charges, are allocated among Residential Unit Owners in proportion to their respective Residential Common Interests. In addition, the Residential Common Charges include the Residential Unit Owner's allocable portion of the General Common Expenses. The respective Common Interests of each Unit, as estimated by Sponsor, are based upon square footage pursuant to the measurements provided in Schedule A, 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. Common Expenses include, among other things, 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 and Residential Common Elements and Residential Section. Residential Common Expenses may include amounts for certain other items as the Residential Board may deem proper, such as amounts for reserves or in connection with the purchase or lease by the Residential Board of any Residential Unit.

General Common Expenses which include, among other things, the 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 General Common Elements and certain other expenses common to all Unit Owners, such as premiums for insurance covering the Building, Managing Agent fees and legal and accounting fees will be determined by the Condominium Board. Generally, such expenses will be allocated to the Residential Board and the Non-Residential Units pro rata in accordance with their aggregate respective Common Interests. The Residential Board will then allocate its pro rata share of such expenses among the Residential Unit Owners in accordance with their respective Residential Common Interests.

In the event that the annual receipts levied against Unit Owners during the first year of condominium operation commencing on the date of First Closing exceed the actual expenses less income from sources other than Unit Owners for that period accounted for on an accrual basis by an amount in excess of $100,000, the receipts from Unit Owners over and above such amount may be rebated to the Unit Owners by the Condominium Board and Residential

Board in proportion to each Unit's percentage of Common Interest. Rebates, if any, attributable to Units purchased from Sponsor during the first year of condominium operation will be distributed by the Condominium Board and Residential Board to Sponsor and the Unit Owner(s) in proportion to the amount of time Sponsor and each Unit Owner owned such Unit. Sponsor makes no representations that there will be any excess receipts for rebate to Unit Owners or, if rebates are made, what the tax consequences of such rebates would be to Unit Owners. See the Attorney's Tax Opinion in Part I of the Plan for further discussion regarding the income tax consequences of the ownership of Residential Units by individual Unit Owners.

At least annually (a) the Condominium Board will prepare a budget for General Common Expenses and allocate, as aforesaid, and assess General Common Charges to the Residential Board and the Non-Residential Unit Owners to meet such expenses and (b) the Residential Board will prepare a budget for Residential Common Expenses and allocate, as aforesaid, and assess among all Residential Unit Owners, Residential Common Charges to meet (i) Residential Common Expenses and (ii) the Residential Board's pro rata share of General Common Expenses.

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

5. Common Charges: Collection and Lien for Non-Payment

Pursuant to Section 339-z of the Real Property Law and under the provisions of the By-Laws, (a) the Residential Board, on behalf of all Residential Unit Owners, will have a lien on each Residential Unit for unpaid Residential Common Charges together with interest thereon, assessed against such Unit, (b) the Condominium Board, on behalf of all Unit Owners, will have a lien on a Residential Unit, for General Common Charges unpaid to it by the owner of the Residential Unit, together with interest thereon, in proportion to the respective Common Interests of the Residential Units, as well as a lien on the Non-Residential Units, for General Common Charges unpaid to it by the Non-Residential Unit Owner, together with interest thereon. All such liens, however, to the extent permitted by applicable law, will be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the particular Unit. Any lien for unpaid General Common Charges or Residential Common Charges, against a Unit will be effective from and after filing of a verified notice thereof in the City Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until six years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever shall occur sooner. The By-Laws provide that such liens may be foreclosed by a suit brought in the name of the appropriate Board (acting on behalf of all Unit Owners or all Residential Unit Owners, as the case may be) in like manner as the foreclosure of a mortgage on real property or an action may be brought by the appropriate Board to recover unpaid Common Charges without foreclosing such lien.

The Residential Board or the Condominium Board may make any lien against a Unit Owner effective pursuant to Real Property Law §339-aa. The Sponsor will cause the Residential Board to file a lien as provided in RPL §339-aa on a Unit owned by Sponsor if the Sponsor is more than thirty (30) days in arrears in paying Common Charges while Sponsor controls the Residential Board.

No Unit Owner may exempt himself or herself from liability for his or her Common Charges by waiving use of any of Common Elements or by abandonment of his or her Unit. No Unit Owner, however, will be liable for the payment of any part of the Common Charges assessed against his or her Unit subsequent to a permissible sale, transfer or other conveyance by him or her of such Unit. In addition, as more specifically set forth in the By-Laws, (a) a Residential Unit Owner may, by conveying his or her Unit without consideration to the Residential Board and complying with certain conditions in connection therewith, exempt himself or herself from Residential Common Charges and Residential Common Charges thereafter accruing, and (b) the Non-Residential Unit Owner may, by conveying the Non-Residential Unit without consideration to the Condominium Board and complying with certain conditions in connection therewith, be exempt from General Common Charges thereafter accruing.

On a resale of a Residential Unit, the seller thereof will be liable for the payment of Residential Common Charges accrued and unpaid against such Unit prior to his or her acquisition. Prior to the permissible sale, transfer or other conveyance of a Residential Unit, any seller or purchaser of a Residential Unit shall be entitled to a statement (an "Estoppel Letter") from the Residential Board, setting forth the amount of the unpaid Common Charges accrued against the Unit and neither such seller nor 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 either Board of its lien on any Unit for unpaid Common Charges, if the net proceeds of the foreclosure sale shall be insufficient for the payment of such unpaid charges or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the Unit Owner will remain liable for the unpaid balance. Neither (a) a Permitted Mortgagee (as defined in the Condominium Declaration) acquiring title to a Unit at foreclosure sale nor (b) a purchaser at a foreclosure sale shall be liable, and the Unit shall not be subject to a lien, for the payment of the Common Charges assessed prior to the acquisition of title to such Unit by such Permitted Mortgagee or purchaser. However, such Permitted Mortgagee or purchaser at a foreclosure sale shall be liable for payment of all Common Charges after the acquisition of title to such Unit. The Residential Board will have the right to assess such unpaid balance as a Residential Common Charge among all Residential Unit Owners.

6. Repairs to and Maintenance of Units and Common Elements

Generally, all painting, decorating, and routine maintenance, repairs and replacements, (a) in or to any Unit, or any applicable Residential Limited Common Element, Hotel Common Element, Restaurant Common Element, or Retail Common Element, as the case may be, (other than to the General Common Elements or Non-Residential Common Elements or Residential Common Elements or any applicable Residential Limited Common Element, Hotel

Common Element, Restaurant Common Element, or Retail Common Element included therein), including the individual heating and cooling systems and the interior side of entrance doors thereto, will be made by the owner of such Unit at such Unit Owner's sole cost and expense, (b) in or to the General Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to the Residential Board and the Non-Residential Unit Owner as a General Common Expense, (c) in or to the Residential Common Elements, and the Residential Limited Common Elements will be made by the Residential Board and the cost and expense thereof will be charged to all Residential Unit Owners as a Residential Common Expense and (d) in or to the Non-Residential Common Elements will be made by the Non-Residential Unit Owner at its sole cost and expense (e) in or to the HVAC Common Elements will be made by the Hotel Unit Owner at the cost and expense of the Unit Owners served by the HVAC Common Elements, (f) in or to the Hotel-Residential Common Elements by one Board member designated by the Hotel Unit Owner and one Board member designated by the Residential Units at the cost and expense of the Hotel Unit Owner and the Residential Unit Owners. Notwithstanding the foregoing, any repairs by Unit Owners to the incremental heating and air conditioning units within each Unit shall only be made by contractors or servicemen who have been previously approved by the Board.

The interior and exterior glass surfaces of all windows located in any Unit shall not be colored or painted and the windows 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 Residential Unit because of breakage or otherwise shall be made by the Residential Board at the sole cost and expense of the owner of such Residential Unit (unless such breakage is caused by any 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 responsible Board or 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 appropriate Board, whichever is responsible for the maintenance thereof. In the event any Unit Owner fails to keep his or her Unit in such condition, the appropriate Board may, at the expense of such Unit Owner, enter such Unit and perform such acts as are necessary to cure such default. (See the Section entitled "Rights of Access"). The façade of the Building including the windows shall be maintained in accordance with the Hotel Brand Standards.

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 each Board, be kept in good appearance in conformity with the dignity and character of the Building by such Unit Owner or Board.

In addition, the Rules and Regulations require that at least eighty percent (80%) of the floor area of Residential Units (except for kitchens, bathrooms, closets and foyers) be covered with rugs, carpeting or equally effective noise-reducing material.

7. Alterations and Improvements of Units and Common Elements

No Residential Unit Owner may make any structural alteration, addition, improvement or repair in or to his or her Unit without the prior written approval of the Residential Board but, as more fully set forth in the By-Laws, this provision does not apply to an Unsold Residential 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 appropriate Board. The Residential Board may impose fees upon such Residential Unit Owner to reimburse the Condominium for costs incurred in connection with the review or supervision of such Residential Unit Owner's work.

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, the Residential 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 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 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 Residential Unit, unless approved and executed, if necessary, by the Residential Board or, if required, by the Condominium Board. The Residential Board (or 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 Residential Board, 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 Residential Unit or Non-Residential Unit, provided any alteration to such Unit shall be in accordance with, and only as permitted by, the Condominium Act and all governmental regulations. Under the terms of the By-Laws, Sponsor and the Non-Residential Units are authorized on behalf of the Boards to execute such applications, permits or other documents as may be required to undertake, perform and complete such work to the Unsold Residential Units, Non-Residential Units and Common Elements as Sponsor is entitled to perform in accordance with the terms of the Declaration and the By-Laws and to obtain such certificates of completion as may then be required by Law (collectively the "Required Documentation") and, the appropriate Board, if requested by Sponsor is obligated to execute the Required Documentation. In addition, the power of attorney to be executed by each Unit Owner upon acquisition of the Unit further grants to Sponsor a power of attorney to execute the Required Documentation.

In the event that any alterations, additions, improvements or repairs made by any Residential Unit Owner materially delay, prevent or adversely affect, or create a significant risk

of materially delaying, preventing or adversely affecting, whether directly or indirectly, the issuance of a temporary or final certificate of occupancy for such Unit, other Units or the Building, then upon the written request of Sponsor, the Condominium Board or the Residential Board, the Unit Owner shall restore the Unit, at such Unit Owner's sole cost and expense, to its original condition. If such Unit Owner fails to commence diligently and continuously restoring the Unit within fifteen (15) days of receipt of the written request, then the party requesting such restoration shall be entitled to enter and restore the Unit at the expense of the Unit Owner and to exercise any remedies provided in the By-Laws.

Generally all alterations or improvements in or to the General Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to the Residential Board and the Non-Residential Unit Owners as a General Common Expense. Repairs, maintenance, replacements, restorations, improvements, alterations and additions in or to the Residential Common Elements will be made by the Residential Board and the cost and expense thereof will be charged to all Residential Owners as a Residential Common Expense; and alterations, additions or improvements in or to the Hotel Common Elements or the Restaurant Common Elements or the Retail Common Elements will be made by the Hotel Unit Owner or the Restaurant Unit Owner or the Retail Unit Owner, as the case may be.

A Non-Residential Unit Owner, as the case may be, without the consent of either the Residential Board or the Condominium Board may make any alteration, addition, improvement or repair in or to the Non-Residential or the Non-Residential Common Elements provided that the work is performed by the Non-Residential Unit Owner in compliance with governmental laws and regulations and in accordance with all applicable conditions described in the Declaration. Sponsor, without the consent of the Residential Board or the Condominium Board, may make any alteration, addition, improvement or repair in or to any Unsold Residential Unit or the Common Elements provided that the work is performed by Sponsor in compliance with governmental laws and regulations and in accordance with all conditions described in the Declaration. In addition, Sponsor and the Non-Residential Unit Owner may erect, maintain, repair and replace, or permit their tenants to erect, maintain, repair or replace, from time to time, one or more signs on the Property for the purpose of advertising the availability of Units for sale or rental any Unsold Residential Unit including, but not limited to, signs on the facade of the Building and on any awnings, canopies or other protrusions from the facade of the Building.

8. Rights of Access

As more fully set forth in the By-Laws, each Board and any Managing Agents, Administrative Agents, managers, superintendents and other persons authorized by any Board, will have a right of access to any Unit for the purposes of performing installations, alterations or repairs 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 for any other purposes provided in the Plan, Declaration or as may be required by law or governmental regulation, provided that requests for entry (except in emergency situations) are made in advance and that any such entry (except in emergency situations) is at a time reasonably convenient to the Unit Owner and the tenants of any Unit. In case of an emergency, such right of

entry shall be immediate, whether the Unit Owner is present at the time or not. Provided reasonable care is exercised to safeguard the Unit Owner's property, any entry described herein shall not render the Board or its authorized agents liable for damage incurred in connection with the exercise of such right of entry. Sponsor shall have a right of access to any Unit for the purpose of performing punch-list work or for the purpose of performing or completing construction in the Building.

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

Each Residential Unit Owner must strictly comply with the provisions of the Declaration, the By-Laws, and the Rules and Regulations. 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 City Register's Office.

10. 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, but not more frequently than once each quarter.

11. 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 Residential Board with respect to any damage to or destruction of the Residential Section, and the Condominium Board with respect to any damage to or destruction of the General Common Elements, will, except as set forth below, arrange for the prompt repair and restoration thereof (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit).

If only a Non-Residential Unit is destroyed or damaged by fire or other casualty and if the net insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the Non-Residential Unit Owner will bear the entire amount of the deficit, or shall receive all of the surplus, as the case may be. Similarly, if only the Residential Section is damaged or destroyed by fire or other casualty and the insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be shared entirely by all Residential Unit Owners in proportion to their respective Common Interests. If said damage or destruction by fire or other casualty affects the Non-Residential Section, the Residential Section and the General Common Elements, or any combination thereof, then any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners in proportion to their respective Common Interests in the proportion that the cost of repairing the damage or destruction to the Residential Section, Non-Residential Section and General Common Elements bears to the total cost of repairing all damage or destruction. However, the Non-

Residential Unit Owners shall still have the right to make all arrangements for the prompt repair and restoration of the Non-Residential Unit to the extent they are affected by such damage or destruction. If said damage or destruction, however, affects only the General Common Elements, then any deficit or surplus in insurance proceeds shall be borne or shared 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 or her 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 three-fourths or more of the Building is destroyed or substantially damaged 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 the Hotel Unit Owner shall have an option to purchase all of the Units for an amount equal to the amount the Unit Owners would have received. In either event, no payment shall be made to a Unit Owner until there has first been paid out of his or her share of such funds such amounts as may be necessary to discharge all unpaid liens on his or her Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens, This option must be exercised within sixty (60) days after the insurance proceeds are paid and must close within ninety (90) days thereafter.

Notwithstanding anything contained herein to the contrary, the proceeds of all policies of physical damage insurance maintained by the Condominium Board shall be payable to the Board entitled to adjust such loss in the event of a loss amounting to $1,000,000 or less. In the event that such proceeds are in excess of $1,000,000, such proceeds shall be payable to the construction lender, or its successors or assignees while it holds a mortgage on the Property or any Unit and, thereafter, to a New York City bank or trust company 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.

12. Insurance

The Condominium Board is required to obtain and maintain, in accordance with the provisions of the By-Laws, to the extent obtainable and to the extent determined by the Condominium Board to be appropriate, the following insurance: (a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit), together with all service machinery contained therein and covering the interests of the Condominium, each of the Boards and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings); (b) rent insurance in an amount equal to the aggregate Common Charges for one year; (c) worker's compensation and

New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any, determined by the Condominium Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering all Boards and all officers, directors and employees of the Condominium, the Residential Section and the Non-Residential Section; (i) directors and officers liability coverage; and (j) such other insurance as the Condominium Board may determine. Each Unit Owner shall be an additional insured.

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 Residential Unit Owners shall be in at least the sum set forth in Schedule B.

All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured or (iv) pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least ten days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees.

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 such Board may from time to time determine, covering (1) each Board, the Managing Agent, Administrative Agent or agents thereof, each Board member and each officer and employee of the Condominium and Residential and Non-Residential Sections, (2) the Non-Residential Unit Owners, and all officers, directors and employees thereof, and (3) each Residential Unit Owner, except that such policy will not cover liability of a Unit Owner arising from occurrences within his or her own Unit or within the Residential Limited Common Elements, if any, exclusive to his or her Unit. The Condominium Board shall review such limits not less than once each year. Until the first meeting of the Condominium Board following the First Annual Meeting of Residential Unit Owners, such liability insurance shall be in at least the sum set forth in Schedule B with respect to bodily injury and property damage, combined single limit. The insurance discussed above shall also include cross-liability claims of one insured against another.

Any insurance maintained by the Condominium Board may provide for such deductible amounts as such Board determines. The premiums for all insurance referred to above shall be a General Common Expense and shall be borne by the Residential Board and the Non-Residential Unit Owners in such proportions between them, with due consideration to their respective risks, liabilities and replacement values, as are equitable (as determined by the respective insurance carriers thereof or their agents, brokers or such other parties designated by the Condominium Board). If any such insurance carrier, agent, broker or other party fails to

make such determination and the Residential Board and the Non-Residential Unit Owners fail to agree on a determination or if either disagrees with any such determination made by such insurance carrier, agent, broker or other party, the matter shall be determined by arbitration pursuant to the By-Laws.

The Condominium Board is not required to obtain or maintain any insurance with respect to any personal property contained in a Unit. A Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with mimimum coverage as established by the Condominium Board from time to time and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the apartment or any part thereof (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage). The limits of liability set forth in (a) and (b) above may be increased by the Condominium Board from time to time. The insurance required above shall be written in form reasonably satisfactory to the Condominium Board by good and solvent insurance companies of recognized standing, admitted to do business in the State of New York. Upon ten (10) days' written notice from the Condominium Board, the Managing Agent, or the Administrative Agent the Unit Owner shall deliver to the Condominium Board a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Condominium Board. The Condominium Board, the Administrative Agent and the Managing Agent shall not be responsible for ensuring that Unit Owners as insured and shall have no liability for the failure of a Unit Owner to have insurance. To the extent either party is insured for loss or damage to property, each party will look to their own insurance policies for recovery.

13. Liability of Boards and Unit Owners

Every contract made by the Condominium Board or the Residential Board or by any Managing Agent or Administrative Agent or manager thereof shall state that (a) it is made only as agent for all Unit Owners or Residential Unit Owners, and such Board members or Managing Agent or Administrative Agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners) and (b) the liability of any Residential Unit Owner with respect to such contract shall be limited to (i) such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners or Residential Unit Owners, as the case may be, and (ii) to the extent permitted by law, unless otherwise determined by the appropriate Board in its sole and absolute discretion, such Unit Owner's interest in his or her Unit and its appurtenant Common Interest. To the extent permitted by applicable law, Board members shall have no liability to Residential Unit Owners except that a Board member shall be liable for his own bad faith or willful misconduct. All Residential Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member and each Residential Board member, against any liability or claim except those arising out of such member's own bad faith or willful misconduct. Any Board may contract or effect any transaction with any Board member, any Unit Owner, Sponsor or its designee, or any affiliate of

any of them without incurring any liability for self-dealing except in cases of bad faith or willful misconduct.

14. Reports to Unit Owners

An annual report of the receipts and expenditures of the Condominium, certified by an independent certified public accountant, shall be submitted by the Board to all Unit Owners within four months after the end of each fiscal year.

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 provided in the By-Laws) until such time as the Property shall be withdrawn from the provisions of the Condominium Act as a result of the vote to do so of at least eighty percent (80%) in number and in Common Interest of all Unit Owners. Such vote shall not be effective, however, unless written consents are obtained from (a) the Residential and Non-Residential Mortgage Representatives, if any, and (b) Sponsor, until such time as Sponsor and its designees have conveyed title to all Residential Units, provided that in no event shall Sponsor's consent be required more than five (5) years after the First Closing. In the event of withdrawal, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on his or her Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

16. Units Acquired by Residential Board

All Units acquired or leased by the Residential Board or its designees shall be held by the 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 Residential Board or the Condominium Board shall carry any voting rights.

The purchase of any Unit by the Residential Board or its designees, on behalf of the Residential Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Board. If the funds in such accounts are insufficient to effectuate any such purchase, the Board may levy an assessment against each Residential Unit Owner in proportion to his or her respective Common Interest, as a Residential Common Charge, and/or the 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 appurtenant interests in the Common Elements.

17. Procedure to Review Real Estate Tax Assessments

The Residential Board, on behalf of and as agent for all Residential Unit Owners, will be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units. All Residential Unit Owners will share the costs in connection therewith and the benefits derived therefrom based on their respective Common Interests. In the event any Residential Unit Owner individually seeks to have the assessed valuation of his or her Unit reduced by bringing a separate certiorari proceeding, the Residential Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies the Residential Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings. The Non-Residential Unit Owner will have the right to commence certiorari proceedings on their own at their sole cost and expense.

18. Mechanics' Liens

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

19. Easements and Name of Condominium

In order to facilitate the operation and maintenance of the Building and the sale or leasing of Units therein, each of the Units will be subject to certain easements including easements in favor of Sponsor, other Unit Owners and the Boards. These easements, which are more particularly set forth in the Declaration, include an easement of support and necessity in favor of all other Units and the Common Elements, and an easement in favor of each Unit Owner to use, operate, maintain, repair, alter, rebuild, restore and replace the Limited Common Elements, provided that such easements shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants or permitted use of the Non-Residential Unit or with the use of the Residential Units for their permitted purposes. Sponsor, and the Non-Residential Unit Owner shall have an easement to erect, maintain, repair and replace utility and other lines through the Residential Section and the Residential Section shall have an easement to erect, maintain, repair and replace utility and other lines through the Non-Residential Units. In addition, Sponsor and its designees and the Non-

Residential Unit Owner 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.

As set forth in the Declaration, the Condominium and the Building shall be designated and known as "Bryant Park South Condominium". Any and all rights and interests appurtenant to such name, if same exist, are owned and controlled by the Hotel Unit Owner. Similarly, any and all obligations and liabilities appurtenant to such name shall be the sole responsibility and obligation of Sponsor. For so long as Sponsor owns any Units in the Building only the Hotel Unit Owner shall have the right to change the name of the Condominium and/or the Building, and such right may be exercised by the Hotel Unit Owner at any time without the vote or consent of the Sponsor or any Board or Unit Owner.

20. Litigation

Neither the Condominium Board nor the Residential Board may bring any litigation except to enforce the Declaration and By-Laws without obtaining the prior approval of the owners of two thirds of the Units and the owners of two-thirds of the Percentage Interests in the Common Elements.

21. The Declaration and By-Laws

A copy of the Declaration and a copy of the By-Laws are set forth in Part II of the Plan. A prospective purchaser should read the Plan in its entirety including the Declaration and By-Laws.

V. REAL ESTATE TAXES

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

As set forth in more detail in the opinion letter prepared by Podell, Schwartz, Schechter & Banfield, LLP, dated July 29, 2015, assuming the Property does not receive any real property tax abatement or exemption benefits, it is estimated that the aggregate real estate taxes attributable to all Residential Unit Owners for the first year of Condominium operation (October 1, 2016 through September 30, 2017) will total approximately $1,586,000. This estimate assumes the following: (a) an estimated total taxable assessed valuation for all the Residential Units of $10,900,000 for the last nine (9) months of the City's fiscal 2016/2017 (from June 1, 2016 through June 30, 2017) reflecting a partially completed building and an estimate 2016/2017 residential class "2" tax rate of $12.883 per $100 of assessed valuation; and (b) an estimated total taxable assessed valuation for all the Residential Units of $16,500,000 for the first three (3) months of the 2017/2018 tax year reflecting a completed building and an estimated residential class "2" tax rate of $12.883 per $100 of assessed valuation. Purchasers should note that for 2017/2018, the first full tax year following the completion of the Building, it is estimated that the gross real estate taxes (exclusive of any abatement or exemption benefits) for all the Residential Units will total approximately $2,126,000. Taxes are likely to increase after the Building's completion and after separate assessment.

SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY, THE ESTIMATED ALLOCATIONS, THE TAX RATE OR TAXES WILL NOT BE CHANGED OR DETERMINED IN DIFFERENT AMOUNTS BY THE CITY OF NEW YORK DEPARTMENT OF FINANCE.

The estimate of the assessed value and real estate taxes for each Residential Unit has been determined by multiplying the total estimated taxes due with respect to the Residential Units by the relative percentage of Common Interest set forth on Schedule A herein. Please refer to the Section of the Plan entitled "Real Estate Taxes" and the opinions of Holland & Knight LLP and Podell, Schwartz, Schechter & Banfield, LLP as set forth in Part I of the Plan for further discussion regarding real estate taxes for the residential portion of the Property.

Prior to the issuance of separate tax lots, the real estate tax estimates for each Residential Unit will be determined by multiplying the total taxes due with respect to the Residential Units by a percentage derived by dividing the Common Interest of each Residential Unit by the total Common Interests of all Residential Units. Upon determination of individual tax lots and individual Residential Unit assessments, the New York City tax authorities may allocate taxes between the Residential Units in proportion to each Residential Unit's percentage interest in the

Common Elements, which is their stated policy, or some other method, such as relative purchase price. In the event another method of allocation is employed other than in proportion to each Residential Unit's percentage interest in the Common Elements, Residential Units having the same percentage interest may pay different real estate taxes.

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

Prospective purchasers should note that increases in a property's assessed valuation resulting from changes in its market value (other than changes resulting from new construction or alteration of an existing improvement) are phased in over five fiscal tax years in annual increments of twenty percent each. Any further increase in assessed valuation during such five-year period resulting from a still higher market value is similarly phased in over an additional five-year period from the date of such increase. The full increased assessed valuation targeted to be in effect after the end of the five-year period is called the "actual" assessed valuation, and the amount of the incremental assessed valuation upon which taxes are actually computed for each fiscal tax year during such five-year period is called the "transitional" assessed valuation. Taxes are likely to increase after separate assessment.

W. TAXES - DEDUCTIONS TO RESIDENTIAL UNIT OWNERS AND TAX STATUS OF 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 Holland & Knight LLP, counsel to Sponsor, a copy of which is set forth in Part I of this Plan.

HOLLAND & KNIGHT LLP IS COUNSEL TO SPONSOR AND NOT THE UNIT OWNERS. EACH PURCHASER SHOULD CONSULT HIS OR HER OWN TAX COUNSEL AS TO THE TAX CONSEQUENCES OF UNIT OWNERSHIP UNDER THIS PLAN.

1. Deductibility of Mortgage Interest and Real Estate Taxes

Each Residential Unit Owner will own his or her 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 his 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 Holland & Knight LLP that a Residential Unit Owner who uses his or her Residential Unit as a personal residence and itemizes his or her 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 to the overall allowance of itemized deductions.

2. Taxation of the Condominium

If the Condominium meets the requirements for qualification as a "homeowners association," which requirements are discussed in the Attorney's Income Tax Opinion, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Residential Unit Owners. If such an election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources, such as income from assessments from the Non-Residential Unit Owners, and interest earned on any reserve funds (less expenses directly connected with the production of such income).

Sponsor anticipates that the Condominium will qualify as a homeowners association. Assuming the Condominium does not qualify as a homeowners association, or if it does but chooses not to make the election noted above, the present state of the law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. As discussed in the Attorney's Income Tax Opinion, the tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of such income (including the nonmembership, and possibly membership, income described above less expenses related to such income) is subject to Federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. Schedule B, Budget for the First Year of Condominium Operation, does not contemplate any income which might be taxable and accordingly does not budget any amounts for taxes for nonmembership or membership income. Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners or otherwise treated. The tax treatment of the Condominium may be affected by regulations relating to entity classification, which were adopted by the United States Treasury Department on December 17, 1996.

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

X. TAX OPINION OF HOLLAND & KNIGHT LLP

Holland & Knight
31 West 52nd Street | New York, NY 10019 | T 212.513.3200 | F 212.385.9010
Holland & Knight LLP | www.hklaw.com

To ensure compliance with the Internal Revenue Service Circular 230 disclosure requirements, we inform you that the United States federal tax advice contained herein (i) is written in connection with the promotion or marketing by others of the transactions or matters addressed herein, and (ii) is not intended or written to be used, and cannot be used by any taxpayer, for the purpose of avoiding U.S. tax penalties. Each taxpayer with respect to the subject matter addressed herein should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

September 19, 2014

HFZ Bryant Park Owner LLC
c/o HFZ Capital Group
600 Madison Avenue
New York, New York 10013

Re: Condominium Offering Plan
Bryant Park South Condominium (the "Condominium")

Ladies and Gentlemen:

You have requested our opinion concerning (i) the deductibility, for Federal, New York State and New York City income tax purposes, of mortgage interest and real estate taxes paid by residents of New York who purchase the Units for residential use pursuant to the above-referenced Condominium Offering Plan (the "Plan"), and (ii) the qualification of the Condominium as a "homeowners association" under Section 528 of the Internal Revenue Code of 1986, as amended (the "Code"). This opinion does not address the tax consequences of (i) the ownership of Units by corporations, other entities or foreign persons, (ii) ownership of the Unsold Units, or (iii) any rebates or other payments that may be made, or benefits provided, to owners of Units. Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Plan.

In connection with rendering this opinion, we have reviewed the Plan and have examined the schedules, exhibits and documents accompanying the Plan, including the declaration establishing, and the By-Laws governing, the operations of the Condominium (the "Plan Documents"). We have also considered the relevant sections of the Code, the New York State Tax Law, the New York City Administrative Code, the regulations promulgated thereunder and such other materials as we deemed relevant. In rendering this opinion, we have assumed that the

tax assessment with respect to his or her interest in the Property. Under these circumstances, the Internal Revenue Service (the "IRS") has ruled that the owner of a residential condominium unit may deduct interest paid on his or her mortgage indebtedness and the real estate taxes assessed and paid on his or her interest in the property. Rev. Rul. 64-31, 1964-1 C.B. 300.

Accordingly, based on the foregoing, it is our opinion that an owner of a Unit who itemizes his or her deductions will be entitled under current law to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as set forth in Section 68 of the Code, real estate taxes assessed against his or her Unit and paid to the local tax authority. However, no deduction for real estate taxes is permitted for purposes of the Federal alternative minimum tax. Owners of the Units should consult their tax advisers regarding the applicability of the overall limitation on itemized deductions to the deductibility of real estate taxes.

A taxpayer generally is entitled to a deduction for Federal income tax purposes for interest paid with respect to a principal and one secondary residence (a "qualified residence") to the extent that the interest is attributable to indebtedness which is secured by the qualified residence and which (i) is incurred in acquiring, constructing or substantially improving the qualified residence (or which constitutes a refinancing thereof, to the extent that such indebtedness does not exceed the amount of the refinanced debt) ("acquisition indebtedness"), up to a maximum of $1,000,000 for any period ($500,000 in the case of a married individual filing a separate return), or (ii) is any indebtedness other than acquisition indebtedness, up to the excess of the fair market value of any one qualified residence over the amount of acquisition indebtedness with respect to such residence ("home equity indebtedness"), but not to exceed $100,000 ($50,000 in the case of a married individual filing a separate return) in the aggregate for all qualified residences of the taxpayer in any period. Accordingly, an owner of a Unit who itemizes deductions and uses his or her Unit as a qualified residence will be entitled, under current law, to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as set forth in Section 68 of the Code, interest paid or accrued by him or her on (i) acquisition indebtedness incurred with respect to his or her Unit to the extent that such indebtedness, when added to the amount of acquisition indebtedness incurred with respect to a second qualified residence (if any), does not exceed $1,000,000 ($500,000 in the case of a married individual filing a separate return) and (ii) home equity indebtedness with respect to his or her Unit to the extent that such indebtedness, when added to the amount of home equity indebtedness incurred with respect to a second qualified residence (if any), does not exceed $100,000 ($50,000 in the case of a married individual filing a separate return). Since the rules and limitations regarding the deductibility of home mortgage interest are complex, purchasers are urged to consult their tax advisers regarding the application of such rules and limitations to them, as well as regarding the deductibility of interest with respect to their Units for Federal alternative minimum tax purposes (which at present is subject to rules different than those described above for regular tax purposes). In addition, owners of Units should consult their tax advisers regarding potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans and on the overall limitation on the allowance of itemized deductions.

Each owner of a Unit who uses his or her Unit as a residence will generally be entitled to the same deduction for mortgage interest and real estate taxes paid or accrued with respect to his or her Unit for New York State and New York City income tax purposes as is allowed for Federal

(regular) income tax purposes. However, under New York State and New York City income tax law, itemized deductions, such as interest and real estate tax deductions, are subject to reduction by as much as 50% in the case of individuals having income exceeding certain prescribed levels. Moreover, if an individual's New York State and New York City adjusted gross income exceeds $1,000,000, then no New York State or New York City itemized deductions are allowable for the mortgage interest and the real property tax payments. Furthermore, purchasers should consult their tax advisers to determine the application, if any, of the New York State and New York City minimum taxes to the deduction for mortgage interest and real estate taxes with respect to their Units.

If the Condominium qualifies as a homeowners association within the meaning of Section 528 of the Code, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Unit Owners. However, even if the election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources such as interest earned on any reserve funds (less expenses) directly connected with the production of such income).

To qualify as a homeowners association, the Condominium must meet all of the following conditions: (1) it must be organized and operated to provide for the acquisition, construction, management, maintenance and care of association property, (2) at least 60% of its gross income for each taxable year must consist solely of amounts received as membership dues, fees or assessments from Unit Owners, (3) 90% or more of its expenditures for each taxable year must be made for the acquisition, construction, management, maintenance and care of association property, (4) no part of its net earnings can inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than by rebate of excess membership dues, fees, or assessments), (5) the Condominium must elect to be treated as a homeowners association, and (6) at least 85% of the total square footage of all Units within the Condominium must be used by individuals for residential purposes. See Treasury Regulation § 1.528-4(b). The qualification of an organization under the provisions of Section 528 is to be determined annually at the close of each taxable year and it is possible, therefore, that if the Condominium does not qualify in one year, it may nevertheless qualify in one or more future years.

Based on the information contained in Schedule A to the Plan, which shows that 100% of the total square footage of all Units of the Condominium will be contained in the Units, and assuming that the Units are used by individuals for residential purposes under Treasury Regulation § 1.528-4, at least 85% of the total square footage of all Units of the Condominium will be used by individuals for residential purposes. Based on the information contained in Schedule A to the Plan and assuming (i) the actual gross income and expenditures of the Condominium for its taxable year ending December 31, 2016 (the "2016 Taxable Year") are the same (or, are in the same proportions) as the estimated gross income and expenditures for the Condominium's first year of operations, as set forth in Schedule B to the Plan, (ii) the Condominium otherwise operates in accordance with the terms of the Plan and the Plan Documents, and (iii) there are no changes in the facts and/or the relevant provisions of current law, the Condominium should be eligible to elect to be treated as a homeowners association under Section 528 of the Code for the 2016 Taxable Year. In making that determination we also note that Schedule B to the Plan lists qualifying expenditures (the 90% test discussed in (3) above) for association property, essentially property

attributable to Units, at 91.9% of total expenditures in the 2016 Taxable Year. To the extent that actual expenses for association property decreases by a small amount in the 2016 Taxable Year, or the expenses for non association property increases by a small amount in the 2016 Taxable Year, or a combination of both occurs, such increases or decreases may cause total expenditures for association property to be less than 90% of total expenditures in the 2016 Taxable Year. If such increases or decreases result in association property expenditures that are less than 90% of total Condominium expenditures, the Condominium will not be eligible to elect to be treated as a homeowners association for the 2016 Taxable Year.

Absent the application of Code Section 528, the present state of federal law is unclear as to the precise tax status of the Condominium. An entity classification regime was adopted in regulations issued by the United States Treasury Department on December 17, 1996 and there is no authority addressing the application of those entity classification regulations to condominiums. Because the By-Laws of the Condominium provide that the Board (the "Board") will each act as the agent of the Unit Owners represented by each such Board, the Board may take the position that the Condominium is not a separate entity and accordingly is not subject to the classification regime. In such case, the Unit Owners would, in the aggregate, include in their gross income and be taxed on all income earned by the Condominium (which income may include interest or similar income earned from interim investments of the amounts assessed and collected from the Unit Owners), reduced by the expenses incurred in earning such income. For this purpose, the Common Charges should not be considered income earned by the Condominium through the Board collecting such charges. If, however, the Condominium is properly considered a separate entity and is not incorporated under New York State law, the Condominium may elect to classify itself as a corporation. If the Condominium is taxable as a corporation, it would be considered a separate taxpayer with respect to income and deductions and return filing requirements and would be subject to Federal corporate income tax. If the Condominium does not elect to be treated as a corporation and is treated as a partnership, the partnership would not be subject to an entity level tax, the items of income and deduction of the partnership would generally be passed through to the Unit Owners in accordance with the provisions of Subchapter K of the Code, and the partnership would be required to file information returns.

The precise tax status of the Condominium for New York State and New York City tax purposes is also unclear. The relevant New York State and New York City laws incorporate by reference federal entity classification provisions which, as discussed above, do not specifically address the treatment of condominiums. If the Condominium is properly treated as a separate entity that is an association taxable as a corporation for Federal income tax purposes, the Condominium would be subject to the New York State Corporation Franchise Tax and the New York City General Corporation Tax. If the Condominium does not constitute an association that is taxable as a corporation for Federal income tax purposes, it likely would be subject to the New York City Unincorporated Business Tax, unless the Condominium were eligible for and elected treatment under Code Section 528 as a homeowners association.

* *

We express no views as to any Federal, New York State or New York City tax consequences other than those explicitly discussed in this opinion, or as to the tax status or tax consequences of the Plan under the laws of any other U.S. or foreign jurisdiction. Moreover, this

opinion, while based on existing rules of law applied to the facts and documents referred to above, is not binding on the IRS, any state or local tax authority, or any court. No assurances can be given that the tax laws upon which we base this opinion will not change. In no event will the Sponsor, Holland & Knight LLP, the Board, the Selling Agent or any other person be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or IRS rulings on which we have relied which cause the owners of Units not to be entitled to the income tax deductions described herein, or which would affect the tax treatment of the Condominium as described herein.

Internal Revenue Service Circular 230 Disclosure

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

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

Very truly yours,

Holland & Knight LLP

Holland & Knight LLP

Y. 339-I OPINION

Holland & Knight

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September 19, 2014

HFZ Bryant Park Owner LLC
c/o HFZ Capital Group, LLC
600 Madison Avenue
New York, New York 10022

Re: Bryant Park South Condominium
16 West 40th Street
New York, New York (the "Condominium")

Ladies and Gentlemen:

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

In connection with rendering this opinion we have reviewed the allocation of Common Interests as shown on the Schedule A of the Plan and the declaration establishing the Condominium. We have also considered the relevant sections of the New York State Condominium Act and such other materials as we deemed relevant. Our opinion is based upon the factual determinations made by Penmark Management, 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 .

Based upon our review of the foregoing, we have determined that Common Interests were allocated pursuant to the method set forth in Real Property Law Section ("RPL") 339-i (1)(iv), i.e., based upon floor space, subject to the location of such space and the additional

factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit.

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

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

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

Very truly yours,

Holland & Knight LLP

By: Holland & Knight LLP

Z. REAL ESTATE TAX OPINION OF PODELL, SCHWARTZ, SCHECHTER & BANFIELD, LLP

LAW OFFICES

PODELL, SCHWARTZ, SCHECHTER & BANFIELD, LLP

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SENIOR COUNSEL
ALLAN C. SCHWARTZ

SPECIAL COUNSEL
VICTOR HADE

July 29, 2015

20 West 40 Bryant Park Owner LLC
c/o HFZ Capital Group
600 Madison Avenue, 17th Floor
New York, NY 10022

Re: THE 20 WEST 40th STREET CONDOMINIUM
20 West 40th Street
Block: 841 Lot: 30 (former lots 30, 58, 59 & 60)
Borough: Manhattan

Gentlemen:

You have requested that we provide you with a revised estimate of the real estate tax assessments and real estate taxes on the residential portion of the new mixed-use condominium being constructed at 20 West 40th Street.

You have advised us that you are the fee owner of certain real property located at 20 West 40th Street, New York, New York, which is currently designated as Block 841, Lot 30 on the Official Tax Map of the City of New York. According to New York City Department of Finance records, this parcel was created from the consolidation of former tax lots 30, 58, 59 & 60, which was first reflected on the City's 2015/16 assessment roll. Finance records further indicate that the site consists of a total land area of 12,178 square feet. According to Finance records, the site has been completely vacant and unimproved for a number of years.

You have advised us that you are in the process of constructing a new, 33-story, 200,574 square-foot (gross, above-grade), mixed-use condominium consisting of the following:

1) 57 residential units, consisting of 102,992 square feet (gross, above grade) located on floors 16 through 33; and
2) Commercial hotel, restaurant and retail units located on floors 1 through 15.

The 57 residential condominium units located on floors 16 through 33 are the subject of this opinion letter.

You have advised us that you commenced construction on the new mixed-use condominium in August, 2014, that you anticipate the issuance of an initial Temporary Certificate of Occupancy during October, 2016, and that you anticipate completing

construction during December, 2016. You have further indicated that you anticipate the first year of condominium operation for the 57 residential units will be from October 1, 2016 through September 30, 2017.

New York City is an annual assessing jurisdiction and is required to assess property for each upcoming fiscal tax year (July 1 – June 30) based upon its use and condition on January 5th (taxable status date). Annual increases or decreases in assessed value resulting from construction, demolition or other physical changes to the property (i.e., "physical" or "alteration" increases) are taxable the year they are levied. For "class 2" residential properties having more than 10 units, annual assessment increases or decreases not resulting from physical changes (i.e., "equalization" changes) are phased in for tax purposes over a five (5) year period at 20% per year. Hence, there are two assessed values: 1) the "actual assessment," which is reflective of the City's claimed market value; and 2) the "transitional assessment," which is based on physical increases and the 5-year phase in of equalization changes. Real property taxes in any given year are based on the lesser of the actual or transitional assessment.

The project site's assessment history is as follows:

			Land	Total
Current Lot 30:				
Final	2015/16	Actual	$ 2,502,000	$ 2,502,000
		Transitional	$ 2,177,800	$ 2,177,800
Former Lot 30:				
Final	2014/15	Actual	$ 304,200	$ 304,200
		Transitional	$ 285,480	$ 285,480
Final	2013/14	Actual	$ 304,200	$ 304,200
		Transitional	$ 277,040	$ 277,040
Former Lot 58:				
Final	2014/15	Actual	$ 538,200	$ 538,200
		Transitional	$ 419,250	$ 419,250
Final	2013/14	Actual	$ 538,200	$ 538,200
		Transitional	$ 374,610	$ 374,610
Former Lot 59:				
Final	2014/15	Actual	$ 503,100	$ 503,100
		Transitional	$ 392,330	$ 392,330
Final	2013/14	Actual	$ 503,100	$ 503,100
		Transitional	$ 350,910	$ 350,910
Former Lot 60:				
Final	2014/15	Actual	$ 1,156,500	$ 1,156,500
		Transitional	$ 901,370	$ 901,370

			Land	Total
Former Lot 60:				
Final	2013/14	Actual	$ 1,156,500	$ 1,156,500
		Transitional	$ 805,870	$ 805,870

Although the setting of an assessment on any particular property is subject to an individual assessor's subjective determination based upon general assessment guidelines, it is possible to estimate an approximate assessed value based upon a number of factors. These factors include actual construction costs, the property's location, a hypothetical economic analysis of the condominium as if it were a rental property (as required pursuant to section 581 of the New York Real Property Tax Law), assessed valuations of comparable buildings, and New York City Department of Finance Assessment Guidelines.

For condominium properties, we have been advised that it is the policy and practice of the New York City Department of Finance to value the entire property for tax purposes and allocate the value to the various condominium units therein based on the percentage interest in common elements as stated in the condominium declaration filed with the New York State Attorney General's Office. In this regard, you have advised us that the percentage interest in common elements assigned to the various units will be as follows:

57 Residential units . . .	51.79%
Hotel . . .	41.68%
Restaurant . . .	4.61%
Retail . . .	1.92%

In developing our estimates of the residential units' assessments and real property taxes, we have taken the forgoing factors into consideration.

Please note that until the property is completed and apportioned by the New York City Surveyor's Office into separate condominium tax lots, which we assume will be first reflected in the 2017/18 tax year following issuance of the first Temporary Certificate of Occupancy and initial marketing of the units, assessments and taxes will be based on the property as a whole. Projections for the 2016/17 tax year, set forth below, represent our estimates of the level of assessment and resulting real estate taxes that would be attributable only to the residential portion of the project while it is under construction. Once the property is apportioned into individual condominium tax lots, it has been the New York City Department of Finance's policy and procedure to retroactively apportion the historical assessed value of the "parent" lot(s) among the various tax lots created.

You have advised us that as of January 5, 2016, the second taxable status date following the August, 2014 start of construction and the basis for the property's 2016/17 assessed value, that you expect the project to be approximately 60% complete. Given that the square footage of the overall project will be predominantly (greater than 50%) residential, we assume that the partially completed project will be classified for tax purposes in residential tax "class 2". Given the anticipated level of project completion, we estimate that the 2016/17 taxable assessed value attributable to the residential portion of the project will be in the approximate amount of $10,900,000.

The most recent tax rates available as of the date of this letter are those passed by the City Council for the 2015/16 tax year. The 2015/16 "class 2" tax rate is 12.883%. For purposes of this projection, we have estimated that the 2017/18 residential class "2" tax rate will be in the approximate amount of 12.883%. Based on the projected 2017/18 taxable assessed value in the amount of $6,200,000, we estimate that the gross real estate taxes due for the fiscal year July 1, 2017 through June 30, 2018 will be in the approximate amount of $1,405,000.

The first taxable status date subsequent to the property's anticipated December, 2016 completion and apportionment into separate condominium tax lots will be January 5, 2017, which will be the basis for the property's 2017/18 assessed values. We estimate that the residential units' total post-construction taxable assessed value will be in the approximate amount of $16,500,000.

We assume that for the 2017/18 tax year the residential units will be classified for tax purposes in residential tax "class 2." As set forth above, the most recent tax rates available as of the date of this letter are those passed by the City Council for the 2015/16 tax year. For purposes of this projection, we have estimated that the 2017/18 residential "class 2" tax rate will be in the approximate amount of 12.883% (i.e., the 2015/16 "class 2" tax rate). Given the foregoing projected 2017/18 taxable assessed value and tax rate, we estimate that the total gross real estate taxes due for the 57 residential units for the fiscal year July 1, 2017 through June 30, 2018 will be in the approximate amount of $2,126,000.

You have advised us that the first year of Condominium operation will be from October 1, 2016 through September 30, 2017. Based on the foregoing projections for the 2016/17 and 2017/18 fiscal tax years, we estimate gross real estate taxes for the residential units during the condominium's first year of operation will be in the approximate amount of $1,586,000.

It should be noted that the residential units' estimated real property taxes for the first year of condominium operation (i.e., May 1, 2016 through April 30, 2017) do not reflect the fully constructed building.

A schedule of estimated real property taxes by residential unit for the first year of condominium operation as well as estimated assessed values and taxes for the first post-renovation and conversion tax year (i.e., 2017/18) based on relative residential percentages of common interest set forth in schedule "A" in the Offering Plan is attached.

It should be noted that, although it is currently Finance's stated policy to apportion the assessed values of condominium properties among the various units on this basis, Finance has used different methodologies in the past. No warranty or guarantee is made herein that assessed values will not be apportioned based on a different method.

Following the property's completion and apportionment into condominium units, individual residential unit owners may qualify for Condominium Abatement Program benefits pursuant to section 467-a of the New York Real Property Tax Law. The Program provides partial tax relief for residential "class 2" condominium unit owners whose unit is their primary residence. Currently, abatement benefits for condominiums with an average taxable assessed value per unit greater than $60,001 are calculated and determined at 17.5% of the taxes otherwise payable.

We have not included this potential benefit in our estimates set forth above. **We make no warranty or guarantee that the Condominium Abatement Program will be available to unit owners upon completion of construction or that the Program will not be revised in a manor impacting potential availability.**

Assuming the program is available at the time of project completion, the Condominium Board of Managers or its agent must file an application for the Condominium Abatement on behalf of all eligible unit owners (unit owners do not apply individually). Applications have historically been due by February 15th for the following fiscal tax year starting July 1st.

This letter was prepared at the sponsor's request. The figures set forth herein are approximations derived from material submitted by the sponsor and publicly available tax records and are subject to variation. No government agency has passed upon these figures or the estimates of assessed valuation and taxes herein. We have not passed on the accuracy of any figures or estimates contained in the Offering Plan, and offer no

warranties on real estate assessments, tax classifications, taxes, or tax rates for any period. **All prospective purchasers are advised that, although the estimates of assessed valuations are good faith estimates, such assessed valuations when actually made may be less or greater than as estimated herein.**

The above estimates do not take into account any future increases in the level of assessed valuation applied to residential property or any increase in the real estate tax rates. The above opinion is based upon our interpretation of The New York State Real Property Tax Law and The Administrative Code of the City of New York and is not intended to be a guarantee or assurance that the actual or transitional tax assessments, tax rates or actual taxes will be as estimated.

No representation is made that the provisions of law or New York City Department of Finance policies and practices will apply at the time the property's completion. You should be aware that the laws, regulations and practices of the Department of Finance upon which this opinion is predicated may in the future be revised in a manner adverse to your interests, or that there may be an adverse interpretation of the law or regulations by one of more agencies of the City of New York, or Courts of competent jurisdiction.

While we believe our opinions are well-founded, they are not intended, and should not be construed as representations or warranties that assessments, tax rates, and taxes will not be determined in a different amount. The foregoing analysis is based upon our knowledge of the making and review of assessments by the Real Property Assessment Department and the Tax Commission of the City of New York with respect to mixed-use properties held in the condominium form of ownership. Application of a particular approach to valuation by an individual assessor may yield a different result.

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

Very truly yours,

PODELL, SCHWARTZ, SCHECHTER
& BANFIELD, LLP

BY: _____
PAUL V. GRECO

PVG:

AA. WORKING CAPITAL FUND AND APPORTIONMENTS

The Purchaser of each Residential Unit shall be required to make a contribution at the Closing of his Unit(s) to the working capital fund of the Residential Section (the "Working Capital Fund"). Such contribution shall be in an amount equal to two (2) month's Common Charges in effect for such Unit(s). No reserve fund is being established for the Condominium.

At the First Closing, Sponsor will apportion with the appropriate Boards the following items as of midnight of the date preceding said Closing:

1. employees' wages, vacation and severance pay, pension and welfare benefits and accruals and all other payments or obligations relative to the employees of the Building;

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

3. charges for electricity and other utilities for the General and Limited Common Elements;

4. cost of fuel on hand (plus sales tax), if any;

5. charges and receipts in connection with service, maintenance and concession contracts;

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

7. cost of Building supplies on hand at Sponsor's cost (including sales tax);

8. premiums for transferable insurance policies, if any;

9. management fees; and

10. other customary adjustments.

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.

The Working Capital Fund will be held and used for working capital, or for such other appropriate purposes as will be determined by the Residential Board and may be augmented by allocations from the monthly Residential Common Charges collected from each Residential Unit.

While Sponsor controls the Residential Board (see the Section entitled "Control By Sponsor"), the Working Capital Fund will not be used to reduce estimated Residential Common Charges.

The Residential Board will be able to utilize the money in the Working Capital Fund at any time and, accordingly, no representation or warranty can be made and no assurance can be given as to the exact amount of funds available at any specific time. However, in no event shall any portion of the Working Capital Fund be used to pay any Residential Common Charges or Residential Common Charges attributable to Unsold Residential Units.

In the event that capital expenditures for renewal or replacement of building components or systems or to remedy major building defects are needed, it may be necessary to increase Common Charges or make special assessments payable by Unit Owners who are responsible for the repair and replacement of the Common Element in need of such renewal, replacement or remedy. Alternatively, a Board may determine to seek financing from a bank or other lending institution for such expenditures in accordance with the terms of the By-Laws and subject, in certain instances, to Unit Owner approval. In addition, pursuant to the By-Laws each Board is entitled to determine amounts for a reserve for replacements in establishing the annual budgets. No representation or warranty is made that the Working Capital Fund will be, or is intended to be, adequate to cover current or future expenses, for the first or any subsequent year of Condominium operation. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

AA-1. RESERVE FUND

No reserve fund is being established for the Condominium.

BB. MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

1. Management Agreements

The Residential Board will enter into a Management Agreement (the "Management Agreement") with HFZ Property Management, LLC, an affiliate of the Sponsor, having an address at 600 Madison Avenue, New York, New York 10022, as the "Managing Agent," with respect to the Residential Section of the Building at or prior to the First Closing. Ziel Feldman, the principal of Sponsor is a principal of the Managing Agent.

The Management Agreement provides for an initial term of two (2) years commencing on the First Closing and thereafter, if not otherwise terminated by either party, continues pursuant to automatic one (1) month renewal periods. The Management Agreement does not permit assignment by either party.

The Management Agreement further provide for termination by the Board for cause upon no less than thirty (30) days written notice. The Management Agreement provides for termination by the Managing Agent upon no less than sixty (60) days written notice.

The Managing Agent will receive an annual fee of $$70,000 payable in equal monthly installments of $5,833.33 from the Residential Board. The Residential Board will also be required to reimburse the Managing Agent for their reasonable and customary out-of-pocket expenses incurred in managing the Building. The management fee is the prevailing rate for comparable buildings.

For a lease renewal, the Managing Agent may charge Residential Unit Owners a fee in the sum of $300.00. For a waiver of the right of refusal, for either a sale of lease of a Unit, the Managing Agent may charge Residential Unit Owners a fee in the sum of either i) $650.00 (when employing a broker) or ii) $700.00 (without a broker).

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

(a) Insurance. The Managing Agent shall cause to be effected and/or maintained insurance in such amounts and with such insurance companies as the Board(s) shall designate or approve. If requested by the Residential Board, the Managing Agent shall also report any insurance claims for losses sustained.

(b) (Bill Payment. The Managing Agent shall review all bills received for services, work and supplies ordered in connection with maintaining and operating the Property; pay or cause to be paid all such bills, as well as payroll, payroll taxes, union dues, ground rent (if any), mortgage interest (if any), mortgage amortization (if any), water charges, sewer rent, assessments, real estate taxes, utilities, insurance premiums, monthly contracted charges, corporate income taxes and governmental charges assessed against the Residential Section, the Condominium, or the Property, as and when same shall become due and payable.

(c) Collections. The Managing Agent shall, in a timely manner, bill or cause to be billed Unit Owners for Common Charges or other charges and if applicable, tenants or sub-tenants for rent and other charges; and, when and if directed by a Board, at such Board's expense, engage an attorney, approved by the Board to take further action to collect unpaid amounts. The Managing Agent will also be responsible for coordinating the billing of any pass-through services, such as television/internet/telephone services, if the Residential Board has bulk or master billing for such services.

(d) Tax Returns, Etc. The Managing Agent shall cause to be prepared and filed, the necessary forms for unemployment insurance, social security taxes and all other taxes and forms required by any federal, state or municipal authority and, shall cause any taxes that may be separately assessed to be paid on behalf of the Boards.

(e) Monthly Statements. The Managing Agent shall render or cause to be rendered regular, monthly statements to each member of the Boards, not later than the twenty-fifth day of each month, detailing the amounts collected during the previous month and disbursements made on behalf of and for the account of the Residential Board on a cash basis.

(f) Books and Records. The Managing Agent shall set up and maintain the records and accounts of the Residential Section. The Administrative Agent shall also distribute all letters and reports as the Residential Board may request.

(g) Annual Audits. The Managing Agent shall cooperate with the Residential Section's accountants in performing annual audits and shall send a copy of such annual reports to each Unit Owner.

(h) Budgets. The Managing Agent shall prepare an operating budget prior to the last meeting of the Residential Board held in each fiscal year, setting forth the anticipated income and expenses for the Residential Board for the ensuing year, a comparison of said budget to the income and expenses of the preceding and current years, and any reasonably required explanations with respect thereto.

(i) Alteration Requests. The Managing Agent shall process on behalf of the Residential Board requests from the Residential Unit Owners for Board approval, or any duly authorized committee thereof, of any alterations proposed to be made any Residential Unit that require notice to or approval of the Board or any committee thereof.

(j) Lease Applications, Financing and Transfer of Residential Units. The Managing Agent shall process lease applications and lease renewals and perform other services related to the transfer of Residential Units, which may be directly billed to Unit Owners.

(k) Preparation and Distribution of Filings. The Managing Agent shall prepare, distribute and process the following required forms and shall receive additional

compensation for such distribution: Notices ($6.00 per Unit per year); Window Guards ($10.00 per unit); tax abatement applications ($10.00 per Unit).

(l) Meetings of Condominium and Residential Board. The Managing Agent shall prepare and send out all notices of meetings of the Condominium, the Condominium Board, the Residential Board and the Residential Unit Owners, and such other letters and reports as the Boards may request and, when requested, arrange for a suitable meeting place and assist with the preparation of agendas for such meetings. The Managing Agent shall cause a representative of Managing Agent to attend up to eleven (11) monthly Board meetings and one (1) annual meeting the Residential Board and of Unit Owners, and, if desired by any of the foregoing, have its representative act as administrative secretary and record the minutes of such meetings and notify the Unit Owners of annual assessments and all other assessments as determined by the Boards.

(m) Supervision of Employees. The Managing Agent shall provide routine supervision of all persons necessary to be employed in order to properly maintain and operation the Building.

(n) Supervision of Property. The Managing Agent shall supervise the Property and advise the Residential Board of any actions necessary to comply with all orders or violations affecting the Residential Section. The Managing Agent shall also supervise and coordinate the moving in and out of Unit Owners and tenants, if any.

(o) General Advice. The Managing Agent shall advise the Residential Board on actions they can take to improve operation of the Property, and shall advise the Residential Board on the performance of the Administrative Agent.

(p) Contracts. The Managing Agent enter into contracts for electricity, gas, steam, elevator, telephone, window cleaning, rubbish removal, fuel oil, security, vermin extermination and other services as deemed advisable. Any contract (other than with a public utility) with a term of more than one (1) year or in excess of Five Thousand Dollars ($5,000) shall require the Board's prior consent. In accordance with the Condominium Act, the Plan will be amended to summarize any agreements that will be binding on the Condominium, including the names of the contractor, the services rendered or received, the annual income or cost and the expiration date of the contract or lease.

CC. IDENTITY OF PARTIES

1. Sponsor

Sponsor is HFZ Bryant Park Owner LLC, a Delaware limited liability company, formed on June 11, 2013, with an office at c/o HFZ Capital Group, 600 Madison Avenue, New York, New York 10022.

The Sponsor has not taken part in the public offerings of homeowner associations, condominium or cooperative interests in realty in or from New York which were initially offered during the preceding five (5) years.

Mr. Feldman has been involved in the development, operation and ownership of non-residential and residential real estate in New York City for more than 25 years. There have been no prior felony convictions of Sponsor or any principals of Sponsor and no prior convictions, injunctions and judgments against Sponsor, or any principals of Sponsor that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan. The business address of Mr. Feldman is c/o HFZ Capital, 600 Madison Avenue, New York, New York 10022.

Ziel Feldman has taken part in the following offerings: 1) One Madison Park Condominium, 23 East 22nd Street, New York, New York, which was accepted for filing on April 24, 2007, file number CD060603, which became effective on May 26, 2009; and 2) Eleven East Sixty Eight Street Condominium, 11 East 68th Street, New York, New York, which was accepted for filing on March 26, 2013 file number CD120071, which became effective on March 28, 2014; and 3) 823 Park Avenue Condominium, 823 Park Avenue, New York, New York, which was accepted for filing on May 2, 2005, file number CD040385, which became effective on November 2, 2006; and 4) Washington Square Park Condominium, 171-173 Macdougal Street, New York, New York, which was accepted for filing on November 28, 2007, file number CD070444, which became effective on February 23, 2009; and 5) 60 Beach Condominium, 60 Beach Street, New York, New York, which was accepted for filing on July 16, 2007, file number CD060362, which became effective on January 15, 2009; and 6) Halcyon Condominium, 305 East 51st Street, New York, New York, which was accepted for filing on March 22, 2013, file number CD120232 and 7) 11 Beach Street Condominium, 11 Beach Street, New York, New York, which was accepted for filing on August 5, 2014, file number CD130194; and 8) Chatsworth Realty Corporation, 340-344 West 72nd Street, New York, New York 10023, which was accepted for filing on August 22, 2014, file number C13-0004; and 9) The 301 West 53rd Street Condominium, located at 301 West 53rd Street, New York, New York 10019, filed on December 13, 2013 which became effective on March 12, 2015, file number CD13-0300; and 10) The 235 West 75th Street Condominium, located at 235 West 75th Street, New York, New York 10023, which was accepted for filing on November 20, 2014, file number CD13-0262; and 11) The 88 Lexington Avenue Condominium, located at 88 Lexington Avenue, New York, New York 10016, which was accepted for filing on May 18, 2015, file number CD13-0277; and 12) The 90 Lexington Avenue Condominium, located at 90 Lexington Avenue, New York, New York 10016, which was accepted for filing on May 18, 2015, file number CD13-0276; and 13)

The 505 West 19th Street Condominium, located at 505 West 19th Street, New York, New York 10011, which was accepted for filing on January 2, 2014, file number CD13 – 0123.

Other than the subject building, the only cooperative, condominium or homeowners association where the sponsor, general partner or principal of the sponsor, or the holder of unsold shares owns ten percent or more of the unsold shares or units as an individual, general partner or principal are One Madison Park and 11 East 68th Street, where Ziel Feldman (as Sponsor, general partner or principal) holds 10% or more of the units. Mr. Feldman is current in his financial obligations for same.

For information only, however, Sponsor discloses the existence of an action styled as The Board of Managers of The Setai Condominium Residences at 40 Broad Street, on behalf of individual unit owners v. 40 Broad LLC, et al., and commenced July 9, 2013 under Index No. 153598/2012 in the Supreme Court of the State of New York, County of New York asserting claims against the sponsor of the condominium located at 40 Broad Street and its lender. The principal of sponsor of this plan, Ziel Feldman, owns a non-controlling interest in a defendant entity in the 40 Broad Street litigation. The defendant entity is a lender to the sponsor of the 40 Broad Street property. Such defendant entity asserts that there is no merit to any claim against it in such litigation; and in any event, the outcome of such litigation will have no material effect on any of Sponsor, any principal of Sponsor, this Property or the consummation of this Plan.

Furthermore, for information only, Sponsor discloses the existence of an action styled as Philips Bryant Park LLC v HFZ Capital Group LLC, 20 West 40 Bryant Park Owner LLC, HFZ Bryant Park Owner LLC, Case No. 15 CV 2972. On or about April 16, 2015, Plaintiff Philips Bryant Park filed an Order to Show Cause seeking a preliminary injunction enjoining the defendants HFZ Capital Group LLC, 20 West 40 Bryant Park Owner LLC, and HFZ Bryant Park Owner LLC from using the name The Bryant in connection with a condominium building that is under construction on West 40th Street in Manhattan. The action was filed in Federal Court and oral argument was heard on April 24th in front of Judge Rakoff. The action seeks monetary damages in excess of $50,000,000 and costs and attorneys fees for alleged claims of willful infringement of registered trademarks, unfair completion and false designation of origin or sponsorship, common law trademark infringement and trademark dilution and disparagement.

The Plaintiff offered no proof of damages at the preliminary injunction hearing and, on April 29, 2015, the Court issued an order denying the motion. The Court found that there had been no showing of a likelihood of success on the merits and no showing of irreparable harm. The Court's finding is based in part on HFZ's representation that the hotel in the building to be known as "The Bryant" will operate under a different name. The Court indicated that Plaintiff could file a motion for preliminary injunction at a later date if circumstances change. The Defendants filed an answer denying all of the allegations made by the Plaintiff and a counterclaim seeking an award of attorneys fees and an injunction prohibiting the Plaintiff from interfering with the use of the name The Bryant. On May 5 the parties submitted a case management plan, which was accepted by the court. The case is now scheduled to be ready for

trial by September 29, 2015. The defendants retained the law firm of Arent Fox LLP to represent them in connection with the action.

2. Selling Agent

Corcoran Sunshine Marketing Group, with offices at 888 Seventh Avenue, New York, New York 10106, is the Selling Agent retained by the Sponsor in connection with the offering of Residential Units. The Selling Agent is engaged in the brokerage and sale of residential properties in the New York metropolitan area. The Selling Agent is not affiliated with Sponsor.

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

3. Managing Agent

HFZ Property Management, LLC, a Delaware corporation, having an office at 600 Madison Avenue, New York, New York 10022 will be the Managing Agent for the Residential Section of the Building. (See the Section entitled "Management Agreements" in Part I of the Plan.) The Managing Agent is an affiliate of the Declarant. The Declarant has been engaged in the development, ownership, operation and management of residential properties for over 20 years. Other properties that the Managing Agent currently manages include: HFZ 88 Lexington Avenue Owner LLC, 88 Lexington Avenue, New York, New York; HFZ 90 Lexington Avenue Owner LLC, 90 Lexington Avenue, New York, New York; HFZ 235 West 75th Street Owner LLC, 235 West 75th Street, New York, New York; 344 West 72nd Street; 11 East 68th St Condominium, 11 East 68th Street, New York, New York; HFZ 301 West 53rd Street Owners LLC, 301 West 53rd Street, New York, New York; The Belnord, 2360-2376 Broadway, New York, NY.

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

4. Attorneys for Sponsor

Sponsor has retained the law firm of Holland & Knight LLP, having an office at 31 West 52nd Street, New York, New York 10019 to represent it in connection with the Plan. Holland & Knight LLP prepared the Plan, the Declaration, the By-Laws and the forms of Agreement, Residential Unit Deed and Residential Unit Power of Attorney and has also rendered an opinion with respect to the availability of income tax deductions to purchasers of Residential Units. Stuart M. Saft, Esq. had principal responsibility for the preparation of the Plan. Holland

& Knight LLP will serve as Escrow Agent and will represent Sponsor in connection with matters relating to Unit Closings.

Sponsor has retained Podell, Schwartz, Schechter & Banfield, LLP, having offices at 605 Third Avenue, New York, New York 10158 to represent it in connection with the Real Estate Taxes.

5. Sponsor's Architects/Engineers

The architect for the Building is Stonehill & Taylor Architects, PC, Architects, having an office at 31 West 27th Street, New York, New York 10001 which has had extensive experience in residential design and overall planning. A representative list of other projects include: 2 Lincoln Square, New York, NY 10023; 300 East 64th Street, New York, NY 10065; The Ace Hotel, 29 West 29th Street, New York, NY 10001; Beekman Tower Hotel , 8 Spruce Street, New York, NY 10038; Crosby Street Hotel, 79 Crosby Street, New York, NY 10012; The Refinery Hotel, 63 W. 38th Street, New York, NY 10018; The NoMad Hotel, 1170 Broadway, New York, NY 10001; The Plaza Hotel, 768 5th Avenue, New York, NY 10019; The St. Regis New York, 2 East 55th Street (at 5th Ave), New York, NY 10022, The Surrey, 20 E. 76th Street, New York, NY 10021.

David Chipperfield Architects are the design architects for the Building.

WSP Group, having an office at 512 Seventh Avenue, New York, New York 10018, is the mechanical engineer for the Building.

Severud Associates Consulting Engineer, having an office at 469 Seventh Avenue, New York, New York 10018 is the structural engineer for the Building.

TG Nickel & Associates, having an office at 363 Seventh Avenue, New York, New York 10001, is the construction company responsible for the construction of the Building.

None of the parties referenced above are affiliated with the Sponsor or its principals.

6. Sponsor's Budget Expert

Penmark Management, LLC, having an address at 770 Lexington Avenue, New York 10065, estimated all amounts of income and expenses in Schedule B, "Projected Budget For First Year of Condominium Operation", in consultation with Sponsor and provided its opinions regarding the adequacy of the Budget, the adequacy of the Common Charges payable by the Non-Residential Unit Owner and Sponsor's compliance with Section 339-i of the Real Property Law.

The party referenced above is not affiliated with the Sponsor or its principals.

DD. REPORT TO UNIT OWNERS

It is the obligation of the Condominium Board to give all Unit Owners annually:

1. A certified financial statement of the Condominium prepared by a certified public accountant within 120 days after the end of the Condominium's fiscal year;

2. Prior written notice of the Annual Meeting of Unit Owners; and

3. A copy of the proposed annual budget for the Condominium at least 10 days prior to the date set for adoption by the Condominium Board and while the Sponsor is in control of the Condominium Board, such budget shall be certified pursuant to 13 NYCRR §20.4(d).

EE. RECORDATION, INSPECTION AND DELIVERY OF DOCUMENTS

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 six years all without charge and for copying for a reasonable charge. In addition, a set of Floor Plans showing the layout, locations and approximate dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the City Register's Office 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 City Register's Office.

FF. 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. Exact copies are contained in Part II of the Plan of the form of Declaration, form of By-Laws, form of Agreement, form of Residential Unit Deed, form of Residential Unit Power of Attorney and other documents and Purchasers are urged to read the documents set forth in Part II of the Plan in their entirety. Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to herein, copies of which are on file with Sponsor, are necessarily not complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such document executed by or with the written consent of a Purchaser pursuant to the Plan, any rider or separate agreement changing or adding provisions to such document.

Under applicable Federal and local law, leaded paint can no longer be used in the construction of the Building.

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 Residential Units, the Property, the Condominium or the operation thereof, which are not covered by insurance.

No party other than the respective Purchasers shall have any right or benefit herein or herefrom, including without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of Sponsor's obligations hereunder and no such third party 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, upon amendment to the Plan, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor, the Purchasers and/or prospective Purchasers under the Plan. However, Sponsor may not unilaterally cancel an Agreement which is in effect, except as therein provided, as in the case of an uncured default, nor unilaterally change the purchase price or payment terms contained in such Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a substantial amendment to the Plan that materially 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 date of presentation of said amendment. Sponsor shall promptly return any Option Payment, together with any interest thereon, to Purchasers who rescind, except that Sponsor shall retain the Option Payment (and any interest thereon) of any Purchaser who is in default under the 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, 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 and the Buildings have not been the subject of any prior public offerings.

No cooperative interest in realty or condominium unit have been offered for sale and no reservations, binding or non-binding, will be made until this Plan has been accepted for filing by the Department of Law. No deposits will be accepted by Sponsor until this Plan has been accepted for filing by the Department of Law.

No Units offered in the Building are occupied by residential or Non-Residential tenants as of the date of submission of the Plan to the Department of Law.

GG. RESERVATION OF AIR RIGHTS AND DEVELOPMENT RIGHTS

Declarant expressly reserves all excess air or developmental rights appurtenant to the Property if the Building is ever upzoned, meaning if the floor area ratio ("FAR") associated with the zoning district designation applicable to the Property is increased from the FAR associated with the current zoning designation. As a result, if the Building is ever upzoned, unless Development Rights are separately acquired therefor on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the Board or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable Legal Requirements, may not be possible or may be limited. Further, as a result of such reservation by Declarant, if the Building is ever upzoned, Declarant may transfer or sell such Development Rights to the owner(s) of adjoining properties or offsite and in such case such properties may be increased as a result of such transfer or sale.

HH. SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor hereby adopts the Description of Property set forth as Exhibit 4 in Part II of the Plan and represents that it has no knowledge of any material defects or need for major repairs to the Property.

PART II

BRYANT PARK SOUTH CONDOMINIUM

16 WEST 40TH STREET

NEW YORK, NEW YORK 10018

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EXHIBIT "1"

AGREEMENT

AGREEMENT

HFZ BRYANT PARK OWNER LLC

Sponsor-Seller

TO

_____

Purchaser

UNIT NUMBER _____

BRYANT PARK SOUTH CONDOMINIUM
16 WEST 40TH STREET
NEW YORK, NEW YORK 10018

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UNIT NUMBER(S)_____

BRYANT PARK SOUTH CONDOMINIUM
16 WEST 40TH STREET
NEW YORK, NEW YORK 10018

(TO BE EXECUTED IN QUADRUPLICATE)

AGREEMENT (the "Agreement"), made as of _____, 20__, between HFZ Bryant Park Owner LLC, a Delaware limited liability company, having an office at c/o HFZ Capital Group LLC, 600 Madison Avenue, New York, New York 10022 ("Sponsor"), and _____, having an address at _____ ("Purchaser").

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 Bryant Park South Condominium and all amendments thereto, if any, filed with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") at least three (3) days prior to Purchaser's signing this Agreement. If Purchaser has not received the Plan and all amendments thereto at least three (3) full days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement within seven (7) days from the date of this Agreement. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof, as well as amendments to the Plan duly filed by Sponsor. Terms used herein which are also used in the Plan shall have the same meanings herein as therein unless the context otherwise requires.

2. 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) ("Unit"), together with the percentage of undivided interest in the Common Elements of the Condominium appurtenant thereto.

3. THE AGREEMENT.

3.1 This Agreement is a combination Option Agreement and Purchase Agreement. By executing this Agreement, Sponsor is hereby granting Purchaser an option to purchase the Unit for the Purchase Price described in paragraph 4.1 (the "Option"). The payment for the Option is the described in 4.1(a) (referred to, as the "Option Payments"). The Option Payments are in payment of the Option and the Option Payments are nonrefundable regardless of whether or not the Purchaser exercises the Option . Option except as otherwise provided in the Plan. At least thirty (30) days prior to the Closing Date for the purchase of the Unit (the "Option Exercise Notice"), Sponsor shall give Purchaser written notice that Purchaser shall have the right to exercise or terminate the option within fifteen (15) calendar days after the

date of the Option Exercise Notice (the "Notice Period"). During the Notice Period, Purchaser shall either exercise or not exercise the Option by sending Sponsor written notice that the Option is either being exercised or being terminated. Purchaser's failure to respond within the Notice Period shall be deemed to mean that Purchaser is exercising the option and will proceed to purchase the Unit.

3.2 In the event that a) the Purchaser exercises the Option (or fails to respond during the Notice Period), the Closing of the Purchaser's acquisition of the Unit shall proceed and the Option Payments shall be applied toward the Purchase Price pursuant to the terms of this Agreement, or b) the Purchaser notifies the Sponsor during the Notice Period that Purchaser is not exercising the Option, i) the Option Payments shall be retained by the Sponsor as payment in full for the option, ii) the Purchaser shall have no further obligation under this Agreement, and iii) Sponsor and Purchaser shall be deemed to have waived any claims against the other arising from this Agreement or the purchase of the Unit. Notwithstanding anything contained herein to the contrary, the Option Payments shall not be refundable, except as specifically provided in the Plan.

4. PURCHASE PRICE.

4.1 The purchase price for the Unit (the "Purchase Price") is $_____

The Purchase Price is payable as follows:

(a) An Option Payment of $_____ [an amount that is at least 10% of the Purchase Price unless the purchaser is a foreign government or a person with a diplomatic immunity in which event the Option Payment is 50%] (the "First Installment"), due upon Purchaser's signing and submitting this Agreement, by check (subject to collection), receipt of which is hereby acknowledged and, applied to the Purchase Price, if Purchaser exercises the Option to purchase the Unit or fails to provide notice of Purchaser's exercise of the Option during the Notice Period;

(b) An additional Option Payment of $_____ (an amount that is at least 10% of the Purchase Price (the "Second Installment"), due on the earlier of 120 days after the First Installment or on the Plan being declared effective (referred to collectively with the First Installment as the "Option Payments").

(c) $_____, constituting the balance of the Purchase Price, by good certified check of Purchaser or official bank check or, at Sponsor's option, by wire transfer payable on the delivery of the deed as hereinafter provided.

4.2 All checks shall represent United States currency and shall be drawn on or issued by a New York bank or trust company which is a member of The New York Clearing House Association, unless otherwise agreed to by Sponsor. Checks for the First Installment and the Second Installment shall be made payable to "Holland & Knight LLP, Escrow Agent". Checks for the balance of the Purchase Price shall be made payable to the direct order of "HFZ Bryant Park Owner LLC" or such other party as Sponsor may designate upon not less than two (2) days prior notice. If any check is returned for insufficient funds or any other reason, Sponsor at its option, may declare this Agreement void ab initio and of no further force and effect and

may institute an action against Purchaser for the collection of the Option Payments as liquidated damages or may declare a default by Purchaser under this Agreement which shall entitle Sponsor to exercise any of the remedies set forth in Article 15 hereof.

5. AGREEMENT NOT CONTINGENT UPON FINANCING. The terms and provisions of this Agreement and Purchaser's obligations hereunder are not contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof) stated in Section 4 of this Agreement, and Purchaser understands and agrees that the Purchaser's failure to obtain such financing will not relieve the Purchaser of the Purchaser's obligations hereunder. Purchaser further understands and agrees that if he or she chooses to finance his or her purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in his financial status or condition shall release or relieve the Purchaser of the Purchaser's obligations pursuant to this Agreement.

6. CLOSING OF TITLE.

6.1 The closing of title shall be held at such place in the City and State of New York and on such date and hour as Sponsor may designate to Purchaser on not less than thirty (30) days' prior written notice. In the event this Agreement is executed prior to the Plan being declared effective, the Closing shall not occur until at least thirty (30) days notice is provided after the Plan is declared effective. Notwithstanding the foregoing, Purchaser may waive such prior notice period. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Sponsor's attorneys at closing an additional fee as set forth in the Plan. Sponsor, from time to time, may adjourn the date and hour for closing on written notice to Purchaser, which notice shall fix a new date, hour and place for the closing of title and will be given not less than two (2) business days prior to the new scheduled date and time for closing.

6.2 The closing of title shall occur only after or concurrently with the compliance with the prerequisites as set forth under "Terms of Sale" in Part I of the Plan.

6.3 The term "Closing Date" or "closing of title" or words of similar import, whenever used herein, shall mean the date designated by Sponsor on which the deed to the Unit is delivered to Purchaser, or any adjourned date fixed by Sponsor pursuant to subsection 6.1 hereof.

6.4 Sponsor has projected that, based upon currently anticipated schedules, construction of the Building will be sufficiently completed to permit closings of Units to begin on or about July 1, 2016. The actual date for the First Closing is only an estimate and is not guaranteed or warranted, and may be earlier or later depending on the progress of construction and compliance with other prerequisites described in the Plan. Purchaser acknowledges that construction may be delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery or inability to obtain on a timely basis or otherwise materials or equipment, governmental restrictions, or other events beyond Sponsor's reasonable control. Purchaser further acknowledges that the Units in the Building will be completed at varying times over a period that could extend well beyond the First Closing. The order in which these Units will be completed is in the discretion of the Sponsor. Purchaser acknowledges that except as

otherwise expressly provided in the Plan, Purchaser shall not be excused from paying the full Purchase Price, without credit or set-off, and shall have no claim against Sponsor for damages or losses, in the event that the First Closing occurs substantially earlier or later than the projected date or the time to complete or to close title to the Unit is accelerated, delayed or is postponed by Sponsor, Purchaser's rights as set forth in the Plan in respect thereof being in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of hereby expressly waived by Purchaser.

7. DELIVERY OF THE DEED AND RESIDENTIAL UNIT POWER OF ATTORNEY.

7.1 At the closing of title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenants against grantor's acts conveying title to the Unit to Purchaser. The deed shall be prepared by Sponsor in substantially the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes, and Sponsor and Purchaser shall duly execute a New York City Real Property Transfer Tax return and any other forms then required by law, all of which shall be prepared by Sponsor.

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 and Sponsor substantially in the form set forth in Part II of the Plan.

7.3 The deed and power of attorney to the Condominium Board and Sponsor shall be delivered to the representative of the title company insuring Purchaser's title (or, if no such representative is present, then to Sponsor's attorney) for recording in the City Register's Office, which recording shall be at Purchaser's expense. After being recorded, the deed shall be returned to Purchaser and the power of attorney shall be sent to the Managing Agent.

7.4 Sponsor shall deliver to Purchaser a certification stating that Sponsor is not a foreign person in the form then required by the Code Withholding Section and each party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, as such other party may reasonably request in order to comply with IRS §6045(e), as amended, or any successor provision or any regulations promulgated pursuant thereto, insofar as the same requires reporting of information in respect of real estate transactions.

8. MARKETABLE TITLE

8.1 Purchaser shall order a title report within ten (10) days of receiving a fully executed Agreement and Purchaser must deliver any title objections to Sponsor's attorney at least twenty (20) days prior to the Closing or any such objections shall be deemed waived. At the closing of title, Sponsor shall convey to Purchaser fee simple title to the Unit, free and clear of all encumbrances other than those expressly agreed to or waived by Purchaser or set forth in Schedule A annexed hereto and made a part hereof. Any encumbrance 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) First American Title

Insurance Company, having an address at 633 Third Avenue, New York, New York 10021 (Tel: (212) 850-0649 (or such other title insurance company as Purchaser may utilize) (the "Title Company"), is or would be willing, in a fee policy issued by it to the Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien.

8.2 The title conveyed by Sponsor to Purchaser shall be subject only to the liens, encumbrances and title conditions set forth in Schedule A annexed hereto and made a part hereof. Any lien, encumbrance or condition to which title is not to be subject shall not be an objection to title if: (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to Title Company, together with the recording or filing fee; or (b) Purchaser's title insurance company will insure Purchaser, at the company's regular rates and without additional premium, that it will not be collected out of, or enforced against, the Unit; or (c) Purchaser's title insurance company is unwilling to issue the affirmative insurance described in subsection (b) at its regular rates and without additional premium, and the Title Company would be willing to do so at its regular rates and without additional premium (as evidenced by the issuance of the same by the Title Company in connection with the closing of any other Units in the Condominium).

8.3 Sponsor shall be entitled to adjourn the closing to remove or correct and defect in title which is not set forth in Schedule A. However, if such defect existed at least 10 days prior to the closing and Purchaser, or Purchaser's attorney, failed to send Sponsor's attorney written notice of such defect in title at least 10 days prior to the closing, then, for purposes of Article 15 below, Purchaser shall be deemed at fault for not having sent timely notice, and the closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as having been requested by Purchaser.

8.4 The covenants in the deed will be solely for the personal benefit of Purchaser and will not inure to the benefit of Purchaser's successors or subrogees. In the event of a claimed breach of any covenant of the grantor contained in the deed, Purchaser must first seek recovery against Purchaser's title insurance company before proceeding against Sponsor, it being agreed that the liability of Sponsor will be limited to any loss or damage not covered by such title insurance. In the event Purchaser elects not to purchase title insurance, then the liability of Sponsor shall be limited to any loss or damage which would not have been covered by the title insurance that was available to Purchaser at the closing. The terms of any marked-up title binder of any title insurance company authorized to do business in New York State issued in connection with any Unit shall be conclusive evidence of the title insurance coverage that was available to Purchaser. The provisions of this Section 8.4 shall survive the closing of title or the termination of this Agreement.

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) Residential Common Charges 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 the Unit.

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 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 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.

9.5 Any errors or omissions in computing adjustments shall be corrected and payment made to the proper party after discovery. The provisions of this subsection shall survive the Closing.

9.6 In the event that Purchaser fails to close title to the Unit on the date originally scheduled for the closing of title, postpones the closing for any reason, or is deemed at fault for not timely sending notice of a title defect as provided in Article 7 above, and title thereafter closes, then:

(a) the closing apportionments shall be made as of the originally scheduled closing date regardless of when the actual closing of title occurs; and

(b) Purchaser shall pay Sponsor interest at the rate of 0.05% per day (or such lower rate per day which is the legal limit, if 0.05% per day exceeds the legal limit) on the total purchase price, computed from the original Closing Date until this transaction is actually closed. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, the foregoing provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title on the rescheduled Closing Date.

10. MORTGAGE TAX CREDIT. In the event a mortgage recording tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, it is specifically understood that such credit shall inure to the benefit of Sponsor. Accordingly, at Closing, a Purchaser who elects mortgage financing will be responsible to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed.

Sponsor at Closing will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed.

11. CLOSING COSTS AND TRANSFER TAXES.

11.1 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 Part I of the Plan entitled "Closing Costs and Adjustments."

11.2 At the closing, Purchaser shall duly complete and sign before a notary public the real property transfer tax return required to be filed with The City of New York ("RPT Form") and Purchaser shall duly complete and sign the New York State Real Estate Transfer Tax Return ("NYS Tax Form"), or such other forms as may then be required by law. The RPT Form and NYS Tax Form shall be delivered at closing to the representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for filing with the proper governmental officer. Sponsor will similarly execute all of such forms and other documents required in connection with recording of the deed including, without limitation, smoke detector and multiple-dwelling affidavits.

11.3 Purchaser shall pay all New York City Real Property Transfer Taxes and New York State Real Estate Transfer Taxes (and, if applicable, the so-called "mansion tax"), and any other real property transfer tax due to the City or State of New York and the cost of any stock transfer stamps. Purchaser agrees to indemnify and hold Sponsor harmless from and against any and all liabilities and expenses (including, without limitation, reasonable legal fees and disbursements) incurred by Sponsor by reason of the non-payment by Purchaser of any of the taxes Purchaser is obligated to pay hereunder in connection with the purchase of the Unit. Purchaser's obligations to pay the taxes described in this Article and to indemnify Sponsor as herein provided shall survive the closing or the termination of this Agreement.

12. OPTION PAYMENT. The Option Payments made pursuant to this Agreement is subject to the requirements of Section 71-a(3) of the State of New York Lien Law and Sections 352-e(2)(b) and 352-h of the General Business Law of the State of New York. Any Option Payments received from Purchaser will be held in accordance with the provisions of the Subsection entitled "Escrow and Trust Fund Requirements" under the Section entitled "Procedure to Purchase" set forth in Part I of the Plan and as set forth in this section below. 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 Option Payments to Sponsor in the event Sponsor and Purchaser close title under this Agreement. Sponsor is required by law to submit a Form 1099 to the Internal Revenue Service reporting interest earned on Purchaser's Option Payment, if any. Purchaser will be taxed accordingly on such interest, whether or not Purchaser ultimately receives the interest in accordance with the terms of this paragraph.

12.1 The law firm of Holland & Knight LLP, with an address at 31 W. 52nd Street, New York, New York, telephone number (212) 513-3308, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Neither 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.

12.2 Escrow Agent and all authorized signatories hereby submit to the jurisdiction of the State of New York and its courts for any cause of action arising out of the Agreement or otherwise concerning the maintenance of release of the Deposit from escrow.

12.3 The Escrow Agent has established a master escrow account at JPMorgan Chase Bank (the "Bank") at its branch located at 270 Park Avenue, New York, New York, a bank authorized to do business in the State of New York. The master escrow account is entitled "Holland & Knight LLP - Bryant Park South Condominium, Escrow Account" or similar name (the "Master Escrow Account"). All Option Payments will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. Each Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) in the form set forth in Part II of the Plan or a Form W-8 (Certificate of Foreign Status) in the form set forth in Part II of the Plan, as applicable, to Sponsor or Selling Agent at the time Purchaser tenders the Option Payments and the Agreement. If an Option Payments is accompanied by a completed and signed Form W-9 or Form W-8, the Option Payments will thereafter be promptly transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser. The Master Escrow Account is federally insured by the FDIC at the maximum amount of $250,000.00 per deposit.

12.4 The Option Payments shall be paid by good certified check of Purchaser or official bank check or, at Sponsor's sole option, by wire transfer. All Option Payments checks must be made payable to the direct order of "Holland & Knight LLP, Escrow Agent". All checks delivered in payment of the Option Payments 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 this Agreement to be canceled and of no further force or effect.

12.5 If an Option Payment is accompanied by a completed and signed Form W-9 or Form W-8, the Option Payments will thereafter be promptly transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser. The interest rate for all Option Payments transferred to an individual interest bearing sub-escrow savings account shall be the prevailing rate for such accounts, which as of September, 2015 approximately .10%. Interest shall begin to accrue upon placing the Option Payments into the individual interest bearing sub-escrow savings account. All interest earned thereon shall be paid to Purchaser at Closing. If a Purchaser does not deliver the Form W-9 or Form W-8, the Option Payments will remain in the non-interest bearing checking portion of the Master Escrow Account. No fees of any kind may be deducted from the Master Escrow Account or individual escrow accounts, and Sponsor shall bear all costs associated with the maintenance of the Master Escrow Account and individual escrow accounts.

12.6 Within five (5) business days after the fully executed Agreement has been tendered to Escrow Agent along with the Option Payment, the Escrow Agent shall sign the Agreement and place the Option Payments into the Master Escrow Account. Within ten (10) business days after deposit of the first portion of the Option Payments into the Master Escrow

Account, Escrow Agent will notify Purchaser and Sponsor that such funds have been deposited into escrow and will provide the account number and the initial interest rate, if any. Any deposits made for upgrades, extras, or custom work shall be initially deposited into the Master Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.

12.7 The Escrow Agent is obligated to send notice to the Purchaser once the Option Payments is placed in the Master Escrow Account. If Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the first portion of the Option Payment, Purchaser may cancel the purchase and rescind so long as the right to rescind is exercised within ninety (90) days after tender of this Agreement and the Option Payments to Escrow Agent or may apply to the Attorney General for relief. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, N.Y. 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Option Payments was timely deposited in the Master Escrow Account in accordance with the New York State Department of Law's regulations concerning Option Payments and requisite notice was timely mailed to Purchaser.

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

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

12.10 Escrow Agent will hold the Option Payments in escrow until otherwise directed in:

(a) pursuant to terms and conditions set forth in Article 12 of this Agreement upon closing of title to the Unit; or

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

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

If the Escrow Agent is not directed to release the Option Payments pursuant to paragraphs (a) through (c) above, and the Escrow Agent receives a request by either party to release the Option Payment, then the Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Option Payment. If the Escrow Agent has not received notice of objection to the release of the Option Payments prior to the expiration of the thirty (30) day period, the Option Payments 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 Option Payments within said thirty (30) day period, the Escrow Agent shall continue to hold the Option Payments 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 Option Payments contained in the Escrow Account with the clerk of the county where the Building is located and shall give written notice to both parties of such deposit.

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

(a) all Purchasers after an amendment abandoning the Plan is accepted for filing by the Department of Law; or

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

12.11 Any provision of any Agreement or separate agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding any Option Payments 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 conflict or inconsistent provisions in this Agreement, the Plan or any amendment thereto.

12.12 Escrow Agent shall maintain the Master Escrow Account under its direct supervision and control.

12.13 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).

12.14 Escrow Agent may rely upon any paper or document which may be submitted to it in connection with its duties under this Agreement and which is believed by Escrow Agent to be genuine and to have been signed or presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

12.15 Sponsor agrees that Sponsor and its agents, including any selling agents, shall deliver the Option Payments 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 Option Payments by Purchaser.

12.16 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.

12.17 Sponsor shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, and deliver such form to Escrow Agent together with the Option Payments and this Agreement. Failure to receive a completed and signed Form W-9 or W-8, as applicable, at the time the Escrow Agent receives the Option Payments and this Agreement, shall not prevent the consummation of this Agreement. Within

five (5) days following receipt of the Form W-9 or W-8, as applicable, the Option Payments will be transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser, and within ten (10) days following receipt of the Form W-9 or W-8, as applicable, Escrow Agent shall notify Purchaser of the deposit of the Option Payments into the individual interest bearing sub-escrow savings account.

12.18 Prior to the release of the Option Payment, Escrow Agent's fees and disbursements shall neither be paid by Sponsor from the Option Payments nor deducted from the Option Payments by any financial institution under any circumstance.

12.19 Sponsor agrees to defend, indemnify and hold Escrow Agent harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of Escrow Agent's responsibilities arising in connection with this Agreement or the performance or non-performance of Escrow Agent's duties under this Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the obligations set forth in this 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 itself.

13. BINDING EFFECT OF PLAN, DECLARATION, BY-LAWS AND RULES AND REGULATIONS. Purchaser hereby accepts and approves the Plan (including the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof

14. AGREEMENT SUBJECT TO MORTGAGE. No encumbrance shall arise against the Property as a result of this Agreement or any monies deposited hereunder. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage, including, but not limited to, any construction or building loan mortgage, heretofore or hereafter made any advances heretofore or hereafter made thereon and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of each Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date, unless Purchaser voluntarily assumes such mortgage or consents to the continuation of the lien thereof. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its (their) undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of its other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

15. DEFAULT BY PURCHASER.

15.1 The following shall constitute "Events of Default" hereunder:

(a) Purchaser's failure to pay the First Installment or Second Installment, if required, when due, or the balance of the Purchase Price or any closing apportionments or closing costs on the Closing Date designated by Sponsor; or

(b) Purchaser's failure to duly complete and sign before a notary public and deliver on the Closing Date the New York State and City transfer tax returns; or

(c) If Purchaser becomes the tenant of record of the Unit, Purchaser's failure to pay rent or to otherwise comply with Purchaser's interim lease or tenancy obligations; or

(d) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or

(e) 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

(f) If a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the same; or

(g) Purchaser's failure to pay any closing costs set forth in this Agreement or the Plan, on the Closing Date designated by Sponsor; or

(h) The failure to pay, perform or observe any of Purchaser's other obligations hereunder; or

(i) the occurrence of any Events of Default under any other Agreement between Sponsor and Purchaser, or between Sponsor and any member or members of Purchaser's immediate family or between Sponsor and any parent, affiliate or subsidiary of Purchaser.

15.2 TIME IS OF THE ESSENCE with regard to Purchaser's obligations to pay the balance of the Purchase Price and to perform Purchaser's other obligations under this Agreement. If Purchaser fails to make such payment when required as herein provided or fails to perform any of Purchaser's other obligations hereunder, Sponsor shall give written notice to Purchaser of such default. If such default shall not be cured within thirty (30) days thereafter, Sponsor may, at its option, cancel this Agreement by notice of cancellation to Purchaser. If Sponsor elects to cancel this Agreement, (a) Sponsor may retain all sums deposited by Purchaser hereunder (including any amounts paid by Purchaser for additional work in the Unit), together with interest earned thereon, as liquidated damages (Sponsor's actual damages being difficult or impossible to ascertain) and, upon retaining such sum, 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 and (b) Sponsor may sell the Unit to any third party as though this Agreement had never been made (without any obligation to account to Purchaser for any part of the proceeds of such sale).

15.3 If Purchaser fails for any reason to close title to his or her Unit on the originally scheduled Closing Date (a) the closing adjustments described in Section 9.1 of this Agreement will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual closing of title occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher 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 0.05% of the Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to his Unit on the rescheduled Closing Date.

15.4 Sponsor and Purchaser each hereby agree and acknowledge that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of a default by Purchaser hereunder, and that the Option Payments (including all interest) shall constitute and shall be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred, including, without limitation, attorneys' fees, and shall be paid by Purchaser to Sponsor as Sponsor's sole and exclusive remedy. The payment of the Option Payments (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor.

15.5 NEITHER SPONSOR NOR PURCHASER SHALL CHALLENGE THE VALIDITY OF THE PROVISIONS OF THE AGREEMENT OR THE PLAN WITH RESPECT TO LIQUIDATED DAMAGES OR ANY RIGHT OF SPONSOR SET FORTH HEREIN OR THEREIN TO RETAIN THE OPTION PAYMENT IN THE EVENT OF A PURCHASER DEFAULT. SUCH PROVISIONS HAVE BEEN AGREED TO VOLUNTARILY, AFTER NEGOTIATION, WITHOUT DURESS OR COERCION BY ANY PARTY UPON ANY OTHER PARTY, AND WITH EACH PARTY HAVING BEEN (OR HAVING HAD FULL AND ADEQUATE OPPORTUNITY TO BE) REPRESENTED AND ADVISED BY COUNSEL, ACCOUNTANTS, BROKERS, APPRAISERS AND OTHER EXPERTS AND ADVISORS OF ITS OWN CHOOSING.

16. CLOSING CONTINGENT UPON PLAN BEING DECLARED EFFECTIVE. The respective obligations of Purchaser and Sponsor hereunder are contingent upon the Plan being declared effective. The Plan shall not be declared effective except in accordance with the prerequisites set forth in the Plan, as same may be amended from time to time. Purchaser understands and agrees that Sponsor shall have the right to abandon the Plan at any time prior to its being declared effective or thereafter in certain limited cases set forth in the Plan (see the Section in the Plan entitled "Effective Date" for full details). Purchasers shall be required to cooperate with the NYS Department of Law, Real Estate Financing Bureau's procedures relating to the Plan being declared effective. The Plan will be abandoned or deemed abandoned if it has not been declared effective within the time limits prescribed in the Plan. Sponsor shall notify Purchaser, in writing or by a duly filed amendment to the Plan, when the Plan becomes effective or is abandoned.

17. WITHDRAWAL OR ABANDONMENT OF PLAN. The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in Part I of the Plan. Provided Purchaser is not then in default under this Agreement beyond any applicable grace period, if the Plan is withdrawn or abandoned or Sponsor elects not to declare the Plan effective or if after being declared effective the Plan will not be consummated for any reason, this Agreement shall be deemed canceled and, not later than ten (10) days thereafter, Sponsor shall return to Purchaser the Option Payments paid by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, as more particularly described in the Section entitled "Effective Date" in Part I of the Plan. After the monies are so disbursed, Purchaser and Sponsor will have no claim against each other or the Selling Agent or Escrow Agent in connection with this Agreement or the Plan, and all of same will be released and discharged from all liabilities and obligations hereunder and under the Plan.

18. SPONSOR'S INABILITY TO CONVEY THE UNITS.

18.1 If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan, 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, and, in such case, if Sponsor notifies Purchaser of its refusal to cure such inability and if Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such inability (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within thirty (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, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, and, 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 fifteen (15) days after the giving of Sponsor's notice of refusal 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).

18.2 Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused.

19. FIXTURES, APPLIANCES AND PERSONAL PROPERTY. Only those fixtures, appliances and items of personal property which are described in the Description of the Property in Part II of the Plan as being part of the Unit are included in the sale of the Unit

pursuant to the provisions of this Agreement. At the Closing, Sponsor shall transfer to Purchaser any assignable warranties and undertakings received by Sponsor in its possession which relate to appliances, equipment or fixtures located in the Unit.

20. ACCEPTANCE OF CONDITION OF PROPERTY. Purchaser shall accept title (without abatement in, or credit against, the Purchase Price or any provision for escrow deposits at the closing of title) notwithstanding the failure to complete construction of (a) minor details of the Unit or the Property, (b) other Units or (c) the Common Elements of the Property which do not prevent Purchaser's use of the Unit. Purchaser shall have a reasonable opportunity, upon written request of Purchaser, for Purchaser to examine the Unit and the Property, during normal business hours and in the company of Sponsor's agent prior to the Closing. Purchaser shall carefully inspect the Unit prior to the closing of title and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan. However, if Purchaser finds that Sponsor's improvements have not been completed, although such improvements have been substantially completed, then Sponsor and Purchaser will agree to include on the inspection statement a list of incomplete work of a material nature to be completed in the Unit by Sponsor following the closing of title, but all such obligations to complete work in the Unit shall cease once the work has been completed. Notwithstanding the foregoing, Sponsor's obligations to perform work in any Unit shall not survive beyond one (1) year after the Closing Date. Sponsor shall have no obligation to complete any work to the Unit which is not specifically designated on the inspection statement by Purchaser, except for work necessary to cure violations and to obtain a temporary or permanent certificate of occupancy covering the Unit. Purchaser shall provide written notice that he or she wishes to inspect the Unit pursuant to this Paragraph at least ten (10) days prior to Closing and Sponsor shall respond prior to Closing. If Purchaser fails to inspect such Unit prior to the Closing, Purchaser shall be deemed to have accepted the Unit in good condition and in accordance with the terms of the Plan. Except as expressly provided in this Agreement or the Plan, including but not limited to subparagraph (1) of the subsection entitled "Sponsor's Obligations with Respect to the Building" of the Section entitled "Rights and Obligations of Sponsor," Sponsor shall have no obligation to repair or improve the Unit, any portion of the Property, or the appliances, equipment or fixtures attached to or used in connection with the Unit or the Property.

Sponsor will not be obligated to correct, and will not be liable to any Board or Unit Owner as a result of any defects in construction, or in the installation or operation of any mechanical equipment, appliances, other equipment, finishes, materials or fixtures (including kitchen appliances and bathroom fixtures), as specifically set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor".

Notwithstanding the foregoing, prior to Closing, Sponsor will be obligated to repair abnormal scratches in plastic laminate, vitreous china, natural stone, wood, porcelain and metallic surfaces by filling or refinishing the same, but Sponsor will not be obligated to replace any such surfaces.

21. 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:

21.1 The risk of loss to the Unit by fire or other casualty is assumed by Sponsor until the earlier of closing of title or possession of the Unit by Purchaser, but without any obligation or liability by Sponsor to repair or restore the Unit. If Sponsor elects to repair or restore the Unit, this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Boards and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and, if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing of title.

21.2 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 canceled 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, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, 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.

22. 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, Sponsor's Counsel, Sponsor's attorneys, Escrow 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 Residential or General Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the purchase of the Unit, or any other data, except as herein or in the Plan specifically represented, Purchaser having relied solely on 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. Purchaser agrees (a) to purchase the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans on file in Sponsor's office and [to be] filed in the City Register's Office, is accurate or correct, and (b) that Purchaser shall not be relieved of any of Purchaser's obligations hereunder by reason of any immaterial or insubstantial inaccuracy or error. The provisions of this Article 22 shall survive the closing of title or the termination of this Agreement.

23. PROHIBITION AGAINST SALES OR ADVERTISING, SELLING OR LEASING. Purchaser hereby covenants and agrees that it shall not, prior to Purchaser's acquisition of the Unit and for a period of twelve (12) months after the acquisition of the Unit, sell the Unit, lease the Unit, list the Unit for sale or resale or lease with any broker or otherwise advertise, promote, or publicize the availability of the Unit for sale or lease. Any such sale or lease, listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives shall be an Event of Default hereunder, entitling Sponsor to the remedies set forth in Article 15 hereof and any lease or conveyance in violation of the foregoing will be voidable by Sponsor. Notwithstanding the foregoing, if Purchaser is purchasing a Unit which is occupied by a Non-Purchasing Tenant at the time of Purchaser's acquisition of the Unit, the aforementioned prohibition on leasing shall, in all events, be subject to any rights of such Non-Purchasing Tenant to remain in occupancy of the Unit in accordance with the terms of this Agreement, the Plan and applicable Legal Requirements. The provisions of this Article 23 shall survive the closing of title or the termination of this Agreement.

24. BROKER. Purchaser represents to Sponsor that Sponsor, Sponsor's Selling Agent and _____ are the only brokers or sales agents with whom Purchaser has dealt in connection with this transaction, and Sponsor agrees to pay the commission earned by said broker pursuant to a separate agreement. Purchaser agrees that should any claim be made against Sponsor for commissions by any broker, other than the aforementioned brokers, 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 24 shall survive the closing of title.

25. AGREEMENT MAY NOT BE ASSIGNED.

25.1 Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor. Any purported assignment by Purchaser in violation of this Agreement will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement, then Purchaser shall be required to pay Sponsor's reasonable attorneys' fees in advance, for preparation of an assignment agreement and otherwise comply with the Section of the Plan entitled "Assignment of Agreements".

25.2 Notwithstanding the provisions of Section 25.1 above, Sponsor will not unreasonably withhold its consent to the assignment by Purchaser, on one (1) occasion only, of all the Purchaser's rights under this Agreement to a Purchaser affiliate or to member(s) of Purchaser's immediate family. For purposes of this Section 25.2 only: (i) "Purchaser affiliate" means an entity, as of the date of the assignment and at all times thereafter through and including the Closing controlled by or under common control with Purchaser; (ii) "immediate family" means Purchaser's spouse, domestic partner, children, parents, grandchildren, brothers or sisters, stepchildren and stepparents; and (iii) "control" means the ownership of fifty-one percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and distribution of its profits.

25.3 Notwithstanding any consent by Sponsor pursuant to the terms of this Article to any such change of name or assignment, in no event shall Purchaser, as assignor, be released or relieved from any obligations, promises, covenants and liabilities under or in respect of this Agreement.

25.4 If Purchaser is a corporation, any sale, assignment, transfer, pledge, encumbrance or other disposition of any of the stock of Purchaser, or if Purchaser is a partnership, limited liability company or other entity, any sale, assignment, transfer, pledge, encumbrance or other disposition of any interest in such partnership, limited liability company or other entity shall, for purposes of this Agreement, be considered an assignment and shall be subject to the provisions, prohibitions and terms of this Article concerning assignment of this Agreement, except that a sale of 49% or less of the stock, or in the case of a partnership, limited liability company, trust or other entity, 49% or less than of the ownership interests, of Purchaser which does not result in a change in control of Purchaser shall not be considered an assignment. For purposes of the preceding sentence only, "control" shall mean the ownership of fifty-one percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and the distribution of its profits.

25.5 If a Purchaser desires to assign its rights under this Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by Purchaser that differs from that reflected in this Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), Purchaser shall deliver to Selling Agent or Sponsor's counsel, four (4) signed forms of assignment of this Agreement (to be prepared by Sponsor's counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), four (4) Affidavits of Intention to Reside (the form of which is attached hereto as Schedule B) signed and notarized by the assignee, and three (3) completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification), Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), or other appropriate Form W-8, as applicable, in the form required by law. Upon each assignment or other change permitted by Sponsor (it its sole discretion), the assignments, affidavits and Form W-8 or Form W-9, as applicable, must be delivered to Selling Agent or Sponsor's counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of $1,500 made payable to Holland & Knight LLP (for services rendered in connection with the assignment), not less than twenty (20) days prior to the date scheduled for the Purchaser's closing. In no event shall Purchaser or its assignee (or any added or substituted party) have any right to adjourn or postpone the closing as a result of any such change or assignment. Sponsor is not obligated to consent to any such change or assignment and, Sponsor's refusal to consent to an assignment or change in name will not entitle Purchaser to cancel this Agreement or excuse Purchaser from any of its obligations hereunder or give rise to any claim for damages against Sponsor; and the prohibition against advertising or publicizing the availability of Purchaser's Unit as set forth in Article 23 above and in the Plan will remain in effect.

26. BINDING EFFECT. 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 thirty (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 canceled and

the Option Payments paid on the execution hereof shall be promptly returned to Purchaser. If Purchaser has not received the Plan and all amendments thereto at least three full (3) days prior to Purchaser's signing this Agreement, the Purchaser shall have the right to rescind this Agreement within seven (7) days from the date of this Agreement.

27. NOTICES.

27.1 Any notice, request, letter, consent or other communication hereunder or under the Plan shall be in writing and hand delivered or sent, postage prepaid, by registered or certified mail, to Purchaser at the address given at the beginning of this Agreement, and to Sponsor at the address given at the beginning of this Agreement, with a copy to Holland & Knight LLP, 31 West 52nd Street, New York, New York 10019, Attn: _____, in the same manner as notice is given to Sponsor, or to such other address as either party may hereafter designate to the other in writing. Except as otherwise expressly provided herein, the date of hand delivery or mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself. A failure by Purchaser to acknowledge receipt of any notice, request, letter, consent or other communication hereunder shall not in any way invalidate such communication.

27.2 Sponsor hereby designates and empowers both Selling Agent and Sponsor's counsel (Holland & Knight 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.

28. JOINT PURCHASERS. The term "Purchaser" shall be read as "Purchasers" if the Unit is being purchased by more than one person, in which case their obligations shall be joint and several.

29. PURCHASER'S REPRESENTATIONS.

29.1 Purchaser represents that Purchaser has full right and authority to execute this Agreement and perform Purchaser's obligations hereunder. If Purchaser is not a natural person, Purchaser agrees to deliver at Closing, such documents evidencing Purchaser's authority as may be required by Purchaser's title company. Purchaser further represents that the Option Payments represents Purchaser's own funds and that no other party (other than Purchaser or Seller, as provided herein) has any right or claim to all or any portion of the Option Payment.

29.2 Purchaser is not now, nor shall it be at any time prior to or at the Closing of title, an individual, corporation, partnership, joint venture, trust, trustee, limited liability company, unincorporated organization, real estate investment trust or any other form of entity (collectively, a "Person") with whom a United States citizen, entity organized under the laws of the United States or its territories or entity having its principal place of business within the United States or any of its territories (collectively, a "U.S. Person"), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the Office of

Foreign Assets Control, Department of the Treasury ("OFAC") including those executive orders and lists published by OFAC with respect to Persons that have been designated by executive order or by the sanction regulations of OFAC as Persons with whom U.S. Persons may not transact business or must limit their interactions to types approved by OFAC or otherwise. Neither Purchaser not any Person who owns an interest in Purchaser is now nor shall be at any time prior to or at the closing of title a Person with whom a U.S. Person, including a "financial institution" as defined in 31 U.S.C. 5312 (a)(z), as periodically amended, is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the OFAC or otherwise.

29.3 Purchaser has taken, and shall continue to take until the closing of title, such measures as are required by applicable law to assure that the funds used to pay to Sponsor the Purchase Price are derived: (i) from transactions that do not violate United States law nor, to the extent such funds originate outside the United States, do not violate the laws of the jurisdiction in which they originated; and (ii) from permissible sources under United States law and to the extent such funds originate outside the United States, under the laws of the jurisdiction in which they originated. Purchaser is, and will at Closing be, in compliance with any and all applicable provisions of the USA PATRIOT Act of 2001, Pub. L. No. 107-56, the Bank Secrecy Act of 1970, as amended, 31 U.S.C 5312 et. seq., the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C Sections 1956 and 1957.

29.4 The provisions of this Article shall survive the closing of the title to the Unit or termination of this Agreement.

30. WAIVER OF DIPLOMATIC OR SOVEREIGN IMMUNITY.

30.1 Purchaser hereby waives any and all immunity from suit or other actions or proceedings and agrees that, should Sponsor or any of its successors or assigns bring any suit, action or proceeding in New York or any other jurisdiction to enforce any obligation or liability of Purchaser arising, directly or indirectly, out of or relating to this Agreement, no immunity from such suit, action or proceeding will be claimed by or on behalf of Purchaser.

30.2 As of the execution of this Agreement, Purchaser acknowledges and agrees that all disputes arising, directly or indirectly, out of or relating to this Agreement may be dealt with and adjudicated in the state courts of New York or the federal courts sitting in New York, and hereby expressly and irrevocably submits the person of Purchaser to the jurisdiction of such courts in any suit, action or proceeding arising, directly or indirectly, out of or relating to this Agreement. So far as is permitted under the applicable law, this consent to personal jurisdiction shall be self-operative and no further instrument or action shall be necessary in order to confer jurisdiction upon the person of Purchaser in any such court.

30.3 Purchaser irrevocably waives, to the fullest extent permitted by law, and agrees not to assert, by way of motion, as to a defense or otherwise in any suit, action or proceeding arising, directly or indirectly out of relating to this Agreement brought in the state

courts in New York or the federal courts sitting in New York: (i) any objection which it may have or may hereafter have to the laying of the venue of any such suit, action or proceeding in any such court (ii) any claim that any such suit, action or proceeding has been brought in an inconvenient forum; or (iii) any claim that it is not personally subject to the jurisdiction of such courts. Purchaser agrees that final judgment from which Purchaser has not or may not appeal or further appeal in any such suit, action or proceeding brought in such a court shall be conclusive and binding upon Purchaser and, may so far as is permitted under the applicable law, be enforced in the courts of any state or any federal court and in any other courts to the jurisdiction of which Purchaser is subject, by a suit upon such judgment and that Purchaser will not assert any defense, counterclaim, or set off in any such suit upon such judgment.

30.4 Purchaser agrees to execute, deliver and file all such further instruments as may be necessary under the laws of the State of New York, in order to make effective the consent of Purchaser to jurisdiction of the state courts of New York and the federal courts sitting in New York and any other provisions of this Article 30.

30.5 Nothing in this Article 30 shall affect the ability of Sponsor to bring proceedings against Purchaser in the courts of any jurisdiction or jurisdictions.

30.6 The provisions of this Article 30 shall survive the closing of title or the termination of this Agreement for the purpose of any suit, action, or proceeding arising directly or indirectly, out of or relating to this Agreement.

30.7 In the event Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), such Purchaser shall hereby be deemed to have designated and hereby designates C.T. Corporation System, having its offices, at the date hereof, at 111 Eighth Avenue, New York, New York 10011 as its duly authorized and lawful agent to receive process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement.

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

31. SECTION 1031 EXCHANGE. Sponsor hereby acknowledges that the acquisition of the Unit hereunder may be in connection with a tax deferred exchange under §1031 of the Internal Revenue Code and that Purchaser may be assigning all of its rights and obligations hereunder to a qualified intermediary as part of, and in furtherance of, such tax deferred exchange. Sponsor hereby agrees to reasonably assist and cooperate in such tax deferred exchange, provided, however, that: (i) any action taken in connection with such tax deferred exchange or requested of Sponsor shall not result in any cost, expense or liability on the part of Sponsor or increased risk to Sponsor relating to the transaction contemplated by this Agreement

(and, among other things, Purchaser acknowledges that a fee shall be payable to Sponsor's Counsel in connection with the review of any documentation related to such tax-deferred exchange); (ii) no action or failure on the part of Sponsor in connection with or related to such tax deferred exchange or cooperation on the part of Sponsor in connection with or related to said tax deferred exchange will frustrate the purpose of this Agreement or otherwise result in a reduction of Sponsor's rights, remedies and privileges under this Agreement or increase any of Sponsor's obligations or duties under this Agreement or otherwise; and (iii) Sponsor shall not be obligated, as part of any tax deferred exchange, to convey any property (other than the Unit), acquire any property, or accept any form of payment in respect of the amounts due hereunder other than as set forth herein. Purchaser shall indemnify and shall hold Sponsor harmless from and against any and all costs, expenses, fees (including, without limitation, reasonable attorneys' fees) or liabilities incurred by Sponsor in connection with or resulting from the said tax deferred exchange, and such indemnity shall survive the closing of title or the termination of this Agreement. Notwithstanding the foregoing, Sponsor makes no representation and expresses no opinion with respect to the applicability of §1031 of the Internal Revenue Code to the purchase or acquisition of the Unit.

32. PERFORMANCE BY AND LIABILITY OF SPONSOR.

32.1 Other than those obligations on the part of Sponsor that have been expressly stated to survive the delivery of the deed in this Agreement, the Plan, 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 General Business Law §352-e, Purchaser's acceptance of the deed for the Unit shall be deemed to be a full performance and discharge of each and every agreement and obligation on the part of Sponsor to be performed pursuant to the provisions of this Agreement, the Plan, 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan) and General Business Law §352-e.

32.2 Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused.

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

33. 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.

34. COSTS OF ENFORCING AND DEFENDING AGREEMENT. Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under this Agreement or, in the event Purchaser defaults under this Agreement beyond any applicable grace period, in canceling this Agreement or otherwise enforcing Purchaser's obligations hereunder.

35. 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.

36. STRICT COMPLIANCE. Any failure by Sponsor to insist upon the strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and Sponsor, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

37. 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. Purchaser hereby grants jurisdiction to the Supreme Court of the State of New York in New York County and the United States District Court for the Southern District of New York for all disputes relating to the Condominium including this Agreement.

38. 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. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived. The provisions of this Article shall survive closing of title or the termination of this Agreement.

39. ENTIRE AGREEMENT. This Agreement supersedes any and all understandings and agreements between the parties with respect to the subject matter hereof.

40. 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.

41. NO RECORDING. Purchaser shall not record this Agreement. Purchaser's failure to comply with this provision shall be a default hereunder and make Purchaser liable for all of Sponsor's costs, including legal fees.

42. 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

43. RULE OF CONSTRUCTION. There shall be no presumption against the draftsman of this Agreement.

44. SUCCESSORS AND ASSIGNS. The provisions of this Agreement shall bind and inure to the benefit of Purchaser and his heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

45. 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.

46. AMENDMENTS TO THE PLAN. Subject to any provision of the Plan to the contrary, if there is a substantial amendment to the Plan that materially and adversely affects Purchaser, Purchaser will have a period of fifteen (15) days from the date of presentation of said amendment within which to rescind this Agreement and, if Purchaser exercises such right of rescission, Sponsor shall return the Option Payment, together with any interest thereon, pursuant to this Agreement within thirty (30) days.

47. CONFIDENTIALITY. Sponsor and Purchaser hereby acknowledge and agree to keep all of the terms and conditions of this Agreement confidential, except that Sponsor shall be permitted to disclose that an Agreement has been executed for the Unit and the purchase price thereunder, but not the identity of Purchaser or its principals. Sponsor and Purchaser agree that any information which is required to be disclosed to the parties respective lawyers, brokers, architects/engineers, accountants, individuals who "need to know" or governmental agencies shall not be deemed to be a breach by Sponsor or Purchaser of the parties undertaking of confidentiality contained in this Agreement. Any failure by Purchaser to keep the terms and conditions of this Agreement confidential shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement.

48. COUNTERPARTS. This Agreement and any Rider(s) which may be annexed hereto may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same document. A facsimile signature on this Agreement (or any such Rider(s)) shall be acceptable and be deemed binding. The party tendering such facsimile signature shall provide the other party with original counterparts of the

signature page promptly after delivery of the facsimile signature page, although the failure to do so shall not invalidate the effectiveness of the facsimile signature.

49. LIS PENDENS. Purchaser waives any right to place a Lis Pendens against the Unit or the Building. In the event of the Sponsor's failure to substantially complete the Unit in accordance with the terms of the Plan and this Agreement, Purchaser's sole remedy shall be the return of Purchaser's Deposit. The Deposit shall only be returned if Purchaser has complied with the conditions contained in the Plan and this Agreement. Purchaser acknowledges that if Purchaser has not acted in compliance with the foregoing, Purchaser may not have the right to have the Purchaser's Deposit refunded.

50. PRINCIPALS OF SPONSOR HAVE EXECUTED THE CERTIFICATION OF SPONSOR AND PRINCIPALS FOR COMPLIANCE WITH THE MARTIN ACT AND GOVERNING REGULATIONS. Consistent with a recent First Department decision, the principals of Sponsor expressly disclaim the existence of any private right of action for contract claims by individual Unit Owners (or a board on their behalf) in connection with or arising solely from their execution of the Certification of Sponsor and Principals, absent liability under another statute or under an alter-ego or other veil piercing theory. See Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC, et al. 2013 N.Y. Slip Op 03574 (1st Dept. May 16, 2013).

51. OPTION AGREEMENT. The parties acknowledge that, for federal income tax purposes only, this Agreement is sometimes referred to as an "option agreement." This characterization is consistent with Sponsor's intention to treat the Agreement for purposes of applicable provisions of the Internal Revenue Code as similar to an option and to obtain the same tax treatment that the Sponsor would be entitled to under certain proposed treasury regulations that were promulgated by the Internal Revenue Service on August 4, 2008 (the "Proposed Regulation). If this characterization is respected, Sponsor will be able to account for the sale of the Residential Unit for federal income tax purposes in the same manner as it would be able to account for such sale if the Residential Unit had constituted a separate townhouse or other separate dwelling. If the Purchaser does not close on the Agreement, Purchaser will forfeit the Option Payment as liquidated damages. Purchasers should note that Sponsor's characterization of this Agreement is not binding on the Internal Revenue Service ("IRS") which may challenge such characterization. However, even if the IRS were to successfully challenge Sponsor's tax characterization of this Agreement and the Option Payment(s), as described above, there will be no adverse tax or other consequences to Purchaser.

52. LETTER OF CREDIT IN LIEU OF DEPOSITS IN ESCROW. Purchaser acknowledges and agrees that Sponsor has the right, in its sole discretion, to elect to withdraw the Deposit and secure it with a Letter of Credit as more fully set forth in the Plan and Purchaser hereby consents to such withdrawal of the funds from escrow.

53. MOLD. Purchasers are advised that the prevention of the growth of mold in a Unit is the responsibility of each Unit Owner. Construction is not, and cannot be, designed to exclude mold spores. Whether a Unit Owner experiences mold growth depends largely on how such Unit Owner manages and maintains his/her Unit. Unit Owners will need to take actions to prevent conditions which cause the mold or mildew, and it is the responsibility of each Unit

Owner to ensure that he/she has taken the necessary precautions to prevent mold from becoming a problem in such Unit Owner's Unit. Sponsor will not be liable for and Purchaser hereby waives any claim for any actual, special, incidental or consequential damages based on any legal theory whatsoever, including, but not limited to, strict liability, breach of express or implied warranty, negligence or any other legal theory with respect to the presence and/or existence of molds, mildew and/or microscopic spores unless caused by the gross negligence or willful misconduct of Sponsor. The provisions of this Article shall survive closing of title or the termination of this Agreement.

[No further material on this page.]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

SPONSOR:

HFZ BRYANT PARK OWNER LLC

By: _____
Name:
Title:

PURCHASER:

_____

_____

_____
(Social Security or Federal I.D. Number)

Telephone No. _____

ESCROW AGENT
Accepted and agreed as to the provisions of Article 12:

HOLLAND & KNIGHT LLP

By: _____
Name:
Title:

SCHEDULE A

PERMITTED ENCUMBRANCES

1. Building restrictions and zoning and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted.

2. Any state of facts which an accurate survey of the Building and the Unit would show, or such other items as a personal inspection of the Property would show, provided such facts would not make title to the Unit unmarketable, except as otherwise permitted herein.

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, the Power of Attorney from the Grantee to the Residential Board and other parties, and the Floor Plans; as all of the same may be amended from time to time.

4. Consents by the Grantor or any former owner of the Land for the erection of any structure or structures on, under or above any street or streets on which the Property may abut.

5. Any easement or right of use in favor of any utility company for construction, use, maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

6. Revocability of licenses for vault space, if any, under the sidewalks and streets.

7. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings and similar projections, if any, on, over, or under the Property or the streets or sidewalks abutting the Property, and the rights of governmental authorities to require the removal of any such projections and variations between record lines of the Property and retaining walls and the like, if any.

8. Leases and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.

9. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, or vault charge, provided the same are adjusted at the closing of title.

10. The lien of any unpaid assessment payable in installments (other than assessments levied by the Residential Board), except that the Grantor 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 Grantee shall pay all assessments due from and after the Closing Date.

11. Any declaration or other instrument affecting the Property which the Grantor 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.

12. Any encumbrance as to which First American Title Insurance Company (or such other New York Board of Title Underwriters member title insurance company which insures the Grantee's title to the Unit) would be willing, in a fee policy issued by it to the Grantee, to insure the Grantee that such encumbrance (1) will not be collected out of the Unit if it is a lien or (2) will not be enforced against the Unit if it is not a lien.

13. 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 a Unit for residential purposes.

14. Building and Nuisance Restrictions set forth in The Indenture dated 9/19/1856 between David Banks and Harriet Banks, his wife -and- Natividad Yznaga del Valle, recorded on 9/19/1856 in Liber 717 Cp. 285. Affects Lot No. 30. There is no condition or right of re-entry or other provision for forfeiture under which the insured can be cut off, subordinated or otherwise disturbed.

15. Building and Height Restriction set forth in The Indenture dated 12/26/1872 between William Mann, Referee -and- Joseph Lobar, recorded on 12/26/1872 in Liber 1241 Cp. 102. Affects Lot No. 60. There is no condition or right of re-entry or other provision for forfeiture under which the insured can be cut off, subordinated or otherwise disturbed.

16. Declaration of Zoning Lot Restrictions dated 4/27/1981 made by Republic National Bank of New York, recorded on 4/28/1981 in Reel 564 Page 367. Affects Lots No. 30, 31, 49 and 59.

17. Declaration of Restrictions and Grant dated as of 6/30/1981 by and between The Greater New York Corporation of Seventh Day Adventists -and- Republic National Bank of New York, recorded on 10/23/1981 in Reel 589 Page 284. Affects Lots No. 30, 31, 49, 59 and 57.

18. Declaration of Zoning Lot Restrictions dated as of 11/10/1994 made by Republic National Bank of New York, recorded on 11/22/1994 in Reel 2156 Page 2365. Affects Lots No. 30, 31, 49, 58, 59, 60 and 57.

19. Zoning Lot Development and Easement Agreement dated as of 9/26/2006 by and among HSBC Bank USA, National Association -and- Property Owner (USA) LLC -and- 40th ST. Partners LLC, recorded on 1/16/2007 under CRFN 2007000029605. Affects Lots No. 30, 58, 59, 60 and 57.

20. Declaration of Restrictions dated 10/15/1981 made by Republic National Bank of New York, recorded on 12/30/1981 in Reel 597 Page 1071. Affects Lots No. 30, 31, 49, 59 and 57. First Modified Declaration dated as of 6/13/1994 made by Republic National Bank of New York, recorded on 7/28/1994 in Reel 2123 Page 1853. Second Modified Declaration dated as of 3/12/2008 by Property Owner (USA) LLC (together with its predecessors in-interest Republic

National Bank of New York and HSBC Bank USA, N.A.) -and- 40th ST. Partners LLC, recorded on 5113/2008 under CRFN 2008000192529. Now affects Lots No. 30, 31, 49, 57, 58, 59 and 60.

21. Zoning Lot Description and Ownership Statement, recorded on 10/23/1981 in Reel 589 Page 305. Affects Lots No. 30, 31, 49, 59 and 57.

22. Zoning Lot Description and Ownership Statement, recorded on 11/22/1994 in Reel 2156 Page 2401. Affects Lots No. 30, 31, 49, 57, 58, 59 and 60.

23. Zoning Lot Certification, recorded on 11/22/1994 in Reel 2156 Page 2407. Affects Lots No. 30, 31, 49, 57, 58, 59 and 60.

24. Waiver made by HSBC Bank (USA), National Association, recorded on 5/13/2008 under CRFN 2008000192530. Affects Lots No. 30, 31, 49, 57, 58, 59 and 60.

25. Waiver made by Petra Mortgage Capital Corp. LLC, recorded on 5/13/2008 under CRFN 2008000192531. Affects Lots No. 30, 58, 59 and 60.

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____ the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____ the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____ the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____ the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

EXHIBIT "2"

POWER OF ATTORNEY

RESIDENTIAL UNIT POWER OF ATTORNEY

_____

TO

THE CONDOMINIUM BOARD OF BRYANT PARK SOUTH CONDOMINIUM
AND
THE RESIDENTIAL BOARD OF BRYANT PARK SOUTH CONDOMINIUM
AND
20 WEST 40 BRYANT PARK OWNER LLC

BRYANT PARK SOUTH CONDOMINIUM

16 WEST 40TH STREET, NEW YORK, NEW YORK 10018

UNIT _____

COUNTY: NEW YORK

BLOCK: 126

LOT:

RESIDENTIAL UNIT POWER OF ATTORNEY

Terms used in this Residential Unit Power of Attorney which are used (a) in the declaration (the "Declaration") submitted by 20 West 40 Bryant Park Owner LLC ("Declarant") establishing a plan for Condominium ownership of the premises known as Bryant Park South Condominium and by the street number 16 West 40th Street, New York, New York 10018 under Article 9-B of the Real Property Law of the State of New York, dated _____ __, 200__, and recorded in the New York County Office of the Register of The City of New York on _____, 20__, in City File Register Number _____, or (b) in the By-Laws of the Condominium (the "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 (the "Principal"), the owner of the Residential Unit (the "Unit") in Bryant Park South Condominium which is (are) designated and described as Residential Unit No. _____ in the Declaration and also designated as Tax Lot _____, in Block 126 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:

A. the board of managers of the Residential Section of the Condominium (hereinafter collectively referred to as "Residential Board"), true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Residential Board or in the name of their designee (corporate or otherwise), on behalf of all Residential Unit Owners, in accordance with such Unit Owners respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a Majority of Residential Unit Owners, to acquire or lease any Residential Unit, together with its Appurtenant Interests, from any Residential Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Residential Unit, together with its Appurtenant Interests, from any Residential 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, to acquire any Residential Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Residential Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Residential Unit so acquired by them, or to sublease any Residential Unit so leased by them without the necessity of further authorization by the Residential Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present; (2) upon determination by the Residential Board, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units, including retaining counsel and taking any other actions which the Residential Board deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Residential Section and/or the Condominium, which the Residential Board, deems necessary or appropriate to comply with any ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City

Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Residential Section, (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Residential Section which the Residential Board deems necessary or appropriate or (c) following due authorization by any affected Residential Unit Owner(s), to the extent required in the Declaration and By-laws, any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium, the Residential Section or any of the Common Elements, in each case that the Residential Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Residential Board shall constitute the acts of said attorneys-in-fact.

This Residential Unit Power of Attorney shall be irrevocable; and

B. the board of managers of the Condominium (hereinafter collectively referred to as "**Condominium Board**"), true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a Majority of Unit Owners, to acquire or lease any Unit, together with its Appurtenant Interests, from any 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 Unit Owners, 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 Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present; (2) upon determination by the Condominium Board, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to 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 Common Elements which the Condominium Board, with respect to the Common Elements and the Board deems necessary or appropriate to comply with any ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Condominium, (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium which the Condominium Board deems necessary or appropriate or (c) following due authorization by any affected Unit Owner(s) or the Residential Board, in each case to the extent required in the By-laws and

Declaration, any consent any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium, the Residential Section or any of the Common Elements, which the Condominium Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Residential Board shall constitute the acts of said attorneys-in-fact.

This Residential Unit Power of Attorney shall be irrevocable; and

C. the **Declarant**, true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, in the name of its designee (corporate or otherwise) but subject in all respects to the By-laws and the Declaration then in effect, to execute an amendment to the Declaration, By-Laws and the Rules and Regulations of the Condominium or any permits, applications or documents required to undertake, perform or complete work to the Unsold Units or Common Elements by Declarant or obtain an amended certificate of occupancy therefor, or any of said documents when such amendment (i) shall be required to reflect any changes in Unsold Residential Units, Non-Residential Units and/or the reapportionment of the Common Interests of the aforesaid Units resulting therefrom made by Declarant in accordance with the Declaration or (ii) shall be required by an (x) Institutional Lender designated by Declarant to make a mortgage 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 Declarant to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of subdivision (a) or (b) of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material or physical modification to the undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage held by an Institutional Lender covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment.

This Residential Unit Power of Attorney shall be irrevocable.

Each Agent may act SEPARATELY.

This Residential Unit Power of Attorney does not revoke any prior powers of attorney executed by the Principal.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ___ day of _____, 20__.

PRINCIPAL signs here: =>_____

=>_____

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

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_____
Notary Public

EXHIBIT "3"

FORM OF UNIT DEED

UNIT DEED

THIS INDENTURE, made the ____ day of _____, 20___, between HFZ Bryant Park Owner LLC, a Delaware limited liability company, having an office at c/o HFZ Capital Group LLC, 600 Madison Avenue, New York, New York 10018 (the "Grantor") and _____ (the "Grantee"), having an address at _____.

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 (the "Unit") in the premises known as a Bryant Park South Condominium (the "Condominium") and by the street number 16 West 40th Street, Borough of Manhattan, City, County and State of New York, said Unit being designated and described as Unit No. _____ in the declaration ("Declaration") establishing a plan for condominium ownership of said premises under Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"), dated _____, 20__ and recorded in the New York County Office of the Register of The City of New York (the "City Register's Office") on _____, 20__ in City Register File Number _____, and also designated as Tax Lot(s) ____ in Block 851 of Section ____ of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans of said building, certified by _____, on _____, 20___, and filed in the Real Property Assessment Department of the City of New York on _____ _____ as Condominium Plan No. _____ also filed in the City Register's Office on _____, 20__, as Condominium Map No. _____. The premises within which the Unit is (are) located are more particularly described in Schedule A attached hereto and made a part hereof. All capitalized terms herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or in the By-Laws of the Condominium. (Said By-Laws, as the same may be amended from time to time, are hereinafter referred to as the "By-Laws".)

Together with an undivided _____ percentage 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, all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in (any of) the Unit, as though recited and stipulated at length herein.

Subject also to such other liens, agreements, covenants, easements, restrictions and other matters as pertain to the Unit and/or to the Property as more particularly described in Schedule B attached hereto and made a part hereof.

TO HAVE AND TO HOLD the same unto the Grantee and the heirs or successors and assigns of the Grantee forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration shall control.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has (have) been encumbered in any way whatever, except as aforesaid.

The Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this Indenture as of the day and year first above written.

GRANTOR:

HFZ BRYANT PARK OWNER LLC

By: _____
Name:
Title:

_____
Grantee

_____
Grantee

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____ the year 20_____ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

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Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

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Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

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_____
Notary Public

SCHEDULE B

REFER TO PERMITTED ENCUMBRANCES SET FORTH AS SCHEDULE A TO AGREEMENT

TO BE INSERTED PRIOR TO CLOSING

EXHIBIT "4"

DESCRIPTION OF PROPERTY

Bryant Park South
16 West 40th Street
New, York NY 10018

Sept. 10, 2015

Description of Property

A. Location of Property

1. The property address is 16 West 40th Street, New York, NY 10018.

2. The property is located in the borough of Manhattan, City of New York. The property is bounded by 39th Street to the South and 40th Street to the North. It is bounded by buildings to the East and West and is a through-lot for a small portion of the site.

3. The building is situated on Block No. 824, Lot Nos. 30, 58, 59 & 60. Upon completion of construction, each residential unit will have an individual tax lot designation.

4. The property is located in Zoning Districts C5-3 and M1-6 and is part of the Special Midtown District. The Special Midtown District is established in the New York City Zoning Resolution, Article VIII, Chapter 1 and Zoning Maps 8c & 8d, to promote and protect public health, safety and general welfare.

5. Based on a survey prepared by John J. Vida of True North Surveyors, P.C. on 06.10.14, the approximate Lot Area is 12, 178.8 SF. After development there will be no residual residential or commercial development rights.

6. The Legal Uses proposed will be as per the approved Department of Buildings Application. The proposed Uses are: Use Group 5 (Hotel), Use Group 2, (Residential) and Use Group 6 (Commercial).

7. The completed project will comply with the requirements of the 2008 New York City Building Code for General Construction, Structure, Mechanical, Sprinkler and Fire Alarm. Additionally, the project will comply with the Americans with Disabilities Act and provide accessibility to all the building's common areas, accessible paths to all units and accessible units as required.

8. The building is not in a Landmark District and will not be a Landmark. A Landmark building does exist as part of the Zoning Lot. The Knox Building, 452 Fifth Avenue at W 40th Street, was completed in 1902 and registered as a NYC Landmark in 1980, and added to the National Register of Historic Places in 1982.

B. Status of Construction

STONEHILL & TAYLOR
ARCHITECTS, P.C.
31 WEST 27TH STREET
NEW YORK, NY 10001
TEL 212.226.8898
FAX 212.941.1874
ascarpaci@stonehilltaylor.com

1. The project site consisted of a parking lot enclosed by a stone and iron fence that has been demolished. Mueser Rutledge Consulting Engineers has performed test borings and soil analysis. See Subsection E for the results of such analysis.

2. Year Built: 2014-2016

3. Type of Construction: New Construction. The plans were approved by the NYC Department of Buildings under New Building application number 121184486, on May 15, 2015.

4. Class of Construction: The building shall be Construction Class Type 1B.

5. Certificate of Occupancy: After completion of construction, the Developer will apply for one (1) Certificate of Occupancy (preceded, if appropriate, by staged Temporary Certificates of Occupancy (TCO)) for the Building from the Department of Buildings of the City of New York. The first staged TCO will be obtained prior to the closing of the first residential unit. Final work in public spaces and plantings may not be in place at time of Temporary Certificates of Occupancy. The Sponsor anticipates that a Final Certificate of Occupancy will be issued for the Building within2 years after the First Closing.

6. The building project at 20 West 40th Street can most generally be described as a 32-story plus bulkheads, plus Cellar and Sub-Cellar. Cast in place concrete structure with precast concrete exterior enclosure walls with infill windows.

   The project is more specifically described in outline form in this report. This report is based on a visual inspection of the premises, and a review of the Construction Documents prepared by Stonehill & Taylor Architects, P.C., which were approved by the New York City Department of Buildings under New Building application number 1221184486, on May 15, 2015.

   Construction commenced in October, 2014, and the Developer anticipates completion by Dec. 1, 2016, unless delayed by weather, strikes, lockouts, acts of God, shortages of or inability to obtain materials, equipment or labor, governmental restrictions or preemption, damage by fire or the elements or any other cause over which the Developer has no control.

C. Site

1. Size: Based on a survey prepared by John J. Vida of True North Surveyors, P.C. on 06.10.14, the approximate Lot Area is 12, 178.8 SF.

2. Number of Buildings and Use: The proposed development will consist of a single residential use building with Use Group 2, Use Group 5 and Use Group 6.

3. Sidewalks & Streets:
   a) Sidewalks: A new poured concrete sidewalk is proposed outside the property line. Existing Concrete Sidewalks will be removed and replaced. The sidewalk shall be new,

free of tripping hazards and ponding. The new sidewalk on 40th Street shall house 3 Con Edison transformer vaults and 1 Con Edison bus compartment vault. The sidewalk on 39th Street shall not have any vaults. The condominium will be responsible for maintaining the sidewalk as per NYC's LL regulations. It is designed to be built to comply with NYC DOT's/local Laws and ADA requirements. All sidewalks will comply with the requirements of the New York City Highways, Buildings and Fire Departments.

b) Curbs: New granite curbs shall be installed to the width of the site on 40th Street and new steel faced concrete curbs shall be installed to the width of the site on 39th Street. The 39th Street sidewalk shall have a new steel faced concrete curb cut.

c) Street Trees: There will be no trees planted on the sidewalks for the Zoning lot. Street trees will be planted off site.

d) Street Pavement: The existing street pavements on 40th & 39th Streets consist of asphalt. There are no street paving anticipated for this project.

e) Catch Basins, Drainage: 40th Street and 39th Street are presently pitched to drain through existing catch basins into the New York City storm water drainage system. There is no drainage anticipated for this project.

f) Street Lighting: Present New York City street lighting is provided by pole mounted mercury-vapor fixtures, which appear to be in good condition.

g) Drives & Ramps: A new concrete paved loading dock will be situated on the 39th Street lot.

4. Site Interior: There will be an interior paved driveway on the 39th Street lot which will serve as the loading dock to the building. There will be a sidewalk on the 39th Street lot to allow for pedestrian traffic from the building without passing through the designated loading dock.

D. Utilities

1. Electrical: Electric service will be provided by Con Edison. Each residential unit will be separately metered by Con Edison. Separate Con Edison meter will be provided for all other electrical loads including hotel, common areas, shared mechanical, and back of house. Separate Con Edison meters will be provided for retail tenants.

2. Water: The building will be connected to the water supply and the combined sewer provided by the City of New York. Water will be provided by 3 water services to the building; a 6" domestic water supply, a 6" fire service from 40th Street and a 6" fire service from 39th Street, new combined water and sprinkler service entering from 40th Street and 39th Street. The water service to the building will be collectively metered, with water for the Sprinkler/Standpipe system metered through a bypass water meter. Sanitary and storm lines will exit from 40th

Street. Sewer mains located below grade on 40th Street are service and maintained by the City of New York.

3. Gas: Gas will be provided by Con Edison. Gas will be collectively metered for all residential units. Residential and building (House) gas will be separately metered. There will be 5 gas meters: one for domestic hot water and domestic cooking gas for residential units, one for the boiler system with a sub-meter for Penthouse ventilation unit, one for Hotel domestic hot water and 1 each for each Retail unit.

4. Telephone: The residential portions of the building will be wired for telephone and cable television. It will be a residential unit owner's obligation to purchase telephones and arrange for telephone and cable services for his or her unit.

E. Sub-soil Conditions

1. A geotechnical report dated November 29, 2006, has been prepared by Mueser Rutledge Consulting Engineers, presenting the results of an investigation consisting of test borings and test pits. The structural engineer has designed footings and foundations that take into account the recommendations of these evaluations.

2. The soils report mentioned above indicates the presence of groundwater at depths approximately 12'-0" below grade where the rock was shallow and 17'-0" – 20'-0" where the rock is deeper. Preventative measures are being taken in the design of foundations and subgrade waterproofing to protect from moisture infiltration.

3. The site is within FEMA Flood Zone X. Area determined to be outside the 0.2% annual chance floodplain.

4. The final grade will slope away from the building.

F. Landscaping & Enclosures

1. Grass cover: There will be no ground covering provided on the project.

2. Plantings: There will be plantings on the 6th Floor roof terrace. The plantings are TBD.

3. Street Trees: There will be no trees planted on the sidewalks for the Zoning lot. Street trees will be planted off site.

4. Fencing: There will be no fencing on the project.

5. Gates: There will be a gate at the 39th Street façade.

6. Garden Wall: There are no garden walls on the project.

7. Retaining Walls: There are no retaining walls on the project.

8. Display Pools & Fountains: There will be no display pools or fountains on the project.

G. Building Size

1. Total Height: The height of 20 West 40th Street is approximately 361'-0" to the top of the bulkhead roof. The total gross floor area of the building including the Cellar and Sub-Cellar is approximately 221,174.62 square feet. 20 West 40th Street will be subject to Local Law 11/98 which requires that a critical examination of the building's exterior walls and appurtenances thereof shall be conducted at periodic intervals as set forth by rule of the commissioner, but such examination shall be conducted once every five years. Such examination shall be conducted and witnessed by or under the direct supervision of a licensed architect or professional engineer by or on behalf of the owner of the building. Notification of unsafe conditions are to be given to the owner and the Department of Buildings as a written report and necessary repairs or reinforcements shall be made to secure public safety and make the building's exterior conform to the provisions of the code. 20 West 40th Street will be due for its first periodic inspection and reporting 5 years after completion of the building.

2. Crawl Spaces: None.

3. Number of Sub-Cellars and Cellars: There is one Cellar and one Sub-Cellar. Both the Cellar and Sub-Cellar shall have approximate ceiling heights of 11'-6" exclusive of soffitted areas required for mechanical and structural elements.

4. Number of Floors: There are 32 stories above the Cellar, including the Ground Floor. At the roof there are two residential bulkheads as well as mechanical spaces and core bulkheads.

   Exclusive of dropped ceiling areas at kitchens, bathrooms, halls, soffits, MEPS mechanical equipment including ducts and plumbing elements, and structural offsets and boxed-out structural beams, ceiling heights in residential units located at 20 West 40th Street are approximately as follows:

1st Floor	17'-9 ¼"
2nd – 5th Floors:	8'-10"
6th Floor:	17'-11"
7th – 14th Floors:	8'-10"
15th Floor:	9'-11"
16th – 31st Floors:	9'-6"
32nd Floor PH:	10'-11"
33rd Floor PH:	9'-1"
PH residential bulkheads:	10'-0".

5. Equipment Rooms (locations and use): All equipment rooms are located in the Sub-Cellar and Cellar, on mechanical dunnage on the 39th Street lot, above the 1st Floor, on the 2nd and 3rd

Floors, on the 6th Floor mechanical mezzanine and on the Roof and its bulkhead. Sub-Cellar mechanical rooms consist of the water meter room, gas meter room, sewage ejector and pump room and telephone & communications room. The Cellar mechanical rooms consist of the fire service room, fuel oil storage room. The mechanical dunnage on the 39th Street lot contains the electrical generator, precipitators for the retail spaces and HVAC units for the entry lobby. The storm water detention tank is located above the first floor and accessed through a manhole on the 2nd floor rear setback. The 2nd and 3rd Floor mechanical rooms consist of the electrical service rooms and emergency electrical rooms. The 6th Floor mechanical mezzanine consists of stair pressurization fans in addition to various mechanical units for the hotel. The roof bulkhead consists of the fire pump room, the boiler room, the water heater room. The roof above the bulkhead contains various HVAC units and exhaust fans as well as stair pressurization fans and the cooling tower and water tanks.

6. Parapets: All roofs and terraces will have a parapet or railing, each of which will be a minimum of 3'-6" in height above the roof.

H. Structural Construction System

1. Building Structure: Existing masonry party walls along the East and West property lines are sound and will remain. All foundations, footings and underpinning of adjacent buildings are new concrete construction. The building's superstructure shall be cast-in-place reinforced concrete shear walls columns and slabs.

   The entire building is of non-combustible construction with a minimum of 2 hour fire ratings for all structural members. Interior demising walls separating units from core elements will be 2 hour fire rates except for the trash compactor room enclosures which will have a 3 hour fire rating.

   Design input from an acoustic engineering firm, Shem Milson Wilke and Associates, has been incorporated into the Construction Documents to achieve a design for proper sound insulation in the building and all Code required acoustic regulations will be met or exceeded.

2. Exterior of Building:

   a) Exterior Walls: Walls adjacent to existing buildings are CMU from floor to ceiling. Façade walls at the North & South facades are 5" thick precast concrete separated by 2" from the structure and comprise of hollow air space and 4" of insulation within the cavity. Façade walls at the East and West facades (including above adjacent buildings) are 5" thick precast concrete separated by 3" from the structure, comprising of a 1" air space with 2" of thermal insulation. Waterproofing is achieved through the precast concrete's water-impervious nature and a system of dual sealants between precast elements.

      The public stair and elevator bulkheads, enclosed mechanical spaces and private roof bulkhead at the roof will be CMU clad in metal screen.

NYC code-mandated Light and Air requirements have been met.

b) Windows: At the North façade from the 2nd – 31st Floors the windows shall be full height aluminum sliding windows with two operable leafs. At the North and South facades on the 32nd & 33rd Floors windows shall be full height window wall sliders along the entire length of the perimeter wall with spandrel panels at the 32nd floor slab. At the South façade from the 2nd – 17th Floors the windows shall be aluminum casement windows with two operable leafs and a fixed lower transom 3'-6" AFF. At the South façade from the 18th – 31st Floors the windows shall be full height aluminum sliding windows with two operable leafs. At the East and West facades all windows shall be full height aluminum inswing casement windows.

Windows shall be professionally installed and caulked per the manufacturer's specifications. All windows shall be insulating glass units with clear glass and Low-E coating on the second surface.

There are lot-line windows in this project at floors five (5) through thirty-three (33) on the East façade with the lot-line windows at floors five (5) through eleven (11) protected by fire-rated glazing and frames. The adjacent neighboring building cannot be altered or replaced to block the lot-line windows in the apartments.

c) Landmark Status: None.

3. Parapets and Copings: All railings and or parapets will be at least 3'-6" above the adjacent walkable surface. The top surface and interior face of the parapets will be precast concrete to match the exterior facades.

4. Chimneys and Caps:
   a) The refuse chute will extend from the Sub-Cellar to the bulkhead roof where it shall be capped per the manufacturer's specifications.

   b) The linen chute (for the hotel) will extend from the Sub-Cellar to the bulkhead roof where it shall be capped per the manufacturer's specifications.

   c) The boilers and hot water heaters will vent through a flue at the bulkhead roof.

5. Balconies and Terraces:
   a) Deck Finish: 2" concrete pavers on pedestals or shims.

   b) Balustrade and Railings: All balconies and terraces will be enclosed with a precast concrete parapet or clear tempered glass or painted metal rail to a height of 3'-6". All terrace railing elements shall have 4" maximum clear spacing. Railings are designed so as to not be used as ladders by children.

c) Terrace Doors: Terrace doors will be aluminum frame integral to the windows and window wall systems with insulated glass units.

d) Drains: Terrace drains will be installed on all terraces.

6. Exterior Entrances:
   a) Exterior Doors: Exterior Doors at both the residential and hotel entrances shall be dual leaf aluminum framed glass doors with heavy duty balanced hardware. All exterior entrances are designed to be free of tripping hazards. All exterior metals and fasteners are corrosion resistant.

   b) Exterior Door Hardware: The entry doors shall have heavy duty balancing hardware and will be furnished with entrance locks that engage electric floor strikes controlled by an intercom device at the front desk which can also be manually locked and open.

   c) Vestibule Doors and Frames: Vestibules shall be tempered glass on all sides and contain two sets of the doors described in Section H.6.a above. Storm water is designed to be captured by a canopy above the residential entry door and a marquee above the hotel entry doors. The marquee will be drained within the building.

   d) Exterior Stairs: None.

   e) Railings: None.

   f) Mailboxes: Mailboxes are located in a separate mail room within the residential lobby. Mailboxes are government-approved individual mailboxes.

   g) Exterior Lighting: Exterior lighting will be provided at the exterior entrances for the residential and hotel lobbies in compliance with New York State Multiple Dwelling Law. Lighting shall be LED mounted within the canopies above each of the entrances.

7. Service Entrances: There will be one service entrance at the South of the building with access through the 39th Street lot. The service entrance is a double leaf, aluminum frame door with insulated glass units with heavy duty closing hardware and lock. There will be adequate overhead lighting at the service entrance. The sidewalk at the service door will be sloped away from the door to drain.

8. Roof and Roof Structures:
   a) Roof Construction:
      i. Roofing Material: Roofing shall be an Inverted Roof Membrane Assembly (IRMA) consisting of precast paving, protection board, insulation and roofing membrane on concrete roof slabs with an average R-Value of 20. Roofing material shall be a cold fluid-applied waterproofing.
      ii. Insulation: Extruded-polystyrene board insulation.
      iii. Roof Surface Finish: Precast pavers.

iv. Bond or Guarantee: 20 year manufacturer's warranty.
v. Flashing Material: Stainless steel or reinforced fabric base and counter flashing.
vi. All exterior metals, including fasteners, shall be corrosion resistant.

b) Drains:
i. Location, Material and Type: There are 5 drains on the rear yard and 39th Street lot, 3 drains located on the 2nd Floor roof, 2 drains located on the 6th Floor roof, 4 drains located on the Roof of the 33rd Floor and 2 drains located on the bulkhead roof. Drains are also provided on the 32nd Floor terraces, though these terraces are not required to be retained. Drains shall be made of cast iron and be bi-functional roof drain with control flow weir type. Each drain used for storm water retention shall have an accompanying overflow drain made of cast iron and be a standpipe type. Required storm water retention will be accommodated by each roof allowing up to 3" of water to be stored on them, in addition there is a storm water detention tank on the 1st Floor. Storm water will be delivered into the NYC combined sewer system.
ii. Gutters and Leaders: Storm water leaders are all inside the building and are to be cast iron. There is an aluminum gutter between the East façade of the building and the adjacent building to the East to capture storm water runoff from the East façade. This gutter leads to storm water leaders within the building.

c) Skylights: None.

d) Bulkheads:
i. Stair Bulkhead: The egress stair bulkhead is located within a centralized architectural bulkhead of CMU with a metal screen.
ii. Elevator Bulkhead: The elevator bulkhead is located within a centralized architectural bulkhead of CMU with a metal screen.

e) Metal Work at Roof Level:
i. Exterior Metal Stairs: None.
ii. Vertical Ladders: None.
iii. Railings: See description of Parapets/Roof Railings.
iv. Hatches to Roof: None.
v. Dunnage: New steel dunnage or concrete pads or acoustic curbs at each roof will be provided for mechanical equipment as required. Dunnage will be painted with high performance Tnemec 2-coat primer and a top coat.
vi. Acoustic enclosure for mechanical equipment: Will be provided at the emergency generator.

f) Rooftop Facilities: There are two (2) private roof terraces with direct physical access to their residential unit. Also on the roof are fire stair access and mechanical areas.

9. Fire Escapes: None.

10. Yards and Courts: There is a 10'-0" open area along the South of the building and will include the entire 39th Street lot at ground level. The 39th Street lot and this setback will comprise the designated loading dock area and services entrances and will also include egress from the building to 39th Street. Access is for maintenance and service only. There are no private yards in the project.

11. Interior Stairs:
    a) Number of stairs of each type: There are two (2) egress stairs from the 1st Floor to the Roof. These stairs are separated per code at the hotel floors and converge into a scissor stair at the residential floors. There are two (2) egress stairs from the Sub-Cellar to the first floor. There are two (2) communicating access stairs per each penthouse apartment that extend from the 32nd Floor to the Roof.

    b) Enclosure: All egress stairs are enclosed in concrete wall, CMU or gypsum wall board enclosures providing a 2 hour fire rating between the stairs and adjacent corridors and spaces. All gypsum wall board enclosures will be impact resistant per Code.

    c) Stair construction: All egress stairs (treads & risers) will be cast-in-place concrete with cast-in-place tread nosings.

    d) Railings and guardrails: All egress stairs will have painted metal railings and guardrails, where required.

12. Interior Doors and Frames:
    a) Unit entrance doors: All unit entrance doors shall be stained fire-rated wood doors with a composite core at both the residential and hotel floors. All doors leading to fire stairs will meet New York City Building Code requirements.

    b) Interior unit doors: Interior unit doors shall be stained wood doors, metal and glass doors & tempered glass doors.

    c) Stair doors: All doors and frames leading to fire stairs shall be stained fire-rated wood doors with a composite core at the residential floors. All doors leading to fire stairs shall be painted hollow metal doors at the hotel floors. All doors leading to fire stairs will meet New York City Building Code requirements.

    d) Roof doors: All doors and frames shall be painted hollow metal and will meet New York City Building Code requirements.

    e) Cellar doors: All doors and frames shall be painted hollow metal and will meet New York City Building Code requirements.

13. Elevators:
    a) Number of Elevators, Types and Floors Served:

i. There will be two (2) gearless traction public passenger elevators serving the hotel from the Sub-Cellar to the 15th Floor. (PE 1-2)
ii. There will be two (2) gearless traction public passenger elevators serving the residences from the Sub-Cellar to the 32nd Floor. (PE 3-4)
iii. There will be one (1) hydraulic tenant service elevator serving the 1st Floor to Cellar. (SE 5)
iv. There will be one (1) hydraulic service elevator serving the 1st Floor to the Sub-Cellar. (SE 6)
v. There will be two (2) hydraulic private residential elevators. (RE 7-8)

b) Manufacturer and Capacity:
Elevator manufacturer and approximate capacity not selected as of the writing and date of this report.
i. PE 1-2: Manufactured by XX. 3,000 LB capacity at 500 FPM with an approximate capacity of XX people.
ii. PE 3-4: Manufactured by XX. 3,000 LB capacity at 700 FPM with an approximate capacity of XX people.
iii. SE 5: Manufactured by XX. 3,000 LB capacity at 125 FPM with an approximate capacity of XX people.
iv. SE 6: Manufactured by XX. 3,000 LB capacity at 125 FPM with an approximate capacity of XX people.
v. RE 7-8: Manufactured by XX. 1,000 LB capacity at 36 FPM with an approximate capacity of XX people.

c) Doors: All elevator doors shall be wide enough to accommodate a wheelchair.

14. Elevator Cabs:
a) Hotel Elevator Cabs:
i. Floors: Flooring shall be stone tile.
ii. Walls: Walls shall be stone tile and wood panels.
iii. Ceiling: Ceiling shall be metal panel.
iv. Lighting: Lighting shall be continuous LED perimeter cove light.
v. Alarm/Safety System: A control panel with FDNY key switches will be incorporated as required.

b) Residential Elevator Cabs:
i. Floors: Flooring shall be 3/4" terrazzo.
ii. Walls: Walls shall be darkened bronze Muntz metal.
iii. Ceiling: Ceiling shall be darkened bronze Muntz metal with accessible panels.
iv. Lighting: lighting shall be LED direct/indirect troffer.
v. Alarm/Safety System: A control panel with FDNY key switches will be incorporated as required.

c) Service Elevator Cabs:
i. Floors: Floors shall be stainless steel diamond plate.

ii. Walls: Walls shall be aluminum diamond plate.
iii. Ceiling: Ceiling shall be solid ceiling.
iv. Lighting: lighting shall be LED downlighting.
v. Alarm/Safety System: A control panel with FDNY key switches will be incorporated as required.

d) Private Residential Elevator Cabs:
i. Floors: Flooring shall be 3/4" terrazzo.
ii. Walls: Walls shall be blackened steel.
iii. Ceiling: Ceiling shall be darkened bronze Muntz metal.
iv. Lighting: Lighting shall be LED surface mounted ceiling fixture.
v. Alarm/Safety System: A control panel with FDNY key switches will be incorporated as required.

I. Auxiliary Facilities

1. Laundry Rooms: Will be provided within each unit. There are no common laundry facilities in the building for the apartment tenants. There are laundry facilities in the Sub-Cellar for the Hotel use and its guests.
   a) The clothes washer within each unit shall be Mosch, Model #WAT28402UC.

   b) The clothes dryer within Units B & D from Floors 16 to 24 & Unit C on Floor 16 shall be condensing dryer Bosch, WTG86402UC, with integral lint trap.

   c) The clothes dryer within Units A from Floors 16 to 24, Units B from Floors 17 to 24 and all units from Floors 25 to 33 shall be gas dryer Model #WED7500, with integral lint trap.

   d) The washers and dryers are located within each unit and not a separate laundry room. Ventilation is as required per the residential unit.

   e) The gas dryers are mechanically ventilated with galvanized ductwork and terminate at a fan at the building roof.

2. Refuse Disposal:
   a) Incinerators: None.

   b) Compactor: there will be one compactor located in the Sub-Cellar trash room servicing the apartments. The compactor shall be Wilkinson Hi-Rise Model KN.

   c) Chute: There will be one 24" diameter stainless steel refuse chute accessed at the 16th – 32nd Floors, with one 90-minute rated access hatch on each residential floor.

d) Storage Location: The compacted bags will be stored in the compactor/recycling room in the Sub-Cellar until they are transferred to street level on scheduled days for pickup by the New York City Department of Sanitation.

J. Plumbing and Drainage System

1. Water Supply: A 6-inch domestic water service with a double check valve backflow preventer and water meter will be provided from the public water main to three (3) House Pumps each rated at 190 GPM one is locked. Domestic water will be supplied to the Cellar level from 40th Street. All main shut off valves are located on Cellar level.

   A backflow preventer will be provided at Sub Cellar. Pumps will supply the two water tanks that will serve both Domestic Water Supply and Fire Reserve. The capacity of the tanks will be 14,750 gallons each. The Building will be supplied by 4 zones of cold water, hot water and hot water circulation. Domestic hot water will be provided via gas fired domestic water heaters. Material of water pipes will be Type "L" copper. All domestic hot and cold water pipes will be insulated throughout with 1" fiberglass insulation with insulation jackets.

   Equipment Schedule:

Equipment	Designation	Location	Service	Manufacturer	Model No.
Water tanks fill in pump	P-1	Cellar Level	(3) Pumps, 190gpm ea, 30hp ea, 372 ft head, 208v, 3ph	Peerless	MSLA 050

2. Fire Protection Systems
   a) Two Fire Services:
   One 6-inch fire service will enter the building from 40th and one 6-inch fire service will enter the building from 39th Street and will be provided with 6-inch double detector check valve backflow devices. The fire services will supply a 750 GPM Automatic Fire Pump located at the Cellar level.

   b) Standpipes:
   The building will have two fire zones, low and high. High zone will have primary supply via dedicated automatic fire pump located on the cellar level and secondary supply from the gravity tank and special service fire pump located on the Roof level and fire reserve tank on the Bulkhead level with the minimum duration of 30 minutes for a pump. All pumps will be 750 GPM. A 2 1/2 inch hose valve with cap and chain will be located at the fire standpipe at each floor above the Lobby Level. All piping is Schedule 10 or 40 steel piping with rolled or cut grooved or threaded joints.

   c) Hose Rack, Hoses and Nozzles:
   A lobby hose cabinet and locked key box will be located at the First Floor. The lobby fire hose cabinet consists of 375 Feet of 1 1/2" fire hose.

d) Sprinkler System:
Automatic wet sprinklers will be supplied from combined FSP/sprinkler riser for entire Building. Piping is Schedule 10 or 40 steel piping with grooved or threaded joints. Building is completely sprinklered utilizing sidewall, recessed and pendant and upright type heads.

e) Siamese Connections:
Two 6"x3"x3" siamese combined fire sprinkler and standpipe connections will be provided at each street.

3. Domestic Water System: Domestic water pressure will be maintained by a combination of Constant Pressure Booster pumps, gravity feed from water tanks in order to provide a minimum of 35 psi at all fixtures. Maximum pressure will be limited to 85psi through the use of pressure regulating devices.

4. Sanitary Sewage System:
   a. Sewage Piping:
   Sanitary sewage will be conveyed by gravity via vented soil and waste branches, stacks and house drains to combined house sewer. Drainage and vent piping will be no-hub cast iron piping with stainless steel couplings and rubber gaskets.

   b. Sewage ejector Pumps:
   One duplex sewage ejector is provided at the Sub Cellar level to collect and dispose of sanitary waste originating below street level.

   c. Sewage Disposal:
   One 12 inch combined sewer connected to street municipal sewer at 40th Street.

5. Permits Required: All permits will be obtained by the plumbing contractor.

6. Storm Drainage System:
   a. Gravity storm drainage will be conveyed to storm water detention tank located on the 1st floor level and then to 12" combined sewer connected to street municipal sewer on 40th Street.

   b. Roof and Terrace Flow Control Drains:
   Roof and terrace drains will be located on the roof and terraces.

   c. Piping:
   Cast iron piping with hub and spigot fittings and push-on joints.

   d. Sump Pumps:

One duplex sump pumps are provided at the Sub Cellar level to collect and dispose of groundwater as well as areas not able to be conveyed to the city sewers through gravity. All elevator pits are also provided with simplex oil minder sump pumps.

e. Storm water disposal:
The building storm water drainage system will be connected to the one 12" combined sewer main exiting at 40th Street.

K. Heating

1. Heating and Distribution: A hot water system shall be provided to serve the heating needs of the project. The system shall consist of the following:

   a) Three (3) 3000 MBH gas fired condensing boilers located at the roof level of the building.

   b) One (1) 1250 MBH plate and frame heat exchanger for low temperature hot water distribution for radiant floor heating in the residences.

   c) Two (2) 450 GPM variable speed hot water pumps located in the boiler room at the roof level.

   d) Two (2) 50 GPM variable speed hot water pumps located in the boiler room to serve low hot temperature water to the radiant floor system for the residences.

   e) Manual chemical treatment system.

   f) Associated equipment such as air separator, expansion tanks, etc.

   g) Acid neutralizer.

   Hot water will be generated by five (3) 3000 MBH gas fired condensing boilers. Two (2) variable speed hot water pumps rated for 450 GPM each will be used to distribute hot water to the condenser water heat pump loop, various hot water coils throughout the building and radiant floor manifolds for the residences. The operating water temperatures for the boiler system will be based on a 20° Δt (180°f/160°f). A 28" diameter prefabricated boiler flue will be provided to remove the products of combustion. The flue will terminate at the roof level.

2. Number of Boilers and Description: Three (3) 3000 MBH gas fired condensing boilers located at the roof level of the building.

3. Manufacturer and Age of Boiler(s): Boiler manufacturer has not been selected.

4. Manufacturer and Age of Burners: Burner manufacturer has not been selected.

L. Gas Supply

1. Two Con Edison gas service serve the project and enter the building both on 40th Street and 39th Street. Gas will be collectively metered for all residential units. Residential and building (House) gas will be separately metered. There will be 5 gas meters: one for domestic hot water and domestic cooking gas for residential units, one for the boiler system with a sub-meter for Penthouse ventilation unit, one for Hotel domestic hot water and 1 each for each Retail unit. Each piece of equipment will be provided with a valved connection. Gas piping will be threaded schedule 40 steel.

M. Air Conditioning

1. Type of System: A condenser water system shall be provided to serve the cooling needs of the building. The system shall consist of the following:

    a) One (2) 300 ton open cell cooling towers located on the roof.

    b) Two (2) 300 ton plate and frame heat exchangers located in the mechanical pump room at the roof level.

    c) Two (2) 600 GPM constant volume primary condenser water pumps located in the mechanical pump room at the roof level.

    d) Two (2) 600 GPM variable speed secondary condenser water pumps located in the mechanical room at the roof level.

    e) Automatic chemical treatment system (primary side). Shot feeder for the secondary side.

    f) Associated equipment such as air separator, expansion tank

    Cooling will be generated by two (2) 600 ton induced draft cooling tower located on the roof of the building. The system will be designed for a 15 °f. differential temperature (85 °f /100 °f on primary side and 87 deg./102 deg. secondary side) two constant volume pumps rated at 600 GPM each will distribute primary condenser water from the cooling tower to the primary side of the plate and frame heat exchangers. On the secondary side of the plate and frame heat exchangers two (2) variable speed pumps rated at 600 GPM each will distribute secondary condenser water to the horizontal/vertical heat pump units and various water cooled dx units for the hotel and residences. During the heating season automatic 3-way valve will be used to directly inject hot water into the secondary condenser system in order to maintain the condenser water loop at heating setpoint.

    The cooling towers shall be provided with variable speed fans. The fans shall modulate to maintain condenser water at setpoint. If condenser water return temperatures drop to below 40°f, the condenser water bypass valve shall open to bypass the condenser water and avoid freezing.

N. Ventilation

1. Apartment Ventilation: Operable windows will be provided to meet Code requirements for natural ventilation in habitable rooms. Additionally, one 30 ton, 13,525 CFM variable packaged rooftop unit located on the Bulkhead Roof will serve the residential levels. This unit will be provided with supply fans, MERV 8 pre-filter and MERV 13 final filters and gas fired heating section. Cool air supply from the packaged AC unit will be distributed via low pressure duct risers. Horizontal taps are provided on every floor from the riser with a fire damper as it exits the shaft and terminate in the corridor ceilings to supply linear diffusers. A VAV box will be provided to regulate the airflow into each residential unit based on the varying kitchen exhaust load. Each of these ventilation units will be provided with a heat recovery system that utilizes an enthalpy wheel to precool or preheat the outside air using exhaust air such as kitchen and toilet exhaust. In addition, units will be provided with a hot gas re-heat and variable speed compressors.

2. Residential Corridor Ventilation: One 15 ton, 3,400 CFM constant volume packages rooftop unit located on the Bulkhead Roof will serve the residential floors for corridor ventilation. This unit will be provided with supply fans, MERV 8 pre-filter and MERV 13 final filters and gas fired heating section. Cool air supply from the packaged AC unit will be distributed via low pressure duct risers. Horizontal taps are provided on every floor from the riser with a fire damper as it exits the shaft and terminate in the corridor ceilings to supply linear diffusers. Unit will be provided with a hot gas re-heat and variable speed compressors.

3. Kitchens Exhaust System: Kitchens will be exhausted through a variable speed fan. Low pressure kitchen exhaust risers shall run vertically through each floor. Horizontal branch ductwork shall connect to the kitchen exhaust hoods. The kitchen exhaust hoods shall be equipped with its own in-line fan to boost the exhaust from minimal CFM to maximum CFM when energized. A pressure sensor located in the duct riser shall modulate the fan speed to maintain the static setpoint in the riser. Additional controls and interlocking will be required between the kitchen exhaust hoods and the apartment make up air system. Kitchen exhaust system will be designed for 30% diversity.

4. Toilet Exhaust System: Toilets will be exhausted through the heat wheel of the apartment ventilation unit. Fans within the unit will draw air from the toilets through the heat wheel to recover energy and precool or preheat the incoming air. Low pressure toilet exhaust risers shall run vertically through each floor. Horizontal branch ductwork shall connect to exhaust grilles in the bathrooms. Self-balancing dampers shall be installed in each bathroom to maintain the desired exhaust rates.

5. Dryer Exhaust System: A dryer exhaust system will be provided to extract exhaust air from each dryer and will be broken out into multiple fan systems sized for 30% of the full design airflow rates. At each dryer, 4" round ductwork will connect from the dryer and tie into the vertical risers. All fan systems will be variable speed and operate continuously. A pressure sensor in the riser will modulate fan speed to maintain static setpoint. Units with condensing dryers do not require dryer exhaust ventilation.

6. The apartment exhaust systems are centralized and dynamic and as a result the exhaust flow rates are expected to experience a level of variation.

7. Fireplace Ventilation: Gas fireplaces will be ventilated through a direct vent system per the manufacturer standards and in compliance with NYC Code.

O. Electrical System

1. Service from Main Switchgear: Two electric service take-offs will be provided by Con Edison at 120/208 volts, 3 phase, 4 wire and terminated in the utility end-line boxes at the cellar level. The service feeders will be extended from the end-line boxes to Electric Service Room located on the second floor. The service feeder will terminate in two (2) 4000A service switchboards. The electric service will be extended from the service switchboards via various size service switches to the residential units, hotel distribution equipment, building utility rooms, building common areas, Retail Areas, the automatic fire pump and the balance of the building.

2. Service to Individual Units:
    a. Electric service to the Residential Units will be provided from distribution closets with Con Ed meters located on every third floor of the building. Each of the Residential Unit will be provided with a dedicated Con Edison meter.

    b. Separate service switch and dedicated Con Edison meters will be provided for the Retail Tenants in the building. The Retail Tenants will be separately metered for the electric service directly by Con Edison.

    c. All other electric loads in the building, such as hotel guestrooms, common areas, mechanical equipment, building utility rooms, etc. will be fed by designated distribution panel boards and switchboards that are in turn fed directly from the service switchboards. These loads will be directly metered by Con Edison common meter.

    d. A single power circuit 20A, 120V, backed up by onsite emergency diesel generator will be provided in each Residential Unit. The circuits will be fed by an emergency branch circuit panel boards distributed on designated floors and will be separately electrically sub metered.

3. Unit Service: Each Residential Unit service will be adequate to meet normal apartment appliance and lighting load. Residential Unit electric circuit capacities including the overcurrent protection devices shall be adequate for modern day appliances, lighting, convenience outlets, washers and dryers. Arc Fault Circuit Interrupter type circuit breakers will be provided for Residential Unit circuits feeding family rooms, dining rooms, living rooms, parlors, libraries, dens, bedrooms, recreation rooms, closets, hallways and similar rooms. Unit shall have a 120/208 electric service panels with 150-400 amp service and 18-84 circuits. Switched fluorescent, halogen and LED lighting fixtures will be provided in all bathrooms, foyers and kitchens. Switched receptacles will be provided in living rooms and bedrooms. Ground fault receptacles

will be provided in powder rooms, bathrooms and kitchens. The heat pump units for each residential unit will be wired and powered directly to the unit's electric panel.

4. Emergency Power: Emergency generator, driven by reciprocating diesel engine, provides emergency and standby power for the building. The generator is located on the 39th street dunnage. The generator capacity will be 600KW with 208/120V, 3 phase, 4 wire output. The generator is fueled by onsite diesel storage tank with 1,000 gallon capacity and located at the cellar level. The generator is capable of operating for 6 hours at full load utilizing onsite fuel reserves. Continuous operation of the generator will require that additional fuel is delivered to the premises. The generator will support the following emergency functions of the building: egress lighting, any two hotel elevators and one residential elevator, fire alarm system, sewage and sump pumps, smoke control and smoke purge systems, underground fire pump, security system, building automation system, domestic water pumps, water pipe heat trace, HVAC cooling systems required for elevator machine rooms and emergency equipment, and above mentioned receptacles in Residential Units.

5. Lightening Protection: Building will be provided with UL Master Label lightning protection system designed in compliance with NFPA780 and UL96A.

P. Intercommunication and/or Door Signal Systems, Security Closed Circuit TV

1. A video intercom system is provided between each residential unit and the main entrance door of 20 West 40th Street. Card access system is provided at the main lobby entrance, as well as the street door entrance at 39th Street and the door to the fitness center.

Q. Public Area Lighting

1. Lighting fixtures are provided in 20 West 40th Street's residential entry, fire stairs, common corridors and utility rooms with power density that conforms to the energy code.

R. Garage and Parking Areas

1. There is no car parking on the property.

2. Bicycle storage will be provided within each individual storage unit in the Sub-Cellar.

S. Swimming Pool / Hot Tubs

1. There are no swimming pools or hot tubs on the property.

T. Tennis Courts, Playgrounds and Recreational Facilities

1. There are no tennis courts or playgrounds on the property.

2. Other Amenities:

a) A fitness room will be located in the Sub-Cellar.
b) A multi-use recreational room will be located in the Sub-Cellar.
c) 30 Storage lockers separated by chain fence will be located in the Sub-Cellar.

U. Permits and Certificates

The following Permits and Approvals will be obtained as required:

1. New York City Department of Buildings:
   a) Support of Excavation
   b) Foundation
   c) General Construction
   d) Structural
   e) Mechanical/Plumbing
   f) HVAC Equipment Use Permit
   g) Sprinkler/Standpipe
   h) Fire Alarm
   i) Emergency Generator/Fuel Storage
   j) Boiler Certification and Inspections
   k) Elevator Certification and Inspections
   l) Certificate of Completion from the Bureau of Electrical Control
   m) Certificate of Occupancy
2. New York City Department of Transportation: Builder's Pavement Plan
3. New York City Fire Department: Fire Alarm
4. New York City Department of Environmental Protection: Site Connection
5. New York City Metropolitan Transit Authority: Letter of No Impact

V. Violations

1. There are no outstanding violations as of this date.
2. Any complaints that are investigated by the relevant New York City agency and are determined to be violations will continue to be promptly addressed.

W. Unit Information

There are 57 units at 20 West 40th Street on Floors 16-33. Finishes for all units are the same.

1. Partitions: All unit partitions shall be painted 5/8" gypsum wall board on metal studs. Partitions between residential units and the corridors shall be 1-hour fire rated construction. Partitions between the residential units and egress passageways, utility rooms, elevator shafts and other

vertical shafts shall be 2-hour fire rated consisting either of two layers of 5/8" gypsum wall board (each side) on metal studs, 2 layers of 5/8" gypsum wall board over 1 layer of 1" gypsum core board on metal CH studs, 2-hour fire rated CMU or 2-hour fire rated concrete shear walls. All painted partitions shall receive at least two coats of washable latex paint over a primer coat.

2. Floors: All unit floors shall be 3/4" terrazzo at the perimeter of each unit to align with the column finish. All flooring not at the perimeter shall be 3/8" engineered oak wood flooring in a herringbone pattern. The 32nd Floor at the Penthouses shall be entirely 3/4" terrazzo.

3. Ceilings: All unit ceilings are either painted skim coat directly to the underside of the concrete slab or painted 5/8" gypsum wall board on metal framing on cross channels hung with black iron as required. All painted ceilings shall receive at least two coats of washable latex paint over a primer coat.

4. Bathroom floors and walls shall be 3/4" dimensional stone.

5. Bathroom ceilings shall be suspended lacquered metal suspended ceiling. Where permissible and bathroom ceilings are not required to be suspended, ceilings shall be painted skim coat directly to the underside of the concrete slab.

6. Bathroom Fixtures:

<u>Master Bathrooms</u>

a) Toilet: Ideal Standard David Chipperfield White Range wall mounted E00051 w/ seat cover E00021
b) Sink: Alape Built-in Basin, rectangular 19.68" x 14.7" x 3.93" depth.
c) Faucet: Dornbracht Tara 36 712 892 330010 w/ spout 35 707 970 90 0010
d) Shower Head: Dornbracht Tara Logic Rain Shower, rough 35 085 970 90 0010
e) Hand Held Shower: Dornbracht Tara 27 802 892 33
f) Tub: Duravit Vero 700144
g) Tub Filler: Dornbracht Tara 36 310 892 22 w/ spot 13 801 892

<u>Secondary Bathrooms</u>

a) Toilet: Ideal Standard David Chipperfield White Range wall mounted E00051 w/ seat cover E00021
b) Sink: Alape Built-in Basin, rectangular 19.68" x 14.7" x 3.93" depth.
c) Faucet: Dornbracht Tara 36 712 892 330010 w/ spout 35 707 970 90 0010
d) Shower Head: Dornbracht Tara 28 508 979 33
e) Hand Held Shower: Dornbracht Tara 27 802 892 33

<u>Powder Rooms</u>

a) Toilet: Ideal Standard David Chipperfield White Range wall mounted E00051 w/ seat cover E00021
b) Wall-Mounted Basin: Vero Washbasin #070455

Penthouse Master Bathrooms

a) Toilet: Ideal Standard David Chipperfield White Range wall mounted E00051 w/ seat cover E00021
b) Sink: Alape Built-in Basin, rectangular 19.68" x 14.7" x 3.93" depth.
c) Faucet: Dornbracht Tara 36 712 892 330010 w/ spout 35 707 970 90 0010
d) Shower Head: Dornbracht Tara Logic Rain Shower, rough 35 085 970 90 0010
e) Hand Held Shower: Dornbracht Tara 27 802 892 33
f) Freestanding Bath Tub: Custom
g) Freestanding Tub Mixer: Dornbracht Tara 25 943 892 33

7. Kitchen Appliances:

Unit A – Floors 16-24

a) Food Waste Disposal: Insinkerator Model PRO1100XL
b) 24" Range: Pair of Gaggenau VG424210CA
c) 24" Wall Oven: Gaggenau BO450610 / BO451610 24"
d) 24" Microwave Oven: Gaggenau BM 450710 / BM451710
e) 24" Refrigerator/Freezer: Bosch B11CB50SSS 500
f) 30" Range Hood: Gaggenau AH900761
g) 24" Undercounter Wine Refrigerator: Gaggenau RW404760
h) 24" Dishwasher: Gaggenau DF261761

Unit A – Floors 25-29

a) Food Waste Disposal: Insinkerator Model PRO1100XL
b) 24" Range: Pair of Gaggenau VG424210CA
c) 30" Microwave Oven: Gaggenau BM484710 / BM485710
d) 30" Range Hood: Gaggenau AH900761
e) 24" Undercounter Wine Refrigerator: Gaggenau RW404760
f) 24" Dishwasher: Gaggenau DF261761
g) 30" Wall Oven: Gaggenau BO480610 / BM481610
h) 36" Refrigerator/Freezer: Gaggenau RB492701

Unit A – Floors 30-31

a) Food Waste Disposal: Insinkerator Model PRO1100XL
b) 24" Range: Pair of Gaggenau VG424210CA
c) 30" Range Hood: Gaggenau AH900761
d) 24" Dishwasher: Gaggenau DF261761
e) 36" Refrigerator/Freezer: Gaggenau RB492701
f) 30" Microwave Oven: Gaggenau BM484710 / BM485710
g) 30" Wall Oven: Gaggenau BO480610 / BM481610

Unit B – Floors 16-24

a) Food Waste Disposal: Insinkerator Model PRO1100XL
b) 24" Range: Pair of Gaggenau VG424210CA
c) 24" Wall Oven: Gaggenau BO450610 / BO451610 24"

d) 30" Range Hood: Gaggenau AH900761
e) 24" Dishwasher: Gaggenau DF261761
f) 30" Refrigerator/Freezer: Gaggenau RB472701

Unit B – Floors 25-29
a) Food Waste Disposal: Insinkerator Model PRO1100XL
b) 24" Range: Pair of Gaggenau VG424210CA
c) 30" Range Hood: Gaggenau AH900761
d) 24" Undercounter Wine Refrigerator: Gaggenau RW404760
e) 24" Dishwasher: Gaggenau DF261761
f) 30" Refrigerator/Freezer: Gaggenau RB472701
g) 30" Microwave Oven: Gaggenau BM484710 / BM485710
h) 30" Wall Oven: Gaggenau BO480610 / BM481610

Unit B – Floors 30-31
a) Food Waste Disposal: Insinkerator Model PRO1100XL
b) 24" Range: Pair of Gaggenau VG424210CA
c) 30" Range Hood: Gaggenau AH900761
d) 24" Undercounter Wine Refrigerator: Gaggenau RW404760
e) 24" Dishwasher: Gaggenau DF261761
f) 36" Refrigerator/Freezer: Gaggenau RB492701
g) 30" Microwave Oven: Gaggenau BM484710 / BM485710
h) 30" Wall Oven: Gaggenau BO480610 / BM481610

Unit C – Floors 16-29
a) Food Waste Disposal: Insinkerator Model PRO1100XL
b) 24" Range: Pair of Gaggenau VG424210CA
c) 24" Wall Oven: Gaggenau BO450610 / BO451610 24"
d) 24" Microwave Oven: Gaggenau BM 450710 / BM451710
e) 24" Refrigerator/Freezer: Bosch B11CB50SSS 500
f) 30" Range Hood: Gaggenau AH900761
g) 24" Undercounter Wine Refrigerator: Gaggenau RW404760
h) 24" Dishwasher: Gaggenau DF261761

Unit D – Floors 16-24
a) Food Waste Disposal: Insinkerator Model PRO1100XL
b) 24" Range: Pair of Gaggenau VG424210CA
c) 24" Wall Oven: Gaggenau BO450610 / BO451610 24"
d) 30" Range Hood: Gaggenau AH900761
e) 24" Dishwasher: Gaggenau DF261761
f) 30" Refrigerator/Freezer: Gaggenau RB472701

Penthouses
a) (2) Food Waste Disposal: Insinkerator Model PRO1100XL
b) 24" Range: Pair of Gaggenau VG424210CA

c) 30" Range Hood: Gaggenau AH900761
d) (2) 24" Dishwasher: Gaggenau DF261761
e) Integrated Coffee Machine: Gagenau CM210710
f) 30" Microwave Oven: Gaggenau BM484710 / BM485710
g) 36" Undercounter Drawer Refrigerator: SubZero ID36R
h) 24" Freezer: Gaggenau RF461701
i) 30" Refrigerator: Gaggenau RC 472701
j) (2) 30" Wall Oven: Gaggenau BO480610 / BM481610
k) 27" Wine Refrigerator: SubZero 427G
l) 36" Range: Gaggenau VG491210CA
m) 36" Retractable Range Hood: Gaggenau AL400790

8. Laundry Appliances:
   a) Washer: Bosch, Model #WAT28402UC.
   b) Condensing Dryer: Bosch, Model #WTG86402UC, with integral lint trap.
   c) Gas Dryer: Whirlpool, Model #WED7500, with integral lint trap.

X. Information about Public Spaces

Finishes of Public Spaces to be equal or better to those listed below:

Room	Floor	Walls	Ceiling
Activity Room (Subcellar)	Carpet	Wallcovering	Painted GWB
Fitness Center (Subcellar)	Resilient Flooring	Wallcovering	Painted GWB
Storage Units (Subcellar)	Sealed Concrete	None	None
Corrdior (Subcellar)	Carpet	Wallcovering	Painted GWB
Residential Lobby (1st Floor)	Terrazzo	Stone & Plaster	Painted GWB
Club Room (6th Floor)	Stone & Carpet	Wallcovering & Wood Panels	Painted GWB
Corridor (6tH Floor)	Carpet	Wallcovering	Painted GWB
Residential Corridors (16-33 Floors)	Terrazzo & Wood	Wood Panels	Wood Panels
Stairs	Sealed Concrete	Paint	None
Mechanical Spaces	Sealed Concrete	None	None

Y. Safety and Warning Devices

1. Combination smoke and carbon monoxide detectors will be located in all residential units near the sleeping rooms. All sprinkler heads are monitored by tamper and water flow switches. Smoke detectors will be located in the compactor room and in the mechanical and electrical rooms.

Z. Additional Information

1. See attached drawings for site plans and unit plans.

2. The square foot area of the Units set forth in the floor plans, Schedule A to the Offering Plan and Schedule B to the Declaration are approximate and were obtained by using the method customarily used in New York City to measured rental and cooperative apartments. The units were measured from the exterior side of the exterior walls (perimeter steel columns and mechanical pipes/ ducts/ shafts are not deducted) to the midpoint of the interior walls and partitions separating one unit from another Unit, or separating a Unit from public corridors, stairs, elevators and other mechanical equipment spaces and or any Common Elements or Limited Common Elements. Any common elements located within a unit shall not be considered a part of such unit. As is customary in New York City, these square foot areas exceed the useable floor area of each unit.

3. Measured vertically, each Unit will consist of: The volume from the top of the concrete slab (located under the finished flooring and sub-floor materials) to bottom of the concrete slab above (located above the unit side face of gypsum wallboard ceiling).

4. However, in the rare occurrence of a mechanical failure or required maintenance, the Board, Sponsor and Sponsor's designee will each have an easement to install and maintain pipes, conduits, wires ducts and other mechanical facilities in the space between the underside of each such floor slab and top surface of each Unit's finished ceiling, without any need to obtain the consent of any Unit Owner with respect to the same. The clearance between the top of the composite concrete floor and the bottom of the finish ceiling in the Units is indicated in section W to accommodate services located above the same or otherwise to respond to field conditions.

AA. Additional Testing

1. None Required

BB. Further Development

1. This development will be constructed to the limit permitted by NYC zoning regulations. No additional development is planned.

CC. Asbestos

1. No asbestos containing material will be used in the construction of the building.

DD. Lead Paint

1. No lead paint will be used in the construction of the building.

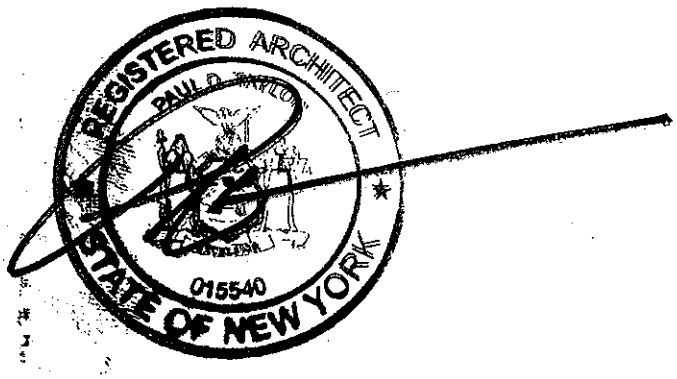
The following documents shall be transferred to the Condominium Board of Managers upon transfer of control:

- Operation and Maintenance manuals for mechanical equipment,

- Electronic system manual,
- Equipment warranties,
- Roof warranties,
- Major equipment start-up sheets,
- Control System as-built,
- Original Test and Balance Report for HVAC system,
- Final as-built drawings, if available, as maintained during construction, i.e., structural, mechanical, electrical, plumbing, shop drawings.

I hereby affirm that the above description of the property and specifications are an unbiased professional opinion arrived at without inducements of any kind.

To the best of my knowledge, belief and professional judgment, these plans and specifications are in compliance with the Energy Conservation Construction Code of New York State (Chapter 8).



Paul D. Taylor, AIA
President

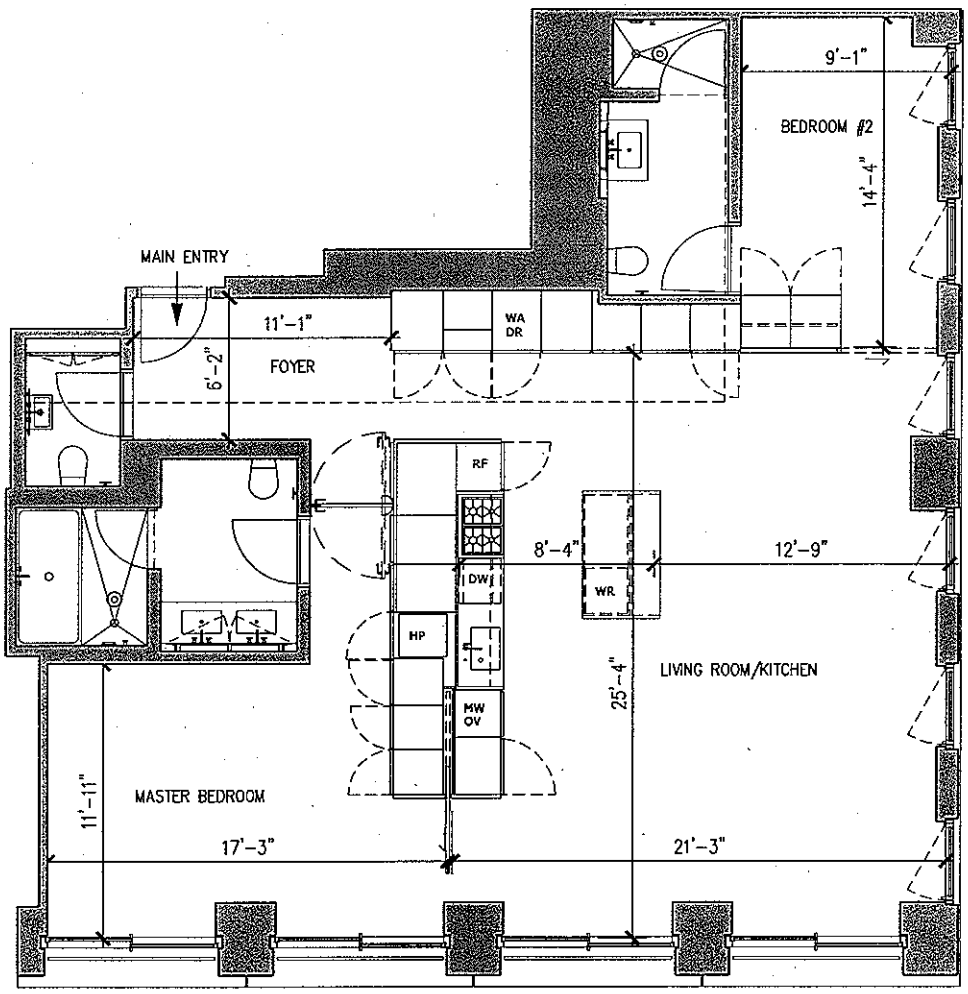
Stonehill & Taylor Architects, P.C.

-End of Report -

EXHIBIT "5"

FLOOR PLANS

07.28.2015



16A	KEY PLAN
BED : 2 BATH : 2 FULL 1 HALF	1388 SQ.FT 128.95 SQ.M ALL DIMENSIONS AND SQ FT ARE APPROXIMATE

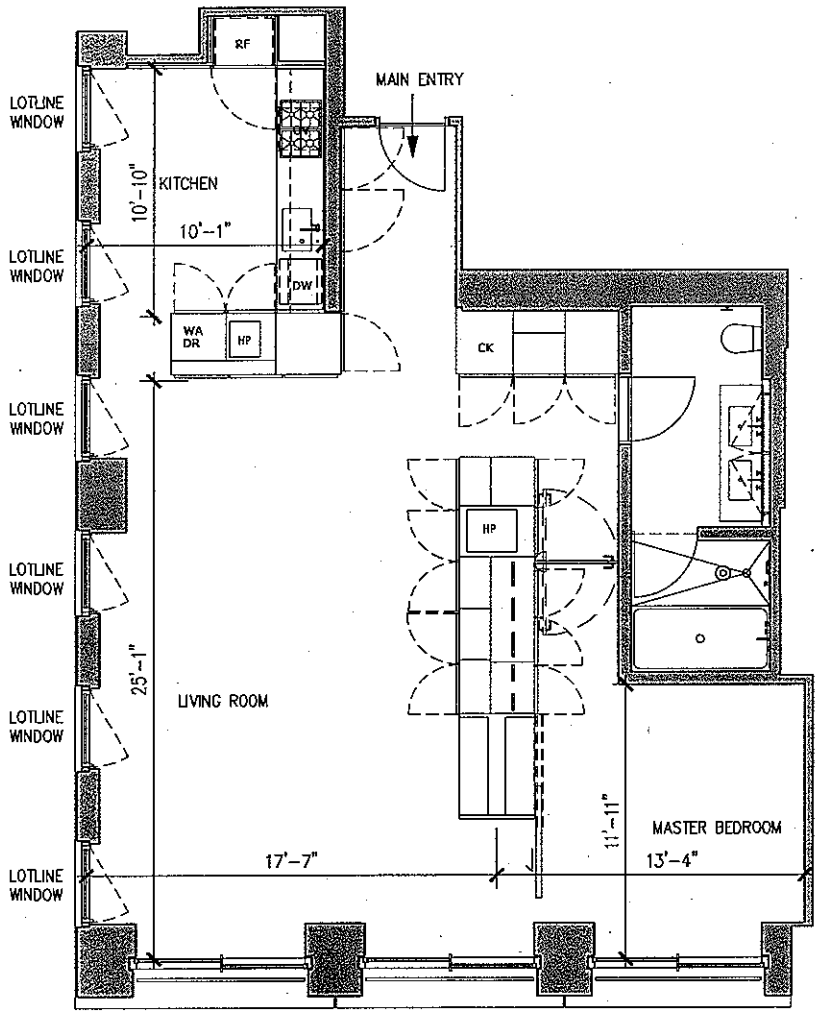
39 STREET

40 STREET

16 W 40 STREET, NYC

SCALE: 1/8" = 1'-0"

07.28.2015

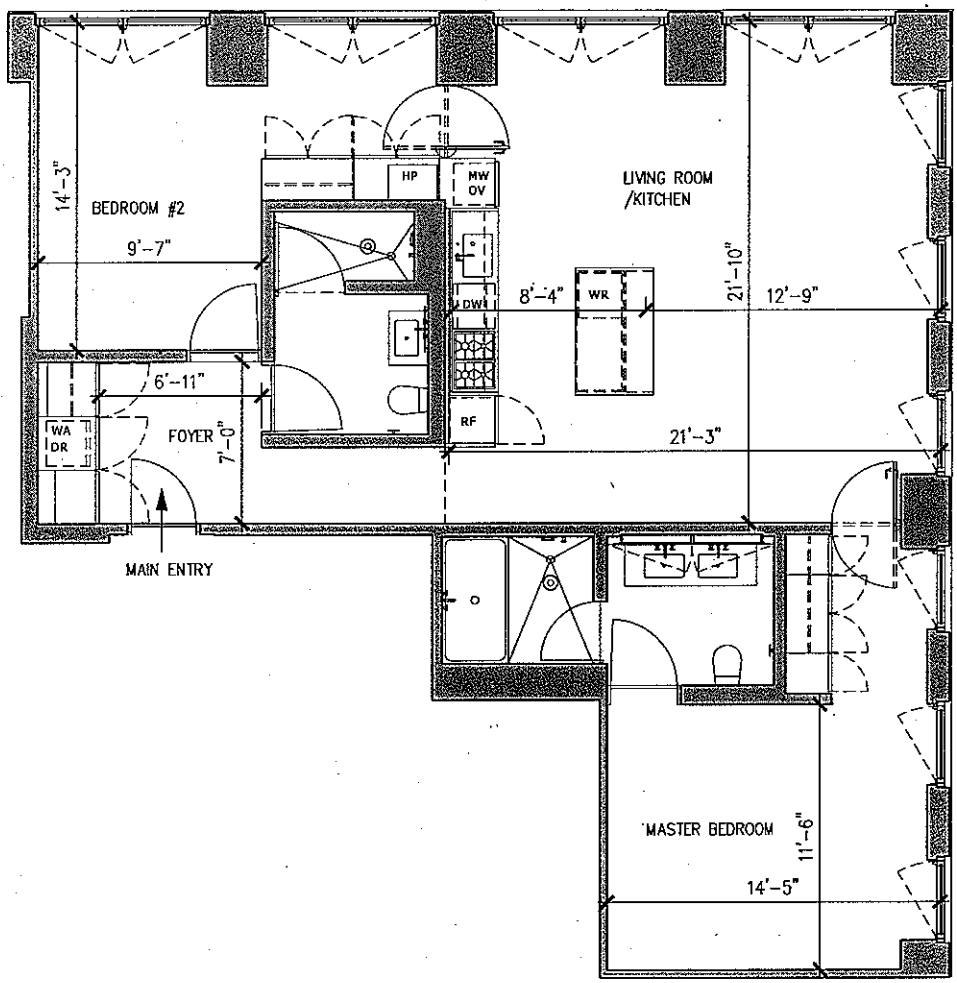


16 B		KEY PLAN
BED :1 BATH : 1 FULL	1088 SQ.FT 101.08 SQ.M ALL DIMENSIONS AND SQ FT ARE APPROXIMATE	39 STREET 40 STREET

16 W 40 STREET, NYC

SCALE: 1/8" = 1'-0"

07.28.2015



16 C	KEY PLAN
BED : 2 BATH : 2 FULL	1233 SQ.FT 114.55 SQ.M ALL DIMENSIONS AND SQ FT ARE APPROXIMATE

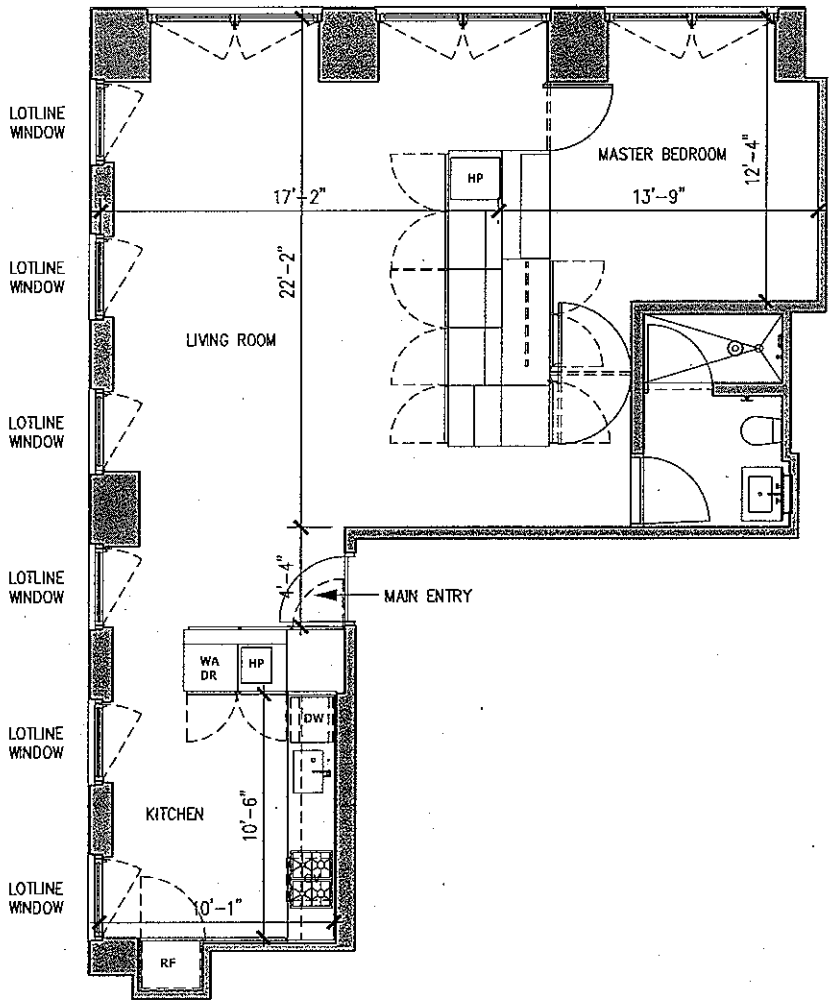
39 STREET

40 STREET

16 W 40 STREET, NYC

SCALE: 1/8" = 1'-0"

07.28.2015

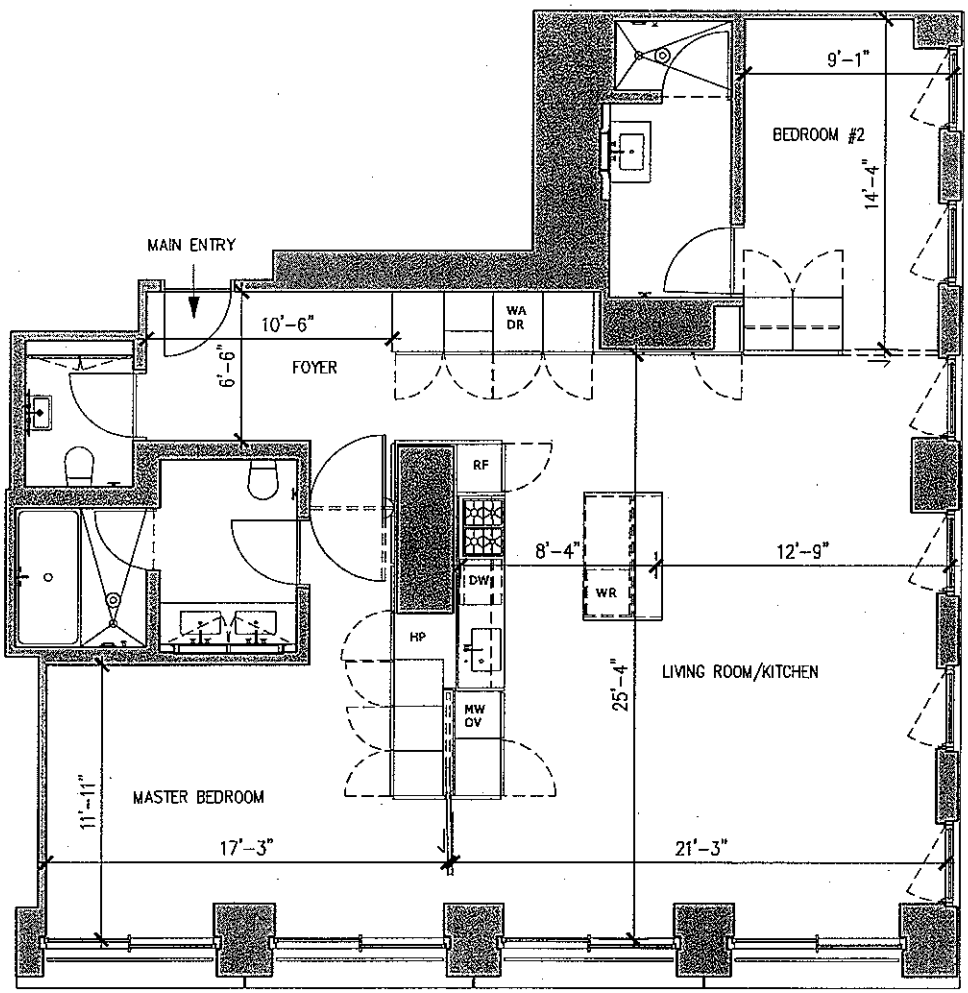


16 D		KEY PLAN
BED : 1 BATH : 1 FULL	911 SQ.FT 84.63 SQ.M ALL DIMENSIONS AND SQ FT ARE APPROXIMATE	39 STREET 40 STREET

16 W 40 STREET, NYC

SCALE: 1/8" = 1'-0"

07.28.2015

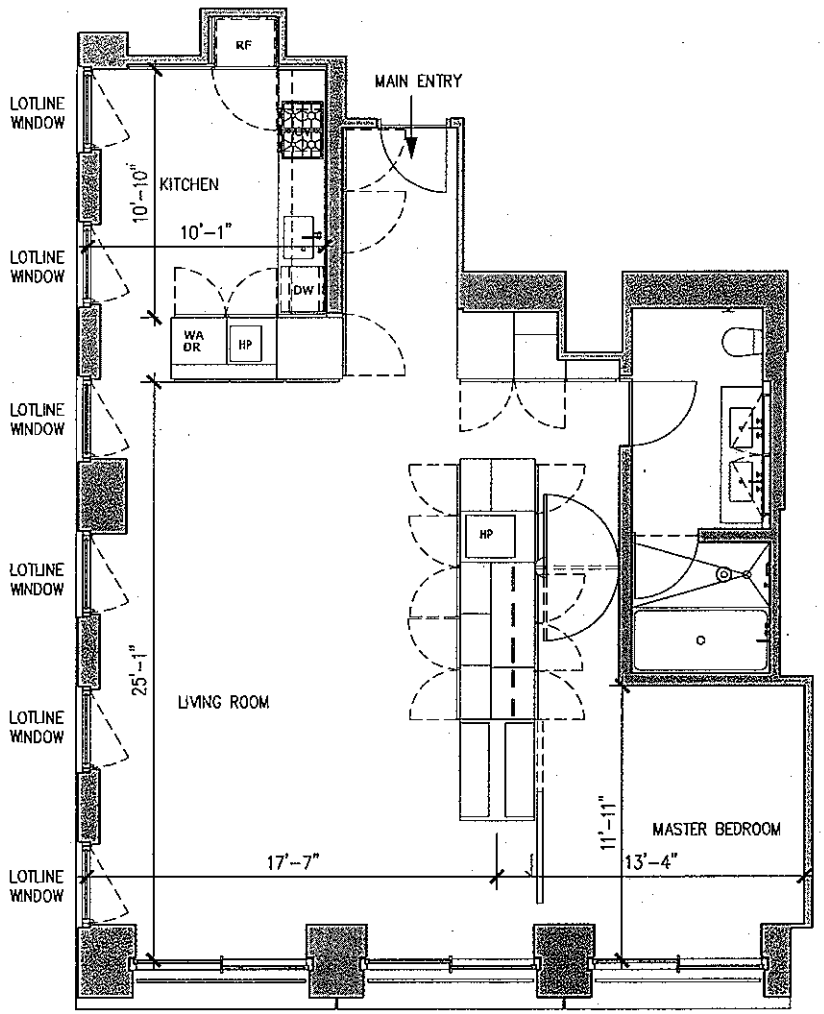


17-18 A		KEY PLAN
BED : 2 BATH : 2 FULL 1 HALF	1391 SQ.FT 129.23 SQ.M ALL DIMENSIONS AND SQ FT ARE APPROXIMATE	39 STREET 40 STREET

16 W 40 STREET, NYC

SCALE: 1/8" = 1'-0"

07.28.2015

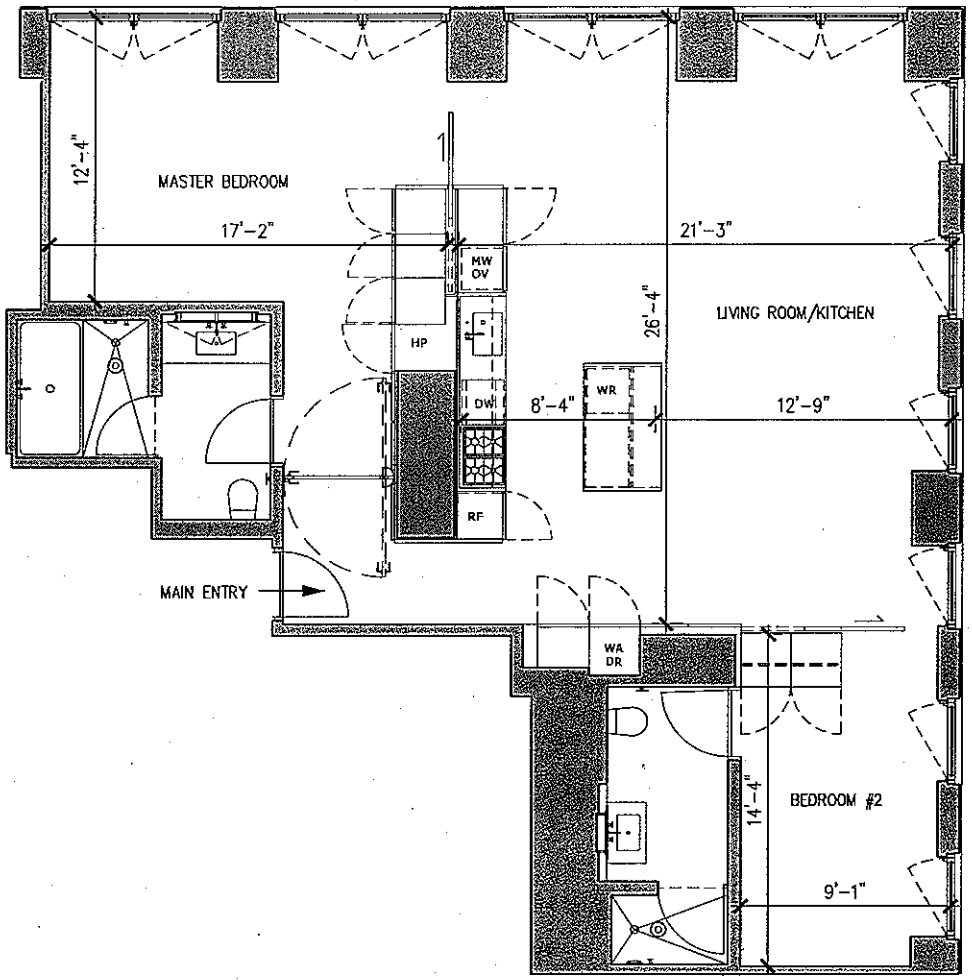


17-24 B		KEY PLAN
BED :1 BATH : 1 FULL	1074 SQ.FT 99.78 SQ.M ALL DIMENSIONS AND SQ FT ARE APPROXIMATE	39 STREET 40 STREET

16 W 40 STREET, NYC

SCALE: 1/8" = 1'-0"

07.28.2015

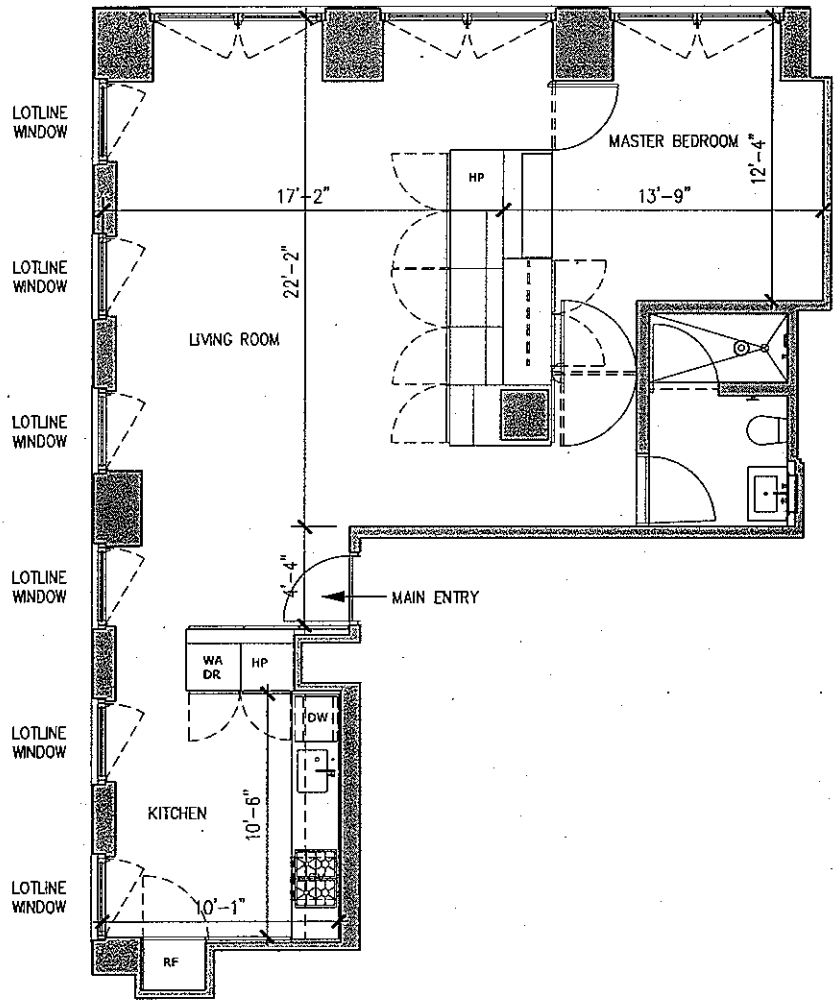


17 C		KEY PLAN
BED : 2 BATH : 2 FULL	1292 SQ.FT 120.03 SQ.M ALL DIMENSIONS AND SQ FT ARE APPROXIMATE	39 STREET 40 STREET

16 W 40 STREET, NYC

SCALE: 1/8" = 1'-0"

07.28.2015

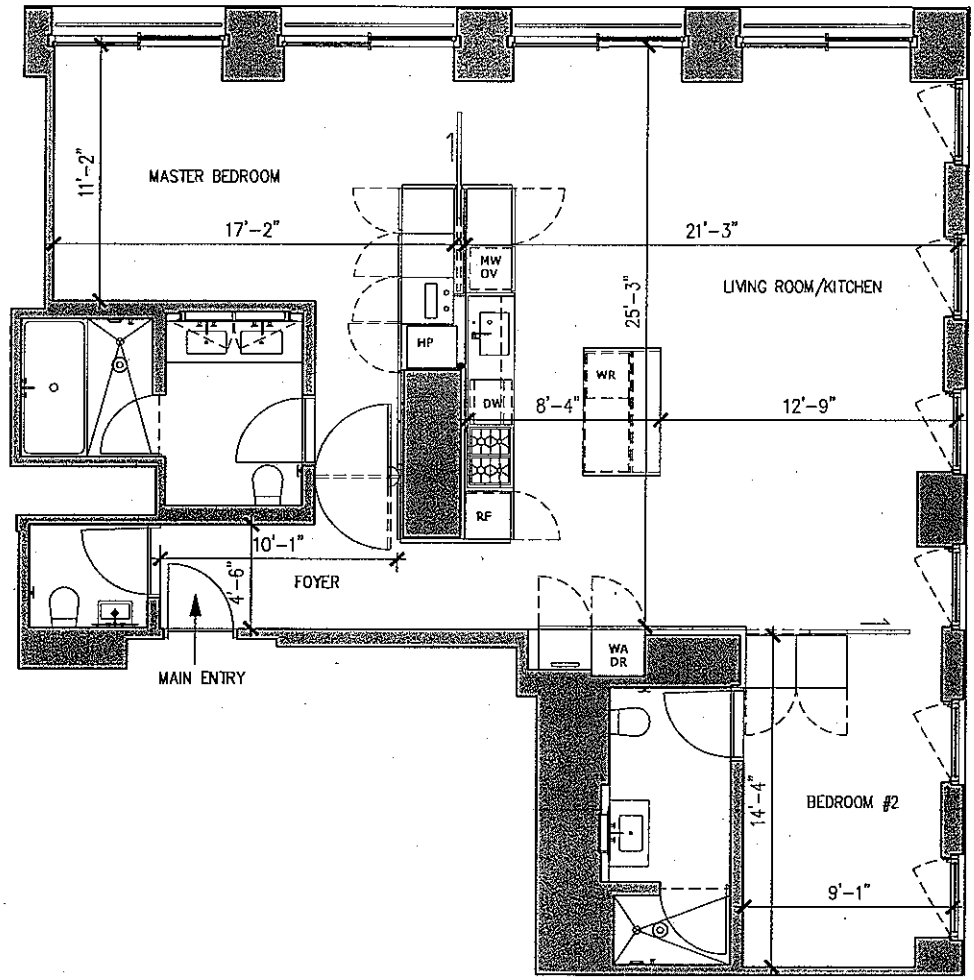


17 D		KEY PLAN
BED :1 BATH : 1 FULL	907 SQ.FT 84.26 SQ.M ALL DIMENSIONS AND SQ FT ARE APPROXIMATE	39 STREET 40 STREET

16 W 40 STREET, NYC

SCALE: 1/8" = 1'-0"

07.28.2015



18 C	KEY PLAN
BED : 2 BATH : 2 FULL 1 HALF	1329 SQ.FT 123.47 SQ.M ALL DIMENSIONS AND SQ FT ARE APPROXIMATE

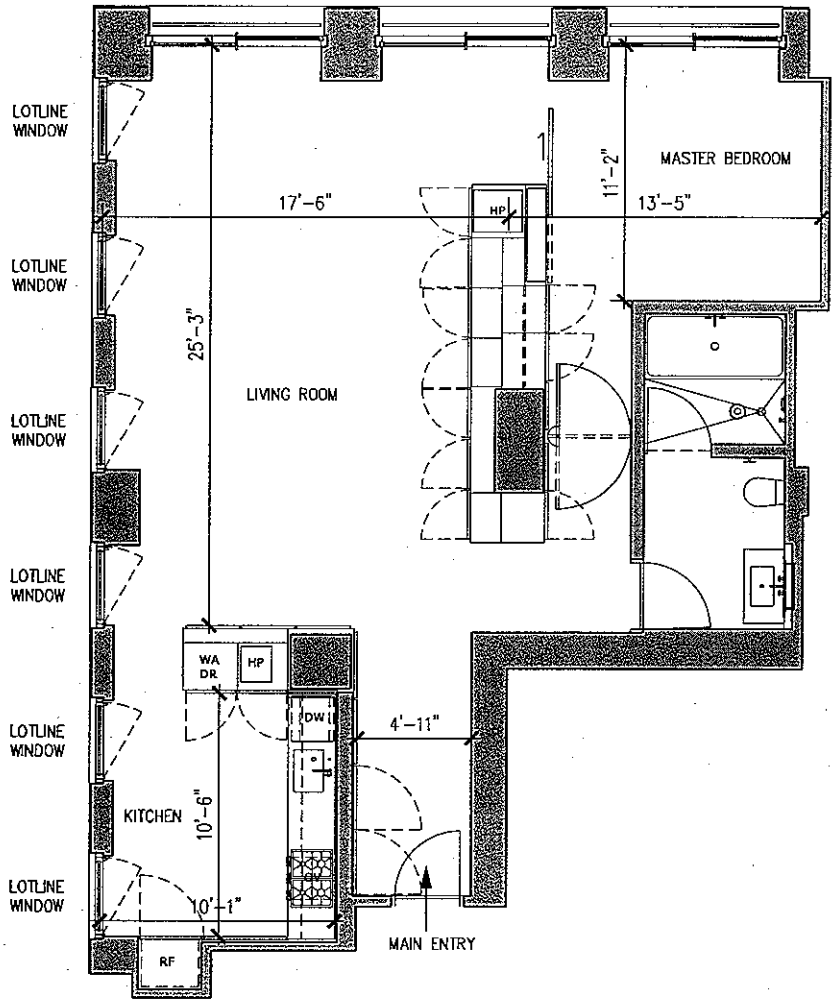
39 STREET

40 STREET

16 W 40 STREET, NYC

SCALE: 1/8" = 1'-0"

07.28.2015

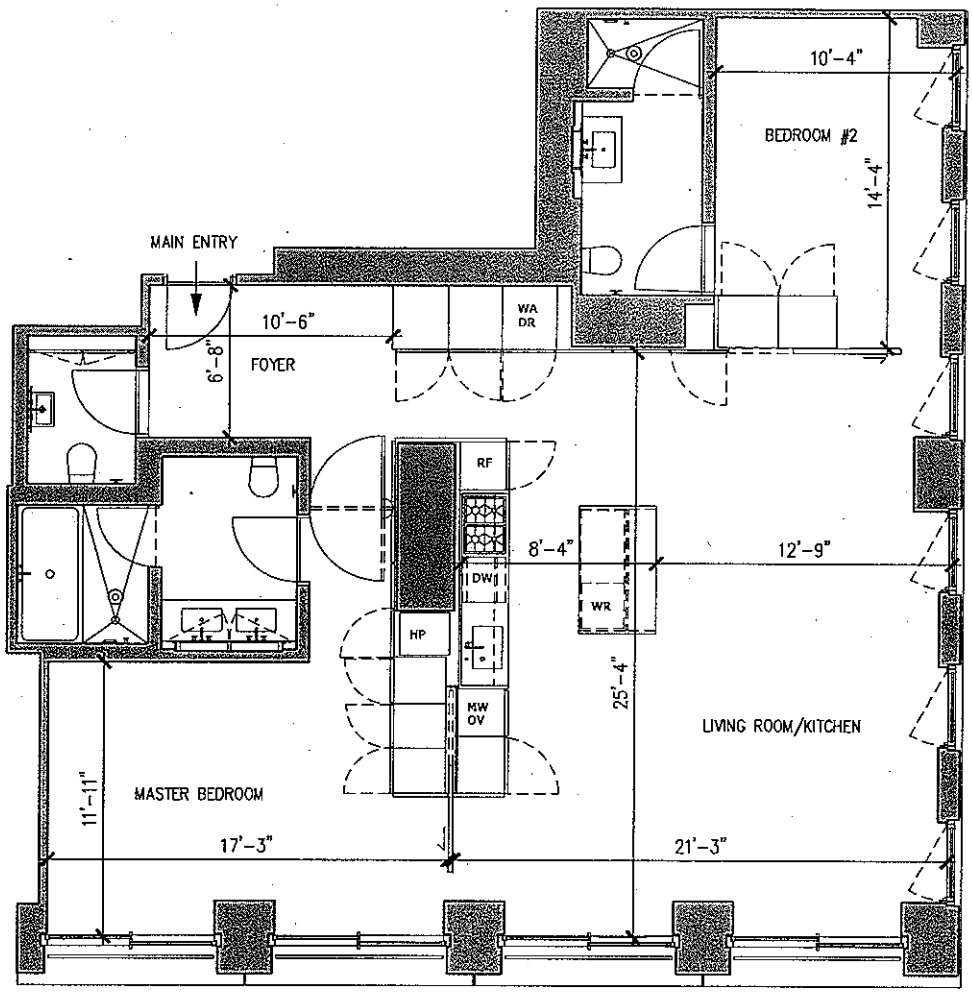


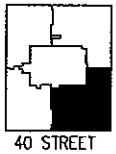
18 D		KEY PLAN
BED :1 BATH : 1 FULL	1067 SQ.FT 99.13 SQ.FT ALL DIMENSIONS AND SQ FT ARE APPROXIMATE	39 STREET 40 STREET

16 W 40 STREET, NYC

SCALE: 1/8" = 1'-0"

07.28.2015

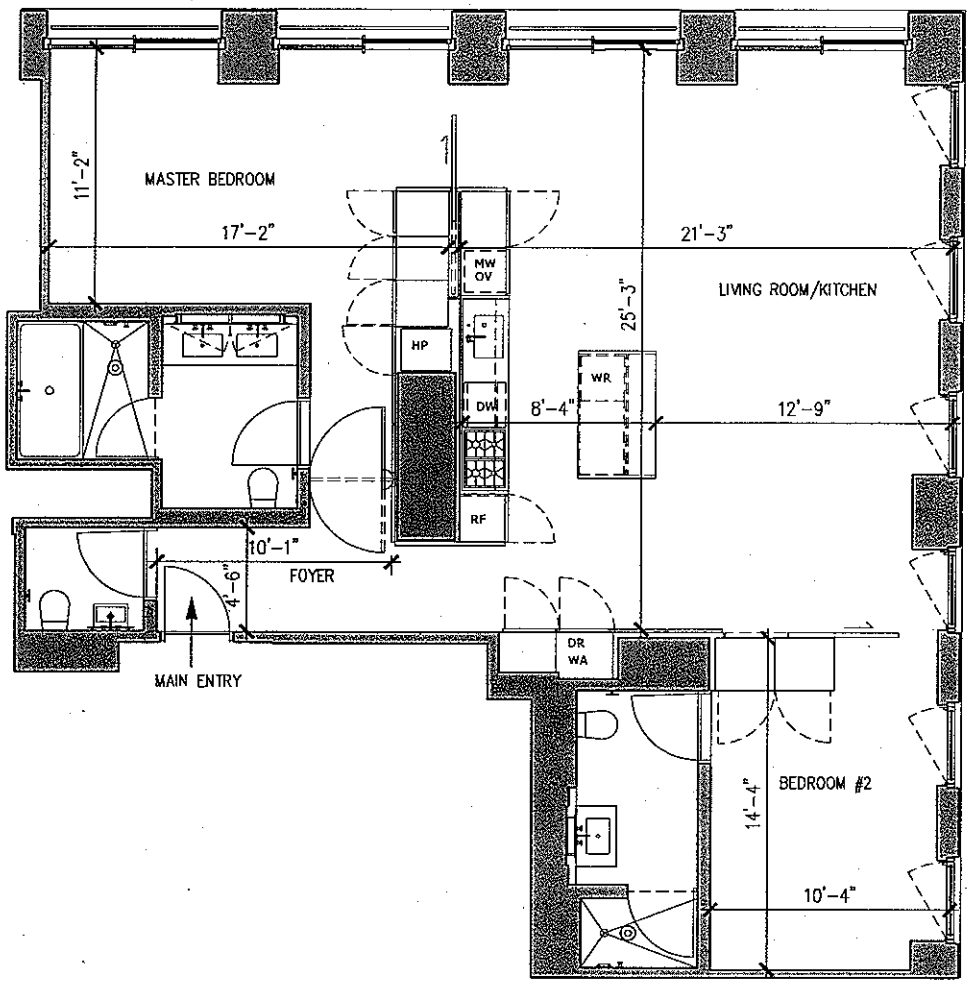


19-24 A		KEY PLAN ⊗N
BED : 2 BATH : 2 FULL 1 HALF	1391 SQ.FT 129.23 SQ.M ALL DIMENSIONS AND SQ FT ARE APPROXIMATE	39 STREET  40 STREET

16 W 40 STREET, NYC

SCALE: 1/8" = 1'-0"

07.28.2015



19-28C	KEY PLAN
BED : 2 BATH : 2 FULL 1 HALF	1329 SQ.FT 123.47 SQ.M ALL DIMENSIONS AND SQ FT ARE APPROXIMATE

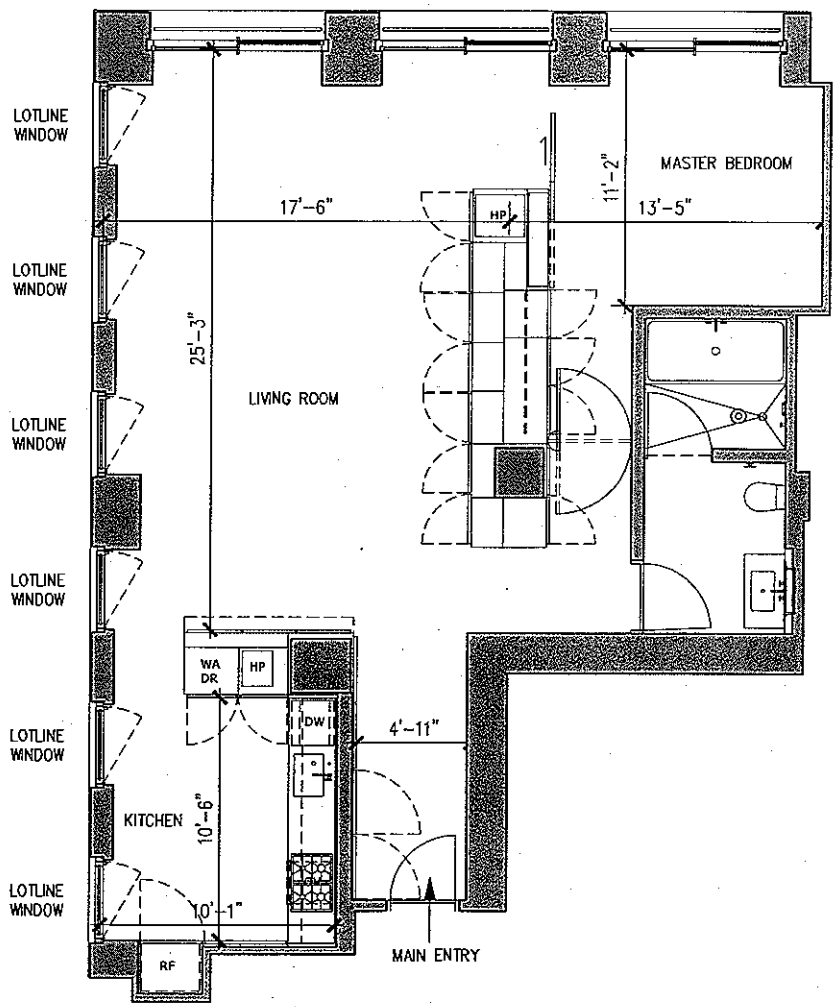
39 STREET

40 STREET

16 W 40 STREET, NYC

SCALE: 1/8" = 1'-0"

07.28.2015

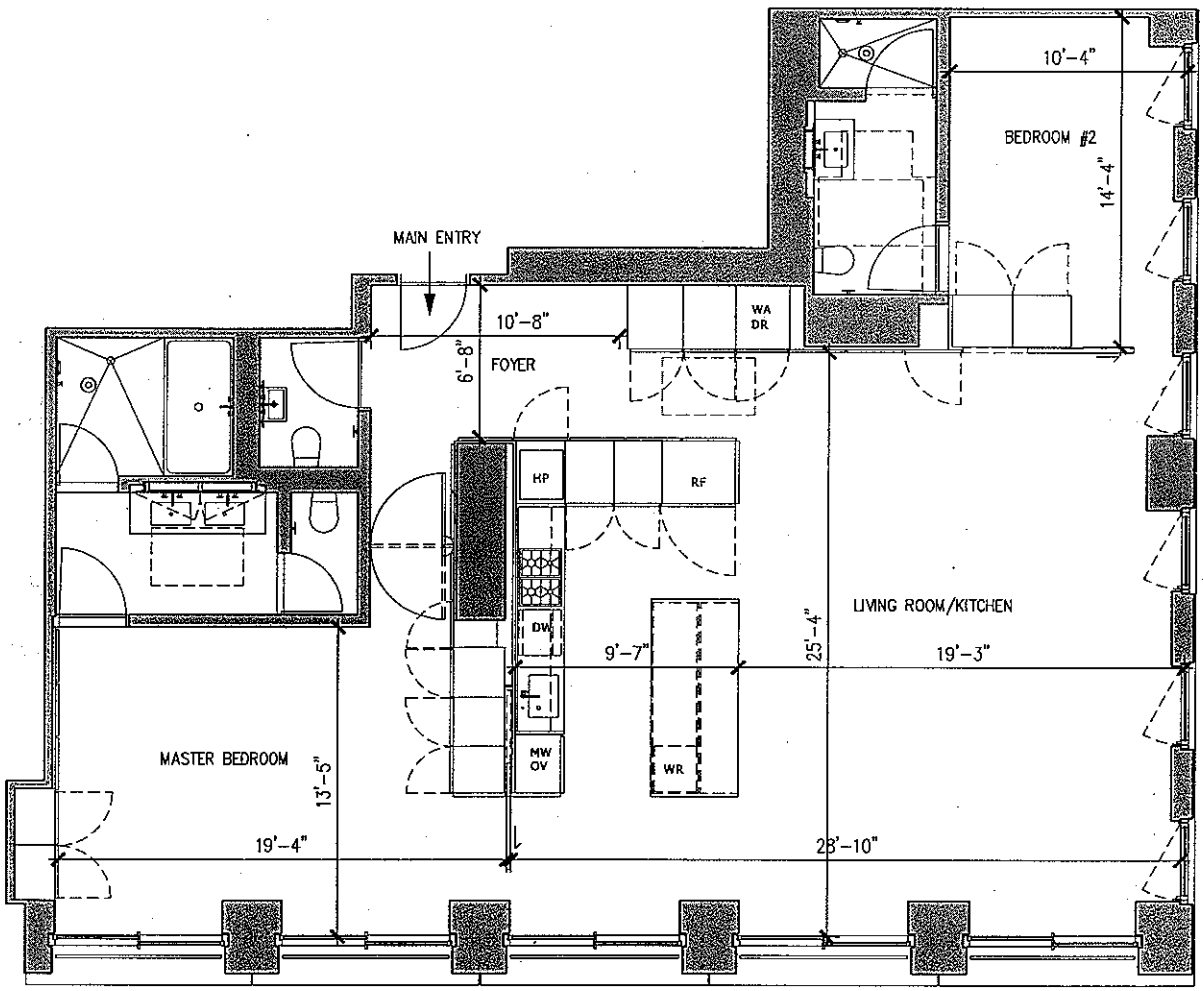


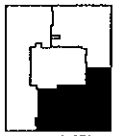
19-24 D		KEY PLAN
BED :1 BATH : 1 FULL	1067 SQ.FT 99.13 SQ.M ALL DIMENSIONS AND SQ FT ARE APPROXIMATE	39 STREET 40 STREET

16 W 40 STREET, NYC

SCALE: 1/8" = 1'-0"

07.28.2015

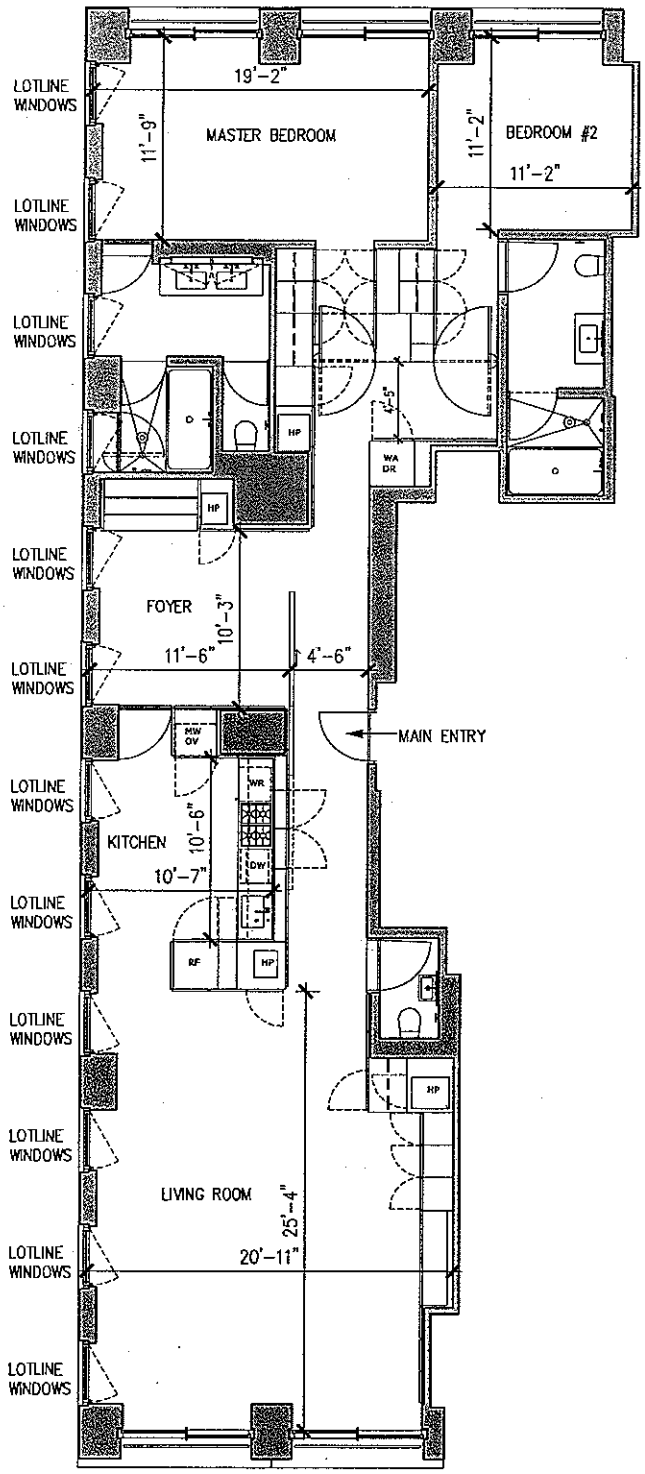


25-28 A		KEY PLAN ⊗N
BED : 2 BATH : 2 FULL 1 HALF	1650 SQ.FT 153.29 SQ.M ALL DIMENSIONS AND SQ FT ARE APPROXIMATE	39 STREET  40 STREET

16 W 40 STREET, NYC

SCALE: 1/8" = 1'-0"

07.28.2015

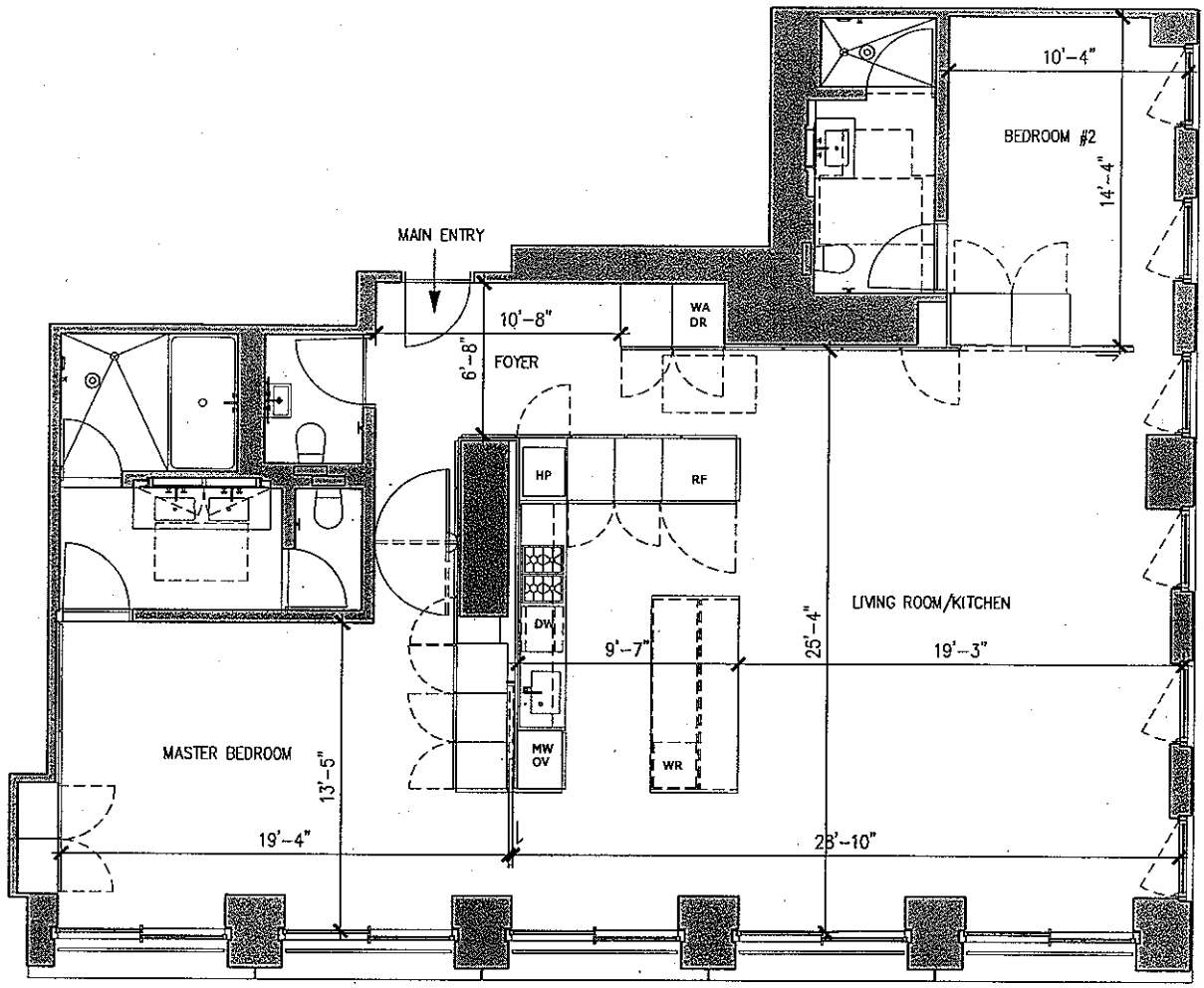


25-29 B		KEY PLAN
BED : 2 BATH : 2 FULL 1 HALF	1882 SQ.FT 174.84 SQ.M ALL DIMENSIONS AND SQ FT ARE APPROXIMATE	39 STREET 40 STREET

16 W 40 STREET, NYC

SCALE: 3/32" = 1'-0"

07.28.2015



29 A	KEY PLAN
BED : 2 BATH : 2 FULL 1 HALF	1650 SQ.FT 153.29 SQ.M ALL DIMENSIONS AND SQ FT ARE APPROXIMATE

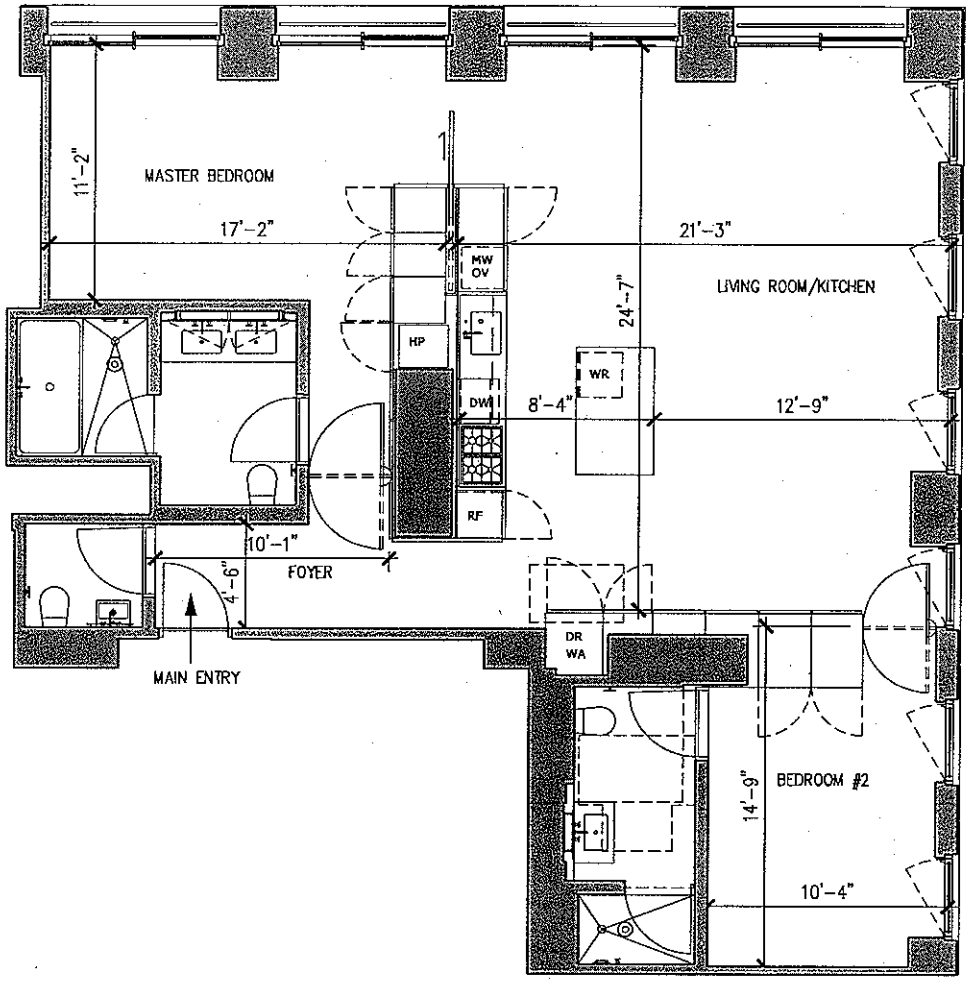
39 STREET

40 STREET

16 W 40 STREET, NYC

SCALE: 1/8" = 1'-0"

07.28.2015



29 C	KEY PLAN
BED : 2 BATH : 2 FULL 1 HALF	1329 SQ.FT 123.47 SQ.M ALL DIMENSIONS AND SQ FT ARE APPROXIMATE

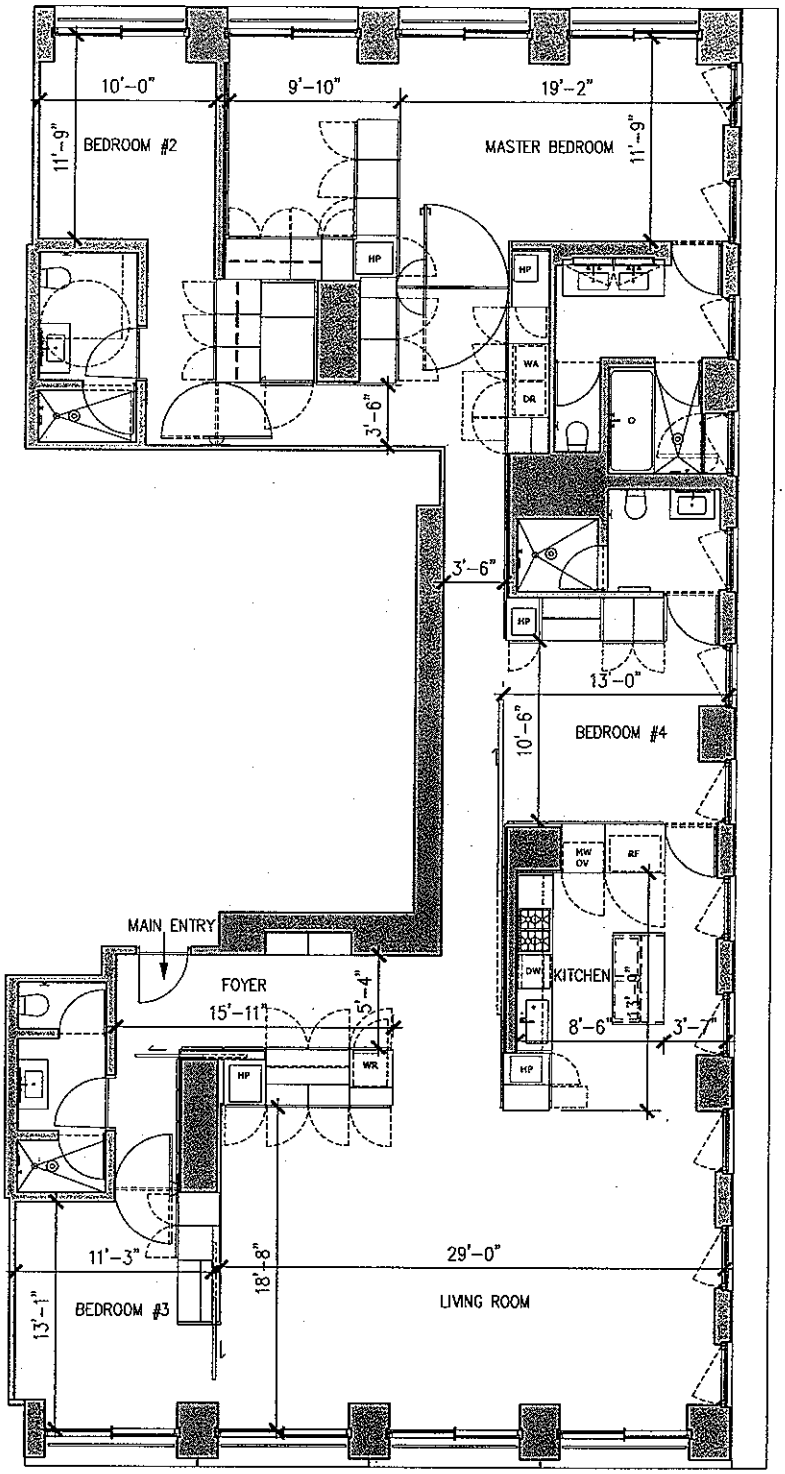
39 STREET

40 STREET

16 W 40 STREET, NYC

SCALE: 1/8" = 1'-0"

07.28.2015



30A	KEY PLAN
BED : 4 BATH : 4 FULL	2707 SQ.FT 251.49 SQ.M ALL DIMENSIONS AND SQ FT ARE APPROXIMATE

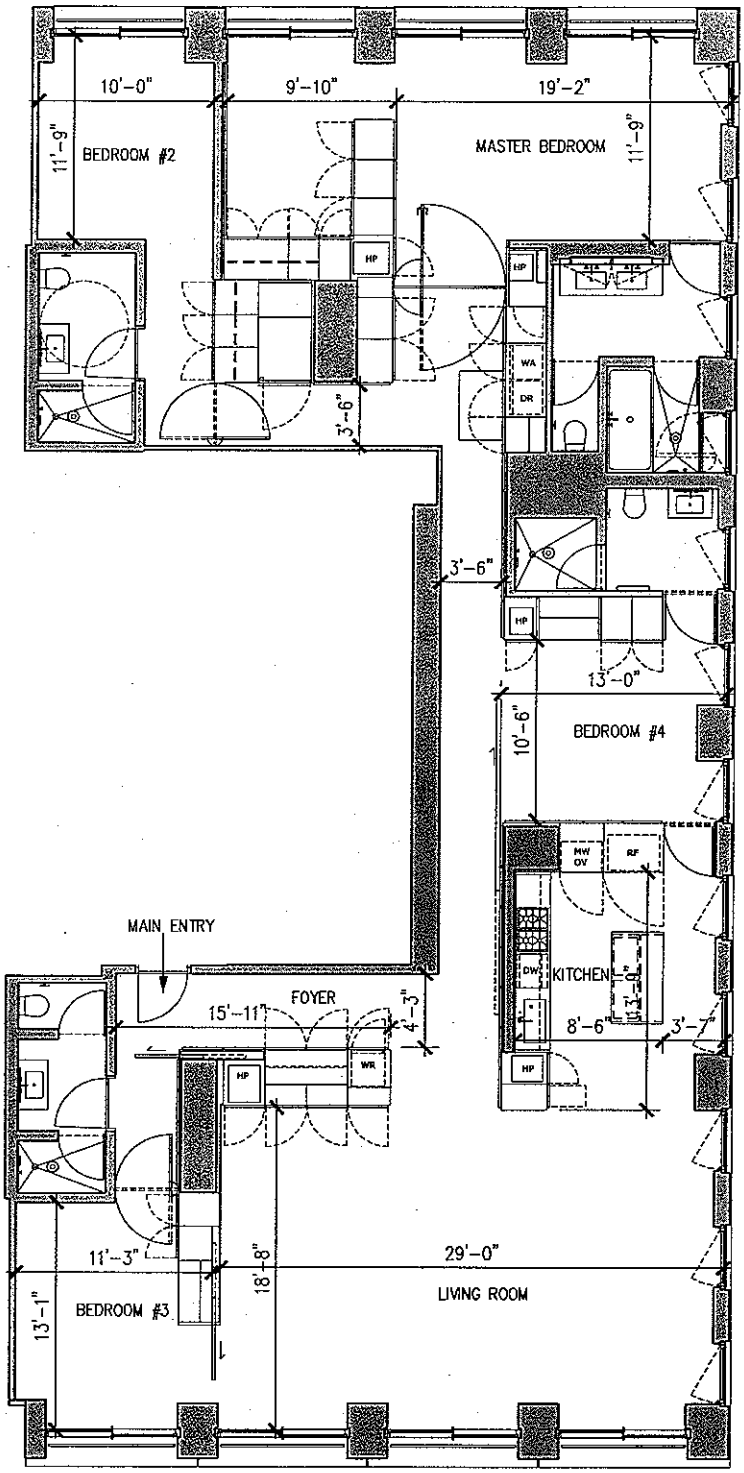
39 STREET

40 STREET

16 W 40 STREET, NYC

SCALE: 3/32" = 1'-0"

07.28.2015



31A	KEY PLAN
BED : 4 BATH : 4 FULL	2667 SQ.FT 247.77 SQ.M ALL DIMENSIONS AND SQ FT ARE APPROXIMATE

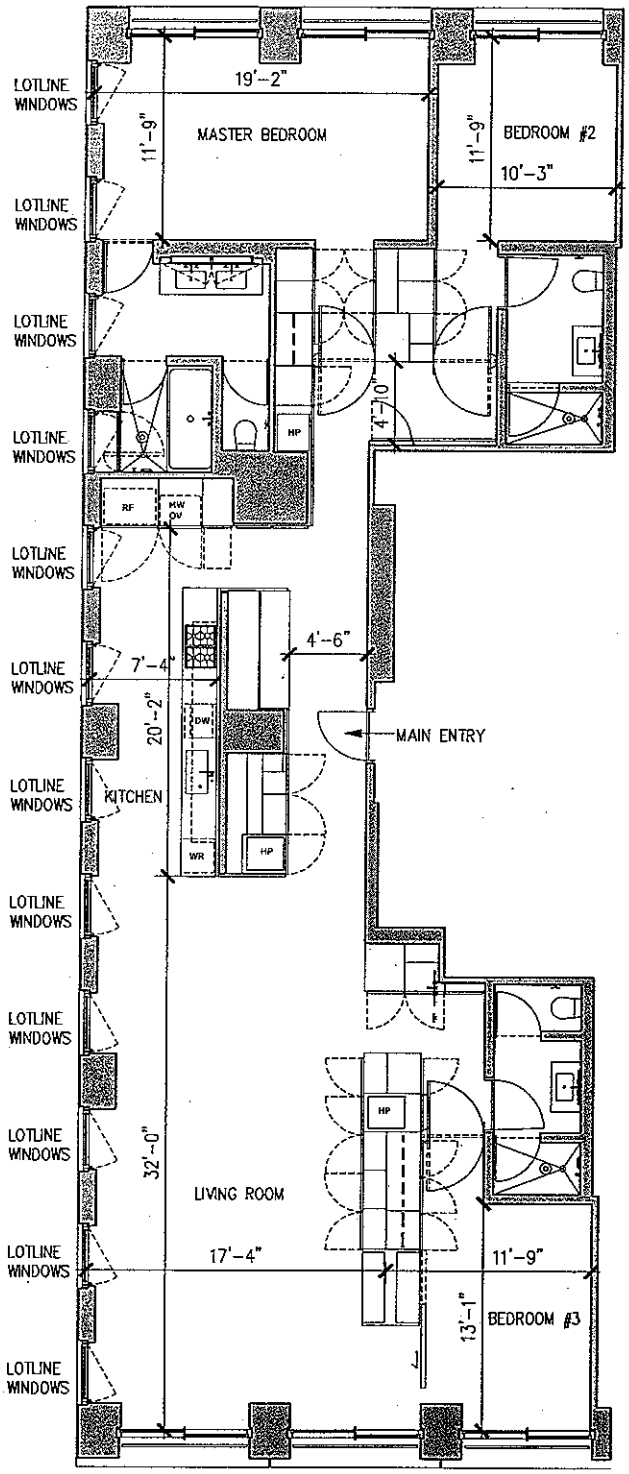
39 STREET

40 STREET

16 W 40 STREET, NYC

SCALE: 3/32" = 1'-0"

07.28.2015



30-31B	KEY PLAN
BED : 3 BATH : 3 FULL	2068 SQ.FT 192.12 SQ.M ALL DIMENSIONS AND SQ FT ARE APPROXIMATE

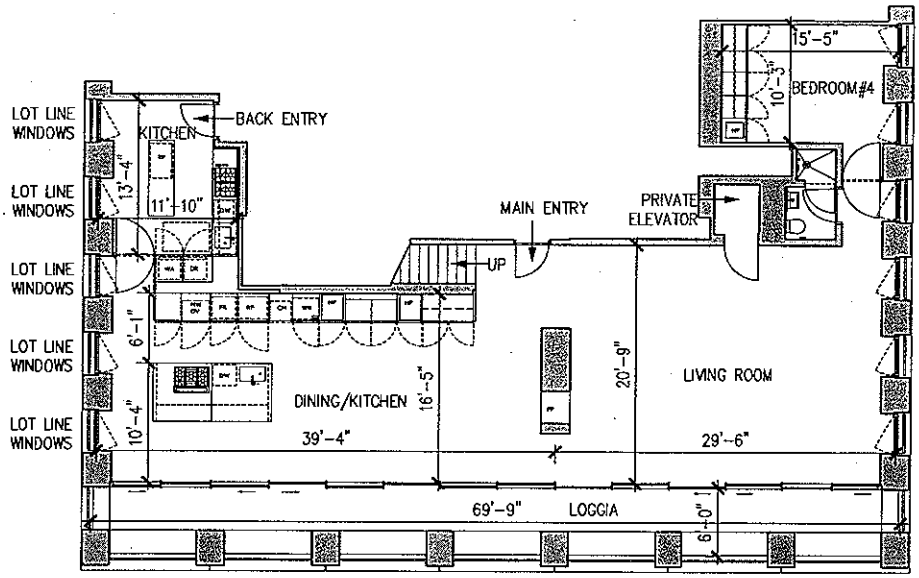
39 STREET

40 STREET

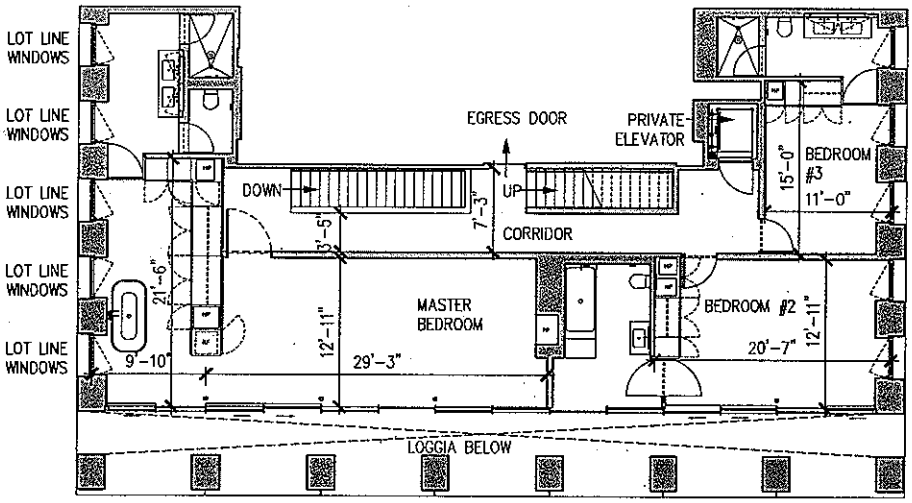
16 W 40 STREET, NYC

SCALE: 3/32" = 1'-0"

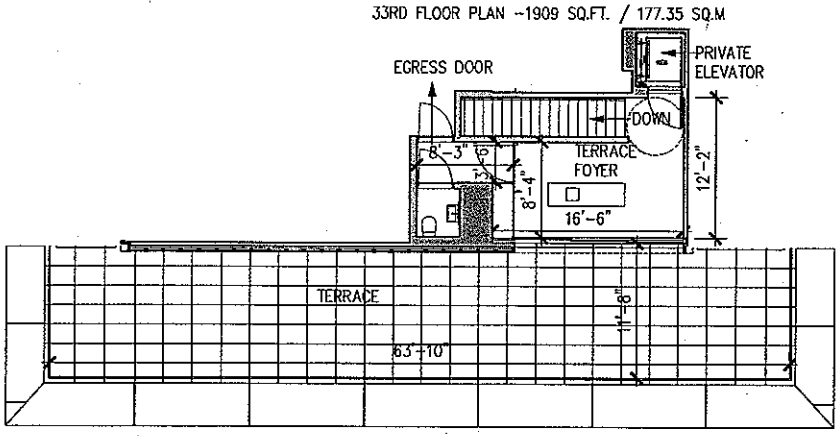
07.28.2015



32ND FLOOR PLAN -1911 SQ.FT. / 177.54 SQ.M
LOGGIA - 438 SQ.FT. / 40.69 SQ.M



33RD FLOOR PLAN -1909 SQ.FT. / 177.35 SQ.M



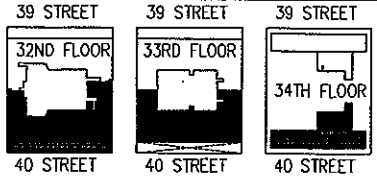
34TH FLOOR PLAN - 343.25 SQ.FT. / 32 SQ.M
TERRACE - 730 SQ.FT. / 67.82 SQ.M

PENTHOUSE A

BED : 4
BATH : 4 FULL
1 HALF

INTERIOR- 4163.2 SQ.FT
EXTERIOR- 1168 SQ.FT
INTERIOR- 386.9 SQ.M
EXTERIOR- 108.51 SQ.M
ALL DIMENSION,SQ FT & SQM ARE APPROXIMATE

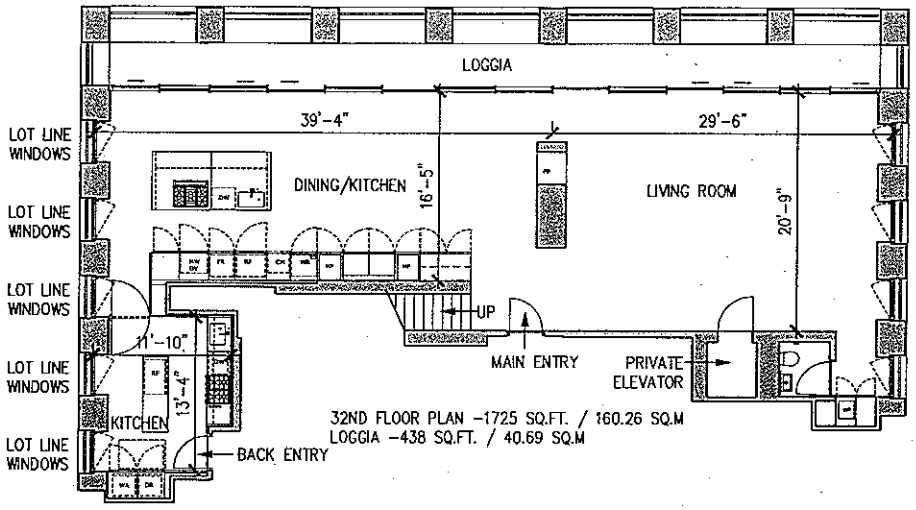
KEY PLAN



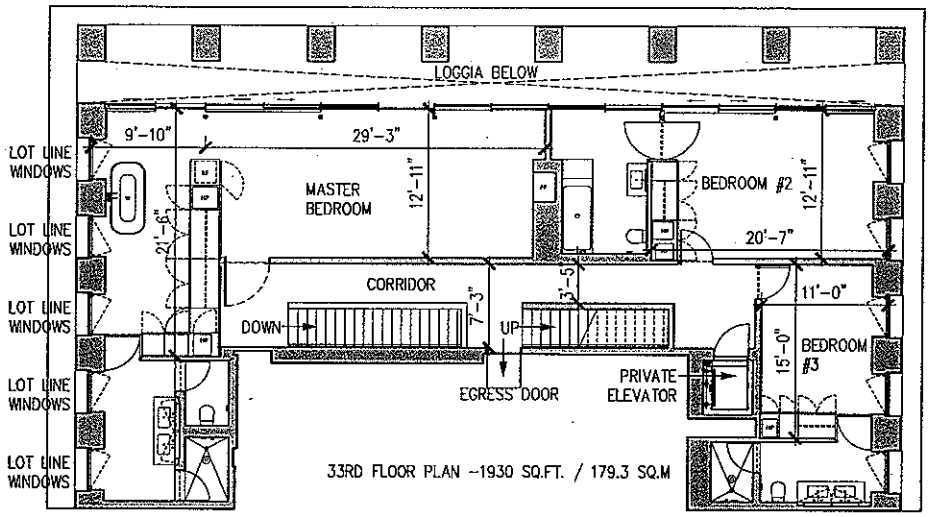
16 W 40 STREET, NYC

SCALE: 1/16" = 1'-0"

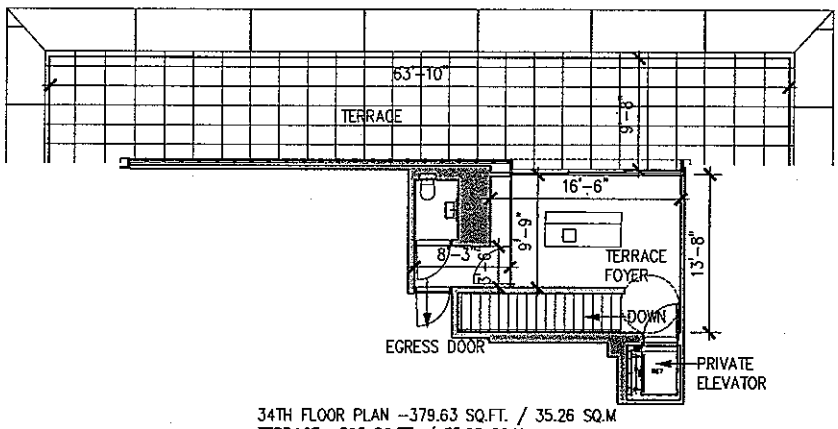
07.28.2015



32ND FLOOR PLAN -1725 SQ.FT. / 160.26 SQ.M
LOGGIA -438 SQ.FT. / 40.69 SQ.M



33RD FLOOR PLAN -1930 SQ.FT. / 179.3 SQ.M



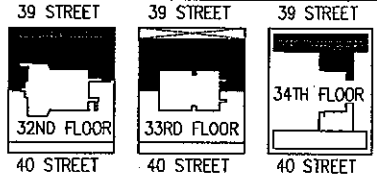
34TH FLOOR PLAN -379.63 SQ.FT. / 35.26 SQ.M
TERRACE -595 SQ.FT. / 55.28 SQ.M

PENTHOUSE B

BED : 3
BATH : 3 FULL
2 HALF

INTERIOR- 4034 SQ.FT
EXTERIOR- 1033 SQ.FT
INTERIOR- 374.8 SQ.M
EXTERIOR- 95.97 SQ.M
ALL DIMENSION,SQ FT & SQM ARE APPROXIMATE

KEY PLAN



16 W 40 STREET, NYC

SCALE: 1/16" = 1'-0"

EXHIBIT "6"

DECLARATION OF CONDOMINIUM

CONDOMINIUM NUMBER

DECLARATION
Establishing a Plan for Condominium Ownership
of the Premises located at
16 West 40th Street
New York, New York 10018

Pursuant to Article 9-B of the Real Property
Law of the State of New York

Name:
Bryant Park South Condominium

Declarant:

20 West 40 Bryant Park Owner LLC
c/o HFZ Capital Group
600 Madison Avenue
New York, New York 10022

Date of Declaration

The land affected by the within instrument lies in
Block 841 formerly known as Base Lots 30, 58 - 60
now known as Lots
on the Tax Map of the Borough of Manhattan, City of New York

Attorneys for Declarant
Holland & Knight LLP
31 West 52nd Street
New York, New York 10018
(212) 513-3308
Attn: Stuart M. Saft, Esq.

DECLARATION
OF
BRYANT PARK SOUTH CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law

of the State of New York)

20 West 40 Bryant Park Owner LLC, a Delaware limited liability company, having an office c/o HFZ Capital Group LLC, 600 Madison Avenue, New York, New York 10022 ("Declarant"), does hereby declare as follows:

ARTICLE 1
DEFINITIONS

All capitalized terms used in this Declaration (hereinafter referred to as the "Declaration") that are not otherwise defined in the Articles hereof will have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used will otherwise require.

ARTICLE 2
SUBMISSION OF THE PROPERTY

2.1 Declarant hereby submits the Land and Building (each as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act") and pursuant thereto does hereby establish a condominium to be known as "Bryant Park South Condominium" (the "Condominium").

2.2 Attached to this Declaration and made a part hereof are the By-Laws of the Condominium which set forth detailed provisions governing the operation, use and occupancy of the Condominium (said By-Laws, as they may be amended from time to time, are hereinafter referred to as the "By-Laws"). All capitalized terms which are not separately defined herein shall have the meanings given to those terms in the By-Laws.

2.3 Excluded from the Property are that portion of the unused floor area development rights that are now owned, subsequently acquired or that may become available under the Zoning Resolution of the City of New York (the "Development Rights") which shall be initially retained by Declarant, its designees, successors and/or assigns, but which Development Rights may be utilized by Declarant or any party acquiring the same from Declarant (the "Development Rights Purchaser") and merged into a zoning lot pursuant to the terms of a zoning lot development agreement or similar agreement or instrument (a "Zoning Lot Development Agreement").

2.4 In the event of a conflict between the terms and provisions of this Declaration, on the one hand, and the terms and provisions of any of the By-Laws, on the other hand, the terms of this Declaration shall in all events govern.

ARTICLE 3
THE LAND

Included in the Property described in Article 2 is all that certain tract, plot, piece and parcel of land (the "Land") situate, lying and being in the City, County and State of New York, and more particularly described in Exhibit A annexed hereto and made a part hereof. The Land is owned by Declarant in fee simple absolute. The Land has an area of approximately 17,587 square feet.

ARTICLE 4
THE PROPERTY

4.1 Included in the Property described in Article 2 is a building (the "Building") consisting of the Hotel Unit, the Restaurant Unit, the Retail Unit, and fifty seven (57) Residential Units (collectively referred to as the "Residential Units" and individually, a "Residential Unit"). The "Residential Section" consists of the Residential Units, the Residential Common Elements and the Residential Limited Common Elements. The Non-Residential Section consists of the Hotel Unit, the Hotel Common Elements, the Restaurant Unit, the Restaurant Common Elements, the Retail Unit and the Retail Common Elements (the Hotel Unit, the Restaurant Unit and the Retail Unit are collectively referred to as the "Non-Residential Units" and each individually as a "Non-Residential Unit"). The Non-Residential and the Residential Units are sometimes hereinafter collectively referred to as the "Units" and individually as a "Unit." The owner of a Residential Unit is herein called a "Residential Unit Owner" and all the owners of the Residential Units are herein collectively called the "Residential Unit Owners." An owner of a Non-Residential Unit, or its designee, is herein called a "Non-Residential Unit Owner"; the owner of the Hotel Unit at any time, or its designee, is herein called the "Hotel Unit Owner"; the owner of the Retail Unit at any time, or its designee, is herein called the "Retail Unit Owner"; and the owner of the Restaurant Unit at any time, or its designee, is herein called the "Restaurant Unit Owner." The Residential Unit Owners and the Non-Residential Unit Owners are collectively referred to herein as the "Unit Owners" and individually as a "Unit Owner."

4.2 From the date the Non-Residential Units are conveyed from Declarant to the Initial Non-Residential Grantee until the next conveyance of each Non-Residential Unit (the "First Non-Residential Unit Conveyance"), the Initial Non-Residential Grantee shall have the same rights and obligations described herein and in the Condominium By-laws as the collective rights and obligations of the Non-Residential Unit Owners and the Non-Residential Board, and until each such First Non-Residential Unit Conveyance, all references herein and in the Condominium By-laws to the Non-Residential Unit Owners and/or the Non-Residential Board shall be deemed to be references to the Initial Non-Residential Grantee.

4.3 Following the recording of this Declaration, among other things, Declarant will distribute the Hotel Unit, the Retail Unit and the Restaurant Unit and their Common Elements to

South BP Associates LLC or its successor(s) or designee(s) (whichever such entity or entities is or are the actual distributee(s), collectively, the "Initial Non-Residential Grantee").

4.4 Following the recording of this Declaration, among other things, Declarant will distribute the Residential Section to HFZ Bryant Park Owner LLC or its successor(s) or designee(s) (whichever such entity or entities is or are the actual distributee(s), sometimes herein referred to as the "Initial Residential Grantee" or the "Sponsor"). The Initial Residential Grantee shall have all the Declarant's rights and obligations hereunder as they may apply to the Residential Units, the Residential Common Elements, the Residential Limited Common Elements, and the Common Elements. The Initial Residential Grantee, as Sponsor, will be offering the Residential Units for sale pursuant to an Offering Plan.

4.5 From the date hereof until the date on which a Unit, the Residential Section and/or the Non-Residential Section is first conveyed or first distributed by Declarant to the Initial Non-Residential Grantee and/or the Initial Residential Grantee, respectively, (i) Declarant shall have all the rights and obligations described herein and in the Condominium By-Laws with respect to such Section and the Unit(s) therein as rights and obligations of the Unit Owner thereof and (ii) all references in this Declaration and in the Condominium By-Laws to the Unit Owner of such Unit shall be deemed to be references to Declarant.

4.6 From the date the Initial Residential Unit is conveyed to the Initial Residential Grantee Section and the Unit(s) therein until the first conveyance of each Residential Unit (the "First Residential Unit Conveyance"), the Initial Residential Grantee shall have the rights and obligations described herein and in the Condominium By-Laws as the collective rights and obligations of the Residential Unit Owners and its board of managers (the "Residential Board"); and, until such First Residential Unit Conveyance, all references herein and in the Condominium By-Laws to the Residential Unit Owners and/or the Residential Board shall be deemed to be references to the Initial Residential Grantee.

ARTICLE 5
THE BUILDING

The Building consists of one mixed-use tower building with 57 Residential Units, the Hotel Unit, the Restaurant Unit, the Retail Unit and the Common Elements (referred to as the "Building"). The Building is constructed of reinforced concrete steel frame with concrete slab floor systems, including reinforced concrete columns, masonry cavity walls and concrete footing. The floors are named (bottom to top): Sub Cellar, Cellar, Ground Floor (First Floor), Floors 2 through 13, 6th Floor Mezzanine (6M), Floors 14 through 32, Roof and Bulkhead Roof. The Building has four (4) entrances on 40th Street. The Hotel Unit ("HOTEL") consists of a portion of the Sub-Cellar, a portion of the First Floor and Floors 2 through 14 and an elevator machine room located on the 16th Floor. The Restaurant Unit ("REST") consists of a portion of the First Floor and the Cellar. The Retail Unit ("RET") consists of a portion of the First Floor. The Residential Section occupies a portion of the Sub Cellar, a portion of the First Floor, a portion of the Third Floor, and all of Floors 15 through 33.

ARTICLE 6
THE UNITS

6.1 Exhibit B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: Unit designation; floor designation; tax lot number; direction(s) in which each Unit faces; approximate square foot area; number of rooms; and the percentage interest in the General Common Elements appurtenant to such Unit. The location of each Unit is shown on the floor plans of the Buildings (the "Floor Plans") certified by _____, and intended to be approved by the Real Property Assessment Department of the City of New York and filed in the New York County office of the Register of the City of New York (the "City Register's Office") following the recording of this Declaration.

6.2 Each Unit consists of the space designated on the Floor Plans as part of such Unit together with those Facilities located within or outside of the Unit which exclusively serve or benefit such Unit or Unit Owner thereof. Each Unit includes, and each Unit Owner shall be responsible for, the front entrance door and any other doors to such Unit from the exterior of the Building or from any other Unit or Common Element, windows in the respective Unit, smoke detectors, all plumbing, gas and heating fixtures and equipment such as refrigerators, dishwashers, heating, ventilating and air conditioning ("HVAC") units (including the fans inside the units), heating equipment, ranges and other appliances, as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors. Each Unit shall also include (i) all lighting and electrical fixtures and appliances within the Unit, and (ii) any special equipment, fixtures or Facilities (as hereinafter defined) affixed, attached or appurtenant to the Unit, to the extent located within a Unit from the panel and serving or benefiting only that Unit. Notwithstanding anything contained in this Article 6 to the contrary, each Unit Owner shall have the right, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building. The Declarant, the Initial Residential Grantee, the Hotel Unit Owner, the Restaurant Unit Owner and the Retail Unit Owner shall have the right to make more extensive alterations to their Units provided that no alteration shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building.

6.3 The Residential Section includes all related Facilities exclusively serving the Residential Units. The Hotel Unit includes all related Facilities exclusively serving the Hotel Unit. The Retail Unit includes all related Facilities exclusively serving the Retail Unit. The Restaurant Unit includes all related Facilities exclusively serving the Restaurant Unit.

6.4 As of the date of the filing of this Declaration with the City Register's Office, fee simple absolute title shall automatically vest in Declarant in all Units, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

6.5 The Hotel Unit and the Residential Unit [prior to the First Closing of an Individual Residential Unit] shall each be designated as a Master Unit. The owner of the Master Unit is sometimes collectively referred to as the "Master Unit Owner." The original Master Unit Owner shall have the absolute right to divide its Master Unit into any number of smaller units and change the use of the Unit or Units by executing an Amendment to this Declaration without obtaining the consent of the other Unit Owners or any Board. A unit resulting from the subdivision of the Master Unit is not a Master Unit and the Owner of such a Unit is not a Master Unit Owner unless so designated in writing by the respective Master Unit Owner.

ARTICLE 7
DIMENSIONS OF UNITS

7.1 The approximate square foot area of each Unit has been measured horizontally, on each of one or more floors, from the exterior side of the exterior Building walls, at the Building line and/or Property line, to the midpoint of the interior walls and partitions separating the Unit from another Unit, or to the midpoint of the interior walls and partitions separating the Unit from stairs, elevators, other mechanical equipment spaces or any other Common Elements. Columns, mechanical shafts and pipes (whether along the perimeter or within the Unit), were not deducted from the square foot area of the Unit. Outdoor floor areas of terraces appurtenant to a Unit have not been included in the Unit's floor areas.

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

7.3 Notwithstanding the measurement of each Unit from the exterior side of the Building walls, the Building exterior is not included within the Units, but is included as part of the Limited Common Elements appurtenant to various Units.

ARTICLE 8
COMMON ELEMENTS

8.1.1 The general common elements of the Condominium (the "General Common Elements") consist of the entire Property, including the Land and all parts of the Building and improvements thereon, including, without limitation, the foundations, structure and supports, other than the Units, the Limited Common Elements and the Transferable Development Rights. The General Common Elements include, but are not limited to, those rooms, areas, corridors, spaces and other parts of the Building and all Facilities (defined below) therein for the common use of the Units and all the Unit Owners or which are necessary or convenient for the existence, maintenance or safety of the Property. The Limited Common Elements of the Condominium (the "Limited Common Elements") consist of those Common Elements that serve

or benefit exclusively (a) the Residential Units or the Residential Unit Owners (in which event they are called "Residential Common Elements"), (b) one or more but not all of the Residential Units or the Residential Unit Owners (in which event they are called "Residential Limited Common Elements"), (c) all of the Non-Residential Units or all of the Non-Residential Unit Owners (in which event they are called "Non-Residential Common Elements"), (d) the Hotel Unit or Hotel Unit Owner (in which event they are called "Hotel Common Elements"), (e) the Restaurant Unit or Restaurant Unit Owner (in which event they are called "Restaurant Common Elements"); (f) the Retail Unit or Retail Unit Owner (in which event they are called "Retail Common Elements"), (g) the Hotel Unit and the Residential Section (in which event they are called "Hotel-Residential Common Elements"), and (h) the Hotel Unit and the Residential Section in connection with the HVAC System (in which event they are called "HVAC Common Elements"). The General Common Elements are appurtenant to, serve and benefit each Unit to the extent of such Unit's percentage share of the General Common Elements. The General Common Elements are for the common use of all Unit Owners.

8.1.2 As used in this Declaration, the word "Facility" or "Facilities" includes, but is not limited to, the following items (grouped more or less functionally) which are set forth only for purposes of illustrating the broad scope of that term: system, equipment, apparatus, convertor, radiator, heater, convertor, heat exchanger, mechanism, device, machinery, motor, pump, control, tank or tank assembly, insulation, induction unit, condenser, compressor, fan, damper, blower, thermostat, thermometer, coil, vent, sensor, shut-off valve or other valve, gong, panel, receptacle, outlet, relay, alarm, sprinkler head, electric distribution facility, wiring, wireway, switch, switchboard, circuit breaker, transformer, fitting, siamese connection, hose, plumbing fixture, lighting fixture, other fixture, bulb, sign, telephone, meter, meter assembly, scaffolding, piping, line, duct, conduit, cable, riser, main shaft, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, canopy, incinerator, closet, cabinet, door, railing, coping, step, furniture, mirror, furnishing, appurtenance, urn, basket, mail box, carpeting, tile or other floor covering, drapery, shade or other window covering, wallpaper or other wall covering, tree, shrubbery, flower or other planting and horticulture tub or box. The word "Facility" or "Facilities" does not include any portion of the Building that is specifically listed as included within a Unit or a Limited Common Element or Hotel-Residential Common Elements or HVAC Common Element.

8.2 The Common Elements will remain undivided and no Unit Owner or other person will bring or will have the right to bring any action for partition or division thereof except as may be specifically provided for herein and in the By-Laws.

8.3 The General Common Elements consist of the following to the extent that they serve all of the Units:

8.3.1 The Land (as more particularly described in Exhibit A attached to this Declaration), together with all easements, rights and privileges appurtenant thereto.

8.3.2 The foundations, footings, columns, girders, floor slabs and ceilings, beams, and supports and interior load bearing walls together with the exterior walls of the Building.

8.3.3 The rooms and Facilities as follows:

8.3.4 Any of the following: Fire pump, ejector pump, manual and automatic fire pump system, manual fire pump controller, steam equipment service, sump pump and sewer ejector.

8.3.5 The mechanical/electrical/plumbing room, mechanical/utility/electrical room, water pump room, chiller room, fuel oil tank room, telecom closet, gas meter room, water pump room and the electrical, telecom, or electrical/telecom closets if any on any floor.

8.3.6 A stairs, C stairs and D stairs, the stairway corridors, if any, which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of all of the Units and are not a part of any Unit or any Limited Common Element.

8.3.7 Water service and house pumps located below grade level, combined house sewer line, sanitary house drain which connects the combined house sewer line to sanitary house drains, storm house drain which connection combines the house sewer line to storm leaders, house trap and vent pipe which serve the sanitary system and running trap which serves the storm drain system.

8.3.8 Fire standpipe Siamese connections and Riser control valve for common fire standpipe riser.

8.3.9 The sprinkler system.

8.3.10 Zone control valves for the fire standpipe riser rising from the First Floor to the house tank on the top roof of the Building (the "Roof Level"), and common fire alarm riser.

8.3.11 House tank, which supplies the domestic water system and fire standpipe in the Building.

8.3.12 Exhaust systems including the exhaust fan, ductwork and intake and discharge connections if not included as part of a Unit.

8.3.13 All passages, hallways, stairs and corridors, all mechanical space and all other rooms, areas, spaces and other parts of the Building which are not Residential Units, Residential Common Elements or part of the Non-Residential Units or Non-Residential Common Elements or HVAC Common Elements or Hotel-Residential Common Elements, including their concrete floor slabs and ceilings.

8.3.14 Any other Facilities in the Building which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of all of the Non-Residential Section and the Residential Section and are not a part of any Unit or any Limited Common Element.

8.4 The Residential Common Elements include the following:

8.4.1 Residential electric meters and panels, electric closets, feeders, risers and Facilities, Residential gas meter and direct burial telephone cables serving exclusively the Residential Section.

8.4.2 Kitchen, bathroom and dryer exhaust ducts, corridor and Residential Unit supply air ducts, water pressure reducing valve system, and all other Facilities in the floor and ceilings serving or benefiting exclusively the Residential Section.

8.4.3 CATV riser and all other Facilities located in the Property serving or benefiting exclusively the Residential Section.

8.4.4 The rooms and Facilities located as follows: the entrances to the Residential Units; gas meter room, residential refuse rooms on each floor servicing the Residential Units and compactor room; the passenger elevators PE-3 and PE-4 and their shafts, pits, machine rooms and Facilities, and, if any, the mail room, if any, and concierge station.

8.4.5 Gas piping for domestic hot water heater serving Residential Common Elements, Residential Limited Common Elements and Residential Units.

8.4.6 Residential lobby and related equipment.

8.4.7 All doors in the Residential Section, excluding doors opening from common corridors and providing entrance to Residential Units and interior doors in the Residential Units (the excluded doors being considered part of the Residential Unit).

8.4.8 The trash compactor room in the sub-cellar and in the corridors on the 15th through 33rd floors.

8.4.9 Heating and air conditioning units exclusively for the Residential Units consisting of a fan, motor, ductwork, piping and controls.

8.4.10 Corridor supply risers and ducts, kitchen and toilet exhaust risers and ducts, kitchen and toilet water vent and soil stacks, gas risers, electric risers, and shafts serving Residential Units.

8.4.11 The mechanical equipment exclusively serving Residential Common Elements, Residential Limited Common Elements and Residential Units.

8.4.12 All passages and corridors, mechanical and other rooms, areas and indoor and outdoor spaces located at the Property serving exclusively the Residential Section and which are not General Common Elements, Non-Residential Common Elements or part of any Unit.

8.4.13 All other facilities of the Property (including but not limited to shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Residential Section.

8.4.14 All other Facilities exclusively serving the Residential Section, excluding the Residential Units, the Non-Residential Common Elements, the HVAC Common Elements, Hotel-Residential Common Elements and the General Common Elements, and which serve or benefit or are necessary or convenient exclusively for the existence, maintenance, operation or safety of the Residential Section.

8.5 The Residential Limited Common Elements consist of the following:

8.5.1 Certain portions of the Residential Common Elements that are limited and further restricted in use to the owners of Residential Units to which such Residential Common Elements are appurtenant, subject to the right of the Condominium Board to enter upon any such Residential Common Element to make structural repairs or structural replacements to said Residential Common Element or any Common Element contained therein, and subject to the Rules and Regulations of the Condominium.

8.5.2 Notwithstanding anything to the contrary in this Article 8, if a Residential Common Element benefits only certain Residential Unit Owners, then the Residential Section's costs of alteration, addition, repair, replacement and restoration thereto shall be borne solely by those Residential Unit Owners who benefit from the Residential Common Element in the proportion that the Common Interest of each benefiting Residential Unit Owner bears to the Common Interests of all benefiting Residential Unit Owners. In addition, except as otherwise provided in the By-Laws, such Residential Unit Owners shall be responsible for the normal operation, maintenance and repair of any such Residential Common Element at their sole cost and expense.

8.5.3 All normal and ordinary maintenance, repair and replacement of Residential Limited Common Elements (*i.e.*, cleaning surface areas, patching chipped concrete or pavers, repairing and/or replacing fencing or railing enclosures, etc.) shall be tended to and paid for by the Residential Unit Owner having the exclusive use thereof.

8.5.4 Residential Unit Owners shall be responsible for washing the interior side of any and all windows in their Unit, and replacing broken window glass in their Unit unless the glass was broken through the negligence of the Condominium Board or its agents, in which case the cost or replacement shall be borne by the Residential Unit Owners as a Residential Common Expense.

8.5.5 That portion of equipment, fixtures or Facilities serving or benefiting one Residential Unit, to the extent located within another Unit or within a Common Element to which there is direct and exclusive access from the interior of a Residential Unit. Notwithstanding anything to the contrary contained in the By-Laws or this Declaration, the Residential Unit Owner who is so served or benefited by such Residential Limited Common Element shall have the exclusive right to use such Residential Limited Common Element and shall be responsible for its normal operation, maintenance and repair at such Unit Owner's sole cost and expense.

8.5.6 The terraces adjacent to the two Penthouse Units.

8.5.7 All other Facilities exclusively serving one or more but not all Residential Units, excluding the Residential Units, the Residential Common Elements, the Non-Residential Common Elements, HVAC Common Elements, Hotel-Residential Common Elements, and the General Common Elements, and which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of one or more but not all of the Residential Units.

8.6 The Hotel Common Elements include:

8.6.1 The 6th Floor terrace adjacent to the Hotel Unit.

8.6.2 All other Facilities of the Property (including but not limited to Passenger Elevators PE1 and PE2, shafts, pipes, wires, ducts, vents, cables, conduits and lines) which exclusively serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Hotel Unit excluding the Residential Section, the Hotel Unit, the Retail Unit, Retail Common Elements, the Restaurant Unit and the Restaurant Common Elements.

8.7 The Retail Common Elements consists of the following:

8.7.1 All other Facilities of the Property (including but not limited to shafts, pipes, wires, ducts, vents, cables, conduits and lines) which exclusively serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Retail Unit excluding the Residential Section, the Retail Unit, Hotel Unit and Hotel Common Elements and the Restaurant Unit, the Restaurant Common Elements, the HVAC Common Elements, and the Hotel-Residential Common Elements.

8.8 The Restaurant Common Elements consists of the following:

8.8.1 All other Facilities of the Property (including but not limited to shafts, pipes, wires, ducts, vents, cables, conduits and lines) which exclusively serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Restaurant Unit excluding the Residential Section, the Retail Unit, Retail Common Elements, the Restaurant Unit, Hotel Unit, Hotel Common Elements, HVAC Common Elements, and the Hotel-Residential Common Elements.

8.9 The HVAC Common Elements include:

8.9.1 Heating, ventilation and air conditioning supply system and HVAC related Facilities including, but not limited to motors, ductwork, fans and controls.

8.9.2 The emergency generator room and the related equipment, equipment room and pump room, the cooling tower, related HVAC Facilities and related exterior space on the Roof Level.

8.9.3 The HVAC Common Elements are under the control of the Hotel Unit Owner until the HVAC enters the Residential Section; but the cost of any upgrades, operation, Maintenance, repair and replacement of the HVAC Common Elements shall be determined by the Hotel Unit Owner and shared by all the respective Unit Owners serviced by the HVAC

Common Elements based on their respective Common Interest percentage. The cost of usage of the HVAC Common Elements shall be the responsibility of the Hotel Unit and all of the Residential Unit Owners as measured by meters and/or sub-meters.

8.10 The Hotel-Residential Common Elements consists of the following:

8.10.1 All other Facilities of the Property (including but not limited to shafts, pipes, wires, ducts, vents, cables, conduits and lines) which exclusively serve or benefit or are necessary or convenient for the existence, Maintenance, operation or safety of both the Hotel Unit and Residential Section excluding the Residential Section, the Retail Unit, Retail Common Elements, the Restaurant Unit, Restaurant Common Elements, Hotel Unit, Hotel Common Elements, and HVAC Common Elements.

8.11 At Declarant's sole discretion, the lobby of the Building and the Common Elements may contain artwork, which will be on loan from the Declarant or a gallery designated by Declarant (collectively, "Declarant's Artwork"). Declarant reserves the right to remove Declarant's Artwork from the lobby and the Common Elements at any time (or not to install it at all), in Declarant's sole discretion, or remove Declarant's Artwork from the Building. The Condominium shall have no liability with respect to the condition of Declarant's Artwork, except in the event of damage to Declarant's Artwork caused as a result of negligence or willful misconduct of the Boards, any managing agent hired by a Board, any Unit Owner, or any relative, visitor, guest, invitee, employee or agent of a Unit Owner. Declarant's Artwork shall belong to Declarant and Unit Owners shall have no right, title or interest in Declarant's Artwork.

ARTICLE 9
USE OF BUILDING AND UNITS

9.1 As more particularly set forth in the By-Laws, a Residential Unit may be used for any lawful purposes, but not more than one family may occupy a Residential Unit at one time. 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 instrumentality thereof and foreign governments and any embassy, consulate, or other instrumentality thereof) may only be occupied (unless the Residential Board otherwise consents) by said individual, or an officer, director, stockholder or employee of such corporation, or a partner or employee of such partnership, or said fiduciary (including directors, officers, stockholders or employees of corporate fiduciaries or partners or employees of partnership fiduciaries) or the beneficiary of said fiduciary, or a principal or employee of such other entity, respectively, or members of the immediate family, guests or domestic employees 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, guests or domestic employees). All of the foregoing are designated as "Permitted Users." Any Residential Unit may be used for professional purposes, or for any other lawful purposes, subject, however, to (1) the terms and conditions of the then existing certificate of occupancy for such Residential Unit, (2) applicable governmental laws and regulations, (3) the use of such Residential Unit not adversely affecting the use and enjoyment of neighboring or adjacent Residential Units for residential purposes or

the Non-Residential Units for their intended purposes, and (4) the restrictions on use of Units set forth in Section 6.16 of the By-Laws.

9.2 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 Residential Board, (1) grant permission for the use of any Unsold Residential Units owned by it 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 such Unit or any other governmental regulations and (2) use any Unsold Residential Units owned by it as model and sales and/or promotion offices in connection with the sale or rental of the Units, subject only to compliance with applicable governmental laws and regulations.

9.3 Notwithstanding anything contained in the Condominium Documents, the Non-Residential Units may be used for any lawful purpose permitted under the New York City Zoning Resolution.

9.4 No nuisance shall be allowed in the Property nor shall any use or practice be allowed in the Property which interferes with the peaceful possession or proper use thereof by the Unit Owners or the occupants of their respective Units. No improper, offensive or unlawful use shall be made of the Property or any portion thereof. All applicable Laws relating to any portion of the Property shall be complied with at the sole expense of whichever of the Unit Owner(s) or Board(s) shall have the obligation pursuant to the Declaration, and the Condominium By-Laws to maintain or repair such portion of the Property.

ARTICLE 10
CHANGES IN THE RESIDENTIAL UNITS

10.1 Except to the extent prohibited by law, Sponsor or its designee shall have the right, without the vote or consent of any Board, other Unit Owners or the Residential or Non-Residential Mortgage Representatives, if any, to: (a) make alterations, additions or improvements to any Unsold Residential Units; (b) change the use (subject to Section 9.2 above) or layout of, or number of rooms in, any Unsold Residential Units from time to time; (c) change the size and/or number of Unsold Residential Units by subdividing one or more Unsold Residential Units into two or more separate Units, combining separate Unsold Residential Units (including those resulting from such subdivision or otherwise) into one or more Residential Units, converting a Residential Unit or any portion thereof to a Residential Common Element, a Residential Limited Common Element, altering the boundary walls between any Unsold Residential Units, or otherwise, including or 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; (d) designate a General Common Element or a Residential Common Element as part of a newly created Residential Unit, Residential Limited Common Element, or designate all or part of a Residential Unit as a newly created Residential Common Element or Residential Limited Common Element; and (e) if appropriate, reapportion among the Unsold Residential Units affected by such change in size, use or number pursuant to the preceding clauses (b) and (c) their percentage interests in the Common Elements; provided further, however, that (i) the percentage interest in the Common Elements of

any other Residential Units (other than Unsold Residential Units) shall not be changed by reason thereof unless the owners of such Residential Units shall consent thereto; (ii) Sponsor or its designee, as the case may be, shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold each Board and all other Unit Owners harmless from any liability arising therefrom; and (iii) notwithstanding anything contained in this Paragraph 10.1, the Non-Residential Units shall not be adversely affected. The provisions of this Article 10 may not be added to, amended, modified or deleted without the prior written consent of Sponsor or its designee. By written permission of the Residential Board, which permission, shall not be unreasonably withheld, any other Residential Unit Owner may be given, with respect to his or her Residential Unit, the same rights and be subject to the same limitations and conditions as are set forth in this Section 10.1 with respect to Unsold Residential Units.

10.2 Notwithstanding the other provisions of this Article 10, no reapportionment of the interests in the Residential Common Elements appurtenant to any Residential Unit shall be made unless there is first delivered to the Residential Board a written certification stating that the percentage interests of the respective Units in the Common Elements, immediately after such reapportionment, will be based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. The certification referred to in the preceding sentence shall be delivered (i) at Sponsor's election, by Sponsor, the managing agent of the Residential Section or of the Condominium or any other person reasonably acceptable to the Residential Board in the case of any Unsold Residential Unit, and (ii) by either the managing agent of the Residential Section or of the Condominium, or any other person reasonably acceptable to the Residential Board in the case of any other Residential Unit.

ARTICLE 11
CHANGES IN THE NON-RESIDENTIAL SECTION

11.1 Except to the extent inconsistent with Article 15 or the By-Laws or prohibited by law, each Non-Residential Unit Owner shall have the right to: (1) decorate or make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon the Non-Residential Common Elements appurtenant to a Non-Residential Unit; (2) change the layout or number of rooms in the Non-Residential Units from time to time; (3) change the Non-Residential Units, by subdividing the same, into any desired number of Non-Residential Units, combining any of the Units or combining any Units resulting from a subdivision, altering the boundary walls between portions of a Non-Residential Unit, or otherwise; (4) designate all or part of a Unit as a newly created Unit or Limited Common Element; and (5) reapportion among the newly created Units resulting from any subdivision, combination or otherwise their percentage interests in the Common Elements which shall be based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit, and provided that in no case may such reapportionment result in a greater percentage of Common Interest for the total of the new Units than existed for an original Non-Residential Unit;

provided, however, that the percentage interest in the Common Elements of any portion of the Non-Residential Unit owned by another Non-Residential Unit Owner shall not be changed by reason thereof unless the owner of such Unit shall consent thereto, and the Non-Residential Unit Owner shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold each Board and all other Unit Owners harmless from any liability arising therefrom.

11.2 Notwithstanding anything in this Article 11 to the contrary, no change shall be made which shall have an adverse impact on a Non-Residential Unit or the Owner of a Non-Residential Unit without the prior written consent of the Non-Residential Unit Owner.

11.3 Notwithstanding any other provision of the Declaration or By-Laws, Declarant or its designees and the Master Unit Owner or its designees (to the extent applicable to such Master Owner's Unit) shall have the right, with respect to the Master Unit, the Initial Residential Grantee with respect to the Residential Units and the Initial Non-Residential Grantee with respect to the Non-Residential Units, and without the consent of any other Unit Owners, the Condominium Board, the Residential Board or the mortgagee of any other Unit, from time to time, to (a) change its Master Unit or any part thereof by changing the layout, number of rooms, or size or number of the Master Unit or by subdividing the same into any desired number of condominium units (or by combining any Units resulting from any such subdivision); (b) create and designate a Limited Common Element (including, without limitation, existing Limited Common Elements for the exclusive use of the newly created Units); (c) convert space or constituents of its Unit into newly designated Limited Common Elements and/or convert and designate one or more of the Limited Common Elements as a part of the newly created condominium units; (d) combine Units with the consent only of the owners of such Units to be combined; (e) reapportion among any newly created condominium unit (s) resulting from any subdivision (or combination) as provided above the Common Interest appurtenant to the Units; (f) construct, install, maintain, repair, replace or alter a storefront, façade or other exterior or structural system or portion of such Unit; (g) dedicate any or all utility, sewer, and drainage easements in any portion of the Property to any governmental body, public benefit corporation or utility company if the Master Unit Owner, Declarant or designee of Declarant shall deem it necessary or desirable for the proper operation and maintenance of such Unit and (h) amend the certificate of occupancy of the Building or obtain a new certificate of occupancy therefor in connection with the exercise of any of its rights under this Article 11. However, by reason of the foregoing, the Common Interest of the other Units shall not be affected unless the affected Unit Owner consents thereto. Limited Common Elements may be created for the exclusive use of any or all of the aforesaid subdivided (or combined) condominium units as provided above, in which event the Common Expenses exclusively attributable to such Limited Common Elements shall be borne by the owners of such subdivided (or combined) Condominium Units.

11.4 The Master Unit Owner, Declarant and/or its designees, as the case may be, shall have the right to reflect any of the matters described above in Section 11.3 in a duly recorded amendment to the Declaration (and the obligation to do so in case clause (a) above applies) or the By-Laws or the Floor Plans, and may further amend the Declaration and the By-Laws and/or Floor Plans to provide for the conduct of the affairs of the Master Unit as subdivided in any manner which does not increase the obligations or decrease the rights of any of the other Unit

Owners under the Declaration or the By-Laws, which amendment and the recording thereof shall not require the consent of any Board and/or other Unit Owners. In making any additions, alterations, or improvements pursuant to Section 11.3, the Master Unit Owner or its designees or Declarant or its designees, as the case may be, shall (i) make all reasonable efforts to minimize any interference with the other Unit Owners' use and enjoyment and business conduct in their Units for permitted purposes; (ii) comply with all laws, ordinances and governmental authorities having jurisdiction and (iii) hold the Condominium Board, the Residential Board and the other Unit Owners harmless from any liability arising therefrom; and, not violate the terms of any Permitted Mortgage. Notwithstanding anything to the contrary contained herein, neither the Declarant nor its designee nor the Master Unit Owner shall take any action described in Section 11.3 for so long as a Permitted Mortgage of the Master Unit (as such term is defined in the By-Laws) has a lien on any Unit that would be affected by such action, without the prior written consent of the Permitted Mortgagee of the Master Unit.

11.5 The consent of the Condominium Board and/or other Unit Owners shall not be required for the exercise by the Master Unit Owner or its designees or Declarant or its designees, as the case may be, of the rights and powers set forth in this Article 11. Neither the provisions of this Article 11 nor any of the other rights and powers of the Master Unit Owner or its designees or Declarant or its designees (as the case may be) under this Declaration or the By-Laws, including without limitation the authority of Declarant or its designees, to record an amendment of the Declaration or By-Laws or the Floor Plans pursuant to this Article 11, may be modified or deleted in any manner by amendment of the Declaration or By-Laws or otherwise. The signatures of the other Unit Owners and/or Condominium Board or the Residential Board shall not be required in connection with any amendment to the Declaration or By-Laws or the Floor Plans permitted above or to any application or other document necessary or convenient to the exercise by the Master Unit Owner or its designees or the Declarant or its designees, as the case may be, of any of their rights or powers under this Article 11, including but not limited to any application or document required by the Department of Buildings, the Real Property Assessment Bureau of the City of New York or any other governmental agency in connection with an amendment to the certificate of occupancy of the Building or the establishment of separate tax lots for any newly created condominium units and reapportionment of assessed valuation by reason thereof. Nevertheless, the Unit Owners and Condominium Board or the Residential Board shall execute any such amendments, applications or other documents and they hereby grant to the Master Unit Owner or its designees an irrevocable power of attorney coupled with an interest and granted for a valuable consideration receipt of which is hereby acknowledged to execute, deliver and/or record any such amendments, applications or other documents on behalf of the Condominium Board and Unit Owners, and any such execution, delivery and/or recording shall not require the consent of the Sponsor, Declarant, the Residential Board, any Condominium Board or the Unit Owners.

ARTICLE 12
PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York having an office at One Commerce Place, 99 Washington Avenue, Albany, New York 12231 is hereby designated to receive service of process in any action which may be brought against the Condominium, the Residential

Section or the Non-Residential Section. The Secretary of State shall be directed to mail a copy of any process served to the Condominium Board of the Condominium at 16 West 40th Street, New York, New York 10018.

ARTICLE 13
DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

13.1 Determination of Percentage of Interest in Common Elements. The percentage of interest in the Common Elements applicable to each Unit, as shown on Exhibit B, was determined pursuant to Section 339-i(i)(iv) of the Condominium Act, and is based upon floor space, subject to the location of such space and 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 a particular Unit. The aggregate Common Interest for all Units is 100%.

13.2 The percentage interest of each Residential Unit in the Residential Common Elements is apportioned in the same proportion that the Residential Unit bears to the Common Interests of all Residential Units.

ARTICLE 14
ENCROACHMENTS

If (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements or (c) any such encroachments shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any 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 Residential Board, or the Non-Residential Board in accordance with the 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.

ARTICLE 15
ACCESS TO COMMON ELEMENTS

15.1 Each Unit Owner shall have an easement in common with all other Unit Owners to use all Common Elements located in any of the other Units or elsewhere on the Property which serve his or her Unit including an easement to connect to existing utilities including, but not limited to utilities for gas, electricity, steam and ventilation. In addition, the Condominium Board and the Residential Board or their agents, to the extent such Boards are permitted to act by the By-Laws for such purposes, shall have a right of access to each Unit to inspect the same, to remove violations therefrom and to maintain, repair or replace the Common Elements contained therein or elsewhere in the Property. All easements and rights of access described in this Article

15 shall be exercised in such a manner as will not unreasonably interfere with or adversely affected the normal conduct of business of the tenants and occupants of the Non-Residential Units or with the use of the Units for their permitted purposes. Such entries shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of an emergency.

15.2 Prior to the issuance of the permanent Certificate of Occupancy for the Building, the Declarant or any of its affiliates or designees and Non-Residential Unit Owners either prior to or subsequent to the issuance of the permanent Certificate of Occupancy for the Building or any of its affiliates or designees, and any of their respective successors, assigns, invitees, licensees, contractors, employees and tenants, shall have an easement in, on, over and across all areas of the Property for ingress to and egress from all land areas of the Property and the use thereof for construction or renovation of the Building, or any part thereof, the inspection, maintenance and performance of alterations, replacements and repairs in or about Units owned by the Declarant or its designees, in the case of Declarant and its affiliates and designees, or the Non-Residential Unit, in the case of Non-Residential Unit Owners and their affiliates and designees, or the Common Elements or Limited Common Elements appurtenant to any such Unit for any other lawful purpose provided (i) Declarant or such other party repairs any resulting damage to any Unit or Common Elements, as the case may be, and restores the damaged portion to substantially the condition it was in prior to such entry, (ii) Declarant or such other party provides reasonable prior notice to the owners of any Unit to which access is required or the Board in the case of the Common Elements, and (iii) the work will not unreasonably interfere with the other Units or the work being performed therein.

ARTICLE 16
EASEMENTS AND NAME OF CONDOMINIUM

16.1 Except as set forth in this Declaration, (a) each Residential Unit Owner shall have, in common with all other Residential Unit Owners, an easement for the use of the Residential Common Elements, and (b) the Non-Residential Unit Owners shall have in common with all of the Non-Residential Unit Owners, an easement for the use of the Non-Residential Common Elements. Except as set forth in this Declaration, each Unit Owner shall have, in common with all other Unit Owners, an easement for the use of the General Common Elements.

16.2 Each Unit Owner shall have, in common with all other Unit Owners, an easement for ingress and egress through the Residential Section and the Non-Residential Section as the case may be, and for the use of any Common Element, to the extent necessitated by an emergency, including, but not limited to, an easement by the Unit Owners for emergency access through and over the fire stairs in the Building.

16.3 Each Residential Unit Owner shall have, in common with all other Residential Unit Owners, and each Residential Unit shall be subject to, an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the Residential Common Elements or Residential Limited Common Elements located in, over, under, through or upon any Residential Unit, any Common Elements or elsewhere on the Property and (b) to maintain any encroachment on any Residential Unit or Common Elements resulting from the repair, alteration, rebuilding,

restoration or replacement of the Residential Units, the Residential Common Elements or the Residential Limited Common Elements; provided that access to any Residential Unit or the Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with or adversely affect the normal conduct of business of the tenants and occupants of the Non-Residential Section or with the use of the any Unit for its permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of an emergency.

16.4 Each Non-Residential Unit Owner shall have, in common with all other Non-Residential Unit Owners, and each Unit shall be subject to, an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements located in, over, under, through or upon any Unit, any Common Elements or elsewhere on the Property and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of any Non-Residential Unit or the Non-Residential Common Elements; provided that access to any Unit or the Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the use of any Unit for its permitted purposes. Such entry shall be permitted on not less than five (5) business days' notice, except that no notice will be necessary in the case of an Emergency.

16.5 Each Unit shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

16.6 Declarant, Sponsor, the Non-Residential Unit Owners and their successors and assigns shall, to the extent permitted by law, have an easement to erect, maintain, repair and replace, from time to time, one or more signs on the Property (other than on the exterior walls of the Building surrounding Units not owned by the party erecting the sign) for the purposes of advertising (i) the sale or lease of any Unsold Residential Unit, the sale or lease of all or any portion of the Hotel Unit and (ii) the operation of any business of a tenant or occupant of all or any portion of the Hotel Unit or of any Unsold Residential Units, as the case may be. The Non-Residential Unit Owners and their successors and assigns shall have an easement to erect, maintain, repair and replace from time to time, lights and lighting fixtures on the Common Elements of the Condominium.

16.7 Declarant or Sponsor for so long as they shall own any Unsold Residential Unit, the Non-Residential Unit Owners with respect to the Non-Residential Units, and the Condominium Board, on behalf of all Unit Owners, shall have the right to grant such additional electric, gas, steam, ventilation, 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 Declarant, Sponsor, the Non-Residential Unit Owners 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, or to complete the Building pursuant to the Plan, provided that the granting of such additional utility easements or the relocation of existing utilities will not prevent or unreasonably interfere with or adversely affect the normal conduct of business carried on within the Non-Residential Units or with the use of the Residential Units for

their permitted purposes, and shall not result in the imposition of any mechanic's lien against any of the Units. Any 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 or adversely affect the Non-Residential Units 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.

16.8 Declarant, Sponsor, the Hotel Unit Owner, Residential Board, the Restaurant Unit Owner and the Retail Unit Owner shall have, and the Units and Common Elements shall be subject to, an easement, (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace (i) satellite dishes and similar equipment on the roof of the Building and the conduit and other Facilities relating thereto, other than those portions of the roof which constitute Residential Common Elements or Residential Limited Common Elements, and (ii) ventilation shafts from the Non-Residential Units on the exterior of the Building, and (b) to maintain any encroachment on any Unit, any Common Elements or elsewhere on the Property resulting from the installation, operation, maintenance, repair, alteration, rebuilding, restoration or replacement thereof; provided that access to any Unit or Common Element in furtherance of such easement shall be exercised in a manner as will not unreasonably interfere with or adversely affect the normal conduct of business of the tenants and occupants of the Non-Residential Section or with the use of the Residential Units for their permitted purposes. Such entry shall be permitted on not less than five (5) business days' notice, except that no notice will be necessary in the case of an Emergency.

16.9 In addition to the foregoing, the following easements shall remain in effect as long as the Building remains a condominium:

16.9.1 The Condominium Board and the Hotel Unit Owner shall have an easement through the ceiling of the Non-Residential Units and the Residential Section for the upgrade, installation, repair, replacement or maintenance of the Building's HVAC pipes and riser control valves and HVAC Common Elements and Hotel-Residential Common Elements, respectively; the pipes to the bathrooms and kitchens; and wiring.

16.9.2 The Residential Board, Sponsor, Declarant, and Non-Residential Board shall have an easement through the Non-Residential Units for: water and sewer lines, vents and drains; fire sprinklers; electrical lines from the switchgear; telephone and electrical lines; HVAC conditioned water and distribution pipes; natural gas pipes; drain lines and electrical service, subject to the approval of the Condominium Board, which shall not be unreasonably withheld, conditioned or delayed.

16.10 The Condominium and the Building shall be designated and known as "Bryant Park South Condominium." For so long as the original Hotel Unit Owner owns the Hotel Unit, only the original Hotel Unit Owner shall have the right to change the name of the Building, subject to the consent of the Condominium Board, which consent shall not be unreasonably

withheld, conditioned or delayed, provided, however, that while the Sponsor owns any Residential Units the name of the Condominium and the Building cannot be changed without the approval of the Sponsor. If the original Hotel Unit Owner no longer owns the Hotel Unit, the new Hotel Unit Owner shall have the right to change the name of the Hotel Unit and the Residential Condominium Board shall have the right to change the name of the Residential Section.

16.11 Declarant, Sponsor and their respective contractors, employees and agents for so long as Declarant or Sponsor shall own any Unsold Residential 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 Residential Units; provided that access to any Unit or Common Element in furtherance of such easement shall be exercised in a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants or in any way adversely affect the Non-Residential Units or Section or with the use of the Residential Units for their permitted purposes. Such entry shall be permitted on not less than five (5) business days' notice, except that no notice will be necessary in the case of an Emergency.

16.12 Each Master Unit Owner (to the extent applicable to such Master Unit), shall have an easement without the necessity of obtaining consent of any Board and/or Unit Owners over any part of the Property, including each Unit and the Common Elements (including, without limitation, the stairways, walkways, elevators, vestibules, and other public spaces within the Property) for purposes of access to and for all purposes in connection with the installation (whether on Common Elements or within its Master Unit, inspection, maintenance, repair, operation, improvement or use of any of the following serving a Master Unit: flues and/or ducts, security system (including, without limitation, any and all cables and electrical lines as may be desirable in connection with the installation, maintenance, repair and/or replacement of telecommunications or similar equipment) heating, air conditioning systems and devices and exhaust and ventilation fans, systems and devices, in each case, located or to be located anywhere on the Property.

16.13 All easements and rights of access described in this Article shall be exercised by the party or parties entitled to exercise such easements or rights of access (the "Exercising Party") in such manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Units or with the use of the Units for their permitted purposes, and each Unit Owner whose Unit is subject to the easements and rights of access described in this Article shall be reimbursed by the Exercising Party for reasonable actual out-of-pocket costs to repair damage (but not consequential damage) incurred by said Unit Owner (the "Impacted Owner") to repair the Impacted Owner's Unit and any additional security measures incurred by the Impacted Owner as a result of the exercise of the easement and right of access hereunder (the "Access Costs"). All entries made pursuant to the easements granted in this Article shall be permitted on reasonable notice, but in no less event than five (5) business days' notice to the Unit Owner, except that no notice will be necessary in the case of an Emergency in which event, the Exercising Party shall give such notice (which may be verbal) as is practicable given the nature of the Emergency. The Exercising Party shall reimburse the Impacted Owner within thirty (30) days of demand therefor, for the Impacted Owner's Access Costs, which demand shall be

accompanied by reasonable evidence of such Access Costs. In the event the Exercising Party fails to pay the Access Costs within said thirty (30) day period, the Impacted Owner shall be entitled to interest on the Access Costs at the Default Rate, together with all rights at equity and at law. To the extent the Condominium Board is responsible for any costs and expenses, including, without limitation, under this Article, such costs shall be allocated to the Unit Owners as Common Expenses. Notwithstanding the foregoing, if the exercise of the easements and rights of access described in this Section is required in order to remove or cure a violation or to cure a default hereunder or under the Declaration caused by the Impacted Owner or any rules and regulations adopted by the Condominium Board, or for the purpose of correcting any conditions originating in such Unit Owner's Unit and threatening another Unit or all or any part of the Common Elements, such Impacted Owner shall be responsible for all costs and expenses in connection with such exercise and access and any work performed in connection therewith, all of which shall be Impacted Owner Expenses and the Impacted Owner shall not be entitled to reimbursement for Access Costs. Any dispute by and among any Unit Owners and/or the Condominium Board as to the nature, scope or interpretation of the costs contained in this Article shall be resolved by Arbitration.

16.14 All Permitted Users shall have a right and easement to use the ramps, stairways, entrances and exits constituting General Common Elements and any replacements thereof for the sole purpose of providing all Permitted Users a means of ingress and egress to and from the Land and its respective Unit and an approach to and from the public street subject to compliance with the provisions of the By-Laws.

16.15 The Condominium Board, the Residential Board and the Non-Residential Unit Owners shall have an easement to install, utilize, operate, Maintain, expand and relocate within the General Common Elements any utilities servicing the Units and/or the General Common Elements including, without limitation, all pipes, wires, ducts, cables, conduits, lines, service, connections and other apparatus and equipment for any electricity, gas, steam, heat, water, sewerage, telephone, cable, and other communications facilities as are reasonably necessary or desirable to provide all utility services required by the Unit Owners or as may be required by Law or by the utility companies providing such services (the "Utility Facilities"), together with a non-exclusive or an exclusive right and easement, as the case may be, to utilize and receive services from the Utility Facilities. Notwithstanding anything to the contrary set forth herein, in no event shall any Unit Owner be permitted to utilize the risers in such amounts that would leave another Unit Owner with insufficient riser capacity for the normal operations of its Unit. Any dispute by and among the Unit Owners as to the provisions contained in this Section 16.15 shall be resolved by Arbitration.

16.16 All individuals shall have a right of emergency egress through passageways, emergency stairways and exits contained within any Unit, Limited Common Element or General Common Element, and each Unit shall be subject to the rights of all individuals to use such passageways, stairways and exits for emergency egress.

16.17 Declarant, the Sponsor and the Owner of the Non-Residential Units shall have all the rights contained in the Offering Plan to complete construction of the Building including the Units and the Common Elements.

ARTICLE 17
POWER OF ATTORNEY TO THE BOARDS

17.1 Each Residential Unit Owner shall grant to the persons who shall from time to time constitute the Residential Board an irrevocable power of attorney, coupled with an interest (in such form and content as the Residential Board shall determine) following due authorization (if required) from the Residential Unit Owners (a) to acquire or lease any Residential Unit, together with its Appurtenant Interests (as defined hereinafter), whose owner desires to sell, convey, transfer, assign, lease or surrender the same, or which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental, as the case may be, as the attorneys-in-fact deem proper, in the name of the Residential Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Residential Units so acquired, or to sublease any Residential Unit so leased, without the necessity of further authorization by the Residential Unit Owners, on such terms as the attorneys-in-fact may determine, (b) to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units, including retaining counsel and taking any other actions which the Residential Board deems necessary or appropriate and (c) to execute, acknowledge and deliver any declaration or other instrument affecting the entire Residential Section which the Residential 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 entire Residential Section or any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the entire Residential Section or the Common Elements which the Residential Board deems necessary or appropriate.

17.2 In addition, each Unit Owner shall grant to the Sponsor and to each Master Unit Owner an irrevocable power of attorney coupled with an interest and granted for valuable consideration, to execute, acknowledge and deliver any application, declaration, document or other instrument affecting the Condominium that Sponsor and/or its designees or such Master Unit Owner deems necessary or appropriate to comply with any Law, zoning resolution, or requirement of the Department of Buildings, or any other governmental authority applicable to the rehabilitation, maintenance, demolition, alteration, restoration, or repair of the Property or any part thereof.

17.3 Each Unit Owner shall grant to Sponsor and Non-Residential Unit Owners a power of attorney to amend the Condominium Declaration and to effectuate the rights granted to the Sponsor and Non-Residential Unit Owners under the Declaration and By-Laws and the Plan including the power to execute the Required Documentation, provided the Sponsor's and Non-Residential Unit Owners' actions are consistent with the terms of the Declaration and By-Laws.

ARTICLE 18
ACQUISITION OF RESIDENTIAL UNITS BY THE RESIDENTIAL BOARD

18.1 If (a) any Residential Unit Owner surrenders his or her Unit, together with (i) the undivided interest in the Residential Common Elements, the Residential Limited Common Elements and the General Common Elements appurtenant thereto, (ii) the interest of such Unit Owner in any other Units theretofore acquired by the Residential Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners or the proceeds of the sale or lease thereof, if any, and (iii) the interest of such Unit Owner in any other assets of the Residential Section or the Condominium (such interests in (i), (ii) and (iii) being hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the Condominium Act, (b) the Residential Board, pursuant to Article 9 of the By-Laws, acquires or leases a Residential Unit, together with the Appurtenant Interests, or (c) the Residential Board purchases, at a foreclosure or other similar sale, a Residential Unit, together with the Appurtenant Interests, then, in any such event, title to any such Residential Unit, together with the Appurtenant Interests, shall be held by the Residential Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, in proportion to their respective interests in the Common Elements. The lease or sublease covering any Residential Unit leased or subleased by the Residential Board or its designee shall be held by the Residential Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, in proportion to their respective interest in the Common Elements.

18.2 The Residential Board shall have the authority to purchase, on behalf of all Residential Unit Owners, a Residential Unit to be used as the residence of the resident manager of the Residential Section (the "Resident Manager") and, in such event, title to all or any such portion of the Residential Unit, together with its Appurtenant Interests, shall be held by the Residential Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, in proportion to their respective interests in the Common Elements (the "Resident Manager's Unit"). The Residential Board shall have the authority to borrow money and/or place a mortgage on the Resident Manager's Unit.

ARTICLE 19
COVENANTS RUNNING WITH THE LAND

19.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations which are annexed hereto and made a part hereof, including, without limitation, the provisions of this Article 19, 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 or her 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 Unit Owners, tenants, subtenants, licensees, and other occupants of Residential Units shall be subject to and shall comply with all applicable provisions of this Declaration, the By-Laws and the Residential Rules and Regulations, as they may be amended from time to time by the Residential Board. The

acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any Residential 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 Residential Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

19.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land 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.

19.3 Subject to Section 19.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 20
AMENDMENTS OF DECLARATION

20.1 All references in this Article 20 to the "Declaration" shall mean and include the Declaration and/or the By-Laws attached hereto (whether or not the By-Laws are expressly indicated). Subject to the provisions contained herein with respect to amendments, modifications, additions or deletions affecting Sponsor or its designee, each Master Unit Owner, or any Unsold Residential Units, or the Non-Residential Units or any Non-Residential Unit Owner and any rights of the mortgage holders (a) 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 taken in accordance with the provisions of the By-Laws; (b) any

provision of this Declaration benefiting, protecting or otherwise affecting only the Residential Section or the Residential Unit Owners may be added to, amended, modified or deleted by vote of at least 66-2/3% in number and in Common Interest of all Residential Unit Owners taken in accordance with the provisions of the By-Laws; provided, however, that the Common Interest appurtenant to each Residential Unit as expressed in this Declaration shall not be altered without the written consent of all Residential Unit Owners directly affected; and (c) any provision of this Declaration benefiting, protecting or otherwise affecting only the Non-Residential Section or the Non-Residential Unit Owners may be added to, amended, modified or deleted with only the consent of the affected Non-Residential Unit Owners and without the requirement of any consent of Residential Unit Owners or Board. No such amendment, modification, addition or deletion shall be effective until recorded in the City Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Sponsor or its designee, or any Unsold Residential Units, or the Non-Residential Units or any Non-Residential Unit Owner, any such amendment, modification, addition or deletion shall be executed by either (1) the Condominium Board as attorney-in-fact for the Unit Owners, coupled with an interest, which Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact or (2) the Residential Board as attorney-in-fact for the Residential Unit Owners, coupled with an interest, which Residential Board is hereby authorized by such Residential Unit Owners so to act as their attorney-in-fact or (3) the Non-Residential Unit Owners as attorney-in-fact for all Unit Owners. Subject to the foregoing provisions of this Section 20.1 and the rights of Sponsor or its designee, and the Non-Residential Unit Owners, Articles 8 and 9 of this Declaration may not be amended, modified, added to or deleted unless 80% in number and in Common Interest of all Unit Owners affected thereby, or if only the Non-Residential Units are affected, majority in number and 80% in Common Interest of such Non-Residential Unit Owners, or if only Residential Units are affected, 80% in number and in Common Interest of such Residential Unit Owners, approve such amendment, modification, addition or deletion in the manner set forth above. Notwithstanding anything contained in the Condominium Documents, no amendment may be made that has an adverse impact on a Non-Residential Unit Owner or Non-Residential Units without the consent of the affected Non-Residential Unit Owner.

20.2 If the number of rooms in an Unsold Residential Unit is changed, or the use, size and/or number of Unsold Residential Units is changed (whether as a result of a subdivision or combination of Unsold Residential Units or alteration of boundary walls between Unsold Residential Units, or otherwise) and the appurtenant percentage interests of Units in the Common Elements are reapportioned as a result thereof, all in accordance with Article 10 hereof, then Sponsor or its designee causing such changes shall have the right to execute, or (upon its request) to require any other Unit Owner or any Board to execute, and record in the City Register's Office and elsewhere, if required by law, an amendment to this Declaration (together with such other documents as Sponsor or its designee causing such changes deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold Unit or in the use, size and/or number of Unsold Residential Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage interests of Units in the Common Elements resulting therefrom, all without the approval of any Board or the Unit Owners. In addition, if any Residential Unit Owner other than Sponsor or its designee causing such changes is given the right by the Residential Board to make the changes described in this

Section 20.2 with respect to such Unit Owner's Residential Unit or Residential Units, all in accordance with Article 10 hereof, then such Residential Unit Owner shall have the right to require the Residential (or Condominium) Board to execute, and record in the City Register's Office and elsewhere, if required by law, any amendment to this Declaration and other documents which are necessary or appropriate (in the reasonable judgment of the Residential (or Condominium) Board) to reflect the changes made by the Residential Unit Owner, all without the approval of any Board, other Unit Owners or the Residential Mortgage Representatives, if any. Nothing contained in this Section shall be construed to mean that the Common Interest appurtenant to any Unit not subject to any change may be reapportioned without the written consent of the Owner of such Unit.

20.3 If (a) the number of rooms in any Non-Residential Unit or the size of any Non-Residential Unit is changed and the percentage interest in the Common Elements appurtenant to such Non-Residential Unit belonging to the Owner causing such change is reapportioned among any newly created Non-Residential Units resulting from any subdivision of the Non-Residential Unit, any combining of the Non-Residential Units or of any Units resulting from a subdivision, any alteration of the boundary walls between Non-Residential condominium Units, or otherwise, or (b) a Non-Residential Common Element is designated as part of newly created Non-Residential Units or part of a Non-Residential Unit is designated as a newly created Non-Residential Common Element, all in accordance with Article 11 hereof, then the Non-Residential Unit Owner causing such changes shall have the right to execute, or (upon request) to require any Board or Unit Owner to execute, and record in the City Register's Office, and elsewhere, if required by law, an amendment to this Declaration together with such other documents as the Non-Residential Unit Owner deems appropriate to effectuate the same reflecting (i) such change in the number of rooms in or size of any Non-Residential Unit, the subdivision of the Non-Residential Units into separate Non-Residential Units, the combination of the Non-Residential Units or of any newly created Non-Residential Units resulting from a subdivision, the alteration of boundary walls between Non-Residential Units, or otherwise, and the reapportionment of the percentage interests in the Common Elements among such newly created Non-Residential Units or (ii) such designation of a Non-Residential Common Element as part of newly created Non-Residential Units or such designation of part of a Non-Residential Unit as a newly created Non-Residential Common Element, all without the approval of any Board, the Unit Owners or the Non-Residential or Residential Mortgage Representatives or Non-Residential Mortgage Representatives, if any. Nothing contained in this Section shall be construed to mean that the Common Interest appurtenant to any Unit not subject to any change may be reapportioned without the written consent of the Owner of such Unit.

20.4 Amendments, modifications, additions or deletions of or to this Declaration, the By-Laws and the Rules and Regulations may be necessary, appropriate or desirable in connection with the operation of the Non-Residential Units or with the subdivision, combination or alteration of the Non-Residential Units, or of any newly created Non-Residential Units and/or the offering for sale or lease of all or any portion of the Non-Residential Unit and in connection therewith the Non-Residential Unit Owner will cause this Declaration, the By-Laws and the Rules and Regulations to be so amended, modified, added to or deleted from and that the resulting provision thereof may be similar or dissimilar to those affecting the Residential Section and Residential Unit Owners. In the case of any such amendment, modification, addition or

deletion which does not adversely affect the Residential Section or the Residential Unit Owners, the Non-Residential Unit Owner shall be the attorney-in-fact for the Condominium Board, Residential Board, the Residential Unit Owners, coupled with an interest, for the purpose of approving and executing any instrument effecting such amendment, modification, addition or deletion.

20.5 The provisions of 20.1 and 20.2 may not be modified, amended, added to or deleted, in whole or in part, without the consent of Sponsor or its designee, or Master Unit Owner and the provisions of 20.1, 20.3, and 20.4, may not be modified, amended, added to or deleted, in whole or in part, without the consent of the Non-Residential Unit Owners.

20.6 A Master Unit Owner shall have the right to amend this Declaration only as to its Master Unit.

20.7 Notwithstanding anything to the contrary contained in Article 20 above:

20.7.1 No amendment shall be adopted which would: (i) unreasonably interfere with the sale, lease or other disposition of an Unsold Residential Unit; (iii) abridge, modify, suspend, eliminate or otherwise adversely affect any right, power, easement, privilege or benefit reserved to the Sponsor or its designee (as owner of a Unit); or (iii) impose any discriminatory charge or fee against the Sponsor or its designee, and no such amendment shall be effective against the Sponsor or such designee or their Units, unless the Sponsor or such designee shall, in each instance, consent thereto in each and every instance, by joining in the execution of such amendment;

20.7.2 No amendment shall be adopted which would abridge, modify, suspend, eliminate or otherwise adversely affect any right, power, easement, privilege or benefit expressly reserved for the Non-Residential Unit Owners and no such amendment shall be effective against such Non-Residential Unit Owners unless the Non-Residential Unit Owners shall consent thereto in each and every instance, by joining in the execution of such amendment;

20.7.3 No amendment shall be adopted which would change the permitted use of any Unit or such Unit's Common Interest and no such amendment shall be effective against such Unit or such Unit Owner, unless the Unit Owner of such affected Unit shall consent thereto by joining in the execution of such amendment.

20.8 The Non-Residential Unit Owners shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owner, Board, or Mortgage Representatives (if any), to execute, acknowledge and record (or, at the Non-Residential Unit Owner's sole option, to require any Board or any other Unit Owner to execute, acknowledge and record) in the City Register's Office and elsewhere, if required by applicable law, one or more amendments to this Declaration (including, without limitation, to the By-Laws), together with such other documents, plans and maps as the Non-Residential Unit Owner deems appropriate to effectuate same to reflect any changes in the Non-Residential Unit, including any reapportionment of the percentage interests in the Common Elements resulting therefrom, made by the Non-Residential Unit Owners in accordance with the terms of Article 11 hereof and to file any amended Floor

Plans for the Retail Unit as required by the New York Real Property Law Section 339-p in connection therewith and the filing along with said amendment to the Declaration and the Floor Plans, the verified statement of a registered architect or licensed professional engineer certifying that the plans being filed simultaneously with such amendment, fully and fairly depict the layout, location, unit designations and approximate dimensions of the particular Unit or Units as built, as provided in said Section 339-p of the Condominium Act; provided, however, that any such amendment shall not (a) change the Common Interest of any Unit other than the Non-Residential Unit owned by the Non-Residential Unit Owner or (b) require a physical modification of any Unit other than the Non-Residential Unit owned by the Non-Residential Unit Owner, unless the Unit Owner of such affected Unit consents thereto by joining in the execution of such amendment, or (c) 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 consents thereto by joining in the execution of such amendment.

20.9 The Sponsor shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, Board or the Mortgage Representatives (if any), to execute, acknowledge and record (or, at the Sponsor's sole option, to require the Boards or any other Unit Owners to execute, acknowledge and record) in the City Register's Office and elsewhere, if required by applicable law, one or more amendments to this Declaration (including, without limitation, to Exhibit B hereto), together with such other documents, plans and maps the Sponsor deems appropriate: (a) to reflect any change in the Unsold Residential Units and/or the reapportionment of the respective Common Interests of the affected Units resulting therefrom made by the Sponsor in accordance with the terms of Article 10 hereof and to file any amended Floor Plans required by the New York Real Property Law Section 339-p in connection therewith and the filing along with said amendment to the Declaration and the Floor Plans, the verified statement of a registered architect or licensed professional engineer certifying that the plans being filed simultaneously with such amendment, fully and fairly depict the layout, location, unit designations and approximate dimensions of the particular Unit or Units as built, as provided in said Section 339-p of the Condominium Act; or (b) if required by (i) an institutional lender designated by the Sponsor to make a loan secured by a mortgage on any Unsold Residential Unit, (ii) any governmental agency having regulatory jurisdiction over the Condominium or (iii) any title insurance company selected by the Sponsor to insure title to any Unit; *provided, however*, that any amendment made pursuant to the terms of this Section 20.10 shall not (x) change the Common Interest of any Unit other than a Unit owned by the Sponsor or (y) require a material, physical modification of any Unit other than a Unit owned by the Sponsor, unless the Unit Owner of such affected Unit consents thereto by joining in the execution of such amendment, or (z) 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 consents thereto by joining in the execution of such amendment. No such amendment, modification, addition or deletion shall be effective until recorded in the City Register's Office.

20.10 A copy of this Declaration and the By-Laws and any amendments thereto shall be filed with the New York State Department of State. Any amendment to this Declaration may be executed: (a) if on behalf of the Sponsor or Non-Residential Unit Owner, as the case may be, only by a person authorized by, or having authority to act on behalf of the Sponsor or Non-Residential Unit Owner, as the case may be; or (b) if on behalf of the Residential Unit Owners,

by the President or Vice President and the Secretary or an Assistant Secretary of the Condominium Board. If the amendment requires the approval of a specified 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 Certification, 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 Certification 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. Notwithstanding the foregoing, the Condominium Board shall sign and acknowledge any amendment permitted to be signed and acknowledged by the Sponsor or the Non-Residential Unit Owners, as the case may be, pursuant to this Declaration and the By-Laws, if requested to do so by the Sponsor or the Non-Residential Unit Owners. Any person authorized to sign, acknowledge and record an amendment to this Declaration is also authorized to cause to be properly certified and filed and/or recorded with the tax assessor (and other governmental authority having jurisdiction) and in the City Register's Office any appropriate amendments to the Floor Plans whenever required in connection with such amendment to this Declaration (such as in the case of an amendment to this Declaration) to reflect a Unit subdivision or Unit combination pursuant to Articles 10 or 11. A conformed copy of any amendment to the Condominium Documents shall be filed promptly with the Secretary or Assistant Secretary of the Condominium or the Condominium's Managing Agent by the applicable person recording the amendment and shall be made available by the Condominium Board at the Property or the office of the Managing Agent for inspection (without charge) and copying (at a reasonable charge) by all Unit Owners, Mortgage Representatives, if any, and prospective Purchasers, mortgage lenders or tenants of a Non-Residential Unit, and authorized representatives of each of the foregoing. Each person authorized to sign an amendment to this Declaration shall be deemed to execute such amendment as attorney-in-fact for the Unit Owners, coupled with an interest and granted for valuable consideration for such purpose.

ARTICLE 21
TERMINATION OF CONDOMINIUM

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws) until such time as withdrawal of the Property from the provisions of the Condominium Act is authorized by a vote of at least 80% in number and in Common Interest of all Unit Owners. No such vote shall be effective, however, (a) without the written consent (which consent shall not be unreasonably withheld, conditioned or delayed) of the Residential and Non-Residential Mortgage Representatives, if any, and (b) without the written consent of Sponsor, until such time as Sponsor and its designees have conveyed title to all Residential Units, provided that in no event shall Sponsor's consent be required more than five years after the date fee title to a Residential Unit is first conveyed to a purchaser by Sponsor or its designees pursuant to an offering plan. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by the Residential Board or the Non-Residential Board 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 or her 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 22
WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 23
CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

ARTICLE 24
CERTAIN REFERENCES

24.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural and vice versa, unless the context otherwise requires.

24.2 The terms "herein," "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used, unless the context otherwise requires.

24.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

24.4 When used in this Declaration or the By-Laws, the terms "now," the "date hereof" or the "date of this Declaration" shall mean the date on which this Declaration is filed in the Office of the New York City Register, New York County. The term "hereafter" when used in this Declaration or the By-Laws shall mean after the date on which this Declaration is filed in the Office of the New York City Register, New York County.

24.5 Whenever in the Declaration or the By-Laws the term "including" is used, it shall be deemed to mean "including, without limitation," whether or not so stated.

24.6 Wherever there is a requirement in the Declaration or the By-Laws that a consent or approval of a party hereto not be "unreasonably withheld" or words of similar import, such terms shall be construed as if followed by the phase "conditioned or delayed" whether or not so stated.

24.7 The term "laws" and/or "regulations of governmental authorities" and words of like import shall mean the laws, statutes, treaties, rules, codes, ordinances, regulations of any or

all of the federal, state, city, county and local governments and rules, regulations, orders and/or 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 Condominium, the Property or any part thereof, including Common Elements and the Units, and/or the direction of any public officer pursuant to any such laws, and, to the extent a Unit Owner and/or the Board, the Property or any part thereof, including any Unit of any part of the Common Elements, as the case may be, is bound thereby or subject thereto, any judgments, decrees, injunctions, writs, orders, notices of violation or like action of any such governmental authorities.

24.8 The term "requirements of insurance bodies" and words of like import shall mean rules, regulations, orders and other requirements of the New York Board of Fire Underwriters and/or the New York Fire Insurance Rating organization and/or any other body performing the same or similar functions and having jurisdiction or cognizance of the Condominium and/or the Property or any part thereof, including any Unit or any part of the Common Elements.

24.9 All references to the "By-Laws" in this Declaration shall include the Rules and Regulations promulgated thereunder, unless the context otherwise requires.

ARTICLE 25
SEVERABILITY

Subject to the provisions of 19.2 and 19.3, if any provision of this Declaration is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Declaration and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Declaration shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by law.

ARTICLE 26
COVENANT OF FURTHER ASSURANCES

26.1 Any party which is subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of any Board or otherwise (a "Noticed Party"), shall, upon prior reasonable written request at the expense of any such other party requesting the same (a "Requesting Party"), execute, acknowledge and deliver to the Requesting Party such instruments, in addition to those specifically provided for herein, and take such other action as the Requesting Party may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction (the "Required Action").

26.2 A Noticed Party must within ten (10) business days after its receipt of a written request for a Required Action, (a) take a Required Action or (b) object to taking a Required Action. In the event the Requesting Party does not take the Required Action or a Noticed Party does not object to same within the aforementioned ten (10) business days then, the Condominium Board is hereby authorized as attorney-in-fact for such Noticed Party or

Requesting Party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of the Requesting Party and such document or action shall be binding on such Noticed Party. Any objection by a Unit Owner as to whether or not a request pursuant to this Section 26.2 involves a "Required Action" shall be resolved by Arbitration. In the event the arbitrator determines that the action in question is a Required Action, then, the Condominium Board is hereby authorized as attorney-in-fact for the Noticed Party or the Requesting Party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name the Noticed Party or the Requesting Party and such document or action shall be binding on such Unit Owner or other party.

26.3 Each Unit Owner shall have the affirmative duty to maintain its respective Unit and its appurtenant Limited Common Elements in such a manner so as to reasonably prevent and avoid inflicting a deleterious effect upon the other Units, the Limited Common Elements, the General Common Elements or the Building. In the event any Unit Owner fails to make any payments required under the terms of this Declaration and the By-Laws or causes or permits any condition, or fails to take any action to prevent a condition, that has a deleterious effect on another Unit, any Limited Common Elements, the General Common Elements or the Building (the "Defaulting Unit Owner"), the Condominium Board or the Residential Board or Non-Residential Board as the case may be, shall give written notice to the Defaulting Unit Owner and to any recognized mortgagee in accordance with Article 8 of the By-Laws, including a request that the Defaulting Unit Owner take specific steps to ameliorate such a condition ("Remedy Notice"). If the Defaulting Unit Owner fails to remedy the condition within ten (10) days of the receipt of the Remedy Notice for a monetary default, thirty (30) days for a non-monetary default, or, if the condition is such that it cannot be remedied within the applicable period, fails to commence appropriate remedies, the Condominium Board or the Residential Board or Non-Residential Board as the case may be, after such notice period (or such shorter time that the Condominium Board reasonably determines is necessary to prevent irreparable damage in the event of an Emergency), enter into the Unit and effect a reasonable remedy, at the Unit Owner's sole cost and expense. In the event a Unit Owner reasonably believes another Unit Owner has caused, permitted, or failed to prevent a condition that has a deleterious effect on its Unit, the first Unit Owner may request that the Condominium Board or the Residential Board or Non-Residential Board as the case may be, send a Remedy Notice. If the respective Board fails or otherwise determines not to send the Remedy Notice, the Unit Owner shall have all rights to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such condition or breach and to seek reimbursement for any costs or expenses incurred in connection therewith. Any such costs or expenses or expenses expended by the respective Board or a Unit Owner as aforesaid shall be deemed Unit Owner Expenses as to which the respective Board will have the lien rights more particularly set forth in the By-Laws. Each Unit Owner and the respective Board shall indemnify, defend and hold harmless the other Unit Owners, Permitted Users and the respective Board (collectively, the "Indemnitees") from the gross negligence or willful misconduct of, or violations of the terms and conditions of the Declaration or the By-Laws by such Unit Owner or respective Board, however applicable, including, but not limited to, reasonable legal fees.

26.4 Notwithstanding anything to the contrary set forth herein, to the maximum extent permitted by law, the Declarant, Sponsor, Master Unit Owner, Hotel Unit Owner, and the Non-

Residential Unit Owners specifically disclaim all implied warranties of fitness for a particular purpose, merchantability and habitability, and all other implied or express warranties of any kind or character. To the extent any such additional warranties are imposed by statute and cannot be disclaimed, such warranties shall apply. However, to the extent such warranties can be disclaimed by law, including implied or express warranties of any kind or character, the same are specifically disclaimed. Without limiting the generality of the foregoing, the Declarant, Sponsor, Master Unit Owner, Hotel Unit Owner, and the Non-Residential Unit Owners hereby disclaim any and all express or implied warranties as to design, construction, view, light quality, sound and/or odor transmission, furnishing and equipping of the Condominium, the existence of molds, mildews, spores, fungi and/or other toxins within the Condominium, to the extent applicable and to the extent that same have not expired by their terms. In no event will the Declarant, Sponsor, Master Unit Owner, Hotel Unit Owner, and the Non-Residential Unit Owners be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise).

ARTICLE 27
SUCCESSORS AND ASSIGNS

Except as set forth herein or in the By-Laws to the contrary, the rights and/or obligations of Sponsor or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Sponsor or its designee as sponsor, or, with the consent of Sponsor or its designee, any transferee of some or all of the then Unsold Residential Units then owned by Sponsor or its designee, as the case may be. The rights and/or obligations of the Non-Residential Unit Owners as set forth herein shall inure to the benefit of and be binding upon any successors or assigns of the Non-Residential Unit Owners. Subject to the foregoing, Sponsor, its designee, and/or the Non-Residential Unit Owners, as the case may be, shall have the right, at any time, in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

ARTICLE 28
COVENANTS

Whenever the consent, approval, satisfaction or permission of Sponsor or its designee is required under this Declaration or the By-Laws, such consent, approval, satisfaction or permission will not be required when Sponsor no longer owns any Unsold Residential Units.

ARTICLE 29
INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Residential Unit Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans, are each incorporated herein by this reference and made a part of this Declaration as if set forth at length in the text hereof.

ARTICLE 30
STATEMENT REGARDING THE HOTEL UNIT AND HOTEL BRAND

30.1 The owner of the Hotel Unit may from time to time either own rights in, or enter into agreements providing it with rights in, certain trademarks, trade names and/or other intellectual property allowing for the association of the Hotel with a particular hotel brand or chain (such brand or chain, the "Hotel Brand"; and such intellectual property, the "Hotel Brand Intellectual Property"). Notwithstanding anything contained in the Condominium Documents, for so long as the Hotel Unit is associated with the Hotel Brand, the owner of the Hotel Unit and the Hotel Brand shall each have the right to require that the Hotel Unit (including, without limitation, the Common Elements) be operated, managed, Maintained, repaired and replaced at a minimum according to the standards of quality, service, character, appearance and image required by the Hotel Brand for hotels using the Hotel Brand Intellectual Property, as the same may be amended from time to time (the "Hotel Brand Standards"). In order to maintain Hotel Brand Standards imposed by the Hotel Name Rights Holder, the Hotel Name Rights Holder can insist that the Condominium Board is required to make repairs or replacements to the façade.

The referenced rights or agreements may be terminated or may expire without renewal, resulting in the removal of the Hotel Brand designation then in use from the Hotel Unit. The Hotel Brand Intellectual Property shall at all times remain the sole and exclusive property of the Hotel Brand. Under no circumstances shall the Hotel Brand Intellectual Property be deemed part of the Condominium or an appurtenance of any Unit. In no event shall the Condominium, the Condominium Board nor the Unit Owners have any right, title or interest in any name under which the Hotel Unit is operated or in any other of the Hotel Brand Intellectual Property, or in any licensing arrangement between the Hotel Brand and any other party. Each Unit Owner, by the terms of the Condominium Documents and/or by its acceptance of a deed to its Unit, acknowledges the Hotel Brand's rights in the Hotel Brand Intellectual Property and agrees (a) that it acquires no rights in or to the Hotel Brand Intellectual Property, (b) not to interfere with or contest in any way the Hotel Brand's rights in the Hotel Brand Intellectual Property, and (c) not to form, create or utilize (or attempt to form, create or utilize) in connection with the Unit, Condominium, or project, or any other real estate or hospitality project or venture, any entity whose name utilizes all or any portion of the Hotel Brand Intellectual Property. No Residential Units can be branded with a Hotel Brand without the consent of the Hotel Brand then associated with the Hotel Unit at the Building (which consent may be withheld in the Hotel Brand's sole and absolute discretion).

30.2 Sponsor may enter into certain agreements with the owner of the Hotel Brand that permit Sponsor, while such agreements are in effect, to use certain Hotel Brand Intellectual Property in connection with the initial sale and marketing of Units. Notwithstanding any other condition, statement, or understanding of any Unit Owner, the Condominium Board or any other person to the contrary, (i) the Hotel Brand shall not be deemed to, and has not acted as, the developer, architect, engineer, contractor, Sponsor, broker or marketer (or in any similar capacity) in connection with the project or the marketing or sale of the Units; and (ii) the Hotel Brand does not make, and shall not be deemed to have made, any representations or warranties of any nature whatsoever in connection with the project, creation of the Condominium or the marketing or sale of the Units.

30.3 No Unit Owner shall be deemed a third-party beneficiary of any agreements between Declarant (or any other owner of the Hotel Unit) and the Hotel Brand. The Hotel Brand shall be deemed a third-party beneficiary of the covenants contained in this Article 30. No amendment of this Article 30 shall be effective with respect to a Hotel Brand unless the applicable Hotel Brand at the time of the amendment has consented in writing to such amendment.

30.4 The Hotel Unit will make available certain hotel-type services to the Residential Unit Owners. These services will be the responsibility of the Hotel Operator to administer for those Residential Unit Owners who will be entitled to receive same at certain extra charges which will be paid by the Residential Unit Owner to the Hotel Operator. Such services will be subject to such rules and regulations and fees as may be imposed by the Hotel Operator in its sole and absolute discretion. These services presently include the following:

30.4.1 Housekeeping Service. A staff of housekeepers may be available on a part-time or full-time basis from an independent concessionaire or from the Hotel Operator for Residential Unit Owners who desire housekeeping services. Such service shall be coordinated through the concierge and will be provided in accordance with Hotel Standards.

30.4.2 Food Services. It is anticipated that food services will be available through the Hotel or other sources. If available, these services will be payable directly to the provider by the Unit Owner, tenant or occupant. Limited room service and catering service (featuring butlers and servers) may be offered by the operator of the Hotel subject to availability and advance notice, and with fees and delivery surcharges to be determined by the operator of the Hotel. Such service shall be provided in accordance with Hotel Standards.

30.5 Residential Unit Owners and Permitted Users (hereinafter defined) shall be granted access to and use of the Hotel Services. The Hotel Services include access to and use of the health club ("Health Club") and all services offered therein (collectively, the "Hotel Amenity Facility"). If any Health Club services are offered within individual Hotel rooms (whether by Hotel Manager or a third party provider), then Hotel Manager will cause, at the Residential Unit Owner's sole cost and expense, such services to be similarly provided to Permitted Users in their Residential Unit in accordance with the Hotel Standard and except as specifically set forth herein to the contrary, on the same terms and conditions as offered to guests of the Hotel Section; provided however, the Hotel Manager may utilize a third party provider to provide any such services (i.e., personal training or other services) to Permitted Users within the Residential Units, subject to such services being provided by such third party provider in accordance with the Hotel Standard. For the first two years after the purchase of an Unsold Unit from Sponsor, a Residential Unit Owner or its Permitted Users shall have access to the 6th Floor club of the Hotel (the "Terrace Club") at no charge. After such two year period, Residential Unit Owners will be permitted to pay for access to the Terrace Club to the extent it exists at market rate fees or costs. "Permitted User" means a Residential Unit Owner, its beneficial owners (if a legal entity), tenants, sub-tenants, guests, all immediate family members (provided that children under the age of sixteen (16) of Permitted Users are accompanied by an adult Permitted User) of such parties (as to each of the foregoing, to the extent such individuals are actually occupying the Residential Unit at the time of such use of the Hotel Services). Residential Unit Owners shall pay their

Common Interest percentage of the costs for operation and maintenance of the Health Club. Visitors of the Hotel Unit will not have the right to use the Residential Common Elements.

30.6 The Hotel will be operated in accordance with Hotel Standards. The lobby of the Hotel will be built to mimic the lobby of the Residential Units in the degree of cost, luxury, layout, and style with similar finishes, except to the extent necessary to be somewhat tempered. The elevators for the Hotel will be of the same standard as the elevators for the Residential Units.

30.7 The use, occupancy, marketing, advertisement or promotion of the Hotel Unit or any portion thereof under timeshare or fractional ownership or other condominium equivalent sales of portions of the Hotel Unit (other than sales pertaining to uses ancillary to hotel use, such as retail/restaurant use) is prohibited before the earlier to occur of (a) the sale of 85% of the Residential Units and (b) three (3) years from the commencement of such sales of the Residential Units.

30.8 The Restaurant Unit will be run by a high end restaurateur and will provide dining services to the Residential Unit Owners.

30.9 Notwithstanding anything to the contrary, the portion of all curtains, drapes, blinds or other window treatments visible from the exterior of the Building must be light gray to give the Building a uniform exterior appearance and must be in compliance with the Hotel Brand Standards.

30.10 The Hotel Unit Owner will be obligated to ensure compliance with the provisions of this Article 30 applicable to the Hotel Unit. The Restaurant Unit Owner will be obligated to ensure compliance with the provisions of this Article 30 applicable to the Restaurant Unit. The Condominium Board or the Residential Board will each have the right to enforce the obligations of the Hotel Unit Owner and/or Restaurant Unit Owner pursuant to this Article 30.

[Remainder of page left intentionally blank.]

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the ____ day of _____, 20___.

DECLARANT:

20 WEST 40 BRYANT PARK OWNER LLC

By: _____
Name:
Title:

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the ___ day of ____ in the year 20__, before me, the undersigned personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(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

Bryant Park South Condominium
16 West 40th Street, New York, New York 10018
Block 841

EXHIBIT A

LEGAL DESCRIPTION

EXHIBIT B

Unit	%
Hotel	
Residential	
Restaurant	
Retail	

EXHIBIT C

DEFINITIONS

All section references set forth in this Exhibit C shall refer to provisions of the Declaration unless otherwise specified.

"Access Costs" shall have the meaning ascribed thereto in Section 16.13 of the Declaration.

"Adversely affect", 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 Owners, that such action or change could, if realized, (i) increase the Common Charges payable by such Unit Owner or Owners, (ii) materially interfere with such Unit Owner's access to its Unit or Units, (iii) obstruct or degrade the view from the windows of such Unit Owner's Unit, (iv) otherwise materially diminish such Unit Owner's use and enjoyment of its Unit or Units, (v) decrease voting rights of such Unit Owner or Unit Owners, (vi) adversely affect Building services available to the Unit or Units, (vii) adversely affect a Unit Owner's access to the Common Elements, or (viii) adversely affect a Unit Owner's right to sell, lease or transfer a Unit.

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

"Allocable Percentage" refers to each Unit Owner's allocable share of the distribution of certain proceeds, expressed as a numerical percentage, where expressly stated to be the method of allocation in the Declaration and/or the By-Laws.

"Alteration" shall have the meaning ascribed thereto in Section 6.15.1 of the By-Laws.

"Annual Budget" shall have the meaning ascribed thereto in Section 6.1.9 of the By-Laws.

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

"Arbitration" refers to the process described in Article 12 of the By-Laws.

"Architect" shall have the meaning ascribed thereto in Section 6.3.1.2 of the By-Laws.

"Architect Casualty Allocation Ratio" shall have the meaning ascribed thereto in Section 6.3.5 of the By-Laws.

"Architect Taking Allocation Ratio" shall have the meaning ascribed thereto in Section 10.8 of the By-Laws.

"Award" shall have the meaning set forth in Section 9.1 of the By-Laws.

"Boards" refers to the Condominium Board, the Residential Board, and the Non-Residential Board.

"Budget" shall have the meaning ascribed thereto in Section 6.1.11 of the By-Laws.

"Building" shall have the meaning ascribed thereto in Section 1.1 of the By-Laws.

"Building System" refers to any of the systems in the Building providing heat, sprinkler, water, electric, steam, gas, sewer and fire protection or similar services serving more than one Unit or the Common Elements.

"By-Laws" or "Condominium By-Laws" refers to the By-Laws governing the operations of the Condominium, the form of which is attached to this Declaration.

"Capital Budget" shall have the meaning ascribed thereto in Section 6.1.10 of the By-Laws.

"Casualty Estimate" shall have the meaning ascribed thereto in Section 6.3.5 of the By-Laws.

"Certificate of Occupancy" means a temporary or permanent certificate of occupancy, as the context may indicate, issued by the New York City Department of Buildings permitting occupancy of the Building.

"Certifying Professional" shall have the meaning ascribed thereto in Section 6.3.5 of the By-Laws.

"Charges" shall have the meaning ascribed thereto in Section 6.6 of the By-Laws.

"City" refers to the City of New York.

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

"Closing" refers to the time, place and procedure by which fee title to the Residential Unit in question is conveyed to a Purchaser pursuant to a fully executed Agreement.

"Closing Date" with respect to any Unit refers to the date on which Closing occurs with respect to such Unit.

"Common Charges" refer to the aggregate of General Common Charges, Non-Residential Common Charges and Residential Common Charges.

"Common Elements" refer to the General Common Elements, the Residential Common Elements, the Residential Limited Common Elements, the Hotel Common Elements, the Restaurant Common Elements, the Retail Common Elements, the HVAC Common Elements, the Hotel-Residential Common Elements and the Non-Residential Common Elements.

"Common Element Work" shall have the meaning ascribed in Section 6.12.1 of the By-Laws.

"Common Expenses" refer to the costs and expenses incurred from General Common Elements, the Residential Common Elements, the Residential Limited Common Elements, the Hotel Common Elements, the Restaurant Common Elements, the Retail Common Elements, the HVAC Common Elements, the Hotel-Residential Common Elements and the Non-Residential Common Elements.

"Common Interest" refers to the proportionate undivided interest, expressed as a numerical percentage, in the Common Elements appertaining to each Unit determined in accordance with the Declaration. The Common Interest is the basis of determining, among other things, a Unit Owner's (a) voting power, and (b) share of any distributions upon termination of the Condominium.

"Condemnation Estimate" shall have the meaning ascribed thereto in Section 10.8 of the By-Laws.

"Condominium" refers to Bryant Park South Condominium.

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

"Condominium Board" refers to the overall board of managers of the Condominium Board comprised of representatives of the Residential Board, the Hotel Unit Owner, the Restaurant Unit Owner and the Retail Unit Owner.

"Condominium Board or the Residential Board or Non-Residential Board, as the case may be" shall mean the Condominium Board as to all Units or Unit Owners or the Residential Board as to the Residential Units or the Residential Unit Owners or the Non-Residential Board as to the Non-Residential Units or the Non-Residential Unit Owners.

"Condominium Documents" refers to this Declaration and By-Laws and any other documents governing the Condominium.

"Consumer Price Index" shall have the meaning ascribed thereto in Section 13.8 of the By-Laws.

"Contractor" shall have the meaning ascribed thereto in Section 6.3.1.2 of the By-Laws.

"Declarant" refers to 20 West 40 Bryant Park Owner LLC, a Delaware limited liability company, and its successors and assigns.

"Declarant and/or its designee(s)", "Declarant or a designee of Declarant" or similar terms refers to Declarant and any designee of Declarant and any successor and assignee of the Declarant.

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

"Defaulting Unit Owner" shall have the meaning ascribed thereto in Section 26.3 of the Declaration.

"Default Rate" shall mean the Prime Rate plus four percent (4%) per year.

"Depositary" shall have the meaning ascribed thereto in Section 13.5 of the By-Laws.

"Development Rights" shall have the meaning ascribed thereto in Section 2.3 of the Declaration.

"Development Rights Purchaser" shall have the meaning ascribed thereto in Section 2.3 of the Declaration.

"Emergency" refers to any situation where the applicable Person, in its reasonable judgment, concludes that a particular action (including, without limitation, the expenditure of funds) is immediately necessary (i) to avoid material damage to all or any material portion of the Building or Property, (ii) to protect any person from harm, or (iii) to avoid the unforeseen and unforeseeable suspension of any necessary material service in or to the Building or the Property, the failure of which service would have a material and adverse effect on the operations of the Building, the Building or Property.

"Emergency Repairs or Replacements" shall mean repairs or replacements to the Building to abate an Emergency.

"Excess Net Award is defined in Section 10.9 of the By-Laws.

"Executive Committee" shall have the meaning ascribed thereto in Section 2.17 of the By-Laws.

"Exercising Party" is defined in Section 16.13 of the Declaration.

"Facility" and "Facilities" have the meanings contained in Section 8.1.2 of the Declaration.

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

"First Residential Unit Conveyance" shall have the meaning ascribed thereto in Section 4.6 of the Declaration.

"Floor Plans" refer to the floor plans of the Building, as the same may be amended from time to time, which are approved by the Real Property Assessment Bureau of The City of New York and filed with the City Register's Office.

"Full Replacement Cost" shall have the meaning ascribed thereto in Section 6.2.1 of the By Laws.

"General Common Charges" refer to common charges and assessments payable to the Condominium Board by the Residential Board and the Non-Residential Unit Owners for the purpose of meeting General Common Expenses.

"General Common Elements" is defined in Section 8.1.1 of the Declaration.

"General Common Expenses" refer to costs and expenses incurred or projected in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the General Common Elements.

"General Rules and Regulations" refer to the Rules and Regulations prepared by the Condominium Board.

"Hazardous Substances" shall have the meaning ascribed thereto in Section 6.16.9 of the By-Laws.

"Hotel" means the hotel operating in the Hotel Unit.

"Hotel Brand" shall have the meaning ascribed thereto in Section 30.1 of the Declaration.

"Hotel Brand Intellectual Property" refers to certain trademarks, trade names and/or other intellectual property allowing for the association of the Hotel with a particular brand or chain.

"Hotel Brand Standards" shall have the meaning ascribed thereto in Section 30.1 of the Declaration.

"Hotel Common Elements" refers to those Limited Common Elements which serve or benefit exclusively the Hotel Unit and/or the Hotel Unit Owner.

"Hotel-Residential Common Elements" refers to those Limited Common Elements which exclusively serve or benefit both of the Hotel Unit and the Residential Section.

"Hotel Manager" or "Hotel Operator" shall refer to the person or entity hired by the Hotel Unit Owner to manage the operation of the Hotel Unit at the time in question.

"Hotel Name Rights Holder" refers to the individual or entity that licenses the Hotel Brand to the Hotel Unit Owner.

"Hotel-Residential Common Elements" shall have the meaning ascribed thereto in Section 8.1.1 of the Declaration.

"Hotel Section" shall have the meaning ascribed thereto in Section 4.2 of the Declaration.

"Hotel Standards" shall mean standards for a "four star boutique hotel."

"Hotel Unit" refers to the Unit located in portions of the Sub Cellar, Cellar and First through 14th Floors.

"Hotel Unit Owner" shall have the meaning ascribed thereto in Section 4.1 of the Declaration.

"HVAC Common Elements" shall have the meaning ascribed thereto in Section 8.9 of the Declaration.

"HVAC Costs" refer to the costs and expenses incurred from the HVAC Common Elements.

"Impacted Owner" shall have the meaning ascribed thereto in Section 16.13 of the Declaration.

"Indemnitees" shall have the meaning ascribed thereto in Section 26.3 of the Declaration.

"Initial Control Period" shall have the meaning ascribed thereto in Section 3.9.3 of the By-Laws.

"Initial Non-Residential Grantee" shall have the meaning ascribed thereto in Section 4.2 of the Declaration.

"Initial Residential Grantee" shall have the meaning ascribed thereto in Section 4.3 of the Declaration.

"Inspectors of Election" shall have the meaning ascribed thereto in Section 3.8.5 of the By-Laws.

"Institutional Non-Residential Mortgages" shall have the meaning ascribed thereto in Section 6.16 of the By-Laws.

"Institutional Residential Mortgages" shall have the meaning ascribed thereto in Section 6.16 of the By-Laws.

"Insurance Requirements" shall be defined as the requirements of the Condominium Board, a Unit Owner or a tenant to obtain insurance under the By-Laws, a lease or a Permitted Mortgage, as the case may be, provided in all events such requirements shall be the greater of the requirements imposed under any of the aforementioned as applicable to such Person.

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

"Law" or "Laws" refers to laws and ordinances of any or all of the federal, state, city, county and borough governments and rules, regulations, orders and directives of any or all

departments, subdivisions, bureaus, agencies or offices thereof, or of any other governmental, public or quasi-public authorities, having jurisdiction over the Property, the Land, the Building, and Unit or any portion of any of the foregoing, any requirements or conditions of any licenses, permits, approvals or certificates issued by any of the foregoing, the direction of any public officer pursuant to law, and the requirements and conditions of any easement, covenant, restriction, condition or other encumbrance that is binding upon the Property or the applicable portion thereof.

"Legal Requirements" shall mean all laws, statutes, codes, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements of all governments, departments, commissions, boards, courts, authorities, agencies, officials and officers, foreseen and unforeseen, ordinary or extraordinary, which now or at any time hereafter may be applicable to the Property, or any part thereof.

"Liening Unit Owner" shall have the meaning ascribed thereto in Section 6.27 of the By-Laws.

"Limited Common Elements" shall have the meaning ascribed thereto in Section 8.1.1 of the Declaration .

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

"Major Deliveries" shall have the meaning ascribed thereto in Section 6.17.5 of the By-Laws.

"Major Work" shall have the meaning ascribed thereto in Section 7.1.1 of the By-Laws.

"Majority of Residential Unit Owners" shall have the meaning ascribed thereto in Section 3.10 of the By-Laws.

"Majority of Unit Owners" shall have the meaning ascribed thereto in Section 3.10 of the By-Laws.

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

"Master Unit" shall have the meaning ascribed thereto in Section 6.7 of the Declaration.

"Master Unit Owner" shall have the meaning ascribed thereto in Section 6.7 of the Declaration.

"Mortgagee" shall have the meaning ascribed thereto in Section 8.7.1 of the By-Laws.

"Net Award" shall have the meaning set forth in Section 10.1 of the By-Laws.

"Net Proceeds" shall have the meaning ascribed thereto in Section 6.3.5 of the By-Laws.

"Non-Major Deliveries" shall have the meaning ascribed thereto in Section 6.17.5 of the By-Laws.

"Non-occupying owner" shall have the meaning ascribed thereto in Section 6.7 of the By-Laws.

"Non-Residential Board" refers to the Board of Managers representing the Non-Residential Unit Owners.

"Non-Residential Common Elements" shall have the meaning ascribed thereto in Section 8.1.1 of the Declaration.

"Non-Residential Mortgage Representative" shall have the meaning ascribed thereto in Section 8.5.1 of the By-Laws.

"Non-Residential Section" refers to the Non-Residential Units and Non-Residential, Hotel, Restaurant and Retail Common Elements.

"Non-Residential Units" refers to the Hotel Unit, the Restaurant Unit and Retail Unit in the Cellar 1, Sub Cellar, on the First Floor and on the 2nd through 14th Floors containing approximately 98,267 square feet and, to the extent the Non-Residential Units are further divided, the Non-Residential Units shall refer to all of the Units resulting from the subdivision of the Non-Residential Units.

"Non-Residential Unit Owners" refer to the owners of the Non-Residential Units. In the event the Non-Residential Units are subdivided, Non-Residential Unit Owners shall refer to the Owners of all of the Units resulting from the subdivision of the Non-Residential Units.

"Notice Work" shall have the meaning ascribed thereto in Section 6.10.3 of the By-Laws.

"Noticed Party" shall have the meaning ascribed thereto in Section 26.1 of the Declaration.

"Occupancy Plans" shall have the meaning ascribed thereto in Section 6.16.5 of the By-Laws.

"Offeree Unit Owner" is defined in Section 9.1.1 of the By Laws.

"Opposing Party" shall have the meaning ascribed thereto in Section 6.15.1 of the By-Laws.

"Outside Offer" shall have the meaning ascribed thereto in Section 9.1.1 of the By-Laws.

"Outside Offeror" shall have the meaning ascribed thereto in Section 9.1.1 of the By-Laws.

"Payments" shall have the meaning ascribed thereto in Section 6.7.1 of the By-Laws.

"Performing Unit Owner" shall have the meaning ascribed thereto in Section 6.10.3 of the By-Laws.

"Permitted Mortgage" refers to a mortgage permitted to be placed upon a Unit or Units pursuant to the provisions of the By-Laws.

"Permitted Mortgagee" refers to the holder of any Permitted Mortgage and shall include, without limitation, such banks and financial institutions as constitute the holders of the construction loan mortgages given by Sponsor to acquire and construct the Property.

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

"Person" or "Persons" refers to an individual, corporation, partnership, joint venture, limited liability company, estate, trust, unincorporated association, any Federal, State, County or municipal government, or any bureau, department or agency thereof and any fiduciary acting in such capacity on behalf of any of the foregoing.

"Plans and Specifications" refer to the plans and specifications for the Building which (to the extent required by law) are filed with, and approved by, the Department of Buildings of The City of New York, which plans and specifications may, from time to time, have been amended or changed, or may hereafter be amended or changed in accordance with the provisions of the Plan and/or Condominium Documents.

"Prime Rate" shall have the meaning ascribed thereto in Section 6.2.8 of the By-Laws.

"Project Standards" means the highest of the following standards: (1) the standard required to maintain and operate the Condominium (and all Units therein) in a condition and a quality level no less than that which existed at the time that the initial construction of the Building was completed (ordinary wear and tear expected), (2) the standards maintained in similar mixed-use hotel/residential buildings in Manhattan, and (3) the standard for maintenance and operation of the Hotel Unit required under the management agreement between the Hotel Unit Owner and the Hotel Manager or any franchise or license agreement entered into by and between the Hotel Unit Owner and a third party franchisor or licensor of the Hotel Brand.

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

"Proponent" shall have the meaning ascribed thereto in Section 6.15.1 of the By-Laws.

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

"Related Costs" refers to all reasonable fees and expenses incurred by the Condominium Board, the Residential Board or the other Unit Owners in connection with necessary and reasonable inspections of Unit Work or Common Element Work of the Performing Unit Owner to determine whether the same are being or have been performed in accordance with the approved plans and specifications therefore and (i) all applicable Legal Requirements; (ii) all applicable Insurance Requirements, (iii) all requirements of the Declaration; and (iv) all requirements of these By-Laws (including, with respect to Unit Work or Common Element Work which constitute Structural Alterations, the fees and expenses of any architect or engineer employed for such purpose).

"Remedy Notice" has the meaning specified in Section 26.3 of the Declaration.

"Requesting Party" has the meaning specified in Section 26.1 of the Declaration.

"Required Action" has the meaning specified in Section 26.1 of the Declaration.

"Required Documentation" shall have the meaning ascribed thereto in Section 6.12.3 of the By-Laws.

"Resident Manager" shall have the meaning ascribed thereto in Section 18.2 of the Declaration.

"Resident Manager's Unit" shall have the meaning ascribed thereto in Section 18.2 of the Declaration.

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

"Residential Common Charges" refer to assessments payable to the Residential Board by Residential Unit Owners for the purpose of meeting the cost of the Residential Common Expenses.

"Residential Common Elements" refer to those Common Elements which serve or benefit exclusively the Residential Section and/or the Residential Unit Owners.

"Residential Common Expenses" refer to the costs and expenses incurred or projected in connection with repair, maintenance, replacement, restoration, improvement, alteration and addition of and to the Residential Common Elements or in connection with any services or facilities exclusively benefiting the Residential Section or the Residential Unit Owners. Residential Common Expenses include the Residential Unit Owner's allocable portion of the General Common Expenses.

"Residential Limited Common Elements" refer to those Common Elements which serve or benefit exclusively one or more but not all the Residential Units and/or the Residential Unit Owners.

"Residential Mortgage Representative" shall have the meaning ascribed thereto in Section 8.5.1 of the By-Laws.

"Residential Rules and Regulations" refer to the rules and regulations made in accordance with the By-Laws and attached thereto as Schedule A.

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

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

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

"Residents" refer to the people residing in the Building regardless of whether they are Unit Owners, renters, or other occupants of the Units.

"Restaurant Unit" refers to the restaurant located on portions of the First Floor and Cellar.

"Restaurant Unit Owner" shall have the meaning ascribed thereto in Section 4.1 of the Declaration.

"Resultant Board" refers to a board of managers formed as a result of the subdivision of a Unit.

"Resultant Unit" refers to each Unit created as a result of the subdivision of a Unit.

"Resultant Unit Owner" refers to a Unit Owner that owns a Resultant Unit.

"Retail Unit" refers to the Retail Unit located on portions of the First Floor.

"Retail Unit Façade" shall have the meaning ascribed thereto in Section 8.9 of the Declaration.

"Retail Unit Owner" shall have the meaning ascribed thereto in Section 4.1 of the Declaration.

"Roof Level" shall have the meaning ascribed thereto in Section 8.3.10 of the Declaration.

"Rules and Regulations" refers to the Residential Rules and Regulations and General Rules and Regulations, as the case may be, together with all modifications, amendments or additions thereto.

"Safety Work" has the meaning specified in Section 6.3.4 of the By-Laws.

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

"Significant Casualty" shall have the meaning ascribed thereto in Section 6.3.4 of the By-Laws.

"Sponsor" refers to HFZ Bryant Park Owner, LLC, a Delaware limited liability company, and its successors and assigns.

"Sponsor and/or its designee(s)", "Sponsor or a designee of Sponsor" or similar terms refers to Sponsor and any designee of Sponsor.

"Substantially All of the Property" shall have the meaning set forth in Section 10.4 of the By-Laws.

"Taking" shall have the meaning set forth in Section 10.1 of the By-Laws.

"Tenant" or "tenants" shall refer to all tenants, such tenant's subtenants, successors, assigns or other occupants of the Building.

"Terrorism Insurance" shall have the meaning ascribed thereto in Section 6.2.2 of the By-Laws.

"Terrorism Insurance Cap" shall have the meaning ascribed thereto in Section 6.2.2 of the By-Laws.

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

"Unit" or "Condominium Unit" or "Non-Residential Unit" refers to space designated as a Residential Unit or a Non-Residential Unit in the Declaration, consisting, generally, of either a specific residence or a portion of the Non-Residential space in the Building, together with an appurtenant proportionate undivided interest in the General Common Elements and, as the case may be, in the Residential Common Elements, the Residential Limited Common Elements or in

the Non-Residential Common Elements. All of such Units are collectively referred to as "Units."

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

"Unit Owner BI Coverage" shall have the meaning ascribed thereto in Section 6.2.12 of the By-Laws.

"Unit Work" shall have the meaning ascribed in Section 6.10.1 of the By-Laws.

"Unsold Residential Unit" refers to (a) any Residential Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Sponsor or its designee, or a Residential Unit that is acquired, individually or collectively, by a principal of Sponsor or a group of which Sponsor, or one or more of their principals, is a member or (b) any Residential Unit for which there is a signed Agreement but for which Closing has not yet occurred.

"Violating Unit Owner" shall have the meaning ascribed in Section 6.26 of the By-Laws.

"Work Conditions" shall have the meaning ascribed in Section 6.10.3 of the By-Laws.

"Work Notice" shall have the meaning ascribed thereto in Section 6.10.3.1 of the By-Laws.

"Zoning Lot Development Agreement" is described in Section 2.3 of the Declaration.

EXHIBIT D

BY-LAWS
OF

BRYANT PARK SOUTH CONDOMINIUM
16 WEST 40TH STREET
NEW YORK, NEW YORK 10018

EXHIBIT E

RESIDENTIAL UNIT POWER OF ATTORNEY

RESIDENTIAL UNIT POWER OF ATTORNEY

_____

TO

THE CONDOMINIUM BOARD OF BRYANT PARK SOUTH CONDOMINIUM
AND
THE RESIDENTIAL BOARD OF BRYANT PARK SOUTH CONDOMINIUM
AND
20 WEST 40 BRYANT PARK OWNER LLC

BRYANT PARK SOUTH CONDOMINIUM

16 WEST 40TH STREET, NEW YORK, NEW YORK 10018

UNIT _____

COUNTY: NEW YORK

BLOCK: 126

LOT:

RESIDENTIAL UNIT POWER OF ATTORNEY

Terms used in this Residential Unit Power of Attorney which are used (a) in the declaration (the "Declaration") submitted by 20 West 40 Bryant Park Owner LLC ("Declarant") establishing a plan for Condominium ownership of the premises known as Bryant Park South Condominium and by the street number 16 West 40th Street, New York, New York 10018 under Article 9-B of the Real Property Law of the State of New York, dated _____ __, 200__, and recorded in the New York County Office of the Register of The City of New York on _____, 20__, in City File Register Number _____, or (b) in the By-Laws of the Condominium (the "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 (the "Principal"), the owner of the Residential Unit (the "Unit") in Bryant Park South Condominium which is (are) designated and described as Residential Unit No. _____ in the Declaration and also designated as Tax Lot _____, in Block 126 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:

A. the board of managers of the Residential Section of the Condominium (hereinafter collectively referred to as "Residential Board"), true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Residential Board or in the name of their designee (corporate or otherwise), on behalf of all Residential Unit Owners, in accordance with such Unit Owners respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a Majority of Residential Unit Owners, to acquire or lease any Residential Unit, together with its Appurtenant Interests, from any Residential Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Residential Unit, together with its Appurtenant Interests, from any Residential 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, to acquire any Residential Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Residential Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Residential Unit so acquired by them, or to sublease any Residential Unit so leased by them without the necessity of further authorization by the Residential Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present; (2) upon determination by the Residential Board, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units, including retaining counsel and taking any other actions which the Residential Board deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Residential Section and/or the Condominium, which the Residential Board, deems necessary or appropriate to comply with any

ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Residential Section, (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Residential Section which the Residential Board deems necessary or appropriate or (c) following due authorization by any affected Residential Unit Owner(s), to the extent required in the Declaration and By-laws, any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium, the Residential Section or any of the Common Elements, in each case that the Residential Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Residential Board shall constitute the acts of said attorneys-in-fact.

This Residential Unit Power of Attorney shall be irrevocable; and

B. the board of managers of the Condominium (hereinafter collectively referred to as "**Condominium Board**"), true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a Majority of Unit Owners, to acquire or lease any Unit, together with its Appurtenant Interests, from any 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 Unit Owners, 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 Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present; (2) upon determination by the Condominium Board, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to 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 Common Elements which the Condominium Board, with respect to the Common Elements and the Board deems necessary or appropriate to comply with any ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Condominium, (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium which the Condominium

Board deems necessary or appropriate or (c) following due authorization by any affected Unit Owner(s) or the Residential Board, in each case to the extent required in the By-laws and Declaration, any consent any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium, the Residential Section or any of the Common Elements, which the Condominium Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Residential Board shall constitute the acts of said attorneys-in-fact.

This Residential Unit Power of Attorney shall be irrevocable; and

C. the **Declarant**, true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, in the name of its designee (corporate or otherwise) but subject in all respects to the By-laws and the Declaration then in effect, to execute an amendment to the Declaration, By-Laws and the Rules and Regulations of the Condominium or any permits, applications or documents required to undertake, perform or complete work to the Unsold Units or Common Elements by Declarant or obtain an amended certificate of occupancy therefor, or any of said documents when such amendment (i) shall be required to reflect any changes in Unsold Residential Units, Non-Residential Units and/or the reapportionment of the Common Interests of the aforesaid Units resulting therefrom made by Declarant in accordance with the Declaration or (ii) shall be required by an (x) Institutional Lender designated by Declarant to make a mortgage 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 Declarant to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of subdivision (a) or (b) of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material or physical modification to the undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage held by an Institutional Lender covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment.

This Residential Unit Power of Attorney shall be irrevocable.

Each Agent may act SEPARATELY.

This Residential Unit Power of Attorney does not revoke any prior powers of attorney executed by the Principal.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ___ day of _____, 20__.

PRINCIPAL signs here: =>_____

=>_____

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

EXHIBIT "7"

CONDOMINIUM BY-LAWS

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BY-LAWS

BRYANT PARK SOUTH CONDOMINIUM

ARTICLE 1.
GENERAL

1.1 Purpose. The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the Bryant Park South Condominium (the "Condominium"). The Condominium covers the property (the "Property") consisting of approximately 12,178 square feet of land (the "Land") which forms a part of Block 841, Lots 30 and 58-60 on the Tax Map of the Borough of Manhattan, City, County and State of New York, the building and other improvements now or hereafter to be constructed thereon or therein, as the case may be (hereinafter collectively called the "Building"), including, without limitation, the Units and the Common Elements, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, all of which have been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York by the recording of a Declaration (which, as the same may be amended from time to time, is herein called the "Declaration") in the New York County Office of the Register of The City of New York ("City Register's Office"), together with these By-Laws. All terms used herein including, but not limited to, "Declarant or its designee" and "Declarant or a designee of Declarant," which are not separately defined herein, shall have the meanings given to those terms in the Declaration.

1.2 Applicability of By-Laws. These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and other occupants of Units and employees and guests of Unit Owners, as well as all other persons who may use the facilities of the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations (as hereinafter defined). The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of these By-Laws, the Rules and Regulations and the Declaration are accepted, ratified, and will be complied with.

1.3 Principal Office of Condominium. The principal office of the Condominium shall be located within the Property or at such other place within the Borough of Manhattan reasonably convenient thereto, as may be designated from time to time by the Condominium Board (as hereinafter defined).

ARTICLE 2.
BOARDS OF MANAGERS

2.1 Number, Term and Qualification.

2.1.1 As more particularly set forth in 2.2, (a) the affairs of the Condominium shall be governed by a board of managers of the Condominium (the "Condominium Board") and

(b) the affairs of the Residential Section shall be governed by a Residential board of managers (the "Residential Board") and (c) the affairs of the Non-Residential Section shall be governed by a Non-Residential Board of Managers (the "Non-Residential Board").

2.1.2 During The Initial Control Period: a) the Condominium Board shall consist of four (4) members: two (2) members appointed by the Sponsor and two (2) members appointed by the Initial Non-Residential Grantee and b) the Residential Board shall consist of three (3) persons appointed by the Sponsor.

2.1.3 From and after the end of the Initial Control Period: (a) the Residential Board shall consist of seven (7) persons elected by the Residential Unit Owners, subject to Sponsor's rights pursuant to paragraph 3.9.3; (b) the Condominium Board shall consist of six (6) persons: two (2) members appointed by the Residential Board, two (2) members designated by the Hotel Unit Owner, and one (1) member designated by the Restaurant Unit Owner and one (1) designated by the Retail Unit Owner; and (c) each member of the Residential Board, except as otherwise provided herein, shall be elected at the annual meetings of Residential Unit Owners and shall serve until the next annual meeting thereof and until successors have been elected and qualified. There shall be no limit on the number of successive terms a Board member may serve.

2.1.4 The Non-Residential Board shall at all times consist of five (5) members: three (3) members appointed by the Hotel Unit Owner; one (1) member appointed by the Restaurant Unit Owner; and one (1) member appointed by the Retail Unit Owner. Each Non-Residential Unit Owner shall prepare and submit to the Condominium Board a written list of no more than five (5) individuals, who shall have the right to act, from time to time and without prior notice, as its designated member(s) on the Non-Residential Board.

2.1.5 The Condominium Board and the Residential Board and Non-Residential Board, are herein sometimes referred to collectively as the "Boards" and individually as a "Board."

2.1.6 Except for Board members elected or designated by Sponsor or its designees all members of the Residential Board and residential members of the Condominium Board shall be either Residential Unit Owners or officers, directors, shareholders, partners, principals, employees or beneficiaries of corporations, partnerships, fiduciaries or any other entities which own Residential Units, Permitted Mortgagees, or the spouse of individual Residential Unit Owners. Other than Board members elected or designated by the Sponsor or its designees no Board member shall continue to serve after ceasing to be qualified as set forth above. As used herein the term "Permitted Mortgagee" means the holder of any mortgage ("Permitted Mortgage") of a Unit or Units which is permitted to be placed thereon pursuant to these By-Laws. Notwithstanding anything otherwise contained herein or in the By-Laws, any member of the Residential Board may also be eligible to be one of the Residential members of the Condominium Board and any member of the Condominium Board may also be a member of the Residential Board, if otherwise qualified.

2.2 Powers and Duties.

2.2.1 The respective Boards shall have the powers and duties necessary for or incidental to the administration of the affairs of the respective sections of the Condominium (except such powers and duties which by law, the Declaration or these By-Laws may not be delegated to the respective Boards by the Unit Owners). All determinations, however, which (a) affect only the Residential Units and/or Residential Section and do not adversely affect the Non-Residential Units or the use of the Non-Residential Units and/or Non-Residential Section for their permitted purposes, shall be made by the Residential Board or (b) affect only the Non-Residential Units and do not adversely affect the Residential Units or the use of Residential Units for their permitted purposes, shall be made by the Non-Residential Board. All other determinations with respect to the administration of the affairs of the Condominium including, without limitation, determinations which (i) relate to the Residential Section and adversely affect the Non-Residential Section, or (ii) relate to the Non-Residential Section and adversely affect the Residential Section, or (iii) relate to or affect the General Common Elements, shall be made by the Condominium Board. Any dispute between the Condominium Board, Residential Board and/or the Non-Residential Board with respect to whether the Condominium Board, Residential Board, or Non-Residential Board shall be entitled to make any determination shall be settled by Arbitration (as hereinafter defined); provided, however, that no such dispute with respect to whether the determination of one adversely affects the other shall be deemed to exist unless the objecting party specifies the grounds for its objection in writing to the other party within 10 business days of receipt by it of notice of such determination. In addition, any dispute between the Residential Board and the Non-Residential Unit Owners with respect to whether any matter is entitled to be determined by the Condominium Board shall be settled by Arbitration.

2.2.2 Subject to the provisions of 2.2.1 and without limiting the generality thereof:

2.2.2.1 The Condominium Board shall be entitled to make determinations with respect to the following matters:

2.2.2.1(a) Operation, care, upkeep, maintenance, repair and replacement of the General Common Elements, including contracts for utilities, services and supplies related thereto.

2.2.2.1(b) Establish the amount and collect the General Common Charges (as hereinafter defined).

2.2.2.1(c) Employment and dismissal of the personnel necessary for the maintenance and operation of the General Common Elements.

2.2.2.1(d) Adoption of, and amendments and additions and enforcement to, any General Rules and Regulations.

2.2.2.1(e) Making additions and improvements to, or alterations of, the General Common Elements.

2.2.2.1(f) Making repairs and restorations of the General Common Elements or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings.

2.2.2.1(g) Enforcing obligations of Unit Owners, the Non-Residential Board and the Residential Board.

2.2.2.1(h) Levying fines against Unit Owners, the Non-Residential Board or the Residential Board for violations of the General Rules and Regulations (any such fines shall constitute General Common Charges payable by the Unit Owner or Board against which they are levied).

2.2.2.1(i) Opening and maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating signatories therefor.

2.2.2.1(j) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) if the loss involves both the Residential Section and the Non-Residential Section or the General Common Elements, as set forth in Section 6.2.

2.2.2.1(k) Borrowing money on behalf of the Condominium, when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations or additions to or alterations of, the General Common Elements; provided, however, that (i) the consent of at least 51% in Common Interest of all Unit Owners shall be required for any borrowings in excess of the aggregate amount of $250,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous years) unless the funds are required for Emergency Repairs or Replacements, and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the consent of the owner of such Unit. If any sum borrowed by the Condominium Board pursuant to the authority contained in this subparagraph 2.2.2.1(k) is not repaid by the Condominium Board, a Unit Owner who pays to the creditor such proportion thereof as his interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such Unit Owner's Unit.

2.2.2.1(l) Organizing corporations or other legal entities to act as designees of the Condominium Board with respect to such matters as such Board may determine.

2.2.2.1(m) Execution, acknowledgment and delivery of (i) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the 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 Building or General Common Elements, or (ii) any consent, covenant, restriction, easement or declaration affecting the Property which the Condominium Board deems necessary or appropriate.

2.2.2.1(n) Preparing, executing and recording, on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, a restatement of the Declaration and/or these By-Laws whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws.

2.2.2.1(o) Obtaining and reviewing insurance for the Property, including the Units, pursuant to the provisions of Section 6.2.

2.2.2.1(p) Requiring that the Residential Board or the Non-Residential Board maintain, repair and replace the public hallways in the Residential Section or Non-Residential Section, as the case may be, and otherwise comply with the Hotel Brand Standards, at the expense of the respective Unit Owners.

2.2.2.1(q) Furnishing of services and utilities to the Building.

2.2.2.1(r) To the extent required to effectuate the rights granted to Unit Owners with respect to Development Rights, entering into a zoning lot merger or any declaration or other instruments necessary to acquire, purchase, allocate, sell or dispose of any Development Rights now or in the future appurtenant to the Property or other zoning lot pursuant to the Zoning Resolution of the City of New York or to merge or subdivide a zoning lot.

2.2.2.2 The Residential Board shall be entitled to make determinations with respect to the following matters:

2.2.2.2(a) Operation, care, upkeep, maintenance, repair and replacement of the Residential Section, including contracts for utilities, services and supplies related thereto.

2.2.2.2(b) Establishing the amount and collection of Residential Common Charges and assessments, subject to the determination of the Condominium Board with respect to General Common Charges and the Hotel Unit Owner with respect to the HVAC Costs.

2.2.2.2(c) Leasing or purchasing an apartment for use as the residence of the Building Resident Manager, either in the Building or elsewhere (in compliance with applicable law and regulation), amending, modifying, extending, renewing, and otherwise dealing in any way with respect to any such lease, and, notwithstanding the limitations imposed by 2.2.2.2(o), borrowing funds and executing a promissory note, mortgage or other loan documents to effectuate it.

2.2.2.2(d) Employment and dismissal of the personnel necessary for the maintenance and operation of the Residential Section.

2.2.2.2(e) Adoption of, and amendments and additions to, the Residential Rules and Regulations (as hereinafter defined).

2.2.2.2(f) Subject to Section 8.2., purchasing, leasing and otherwise acquiring in the name of the Residential Board or its designee, on behalf of all Residential Unit Owners, Residential Units offered for sale or lease or surrendered by their owners to the Residential Board.

2.2.2.2(g) Purchasing Residential Units at foreclosure or other similar sales, in the name of the Residential Board or its designee, on behalf of all Residential Unit Owners.

2.2.2.2(h) Selling, leasing, subleasing, mortgaging and otherwise dealing with (but not voting the interests appurtenant to) Residential Units acquired by, and subleasing Residential Units leased by, the Residential Board or its designee, on behalf of all Residential Unit Owners.

2.2.2.2(i) Making additions and improvements to, or alterations of, the Residential Common Elements and the Residential Limited Common Elements.

2.2.2.2(j) Making repairs to and restorations of the Residential Common Elements or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings.

2.2.2.2(k) Enforcing the Residential Rules and Regulations and obligations of Residential Unit Owners and seeking the enforcement of the General Rules and Regulations by the Condominium Board.

2.2.2.2(l) Levying fines against Residential Unit Owners for violations of the Residential Rules and Regulations (any such fines shall constitute Residential Common Charges payable by the Residential Unit Owner against whom they are levied).

2.2.2.2(m) Opening and maintaining bank accounts on behalf of the Residential Unit Owners (with respect to matters within its jurisdiction as provided in these By-Laws) and designating signatories therefor.

2.2.2.2(n) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) if the loss involves only the Residential Section as set forth in 6.2.

2.2.2.2(o) Borrowing money on behalf of the Residential Section when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations or additions to or alterations of, the Residential Section or otherwise in connection with any permitted action or activity of the Residential Board; *provided, however*, that (i) except as provided in 8.6, the consent of at least 51% in Common Interest of all Residential Unit Owners shall be required for any borrowings in excess of the aggregate amount of $250,000 (including the pro rata share of the Residential Section with respect to any borrowing made by the Condominium Board pursuant to 2.2.2.1(l) in any one fiscal year (regardless of the balance of any loans outstanding from previous years) unless the funds are required for Emergency Repairs or Replacements, (ii) no lien to secure repayment of any sum

borrowed may be created on any Residential Unit or its appurtenant interest in the Common Elements without the consent of the owner of such Residential Unit, and (iii) the Non-Residential Unit Owners will not be liable for repayment of any portion of any such loan. If any sum borrowed by the Residential Board pursuant to the authority contained in this subparagraph is not repaid by said Board, a Residential Unit Owner who pays to the creditor such proportion thereof as the Residential Unit Owner's interest in the Common Elements bears to the interest of all Residential Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or any lien which said creditor has filed or has the right to file against such Residential Unit Owner's Unit.

2.2.2.2(p) Organizing corporations or other legal entities to act as designees of the Residential Board with respect to such matters as such Board may determine, including, without limitation, in connection with the acquisition of title to or the leasing or subleasing of Residential Units by the Residential Board on behalf of Residential Unit Owners.

2.2.2.2(q) Execution, acknowledgment and delivery of (i) any declaration or other instrument affecting only the Residential Units and Residential Common Elements which the Residential 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 Residential Units and Residential Common Elements, or (ii) any consent, covenant, restriction, easement or declaration affecting only the Residential Units and Residential Common Elements which the Residential Board deems necessary or appropriate.

2.2.2.2(r) Execution, acknowledgment and delivery of any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units for the benefit and on behalf of (i) all Residential Unit Owners, or (ii) for individual Residential Unit Owners, provided that each such Residential Unit Owner indemnifies the Residential Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

2.2.2.2(s) Operation, maintenance and supervision of all Residential Common Elements and Residential Limited Common Elements.

2.2.2.2(t) Purchasing or leasing, in the name of the Residential Board, and in connection therewith the promulgation of conditions, rules and regulations for the operation and supervision thereof.

2.2.2.2(u) Imposition of (i) move-in fees and charges, (ii) transfer fees in connection with the sale or lease of a Residential Unit, and (iii) fines for violating the Residential Rules and Regulations, provided that no such fees or charges or any other conditions of transfer or lease may be imposed upon the Sponsor.

2.2.2.2(v) To execute, acknowledge and deliver: (a) any declaration (including a declaration of single zoning lot) or other instrument affecting only the Residential Section that the Residential Board deems necessary or appropriate to comply with any law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of only the Residential Section of the Building and (b) any consent, covenant, restriction, easement, or declaration affecting the Residential Section that the Residential Board deems necessary or appropriate;

2.2.2.2(w) To prepare, execute, acknowledge and record on behalf of all Residential Unit Owners, as their attorney in fact, coupled with an interest, a restatement of the Declaration or these By-Laws, whenever, in the Residential Board's estimation, it is advisable to consolidate and restate all amendments, modification, additions and deletions theretofore made to the same;

2.2.2.2(x) Commencement of summary eviction proceedings in the name of or on behalf of the Residential Board and/or Residential Unit Owner or Residential Unit Owners, as the case may be, against an authorized guest and/or a Tenant of a Residential Unit Owner if such authorized guest and/or Tenant does not conform to the Residential Rules and Regulations, as said Rules and Regulations may at any time and from time to time, be modified, amended or added to in accordance with the terms of these By-Laws. All costs in connection with the removal of the authorized guest and/or Tenant, including reasonable attorney's fees, shall be borne by the Residential Unit Owner.

2.2.2.2(y) To license, lease or sell Residential Common Elements that are not being used by the Residential Unit Owners with the affirmative vote or written consent of the owners of two thirds of the Residential Common Interests.

2.2.2.2(z) To carry out any other duties imposed upon the Residential Board pursuant to the Declaration and these By-Laws.

2.2.2.3 The Non-Residential Board shall be entitled to make determinations with respect to the following matters:

2.2.2.3(a) Operation, care, upkeep, Maintenance, repair and replacement of the Non-Residential Section, including contracts for utilities, services and supplies.

2.2.2.3(b) Employment and dismissal of personnel necessary for the maintenance and operation of the Non-Residential Section.

2.2.2.3(c) Selling, leasing, mortgaging and otherwise dealing with all or any portion of a Non-Residential Section.

2.2.2.3(d) Making additions and improvements to or alterations of the Non-Residential Common Elements.

2.2.2.3(e) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) if the loss involves only the Non-Residential Section as set forth in 6.2.

2.2.2.3(f) Borrowing money on behalf of the Non-Residential Section provided, however, that (i) no lien to secure repayment of any sum borrowed may be created on any other Unit or its appurtenant interest in the Common Elements without the consent of the owner of such Unit, and (ii) the Residential Unit Owners and other Non-Residential Unit Owners will not be liable for repayment of any portion of any such loan.

2.2.2.3(g) Organizing corporations or other legal entities to act as designees of the Non-Residential Unit Board with respect to such matters as the Non-Residential Board may determine.

2.2.2.3(h) Execution, acknowledgment and delivery of (i) any declaration or other instrument affecting only the Non-Residential Section which the Non-Residential 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 Non-Residential Section, (ii) any consent, covenant, restriction, easement or declaration affecting only the Non-Residential Section which the Non-Residential Board deems necessary or appropriate, or (iii) any easement permitting access between the Non-Residential Section and any property adjoining the Land, including the right to penetrate any General Common Elements located between the Non-Residential Unit and such adjoining property, provided such penetration does not materially weaken the structural soundness of the Building, and provided further that all affected Non-Residential Unit Owners agree.

2.2.2.3(i) Operation, Maintenance, repair, replacement, and supervision of the Non-Residential Common Elements.

2.2.3 Any act with respect to a matter determinable by any Board or Non-Residential Unit Owner and deemed reasonably necessary or desirable by such Board or Non-Residential Unit Owner in connection therewith shall be done or performed by such Board or Non-Residential Unit Owner or shall be done on its behalf and at its direction by the agents, employees or designees of such Board or Non-Residential Unit Owner, as long as the Non-Residential Unit Owners are not adversely affected.

2.2.4 For convenience of operation of the Condominium, any Board may designate another Board to act as its agent with respect to any matters the determination of which is entitled to be made by such designating party and in connection with such designation may execute, acknowledge and deliver any application, instrument or document, including, without limitation, any power of attorney or indemnification from liability that such designated party may require or request.

2.2.5 Any action required or permitted to be taken pursuant to the provisions of these By-Laws or the Declaration by either the Residential Board or the Non-Residential Unit Owners may, if required, be taken by either the Residential Board or the Non-Residential Unit Owners in the name of the Condominium Board which shall, upon request, execute, acknowledge and deliver any and all instruments, documents or applications in connection therewith; *provided, however*, that the party desiring to take such action shall, subject to the provisions of 2.15, indemnify and hold harmless the other(s) and, in the case of action taken by a Non-Residential Unit Owner, the Non-Residential Unit Owner shall also indemnify and hold harmless the other Unit Owners from any expense or liability thereof or therefrom.

2.2.6 Notwithstanding anything to the contrary contained in these By-Laws, (a) no action which is taken or omitted to be taken by or on behalf of the Residential Board or Residential Unit Owners shall be deemed to adversely affect in any way the Non-Residential Units or the use of the Non-Residential Units for their permitted purposes and thus shall not require the consent or approval of the Non-Residential Unit Owners pursuant to 2.2.1 unless the use of any portion of the Residential Section would result in or involve a violation of the provisions of Section 6.18.1 or the Hotel Brand Standards or adversely affect the operation or ownership interest of the Non-Residential Units, (b) no action which is taken or omitted to be taken by or on behalf of the Non-Residential Unit Owners or Non-Residential Units shall be deemed to adversely affect in any way the Residential Section or the use of Residential Units for their permitted purposes and thus shall not require the consent or approval of the Residential Board pursuant to 2.2.1 unless the use of any portion of the Non-Residential Units would result in or involve a violation of the provisions of Section 6.18.1, or Hotel Brand Standards and (c) no penetration of the General Common Elements shall be deemed to adversely affect in any way the Residential Section or the use of Residential Units for their permitted purposes and thus shall not require the consent or approval of the Residential Board or the Residential Unit Owners unless such penetration would materially weaken the structural soundness of the Building.

2.2.7 Notwithstanding anything to the contrary contained in these By-Laws, so long as Sponsor or their designees shall continue to own at least one Unsold Residential Unit but in no event later than five years from the First Closing of a sale made under an Offering Plan, neither the Condominium Board nor the Residential Board may, without Sponsor's prior written approval: (i) make any addition, alteration or improvement to the General Common Elements, the Residential Common Elements or to the Residential Limited Common Elements or to any Residential Unit; (ii) increase or decrease the number, or change the kind of employees initially hired for the Residential Section of the Condominium; (iii) enter into any service or maintenance contract for work not covered in the initial projected budget for the Condominium or Residential Section or otherwise provide services in excess of those contemplated by such projected budget, except as is required to reflect normal annual increases in operating services; (iv) borrow money on behalf of the Condominium or on behalf of the Residential Section; (v) assess any General Common Charges or Residential Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund; or (vi) exercise a right of first refusal to lease or purchase a Residential Unit; provided that Sponsor's written consent is not necessary to perform any function or take any action described in items (i) through (vi) above if and only if the performance of such function or the carrying out of such an action is necessary and no other alternative is available to enable the Condominium Board or Residential Board to

comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium.

2.2.8 Notwithstanding anything contained in the By-Laws to the contrary, neither the Residential Board nor the Condominium Board shall have the right to restrict or limit any of the uses of, or alterations in or to, the Non-Residential Units.

2.2.9 A Master Unit Owner shall have the right to establish a subordinate board to act on behalf of the Master Unit Owner's Master Unit (a "Resultant Board") and to designate the member of the Condominium Board to be designated by the Master Unit Owner forming the Resultant Board. Such Resultant Board shall be established by an amendment to these By-Laws prepared and executed by the Master Unit Owner.

2.2.10 Neither the Condominium Board nor the Residential Board shall have the authority to commence any litigation except to enforce the Declaration or By-Laws without first obtaining the written approval of the respective Owners of two thirds of the Units and the Percentage Interests in the Common Elements.

2.3 Managing Agents, Administrative Agents and Managers. With respect to matters the determinations concerning which any Board is entitled to make, such Board may employ a managing agent, administrative agent and/or a manager at a compensation established by such Board to perform such duties and services as such Board shall authorize. Each Board may delegate to such managing agent, administrative agent or manager other powers granted to such Board by these By-Laws, except the powers set forth in 2.2.2.1(b), (e), (h), (1), (m), (n), (o) and (p); 2.2.2.2(b), (e), (i), (j), (k), (l), (n), (o), (q), (r), (t), (u), (v), (w) and (x). Subject to the limitations set forth in this Section 2.3, the Condominium Board and the Residential Board may by mutual agreement employ one managing agent, administrative agent and/or manager to jointly act on their respective behalves and the costs of which shall be a General Common Expense; provided, however, that notwithstanding anything to the contrary contained herein, any decision with respect to whether or not to so employ one managing agent or manager shall not be the subject of Arbitration.

2.4 First Boards. The Condominium Board shall initially consist of the four (4) persons (two (2) designated by Sponsor and two (2) designated by the Initial Non-Residential Grantee), the Residential Board shall initially consist of three (3) persons designated pursuant to Section 2.1.2 and the Non-Residential Board shall initially consist of five (5) persons designated pursuant to Section 2.1.2, all of whom shall be deemed to have been "elected" for the purposes of these By-Laws.

2.5 Resignation and Removal.

2.5.1 Any Board member may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Board from which such member is resigning. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective.

2.5.2 Subject to the provisions of Section 3.9.3, any Residential Board member may be removed, with or without cause, by a majority vote of all Residential Unit Owners at a regular or special meeting of Residential Unit Owners, at which a quorum is present. Any Board member whose removal has been proposed shall be given an opportunity to be heard at the meeting. Notwithstanding the above, Residential Board members designated by Sponsor or its designee may only be removed with cause and replaced as described in Section 2.6. In addition, any member of the Residential Board who is designated as such by Sponsor or its designee or by a Non-Residential Unit Owner, may be removed by such designating party at any time, with or without cause, and the party making such removal shall have the right to designate the replacement for such member.

2.6 Vacancies.

2.6.1 Subject to the provisions of Section 3.9.3, any vacancy on the Residential Board for whatever reason shall be filled by the remaining members of the Residential Board then in office, at a special meeting of the Residential Board held for that purpose promptly after the occurrence of any such vacancy even though the members present at such meeting may constitute less than a quorum, and any person so elected shall be a member of the Residential Board until the next annual meeting of the Residential Unit Owners, when a successor shall be elected for the remainder of the term of the member creating such vacancy. Notwithstanding anything to the contrary contained in these By-Laws, in the case of a vacancy on the Board created by the resignation, removal or any other cause which results in any Board member designated by Sponsor or its designee, ceasing to be a member of any the Board, Sponsor or its designee, as the case may be, shall have the sole right to designate a replacement for such member.

2.6.2 Any vacancy on the Condominium Board or the Non-Residential Board shall be filled by the Residential Board in the case of a Residential member leaving the Condominium Board, or by the Non-Residential Unit Owners who appointed the Board seat that needs to be filled.

2.7 Organizational Meetings of the Residential Board. The first meetings of the Residential Board following each annual meeting of the Residential Unit Owners shall be held immediately following each such annual meeting.

2.8 Regular Meetings of the Boards. Regular meetings of the Boards may be held at such time and place in the Borough of Manhattan as shall be determined from time to time by a majority of the members thereof, provided that in the case of the Residential Board, at least four such meetings shall be held during each fiscal year. Notice of regular meetings shall be given to each member thereof, by personal delivery, mail, e-mail or fax, at least five business days prior to the day named for such meeting. Non-board member Unit Owners or their representatives may only attend Board meetings with the prior written approval of the respective Board.

2.9 Special Meetings of the Boards. Special meetings of the Boards may be called by the President or Vice President of the Board by giving five business days' prior notice to

each member of the Board by personal delivery, mail, e-mail or fax, which notice shall state the time, place (in the Borough of Manhattan) and purpose of the meeting. Special meetings of the Boards shall be called in like manner and on like notice on the written request of at least two members of the respective Board.

2.10 Resolutions of the Boards. The Boards shall cause to be promptly delivered to the applicable Unit Owners copies of all resolutions adopted by it except to the extent (a) of matters privileged under applicable law, (b) relating to the terms of the sale, leasing or subleasing of any Unit or portion of any Unit, other than the nature of the use thereof, and (c) relating to matters not related to the Property.

2.11 Meetings of Condominium Board. No organizational or regular meetings of the Condominium Board shall be held unless otherwise required by applicable law in which event such required meetings shall be held at such time and place in the Borough of Manhattan as shall be determined by the Condominium Board, provided that notice thereof be given to Board members by personal delivery, mail, fax or e-mail at least five business days prior to the day named for such meeting. Special meetings of the Condominium Board may be called by the President of the Condominium Board by giving five business days' prior notice to each member of the Condominium Board by personal delivery, mail or telegram, which notice shall state the time, place (which shall be in the Borough of Manhattan) and purpose of the meeting. Unit Owners or their representatives may only attend meetings of the Condominium Board with the prior written approval of the Condominium Board.

2.12 Waiver of Notice. Any Board member may at any time waive notice of any Board meeting in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of a Board at any meeting thereof shall constitute a waiver of notice by him of the time and place thereof. If all the members are present at any meeting of a Board, no notice shall be required and any business may be transacted at such meeting.

2.13 Determinations by Boards; Quorums.

2.13.1 Except as otherwise set forth in 2.13.4, all determinations by any Board shall be made at a meeting of such Board at which a quorum thereof is present. At any Condominium, Residential Board or Non-Residential Board meeting, a majority of the members thereof shall constitute a quorum, and the votes of a majority of such members present shall constitute the decision of such Board.

2.13.2 When the Residential Board and the Non-Residential Board, with each acting in accordance with the provisions of this Article 2, have made the same determination as to any matter which is required or permitted to be determined by the Condominium Board, such determination shall constitute the determination of the Condominium Board. No meeting of the Boards as such shall be necessary for any determination by it to be made.

2.13.3 If at any Board meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at

which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.13.4 Members of any Board may participate in a meeting thereof by means of a conference telephone or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting. Notwithstanding anything to the contrary contained herein, action permitted or required to be taken at a meeting of any Board may be taken without a meeting if all members of such Board consent in writing to the adoption of a Resolution authorizing such action and the writing or writings are filed with the minutes of such Board.

2.14 Compensation. No member of any Board shall receive any compensation for acting as such.

2.15 Liability of Boards and Unit Owners.

2.15.1 To the extent permitted by applicable law, except for bad faith, gross negligence or willful misconduct no member of any Board shall have any personal liability with respect to any contract, act or omission of any Board or of any managing agent or manager in connection with the affairs or operation of the Condominium, the Non-Residential Units or Section, or the Residential Units or Section or any Limited Common Element (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by any Board or by any managing agent or manager thereof shall state that it is made by such Board, managing agent or manager only as agent for the Unit Owners represented thereby and that such Board members or managing agent or manager shall have no personal liability with respect thereto (except in their capacities as Unit Owners), and shall also state the applicable limitations of liability of Unit Owners provided for in the next sentence. The liability of any Unit Owner with respect to any contract, act or omission with respect to the Condominium or the Residential Units or Non-Residential Units, as the case may be, or any Limited Common Element shall be limited to such proportionate share of the total liability as the interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners, Residential Unit Owners or Non-Residential Unit Owners, as the case may be, and, unless expressly stated to the contrary in such contract, to the extent permitted by applicable law, shall be limited to such Unit Owner's interest in its Unit and the Unit's appurtenant Common Interest so that such Unit Owner shall have no personal liability for such contract, act or omission. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges. Any such contract or agreement may also provide that it covers the assets, if any, of the Board on whose behalf the contract or agreement is made. Board members shall have no liability to Unit Owners except that a Board member shall be liable for the Board member's own bad faith, gross negligence or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member against any liability or claim except those arising out of such member's own bad faith, gross negligence or willful misconduct. Any Board may contract or effect any transaction with any Board member, any Unit Owner, Sponsor, Sponsor's designee or any affiliate of any of them without, except in cases of bad faith, gross negligence or willful misconduct, incurring any liability for self-dealing. This paragraph 2.15

does not preclude against actions against Sponsor otherwise available based on the representations in the Plan.

2.15.2 No Board or any member thereof shall be liable for either (i) any failure or interruption of any utility or other service to be obtained by, or on behalf of, such Board or to be paid for as a Common Expense, except when any such failure or interruption is caused by the acts of gross negligence, bad faith or willful misconduct of such Board or any member thereof or (ii) any injury, loss or damage to any individual or property, occurring in or about either a Unit or any General Common Element or Limited Common Element.

2.15.3 The Condominium shall indemnify each Board member against all costs arising out of such Board member's serving in such capacity except those matters arising out of such Board member's own bad faith, gross negligence or willful misconduct.

2.15.4 The Condominium Board may contract or effect any other transaction with any Board member, any member of the Residential Board, Sponsor and/or affiliates of any of the foregoing without incurring any liability of self-dealing or otherwise (except in the case of bad faith, gross negligence or willful misconduct which shall not be deemed presumed or established by the relationship between or among any such parties), but all such contracts or transactions shall be made only in accordance with the provisions hereof.

2.15.5 No Unit Owner, in its capacity as a Unit Owner, shall be personally liable for any contract with respect to any act or omission of the Condominium. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges.

2.16 Fidelity Bonds.

2.16.1 Each Board shall obtain or ensure maintenance of fidelity bonds, in amounts deemed appropriate by it, for all of its members, officers and employees and for the managing agent or manager, if any, employed by it and the premiums on such bonds shall constitute General Common Expenses, Non-Residential Common Expenses or Residential Common Expenses, as the case may be.

2.16.2 To the full extent permitted by Law, each Board shall purchase and maintain directors and officers insurance (i) to indemnify the Unit Owners and the Boards for any obligation which any of them incurs as a result of the indemnification of members and officers of the Boards under the provisions of the By-Laws or as required by Law or by a court order, (ii) to indemnify members and officers of the Boards in instances in which they may be indemnified by the Unit Owners or the Boards under the provisions of the By-Laws, and (iii) to indemnify members and officers of the Boards in instances in which they may not otherwise be indemnified, to the extent provided by such insurance.

2.17 Committees. Each Board may, subject to such limitations and exceptions as such Board may prescribe, appoint an Executive Committee and such other committees as such Board may deem appropriate, each to consist of as many members as such Board shall deem appropriate for the purpose of making such reports and studies as each such Board deems

appropriate. Any Executive Committee of the Condominium Board shall be required to consist of at least one member of the Residential Board and one representative of the Non-Residential Board except in the case of issues concerning exclusively the Residential Section or the Non-Residential Section.

2.18 Principal Offices of Boards. The principal offices of the Boards shall each be located within the Property or at such other place in the Borough of Manhattan reasonably convenient thereto as may be designated from time to time by such Boards.

2.19 Status of Boards. In addition to the status conferred upon each of the Boards under or pursuant to the provisions of the Condominium Act, each of the Boards shall, to the extent permitted by applicable law, be deemed to constitute a separate unincorporated association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York. In the event of the incorporation of any of the Boards pursuant to the provisions of 2.20, the provisions of this Section 2.19 shall no longer be applicable to such Board.

2.20 Incorporation of Boards. To the extent and in the manner provided in the Condominium Act, each of the Boards may by action of such Board as provided in this Article 2, be incorporated under the applicable statutes of the State of New York. In the event that any Board so incorporates, it shall have, to the extent permitted by applicable law, the status conferred upon it under such statutes in addition to the status conferred upon such Board under or pursuant to the provisions of the Condominium Act. The certificate of incorporation or articles of organization and By-Laws of any such resulting corporation or other legal entity shall conform as closely as practicable to the provisions of the Declaration and these By-Laws and the provisions of the Declaration and these By-Laws shall control in the event of any inconsistency or articles of organization or conflict between the provisions hereof and the provisions of such certificate of incorporation and By-Laws.

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

2.22 Prohibited Transactions. Each member of each Board shall perform his or her duties, and shall exercise his or her powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by applicable law, no contract or other transaction between the Board and either: (i) any of its members; or (ii) any corporation, partnership, fiduciary, firm, limited liability company, association or other entity in which any of the members of the Board are officers, directors, shareholders, employees, partners, fiduciaries, beneficiaries, members or principals, or are otherwise interested, pecuniary or otherwise, shall be deemed either void or voidable because either: (a) any such member of the Board was present at the meeting or meetings of the Board during which such contract or transaction was discussed, authorized, approved or ratified, or (b) the vote of any such member was counted for such purpose; *provided, however*, that either: (1) the fact thereof is disclosed to, or known by, the Board or a majority of the members thereof and noted in the minutes thereof, and the Board shall

authorize, approve or ratify such contract or transaction in good faith by a vote of a majority of the entire Board, less the number of such members involved in such contract or transaction; or (2) the fact thereof is disclosed to, or known by, a majority of Unit Owners and a majority of Unit Owners, present at a duly constituted meeting, shall in good faith authorize, approve or ratify such contract or transaction less the number of such Unit Owners who are also such members involved in such contract or transaction; and (3) the contract or transaction is professionally reasonable to the Board at the time the same is authorized, approved, ratified, executed or otherwise consummated. Any such members of the Board may be counted in determining the presence of a quorum of any meeting of the Board or of the Unit Owners which authorizes, approves or ratifies any such contract or transaction, but no such member shall be entitled to vote thereat in order to authorize, approve or ratify such contract or transaction.

ARTICLE 3.
UNIT OWNERS

3.1 Annual Meetings.

3.1.1 On or no more than thirty (30) days after the end of the Initial Control Period, the Residential Board shall call the first annual meeting of the Residential Unit Owners. Such meeting shall be held not less than 10 days nor more than 40 days after such date. At such meeting, the Residential Unit Owners shall elect (in accordance with the provisions of Section 2.1 and as otherwise provided in these By-Laws) a Residential Board consisting of seven (7) members. Thereafter, annual meetings of Residential Unit Owners shall be held within approximately thirty (30) days of each anniversary of the first annual meeting. At such meetings, the members of the Residential Board shall be elected and there shall also be transacted such other business as may properly come before such meetings. The members of the Residential Board shall designate two (2) individuals to serve as members of the Condominium Board.

3.1.2 No joint annual meeting of Residential Unit Owners and Non-Residential Unit Owners shall be required to be held unless otherwise required by law, in which event each such joint annual meeting shall be held on the date above specified for the annual meeting of Residential Unit Owners. No annual meeting of the Non-Residential Unit Owners shall be required to be held.

3.1.3 Only the Unit Owners or their proxy holders and the Condominium's professional advisors may attend Unit Owners' meetings without the prior approval of the Board.

3.2 Place of Meetings. Meetings of all or any Unit Owners or Residential Unit Owners, as the case may be, shall be held at the principal office of the Condominium and the Residential Units, respectively, or, at such other suitable and convenient place in the Borough of Manhattan, as may be designated by the appropriate Board.

3.3 Special Meetings. The President of the Residential Board shall call a special meeting of Residential Unit Owners, if so directed by resolution of the Residential Board or upon a petition signed and presented to the Secretary of the Residential Board by not less than 25% in

Common Interest of Residential Unit Owners. The President of the Condominium shall call a special joint meeting of all Unit Owners (a) if so directed by resolution of the Condominium Board, or (b) upon a petition signed and presented to the Secretary of the Condominium by not less than 25% in Common Interest of Residential Unit Owners and the Hotel Unit Owner.

3.4 Notice of Meetings and Actions Taken. Notice of each annual or special meeting shall be given by the appropriate Secretary to all Unit Owners of record entitled to vote thereat. Each such notice shall state the purposes of the meeting and the time and place where it is to be held and no business shall be transacted thereat except as stated in the notice. All notices hereunder shall be given by personal delivery, mail or e-mail, at least ten (10) but no more than forty (40) business days prior to the day named for the meeting and shall be given or sent to the Unit Owners entitled to receive same at their address at the Property or at such other address at the Property or elsewhere as any Unit Owner has designated by notice in writing to the appropriate Secretary at least ten (10) days prior to the giving of notice of the applicable meeting. However, if the business to be conducted at any meeting of the Unit Owners shall include consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be given to all Unit Owners as provided above at least thirty (30) days prior to the day fixed for such meeting, and such notice shall be accompanied by a copy of the text of such proposed amendment.

3.5 Adjournment of Meetings. If any joint or separate meeting of Unit Owners cannot be held because a quorum is not present, a majority of Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

3.6 Order of Business. The order of business at all joint or separate meetings of Unit Owners shall be as follows:

(a) Call to order;

(b) Roll call;

(c) Proof of notice of meeting;

(d) Reading of minutes of preceding meeting;

(e) Reports of officers;

(f) Reports of members of the Board;

(g) Reports of committees;

(h) Election of inspectors of election (when so required);

(i) Election of members of the Board (when so required);

(j) Unfinished business;

(k) New business; and

(l) Adjournment.

3.7 Title to Units. Title to Units may be taken by any individual, corporation, partnership, association, trust or other entity, or any two or more of such owners as joint tenants, tenants in common or tenants by the entirety, as may be appropriate, but not as owners in severalty.

3.8 Voting.

3.8.1 Each Unit Owner or a person designated by such Unit Owner to act as proxy on his or her behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit as set forth herein and in the Declaration at all meetings of Residential Unit Owners and at all joint meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary of the appropriate Board and shall be revocable at any time by written notice to such Secretary by the Unit Owner so designating; *provided, however*, that no designation to act as a proxy shall be effective for a period in excess of eleven months except a designation of a Permitted Mortgagee to act as the proxy of its mortgagor. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. No Board or its designee shall be entitled to vote the interest appurtenant to any Unit owned by such Board and the Common Interest of such Unit shall be excluded from the total Common Interests when computing the interest of Unit Owners for voting purposes.

3.8.2 Except as otherwise set forth herein or in the Declaration, at all meetings of Unit Owners, each Unit Owner (or his or her proxy) entitled to vote thereat (including Declarant with respect to Units owned by Declarant or its designee) shall be entitled to cast a vote equal to the Unit Owner's percentage interests in the Common Elements.

3.8.3 Whenever a particular percentage of Common Interest must be reached for voting purposes and such required percentage is in terms of the Residential Unit Owners, as a group, or the Non-Residential Unit Owners as a group (as opposed to all Unit Owners as a whole), such required percentage shall mean a percentage in terms of total Common Interests attributable to that particular group and not the percentage of Common Interests attributable to all Unit Owners.

3.8.4 When ownership is in the names of two or more persons in the absence of written directions from the Unit Owners to the contrary, at any meeting of Unit Owners, any one or more of such Unit Owners may cast, in person or by proxy, the vote to which such ownership is entitled. In the event an attempt is made to cast conflicting votes, in person or by proxy, by the persons in whose names the Unit is owned that Unit's one vote shall be split among the persons who own the Unit and are present in person or by proxy at such meeting.

3.8.5 Inspectors of Election. In advance of or at any meeting of Residential Unit Owners, the Residential Board may appoint any person, other than nominees for election to the Board or their relatives or employees or existing Residential Board Members, as Inspectors of

Election to act as such at the meeting or any adjournment. Any such appointments may be altered at the meeting. If Inspectors of Election are not so appointed, the President of the Residential Section may, or on the request of not fewer than ten percent (10%) of the votes represented at the meeting, shall make such appointment at the meeting. In case any person appointed as an Inspector fails to appear or fails or refuses to act, the vacancy may be filled by appointment by the Residential Board in advance of the meeting or at the meeting by the President. Unless otherwise prescribed, the duties of such Inspectors shall include: verifying the number of common interests, the Units represented at the meeting, the existence of a quorum, and the authenticity, validity and number of proxies, receiving votes, ballots, hearing and determining all challenges and questions in any way arising in connection with the rights to vote; counting and tabulation all votes or consents; determining the result; and such act as may be proper to conduct the election or vote with fairness to all Unit Owners.

3.9 Election of Board Members; Rights of Declarant and Sponsor.

3.9.1 All elections of Board members to the Residential Board shall be determined by plurality vote.

3.9.2 When voting for members of the Residential Board, the voting shall be by ballot and each ballot shall state the name of the Unit Owner voting and the percentage of Common Interests owned by such Unit Owner, and in addition, the name of the proxy if such ballot is cast by a proxy. Each Unit Owner shall be entitled to cast the number of votes determined in accordance with 3.8.2 for each member to be elected by the Unit Owners. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

3.9.3 Notwithstanding any other provision of this Section 3.9 or any other provision of these By-Laws to the contrary, commencing with the first annual meeting of Residential Unit Owners, Sponsor shall have the right to vote all of the Common Interests attributable to Unsold Residential Units owned by it until Sponsor has closed title to all of the Unsold Residential Units owned by it. Sponsor shall not hold a majority of seats on the Residential Board after the earlier to occur of five (5) years from the date of the First Closing or (ii) that date upon which the Sponsor and their designees have conveyed one hundred percent (100%) of the aggregate Common Interests pertaining to all Residential Units (the "Initial Control Period"). In addition, for so long as Sponsor owns at least one (1) Unsold Residential Unit (excluding Unsold Residential Units purchased by Sponsor's designees), (a) Sponsor shall have the right to either designate one (1) member of the Residential Board or vote the Common Interests attributable to Unsold Residential Units owned by it and (b) the number of members of the Residential Board may not be increased without the consent of Sponsor. Any vacancy created by removal of a Board member designated by Sponsor, or by any other cause which results in a Residential or Condominium Board member designated by Sponsor ceasing to be a member of the Board, shall be filled by a person designated by Sponsor. At the first annual meeting, after the Initial Control Period, a majority of the Residential Board must be Unit Owners who are not relatives or employees of Sponsor or its principals.

3.10 Majority of Unit Owners. Except as may otherwise be provided by law, as used in these By-Laws and in the Declaration, the terms "Majority of Residential Unit Owners"

"Majority of Non-Residential Unit Owners" and "Majority of Unit Owners" means either those Residential Unit Owners, Non-Residential Unit Owners or Unit Owners, as the case may be, having more than 50% of the total authorized votes of either Residential Unit Owners, Non-Residential Unit Owners or all Unit Owners, as the case may be, determined in accordance with the provisions of 3.8, who are present in person or by proxy and voting at any meeting at which a quorum is present.

3.11 Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of (a) Residential Unit Owners owning more than 50% of the aggregate Common Interests applicable to the Residential Units shall constitute a quorum at all meetings of Residential Unit Owners, and (b) Unit Owners owning more than 50% of the aggregate Common Interests applicable to all of the Units, shall constitute a quorum at all joint meetings of Unit Owners.

3.12 Majority Vote. Except where otherwise provided by law, the Declaration or these By-Laws, (a) at all separate meetings of Residential Unit Owners, the affirmative vote of a Majority of Residential Unit Owners shall be binding upon all Residential Unit Owners for all purposes, (b) at all meetings of Non-Residential Unit Owners, the affirmative vote of a Majority of Non-Residential Unit Owners shall be binding upon all Non-Residential Unit Owners for all purposes and (c) at all joint meetings of Unit Owners, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes.

3.13 Determination of Unit Owners. When the Residential Unit Owners and Non-Residential Unit Owners, with each acting separately in accordance with the provisions of this Article 3, have made the same determination as to any matter which is required or permitted to be determined by all Unit Owners, such determination shall constitute the determination of all Unit Owners. No joint meeting of Residential Unit Owners and Non-Residential Unit Owners shall be necessary for any such determination to be made by all Unit Owners.

ARTICLE 4.
OFFICERS

4.1 Designation. The principal officers of the Condominium shall be (a) for the Residential Section and Non-Residential Section, a President, Vice President, Secretary and Treasurer thereof, all of whom shall be elected by the applicable Board, and (b) for the entire Condominium, a President, a Vice President and Treasurer, and a Secretary thereof. The Condominium Board, the Residential Board and the Non-Residential Board may each appoint an Assistant Treasurer, Assistant Secretary and such other officers as in their judgment may be desirable. Any officer or manager of the Residential Section may also be an officer of the Non-Residential Units and any officer or director of the Non-Residential Units may also be an officer of the Residential Section. None of the officers of the Residential Section and the Non-Residential Units or the Condominium need be Unit Owners or have any interest therein or be Board members until the first organizational meeting of the Residential Board after the first annual meeting of Residential Unit Owners. Thereafter, the President and Vice President of the Residential Section must be members of the Residential Board. Any one may hold multiple offices.

4.2 Election of Officers. The officers of the Residential Section shall be elected annually by the Residential Board, respectively, at the organizational meetings thereof, except that the initial officers of the Residential Section shall be elected, by the initial Residential Board and shall hold office at the pleasure of the Board and until their successors are elected.

4.3 Resignation and Removal of Officers. Any officer may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the applicable Board which elected such officer. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Upon the affirmative vote of a majority of the members of the Board electing him, any officer may be removed, either with or without cause. A successor officer may be elected at any regular Board meeting or at any special Board meeting called for such purpose.

4.4 Presidents. The President of the Condominium shall be the chief executive officer of the Condominium and shall preside at all joint meetings of Unit Owners and at all meetings of the Condominium Board. The Presidents of the Residential Section and the Non-Residential Section shall be the chief executive officer of the applicable Section and shall preside at all meetings of the applicable Board and the applicable Unit Owners. Each of said Presidents shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including, but not limited to, the power to appoint committees from among Unit Owners of the applicable Board from time to time as he or she may in his or her discretion decide are appropriate to assist in the conduct of the affairs of the entire Condominium or of the applicable Section, as the case may be.

4.5 Vice Presidents. Each of the Vice Presidents shall take the place of the President under whom he or she serves and perform his or her duties whenever such President shall be absent or unable to act. If both the President and the Vice President of the applicable Section, or

the Condominium are unable to act, the Board under whom such President and Vice President serves shall appoint some member of such Board to act in the place of such President and Vice President on an interim basis. Each Vice President shall also perform such other duties as shall from time to time be imposed upon him or her by the Board or by the President under whom he or she serves.

4.6 Secretaries. The Secretary of the Condominium shall keep the minutes of all joint meetings of Unit Owners and of the Condominium Board. The Secretary of the Residential Section or Non-Residential Section shall keep the minutes of the meetings of the applicable Board and Unit Owners. Each of the Secretaries shall have charge of such books and papers as the Board under which he or she serves shall direct and shall in general perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

4.7 Treasurers. Each of the Treasurers shall have the care and custody of the funds and securities of the Condominium or the Residential Section or Non-Residential Section, as the case may be, and shall be responsible for keeping full and accurate financial records and books of account thereof showing all receipts and disbursements necessary for the preparation of all required financial data. Each of the Treasurers shall be responsible for the deposit of all funds and other securities in the name of the Board for whom he or she serves (or in the name of the managing agent appointed by such Board) in such depositories as may from time to time be designated by such Board and shall in general perform all of the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

4.8 Execution of Documents. Unless otherwise delegated by the Board, all agreements, contracts, deeds, leases, checks and other instruments of the Condominium or of the Residential Board or Non-Residential Board shall be executed by any officer thereof or by such other person or persons as may be designated by the applicable Board. However, any expenditure by a Board in excess of $5,000.00 must be countersigned by two members of the applicable Board (except if such expenditure is for an Emergency or for the HVAC Common Elements or for items approved in the Budget, in which case only one member of the applicable Board must countersign). Checks in excess of $5,000 drawn on the Condominium's account must be signed by two members of the Condominium Board, one of whom is also a member of the Residential Board and the other having been designated as a member of the Condominium Board by the Non-Residential Unit Owner. If for any reason whatsoever one member refuses to countersign such an expenditure which has been authorized, the Condominium Board shall designate and authorize another Board member to countersign the expenditure.

4.9 Compensation of Officers. Except as otherwise provided by the Board for which he serves, no officer shall receive any compensation for acting as such.

ARTICLE 5.
NOTICES

5.1 Notices. All notices required or desired to be given hereunder to any Board shall be personally delivered or sent by registered or certified mail or reputable overnight delivery service to the office of such Board or to such other address as such Board may designate from time to time, by notice in writing to the other Board and to all Unit Owners, as the case may be, and if there is a managing agent of such Board, a duplicate shall be sent in like manner to such managing agent. All notices to any Residential Unit Owner or Non-Residential Unit Owner shall, except as otherwise provided herein, be personally delivered or sent by first class mail to the Property address of such Residential Unit Owner or Non-Residential Unit Owner or to such other address as may have been designated by such Unit Owner from time to time, in writing, to the Condominium Board, the Residential Board or the Non-Residential Board. All notices to Permitted Mortgagees shall be personally delivered or sent by mail to their respective addresses, as designated by them from time to time, in writing to the Condominium Board and the Residential Board. All notices shall be deemed to have been given when personally delivered or mailed in a postage prepaid sealed wrapper, except notices of change of address which shall be deemed to have been given when received.

5.2 Waiver of Service of Notice. Whenever notice is required to be given by law, the Declaration or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 6.
OPERATION OF THE PROPERTY

6.1 Determination of Common Expenses and Fixing of Common Charges.

6.1.1 Except as otherwise provided herein, all costs and expenses attributable to the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the General Common Elements ("General Common Expenses") shall be determined by the Condominium Board as set forth below, and shall be borne by the Residential Board and the Non-Residential Board. General Common Expenses shall also include all such other items provided for in the Declaration or these By-Laws to be General Common Expenses. General Common Expenses shall also include such amounts as the Condominium Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the General Common Elements. The Condominium Board shall from time to time and at least annually prepare a budget to meet General Common Expenses and shall allocate and assess to the Unit Owners, pro rata in accordance with the aggregate respective Common Interests of the Unit Owners (except as otherwise provided in the Declaration or these By-Laws) ("General Common Charges") to meet General Common Expenses. Such budgets shall include such amounts for reserves, as the Condominium Board deems appropriate. In addition to basing charges on Common Interests, the Condominium Board may also make allocations and assessments of General Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of the law. Notwithstanding anything to the contrary set forth above, the Condominium Board may not modify its method of allocations and assessments or increase the number of building employees

servicing the Non-Residential Units in such a manner as would increase the Common Charges otherwise payable by the Non-Residential Unit Owners, without the consent of the Non-Residential Unit Owners.

6.1.2 Except as otherwise provided herein, all costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of and any alteration, addition or improvement to, Residential Common Elements or the Residential Limited Common Elements ("Residential Common Expenses") shall be determined exclusively by the Residential Board and shall be borne solely by the Residential Unit Owners in proportion to their respective Common Interests.

6.1.3 Except as otherwise provided herein, all costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of and any alteration, addition or improvement to, Non-Residential Common Elements or the Non-Residential Limited Common Elements ("Non-Residential Common Expenses") shall be determined exclusively by the Non-Residential Board and shall be borne solely by the Non-Residential Unit Owners in proportion to their respective Common Interests.

6.1.4 Notwithstanding anything to the contrary in this Section 6.1.4, if a Residential Common Element or Residential Limited Common Element benefits only certain Residential Unit Owners, then the costs of alteration, addition, repair, replacement and restoration thereto (except in connection with a casualty or condemnation) shall be borne solely by those Residential Unit Owners who benefit from the Residential Common Element or Residential Limited Common Element in the proportion that the Common Interest of each benefiting Residential Unit Owner bears to the Common Interest of all benefiting Residential Unit Owners. In addition, except as otherwise provided in the By-Laws, such Residential Unit Owners shall be responsible for the normal operation, maintenance and repair, including but not limited to the cost of staff necessary for such operation, maintenance and repair, of any such Residential Common Element or Residential Limited Common Element at their sole cost and expense.

6.1.5 Notwithstanding anything to the contrary in this Section 6.1.5, if a Non-Residential Common Element benefits only certain Non-Residential Unit Owners, then the costs of alteration, addition, repair, replacement and restoration thereto (except in connection with a casualty or condemnation) shall be borne solely by those Non-Residential Unit Owners who benefit from the Non-Residential Common Element in the proportion that the Common Interest of each benefiting Non-Residential Unit Owner bears to the Common Interest of all benefiting Non-Residential Unit Owners. In addition, except as otherwise provided in the By-Laws, such Non-Residential Unit Owners shall be responsible for the normal operation, maintenance and repair, including but not limited to the cost of staff necessary for such operation, maintenance and repair, of any such Non-Residential Common Element at their sole cost and expense.

6.1.6 Residential Common Expenses shall include, without limitation, such amounts as the Residential Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Residential Common Elements or the Residential Limited Common Elements. Residential Common Expenses shall

also include all such other items provided for in the Declaration or these By-Laws to be Residential Common Expenses. The Residential Board shall from time to time and at least annually prepare a budget to meet Residential Common Expenses and shall allocate and assess to the Residential Unit Owners, pro rata in accordance with their respective Common Interests (except as otherwise provided in the Declaration or these By-Laws), charges ("Residential Common Charges") to meet (a) Residential Common Expenses and (b) the Residential Unit Owners' pro rata share of General Common Charges. The Residential Common Expenses may include the rental or purchase of an apartment to be used as the residence of the Resident Manager and all costs and expenses associated therewith. Such budgets shall include such amounts for reserves as the Residential Board deems appropriate. From time to time the Residential Board may increase or decrease the amount of Residential Common Charges payable for a fiscal year or any portion thereof to meet a revised estimate or determination of Residential Common Expenses for such fiscal year or any portion thereof.

6.1.7 During the Condominium's initial two fiscal years but not thereafter, the authority of the Condominium Board as to the General Common Expenses and the Residential Board as to the Residential Common Expenses shall include the right to base the amount of Common Charges on actual costs and expenditures and/or to make retroactive adjustments to the amount of Common Charges payable by the Unit Owners or the Residential Unit Owners, as the case may be, for any period to reflect actual operating costs for such period. In addition to basing charges on Common Interests, the Condominium Board or the Residential Board may also make allocations and assessments of General Common Expenses or Residential Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of law. The Boards shall advise their Unit Owners promptly in writing of the amount of Common Charges payable by each of them and shall furnish copies of each annual budget to all Unit Owners and Permitted Mortgagees thereof.

6.1.8 Unit Owner Expenses shall be invoiced by the Managing Agent from time to time as such expenses are incurred and shall be promptly paid by the applicable Unit Owner (and in any event shall be paid within thirty (30) days after receipt of an invoice therefore) and the applicable Board shall have a lien on the applicable Unit Owner's Unit (whether payable to the Condominium Board or the Residential or Non-Residential Board) as though such amounts were payable to the Condominium Board or the as Common Charges, but in the case of any payments due to another Unit Owner, such lien shall be held and enforced by the Condominium Board for the benefit of such Unit Owner. Costs incurred by the Condominium for any Emergency work performed by the Condominium Board may be included in the Common Charges or invoiced as Unit Owner Expenses (as the case may be in accordance with the terms of the Declaration and these By-Laws) from time to time as such costs are incurred (and in any event shall be paid within thirty (30) days after receipt of an invoice therefore).

6.1.9 The Condominium Board, the Residential Board and the Non-Residential Board shall cause the Managing Agent to prepare a proposed annual budget for operations for the Property (the "Annual Budget") for the Condominium, the Non-Residential Section and the Residential Section for each calendar year and shall deliver such proposed Annual Budget to each of the Board members, as the case may be, not later than November 1st of each calendar

year. Such proposed Annual Budget shall include a property operating statement, a budget detail and trial balance for the General Common Expenses and the Residential or Non-Residential Common Expenses. The proposed Annual Budget shall show the estimated costs of Maintaining and operating the Condominium for the following calendar year, but shall not include capital expenditures.

6.1.10 The Managing Agent shall prepare a proposed budget for capital expenditures projected to be needed for the Common Elements for the following three (3) calendar years of condominium operation (the "Capital Budget") and shall deliver such proposed Capital Budget to each of the Condominium Board members (with respect to any Capital Budget for the Condominium) or Residential Board or Non-Residential Board members (with respect to any Capital Budget for the Residential Section or Non-Residential Section, as the case may be), simultaneously with delivery of the proposed Annual Budget for each such calendar year. Such proposed Capital Budget shall describe in reasonable detail the capital expenditures scheduled for the immediately following three (3) year period including; (i) a project description, (ii) the estimated duration of the work and (iii) the estimated cost thereof. Except as expressly set forth in these By-Laws or the Declaration, each Unit Owner shall be responsible for all capital expenses with respect to such Unit Owner's Unit and appurtenant Limited Common Elements.

6.1.11 The members of the Condominium Board or the members of the Residential Board or Non-Residential Board, as applicable, shall have a period of thirty (30) days following receipt of each proposed Annual Budget and Capital Budget (collectively, a "Budget") to review and object to same. If a Board member has not responded within such thirty (30) day time period, a reminder notice delivered by the Managing Agent to such member of the Condominium Board or Residential Board or Non-Residential Board, as the case may be, which shall state in bold letters that if such Board member does not object of such proposed Annual Budget or proposed Capital Budget, as applicable, within five (5) Business Days, such failure to respond shall be deemed an approval of such proposed Annual Budget or proposed Capital Budget, as applicable. If a majority of the members of the Condominium Board designated by the Residential Section, or the Hotel Unit Owner shall object to any proposed Annual Budget or proposed Capital Budget in accordance with the foregoing provisions of this Section 6.1.9, the Condominium Board members shall attempt to resolve such objection and in the event of such resolution, the Managing Agent shall revise the Annual Budget and/or Capital Budget accordingly. In the event that the dispute cannot be resolved by the Condominium Board as aforesaid, such dispute shall be submitted to Arbitration, and in such event, the Annual Budget and/or Capital Budget which have been previously in effect, shall remain in effect until such time as the Condominium Board shall have otherwise resolved such dispute or such Arbitration has been finally determined. Notwithstanding anything to the contrary contained in this Section 6.1.9, the Board Member shall have no right to object to any proposed Annual Budget or Capital Budget unless such Annual Budget or Capital Budget requires the payment of any amounts by the Unit Owner such Board Member represents.

6.1.12 The Managing Agent shall submit to the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, a variance report, monthly asset report, revised budget, and/or similar report at any time and from time-to-time during the year. The Managing Agent shall request the approval of such parties, of any of the foregoing

reports and, if so requested, such parties, as the case may be, shall either approve or disapprove of the report within fifteen (15) business days after receipt thereof. Notwithstanding the foregoing, unless the respective party, sends written notice to the Managing Agent that such party, disapproves a proposed report within fifteen (15) days after its receipt by such party, the proposed report shall be deemed approved by the such party. If approved by the Condominium Board or the Residential Board or Non-Residential Board, as the case may be, the report shall be deemed to modify the existing Budget with respect to the items in the existing Budget that are set forth in the report (or in the event the Managing Agent submits a revised budget, such revised budget, once approved by all parties, shall replace the existing Budget). Notwithstanding anything to the contrary contained in this Section 6.1.10, the Board Members shall have no right to object to any proposed modifications to the Annual Budget or Capital Budget unless such modification requires the payment of any amounts by the Unit Owner(s) appointing the Board Member.

6.1.13 Except for expenditures made and obligations incurred as a result of an Emergency, or in accordance with an approved Budget, or which are otherwise not required to be approved by the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, or which have been previously approved by the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, the Managing Agent shall have no authority to make any expenditure or incur any obligation on behalf of the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be. When a Budget is approved or when an existing Budget is modified and such modification is approved by the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, as set forth above, the Managing Agent shall implement such Budget and shall be authorized, without the need for further approval by the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be (except as expressly set forth herein), to make the expenditures and incur the obligations provided for in such Budget. Notwithstanding the foregoing, the Managing Agent shall have the right to deviate from the Budget and from each line item thereunder by an amount not to exceed five percent (5%) of the applicable amount and shall have the right to reallocate amounts among and between budgeted items should the Managing Agent determine that excess funds exist in any item and that such excess funds are necessary to meet other budgeted expenses. In the event items of expense are in excess of the budgeted amount, the Managing Agent shall perform its obligations under the By-Laws in accordance with the prior Annual Budget and Capital Budget; provided, however, that (i) the amounts in such prior budgets for non-discretionary items (*i.e.*, fixed by contract, government decree, or not subject to change or cancellation by the respective Board) shall be deemed increased to the actual cost of such items, (ii) any expense that has been separately approved by the respective Board (for example, a capital project or the work relating to an agreement that has been approved by the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be) must be authorized by the applicable Board, (iii) any amounts required to be paid under the terms of any pre-existing contracts, and (iv) all other items included in the prior Budget shall be deemed increased by three percent (3%).

6.1.14 The excess of all rents, profits and revenues derived from the rental or use of any space or facility forming part of, or included in, any Common Element remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected

by the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, as agent for and on behalf of the applicable Unit Owners, or forming a part of or included in any Residential or Non-Residential Common Element remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by (i) Condominium Board if a General Common Element, or (ii) the Residential Board if a Residential Common Element is involved, as agent for and on behalf of the Residential Unit Owners or (iii) the Non-Residential Board if a Non-Residential Common Element is involved, as agent for an on behalf of the affected Non-Residential Unit Owner. Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, in no event shall any rent, profit or revenue derived from the rental or use of any space in the Building deemed to be derived from any rental or use of any floor slabs, ceilings or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

6.1.15 Common Expenses shall include real estate taxes on the Property until the Units are separately assessed.

6.1.16 All repairs, maintenance, alterations and improvements to the exterior of the Building, including the structural components of the exterior, shall be performed by the Condominium Board. Notwithstanding the foregoing, nothing contained herein shall relieve a Unit Owner of liability for damage caused by the Unit Owner to the exterior of the Building including the structural components of the exterior allocated in accordance with this Section 6.1.14. All proceeds from any Condominium insurance policy shall be allocated to the performance of work pursuant to this Section 6.1.14 in a manner reasonably determined by the Condominium Board, and any dispute therefor shall be determined by Arbitration.

6.1.17 All repairs, maintenance, alterations to, and snow and trash removal from, the sidewalks and alleys surrounding the Building shall be performed by the Condominium Board and the cost thereof shall be allocated among the Unit Owners based on their Percentage Interests.

6.1.18 Notwithstanding the foregoing, any and all costs and expenses paid or incurred by the Condominium in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, (a) any Hotel Common Element shall be allocated and assessed as a Common Expense solely to the Owner of the Hotel Unit; (b) any Residential Common Element shall be allocated and assessed as a Common Expense solely to the applicable Residential Unit Owners; or (c) any Retail Common Element shall be allocated to the Retail Unit Owner or (d) any Restaurant Common Element shall be allocated as an expense to the Restaurant Unit. If any of the Master Units shall have been divided into individual Units, such costs shall be assessed to the owners of the Units comprising said Master Unit and the Resultant Board, if any, shall have the authority to assess its Unit Owners for the costs of operating their section of the Condominium. However, should the Condominium incur increased insurance premiums solely as the result of a specialized use of any Unit that results in an increase in premium, the Owner of the Unit responsible for such specialized use shall pay such increase in premium directly resulting from such specialized use.

6.2 Insurance.

6.2.1 The Condominium Board shall be required to obtain and maintain to the extent obtainable the following insurance: (i) "all risk" insurance (including, but not limited to, collapse, loss or damage occasioned by fire, the perils included in the so-called extended coverage endorsement, vandalism and malicious mischief and water damage) on the core and shell of the Building and the improvements and the personal property, in each case (A) in an amount equal to one hundred percent (100%) of the "Full Replacement Cost," which for purposes of the Condominium Documents shall mean actual replacement value (exclusive of costs of excavations, foundations, underground utilities and footings) with a waiver of depreciation; (B) containing an agreed amount endorsement with respect to the Property, the Building and the improvements (other than the Units) and personal property waiving all co-insurance provisions; (C) providing for no deductible in excess of $100,000 for all such insurance coverage; and (D) if any of the improvements or the use of the Property shall at any time constitute legal non-conforming structures or uses, providing coverage for contingent liability from operation of Building laws, demolition costs and increased cost of construction endorsements and containing an "Ordinance or Law Coverage" or "Enforcement" endorsement; (ii) Commercial General Liability insurance against claims for personal injury, bodily injury, death or property damage occurring upon, in or about the Property, with such insurance (A) to be on the so-called "occurrence" form with a general aggregate limit of not less than $2,000,000 and a per occurrence limit of not less than $1,000,000 and (B) to cover at least the following hazards: (1) premises and operations; (2) products and completed operations; (3) independent contractors; and (4) blanket contractual liability; (iii) fidelity bonds or insurance, in amounts deemed appropriate by it, for all of its members, officers and employees and for the Managing Agent, if any, employed by it; to the full extent permitted by law, the Condominium Board and the Residential Board and the Non-Residential Board shall purchase and maintain directors and officers insurance (A) to indemnify the Unit Owners, the Condominium Board, the Residential Board and the Non-Residential Board for any obligation which any of them incurs as a result of the indemnification of members and officers of the Condominium Board or Residential Board or the Non-Residential Board under the provisions of these By-Laws or as required by law or by a court order, (B) to indemnify members and officers of the Condominium Board and Residential Board and the Non-Residential Board in instances in which they may be indemnified by the Unit Owners or the Residential Unit Owners or the Non-Residential Unit Owners, as the case may be, or the Condominium Board or the Residential Board under the provisions of these By-Laws, and (C) to indemnify members and officers of the Condominium Board and the Residential Board and the Non-Residential Board in instances in which they may not otherwise be indemnified, to the extent provided by such insurance and (iv) at all times during which structural construction, repairs or alterations are being made with respect to the improvements, and only if the Property coverage form does not otherwise apply, (A) owner's contingent or protective liability insurance covering claims not covered by or under the terms or provisions of the above mentioned commercial general liability insurance policy and (B) the insurance provided for in clause (i) above written in a so-called "Builder's Risk Completed Value" form (1) on a non-reporting basis, (2) against "all risks" insured against pursuant to clause (i) above, (3) including permission to occupy the Property, and (4) with an agreed amount endorsement waiving co-insurance provisions; (v) workers' compensation, subject to the statutory limits of the State of New York, and employer's liability insurance in respect of any work or operations on or about the Property, or in connection with the Property or its operation (if applicable); (vi) boiler and machinery

insurance, if applicable, on terms consistent with the commercial property insurance policy required under clause (i) above; (vii) excess liability and umbrella insurance in an amount not less than $150,000,000 per occurrence on terms consistent with the commercial general liability insurance required under (ii) above; and (viii) upon sixty (60) days' written notice, such other reasonable insurance and in such reasonable amounts as the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be (subject to the provisions of Section 6.2.12 of these By-Laws, with the consent of at least one member of the Condominium Board designated by the Hotel Unit Owner and one member of the Condominium Board designated by the Residential Unit Owner) from time to time may reasonably determine against such other insurable hazards which at the time are commonly insured against for property similar to the Property located in or around the Borough of Manhattan, City and State of New York. The foregoing insurance policies shall be referred to collectively as the Insurance Policies and individually as an Insurance Policy. Notwithstanding anything to contrary set forth herein, in the event of a dispute as to the full replacement costs of the Property, the parties shall refer the matter to a replacement cost appraiser for determination.

6.2.2 The Condominium Board shall obtain insurance against terrorism, terrorism acts or similar acts of sabotage that are defined (*i.e.* covered under) TRIA and that are not defined by TRIA (not covered under) TRIA ("Terrorism Insurance") with amounts terms and coverage consistent with those under Section 6.2.1 above, and provide coverage for acts not defined by TRIA (non-certified acts) with such limits as the Condominium Board deems to be reasonable. Notwithstanding the foregoing sentence, the Condominium Board shall not be obligated to expend more than $250,000 (as such amount is adjusted for inflation) in any fiscal year on such coverage ("Terrorism Insurance Cap") and if the cost of the coverage exceeds the Terrorism Insurance Cap, the Condominium Board shall purchase the maximum amount of coverage available for acts of terrorism as defined by TRIA, if TRIA is still in effect or not with funds equal to the Terrorism Insurance Cap.

6.2.3 All policies maintained by or on behalf of the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, as provided in Section 6.2.1 shall provide that adjustment of loss shall be made between the insurance company(ies) and by the affected Board if the loss involves only one Unit and by the Condominium Board, if the loss involves the General Common Elements or the General Common Elements and one or more Units. The right of the Condominium Board or a Unit Owner to adjust any loss as described above shall be subject (as to an encumbered Unit) to the rights of a Permitted Mortgagee, if any, under the terms of a Permitted Mortgage to approve adjustments to the extent required under their respective loan documents, as it pertains to the Unit secured by the Permitted Mortgage (or other loan documentation related thereto) held by said Permitted Mortgagee.

6.2.4 All Insurance Policies provided for in this Section 6.2 shall contain clauses or endorsements to the effect that:

6.2.4.1 no act or negligence of the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, the Unit Owners, or anyone acting for the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, or Unit Owners, or of any tenant or other occupant of a Unit, or failure to comply

with the provisions of any Policy, which might otherwise result in a forfeiture of the insurance or any part thereof, shall in any way affect the validity or enforceability of the insurance insofar as any Permitted Mortgagee is concerned;

6.2.4.2 the Insurance Policies shall not be materially changed (other than to increase the coverage provided thereby) or canceled without at least thirty (30) days' prior written notice to any party named therein as an additional insured, including, without limitation, any Permitted Mortgagee; and

6.2.4.3 the issuers thereof shall give written notice to the Permitted Mortgagees if a Policy has not been renewed thirty (30) days prior to its expiration.

6.2.5 The insurance required to be maintained under this Section 6.2 shall meet the following criteria:

6.2.5.1 No Unit Owner shall (1) do or permit any act or thing to be done in or to its Unit which will invalidate or be in material conflict with any public liability, property or other policy of insurance at any time carried by the Condominium Board, the Residential Board or the Non-Residential Board, as the case may be, with respect to the Property, (2) keep anything in its Unit or in the General Common Elements which is prohibited by the Fire Department, Board of Fire Underwriters, fire insurance rating organization or other authority having jurisdiction or (3) permit its Unit or the Common Elements to be used in any manner which will increase the insurance rate for the Property over that in effect as of the date of this Declaration, unless such Unit Owner pays the additional cost thereof as provided below.

6.2.5.2 Any costs, expenses, fines, penalties or damages which shall be imposed upon the Condominium Board, the Residential Board or the Non-Residential Board, as the case may be, by reason of a default by a Unit Owner in performing its obligations under this Section 6.2. or by reason of any increase in the premium charged for insurance carried by the Condominium Board, the Residential Board or the Non-Residential Board, as the case may be, resulting from a change in the insurance rate for the Property attributable to a particular use of such Unit Owner's Unit, other than for retail use, or ancillary uses or for any other use to which such Unit is put as of the date of the recordation of the Declaration, shall be assessed against and payable by such Unit Owner and be deemed a Unit Owner Expense. For all purposes hereunder, a schedule or "makeup" of rates for the Property issued by the New York Fire Insurance Rating Bureau or other body making fire insurance rates applicable to the Property shall be conclusive evidence of the facts therein stated and of the several items and charges in the fire insurance rate or rates then applicable to the Property.

6.2.5.3 Any blanket Insurance Policy required or permitted hereunder shall specifically allocate to the Property the amount of coverage from time to time required hereunder and shall otherwise provide the same protection as would a separate Policy insuring only the Property in compliance with the provisions of Section 6.2.1 above.

6.2.5.4 All policies of physical damage insurance maintained hereunder shall contain waivers of subrogation and the Condominium Board, the Residential

Board or the Non-Residential Board, as the case may be, and the Unit Owners and all Unit Owners waive their subrogation rights against each other and each hereby waive and agree that they shall make no claim for recovery against each other for damages to or loss of the Common Elements and/or any Unit, or any improvements and betterments thereon or therein, and injury or damage arising out of operations if such damage, injury or loss is covered by valid and collectible insurance protecting the Condominium Board, the Residential Board or the Non-Residential Board, as the case may be, and the Unit Owners and which contains a clause permitting the insured to waive such rights prior to the occurrence of a loss. All policies of physical damage insurance obtained by the Condominium Board, the Residential Board or the Non-Residential Board, as the case may be, and the Unit Owners shall contain waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) pro rata reduction of liability, and shall provide that such policies may not be canceled or materially or substantially modified without at least thirty (30) days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagee.

6.2.5.5 All policies maintained by the Condominium Board shall acknowledge and provide that (a) all Unit Owners and Permitted Mortgagees are deemed additional insureds for any liability insurance except that Unit Owners shall not be considered additional insureds with respect to the operations of their own Unit, (b) the Condominium Board, the Residential Board or the Non-Residential Board, as the case may be, shall be deemed a loss payee for casualty to a General Common Element or a Limited Common Element appurtenant to more than one but not all Units and (c) each Unit Owner is deemed a loss payee for casualty to its respective Limited Common Element exclusively appurtenant to such Unit. The Condominium Board, the Residential Board or the Non-Residential Board, as the case may be, shall provide a copy of all insurance policies to the applicable Unit Owners and Permitted Mortgagees, at no cost to any Permitted Mortgagee, evidencing all required Condominium Board policy coverages and additional insured, loss payee or mortgagee status.

6.2.5.6 Liability coverage shall be endorsed with a severability of interest endorsement, if not otherwise included, stating that if a claim is brought by one insured against another insured under such policy, or by an employee of one insured against another insured under such policy, each insured shall be considered a separate insured for purposes of the insurance. The policies shall be written with a contractual liability endorsement, if not otherwise included, providing coverage for bodily injury or property damage assumed under any type of "written agreement," as defined in the standard ISO liability policy, to the extent permitted by law.

6.2.5.7 The issuance of any insurance policy hereunder with respect to a Unit Owner's insurance coverage, shall not be deemed to limit or restrict in any way any Unit Owner's liability in connection with or arising out of its work and the indemnification obligations set forth in this Declaration and By-Laws.

6.2.6 The Condominium Board, the Residential Board or the Non-Residential Board, as the case may be, shall provide copies of its new or renewal policies to each Permitted Mortgagee within thirty (30) days following expiration of expired policies, and evidence of renewal policies, in binder form, shall be delivered by the Condominium Board, the Residential

Board or the Non-Residential Board, as the case may be, to each Permitted Mortgagee at least ten (10) days prior to the expiration dates of such policies, together with proof that the premiums for at least the first year of the term of such policies have been paid.

6.2.7 If any of the foregoing insurance coverages, including without limitation, the deductibles with respect thereto, are unavailable or unavailable at commercially reasonable rates, then in lieu thereof, the Condominium Board, the Residential Board or the Non-Residential Board, as the case may be, may, subject to the rights of any Permitted Mortgagee, obtain and maintain such other insurance coverages as would then be obtained and maintained by prudent property owners of similar properties situated in the City of New York. The Condominium Board, the Residential Board or the Non-Residential Board, as the case may be, shall have the right to reasonably amend the required limits and types of insurance from time to time with the consent of at least one member of the Condominium Board designated by the Hotel Unit Owner and at least one member of the Condominium Board designated by the Residential Unit Owner. The insurance coverages described herein may be adjusted for inflation at the discretion of the Condominium Board.

6.2.8 If the Condominium Board fails to obtain and maintain the insurance required in this Article 6, then the Residential Board and the Non-Residential Board shall have the right, upon three (3) business days' notice to the Condominium Board, to obtain such insurance in the required amounts. If the Residential Board and the Non-Residential Board fails to obtain and maintain the insurance required in this Article 6 following the Condominium Board's failure, then a Permitted Mortgagee shall have the right, upon three (3) business days' notice to the Condominium Board, the Residential Board and the Non-Residential Board, to obtain such insurance in the required amounts. All premiums paid therefor shall be deemed a debt and obligation of the Condominium Board to be repaid with interest at a rate equal to the prime rate of interest (as reported from day to day in The Wall Street Journal) imposed by Citibank, N.A. or its successor, or if such rate is not available, the same rate or prime rate of interest at any "money center" bank as may be designated by a Permitted Mortgagee (the "Prime Rate"), plus 2% per year, upon demand. The Residential Board and the Non-Residential Board shall be deemed to have a power of attorney, coupled with an interest, from the Condominium Board to act on its behalf to perform the obligations of the Condominium Board as set forth herein. Each Permitted Mortgagee also shall be deemed to have a power of attorney, coupled with an interest, from the Condominium Board, the Residential Board and the Non-Residential Board to act on its behalf to perform the obligations of the Condominium Board as provided under this Section. Any dispute under this Section 6.2 shall be resolved by Arbitration. Notwithstanding anything to the contrary set forth herein, any Permitted Mortgagee, Board, or Unit Owner intending to obtain insurance on behalf of the Condominium pursuant to this Section 6.2.8 shall provide all other Permitted Mortgagees, the Boards and Unit Owners notice of such intent.

6.2.9 Neither, the Condominium Board, the Residential Board nor the Non-Residential Board is required to obtain or maintain any insurance with respect to any personal property contained in a Unit. Each Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to,

loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum coverage as established by the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, from time to time and (b) "all-risk" property insurance in respect of property damage occurring in, upon, or from the Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage). The limits of liability set forth in (a) and (b) above may be increased by the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, from time to time to a commercially reasonable amount. The insurance required above shall be written in form reasonably satisfactory to the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, by good and solvent insurance companies of recognized standing, admitted to do business in the State of New York. Upon ten (10) days' written notice from the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, or the Managing Agent, the Unit Owner shall deliver to the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be. The Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, and the Managing Agent shall not be responsible for ensuring that Unit Owners are insured and shall have no liability for the failure of a Unit Owner to have insurance. To the extent either party is insured for loss or damage to property, each party will look to their own insurance policies for recovery.

6.2.10 Notwithstanding anything to the contrary set forth above, in the event that any Unit is subject to more stringent insurance requirements as a result of any lease or Permitted Mortgage placed upon such Unit, or otherwise, the Condominium Board, the Residential Board or the Non-Residential Board, and the Depositary will be obligated to satisfy the more stringent requirements, and the Condominium Board, if necessary, will obtain such additional insurance coverage as may be required. Any additional costs incurred as a result of the foregoing will be borne by the Unit Owner whose Unit was subject to the more stringent requirements.

6.2.11 Without limiting the remedies of the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, for a Unit Owner's default, in the event that a Unit Owner (or any tenant or occupant of all or any portion such Unit Owner's Unit) fails to provide a certificate or other evidence of insurance required to be provided by each Unit Owner (or such tenant or occupant) hereunder and does not cure such default within ten (10) business days after notice from the Condominium Board, the Residential Board, the Non-Residential Board or a Permitted Mortgagee, as the case may be, the Condominium Board, the Residential Board, or the Non-Residential Board, as the case may be, shall be authorized (but not required), if the same remains uncured, to procure such coverage on behalf of such Unit Owner and the cost thereof (if made by the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be) shall be charged back to such Unit Owner as a Unit Owner Expense (and, if such coverage is obtained by such Non-Residential Unit Owner or such Permitted Mortgagee, all payments with respect thereto shall be reimbursed to such Unit Owner or Permitted Mortgagee by the defaulting Unit Owner).

6.2.12 The Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, shall obtain and maintain such additional or greater insurance coverage as may be requested in writing by a Unit Owner provided, the requesting Unit Owner shall pay the premium (or increase in existing premiums) related thereto as a Unit Owner Expense. Such additional or greater insurance coverage may include business interruption insurance in such amounts as may be requested by the Unit Owner (the "Unit Owner BI Coverage"). In the event that more than one Unit Owner requests that the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, obtain business interruption insurance on behalf of such Unit Owners (a) the premium therefor shall be allocated pro rata on the basis of each Owner's respective Unit Owner BI Coverage payable as a Unit Owner Expense, (b) the proceeds disbursed by the insurance company in respect to such coverage will be paid to each Unit Owner based upon each Unit Owner's loss of rental income, up to the respective Unit Owner's BI Coverage and (c) each Unit Owner who has suffered a loss of rental income shall participate with the Condominium Board to handle the adjustment of such loss.

6.2.13 Any company writing any insurance required under these By-Laws shall have an A.M. Best rating of not less than A-/VIII. All Commercial General Liability insurance policies shall name as additional insureds the Condominium Board, the Residential Board, the Non-Residential Board, the Unit Owners, and Permitted Mortgagees and such other parties as the particular Unit Owner shall desire, all as their respective interests shall appear. All policies of insurance shall contain endorsements that the insurer(s) shall give the Condominium Board, the Residential Board, the Non-Residential Board and the Unit Owners and their designees at least thirty (30) days' advance written notice of any cancellation, termination, material change or lapse of insurance. Certificates evidencing the existence of the Policies to be maintained by a Unit Owner (or any tenant or occupant of such Unit Owner's Unit) under this Section 6.2 shall evidence satisfaction of the requirements for such Policies set forth herein and shall be delivered to the Condominium Board, the Residential Board, the Non-Residential Board and each Unit Owner no later than ten (10) days prior to such Unit Owner's acceptance of the deed for its Unit or, if a Unit Owner (or any tenant or occupant of such Unit Owner's Unit) is performing any alterations, additions or improvements, not less than fifteen (15) days prior to the commencement of such work. Within ten (10) days prior to the expiration or termination date of any policy, the Unit Owner or tenant shall deliver a renewal or replacement certificate evidencing the existence thereof, to the Condominium Board, the Residential Board, the Non-Residential Board, each Unit Owner and Permitted Mortgagee. All policies of property insurance maintained by any Unit Owner shall contain a waiver of subrogation with respect to the Condominium Board, the Residential Board, the Non-Residential Board, each Unit Owner, each Permitted Mortgagee and their respective agents and employees, to the extent obtainable. Nothing herein shall preclude or prevent any Unit Owner from obtaining or maintaining insurance, which is greater in scope than that which is required hereunder.

6.2.14 Premiums for insurance required to be obtained by the Condominium Board shall be allocated to each Unit Owner based upon its respective Common Interest and paid as a Unit Owner Expense.

6.3 Repair or Reconstruction after Fire or Other Casualty.

6.3.1 If the Building is damaged by fire or other casualty, the Condominium Board shall, with due diligence and in as timely a manner as practicable under the circumstances, cause the damage to be repaired and the core and shell of the Building (exclusive of Unit Owner build outs and other similar interior improvements which shall be the sole responsibility of the affected Unit Owner in accordance with Section 6.3.1.2 below) to be restored pursuant to the following provisions of this Section 6.3, unless such casualty is a Significant Casualty and the Hotel Unit Owner and the Residential Board do not mutually agree to repair and restore the Building, in which event the provisions of Section 6.3.4 below shall apply.

6.3.1.1 Claims shall be adjusted as follows: (a) if the casualty affects only a Non-Residential Unit (or any portion thereof), such adjustment shall be made by the Non-Residential Unit Owner, (b) if the casualty affects only the Residential Section (or any portion thereof), such adjustment shall be made by the Residential Board; and (c) if the Casualty affects only the Non-Residential Section or any portion thereof, such adjustment shall be made by the Non-Residential Board, in all other cases, such adjustment shall be made by the Condominium Board. Any dispute regarding the adjustment and/or settlement of any claim with the relevant insurance company shall be submitted to Arbitration.

6.3.1.2 The Non-Residential Board, the Condominium Board and the Residential Board, shall cause all necessary repair and restoration work with respect to the Building to be performed in accordance with the provisions of this Section 6.3. If proceeds with respect to a loss shall be payable to the Condominium Board, the Condominium Board (i) shall hold such proceeds in trust for the purpose of paying the costs of the repair or restoration as provided in Section 6.3.1 and (ii) shall apply such proceeds first to the payment in full of the cost of such repair and restoration before using any part of the same for any other purpose. The Condominium Board shall give notice of completion of any such repair or restoration to the Unit Owners if such repair or restoration is needed in both the Residential Section and the Non-Residential Section, then the excess proceeds shall be distributed in accordance with Section 6.3.7. In connection with the repair and restoration work to the Building in accordance with the provisions of this Section 6.3, the Condominium Board shall engage an Architect (as defined below), if required. The repair and restoration shall be commenced and pursued to completion in as timely a manner as practicable and shall be performed on behalf of the Condominium Board by a Contractor (as hereinafter defined) approved by one (1) Condominium Board member designated by the Hotel Unit Owner and one (1) Condominium Board member designated by the Residential Board, which approval shall not be unreasonably withheld, conditioned or delayed. If the applicable members of the Condominium Board fail to agree upon the selection of an Architect or Contractor within sixty (60) days after the occurrence of such fire or other casualty, then the selection of the Architect or Contractor, as applicable, may be submitted to Arbitration by the Hotel Unit Owner and/or the Residential Board. "Architect" shall mean an architect or construction consulting firm that provides engineering and/or architectural services, which is experienced in the design and operation in the City of New York of structures similar to the Building and has provided services comparable to those being requested hereunder within not less than three (3) of the immediately preceding ten (10) years. "Contractor" shall mean a qualified general contractor or construction manager with significant experience in the construction of structures in the City of New York similar to the Building. The Residential

Board and the Non-Residential Board shall have the right to retain their own contractors to complete the interior of their respective Units.

6.3.1.3 The plans and specifications for such repair and restoration of the Building shall be prepared by the Architect in accordance with instructions given by the Condominium Board and shall provide for the restoration of the damaged portion of the Building as close as commercially practicable to the Building as it existed prior to the damage or destruction, except to the extent any changes in applicable Legal Requirements require otherwise or unless one member of the Condominium Board designated by the Residential Board and one member of the Condominium Board designated by the Hotel Unit Owner agree otherwise. The Condominium Board shall cause the Architect to furnish to the Non-Residential Board and the Residential Board a set of the plans and specifications (and shop drawings upon request), which it has prepared or caused to be prepared. If, in connection with any restoration or repair hereunder, the Residential Board or a Non-Residential Board desires to make any change in or to the Common Elements of the Building other than de-minimis or immaterial changes (it being acknowledged and agreed that any Unit Owner shall have the right to make any alterations, additions or improvements to or upon the Limited Common Elements exclusively appurtenant to such Unit Owner's Unit), the consent of all of the members of the Condominium Board shall be required, which consent shall not be unreasonably conditioned, withheld or delayed provided that such change to be made (i) is consistent with a first class building at the time in question; (ii) does not affect the structural integrity of the Building; (iii) is not inconsistent with the other express provisions set forth in this Declaration and By-Laws; (iv) does not materially affect a Unit Owner's use or operation of its Unit or the value thereof; (v) is of a quality or aesthetics no less than the quality or aesthetics utilized in the initial construction, subject to such modifications as are approved (or deemed approved) pursuant to the provisions of this Declaration and By-Laws; (vi) does not materially diminish the benefits afforded to a Unit Owner by any easement or unreasonably interrupt such Unit Owner's use and enjoyment of such easement; (vii) does not degrade or diminish services to other Unit Owners; (viii) does not materially increase costs or expenses to other Unit Owners; (ix) is consistent with the standards generally applicable to similar mixed use hotel and residential buildings in Manhattan; (x) such change will not result in a reduction of the square footage of any of the other Unit Owners' Units; and (xi) additional costs associated with such changes over and above those which would be incurred in connection with an "as is" restoration (including without limitation, any increase in operating costs as a result of such change) shall be borne by the Unit Owner requesting such change. Any dispute concerning any such material change shall be submitted to Arbitration. Notwithstanding anything contained herein to the contrary, from and after the date hereof, if there is a reduction in the available floor area development rights ascribable to the Property and the Building cannot lawfully be restored to its former size or bulk, no repairs or restoration made pursuant to the provisions of the Declaration and these By-Laws, including, without limitation, repairs or restoration performed pursuant to this Section or Article 10 of these By-Laws may result in the reduction of the square footage of the Residential Units.

6.3.1.4 During the course of the repair and restoration, the Condominium Board and each party performing repair and restoration work shall maintain the Builder's Risk insurance required by 6.2.1.

6.3.2 In connection with any casualty, the Depositary shall hold all Net Awards and shall be the disbursement agent for all Net Awards, which pertain to such casualty.

6.3.3 In the event any Unit Owner build outs or other similar improvements to the interior of any of the Units, as applicable, are damaged or destroyed by fire or other casualty, the affected Unit Owner, at its sole cost and expense (and whether or not insurance proceeds are available therefor), shall immediately remove any rubble and debris resulting from such event and, within a reasonable time thereafter, shall, at its election, and at its sole cost and expense, either (i) repair and restore the space so damaged to a habitable and usable condition in compliance with the provisions of any existing leases and otherwise in compliance and conformity with applicable Legal Requirements, the Declaration, these By-Laws, the Project Standards and the standards generally applicable to similar buildings in Manhattan, or (ii) restore such space to a safe and secure condition in compliance with applicable Legal Requirements and with complete and slightly demising walls, doors and exterior visible surfaces separating such space from any other space which is visible from outside of the damaged space, which shall include any appropriate aesthetic alterations to the exterior of such damaged space.

6.3.4 If the Building is damaged by fire or other casualty, the Building shall be repaired or restored in accordance with the provisions of Section 6.3 above, unless (i) more than seventy five percent (75%) of the Building is damaged or destroyed by fire or casualty (a "Significant Casualty") as determined by the Certifying Professional in accordance with Section 6.3.5 below, and (ii) the owners of seventy five percent (75%) of the Common Interests vote to not repair or restore the Building. If a Significant Casualty occurs and the owners of seventy five percent (75%) of the Common Interests vote to not repair or restore the Building, (a) the Condominium Board shall secure and fence in the Property boundary, and shall raze the Building, if necessary, and put the Building and Property into compliance with applicable Legal Requirements, and otherwise make the Property and Building safe (all of the activities described in this clause (a), the "Safety Work"), (b) the insurance proceeds, net of the costs and expenses of the Condominium Board and the Unit Owners hereunder and the cost of any Safety Work, shall be distributed to the Unit Owners based upon each Unit Owner's Common Interest. Notwithstanding anything in this Section 6.3.4 to the contrary, each Unit Owner, upon acceptance of a deed to a Unit (including, without limitation, any Resultant Unit Owner), will grant or will be deemed to have granted to the other Unit Owners, an irrevocable proxy and power of attorney, coupled with an interest, to be used by each Unit Owner, to vote for repair and restoration of the Building with respect to any election to be made pursuant to subclauses (i) and (ii) of this Section 6.3.4. The grant of such irrevocable proxy and power of attorney will run with the land and any subsequent conveyance of a Unit will not be deemed to terminate the proxy or the power of attorney. In the event the Building is repaired and restored as aforesaid, each Unit Owner (including any Resultant Unit Owner) hereby acknowledges and agrees that insurance proceeds will be first applied to such repair and restoration in accordance with Section 6.3 of these By-Laws.

6.3.5 As soon as reasonably practical after any fire or other casualty (but in no event more than sixty (60) days after such fire or other casualty), a Certifying Professional shall be retained by the Condominium Board. The Condominium Board shall direct the Certifying Professional to prepare a reasonably detailed statement setting forth (i) a description of the

damaged areas of the Building and Common Elements, and (ii) an estimate (the "Casualty Estimate") of the total costs of the repair or restoration of the damaged portions of the Building including the Common Elements, and to reasonably determine and certify to the initial Architect Casualty Allocation Ratio (as hereinafter defined) and to notify the Condominium Board and the Unit Owners of such ratio, the method by which such ratio was calculated, which notice shall include a complete schedule of costs and a reasonably detailed breakdown thereof by area and type of damage and necessary repair and restoration, and the portion of the repair and restoration that will be undertaken by the Condominium Board and the portion of the repair and restoration that will be the obligation of the Unit Owner. The term "Architect Casualty Allocation Ratio" shall have the following meaning: the ratio of (A) the relative cost of the restoration to be performed as a result of the damage to each Unit Owner (including its applicable share of damage to the Common Elements), to (B) initially, the Casualty Estimate and, as and if the costs change during the course of the restoration work, the actual total costs. To the extent that the Condominium Board and the Unit Owners are required to restore in accordance with the provisions of this Section 6.3, each Unit Owner shall be responsible for its share of the costs of restoration based upon the Architect Casualty Allocation Ratio. If the cost and expense of any repair and restoration to the Building (exclusive of tenant build outs and other similar interior improvements) pursuant to this Section 6.3 shall exceed the amount of Net Proceeds (as hereinafter defined), the excess cost and expense (or the entire amount of such cost and expense, if there are no insurance proceeds) shall be borne by the Unit Owners in proportion to the Architect Casualty Allocation Ratio. Notwithstanding the foregoing, (1) to the extent the additional costs result from changes requested by a Unit Owner or the acts or omissions of a Unit Owner, such Unit Owner shall be solely responsible for payment of the additional costs, and (2) if a Unit Owner fails to carry any insurance required under Section 6.2, such Unit Owner shall be responsible for the payment of any restoration costs that would have been paid from the proceeds of such insurance. The Unit Owners shall share, subject to the terms of the immediately preceding sentence, any cost overruns resulting from Unavoidable Delays based on the Architect Casualty Allocation Ratio. Each Unit Owner shall share in paying any insurance deductible in accordance with the Architect Casualty Allocation Ratio. "Certifying Professional" shall mean an architect (other than the Architect) or a licensed professional engineer or, engineering or construction consulting firm that provides engineering and/or architectural services, which is experienced in the design and operation in the City of New York of structures similar to the Building and has provided services comparable to those being requested hereunder within not less than three (3) of the immediately preceding ten (10) years, approved by a Condominium Board member designated by the Non-Residential Board and the Residential Board, which approval shall not be unreasonably withheld, conditioned or delayed. The term "Net Proceeds" shall mean the total insurance proceeds payable as a result of such fire or other casualty less all reasonable fees and expenses incurred by the Unit Owners and/or the Condominium Board in collecting such insurance proceeds.

6.3.6 In connection with any repairs to or restoration of the Building pursuant to the provisions of these By-Laws, the Depositary shall hold all Net Proceeds and shall be the disbursement agent for all Net Proceeds, which pertain to damage, which has occurred with respect to the Non-Residential Section and the Residential Section.

6.3.7 Upon completion of the repair and restoration in accordance with the provisions of this Section and full payment therefore and for all costs in connection therewith, any excess Net Proceeds shall be distributed as follows:

6.3.7.1 If one of the Unit Owners failed to contribute to a deficiency in connection with the repair and restoration work as herein provided, the amount of such deficiency, together with interest thereon at the Default Rate, shall be paid to any other Unit Owner to the extent advanced by such other Unit Owner (pro rata based on the amounts advanced by each such Unit Owner for such deficiency).

6.3.7.2 Any remaining balance shall be paid to the Unit Owners in accordance with each Unit's Allocable Percentage.

6.3.8 Except as set forth in Sections 6.3.4 above, the Condominium Board shall be obligated to repair and restore the Building regardless of whether insurance proceeds are available.

6.3.9 Costs Defined. For purposes of Sections 6.3.1 through 6.3.7 hereof, architects' and engineers' fees, attorneys' fees (other than those arising from a dispute of the parties hereunder, including, without limitation, any dispute that is submitted to Arbitration), consultants' fees, the fees of the Certifying Professional, title insurance premiums and other similar costs and expenses (including costs incurred by the Condominium Board) relating to repair or restoration shall be included in the costs and expenses of any such repair or restoration.

6.3.10 Reallocation of Common Interests. If, as a result of a casualty, the total square footage of the Residential Section, the Hotel Unit, the Restaurant Unit or the Retail Unit, as applicable, changes, the parties shall promptly (x) adjust, as of the date of completion of the repairs and restoration required in connection with such casualty, the Unit Owners' Common Interests in the Condominium in a manner consistent with the allocation thereof in existence immediately preceding such casualty, and (y) prepare and record in the City Register's Office an amendment to the Declaration and/or these By-Laws, as appropriate, confirming such reallocation. If the parties shall not agree on any of the matters referred to in the foregoing clauses (x) and (y) within ninety (90) days following completion of the repairs and restoration, they shall submit such issue to Arbitration to the extent permitted by Law.

6.4 Payment of Common Charges.

6.4.1 The Unit Owners shall be obligated to pay to the Condominium Board the General Common Charges assessed to them by the Condominium Board pursuant to the provisions of Section 6.1 at such time or times as the Condominium Board determines. All Residential Unit Owners shall be obligated to pay such amounts as assessed by the Residential Board pursuant to the provisions of Section 6.1 at such time or times as the Residential Board determines. All Non-Residential Unit Owners shall be obligated to pay such amounts as assessed by the Non-Residential Board pursuant to the provisions of Section 6.1 at such time or times as the Non-Residential Board determines. Unless otherwise determined by the Board to

which they are payable, Common Charges shall be payable monthly, in advance, on the first day of each month.

6.4.2 No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against the Unit Owner's Unit subsequent to a sale or other conveyance by the Unit Owner (made in accordance with these By-Laws) of such Unit together with its appurtenant Common Interests. Any Unit Owner may, subject to the terms and conditions of these By-Laws and provided that (a) such Unit is free and clear of liens and encumbrances other than Permitted Mortgages and the statutory lien for unpaid Common Charges, and (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations then existing with respect to such Unit, convey for no consideration such Unit together with its appurtenant Common Interests, to the Boards or their designees, corporate or otherwise, and in such event (except as hereinafter set forth), be exempt from Common Charges thereafter accruing. A purchaser of a Unit shall not be liable for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by him or her of such Unit. Except to the extent prohibited by law, the Residential Board or Non Residential Board, on behalf of all Residential Unit Owners or all Non-Residential Unit Owners, as the case may be, shall have a lien on each Residential Unit or Non-Residential Unit, respectively, for unpaid Residential Common Charges or respective Common Charges, as the case may be, together with interest thereon, assessed against such Unit. In addition, except to the extent prohibited by law, the Condominium Board, on behalf of all Unit Owners, shall have a lien for General Common Charges unpaid to it by the Unit Owners, together with interest thereon, on the Units owned by any non-paying Unit Owners, in proportion to their respective Common Interests.

6.4.3 All liens provided for in 6.4.2, to the extent permitted by applicable law, shall be subordinate to liens for real estate taxes on the Unit and any first Permitted Mortgage of record.

6.4.4 Notwithstanding 6.4.2, neither the seller nor the purchaser of a Unit 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 a written statement from the respective Board.

6.4.5 In the event that prior to the Units being separately assessed for real estate tax purposes, a Board pays real estate taxes on behalf of a Unit Owner, the amount of such real estate taxes shall be deemed to be Common Charges, and such Board shall have a lien (as provided in Section 6.4.2) for any such accrued and unpaid amounts.

6.4.6 Each Board shall promptly provide the other Board and any Unit Owner who so requests, with a written statement of all unpaid Common Charges due to it from Unit Owners.

6.5 Collection of Common Charges. Each Board shall take prompt action to collect any Common Charges due to such Board which remain unpaid for more than thirty days after the due date for payment thereof. In the event that any Board fails to take such action, another Board in its own name, or, if necessary, in the name of the Board to which such charges are due,

may take any action for the collection of such charges which the Board to which such charges are due may have taken, including, without limitation, the institution of such actions and the recovery of interest and expenses as provided in this Article 6.

6.6 Default in Payment of Common Charges, Assessments or Other Charges. In the event any Unit Owner fails to make payment of Common Charges, assessments or other charges when due ("Charges"), such Unit Owner shall be obligated to pay (a) a "late charge" equal to the greater of $150.00 or five percent (5%) of such amounts which remain unpaid for more than ten (10) days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid), and (b) interest at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by law) on such unpaid amounts computed from the due date, thereof, together with all expenses, including, without limitation, attorneys' fees paid or incurred by any Board or by any managing agent in any proceeding brought to collect such unpaid Charges or in any action to foreclose the lien on such Unit arising from said unpaid Charges as provided in Section 339-z of the New York Condominium Act, in the manner provided in Section 339-aa thereof or in any other manner permitted by law. All such "late charges", interest and expenses shall be added to and shall constitute Charges payable by such Unit Owner. Notwithstanding the foregoing, each Board may establish its own alternate fees for late payments, whether such fees are more or less than the charges set forth herein.

6.7 Non-Occupying Unit Owners. For the purposes of this subsection 6.7, "non-occupying owner" shall mean a Unit Owner who or which does not occupy its Unit.

6.7.1 If a non-occupying owner rents any Unit to a rental tenant and then fails to make payments due for Common Charges or any other amounts payable by such Unit Owner to the Condominium, including, without limitation, assessments and/or late fees (all of the foregoing, collectively, "Payments") for such Unit within 60 days of the expiration of any grace period after the same are due, upon written notice, all rental payments from the tenant shall be directly payable to the Condominium Board or the Residential Board or the Non-Residential Board, as applicable.

6.7.2 If the Payments for any Unit have not been paid in full, within 60 days after the expiration of any grace period of the earliest due date, the Board shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all Payments are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the Board at the address listed on the notice. The Board may elect not to require that rental payments be made payable to the Board. At such time as Payments from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the Board's claim to rental payments pursuant to this subsection shall be entitled to present facts supporting such Unit Owner's position at the next scheduled meeting of the Board, which must be held within 30 days of the date that the Board receives notice that such owner seeks to dispute such claim.

6.7.3 Nothing in this subsection shall limit any rights of any Unit Owner or the Board existing under any other law or agreement.

6.7.4 Payment by a rental tenant to the Board made in connection with this subsection shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner against such tenant for such rent.

6.8 Foreclosure of Liens for Unpaid Common Charges. The Condominium Board or the Residential Board or the Non-Residential Board may bring an action for unpaid Common Charges or Special Assessments by filing a lien against the Defaulting Unit Owner's Unit and foreclosing on such Unit. In any action brought by any Board to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay the fair market rental for the use and occupancy of the Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. The Residential Board, acting on behalf of all Residential Unit Owners, shall have the power to purchase any such Residential Unit, shall have the power to purchase any such Unit or portion thereof at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit or portion thereof (but not to vote the votes appurtenant to such Unit or portion thereof). A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on such foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit.

6.9 Condominium Nondisturbance Agreement. The Condominium Board or the Residential Board or the Non-Residential Board, at the written request of any Unit Owner, will enter into a non-disturbance agreement (the "Condominium Nondisturbance Agreement") with a tenant occupying a Unit or the operator or manager of the hotel in the Hotel Unit, the Retail Unit or the Restaurant Unit, on the terms set forth in this Section 6.9 or the equivalent provisions for the hotel's operating agreement or management agreement in effect for the Hotel Unit, Retail Unit or the Restaurant Unit; provided such lease, operating agreement or management agreement is an "arms-length" lease and provided further that no material default under the terms of the Declaration or these By-Laws beyond any applicable notice and cure period is then existing at the time of such request. Under the terms of the Condominium Nondisturbance Agreement, a tenant will (i) acknowledge that the lease is subject and subordinate to the Declaration and the By Laws, as same may be amended from time to time, and (ii) the Condominium Board or the Residential Board or the Non-Residential Board will agree that so long as no event of default exists under said lease as would entitle the Unit Owner or any successor landlord under the lease, (a) to terminate the lease or (b) dispossess the tenant thereunder, the tenant shall not be named or joined in any action or proceeding to foreclose the Condominium Board's or the Residential Board's or Non-Residential Board's lien for Common Charges and/or Special Assessments, as applicable on a Unit of which the demised premises under such lease forms a part or any other sums of any sort, (c) the Condominium Board or the Residential Board or the Non-Residential Board will recognize all of tenant's rights under the lease and will not diminish, terminate or disturb tenant's possession or rights under the lease, expand any of tenant's obligations under the lease or under the Declaration or these By-Laws, or obligate tenant to comply with any of the

provisions of the Declaration or these By-Laws, except as expressly provided herein and in the applicable lease, and will recognize tenant as the direct tenant of the Condominium Board or the Residential Board or the Non-Residential Board, or its successor on the same terms and conditions as are contained in the lease and the tenants use, possession, or enjoyment of the Unit (or portion thereof) in question shall not be interfered with, nor shall the leasehold estate granted by the lease be affected in any manner, nor shall any of the rights of the tenant granted under the lease be affected in any manner, in any foreclosure or other action or proceeding instituted under or in connection with such lien or in the exercise of any rights of the Condominium Board or the Residential Board or the Non-Residential Board, or, in case the Condominium Board or the Residential Board or the Non-Residential Board takes possession of said Unit pursuant to any provision of the Declaration or By-Law or otherwise; provided however that if the Condominium Board or the Residential Board or the Non-Residential Board or any other party succeeds to the interests of the Unit Owner under the lease the tenant will agree to be bound to the Condominium Board or the Residential Board or the Non-Residential Board or other party under all of the terms, covenants and conditions of the lease and the tenant will attorn to the Condominium Board or other such other party as its landlord. The Condominium Board or the Residential Board or the Non-Residential Board at the request of the Unit Owner entering into a lease with a tenant, shall execute and deliver promptly the Condominium Nondisturbance Agreement and other agreement that any tenant may reasonably request in confirmation of the foregoing in form reasonably satisfactory to the Condominium Board or the Residential Board or the Non-Residential Board. The Unit Owner requesting such Condominium Nondisturbance Agreement shall pay all reasonable costs and expenses including without limitation reasonable attorneys' fees of the Condominium Board or the Residential Board or the Non-Residential Board in connection therewith. In the event of a hotel, retail or restaurant operating agreement or management agreement, the operator or manager will have the equivalent right and obligations as herein before specified for a tenant under a lease.

6.10 Alterations, Additions, Improvements and Repairs of Units. Each Unit shall be kept in good order and repair in a manner consistent with the Project Standards and the standards maintained in similar mixed use luxury condominium buildings in Manhattan by the Unit Owner thereof at its sole cost and expense. Each Unit Owner shall promptly make or perform, or cause to be made or performed, all maintenance work, repairs and replacements necessary in connection with the foregoing maintenance obligations. Each Unit Owner shall have the affirmative duty to Maintain its respective Unit in such a manner so as to prevent and avoid causing damage to or impairing the use of the other Units, Common Elements or the Building, including, without limitation, providing necessary services and utilities to its respective Unit (such as heat and water) to the extent the provision of such services and utilities is necessary to the proper functioning of another Unit, the Common Elements or the Building and not taking any actions which would adversely affect the water tightness of the roof and exterior facade.

6.10.1 Each Unit Owner shall have the right, pursuant to the terms of the Declaration but subject to the provisions of this Section 6.10, to make any alterations, additions, improvements, or repairs in or to its Unit or the Limited Common Elements appurtenant thereto and wholly located within, whether structural or non-structural, ordinary or extraordinary (collectively the "Unit Work"). In the event a Unit is subdivided, any work in the Resultant Unit

or in any Limited Common Elements appurtenant thereto shall be deemed to be Unit Work and subject to the applicable provisions hereof, provided such Resultant Unit Owner shall only act under or through the authority of its applicable Resultant Board. Upon subdivision of a Unit in accordance with the provisions of the Declaration and these By Laws, these By-Laws may be amended to permit the Resultant Board to establish rules and regulations governing work to its Resultant Units and Limited Common Elements appurtenant thereto, provided, however, that only the Resultant Board of any such Resultant Units shall, on behalf of any Resultant Unit, deal with the other Unit Owner and/or the Condominium Board, and/or Residential Board and/or Non-Residential Board with respect thereto under the provision of this Section 6.10.

6.10.2 Each Unit Owner, at its expense, shall (x) obtain and keep in effect during the course of the Unit Work, all necessary municipal and other governmental permits, authorizations, approvals and certificates for the commencement and prosecution of its Unit Work and shall obtain final approval thereof upon completion (including, without limitation, such revisions to the certificate of occupancy as may be required), and deliver copies of the same to the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, (y) obtain such insurance coverage as required in Section 6.2.1(iv) of these By-Laws and (z) if the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, determines (acting through the Unit Owner which is not performing such Unit Work) that any Unit Work so requires, cause the Declaration to be amended and new Floor Plans to be filed (by those Persons designated by the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, to prepare such amendment or file such amended Floor Plans) at the sole cost of the Unit Owner undertaking such Unit Work. To the extent such Unit Work requires plans or permits, the Unit Owner undertaking such work shall provide the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, with copies thereof. The Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, shall cooperate with a Unit Owner and, at such Unit Owner's expense, execute all applications, authorizations and other instruments reasonably required to enable such Unit Owner to obtain such permits, authorizations, approvals and certificates, provided the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, receives the indemnity referenced in Section 6.10.6 below. The Unit Owner undertaking the Unit Work shall reimburse the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, for all reasonable fees including reasonable professional and attorneys' fees and expenses incurred by the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, within thirty (30) days of receipt of an invoice, in connection with necessary and reasonable inspections of the Unit Work to determine whether the same are being or have been performed in accordance with the approved plans and specifications therefor and all requirements of (i) applicable Legal Requirements; (ii) insurance carriers providing insurance coverage pursuant to Section 6.2; (iii) the Declaration; and (iv) these By-Laws (including, with respect to Unit Work which may affect the Building structure, systems or exterior, the fees and expenses of any architect or engineer employed for such purpose). Any costs of the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, associated with the Unit Work including, but not limited to, the costs set forth above, shall be deemed "Related Costs."

6.10.3 No work (x) involving any structural alterations or improvements or (y) impacting any Building System, any other Unit or any Common Element (such work hereinafter referred to as "Notice Work") shall be commenced by or on behalf of a Unit Owner (the "Performing Unit Owner"), including without limitation, any such work to be performed by a tenant or occupant of all or any portion of such Unit, until the Residential Board, Condominium Board or Non-Residential Board and the Impacted Owners shall have been furnished with (i) certificates of insurance indicating that the insurance coverage then required by the Condominium Board, the Residential Board or the Non-Residential Board to be carried during the making of any Unit Work is in effect and otherwise in compliance with Section 6.2 of these By-Laws, (ii) in the case of Notice Work, a certification of the architect or engineer for the Notice Work stating that such Notice Work will not adversely affect (A) the structural integrity of the Building or the other Unit, (B) the Building Systems or such Common Elements (iii) in the case of Notice Work involving noise, odor or vibrations, a certification of the architect or engineer for the Notice Work stating that such Notice Work will be performed in a commercially reasonable manner so as to minimize such noise, odor or vibrations (taking into account the fact that portions of the Building will be occupied by tenants) and (iv) all necessary permits, authorizations, approvals and certificates required for the commencement of the Notice Work (the provisions of subparagraphs (i) through (iv) are hereinafter referred to as the "Work Conditions"). Any Notice Work involving the Common Elements must comply with Hotel Brand Standards. Notwithstanding anything to the contrary herein, the provisions of this Section 6.10.3 do not apply to work other than Notice Work.

6.10.3.1 Except in case of an Emergency (in which event the Performing Unit Owner shall use commercially reasonable efforts to notify the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, and the Impacted Owners as soon as possible), a Performing Unit Owner shall not commence Notice Work unless (i) the Performing Unit Owner has given at least fifteen (15) days prior written notice to the other Unit Owners of its intent to perform the Notice Work (the "Work Notice") which Work Notice shall include a set of plans for the Notice Work and (ii) the Performing Unit Owner has (x) not received written objection thereto from any affected Unit Owner or the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, pursuant to Section 6.10.3.2 of these By-Laws within the fifteen (15) day period set forth therein, (y) received consent from any affected Unit Owner with respect to the Notice Work, or (z) received a written Arbitration determination in accordance with Section 6.10 of these By-Laws authorizing the Performing Unit Owner to perform the Notice Work.

6.10.3.2 In connection with the review of such Notice Work by the Impacted Owner and/or the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, the Performing Unit Owner shall be obligated to reimburse the Impacted Owner and/or the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, as the case may be, for all reasonable costs and fees associated with the review of the Notice Work prior to the commencement of the Notice Work. The Impacted Owner and/or the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, may, within fifteen (15) days of receipt of a Work Notice, submit a written objection to the proposed Notice Work to the Performing Unit Owner setting forth in detail, the basis for such objection. If such an objection is submitted and not resolved by

the Unit Owner, the proposed Notice Work may only be performed if the matter is submitted to Arbitration for a determination of whether the Notice Work will satisfy the requirements of Section 6.10.3 including without limitation, the Work Conditions. The Impacted Owner and/or the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, receiving the Work Notice shall only have the right to submit a written objection if the proposed work will materially and adversely affect its Unit, have a material adverse effect on the Common Elements, Building Systems or access to and from the Unit and/or any services provided to such Impacted Owner or the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be. In the event the other Impacted Owner or the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, receiving the Work Notice does not make a written objection to the Notice Work within the 15-day period set forth in this Section 6.10, such Impacted Owner or the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, will be deemed to have waived any objections and the Performing Unit Owner shall be authorized to perform the Notice Work, subject to compliance with these By-Laws.

6.10.3.3 Once any Unit Work or Notice Work is commenced, such work shall be completed with reasonable diligence and designed and undertaken in such manner as not to unreasonably delay or impose any expense upon the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, or the other Unit Owner in the construction, Maintenance, cleaning, repair, safety, management, security of operation of the Building, or any part thereof, and so as not to unreasonably interfere with, or cause unreasonable interruption of, the operation and Maintenance of the Building, or any part thereof, or cause unreasonable annoyance to, or unreasonable interference with, the use and occupancy of the Building and the other Unit by Permitted Users (including, without limitation, causing unusual noise or vibrations). No Unit Work or Notice Work may jeopardize the soundness or structural integrity of any Unit or the Common Elements or the safety of any Permitted Users or involve commercially unreasonable levels of noise, odors or vibrations (taking into account the fact that portions of the Building may be occupied by tenants). Any dispute hereunder shall be resolved by Arbitration.

6.10.4 Any application to any department of the City of New York or to any other governmental authority having jurisdiction thereof for a permit to perform any work (including, without limitation, structural alterations, additions, improvements or repairs) or to obtain any amendment to the existing certificate of occupancy to reflect such work or any reconfiguration of a Unit and/or a change in use) in or to any Unit or to the Limited Common Elements exclusively appurtenant thereto may be submitted by a Unit Owner and, if required by Law or such department or authority, be executed by the Condominium, provided that the Condominium Board and the Residential Board or the Non-Residential Board shall not incur any liability, cost or expense in connection with such application or to any Unit Owner, contractor, subcontractor, materialman, architect or engineer on account of such alteration, addition, improvement or repair or to any Person having any claim for injury to person or damage to property arising therefrom and the Unit Owner undertaking such structural alterations, additions, improvements or repairs (or an entity reasonably acceptable to the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, including, without limitation, any tenants or occupants of such Unit Owner) shall indemnify and hold the

Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, the members of the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, the officers of the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, the Managing Agent and the other Unit Owners harmless from and against any liability, cost and expense (including, reasonable attorneys' fees) arising from or in connection with such application.

6.10.5 Each Unit Owner shall:

6.10.5.1 Give prompt notice to the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, of any written notice of violation received by said Unit Owner arising from or otherwise connected to the Unit Work or Notice Work performed by it or on such Unit Owner's behalf, which shall be issued by any public authority having or asserting jurisdiction over the Unit or Building, and, upon receipt of notice from the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, or otherwise acquiring knowledge thereof, promptly procure the cancellation or discharge of the same at its expense; provided, however, nothing herein shall prevent a Unit Owner from contesting in good faith and at its own expense any such notice of violation.

6.10.5.2 Comply with the provisions of Section 6.27 and, if a Unit Owner shall fail to so discharge any such lien within such ninety (90) day period, the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, or the other Unit Owner shall have the right, but not the obligation, to do so at the expense of such Unit Owner and any such expenditure shall be a Unit Owner Expense, the collection of which shall subject to all of the remedies set forth in these By-Laws.

6.10.5.3 Cause the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, or the Unit Owners (other than the Unit Owner making any alterations, improvements, additions, or repairs, or causing or permitting any of the same to be made) to incur any liability, cost or expense (i) in connection with the preparation, execution, or submission of the applications referred to in this Section 6.10; (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 other Unit Owner; or (iii) to any Person asserting any claim for personal injury or property damage arising therefrom. A Unit Owner making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to its Unit or the Limited Common Elements appurtenant thereto, shall, indemnify and hold the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, the members of the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, the officers of the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, the Managing Agent and the other Unit Owner harmless from and against any liability, cost and expense (including, reasonable attorneys' fees) arising from or in connection with such work, except to the extent caused by the willful misconduct or gross negligence of any such indemnified party.

6.10.6 Notwithstanding any other provision of these By-Laws to the contrary:

6.10.6.1 In the event that any Maintenance to the Property or any part thereof is necessitated by the negligence, misuse, neglect or willful acts or omissions of (a) any Unit Owner or any guest, agent, licensee, tenant or invitee of such Unit Owner, the entire cost thereof shall be borne by such Unit Owner, or (b) the Condominium Board, the entire cost thereof shall be charged to the Unit Owners as a General Common Expense, except in all such cases to the extent such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof, or (c) the Residential Board, the entire cost thereof shall be charged to the Residential Unit Owners as a Residential Expense, except in all such cases to the extent such cost is caused by the proceeds of any insurance maintained pursuant to the provisions hereof, or (d) the Non-Residential Board, the entire cost thereof shall be charged to the Non-Residential Unit Owners as a Non-Residential Expense, except in all such cases to the extent such cost is caused by the proceeds of any insurance maintained pursuant to the provisions hereof.

6.10.6.2 In the performance of Unit Work, to the extent a Unit Owner needs to access any Common Elements, said Common Elements must be restored to the condition they were in prior to the performance of such Unit Work at the performing Unit Owner's sole cost and expense.

6.10.6.3 The public areas of the Building and those areas exposed to public view shall be kept in good, clean and neat appearance, in conformity with the dignity and character of the Building, by (a) the Condominium Board with respect to the General Common Elements, the Non-Residential Board with respect to the Non-Residential Common Elements and the Residential Board with respect to the Residential Common Elements, and (b) the Unit Owners with respect to the Units and their appurtenant Limited Common Elements.

6.10.6.4 Except as otherwise expressly provided in the Declaration or these By-Laws, all Maintenance, whether structural or non-structural, ordinary or extraordinary, (a) in or to any Unit or Limited Common Element appurtenant thereto (except as otherwise provided in these By-Laws) shall be made by the owner of such Unit at such Unit Owner's sole cost and expense unless a shared Limited Common Element in which case it would be at the expense of the sharing Unit Owners in relation to their relative percentage interests in the Common Elements; (b) in or to the General Common Elements shall be made by the Condominium Board and (c) in or to the Residential Common Elements shall be made by the Residential Board; and (d) in or to the Non-Residential Common Elements shall be made by the Non-Residential Board.

6.10.6.5 Upon the written request of a Unit Owner, the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, shall, at the sole cost of such requesting Unit Owner, execute (i) any declaration or other instrument affecting such Unit Owner's Unit which the Unit Owner reasonably 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 Condominium Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration thereof and which would not adversely affect the other Units or the Common Elements, or otherwise violate the Declaration or these By-Laws, and (ii) any consent, covenant, restriction, easement or declaration, or any amendment thereto,

affecting the Unit which the Unit Owner reasonably deems necessary or appropriate and which would not adversely affect the other Units or the Common Elements or otherwise violate the Declaration or these By-Laws; *provided*, in each such case it shall have received an indemnity in form and substance acceptable to the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, and from a creditworthy entity acceptable to the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, in its reasonable discretion, indemnifying the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, and the other Unit Owner from any and all liability and claims in connection with such instrument, declaration, easement, amendment or other document. All reasonable costs and expenses of the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be, in connection with the foregoing shall be paid by the Unit Owner making such request and shall be deemed a Unit Owner Expense.

6.10.7 **Alterations Prior to Building Completion.** In addition to the requirements set forth above in this Section 6.10 until a permanent Certificate of Occupancy is obtained for the Building, no Residential Unit Owner shall make any Alterations in or to its Residential Unit without first notifying Sponsor, Declarant, and the Hotel Unit Owner of the same in writing and complying with the requirements of Sponsor and the Hotel Unit Owner with respect to the same. Such requirements may include, but need not be limited to, the following:

(a) such work not include any change that would result in a delay in obtaining a temporary or permanent Certificate of Occupancy for any portion of the Building, or any amendment to, or extension of, the same if theretofore issued;

(b) a Residential Unit Owner must post a bond or other similar security that is reasonably acceptable to Sponsor in an 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 same with all governmental authorities having jurisdiction;

(c) such work not be commenced until such Residential Unit Owner causes all required plans, specifications, notices and/or certifications to be filed with all governmental authorities having jurisdiction, procures all required permits and licenses with respect to the same, and delivers copies of all such plans, specifications, notices, certifications, permits and licenses to Sponsor;

(d) such work be diligently prosecuted to completion in compliance with all plans, specifications, notices and/or certifications and in conformity with all permits and licenses;

(e) Sponsor and its representatives be given reasonable opportunity, from time to time, to inspect such work in Residential Units as it progresses;

(f) promptly after the completion of such work, all necessary inspections and approvals of the same be obtained, all necessary notices and/or certifications be

filed with the appropriate governmental authorities Sponsor shall be given a copy of all such inspections, approvals, notices and certifications;

(g) Residential Unit Owner 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 any of them due to any delay in obtaining a temporary or permanent Certificate of Occupancy for the Building (or any amendment to, or extension of, the same if theretofore issued) as a result of such work or the failure to timely make all appropriate governmental filings in connection with the same; and

(h) all contractors shall be duly licensed to the extent required by applicable Laws.

If any Residential Unit Owner commences any such Alterations in violation of the foregoing terms and conditions of this subsection 6.10.7, or fails to comply with the requirements of Sponsor in connection with the same, Sponsor shall be entitled to cause such work by such Residential Unit Owner, including, without limitation, causing the managing agent to deny access to the Building to such Unit Owner's workers and suppliers, until such Residential Unit Owner so complies. During the period until such Residential Unit Owner is permitted hereunder to resume its work, Sponsor shall have the right to cause to be performed (whether by Sponsor or otherwise) any and all work in and to such Residential Unit Owner's Unit as shall be necessary, in such party's sole judgment, in order to avoid any delay in obtaining a temporary or permanent Certificate of Occupancy for the Building (or any amendment to, or extension of, the same if theretofore issued), whether or not such work shall be in compliance with the plans and specifications for the work theretofore performed by, or on behalf of, such Residential Unit Owner. The cost and expense of any such work so performed shall be borne by such Residential Unit Owner and shall be paid to Sponsor, as designated by such parties, within (15) days following written demand therefor.

Notwithstanding the foregoing, Unit Owners may perform work in their Units that does not require a permit and does not interfere with Declarant's completion of the Building.

6.10.8 In the event that a dispute arises between any Residential Unit Owner and the Condominium Board, the Residential Board or the Non-Residential Board, as the case may be, regarding any Alteration subject to the approval of such Board (including, without limitation the determination of whether any work constitutes an Alteration subject to the approval of only such Board), or if a dispute arises between a Residential Unit Owner and Sponsor in respect of subsection 6.10, such dispute shall be submitted to Arbitration, provided that the parties shall cause such Arbitration to proceed in an expedited manner

6.11 Alterations. References in Section 6.10 to Alteration shall also include, as the context requires, subject to the Declaration and these By-Law, any repairs.

6.12 Performance of Work in Common Elements.

6.12.1 Except as otherwise expressly provided herein, the Condominium Board shall be solely responsible for and shall operate and Maintain in good order and repair in a manner consistent with similar buildings in Manhattan the General Common Elements and any appurtenances thereto (including the sidewalk and the public curbs appurtenant to the Property) and the Residential Board or the Non-Residential Board, as the case may be shall be solely responsible for and shall operate and Maintain in good order and repair in a manner consistent with similar buildings in Manhattan the Residential Common Elements or the Non-Residential Common Elements, as the case may be, and any appurtenances thereto, including but not limited to, the public areas adjacent to the Building. One of the Board members designated by the Hotel Unit and one of the Board member designated by the Residential Section will be responsible for and shall operate and Maintain the Hotel-Residential Common Elements. Whenever in the judgment of the Condominium Board, the General Common Elements require Maintenance and/or replacement or in the judgment of the Residential Board, the Residential Common Elements require Maintenance and/or replacement or in the judgment of the Non-Residential Board, the Non-Residential Common Elements require Maintenance and/or replacement or in the judgment of the Hotel Unit Owner, the HVAC Common Elements require improving, upgrade, repair, Maintenance and/or replacement (the "Common Element Work"), the Condominium Board or the Residential Board or the Non-Residential Board or the Hotel Unit Owner, as the case may be, shall proceed with the Common Element Work. Notwithstanding the foregoing, any determination by the Condominium Board to perform Common Element Work that is not work set forth in an Annual Budget or Capital Budget (the "Major Work") may only be made with the consent of at least one (1) member of the Condominium Board designated by the Hotel Unit Owner and one (1) member of the Condominium Board designated by the Residential Board. All Major Work (other than as set forth in the Annual Budget or Capital Budget) shall be subject to the following competitive bid process unless otherwise agreed to by the Condominium Board or the Residential Board or the Non-Residential Board, as the case may be. At least three competent contractors shall be invited to bid pursuant to this Section, which contractors shall be selected by the Condominium Board or the Residential Board or the Non-Residential Board or the Hotel Unit Owner, as the case may be. The contractor which presents the most competitive and favorable bid (which bid need not be the lowest bid) in the reasonable opinion of the Condominium Board or the Residential Board or the Non-Residential Board or the Hotel Unit Owner, as the case may be, shall be engaged by the Managing Agent to do the work in question. All material information about the bidding, the work and the selection process shall be promptly delivered to the Unit Owners upon receipt. Any dispute under this Section as to whether a bid is reasonably competitive shall be resolved by Arbitration. The Condominium Board or the Residential Board or the Non-Residential Board or the Hotel Unit Owner, as the case may be, shall include all anticipated costs of Common Element Work in the Annual Budget or the Capital Budget.

6.12.2 If the members of the Condominium Board cannot agree on a particular matter (e.g., the necessity of making a capital improvement or repair), such matters may be submitted to Arbitration by two (2) members of the Condominium Board, *provided, however*, if it is determined by the arbitrator that such capital improvement or repair is not necessary to comply with applicable laws or for the general health, safety and welfare of the owners, tenants and occupants of the appropriate Units or to maintain the status of the Building consistent with buildings of similar use, size and location as described below, the Hotel Unit Owner or the

Residential Board, shall have the right, at its sole cost and expense, to cause the Managing Agent to make such capital improvement or repair, and no other party shall be responsible for any portion of the cost of such capital improvement or repair. The arbitrator, in making the determination as to whether a particular capital improvement or repair is necessary, shall be entitled to consider whether such capital improvement or repair is necessary in order to maintain the status of the Building consistent with the Project Standards and the standards of other mixed use hotel and residential buildings of similar size and location as the Building. Each Unit Owner shall be free, at such Unit Owner's sole cost and expense and subject to compliance with the applicable provisions of the Declaration and these By-Laws, to undertake discretionary capital improvements and repairs to their respective Units or the Limited Common Elements appurtenant thereto.

6.12.3 If any Common Element Work shall be required in order to comply with applicable Legal Requirements, such Common Element Work, as applicable, shall be performed by the Condominium Board and shall be payable by the Unit Owners as Common Charges or a special assessment, as the case may be.

6.13 Structural Alterations, Additions, Improvements and Repairs of Units.

6.13.1 Except as otherwise provided in the Declaration, including, without limitation, Paragraph 6.10.7, no Residential Unit Owner shall make any structural alteration, addition, improvement or repair in or to the Unit Owner's Unit without the prior written approval of the Residential Board. The Residential Board shall have the obligation to answer any written request by Unit Owners for approval of a proposed structural alteration, addition, improvement or repair in or to such Unit Owner's Unit within 30 days after such request is received, and the failure to do so within the stipulated time shall constitute the Board's consent to the proposed alteration, addition, improvement or repair. 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, the Residential Board may exercise the right to reasonably approve the Residential Unit Owner's contractors and suppliers, and may, at its option, require the Unit Owner to execute an alteration agreement in form and substance satisfactory to the Board setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done. The Residential Board may impose fees upon a Residential Unit Owner to reimburse the Residential Board for its costs incurred in reviewing or supervising the aforesaid work. Notwithstanding anything to the contrary contained in this 6.13.1, neither Sponsor, its designees, the Non-Residential Unit Owners nor a Permitted Mortgagee (or its designee) of Sponsor or its assignee shall be required to obtain the approval of any Board for any structural alteration, addition, improvement or repair in or to Unsold Residential Units or the Non-Residential Units or to enter into any alteration agreement with respect thereto.

6.13.2 All structural alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction thereof. A Unit Owner making or causing to be made any structural alteration, addition, improvement or repair shall agree, and shall be deemed

to have agreed, to hold each Board and all other Unit Owners harmless from any costs or liability arising therefrom.

6.13.3 Any application to any department of The City of New York or to any other governmental authority having jurisdiction thereof for a permit to make a structural alteration, addition, improvement or repair in or to any Unit so approved by the appropriate Board shall, if required by law or such department or authority, be executed by said Board or, if required, by the Condominium Board, provided that no Board shall incur any liability, cost or expense in connection with such application or to any contractor, subcontractor, materialman, architect or engineer on account of such alteration, addition, improvement or repair or to any person having any claim for injury to person or damage to property arising therefrom. Notwithstanding anything to the contrary set forth above, Sponsor is hereby authorized on behalf of the Boards to execute such applications, permits or other documents as may be required to undertake, perform and complete such work to the Unsold Residential Units and Common Elements as Sponsor is entitled to perform in accordance with the terms of the Declaration and these By-Laws and to obtain such certificates of completion as may then be required by Law (collectively the "Required Documentation") and, the appropriate Board, if requested by Sponsor, shall execute the Required Documentation.

6.13.4 In the event that any alterations, additions, improvements or repairs made by any Residential Unit Owner materially delay, prevent or adversely affect, or create a significant risk of materially delaying, preventing or adversely affecting, whether directly or indirectly, the issuance or reissuance of a temporary or permanent certificate of occupancy for other Residential Units or the Building, then upon the written request of Sponsor, its designees, the Condominium Board or the Residential Board whose Residential Unit Owners are affected, the Residential Unit Owner shall restore the Residential Unit, at such Residential Unit Owner's sole cost and expense, to its original condition. If such Residential Unit Owner fails to commence diligently and continuously restoring the Residential Unit within fifteen (15) days of receipt of the written request, then the Sponsor, their designees, or the Board, as the case may be, requesting such restoration shall be entitled to enter and restore the Residential Unit at the expense of the Residential Unit Owner and to exercise any other remedies provided in these By-Laws.

6.13.5 Until such time as the initial construction of the Building is complete, including the completion of "punch list" work, no Board or Unit Owner shall use or suffer to be used in any part of the Buildings any labor forces incompatible with the labor forces which are completing the construction of the building on behalf of Declarant, Sponsor, or their designees. In addition, the prosecution of the work necessary to complete initial construction of the building, including the completion of "punch list" work by or on behalf of Declarant, Sponsor, or their designees, shall take precedence over the prosecution of any other work at the Building.

6.14 Alterations, Additions, Improvements or Repairs to Common Elements. Except as otherwise provided in the Declaration or these By-Laws, all alterations, additions, improvements, repairs, or replacements in or to any Common Element shall be made by the Board or Unit Owner(s) required to Maintain such Common Element and the cost and expense thereof shall be charged to all the Unit Owners as a General Common Expense, to all Residential

Unit Owners as a Residential Common Expense, to all Non-Residential Unit Owners as a Non-Residential Common Expense, or to the Unit Owner(s) responsible therefor, as the case may be. Whenever in the judgment of the Residential Board or the Condominium Board or the Non-Residential Board, as the case may be, the cost of any alteration, addition, or improvement would exceed $250,000 in the aggregate in any calendar year (except if such alteration, addition, or improvement is provided for in a duly approved budget or in an Emergency), then such proposed alteration, addition, or improvement shall not be made unless first approved by a Majority of Residential Unit Owners, a Majority of Non-Residential Unit Owners, or a Majority of Common Interests of all Unit Owners, as the case may be, who shall be required to bear the cost and expense thereof as aforesaid with respect to alterations, additions, or improvements made by the Residential Board, Non-Residential Board, or the Condominium Board, as the case may be. Except as otherwise provided in the Declaration or these By-Laws, all such alterations, additions, or improvements costing in the aggregate $250,000 or less in any calendar year may be made as aforesaid without the approval of the applicable Unit Owners. Required repairs to the Common Elements including replacement of existing elements of the Building shall be made by the respective Board in their own discretion regardless of the cost.

6.15 Alterations of Certain Common Elements.

6.15.1 In the event that pursuant to any of the provisions of these By-Laws, any consent by any Board or Unit Owner is required as a condition precedent to any alteration, addition or improvement to any Common Element (sometimes collectively referred to in this Section 6.15 as an "Alteration"), proposed to be made by Sponsor or its designee, Unit Owners or any Board (sometimes collectively referred to herein as the "Proponent"), such consent shall not be unreasonably withheld, conditioned, or delayed by such Board or Unit Owner (referred to in this Section 6.15 as the "Opposing Party") whose consent is so required. The Proponent shall give to the Opposing Party notice setting forth in reasonable detail the material aspects of such proposed Alteration. If the Opposing Party does not give notice of any objection to the Proponent within 30 days after the Proponent gives its notice, then the Opposing Party shall be deemed to have consented to the making of the proposed Alteration. If the Opposing Party does give notice of objection (which notice of objection shall set forth in reasonable detail the specific objections of the Opposing Party) within such 30-day period and the Proponent considers such objection unreasonable, then the Proponent may submit to Arbitration the question of whether or not the Opposing Party unreasonably withheld its consent. If in such Arbitration it is determined that the Opposing Party unreasonably withheld its consent, the Proponent, as its sole remedy, may make the proposed Alteration. In no event shall any arbitrator in such Arbitration determine that the Opposing Party reasonably withheld its consent to such proposal if (a) the Proponent makes or causes to be made reasonable provisions providing (i) for the costs and expenses of the Alteration to be paid by it, and (ii) that all costs and expenses for maintaining and repairing such Alteration after its completion will not be charged to Unit Owners represented by the Opposing Party as Common Expenses (b) the proposed Alteration would not materially interfere with the use and enjoyment of the owners, tenants and occupants of those Units represented by the Opposing Party; and (c) the proposed Alteration would not materially weaken the structure of the Building.

6.15.2 Nothing contained in Section 6.15.1 shall in any way be deemed to limit (a) the Proponent's right to modify any proposal made by it thereunder in such a manner as such Proponent believes will meet the objections of the Opposing Party or of any arbitrator, or (b) any party's right, pursuant to the other applicable provisions of these By-Laws or the Declaration, to make any Alteration to a Common Element without the Opposing Party's approval.

6.16 Restrictions on Use of Units.

6.16.1 In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, each Residential Unit shall be used as described below.

6.16.1.1 A Residential Unit may be used only as a residence and, subject to compliance with the By-Laws, for a lawful home occupation. Each such Residential Unit may only be occupied by: (i) any individual who is a Unit Owner or permitted lessee; (ii) any officer, director, shareholder or employee of any corporation which is a Unit Owner or permitted lessee; (iii) any partner or employee of any partnership which is a Unit Owner or permitted lessee; (iv) any member or employee of any limited liability company which is a Unit Owner or permitted lessee; (v) the fiduciary or beneficiary or employee of any fiduciary which is a Unit Owner or permitted lessee; (vi) any principal or employee of any other entity (including, but not limited to, embassies and consulates of foreign governments) which is a Unit Owner or permitted lessee; provided that in each instance in clauses (ii) through (vi) above; (A) the designated officer, director, shareholder, partner, member, fiduciary, principal or employee is designated as the primary occupant of the Unit and is not being designated to use the Unit on a transient basis or as other than the primary occupant; and (B) such use is not, in fact or in effect, part of or in furtherance of a program, plan, entity, agreement or other arrangement providing for short-term, fractional or shared use and/or ownership of such Unit; and (vii) family members, domestic partners, domestic employees and/or non-paying guests of any foregoing. All of the foregoing are "Permitted Users."

6.16.1.2 A Residential Unit may be used for any purpose permitted by law including an incidental business use, provided such use (1) does not violate the then existing certificate of occupancy for such Residential Unit, (2) does not adversely affect the use and enjoyment of neighboring or adjacent Residential Units for residential purposes, and (3) complies with all applicable governmental regulations. Incidental business use is acceptable only so long as (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside of the residence; (b) the business activity does not involve visitation of the Residential Unit by employees, clients, customers, suppliers or other business invitees in greater volume than would normally be expected for guest visitation to a residence without business activity; (c) the business activity is legal and conforms to all zoning requirements for the Condominium; (d) the business activity does not increase traffic in the Condominium in excess of what would normally be expected for Residential Units in the Condominium without business activity; (e) the business activity is consistent with the residential character of the Condominium and does not constitute a nuisance or a hazardous or offensive use, or threaten the security or safety of other residents of the Condominium, as determined at the discretion of the Residential Board; (f) the business activity does not result in a materially greater use of Common Elements or other facilities at the Condominium; (g) the

business activity does not increase the insurance premium paid by the association or otherwise negatively affect the ability of the association to obtain insurance coverage; and (h) there are no signs, advertisements or plaques of any type visible from the exterior of the Residential Unit.

6.16.1.3 No portion of a Residential Unit (other than the entire Unit) may be sold, conveyed, leased or subleased, and no transient occupant (other than a guest permitted under this Subsection 6.16.1) may be accommodated therein.

6.16.1.4 Each Unit Owner shall notify the Managing Agent in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Unit. Each Unit Owner shall install at such Unit Owner's expense, the required window guards in all windows of the Unit. The Unit Owner shall maintain all window guards installed in the Unit and shall not remove same until permitted by applicable law and in any event, without full knowledge of the Managing Agent. Unit Owners shall not remove the window limit stops from the windows in the Units. If a lot line window of a Unit is required to be closed and eliminated, the Unit Owners owning Units with lot line windows will be obligated to close the windows at their own cost and expense.

6.16.1.5 Residential Unit Owners shall not take any action in their Units that would violate any collective bargaining agreement in effect in the Condominium.

6.16.2 Notwithstanding the provisions of Section 6.16.1, Sponsor or its designees may, without the permission of the Residential Board, (a) grant permission for the use of any Unsold Residential Unit as a professional office or for any purpose, provided such use is permitted by law, does not violate the applicable deed restrictions, does not violate the then existing certificate of occupancy for such Residential Unit and the user of such Unit complies with all applicable governmental regulations; and (b) use any Unsold Residential Units as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other purpose, subject only to the provisions of the Declaration and these By-Laws and in compliance with applicable governmental laws and regulations.

6.16.3 The Residential Board may, in its sole discretion, consent to the use of a Residential Unit as a professional or business office or for any purpose provided that the nature and manner of such use complies with Law and does not violate the then existing certificate of occupancy covering the Building. Any such consent shall be in writing and shall be personal to such Unit Owner. Any lessee of, or successor in title to, such Unit Owner shall be required to obtain the prior written consent of the Condominium Board before using such Unit for any purpose other than that set forth in Section 6.16.1.

6.16.4 The Non-Residential Units shall be used for any purpose permitted by Law.

6.16.5 The use, occupancy, marketing, advertisement or promotion of the Residential Units under timeshare, fractional ownership, interval exchange (whether the program is based on direct exchange of occupancy rights, cash payments, reward programs or other point or accrual systems) or other membership plans or arrangements (collectively, "Occupancy

Plans") through which a participant in the plan or arrangement acquires an ownership interest in the Residential Unit with attendant rights of periodic use and occupancy or acquires contract rights to such periodic use and occupancy of the Residential Unit or a portfolio of accommodations including the Residential Unit is absolutely prohibited.

6.16.6 Except for Sponsor, no Owner or other occupant of a Residential Unit shall represent to the public that such person is a real estate broker or sales agent that is (a) the "official" broker/sales agent for the Condominium or (b) has the endorsement of the Hotel Operator or the Residential Board, Non-Residential Board, or of the Condominium Board to broker the purchase or sale of Condominium Units.

6.16.7 Certain services may be provided to the Residential Unit Owners, which services may be included in the Common Charges due monthly. In addition, certain hotel-type services may be made available to the Residential Unit Owners by the Hotel Operator on an a la carte basis. The hotel services provided to the Residential Unit Owners will be subject to such rules and regulations and fees as may be imposed by the Hotel Operator in its sole and absolute discretion.

6.16.8 No Unit Owner shall use, store, generate, treat, transport, handle or dispose of within its Unit or elsewhere in the Building any Hazardous Substances, other than ordinary cleaning fluids which are used, stored, generated, treated, transported, handled and disposed of by an occupant in strict compliance with applicable Law. No occupant or tenant of any portion of the Building shall use, store, generate, treat, transport, handle or dispose of within its Unit or elsewhere in the Building any Hazardous Substances, except in strict compliance with applicable Law. "Hazardous Substances" means any pollutants, contaminants, toxic or hazardous substances, materials, wastes, constituents, compounds or chemicals (including, without limitation, petroleum or any by-products or fractions thereof, any form of natural gas, lead, asbestos and asbestos-containing materials, building construction materials and debris, polychlorinated biphenyls ("PCBs") and PCB-containing equipment, radon and other radioactive elements, ionizing radiation, electromagnetic field radiation and other non-ionizing radiation, infectious, carcinogenic, mutagenic, or etiologic agents, pesticides, defoliants, explosives, flammables, corrosives and urea formaldehyde foam insulation) that are regulated by, or may now or in the future form the basis of liability under, any Law. Hazardous Substances shall not include any customary cleaning solutions as long as same are stored and used as required by Law. The Condominium Board and the Residential Board shall have all remedies available at law or equity, including, without limitation, injunctive relief.

6.17 Use of Common Elements.

6.17.1 Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

6.17.2 No furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators or any other parts of the Common Elements other than in (a) Residential Limited Common Elements for the exclusive use of a particular Residential Unit Owner or (b) in any areas designated as storage areas, without the

prior consent of the Residential Board as to the Residential Common Elements, or the Condominium Board as to General Common Elements. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them.

6.17.3 Residential Unit Owners shall require their tradesmen to utilize exclusively the elevator and entrance designated by the Residential Board for transporting packages, merchandise or other objects.

6.17.4 The owner of any two or more Residential Units, which Units are serviced or benefited by any Common Element adjacent or appurtenant to such Units (for example, that portion at the end of any residential hallway which is directly adjacent to any such Units located on opposite sides of such hallway) shall, to the extent permitted by law and with the consent of the Residential Board (which consent shall not be unreasonably withheld or delayed), have the exclusive right of use of such Common Element as if it were a part of such Units (including the right, in the above example of a portion of a hallway, to enclose such portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made, provided such owner agrees, at its sole cost and expense, to (a) be responsible for the operation, maintenance and repair of such Common Element for so long as such owner exercises such exclusive right of use, and (b) restore such Common Element to its original condition, reasonable wear and tear excepted, after such owner ceases to exercise such exclusive right of use. The owner of any such Units which are Unsold Residential Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Board. Notwithstanding the above, if an owner transfers or conveys his or her Unit to a successor owner, the transferor need not comply with (b) above provided that the transferee agrees to abide by (a) and (b) above.

6.17.5 Subject to the priority rights and control of the Hotel Unit Owner, the Residential Unit Owners, the Restaurant Unit Owner and the Retail Unit Owner shall have the right to use the loading dock and service elevators (which will be operated by an attendant), during "normal business hours" for Major Deliveries (defined below) and Non-Major Deliveries (as defined below) on a first-come, first-served basis which use shall be scheduled with the Hotel Manager. The Hotel Unit Owner shall have a first priority right to use the loading dock and service elevators (without an attendant), on a 24-hour-a-day basis on a first-come, first-served basis. If the Residential Unit Owners or the Retail Unit Owner desire to use the loading dock and service elevator outside of "normal business hours", the Residential Unit Owners or the Retail Unit Owner must pre-schedule the date and time of such use with the Hotel Manager and such use shall be at such Residential Unit Owner's or the Retail Unit Owner's sole cost and expense, including without limitation, the cost of service elevator operators and all security costs. In furtherance of the foregoing, the Unit Owners shall use commercially reasonable efforts to cooperate with each other and the Hotel Manager, as necessary, with regards to scheduling matters. As used in this Section 6.17.5, the term "normal business hours" shall mean 8am-5pm on business days (or such longer hours as the Hotel Manager shall determine from time to time). "Non-Major Deliveries" shall mean normal deliveries of packages, furniture and personal property that do not require special handling equipment or the reservation of a service elevator for a successive number of trips. "Major Deliveries" shall mean all move-ins, move-outs, and deliveries requiring a successive number of trips of the service elevator. Any Major Work to,

physical modifications of, or Maintenance (other than regular day to day cleaning, refurbishment and repair) of, the loading dock shall require the prior approval of the Condominium Board Members appointed by the Hotel Unit Owner.

6.18 Other Provisions as to Use.

6.18.1 No nuisance shall be allowed in the Building nor shall any use or practice be allowed in the Building which is a source of annoyance to the residents or occupants of the Property or which interferes with the peaceful possession or proper use of the Property by its residents or occupants. No immoral, improper, offensive or unlawful use shall be made of the Building or any portion thereof. All valid laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof, relating to any portion of the Property shall be complied with at the full expense of the respective Unit Owners or the Boards, whoever shall have the obligation to maintain or repair such part of the Property.

6.18.2 The Residential Board may, in its discretion, grant permission for the use of a Residential Unit for a use other than its original intended use, provided such use is permitted by law or court order, does not violate the then existing certificate of occupancy for such Unit, these By-Laws or the Declaration, and the Unit Owner thereof complies with all Legal Requirements and does not adversely affect the use of the Non-Residential Units. Such permission by the Board shall be in writing and shall be personal to the Unit Owner. Any successor in title to such Residential Unit shall be required to obtain the prior written approval of the Residential Board before using such Unit for any purpose other than those expressly set forth above.

6.18.3 Sponsor or its designees, without the permission of the Boards, may (a) use or grant permission for the use of any Unsold Residential Unit for any purpose (including, without limitation, use for a home occupation), provided such use is permitted by law or court order, does not violate the then existing certificate of occupancy for such Residential Unit, and the user of such Residential Unit complies with all applicable Legal Requirements; (b) use anyone or more Unsold Residential Units as models and sales and/or leasing offices in connection with the sale or rental of the Residential Units or for any other purpose, subject only to compliance with applicable legal requirements; and (c) lease Unsold Residential Units to any party(ies).

6.19 Right of Access.

6.19.1 A Residential Unit Owner shall grant a right of access to his or her Residential Unit to the Sponsor and their designees for the completion of the Building including but not limited to any punch list work in such Unit Owner's Unit, and to each of the Residential Board, Non-Residential Board and the Condominium Board, the managing agents, managers, Resident Manager and/or any other person authorized by any of the foregoing. A Residential Unit Owner shall grant a right of reasonable access to the respective Residential Unit to the Hotel Unit Owner for the completion of the Building, subject to the reasonable consent of the Residential Board.

6.19.2 The Non-Residential Unit Owners shall, grant a right of access to the Non-Residential Units to the Condominium Board, the Non-Residential Board, the managing agent, and/or any other person authorized by any of the foregoing for the purpose of making inspections of, or for the purpose of removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property, or for the purpose of curing defaults hereunder or under the Declaration or Rules and Regulations by such Non-Residential Unit Owner or correcting any conditions originating in his or her Non-Residential Unit and threatening another Unit or all or any part of the Common Elements, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other portions of the Common Elements within his or her Non-Residential Unit or elsewhere in the Building, or for the purpose of reading, maintaining or replacing utility meters relating to the Common Elements, his or her Non-Residential Unit or any other Unit in the building or to correct any condition which violates the provisions of any Permitted Mortgage covering another Unit, provided that requests for such entry are made not less than one day in advance and that any such right shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business by the tenants and occupants of the Units or with the use of the Units for their permitted purposes. In case of an Emergency, such right of entry shall be immediate, without advance notice, whether or not the Unit Owner is present.

6.19.3 Each Unit Owner shall grant a right of access to his or her Unit, and the Boards shall grant rights of access to the Declarant, the Sponsor and its designees, and its contractors, subcontractors, agents and employees, for the completion of punch list work, provided that access thereto shall be exercised upon reasonable notice during reasonable hours in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes.

6.20 Rules and Regulations. Annexed hereto as Schedule A and made a part hereof are rules and regulations (the "Residential Rules and Regulations") concerning the use of the Residential Common Elements and the Residential Limited Common Elements. The Residential Board may from time to time, modify, amend or add to the Residential Rules and Regulations except that a Majority of Residential Unit Owners may overrule such Board with respect to any such modification, amendment or addition. The Condominium Board may adopt and from time to time, modify, amend or add to reasonable rules and regulations (the "General Rules and Regulations") concerning the use of the General Common Elements, except that a Majority of Unit Owners may overrule said Board with respect to any such adoption, modification, amendment or addition. As used herein, the term "Rules and Regulations" shall mean a collective reference to the Residential Rules and Regulations and General Rules and Regulations, together with all modifications, amendments or additions thereto, as applicable. Copies of any newly adopted Rules and Regulations, or any modifications, amendments or additions thereto, shall be furnished by the Board responsible therefor to each affected Unit Owner not less than 30 days prior to the effective date thereof. Nothing contained herein shall permit the Condominium Board, the Residential Board, the Non-Residential Board or the Residential Unit Owners to impose any Rules and Regulations on the operation or use of the Hotel Unit, the Restaurant Unit or the Retail Unit or to amend, change reduce or eliminate any of the provisions benefiting or affecting the Hotel Unit, the Restaurant Unit or the Retail Unit contained in the By-Laws without

the written consent of the Hotel Unit Owner, the Restaurant Unit Owner or the Retail Unit Owner.

6.21 Real Estate Taxes, Water Charges and Sewer Rents.

6.21.1 Water and sewer services shall be supplied to and for all of the Units and the Common Elements through one or more building systems by the City of New York. Except to the extent Unit Owners are billed directly by the City Collector, the Condominium Board shall pay all such charges, together with all related sewer rents arising therefrom, promptly after the bills for the same shall have been rendered. Until the Units are separately assessed for real estate tax purposes, the Unit Owners shall pay their respective pro rata share of all real estate taxes with respect to the Property (in the proportion that the Common Interest of all Units bears to the Common Interests of all Units) to the Condominium Board as Common Charges, which will in turn pay such taxes to the proper authorities of The City of New York. In the event of a proposed sale of any Residential Unit, the Residential Board, on request of the selling Residential Unit Owner, shall execute and deliver to the purchaser of such Unit or to such purchaser's title insurance company, a letter agreeing to pay all charges for water, sewer rents and real estate taxes (so long as such Board is still collecting and paying such charges) affecting such owner's Unit to the date of the closing of title to such Unit, promptly after such charges have been billed by the proper authorities.

6.21.2 The Residential Board and the Non-Residential Board shall commence, pursue, compromise and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to any or all of the Units in the Board's Section of the Building on behalf of and as agent for the respective Unit Owners thereof, but only with respect to such Units as to which the respective Unit Owners thereof have, in writing requested and authorized the applicable Board to do so, and indemnified the applicable Board from and against all claims, costs and expenses (including, without limitation, attorneys' fees) resulting from such proceedings. All Unit Owners making such request to the applicable Board will share the costs in connection therewith in proportion to the benefits derived therefrom by such Unit Owners. In the event any Unit Owner individually seeks to have the assessed valuation of its Unit reduced by bringing a separate certiorari proceeding, the applicable Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies, defends and holds the applicable Board harmless from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) resulting from such proceedings.

6.22 Heat. Heat for the Building shall be supplied by gas from the Con Edison and the charges therefor shall be included in the Common Charges paid by the Unit Owners based on their usage.

6.23 Gas. Gas will be supplied by the Con Edison gas distribution system and charges therefor shall be shall be included in the Common Charges paid by the Unit Owners based on their usage.

6.24 Electricity.

6.24.1 Electricity for the Condominium will be provided by Consolidated Edison Company of New York, Inc. (Con Edison) or another local utility or energy services company (individually or collectively, the "distribution utility"). Each Unit Owner shall pay for the use of electricity at their respective Unit on the basis of a separate (sub-submetered) charge that will be billed directly to the Unit Owner. The Managing Agent will act as agent to the Condominium Board for the purposes of administering sub-metering, billing and collection procedures and ensuring the protections of the Residential Unit Owner as a residential customer for electricity under the Home Energy Fair Practices Act ("HEFPA"). The cost for electricity for the Common Elements will be a part of the Common Charges and paid by the Unit Owners based on usage.

6.24.2 Electricity for the Residential Limited Common Elements will be paid for by the Condominium Board as a Residential Common Expense and allocated among the Residential Units in proportion to their Common Interests. In the event of non-payment of electricity charges, the Condominium Board shall afford the Residential Unit Owner all notices and protections available pursuant to HEFPA before any action(s) based on such non-payment is commenced, including, but not limited to, termination of service.

6.24.3 The electricity rate (cost per kilowatt hour or kWh) charged to Residential Unit Owners is calculated by taking the total dollar value (before sales tax) charged to the Building by the distribution utility for electricity and dividing that amount by the total KWh usage for the billing period. This rate is then multiplied by each Residential Unit's electricity usage for the billing period. Finally, sales tax (currently 4.5%) is added to arrive at the total cost for the billing period. The capital cost of the sub-submetering equipment will not be charged to the Residential Unit Owners as part of the charges for electricity service. All Con Edison rates by classification are available on its website (www.coned.com) under Rates and Tariffs. The electricity Rates and Tariffs are listed under the heading "P.S.C. No. 10 – Electricity." In no event will the total rate for a billing period (including any monthly administrative charge) exceed the rates and charges of the distribution utility for delivery and commodity in that billing period to similarly-situated, direct-metered residential customers (*see* 16 NYCRR § 96.1 [i]). The Condominium Board or its third-party electricity billing company will read the meters and process a bill based on the Residential Unit's actual consumption. The meter reading data and billing calculations will be documented and maintained for a 6-year period for each unit (*see* 16 NYCRR § 96.6 [j]).

6.24.4 If the Residential Unit Owner has a question about the electricity bill or believes it is inaccurate, the Residential Unit Owner will contact the Residential Board. The Managing Agent, as a representative of the Residential Board, shall investigate and respond to the Residential Unit Owner in writing within fifteen (15) days of the receipt of the complaint. As part of this response, the Residential Unit Owner shall be advised of the disposition of the complaint and the reason therefore. If the Residential Unit Owner and the Residential Board cannot reach an equitable agreement and the Residential Unit Owner continues to believe the complaint has not been adequately addressed, then the Residential Unit Owner may file a complaint with the Public Service Commission (the "PSC") through the Department of Public Service. Alternatively, the Residential Unit Owner may contact the PSC at any time concerning submetered service in writing at New York State Department of Public Service, 3 Empire State

Plaza, Albany, New York 12223, by telephone at (800) 342-3377, in person at the nearest office at 90 Church Street, New York, New York 10007, or via the Internet at www.dps.ny.gov.

6.24.5 As a residential customer for electricity, the Residential Unit Owner will be afforded rights and protections available to residential energy consumers in New York State under HEFPA, including the ability to file a complaint with the PSC. The nearest office of the PSC is at: NYS Public Service Commission, 90 Church Street, New York, NY 10007, (212) 417-2234, (800) 342-3377, www.dps.ny.gov. The Residential Unit Owner may contact the Department of Public Service at any time if dissatisfied with the Condominium Board's response to a complaint or at any time regarding submetered service.

6.24.6 The Residential Unit Owner may request balanced billing for the Residential Unit's electricity charges. Balanced billing divides the electricity costs into equal monthly payments. Periodically, the balanced billing amounts will be reviewed and adjusted as necessary. At the end of one year, the Residential Unit Owner shall be responsible to pay for any electricity costs in excess of the balanced billing amount paid.

6.24.7 If the Residential Unit Owner has difficulty paying the electricity bill, the Residential Unit Owner may contact the Condominium Board in order to arrange for a deferred payment agreement, whereby the Residential Unit Owner may be able to pay the balance owed over a period of time. If the Residential Unit Owner can show financial need, the Condominium Board can work with the Residential Unit Owner to determine the length of the agreement and the amount of each monthly payment.

6.24.8 Regardless of the Residential Unit Owner's payment history relating to the Residential Unit Owner's electricity bills, the Residential Unit Owner's electricity service will be continued if the Residential Unit Owner's health or safety or the health or safety of someone living in the Residential Unit is threatened. When the Condominium Board becomes aware of such hardship, the Condominium Board can refer the Residential Unit Owner to the Department of Social Services. The Residential Unit Owner shall notify the Condominium Board if either of the following conditions exist: (i) a medical emergency, substantiated by a medical certificate from a doctor or local board of health; or (ii) the Residential Unit Owner and/or those living in the Residential Unit suffers from a medical condition requiring electricity service to operate a life-sustaining device, where a medical certificate from a doctor or local board of health demonstrates this necessity.

6.24.9 Special protections may be available to the Residential Unit Owner. Such protections may be available if the Residential Unit Owner and/or those living with the Residential Unit Owner are age eighteen (18) or younger or sixty-two (62) and older, blind, or disabled. If the Residential Unit Owner is age sixty-two (62) or older, the Residential Unit Owner may be eligible for quarterly billing for the Residential Unit Owner's electrical charges. The Residential Unit Owner may designate a third party as an additional contact to receive notices of past due balances for the Residential Unit Owner's electrical charges.

6.24.10 Any submetering refunds will be credited to a submetered Residential Unit Owner affected by the Condominium Board's actions that led to such refunds provided that the Condominium Board has such contact information for such Residential Unit Owner.

6.24.11 The Residential Unit Owner agrees that at all times the use of electricity in the Residential Unit shall never exceed the capacity of existing feeders to the Building or the risers, wiring, or electrical installations serving the Residential Unit. The Residential Unit Owner shall not make any alterations, modifications, or additions to the electrical installations serving the Residential Unit.

6.24.12 The Condominium Board shall have the right to suspend electricity service to the Residential Unit when necessary by reason of accident or for Maintenance, repairs, alterations, replacements, or improvements necessary or desirable in the Condominium Board's judgment for as long as may be reasonably required by reason thereof and the Condominium Board shall not incur any liability for any damage or loss sustained by the Residential Unit Owner or any other occupant of the Residential Unit as a result of such suspension. The Condominium Board shall not in any way be liable or responsible to the Residential Unit Owner or any other occupant for any loss, damage, cost, or expense that the Residential Unit Owner or any occupant of the Residential Unit may incur if either the quantity or character of electricity service is changed or is no longer available or suitable for the Residential Unit Owner's requirements or if the supply or availability of electricity is limited, reduced, interrupted, or suspended by the utility company serving the Building or for any reason or circumstances beyond the Condominium Board's control. Except as may be provided by applicable law, the Residential Unit Owner shall not be entitled to any credit or refund because of a stoppage, modification, interruption, suspension, limitation, or reduction of electricity service to the Residential Unit.

6.24.13 If the Condominium Board or its agent fails to deliver a bill to the Residential Unit Owner for the use of electricity at the Residential Unit for any given billing period, then such failure shall not prejudice or impair the Condominium Board's right to subsequently deliver or cause its agent to deliver such a bill to the Residential Unit Owner, nor shall any such failure relieve or excuse the Residential Unit Owner from having to pay to such bill, except as may otherwise be provided by applicable law.

6.25 Utilities Serving the General Common Elements. Except as otherwise provided in this Article 6, the cost and expense of water, sewer facilities, electricity and gas serving or benefiting any General Common Element shall be (a) considered part of the expense of maintaining such General Common Element, (b) determined by the Condominium Board, and (c) charged as a General Common Expense. Any dispute as to the amount of such cost or expense shall be determined by Arbitration.

6.26 Violations. If notice of a municipal or other violation of applicable Legal Requirements is given or filed in respect of any portion of the Property as a result of the alleged or actual act of or failure to act by one Unit Owner or its tenants, subtenants or invitees (the "Violating Unit Owner") and such violation (1) jeopardizes the full force or effect of any certificate of occupancy issued for the Property, (2) materially adversely affects any other Unit

Owners' right to occupy, use, enjoy and improve its Unit or Limited Common Elements or any part thereof, (3) results in the imposition of a lien against the Property as a whole or any other Unit Owner's Unit, (4) such violation results in a notice of violation, premium increase or otherwise from any insurance provider for any insurance required hereunder or (5) would create criminal liability for the other Unit Owner or the Condominium Board (in such other Unit Owner's and/or the Condominium Board's reasonable opinion, as the case may be), the Violating Unit Owner shall remove such violation within sixty (60) days of receipt of notice from such other Unit Owner and/or the Condominium Board, provided, however, if the Violating Unit Owner has commenced and been diligently prosecuting the removal of the violation within the sixty (60) day period, the period shall be extended for such additional time as is reasonably necessary to remove the violation. Any time a Violating Unit Owner is otherwise required under this Section to remove a violation, such Violating Unit Owner shall nevertheless not be required to remove the violation if upon prior notice to the Condominium Board and the other Unit Owners, and at its own expense, it is contesting by appropriate legal or administrative proceedings or redress, promptly initiated and conducted in good faith and with due diligence, the validity or enforceability, in whole or in part, of the applicable Legal Requirement giving rise to the violation, provided the following conditions are met: (i) such proceeding shall suspend the obligation of the Violating Unit Owner to comply with any such Legal Requirement, (ii) failure to comply with any such Legal Requirement pending the contest will not invalidate or vitiate any insurance required hereunder to be maintained with respect to the Property, in whole or in part, and will not, in the reasonable opinion of the other Unit Owners and/or the Condominium Board, constitute a present danger to the Property, or any portion thereof, or to the persons using and entering upon the Property, (iii) neither the Property nor any part thereof or interest therein will in the reasonable opinion of the other Unit Owners and/or the Condominium Board be in danger of being sold, forfeited, confiscated, terminated, canceled or lost as a result of such contest by the Violating Unit Owner (whether by foreclosure of any mortgage thereon or otherwise), (iv) the Violating Unit Owner shall have furnished such security as may be required in the proceeding, or in the event that none is required, as may be reasonably required by the Condominium Board to insure the payment by the Violating Unit Owner of all costs of compliance, fines and penalties, together with interest thereon, as may be incurred by the Violating Unit Owner in the event of a determination in such proceeding adverse to the Violating Unit Owner, and (v) the other Unit Owners and the Condominium Board will not, in their reasonable opinion, be subject to any criminal liability as the result of such contest by the Violating Unit Owner. If any compliance with this Section shall require any repairs to, or which otherwise affect, the General Common Elements, such repairs shall be performed by the Condominium Board pursuant to Section 7.1.1 hereof and the cost thereof shall be deemed to be part a General Common Expenses charged to the Unit Owners, unless the reason for such repairs is solely the fault of one Unit Owner, in which event all such costs shall be charged to the applicable Unit Owner as a Unit Owner Expense.

6.27 Liens. Each Unit Owner (the "Liening Unit Owner") shall cause to be removed, by payment, bond or otherwise, within ninety (90) days after notice of the filing thereof, any mechanics', materialmen's or any other like lien arising by reason of its acts or acts of its agents and contractors or for any work or materials which it or its agents, contractors, tenants, subtenants or invitees has ordered and filed against the Property or any other Unit Owner's Unit. Except as may be otherwise expressly set forth in the loan documentation evidencing a Permitted

Mortgagee's loan to the Liening Unit Owner, the Liening Unit Owner shall not be required to remove such lien if such lien does not expose any other Unit Owners and/or the Condominium Board to civil and criminal penalties and does not cause the foreclosure of any Permitted Mortgage on any other Unit Owner's portion of the Property, and within said ninety (90) day period the Liening Unit Owner (i) shall in good faith diligently proceed to contest the same by appropriate proceedings and shall give notice to the other affected Unit Owners and the Condominium Board of its intention to contest the validity of such lien and (ii) shall deliver to the other affected Unit Owners and the Condominium Board, at such Unit Owners' and/or Condominium Board's option, either: (a) cash or a surety bond from a responsible surety company reasonably acceptable to the Condominium Board, as the case may be, in an amount not less than one hundred ten percent (110%) of the lien claim and all interest and penalties then accrued thereon or such greater amount as may be required by Law or (b) such other security or indemnity reasonably acceptable to the Condominium Board and/or the other Unit Owner and its recognized mortgagee, if any. The Liening Unit Owner must cause to be removed or released all liens prior to foreclosure thereof. In the event the Liening Unit Owner fails to comply with the foregoing provisions of this Section, the other Unit Owners and/or the Condominium Board may give notice to the Liening Unit Owner specifying the respect or respects of such non-compliance and if, upon the expiration of ten (10) days after the receipt of such notice, the cure of any such non-compliance is still not proceeding diligently, then the Condominium Board and/or the non-defaulting Unit Owners may cause such compliance to occur by taking all appropriate steps necessary to defend against or remove such lien. The Condominium Board and the non-defaulting Units shall be entitled to payment from the Liening Unit Owner for all costs and expenses (including reasonable attorneys' fees) paid or incurred by the Condominium Board and/or the non-defaulting Unit Owners, as the case may be, in defending against, removing or attempting to defend against or remove such lien and may use any security delivered to the Condominium Board and/or any non-defaulting Unit Owners for such purposes and for any other damages from the Liening Unit Owner's breach under this Section and failure to pay any such amounts shall be subject to the same remedies set forth in Section 6.6 hereof. NOTHING CONTAINED IN THIS SECTION IS INTENDED TO GIVE OR CONFER ANY BENEFITS, RIGHTS, PRIVILEGES, CLAIMS, ACTIONS OR REMEDIES TO ANY PERSON AS A THIRD PARTY BENEFICIARY UNDER ANY LAWS OR OTHERWISE AND THE PERFORMANCE OF WORK ON ONLY ONE UNIT OWNER'S UNIT SHALL IN NO WAY BE DEEMED TO GIVE THE PARTY PERFORMING SUCH WORK THE RIGHT TO ATTACH A LIEN AGAINST THE OTHER UNIT OWNERS' UNITS OR THE CONDOMINIUM.

ARTICLE 7.
CERTAIN DAMAGES

7.1 Self Help. If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his or her part to be observed or performed, including, without limitation, any breach of his obligation to paint, decorate, maintain, repair, or replace his or her Unit or its appurtenant Limited Common Elements, if any, pursuant to the terms of Article 5 hereof, and shall fail to cure such violation or breach within 5 days after receipt of written notice of the same from the Condominium Board, the Residential Board, the Non-Residential 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 day period and, thereafter, to prosecute such cure with due diligence to completion), the Condominium Board or the Residential Board or the Non-Residential Board shall have the right to enter such Unit Owner's Unit and/or its appurtenant Limited Common Elements, if any, and summarily to abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. In addition, in the event that the Condominium Board or Residential Board or the Non-Residential 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 respective 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.

7.2 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 or her part to be observed or performed, the Condominium Board, the Residential Board or the Non-Residential Board, as applicable, 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, the Residential Board or the Non-Residential Board, as applicable, 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, the Residential Board or the Non-Residential Board, as applicable, 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, the Residential Board or the Non-Residential Board, as applicable, 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, the Residential Board or the Non-Residential Board, as applicable, 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 By-Laws with respect to any rights, easements, privileges, or licenses granted to Sponsor, Declarant or the Condominium

Board, the Residential Board or the Non-Residential Board, as applicable, shall give to Sponsor, Declarant and the Condominium Board, the Residential Board or the Non-Residential Board, as applicable, 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.

7.3 Remedies Cumulative. The remedies specifically granted to the Condominium Board, the Residential Board or the Non-Residential Board, as applicable, Declarant or to Sponsor in this Article 7 or elsewhere in the By-Laws 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 Declarant or the Residential Board or the Non-Residential Board, as the case may be. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

7.4 Costs and Expenses. All sums of money expended, and all costs and expenses incurred, by (i) the Condominium Board or Residential Board or the Non-Residential 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 7.1 or paragraph (A) of Section 7.2 hereof including reasonable legal fees or (ii) Sponsor or Declarant 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 7.2 hereof, shall be immediately payable by (a) in the event set forth in subparagraph (i) hereof, such Unit Owner to the Condominium Board or Residential Board or the Non-Residential Board, as the case may be 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, Residential Board or the Non-Residential Board, 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 or Residential Board or the Non-Residential Board pursuant to the terms of this Section 7.4 shall, for all purposes hereunder, constitute Charges payable by such Unit Owner.

ARTICLE 8.
MORTGAGES

8.1 Notice to Boards. A Residential Unit Owner who mortgages his or her Unit, or the holder of any mortgage encumbering such Unit, shall notify the Residential Board in the case of a Residential Unit, of the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Board. Such Unit Owner shall, prior to making such mortgage, satisfy all unpaid liens against his or her Unit other than Permitted Mortgages. A Unit Owner who satisfies a mortgage covering his, her or its Unit shall so notify the Residential Board and shall file a conformed copy of the satisfaction of mortgage with Residential Board. The Residential Board shall maintain such information in a book entitled "Mortgages of Units."

8.2 Notice of Default and Unpaid Common Charges. Whenever so requested in writing by a Permitted Mortgagee, the Residential Board with respect to Permitted Mortgagees of Residential Units, shall promptly report to such Permitted Mortgagee any default in the

payment of Residential Common Charges or any other default by the Unit Owner of such Unit under the provisions of the Declaration or these By-Laws which may to such Board's knowledge then exist. The Board, when giving notice to a Unit Owner of any such default, shall, if requested, also send a copy of such notice to any Permitted Mortgagee thereof.

8.3 Performance by Permitted Mortgagees. The Residential Board, Non-Residential Board, or Condominium Board, as the case may be, shall accept, by any Permitted Mortgagee of a Unit Owner, payment of any sum or performance of any act required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these By-Laws or the Rules and Regulations, with the same force and effect as though paid or performed by such Unit Owner.

8.4 Examination of Books. Upon reasonable notice and during normal business hours, each Unit Owner and Permitted Mortgagee shall be permitted to examine the books of account of the Condominium (including, in the case of Residential Unit Owners and Permitted Mortgagees thereof, the books of account of the Residential Section at reasonable times), on business days, but not more than once a month.

8.5 Representatives of Mortgagees.

8.5.1 In the manner more particularly set forth in Section 8.5.2, the holders of Institutional Residential Mortgages may, at their election, designate one or more (but not more than three) representatives ("Residential Mortgage Representatives"), the holders of the senior mortgage on each Non-Residential Unit, (the "Non-Residential Mortgage Representatives") shall be empowered to act on behalf of all holders of Institutional Residential or Non-Residential Mortgages, as the case may be, with respect to any matter requiring their consent or approval under the Declaration or these By-Laws. If any Residential or Non-Residential Mortgage Representatives are so designated and notice thereof is given to the Residential or Non-Residential Board, as appropriate, the act of any such Representative (or a majority of such Representatives if more than one is so designated) shall be deemed binding upon the holders of all Institutional Residential or Non-Residential Mortgages, as the case may be. As used herein, the term "Institutional Residential Mortgage" means an Institutional Mortgage (defined below) covering a Residential Unit or Units and the term "Institutional Non-Residential Mortgage" means an Institutional Mortgage covering all or a portion, of any Non-Residential Unit. As used herein the terms "Permitted Mortgage" and "Institutional Mortgage" means any mortgage covering any Unit of Declarant, its designees and affiliates and any first mortgage covering a Unit or Units, the initial holder of which is (i) Declarant, Sponsor or their designees, (ii) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust or mortgage trust, or (iii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system.

8.5.2 Any designation of a Residential Mortgage Representative or a Non-Residential Mortgage Representative made by the holders of Institutional Residential or Non-Residential Mortgages, respectively, constituting a majority in principal amount of all Institutional Residential Mortgages or Institutional Non-Residential Mortgages, respectively, shall be binding upon the holders of all Institutional Residential or Non-Residential Mortgages,

as the case may be. Any such designation of any Residential or Non-Residential Mortgage Representative shall remain effective until (a) any subsequent designation thereof is made pursuant to the provisions hereof, and (b) notice of such subsequent designation is given to the appropriate Board. Unless otherwise required by law, all Permitted Mortgagees other than holders of an Institutional Residential Mortgage or Institutional Non-Residential Mortgage, shall have no right to participate in the selection of Residential or Non-Residential Mortgage Representatives, but such Permitted Mortgagees shall be subject to all determinations made by such Residential or Non-Residential Mortgage Representatives, as the case may be, pursuant to the Declaration or these By-Laws.

8.6 Consent of Mortgagees. Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of any Board, officer or Unit Owner; provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against his mortgagor.

8.7 Rights of Permitted Mortgagees and Rights of Guarantors of a Mortgage.

8.7.1 Each Permitted Mortgagee and the guarantor of the mortgage on any Residential Unit (a "Mortgagee") in the Condominium shall be given written notice within ten (10) days of:

(a) Any condemnation or casualty loss that affects either a material portion of the Condominium or the Residential Unit securing the Mortgagee's mortgage;

(b) Any 60-day delinquency in the payment of assessments or common charges owed by the owner of any Residential Unit on which the Mortgagee holds the mortgage;

(c) A lapse, cancellation, or material modification of any insurance policy maintained by the Condominium or the Residential Board unless said policy is simultaneously replaced; and

(d) Any proposed action that requires the consent of the holders of a specified percentage of mortgages.

8.7.2 A Permitted Mortgagee who obtains title to a condominium unit pursuant to the remedies in the mortgage or through foreclosure will not be liable for more than six (6) months of the Residential Units unpaid regularly budgeted Common Charges accrued before the acquisition of title to the Residential Unit by the Permitted Mortgagee. If the Condominium Board's or Residential Board's lien priority includes costs of collecting the unpaid Residential Common Charges, the lender will be liable for any fees or costs related to the collection of the unpaid Residential Common Charges.

8.7.3 No provision in these By-Laws shall give a Residential Unit Owner or any other party priority over the rights of the first mortgagee of the Residential Unit pursuant to its

mortgage in the case of payment to the Residential Unit Owner of insurance proceeds or condemnation awards for losses to or taking a Residential Unit and/or Common Elements.

8.7.4 Any amendment to these By-Laws of a material nature to Permitted Mortgagees shall be agreed to by mortgagees that represent at least 51% of the common interests that are subject to mortgages.

8.7.5 Any action to terminate the legal status of the Condominium after substantial destruction or condemnation occurs or for other reasons must be agreed to by mortgagees that represent at least 51% of the common interests that are subject to mortgages.

8.7.6 Implied approval shall be assumed when a Mortgagee fails to submit a response to any written proposal for an amendment within 60 days after the Mortgagee receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a return receipt requested.

8.7.7 The right of first refusal contained in Article 9 hereof will not adversely affect the rights of a mortgagee or its assignee to: a) foreclose or take title to a Residential Unit pursuant to the remedies in the mortgage; b) accept a deed or assignment in lieu of foreclosure in the event of a default by a mortgagor; or c) sell or lease a Residential Unit acquired by the mortgagee or its assignee.

ARTICLE 9.
SELLING, LEASING AND MORTGAGING OF UNITS

9.1 Selling and Leasing. No Residential Unit Owner, other than the Sponsor or its designees may sell or lease his, her or its Residential Unit except by complying with the following provisions:

9.1.1 Any Residential Unit Owner who receives a bona fide offer to (a) purchase his or her Residential Unit together with its appurtenant Common Interest, or (b) lease his or her Residential Unit (such offer to purchase or lease a Residential Unit, as the case may be, is called an "Outside Offer", the party making any such Outside Offer is called an "Outside Offeror" and the Residential Unit Owner to whom the Outside Offer is made is called an "Offeree Unit Owner"), which he or she intends to accept, shall give notice by certified or registered mail, return receipt requested, to the Residential Board of the receipt of such Outside Offer. Said notice shall include the name and address of the Outside Offeror, the terms of the proposed transaction (including, but not limited to, the intended closing date in the event of a purchase or intended occupancy date in the event of a lease) and such other information as such Board may reasonably require. The giving of such notice to the Residential Board, on behalf of all the Unit Owners represented by such Board, shall constitute an offer by such Unit Owner to sell his or her Residential Unit together with its appurtenant Common Interest or to lease his or her Residential Unit to such Board, or its designee, corporate or otherwise, upon the same terms and conditions as contained in such Outside Offer and shall also constitute a representation and warranty by the Residential Unit Owner who has received such Outside Offer to such Board acting on behalf of all Residential Unit Owners that such Residential Unit Owner believes the Outside Offer to be

bona fide in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as such Board may reasonably request. Not later than twenty (20) days after receipt of such notice together with such information as may have been requested, such Board may elect, by sending written notice to such Offeree Unit Owner before the expiration of said twenty (20) day period, by hand delivery or by certified or registered mail, return receipt requested, to purchase such Residential Unit together with its appurtenant Common Interest or to lease such Residential Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise), on behalf of all Unit Owners represented by such Board, upon the same terms and conditions as contained in the Outside Offer and as stated in the notice from the Offeree Unit Owner.

9.1.2 In the event the Residential Board shall timely elect to purchase a Residential Unit together with its appurtenant Common Interest or to lease such Residential Unit or to cause the same to be purchased or leased by its designee, corporate or otherwise, then (a) with respect to a purchase, title shall close at the office of the attorneys for such Board, in accordance with the terms of the Outside Offer, within 45 days after the giving of notice by such Board of its election to accept such offer and (b) with respect to a lease, the lease, upon the terms set forth in the Outside Offer, shall be executed and deemed effective on the date such Board elects to accept such offer. Notwithstanding the foregoing, in the event that the closing date with respect to a purchase or the commencement date of the term of the lease, as the case may be, set forth in the Outside Offer, shall be later than 45 days after the giving of notice by such Board of its election to accept the aforesaid offer, such Board shall be required to perform or cause to be performed all of the terms of the Outside Offer (except as otherwise expressly set forth in this Article 9) including, but not limited to, payment of a down payment or advance rentals and security deposits, as the case may be, and such closing of title or the commencement of the term of the lease shall be the date set forth in the notice to such Board referred to in Section 9.1.1 as the intended closing date or commencement date, as the case may be. If pursuant to such Outside Offer, the Outside Offeror was to assume or take title to the Residential Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, the Board may purchase the Residential Unit and assume or take title to the Residential Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such Residential Unit together with its appurtenant Common Interest is to be sold, shall convey the same to the Residential Board, or to its designee, corporate or otherwise, on behalf of all Residential Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all tax and/or documentary stamps affixed at the expense of such Offeree Unit Owner, who shall also pay all other taxes arising out of such sale. Real estate taxes (including water charges and sewer rents if separately assessed), mortgage interest, if any, and Common Charges shall be apportioned between the Offeree Unit Owner and the Board, or its designee, corporate or otherwise, as of the closing date. In the event such Residential Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Board, or to its designee, corporate or otherwise, a lease between the Offeree Unit Owner, as landlord, and the Board, or its designee, corporate or otherwise, as tenant, covering such Residential Unit, for the rental and term contained in such Outside Offer.

9.1.3 In the event the Residential Board or its designee shall fail to accept such offer within 20 days after receipt of notice, as aforesaid, the Offeree Unit Owner shall have an

additional 60 days to accept the Outside Offer by executing and delivering a contract or lease, as the case may be. In the event the Offeree Unit Owner shall not, within such 60-day period, accept in writing the Outside Offer, or if the Offeree Unit Owner shall accept the Outside Offer within such 60-day period but such sale or lease, as the case may be, shall not be consummated within an additional 60 days following the expiration of such 60-day period, then, should such Offeree Unit Owner thereafter elect to sell such Residential Unit together with its appurtenant Common Interest or to lease such Residential Unit, as the case may be, the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section 9.1. Notwithstanding the foregoing, the Residential Board, in its discretion, may waive the Offeree Unit Owner's obligation to comply with either or both of the 60 day periods described herein or may extend either or both such periods, provided that such waiver or extension shall only be effective if in writing.

9.1.4 Any deed to an Outside Offeror shall be deemed to provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, these By-Laws and the Rules and Regulations, as the same may be amended from time to time.

9.1.5 Any lease executed in connection with the acceptance of any Outside Offer to lease a Residential Unit shall be consistent with these By-Laws and shall provide for a term of not less than one (1) year and that the lease may not be materially modified, amended or extended without the prior consent in writing of the Residential Board, that the tenant shall not assign his interest in such lease or sublet the demised premises or any part thereof without the prior consent in writing of the Residential Board and that the Residential Board, if permitted by applicable law, shall have power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of (i) a default by the tenant in the performance of its obligations under such lease, or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York.

9.1.6 Except as hereinbefore set forth, the form of any such lease executed by the Residential Board or an Outside Offeror shall be a printed, reasonably applicable form of residential lease which is generally approved by the Board which governs the Unit to be leased and is accepted in New York City, such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, and shall contain such modifications as shall be approved in writing by such Board. Any lease executed by the Residential Board as tenant shall provide that such Board may enter into a sublease of the premises without the consent of the landlord.

9.1.7 The foregoing restrictions of this Section 9.1 shall not apply to Unsold Residential Units (including the lease of a Residential Unit to Sponsor or its designees) or the Non-Residential Units (or any Non-Residential Units into which the Non-Residential Units may hereafter be divided). Sponsor or its designees and the Non-Residential Unit Owner shall have the right to freely sell their respective Units, or to freely lease all or any part of the Unsold Residential Units or the Non-Residential Units, as the case may be, without having to first offer the same for sale or lease to any Board.

9.1.8 On the closing of the sale of each Residential Unit, the purchaser shall make a non-refundable contribution to the Residential Section's Working Capital Fund equal to two (2) month's Common Charges.

9.1.9 There shall be no restriction on the sale or lease of the Non-Residential Units.

9.2 Consent of Residential Unit Owners to Purchase or Lease of Residential Units by Residential Board. The Residential Board shall not exercise any option hereinabove set forth to purchase or lease any Residential Unit without the prior approval of a Majority of Residential Unit Owners, provided, however, the Residential Board shall have the right to release or waive such option without the prior approval of a Majority of Residential Unit Owners, and the Residential Board shall have the right to designate a third party including, but not limited to, a Unit Owner or a Board member, to exercise the options hereinabove set forth as long as the Residential Section is not required to expend any funds.

9.3 No Severance of Ownership.

9.3.1 No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his or her Unit without including therein its appurtenant Common Interest; it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the Common Interest appurtenant to 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 interest is appurtenant or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests of all Units. Nothing in this Section 9.3 shall permit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

9.4 Release by Residential Board of Right of First Refusal. The right of first refusal contained in Section 9.1 may be released or waived by the Residential Board only in the manner provided in Section 9.1. In the event the Residential Board shall release or waive its right of first refusal as to any Residential Unit, such Residential Unit together with its appurtenant Common Interest may be sold, conveyed or leased, free and clear of the provisions of Section 9.1.1 and Section 9.1.2, provided that such sale, conveyance or lease occurs within any applicable time periods required pursuant to 9.1.3.

9.5 Certificate of Termination of Right of First Refusal. A certificate executed by an officer of the Residential Section stating that the provisions of Section 9.1.1 have been met by a Residential Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Residential Board, and that as a result thereof the rights of the Residential Board thereunder have terminated (provided that any sale, conveyance or lease occurs within any applicable time periods required pursuant to Section 9.1.3), shall be conclusive upon the Residential Board and the Residential Unit Owners in favor of all persons who rely on such certificate in good faith. The Residential Board shall furnish such certificate upon request

to any Residential Unit Owner with respect to whom the provisions of Section 9.1.1 have, in fact, terminated.

9.6 Financing of Purchase of Residential Units by the Residential Board. The purchase of any Residential Unit by the Residential Board or its designee, on behalf of all Residential Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Residential Board. If the funds in such accounts are insufficient to effectuate any such purchase, the Residential Board may levy an assessment against each Residential Unit Owner in proportion to his or her respective Common Interest, as a Common Charge, and/or the Residential Board may, in its discretion, finance the acquisition of the Residential Unit; provided, however, 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 (their) appurtenant Common Interest(s).

9.7 Exceptions. The provisions of Section 9.1 shall not apply with respect to any lease, sale or conveyance of any Residential Unit together with its appurtenant Common Interest by (a) the Unit Owner thereof to his or her spouse, adult children or grandchildren, parents, grandparents, adult siblings or to any one or more of them or to any affiliate of the Unit Owner thereof, (b) Declarant, Sponsor or their designees, (c) the Residential Board, (d) any proper officer conducting the sale of a Residential Unit in connection with the foreclosure of a mortgage or other lien covering such Residential Unit or delivering a deed in lieu of such foreclosure, (e) a Permitted Mortgagee or his nominee, who has acquired title to any Residential Unit at any foreclosure sale of his Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction, or (f) to a Permitted User; provided, however, that each succeeding Residential Unit Owner shall be bound by, and his or her Residential Unit subject to, the provisions of this Article 9. In addition, the provisions of Section 9.1 shall not apply to any lease, sale or conveyance of the Non-Residential Units or any part thereof. The term "affiliate" shall be deemed to be an individual or entity which owns more than 50% of the legal and beneficial interest of such Unit Owner, or an entity with respect to which such Unit Owner owns more than 50% of the legal and beneficial interest.

9.8 Gifts and Devises, etc. Any Residential Unit Owner shall be free to convey or transfer his or her Residential Unit by gift, or may devise his or her Residential Unit by will or have his or her Residential Unit pass by intestacy, without being subject to the restrictions of Section 9.1; provided, however, that each succeeding Residential Unit Owner shall be bound by, and his or her Residential Unit subject to, the provisions of this Article 9.

9.9 Unauthorized Sales or Leases of Residential Units. Any purported sale or lease of a Residential Unit consummated in violation of Section 9.1 or Section 9.3 shall be voidable at the election of the Residential Board and if the Residential Board shall so elect, the Residential Unit Owner shall be deemed to have authorized and empowered the Residential Board to institute legal proceedings to eject the purported purchaser (in case of an unauthorized sale) or to evict the purported tenant (in case of an unauthorized leasing), in the name of the said Residential Unit Owner as the owner or landlord, as the case may be. Said Residential Unit Owner shall reimburse the Residential Board for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

9.10 Charges Imposed on Sale or Lease of Residential Units. The Residential Board shall be entitled to fix by resolution and collect, before any sale or lease of a Residential Unit is consummated, a reasonable charge to cover its expenses, and any fees due the Managing Agent or any attorney retained by the Residential Board, in connection with the sale or lease. If such charge is adopted, it shall be added to, and constitute a portion of, Common Charges payable by the selling or leasing the Residential Unit Owner. The aforementioned charge shall not apply to the lease of a Residential Unit to Sponsor or its designees, to the sale or lease of Unsold Residential Units by Sponsor or its designees, or to the sale or lease of Unsold Residential Units by a Permitted Mortgagee of Sponsor that acquires title to Unsold Residential Units. Upon the acquisition of a Residential Unit, Purchasers of Residential Units shall also pay to the Residential Board two months common charges as a non-refundable contribution to working capital.

9.11 Power of Attorney. At the time of acquiring title to a Residential Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and make arrangements for recording in the New York City register's office, the Residential Unit Power of Attorney required by Article 17 of the Declaration, in the form set forth as Exhibit E to the Declaration.

9.12 Notices Concerning Residential Unit Occupancy. Within five (5) days following acquisition of a Residential Unit or the commencement of a lease relating thereto, the new Unit Owner or lessor, as the case may be, shall notify the Managing Agent of the Unit involved, the name of the purchaser or lessee and the names of the individuals, as permitted by the By-Laws, who will be using or occupying the Unit. The individuals so designated may be changed by the purchaser or lessor, from time to time, by further notice to the Managing Agent.

9.13 Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common. In the event that any Unit shall be acquired by the Residential Board, or its respective designees, corporate or otherwise, on behalf of all Residential Unit Owners as tenants-in-common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit as herein provided.

9.14 Payment of Assessments. No Residential Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or lease his or her Residential Unit unless and until he shall have paid in full to the appropriate Board all unpaid Common Charges theretofore assessed by said Board against such Residential Unit and until such Residential Unit Owner shall have satisfied all unpaid liens against his Residential Unit other than Permitted Mortgages.

9.15 Mortgage of Units. Subject to Article 8 and Section 9.14, each Unit Owner shall have the right to mortgage his Unit without restriction, provided that, with respect to any mortgage covering a Residential Unit, the Residential Unit Owner making such mortgage shall notify in writing the Residential Board of the making of such mortgage.

9.16 Lease or Purchase of Residential Unit or Other Apartment for Resident Manager's Residence. The Residential Board shall have the right to lease or purchase a Residential Unit or other apartment for the Resident Manager's use and shall have the right to

amend, modify, extend, renew and otherwise deal in any way with respect to any such lease without the approval of a Majority of Unit Owners.

9.17 Sales During Sponsor Sales. Purchasers of Residential Units shall neither advertise their Residential Units for sale nor sell them for a price that is less than the Schedule A Offering Price for one year following Purchaser's closing of its Unit.

ARTICLE 10.
CONDEMNATION

10.1 Takings in General. If the Condominium Board, Residential Board, the Non-Residential Board or any Unit Owner receives notice that all or any part of the Property has been or is to be taken through the exercise of the power of eminent domain under applicable Law (a "Taking") or becomes aware of any actual or threatened commencement of any proceeding for the condemnation of all or any portion of the Property, the Condominium Board, the Residential Board, the Non-Residential Board or Unit Owner, as applicable, shall so notify the other Unit Owners, Residential Board, Non-Residential Board and the Condominium Board, as applicable. The Condominium Board, Residential Board, the Non-Residential Board shall on behalf of the respective Unit Owners, have the right to participate in the prosecution of the claims for the Award (as defined below) but the Condominium Board, the Residential Board, the Non-Residential Board shall not compromise or settle the Award without the consent of the Hotel Unit Owner and the Residential Board, which approval shall not be unreasonably withheld, conditioned or delayed, provided, however, if the Taking is limited to one or more Units and no Common Elements, the owner(s) of the affected Units (or the Residential Board if the Taking includes only Residential Units or the Non-Residential Board if the Taking includes only Non-Residential Units) shall compromise and settle the Award. If such Taking is not of Substantially All the Property (as defined below in Section 10.4), then any restoration, reconstruction, or alteration required in connection with such Taking shall be performed with due diligence and in as timely a manner as practicable under the circumstances in accordance with the provisions of this Article. "Award" shall mean the award for damages or compensation payable on the basis of, or attributable to, a Taking, and, in the case of a Taking of less than Substantially All of the Property, shall include any award (or portion thereof) payable on the basis of restoration or other work necessitated by the Taking, but not including any separate claim by any Unit Owner or t changing or adding provisions to such document.rade fixtures, moving or relocation costs. Award" shall mean the Award less all reasonable fees and expenses incurred by the Unit Owners and the Condominium Board in collecting the Award.

10.2 Immaterial or Temporary Taking. In the event of an immaterial Taking (e.g. a Taking in connection with a street widening which does not affect the Building), the Net Award shall, following payment of any amounts required in connection with any restoration in connection with such Taking, be disbursed to the Unit Owners in accordance with their respective Common Interests. In the event of a temporary Taking, the Net Award will be allocated to the Unit Owners of the Units affected by the Taking based upon the portion of each Unit, as applicable, that is so taken.

10.3 Material Takings. In the event of a Taking that does not constitute a Taking of Substantially All of the Property, but is a material taking, the Unit Owners shall cooperate to repair and restore the remainder of the Building in accordance with the applicable provisions of this Article.

10.4 Taking of Substantially All of the Property. In the event of a Taking of Substantially All of the Property, the Net Award shall be divided among the 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 or her 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. A Taking of "Substantially All of the Property" shall mean (i) such portion of the Property as, when so taken, would leave a balance of the Property that, due either to the area so taken or the location of the part or parts so taken in relation to the part or parts not so taken, would not, under economic conditions, zoning laws and building regulations then existing, readily accommodate a new or reconstructed building or buildings of a type and size generally similar to the Building existing at the date of Taking or (ii) a Taking of more than fifty percent (50%) of the rentable square footage of the Building (exclusive of any tenant build outs and other similar improvements to the interior components of the Units), as determined by the Certifying Professional in accordance with Section 10.8 of these By-Laws unless the Condominium Board agrees to repair and restore the Property as a result of such Taking in which event such Taking shall not be deemed to be a Taking of Substantially All of the Property.

10.5 Obligation to Restore. Except in the event of a Taking of "Substantially All of the Property", the Unit Owners shall be obligated to repair and restore the Building to the extent required in connection with a Taking regardless of whether or not the Net Award is sufficient. Each Unit Owner shall cooperate with the other Unit Owner and the Condominium Board in connection with any such repairs or restoration to the Building.

10.6 Supervision of Repair and Restoration. The Condominium Board shall cause all necessary repair and restoration work with respect to the Building to be performed in accordance with the provisions of this Article 10. In connection therewith, the Condominium Board shall engage an Architect. The repair and restoration shall be commenced and pursued to completion in as timely a manner as practicable and shall be performed on behalf of the Condominium Board by a Contractor provided; however, that the selection by the Condominium Board of an Architect or Contractor shall require the approval of the Hotel Unit Owner and the Residential Board, which approval shall not be unreasonably withheld, conditioned or delayed. If the applicable members of the Hotel Unit Owner and the Residential Board fail to agree upon the selection of an Architect or the Contractor within sixty (60) days after the occurrence of such Taking, then the selection of the Architect and the Contractor, as applicable, shall be submitted to Arbitration by the Hotel Unit Owner and/or the Residential Board.

10.7 Plans and Specifications. The plans and specifications for necessary repair and restoration in accordance with the provisions of this Article shall be prepared by the Architect in accordance with instructions given by the Condominium Board and shall provide for the restoration of the remaining portion of the Building as close as commercially practicable to the Building as it existed prior to the Taking, except to the extent any changes in applicable Legal

Requirements require otherwise or unless the Hotel Unit Owner and the Residential Unit Owner agree otherwise. The Condominium Board shall cause the Architect to furnish to the Condominium Board, a set of the plans and specifications (and shop drawings upon request), which it has prepared or caused to be prepared. If, in connection with any restoration or repair hereunder, a Unit Owner desires to make any material change in the Building, the consent of the Hotel Unit Owner and the Residential Board shall be required, which consent shall not be unreasonably withheld, conditioned or delayed provided that such change is consistent with the Project Standards and standards generally applicable to similar buildings in Manhattan, such change will not result in a reduction of the rentable square footage of the other Unit Owner's Unit and additional costs associated with such changes over and above those which would be incurred in connection with an "as is" restoration (including without limitation, any increase in operating costs as a result of such change) shall be borne by the Unit Owner requesting such change. During the course of the repair and restoration, the Condominium Board and any applicable Unit Owner shall maintain the builder's risk insurance required pursuant to Section 6.2 hereof. Any dispute between the Hotel Unit Owner and the Residential Board concerning any such material change shall be submitted to Arbitration.

10.8 Determination of Costs. As soon as reasonably practical after a Taking (but in no event more than sixty (60) days after a Taking), a Certifying Professional (as hereinafter defined) shall be retained by the Condominium Board. The Condominium Board shall direct the Certifying Professional to prepare a reasonably detailed statement setting forth (a) a description of the condemned areas of the Building and structural supports, and (b) an estimate of the total costs of required repairs and restoration including a breakdown of the costs of the Units and the Common Elements (exclusive of tenant build outs and other similar interior improvements) (which estimate shall be deemed the "Condemnation Estimate"), and to reasonably determine and certify to the initial Architect Taking Allocation Ratio (as defined below) and to notify the Unit Owners of such ratio and the method by which such ratio was calculated, which notice shall include a complete schedule of costs and a reasonably detailed breakdown thereof by area and type of damage and type of necessary repair and restoration. The term "Architect Taking Allocation Ratio" shall have the following meaning: the ratio of (A) the relative cost of the restoration to be performed as a result of the damage suffered by each Unit Owner to (B) initially, the Condemnation Estimate and, as and if the costs change during the course of the restoration work, the actual total costs. To the extent the Unit Owners are required to restore pursuant to this Article, each Unit Owner shall be responsible for its share of the costs of restoration based on the Architect Taking Allocation Ratio. If the cost and expense of any repair and restoration to the Building pursuant to this Article shall exceed the amount of the Net Award, the excess cost and expense shall be borne by the Unit Owner based on the Architect Taking Allocation Ratio. Notwithstanding the foregoing, to the extent the additional costs result from the acts or omissions of one of the Unit Owners or optional changes requested by a Unit Owner, such Unit Owner requesting the changes or causing the delays shall be solely responsible for payment of the additional costs (which costs will be factored into an adjusted Architect Taking Allocation Ratio). The Unit Owners shall share, subject to the terms of the immediately preceding sentence, any cost overruns resulting from Unavoidable Delays based on the Architect Taking Allocation Ratio. Notwithstanding the foregoing, the cost of any restoration of the structural supports in connection with a covered Taking shall be shared by the Unit Owners

based on their respective Common Interests, to the extent that such cost is not satisfied out of the available Net Award.

10.9 Excess Net Award. Upon completion of the repair and restoration in accordance with the provisions of this Article and full payment therefor and for all costs in connection therewith, any excess Net Award shall be distributed as follows:

10.9.1 If one of the Unit Owners failed to contribute to a deficiency in connection with the repair and restoration work as herein provided, the amount of such deficiency, together with interest thereon at the Default Rate, shall be paid to the other Unit Owners to the extent advanced by them and the amount of such deficiency shall be deemed a Unit Owner Expense, and

10.9.2 Any remaining balance shall be paid to the Unit Owners in accordance with the Architect Taking Allocation Ratio.

10.10 Costs Defined. For purposes of this Article, architects' and engineers' fees, attorneys' fees (other than those arising from a dispute of the parties hereunder, including, without limitation, any dispute that is submitted to Arbitration) consultants' fees, the fees of the Certifying Professional, title insurance premiums and other similar costs and expenses relating to repair or restoration shall be included in the costs and expenses of any such repair or restoration.

10.11 Reallocation of Common Interest. If, as a result of a Taking, the total square footage of any Unit's changes, the parties shall promptly (x) adjust, as of the date of such taking, the Unit Owners' Common Interest in a manner consistent with the allocation of the Common Interest in existence immediately preceding such casualty or taking and (y) prepare and record in the Register's Office an amendment to the Declaration confirming such reallocation. If the parties shall not agree on any of the matters referred to in the foregoing clauses (x) and (y) within ninety (90) days following completion of the reconstruction, they shall submit such issue to Arbitration.

10.12 Net Awards to Depositary. In connection with any Taking, the Depositary shall hold all Net Awards and shall be the disbursement agent for all Net Awards, which pertain to such Taking.

ARTICLE 11.
RECORDS AND AUDITS

11.1 Records. Each Board or the managing agent for that Board, if any, shall keep detailed records of the actions of such Board, minutes of the meetings of such Board, minutes of the meetings of the Unit Owners, if any, for whom such Board serves and financial records and books of account with respect to the activities of such Board, including a listing of all receipts and expenditures. In addition, each Board shall keep a separate account for each respective Unit, which, among other things, shall contain the amount of each assessment of Common Charges made by the respective Board against each such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

11.2 Audits. Within four months after the end of each fiscal year, an annual report of receipts and expenditures prepared and certified by an independent certified public accountant shall be submitted by (a) the Residential Board to all Residential Unit Owners, (b) the Non-Residential Board to all Non-Residential Unit Owners, and (c) the Condominium Board to the Residential Board and the Non-Residential Board, and, if so requested, to any Permitted Mortgagee, as the case may be. The cost of such report submitted by (1) the Residential Board, shall be paid by the Residential Unit Owners as a Residential Common Expense, and (2) the Condominium Board shall be paid by all Unit Owners as a General Common Expense and (3) the Non-Residential Board shall be paid by all Non-Residential Unit Owners as a Non-Residential Common Expense.

11.3 Availability 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 upon reasonable notice and during normal business hours.

ARTICLE 12.
ARBITRATION

12.1 General Procedure. Any dispute between or among the Condominium Board, the Residential Board and Non-Residential Board and any arbitration provided for in these By-Laws shall be conducted before one arbitrator in New York City by the American Arbitration Association or any successor organization thereof, in accordance with its rules then in effect and the decision rendered in such arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. In the event that the American Arbitration Association is not then in existence and has no successor, any arbitration hereunder shall be conducted in New York City before one arbitrator appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the County of New York. The decision of the arbitrator so chosen shall be given within 10 days after his appointment. Any arbitrator appointed or selected in connection with any arbitration hereunder shall be a member of a law firm whose principal office is in the borough of Manhattan and which has at least five members. All arbitrations shall be by expedited process.

12.2 Costs and Expenses. The fees, costs and expenses of the arbitrator will be borne by the losing party in the arbitration or, if the position of neither party to the dispute will be substantially upheld by the arbitrator, such fees, costs and expenses will be borne equally by the disputants. Each disputant will also bear the fees and expenses of his or her counsel and expert witnesses. All costs and expenses paid or incurred by any Board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, will constitute Common Expenses, if expended by the Condominium Board or the Residential Board or the Non-Residential Board, as applicable.

12.3 Agreement by Parties. The parties to any dispute required or permitted to be submitted to arbitration hereunder may, by mutual agreement between or among them, vary any

of the provisions of 12.1 with respect to the arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes."

ARTICLE 13.
MISCELLANEOUS

13.1 Waiver. No provision contained in these By-Laws or the applicable Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

13.2 Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws nor the intent of any provision hereof.

13.3 Certain References.

13.3.1 A reference in these By-Laws to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

13.3.2 The terms "herein," "hereof" or "hereunder" or similar terms used in these By-Laws refer to these entire By-Laws and not to the particular provision in which the terms are used, unless the context otherwise requires.

13.3.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of these By-Laws.

13.4 Severability. Subject to the provisions of the Declaration, if any provision of these By-Laws is invalid or unenforceable as against any person, party or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by law. In the event any provision of these By-Laws or the applicable Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

13.5 Depositary. The Depositary shall be a bank or trust company located in New York City, designated by the Condominium Board and having a capital surplus and undivided profits of $500,000,000 or more. In the event the Depositary resigns or the Condominium Board wishes to replace it, the Condominium Board shall promptly appoint a new Depositary. The Condominium Board shall pay the fees and disbursements of any Depositary and such fees and disbursements shall constitute a General Common Expense. The Depositary shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law of the State of New York. If required by Declarant's construction or permanent lender, such lender shall be the Depositary until its release of all Units from the lien of its mortgage.

13.6 Successors and Assigns. Except as set forth herein or in the Declaration to the contrary, the rights and/or obligations of Declarant or its designees, its distributes, and Sponsor as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designees, distributes and Sponsor or, with the consent of Sponsor, Declarant or its designee, any transferee of some or all then Unsold Residential Units then owned by Sponsor or its designee, as the case may be. The rights and/or obligations of the Non-Residential Unit Owners as set forth herein shall inure to the benefit of and be binding upon any successors or assigns of the Non-Residential Unit Owners. Subject to the foregoing, Sponsor, Declarant, its designee, and/or the Non-Residential Unit Owners, as the case may be, shall have the right, at any time in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

13.7 Covenant of Further Assurances.

13.7.1 Any party which is subject to the terms of these By-Laws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of any Board, or otherwise, shall, upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of these By-Laws or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

13.7.2 If any Unit Owner, Board or other party which is subject to the terms of these By-Laws fails, within ten days or other stated dates set forth herein, if any, after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, Board or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, or (ii) to deliver a written notice to the party requesting such execution, acknowledgment or delivery, and to the Board representing such Unit Owners, stating the reasons why such Unit Owner, Board or other party refuses to execute, acknowledge or deliver such instrument or take such action, then the Board which represents such Unit Owner, Board or other party is hereby authorized, as attorney-in-fact for such Unit Owner, Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, Board or other party and such document or action shall be binding on such Unit Owner, Board or other party.

13.8 CPI Adjustments. Unless otherwise expressly provided hereunder, any dollar amount described in this document as "adjusted for inflation" or "subject to adjustment for inflation" (or words of similar import) shall be adjusted by multiplying such amount by a fraction, the numerator of which shall be the Consumer Price Index for the full calendar month immediately preceding the date of such adjustment, and the denominator of which shall be the Consumer Price Index for the calendar month July 2015. The "Consumer Price Index" shall mean the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the United States Department of Labor for New York, New York (or the smallest measured area including New York, New York), All Items (1982-84 = 100), or any successor index thereto, appropriately adjusted. If the Consumer Price Index ceases to be published, and

there is no successor thereto, such other reasonably similar index as is designated by the Condominium Board shall be substituted for the Consumer Price Index. If the Consumer Price Index is not immediately available, payments to be calculated in accordance with such Index shall be made based on a reasonable estimate of such Index, and any deficiency shall be paid, and any overpayment credited, against the next installment of funds due, immediately after such Index is available.

ARTICLE 14.
AMENDMENT TO BY-LAWS

14.1 **Amendments by Unit Owners.** Except as specifically provided herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor or its designee or any Unsold Residential Units or any Non-Residential Unit Owner, (a) any provision of these By-Laws 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 taken in accordance with the provisions of these By-Laws, provided, however, that the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners directly affected, and (b) any provision of these By-Laws benefiting, protecting or otherwise affecting only the Residential Section or the Residential 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 Residential Unit Owners taken in accordance with the provisions of these By-Laws. Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting the Sponsor or its designee, Permitted Mortgagees, any Unsold Residential Units, the Non-Residential Units, any such amendment, modification, addition or deletion shall be executed by (1) the Residential Board, as attorney-in-fact for the Residential Unit Owners, coupled with an interest, which Residential Board is hereby authorized by such Residential Unit Owners so to act as their attorney-in-fact or (2) the Non-Residential Board, as attorney-in-fact for the Non-Residential Unit Owners, coupled with an interest, which Non-Residential Board is hereby authorized by such Non-Residential Unit Owners so to act as their attorney-in-fact or (3) the Condominium Board, as attorney-in-fact for all Unit Owners, coupled with an interest, which Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact. Notwithstanding the foregoing and subject to the provisions contained herein or in the Declaration with respect to amendments affecting Sponsor or its designee, any Unsold Residential Units or the Non-Residential Units, (i) no amendment, modification, addition or deletion pursuant to the provisions of clause (a) above shall be effective without the written consent (which consent shall not be unreasonably withheld, conditioned or delayed) of the Residential and Non-Residential Mortgage Representatives, if any, (ii) no amendment, modification, addition or deletion pursuant to the provisions of clause (b) above shall be effective without the written consent (which consent shall not be unreasonably withheld, conditioned or delayed) of the respective Residential Mortgage Representatives, if any, (iii) no amendment, modification, addition or deletion pursuant to the provisions of clause (c) above shall be effective without the written consent (which consent shall not be unreasonably withheld, conditioned or delayed) of the Non-Residential Mortgage Representatives, if any, and (iv) the provisions of this Section 14.1 may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Residential and/or Non-Residential Mortgage Representatives, as the case may be), 80% in number and in Common Interest of all Unit Owners

affected thereby approve such amendment, modification, deletion or addition in the manner set forth above. The Non-Residential Unit Owners can amend any portion of the By-Laws only affecting that Non-Residential Unit Owner's Non-Residential Unit.

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

14.3 Amendments Affecting Permitted Mortgagees. Notwithstanding any provision contained herein to the contrary, no modification, addition, amendment or deletion of or to 6.1, 6.2, 6.4.2, 6.4.3, 6.16, 8.7(d) or (e), or 8.10 shall be effective as against the holder of any Permitted Mortgage theretofore made unless such holder has given its prior written consent thereto, which consent shall not be unreasonably withheld, conditioned or delayed.

14.4 Each Master Unit Owner shall have the right to amend the By-Laws to establish a Resultant Board with which to operate its Resultant Units.

ARTICLE 15.
AMENDMENTS CONCERNING NON-RESIDENTIAL UNITS

Amendments, modifications, additions or deletions of or to the Declaration, these By-Laws and the applicable Rules and Regulations may be necessary, appropriate or desirable in connection with the operation of the Non-Residential Units or the subdivision of any Non-Residential Unit into separate Non-Residential condominium units and/or the offering for sale or lease of all or any portion of the Non-Residential Unit and it is contemplated that in connection therewith the Non-Residential Unit Owners 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 Section and Residential Unit Owners. In the case of any such amendment, modification, addition or deletion which does not materially and adversely affect the Residential Section, or any Residential Unit Owners, the Non-Residential Unit Owners shall be the attorney-in-fact for the Residential Unit Owners, coupled with an interest, for the purpose of approving and executing any instrument including, but not limited to any instrument or document required by any governmental authority effecting such amendment, modification, addition or deletion.

SCHEDULE A
RULES AND REGULATIONS OF THE RESIDENTIAL SECTION

(1) The sidewalks, entrances, passages, public halls, elevators, vestibules, corridors and stairways of the Residential Section shall not be obstructed or used for any other purpose than ingress to and egress from the Residential Section Units.

(2) No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the passages, public halls, vestibules, corridors, stairways or fire tower landings of the Residential Section, nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from any doors, windows or roofs or placed upon the window sills of the Residential Section.

(3) Neither occupants nor their guests shall play in the entrances, passages, public hails, elevators, vestibules, corridors, stairways or fire towers of the Residential Section.

(4) No public hall or public elevator vestibule of the Residential Section shall be decorated or furnished by any Residential Section Unit Owner in any manner.

(5) Each Residential Unit Owner shall keep his or her Unit and any Limited Common Elements appurtenant thereto in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance.

(6) No window guards or window decorations shall be used in or about any Residential Unit, unless otherwise required by law, except such as shall have been approved in writing by the Residential Board or the managing agent of the Residential Section, which approval shall not be unreasonably withheld or delayed, and except as such complies with Hotel Brand Standards. To promote a consistent aesthetic appearance of the Building, each Unit Owner will be required to install window treatments having a light gray colored backing on the sides facing the windows in his or her Unit, which window treatments and backings must conform to any specifications (including a new color) established from time to time by the Condominium Board.

(7) No radio, television aerial, satellite or similar device shall be attached to or hung from the exterior of the Residential Section and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any door or window or other part of the Residential Section except such as are permitted pursuant to the Declaration or the By-Laws or shall have been approved in writing by the Residential Board or the managing agent of the Residential Section, nor shall anything be projected from any door or window of the Residential Section without similar approval.

(8) No ventilator or air conditioning device shall be installed in any Residential Unit without the prior written approval of the Condominium Board, which approval may be granted or refused in the sole discretion of the Condominium Board.

(9) All radio, television or other electrical equipment of any kind or nature installed or used in each Residential Unit shall fully comply with all rules, regulations, requirements or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction and the Residential Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such Residential Unit Owner's Unit.

(10) No bicycles, scooters or similar vehicles shall be allowed in any of the elevators other than the elevators designated by the Residential Board or the managing agent of the Residential Section for that purpose, and no baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the passages, public halls, vestibules, corridors or other public areas of the Residential Section.

(11) No Residential Unit Owner shall make or permit any disturbing noises or activity in the Residential Section, or do or permit anything to be done therein, which will interfere with the rights, comfort or convenience of other Unit Owners or the tenants or occupants of the Non-Residential Units. No Residential Unit Owner shall play or suffer to be played any musical instrument, or practice or suffer to be practiced vocal music, or operate or permit to be operated a phonograph or radio or television set or other loud speaker in such Unit Owner's Unit between 11:00 P.M. and the following 9:00 A.M., if the same shall disturb or annoy other occupants of the Building, unless the same shall have the prior written consent of the Residential Board. No construction or repair work or other installation involving noise shall be conducted in any Residential Unit except on weekdays (not including legal holidays) and only between the hours of 9:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency or unless such work is performed by Sponsor or its designee.

(12) No more than two (2) pets shall be permitted, kept or harbored in a Residential Unit without the same in each instance having been expressly permitted in writing by the Residential Board or the managing agent of the Residential Section and such consent, if given, shall be revocable by the Residential Board or such managing agent in their sole discretion, at any time. Dogs may not be walked on the Property and all Residential Unit Owners must clean-up after their pets. In no event shall any bird, reptile, or animal be permitted in any public elevator in the Residential Section, other than the elevators designated by the Residential Board or the managing agent of the Residential Section for that purpose, or in any of the public portions of the Residential Section, unless carried or on a leash. No pigeons or other birds or animals shall be fed from the window sills or other public portions of the Residential Section or on the sidewalk or street adjacent to the Building. Each Residential Unit Owner who keeps any type of pet in his Residential Unit shall be required to indemnify and hold harmless the Condominium and Residential Board, all Unit Owners and the managing agent from all claims and expenses resulting from acts of such pet.

(13) Messengers and tradespeople visiting in the Residential Section shall use the elevators designated by the Residential Board or the managing agent of the Residential Section for that purpose, for ingress and egress, and shall not use any of the other elevators for any purpose, except that nurses, caregivers, babysitters and cleaning personnel in the employ of Residential Unit Owners or their guests or tenants may use any of the other elevators when

accompanying said Unit Owners, guests or tenants. However, a guest or visitor of a Residential Unit Owner may use any of the elevators freely, if authorized by such Unit Owner.

(14) All service and delivery persons will be required to use the service entrance. All packages, whenever feasible, will be required to be delivered by outside personnel to the package room in the lobby where such packages will be held for pick-up by Residential Unit Owners. Deliveries, if made, will be made from the package room to individual Residential Units only by building personnel. Such deliveries will be made only at such times as a Unit is occupied by the resident thereof or an authorized person and said resident or authorized person is willing to accept delivery. If the Residential Unit is not so occupied or delivery is declined, the package will be held in the package room until the resident or authorized person returns or requests delivery. In the case of packages containing perishable food items, service or delivery persons who are registered with building personnel will be permitted to make deliveries directly to individual Residential Units after such service or delivery persons have received approval for such delivery from the Residential Unit Owner.

(15) Trunks and heavy baggage shall be taken in or out of the Residential Section by the elevators designated by the Residential Board or the managing agent of the Residential Section for that purpose, and through a designated entrance only.

(16) No refuse from the Residential Units shall be sent to the below grade levels of the Building except at such times and in such manner as the Residential Board or the managing agent of the Residential Section may direct.

(17) Water-closets and other water apparatus in the Residential Section and in any Common Area shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Residential Unit shall be repaired and paid for by the Owner of such Unit.

(18) No occupant of the Residential Section shall send any employee of the Residential Section or of the managing agent thereof out of the Building on any private business.

(19) The agents of the Residential Board or the managing agent, and any contractor or worker authorized by the Residential Board or the managing agent of the Residential Section, may enter any room or Residential Unit at any reasonable hour of the day, on at least one day's prior written notice to the Residential Unit Owner, for the purpose of inspecting such Residential Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests; however, such entry, inspection and extermination shall be done in a manner so as not to unreasonably interfere with the use of such Residential Section Unit for its permitted purposes.

(20) Corridor doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

(21) The Residential Board or the managing agent of the Residential Section may retain a passkey to each Residential Unit that has locks. If any lock is altered or a new lock is installed, the Residential Board or the managing agent of the Residential Section shall be provided with a key thereto immediately upon such alteration or installation. If the Residential Unit Owner is not personally present to open and permit an entry to his Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws and has not furnished a key to such Board or such managing agent, then the Residential Board or such managing agent or their agents (but, except in an emergency, only when specifically authorized by an officer of such Board or an officer of the managing agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if during such entry reasonable care under the circumstances is given to such Unit Owner's property).

(22) No vehicle belonging to a Residential Unit Owner or to a member of the family or guest, tenant or employee of a Residential Unit Owner shall be parked in such manner as to impede or prevent ready access to any entrance to or exit from the Building by another vehicle.

(23) Complaints regarding the services of the Residential Section shall be made in writing to the Residential Board or to the managing agent of the Residential Section.

(24) Any consent or approval given under these Residential Rules and Regulations may be granted, refused, added to, amended or repealed, in the sole discretion of the Residential Board, at any time by resolution of the Residential Board. Further, any such consent or approval may, in the discretion of the Residential Board, be conditional in nature.

(25) Residential Unit Owners will faithfully observe the following procedures with respect to the use of the compactor: (a) wrap dust, floor and powdered waste in compact packages before depositing the same; (b) thoroughly drain and wrap in paper all garbage before depositing the same; (c) refrain from forcing large bundles into the chute; (d) crush into tight bundles all loose papers before placing the same in the hopper door; (e) deposit all bundles of waste into the hopper; and (f) refrain from depositing waste of an explosive nature therein.

(26) Except as permitted under the Declaration and By-Laws, Residential Unit Owners, their families, guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the roof of the Building.

(27) Residential Unit Owners, their guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not cause or permit any unusual or objectionable noise or odors to be produced upon or to emanate from their Units.

(28) No Residential Unit Owner or any of his agents, servants, employees, licensees, tenants, sublessees 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.

(29) If any key or keys are entrusted by a Residential Unit Owner or by any member of his family or by his agent, servant, employee, tenant, sublessee, licensee or visitor to an employee of the Residential Board or the managing agent of the Residential Section, whether for such Unit Owner's Unit or an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Residential Board nor the managing agent of the Residential Section shall (except as provided in paragraph 21 above) be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

(30) Nothing shall be done or kept in any Residential Unit or in the Common Elements which will increase the rate of insurance of the Building or contents thereof without the prior written consent of the Condominium Board. No Residential Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of insurance on the Building or which would be in violation of any law. No waste shall be committed in the Common Elements.

(31) No group tour or exhibition of any Residential Unit or its contents shall be conducted, nor shall any auction sale be held in any Residential Unit, without the prior consent of the Residential Board or the managing agent of the Residential Section.

(32) In the event that any Residential Unit is used for home occupation purposes which are permitted by law and the By-Laws, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

(33) Unless expressly authorized by the Residential Board in each case, at least 80% of the floor area of each Residential Unit (excepting only kitchens, pantries, bathrooms and closets) must be covered with rugs, carpeting or equally effective noise-reducing material.

(34) There will be no barbecuing in the Residential Units, in their Limited Common Elements, or the General Common Elements, except for those areas (if any) specifically designated for barbecuing by the applicable Board.

(35) The Residential Board reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Residential Section when, in the reasonable judgment of the Residential Board, the Residential Board deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Residential Section, or the preservation of good order therein, or the operation or maintenance of the Residential Section, or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Residential Section. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Residential Unit Owner or other occupant shall operate as a rescission, alteration or waiver in respect of any other Residential Unit Owner or other occupant.

(36) No children may be left unattended in any Common Area of the Building, including but not limited to the hallways and lobby.

EXHIBIT "8"

CERTIFICATION OF SPONSOR AND PRINCIPALS

CERTIFICATION OF SPONSOR AND PRINCIPALS

August 25, 2014

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

Re: Bryan Park South Condominium, 20 West 40th Street, New York, New York

The undersigned certify as follows:

We are the sponsor and the principal of sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibilities for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where 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.

HFZ Bryant Park Owner LLC

Sworn to before me this
25th day of August, 2014

By: _____
Name: Ziel Feldman
Title: Authorized Signatory

Notary Public

CHRISTINE M. IOVINO
Notary Public- State of New York
No. 01106260404
Qualified in Queens County
My Commission Expires April 30, 2016

SPONSOR'S PRINCIPAL:

Sworn to before me this
25th day of August, 2014

Ziel Feldman

Notary Public

CHRISTINE M. IOVINO
Notary Public- State of New York
No 01106260404
Qualified in Queens County
My Commission Expires April 30, 2016

EXHIBIT "9"

CERTIFICATION OF SPONSOR'S ARCHITECT

CERTIFICATION BY ARCHITECT / ENGINEER

Sept. 10, 2015

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

Re: Bryant Park South Condominium
16 West 40th Street, New York, New York

Gentlemen:

The sponsor of the offering plan to convert the captioned property to condominium ownership retained our firm to prepare a report describing the construction and renovation of the property (the "Report"). We examined the building plans and specifications that were prepared Stonehill & Taylor Architects, PC and dated March 9, 2015 and prepared the Report dated Sept. 10, 2015 a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

We are a registered architect in the State in which the property is located.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it and conducted the visual inspection referred to above with due diligence in order to form a basis for this certification. We certify that the Report and all documents prepared by us disclose all the material facts which were then discernable from a visual inspection of the property. This certification is made for the benefit of all persons to whom this offer is made. We certify that the Report based on our visual inspection:

(i) sets forth in narrative form the physical condition of the entire property as it will exist upon completion of construction and renovation, provided that construction and renovation is in accordance with the plans and specifications that we examined;

(ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the physical condition of the property as it will exist upon completion of construction and renovation, provided that construction and renovation is in accordance with the plans and specifications that we examined;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment or suppression;

(vi) does not contain any promise or representation as to the future which is beyond the reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false where we:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representations or statement made.

It is understood that all aspects of the physical condition of the property cannot be determined by a visual inspection and that all statements contained in this certification are premised on and limited to such visual inspection.

We further certify that we are not owned or controlled by and have no beneficial interest in the sponsor and that our compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

Very truly yours,

Name: Paul D. Taylor
Title: President, Stonehill & Taylor Architects, PC

Sworn to before me this 10TH
day of SEPTEMBER, 2015

Phyllis A Curtis
Notary Public

PHYLLIS A. CURTIS
NOTARY PUBLIC, STATE OF NEW YORK
No. 01CU6085039
QUALIFIED IN KINGS COUNTY
MY COMMISSION EXPIRES DEC. 16, 2018

EXHIBIT "10"

CERTIFICATION OF SPONSOR'S BUDGET EXPERT

PENMARK
PROPERTY ADVISORS, LLC

PART 20: CERTIFICATION BY EXPERT AS TO
ADEQUACY OF CONDOMINIUM BUDGET

August 27, 2015

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

Re: Condominium Offering Plan
Bryant Park South Condominium
20 West 40th Street
New York, New York

The sponsor of the condominium offering plan for the captioned property retained our firm to review Schedule B (together with the notes thereto, the "Schedule") containing projections of income and expenses for the first year of condominium operation. Penmark Property Advisors, LLC is licensed as a real estate broker in the State of New York. The undersigned Manager of the company has been engaged in the management of Residential real estate for over 40 years and has managed over 200 cooperative and condominium buildings during that period and is still active in management.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the Schedules.

We have reviewed the Schedules and investigated the facts set forth in the Schedules and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in the Schedules appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedules:

(i) set forth in detail the projected income and expenses for the first year of condominium operation;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

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(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 I/we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income or expenses for the first year of condominium operation. This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

PENMARK PROPERTY ADVISORS, LLC

By: _____
Name: Leslie Bogen Winkler
Title: Manager

Sworn to before me this
27th day of August, 2015

_____
Notary Public

TRACEY AMENGUAL
Notary Public, State of New York
No. 01AM6157923
Qualified in Bronx County
Commission Expires Dec. 11, 2016

EXHIBIT "11"

CERTIFICATION OF SPONSOR'S EXPERT

CONCERNING ADEQUACY OF NON-RESIDENTIAL COMMON CHARGES

PENMARK
PROPERTY ADVISORS, LLC

PART 20: CERTIFICATION BY EXPERT CONCERNING ADEQUACY OF
COMMON CHARGES PAYABLE BY THE NON-RESIDENTIAL UNIT OWNERS

August 27, 2015

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

Re: Condominium Offering Plan
Bryant Park South Condominium
20 West 40th Street
New York, New York

The sponsor of the condominium offering plan for the captioned property retained our firm to prepare Schedule B which includes projections of common charges payable by the owner of the commercial unit. Penmark Property Advisors, LLC is licensed as a real estate broker in the State of New York. The undersigned Manager of the company has been engaged in the management of Residential real estate for over 40 years and has managed over 200 cooperative and condominium buildings during that period and is still active in management.

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 non-residential units listed in Schedule B.

We have reviewed Schedule B as it impacts upon the non-residential units 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 the 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 non-residential units :

(i) sets forth in detail the projected common charges for the non-residential units 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 non-residential units ;

(iii) do not omit any material fact;

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(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the common charges fairly 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.

PENMARK PROPERTY ADVISORS, LLC

By: _____
Name: Leslie Bogen Winkler
Title: Manager

Sworn to before me this
27th day of August, 2015

_____
Notary Public

TRACEY AMENGUAL
Notary Public, State of New York
No. 01AM6157923
Qualified in Bronx County
Commission Expires Dec. 11, 2018

EXHIBIT "12"

FORM W-9

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.

EXHIBIT "13"

FORM W-8

Form **W-8BEN**

(Rev. February 2014)

Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)

▶ **For use by individuals. Entities must use Form W-8BEN-E.**
▶ **Information about Form W-8BEN and its separate instructions is at *www.irs.gov/formw8ben.***
▶ **Give this form to the withholding agent or payer. Do not send to the IRS.**

OMB No. 1545-1621

Do NOT use this form if:	**Instead, use Form:**
• You are NOT an individual	W-8BEN-E
• You are a U.S. citizen or other U.S. person, including a resident alien individual	W-9
• You are a beneficial owner claiming that income is effectively connected with the conduct of trade or business within the U.S. (other than personal services)	W-8ECI
• You are a beneficial owner who is receiving compensation for personal services performed in the United States	8233 or W-4
• A person acting as an intermediary	W-8IMY

Part I Identification of Beneficial Owner (see instructions)

1	Name of individual who is the beneficial owner	2 Country of citizenship
3	Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address.**	
	City or town, state or province. Include postal code where appropriate.	Country
4	Mailing address (if different from above)	
	City or town, state or province. Include postal code where appropriate.	Country
5	U.S. taxpayer identification number (SSN or ITIN), if required (see instructions)	6 Foreign tax identifying number (see instructions)
7	Reference number(s) (see instructions)	8 Date of birth (MM-DD-YYYY) (see instructions)

Part II Claim of Tax Treaty Benefits (for chapter 3 purposes only) (see instructions)

9 I certify that the beneficial owner is a resident of within the meaning of the income tax treaty between the United States and that country.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article of the treaty identified on line 9 above to claim a % rate of withholding on (specify type of income):

Explain the reasons the beneficial owner meets the terms of the treaty article:

Part III Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the individual that is the beneficial owner (or am authorized to sign for the individual that is the beneficial owner) of all the income to which this form relates or am using this form to document myself as an individual that is an owner or account holder of a foreign financial institution,
- The person named on line 1 of this form is not a U.S. person,
- The income to which this form relates is:

  (a) not effectively connected with the conduct of a trade or business in the United States,

  (b) effectively connected but is not subject to tax under an applicable income tax treaty, or

  (c) the partner's share of a partnership's effectively connected income,
- The person named on line 1 of this form is a resident of the treaty country listed on line 9 of the form (if any) within the meaning of the income tax treaty between the United States and that country, and
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner. **I agree that I will submit a new form within 30 days if any certification made on this form becomes incorrect.**

Sign Here ▶

Signature of beneficial owner (or individual authorized to sign for beneficial owner) Date (MM-DD-YYYY)

Print name of signer

Capacity in which acting (if form is not signed by beneficial owner)

EXHIBIT "14"

PROPERTY DEED

NYC DEPARTMENT OF FINANCE
OFFICE OF THE CITY REGISTER

This page is part of the instrument. The City Register will rely on the information provided by you on this page for purposes of indexing this instrument. The information on this page will control for indexing purposes in the event of any conflict with the rest of the document.

2013071700758002006EB762

RECORDING AND ENDORSEMENT COVER PAGE **PAGE 1 OF 11**

Document ID: 2013071700758002 Document Date: 07-10-2013 Preparation Date: 07-25-2013
Document Type: DEED
Document Page Count: 9

PRESENTER:
TO BE PICKED UP BY COMMONWEALTH
COMMONWEALTH LAND TITLE INSURANCE CO.
140 EAST 45TH STREET, 22ND FLOOR
NEW YORK, NY 10017
212-949-0100
ROSEMARIE.TREPPIEDI@FNF.COM

RETURN TO:
TO BE PICKED UP BY COMMONWEALTH
MAYER BROWN LLP
1675 BROADWAY
NEW YORK, NY 10019
ATTENTION: ROBERT G. KOEN, ESQ.

PROPERTY DATA

Borough	Block	Lot	Unit	Address
MANHATTAN	841	30	Entire Lot	13 WEST 39TH STREET

Property Type: COMMERCIAL REAL ESTATE

Borough	Block	Lot	Unit	Address
MANHATTAN	841	60	Entire Lot	18 WEST 40TH STREET

Property Type: COMMERCIAL REAL ESTATE

☒ Additional Properties on Continuation Page

CROSS REFERENCE DATA

CRFN_____ *or* DocumentID_____ *or* _____ Year____ Reel____ Page_____ *or* File Number_____

PARTIES

GRANTOR/SELLER:
HFZ WEST 40TH LLC
C/O HFZ CAPITAL GROUP, 600 MADISON AVE., 17TH FL
NEW YORK, NY 10022

GRANTEE/BUYER:
20 WEST 40 BRYANT PARK OWNER LLC
C/O HFZ CAPITAL GROUP, 600 MADISON AVE., 17TH FL
NEW YORK, NY 10022

FEES AND TAXES

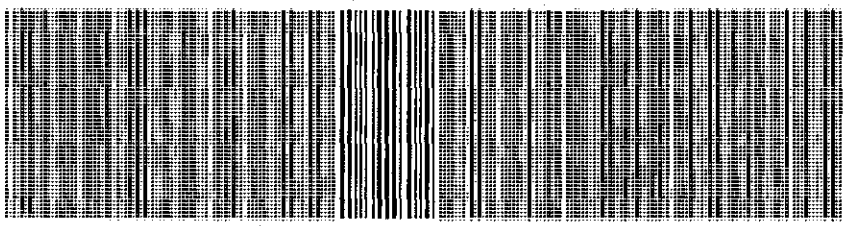
Mortgage :		
Mortgage Amount:	$	0.00
Taxable Mortgage Amount:	$	0.00
Exemption:		
TAXES: County (Basic):	$	0.00
City (Additional):	$	0.00
Spec (Additional):	$	0.00
TASF:	$	0.00
MTA:	$	0.00
NYCTA:	$	0.00
Additional MRT:	$	0.00
TOTAL:	$	0.00
Recording Fee:	$	91.00
Affidavit Fee:	$	0.00

Filing Fee:	$	250.00
NYC Real Property Transfer Tax:	$	1,743,000.00
NYS Real Estate Transfer Tax:	$	265,600.00

RECORDED OR FILED IN THE OFFICE OF THE CITY REGISTER OF THE CITY OF NEW YORK
Recorded/Filed 08-14-2013 09:48
City Register File No.(CRFN): **2013000320213**

City Register Official Signature

NYC DEPARTMENT OF FINANCE
OFFICE OF THE CITY REGISTER



2013071700758002006CB5E2

RECORDING AND ENDORSEMENT COVER PAGE (CONTINUATION) **PAGE 2 OF 11**

Document ID: 2013071700758002 Document Date: 07-10-2013 Preparation Date: 07-25-2013
Document Type: DEED

PROPERTY DATA

Borough	Block	Lot		Unit	Address
MANHATTAN	841	59	Entire Lot		16 WEST 40TH STREET

Property Type: COMMERCIAL REAL ESTATE

Borough	Block	Lot		Unit	Address
MANHATTAN	841	58	Entire Lot		14 WEST 40TH STREET

Property Type: COMMERCIAL REAL ESTATE

BARGAIN AND SALE DEED
WITHOUT COVENANT AGAINST GRANTOR'S ACTS

HFZ WEST 40TH LLC,
a Delaware limited liability company

to

20 WEST 40 BRYANT PARK OWNER LLC,
a Delaware limited liability company

ADDRESS:	14-20 West 40th Street, New York, New York 10018
BLOCK:	841
LOTS:	30, 31, 45, 49, 58, 59, 60
COUNTY:	NEW YORK

NY130049

AFTER RECORDING, PLEASE RETURN TO:

Mayer Brown LLP
1675 Broadway
New York, New York 10019
Attention: Robert G. Koen, Esq.

BARGAIN AND SALE DEED WITHOUT COVENANT AGAINST GRANTOR'S ACTS,
made as of the 10th day of July, 2013

BETWEEN HFZ WEST 40TH LLC, with offices at c/o HFZ Capital Group, 600 Madison Avenue, 17th Floor, New York, NY 10022, (the "***Grantor***"), and 20 WEST 40 BRYANT PARK OWNER LLC, a Delaware limited liability company, with offices at c/o HFZ Capital Group, 600 Madison Avenue, 17th Floor, New York, NY 10022 (the "***Grantee***"),

WITNESSETH, that the Grantor, in consideration of ten dollars and other valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee,

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City and County of New York, State of New York, more commonly known as 14-20 West 40th Street, New York, New York and more particularly described on Exhibit A attached hereto and hereby made part hereof.

TOGETHER with all right, title and interest, if any, of the Grantor in and to any streets and roads abutting the above described premises to the center lines thereof;

TOGETHER with the appurtenances and all the estate and rights of the Grantor in and to said premises;

TO HAVE AND TO HOLD the premises herein granted unto the Grantee, the heirs or successors and assigns of the Grantee forever.

AND the Grantor, in compliance with Section 13 of the Lien Law, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the total of the same for any other purpose. The word "party" shall be construed as if it read "parties" whenever the sense of this indenture so requires.

[signature page follows]

IN WITNESS WHEREOF, the Grantor has duly executed this deed the day and year first above written.

GRANTOR:

HFZ WEST 40TH LLC,
a Delaware limited liability company

By: HFZ WEST 40TH MEZZ LLC,
its sole member

By: 14-18 WEST 40TH STREET
ASSOCIATES LP,
its sole member

By: GPAFZ W40 LLC,
its General Partner

By: _____
Ziel Feldman, Manager

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

On the 10 day of July in the year 2013 before me, the undersigned, a Notary Public in and for said State, personally appeared Zvi Feldman, 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

DANIEL DWYER
Notary Public, State of New York
No. 02DW6083927
Qualified in NEW YORK County
Commission Expires APRIL 14, 2015

[Notarial Seal]

SEAL

EXHIBIT A TO DEED

LEGAL DESCRIPTION

Parcel I (Tax Lot 58):

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County, City and State of New York, bounded and described as follows:

BEGINNING at a point on the southerly side of West 40th Street, distant 235 feet westerly from the corner formed by the intersection of the southerly side of West 40th Street with the westerly side of 5th Avenue;

RUNNING THENCE southerly parallel with 5th Avenue, 98 feet 9 inches to the center line of the block;

THENCE westerly along the center line of the block and parallel with West 40th Street, 25 feet;

THENCE northerly and parallel with 5th Avenue, 98 feet 9 inches to the southerly line of West 40th Street;

THENCE easterly along the southerly line of West 40th Street, 25 feet to the point or place of BEGINNING.

Parcel II (Tax Lot 59):

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County, City and State of New York, bounded and described as follows:

BEGINNING at a point on the southerly side of 40th Street, distant 260 feet westerly from the southwesterly corner of 5th Avenue and 40th Street;

THENCE westerly along the southerly side of 40th Street, 23 feet 6 inches;

THENCE southerly parallel with 5th Avenue and part of the way through a party wall, 98 feet 9 inches to the center line of the block;

THENCE easterly along the said center line of the block and parallel with 40th Street, 23 feet 6 inches;

THENCE northerly parallel with 5th Avenue, 98 feet 9 inches to the point or place of BEGINNING.

Parcel III (Tax Lot 60):

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County, City and State of New York, bounded and described as follows:

BEGINNING at a point on the southerly side of 40th Street, distant 283 feet 6 inches westerly from the corner formed by the intersection of the said southerly side of 40th Street with the westerly side of 5th Avenue;

RUNNING THENCE southerly parallel with 5th Avenue and part of the distance through a party wall, 98 feet 9 inches to the center line of the block;

THENCE westerly along said center line of the block and parallel with 40th Street, 54 feet;

THENCE northerly again parallel with 5th Avenue and part of the distance through another party wall, 98 feet 9 inches to the southerly side of 40th Street;

THENCE easterly along the southerly side of 40th Street, 54 feet to the point or place of BEGINNING.

Parcel IV (Tax Lot 30):

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of 39th Street, distant 301 feet 8 inches westerly from the corner formed by the intersection of the said northerly side of 39th Street with the westerly side of 5th Avenue;

RUNNING THENCE northerly parallel with the said westerly side of 5th Avenue, 98 feet 9 inches to the center line of the block;

THENCE westerly along said center line of the block and parallel with said northerly side of 39th Street, 20 feet 10 inches;

THENCE southerly again parallel with the said westerly side of 5th Avenue, 98 feet 9 inches to the said northerly side of 39th Street;

THENCE easterly along the said northerly side of 39th Street, 20 feet 10 inches to the point or place of BEGINNING.

Development Rights Parcel:

Parcel IV (Development Rights Parcel pursuant to a Zoning Lot and Development and Easement Agreement, made by and between HSBC Bank USA, National Association, Property Owner LLC (USA) and 40th ST. Development, LLC and dated as of September 26, 2006 and recorded on January 16, 2007 under CRFN 2007000029605:

ALL that certain plot, piece or parcel of land, situate, lying and being above a horizontal plane the elevation of which is 132.69 feet as measured vertically above the datum level known as Topographical Bureau, Borough of Manhattan datum (which datum level now designates as zero an elevation which is 2.75 feet above mean sea level at Sandy Hook, New Jersey, as computed and as established by the United States Coast and Geodetic Survey) and intersecting the easterly, westerly, northerly and southerly bounds of the property in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at a point in the southerly line of West 40th Street, distant 210 feet 0 inches westerly from the corner formed by the intersection of the southerly line of West 40th Street with the westerly line of Fifth Avenue;

RUNNING THENCE southerly parallel with the westerly line of Fifth Avenue, 98 feet 9 inches to the center line of the block;

THENCE westerly parallel with the southerly line of West 40th Street and along the center line of the block, 25 feet 0 inches;

THENCE northerly parallel with the westerly line of Fifth Avenue, 98 feet 9 inches to a point in the southerly line of West 40th Street;

THENCE easterly along the southerly line of West 40th Street, 25 feet 0 inches to the point or place of BEGINNING.

EXCEPTING THEREFROM that portion of the parcel of land hereinafter described included between a lower horizontal plane drawn at an elevation 132.69 feet and an upper horizontal plane drawn at an elevation 158.29 feet and which is bounded and described as follows:

BEGINNING at a point distant 235 feet 0 inches westerly from the westerly line of Fifth Avenue and 11 feet 7 inches southerly from the southerly line of West 40th Street;

RUNNING THENCE easterly parallel with the southerly line of West 40th Street, 2 feet 6 inches;

THENCE southerly parallel with the westerly line of Fifth Avenue, 3 feet 4 inches;

THENCE westerly parallel with the southerly line of West 40th Street, 2 feet 6 inches;

THENCE northerly parallel with the westerly line of Fifth Avenue, 3 feet 4 inches to the point or place of BEGINNING.

Development Rights Parcel (Block 841 Lot 31):

BEGINNING at a point on the northerly side of 39th Street, distant 185 feet westerly from the corner formed by the intersection of the northerly side of 39th Street with the westerly side of Fifth Avenue;

RUNNING THENCE northerly parallel with Fifth Avenue, 98 feet 9 inches to the center line of the block;

THENCE westerly along the center line of the block, 40 feet;

THENCE southerly parallel with Fifth Avenue, 1 inch;

THENCE westerly parallel with 39th Street, 20 feet;

THENCE northerly parallel with Fifth Avenue, 1 inch to the center line of the block;

THENCE westerly along the center line of the block and parallel with 39th Street, 56 feet 8 inches;

THENCE southerly parallel with Fifth Avenue and part of the way through a party wall, 98 feet 9 inches to the northerly side of 39th Street;

THENCE easterly along the northerly side of 39th Street, 116 feet 8 inches to the point or place of BEGINNING.

Development Rights Parcel (Block 841 Lot 49):

BEGINNING at the corner formed by the intersection of the westerly side of Fifth Avenue and the northerly side of 39th Street;

RUNNING THENCE westerly along said northerly side of 39th Street, 185 feet;

THENCE northerly parallel with Fifth Avenue, 98 feet 9 inches to the center line of the block between 39th and 40th Streets;

THENCE easterly along said center line of the block and parallel with 39th Street, 185 feet to the westerly side of Fifth Avenue;

THENCE southerly along the westerly side of Fifth Avenue, 98 feet 9 inches to the point or place of BEGINNING.

Development Rights Parcel (Block 841 Lot 49 (formerly Lot 45):

Parcel 1:

BEGINNING at a point on the southerly side of 40th Street, distant 110 feet westerly from the corner formed by the intersection of the westerly side of Fifth Avenue with the southerly side of 40th Street;

RUNNING THENCE southerly and parallel with Fifth Avenue, 98 feet 9 inches;

THENCE westerly parallel with said 40th Street, 37 feet 6 inches;

THENCE northerly parallel with Fifth Avenue, 98 feet 9 inches to the southerly side of said 40th Street;

THENCE easterly along said southerly side of said 40th Street, 37 feet 6 inches to the point or place of BEGINNING.

Parcel 2:

BEGINNING at the corner formed by the intersection of the westerly line of Fifth Avenue with the southerly line of 40th Street;

RUNNING THENCE southerly, along the westerly line of Fifth Avenue, 33 feet more or less to a point at or immediately in from the center of a party wall standing partly upon the premises described herein and partly upon the premises described herein and partly upon the premises adjoining on the south;

THENCE westerly, parallel with 40th Street, through the center of said party wall, 110 feet;

THENCE northerly parallel with Fifth Avenue, 33 feet more or less to the southerly side of 40th Street;

THENCE easterly along the southerly side of 40th Street, 110 feet to the point or place of BEGINNING.

Parcel 3:

BEGINNING at a point on the westerly side of Fifth Avenue, distant 33 feet southerly from the corner formed by the intersection of the southerly side of 40th Street with the said westerly side of Fifth Avenue;

RUNNING THENCE southerly along the westerly side of Fifth Avenue, 32 feet 9 inches;

THENCE westerly parallel with the southerly side of 40th Street, 110 feet;

THENCE northerly parallel with the westerly side of Fifth Avenue, 32 feet 9 inches;

THENCE easterly again parallel with the southerly side of 40th Street, 110 feet to the westerly side of Fifth Avenue at the point or place of BEGINNING.

Parcel 4:

BEGINNING at a point on the westerly line of Fifth Avenue, at a point distant 65 feet 9 inches southerly from the corner formed by the intersection of the westerly line of Fifth Avenue with the southerly line of 40th Street;

RUNNING THENCE southerly along Fifth Avenue, 33 feet;

THENCE westerly and parallel with 40th Street, 110 feet;

THENCE northerly and parallel with Fifth Avenue, 33 feet;

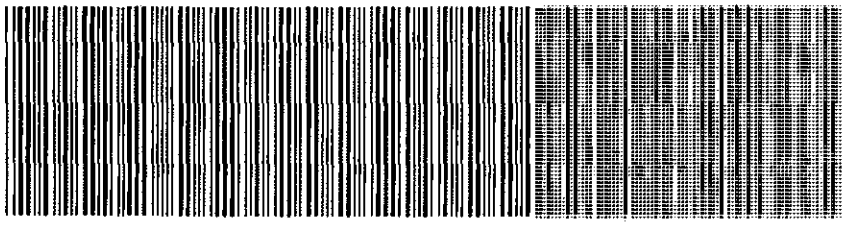
THENCE easterly and parallel with said 40th Street and part of the way through a party wall, 110 feet to the point or place of BEGINNING.

For conveyancing only
if intended to be conveyed.

Together with all right, title and interest of, in and to any streets and roads abutting the above described premises, to the center line thereof.

For information only: Block 841, Lots 30, 31, 45, 49, 58, 59, 60

NYC DEPARTMENT OF FINANCE
OFFICE OF THE CITY REGISTER



2013071700758002006S79E3

SUPPORTING DOCUMENT COVER PAGE **PAGE 1 OF 1**

Document ID: 2013071700758002 Document Date: 07-10-2013 Preparation Date: 07-25-2013
Document Type: DEED

ASSOCIATED TAX FORM ID: 2013070500173

SUPPORTING DOCUMENTS SUBMITTED:

	Page Count
RP - 5217 REAL PROPERTY TRANSFER REPORT	1
SMOKE DETECTOR AFFIDAVIT	1

CITY REGISTER

FOR CITY USE ONLY
C1. County Code | C2. Date Deed Recorded AUG 05 2013
C3. Book OR C4. Page
C5. CRFN

REAL PROPERTY TRANSFER REPORT

STATE OF NEW YORK
STATE BOARD OF REAL PROPERTY SERVICES

RP - 5217NYC

PROPERTY INFORMATION

1. Property Location: 13 (STREET NUMBER) | WEST 39TH STREET (STREET NAME) | MANHATTAN (BOROUGH) | 10018 (ZIP CODE)

2. Buyer Name: 20 WEST 40 BRYANT PARK OWNER LLC (LAST NAME / COMPANY) | (FIRST NAME)
(LAST NAME / COMPANY) | (FIRST NAME)

3. Tax Billing Address: Indicate where future Tax Bills are to be sent if other than buyer address (at bottom of form)
(LAST NAME / COMPANY) | (FIRST NAME)
(STREET NUMBER AND STREET NAME) | (CITY OR TOWN) | (STATE) | (ZIP CODE)

4. Indicate the number of Assessment Roll parcels transferred on the deed: 4 # of Parcels OR ☐ Part of a Parcel

4A. Planning Board Approval - N/A for NYC
4B. Agricultural District Notice - N/A for NYC

5. Deed Property Size: (FRONT FEET) X (DEPTH) OR (ACRES)

Check the boxes below as they apply:
6. Ownership Type is Condominium ☐
7. New Construction on Vacant Land ☐

8. Seller Name: HFZ WEST 40TH LLC (LAST NAME / COMPANY) | (FIRST NAME)
(LAST NAME / COMPANY) | (FIRST NAME)

9. Check the box below which most accurately describes the use of the property at the time of sale:

A ☐ One Family Residential
B ☐ 2 or 3 Family Residential
C ☐ Residential Vacant Land
D ☐ Non-Residential Vacant Land
E ☑ Commercial
F ☐ Apartment
G ☐ Entertainment / Amusement
H ☐ Community Service
I ☐ Industrial
J ☐ Public Service

SALE INFORMATION

10. Sale Contract Date: 3 / 5 / 2013 (Month / Day / Year)

11. Date of Sale / Transfer: 7 / 10 / 2013 (Month / Day / Year)

12. Full Sale Price $: 0

(Full Sale Price is the total amount paid for the property including personal property. This payment may be in the form of cash, other property or goods, or the assumption of mortgages or other obligations.) *Please round to the nearest whole dollar amount.*

13. Indicate the value of personal property included in the sale:

14. Check one or more of these conditions as applicable to transfer:

A ☐ Sale Between Relatives or Former Relatives
B ☐ Sale Between Related Companies or Partners in Business
C ☑ One of the Buyers is also a Seller
D ☐ Buyer or Seller is Government Agency or Lending Institution
E ☐ Deed Type not Warranty or Bargain and Sale (Specify Below)
F ☐ Sale of Fractional or Less than Fee Interest (Specify Below)
G ☐ Significant Change in Property Between Taxable Status and Sale Dates
H ☐ Sale of Business is Included in Sale Price
I ☐ Other Unusual Factors Affecting Sale Price (Specify Below)
J ☐ None

ASSESSMENT INFORMATION - Data should reflect the latest Final Assessment Roll and Tax Bill

15. Building Class: G 6

16. Total Assessed Value (of all parcels in transfer): 25,202,000

17. Borough, Block and Lot / Roll Identifier(s) (If more than three, attach sheet with additional identifier(s))

MANHATTAN 841 30 | MANHATTAN 841 60 | MANHATTAN 841 59

20130705001732O102

CERTIFICATION

I certify that all of the items of information entered on this form are true and correct (to the best of my knowledge and belief) and understand that the making of any willful false statement of material fact herein will subject me to the provisions of the penal law relative to the making and filing of false instruments.

BUYER

BUYER SIGNATURE | 7/10/13 DATE

C/O EFZ CAPITAL GROUP, 600 MADISON AVE., 17TH FL

STREET NUMBER | STREET NAME (AFTER SALE)

NEW YORK | NY | 10022

CITY OR TOWN | STATE | ZIP CODE

BUYER'S ATTORNEY

Koen | Robert

LAST NAME | FIRST NAME

212 | 506 - 2676

AREA CODE | TELEPHONE NUMBER

SELLER

SELLER SIGNATURE | 7/10/13 DATE

2013070500173201

AFFIDAVIT OF COMPLIANCE WITH SMOKE DETECTOR REQUIREMENT FOR ONE- AND TWO-FAMILY DWELLINGS

State of New York)
) SS.:
County of NY)

The undersigned, being duly sworn, depose and say under penalty of perjury that they are the grantor and grantee of the real property or of the cooperative shares in a cooperative corporation owning real property located at

13 WEST 39TH STREET , ,
Street Address Unit/Apt.

MANHATTAN New York, 841 30 (the "Premises");
Borough Block Lot

That the Premises is a one or two family dwelling, or a cooperative apartment or condominium unit in a one- or two-family dwelling, and that installed in the Premises is an approved and operational smoke detecting device in compliance with the provisions of Article 6 of Subchapter 17 of Chapter 1 of Title 27 of the Administrative Code of the City of New York concerning smoke detecting devices;

That they make affidavit in compliance with New York City Administrative Code Section 11-2105 (g). (The signatures of at least one grantor and one grantee are required, and must be notarized).

HFZ West 40th LLC
By Ziel Feldman Authorized Person

Name of Grantor (Type or Print)

Signature of Grantor

Sworn to before me
this 10 date of July 2013

DANIEL DWYER
Notary Public, State of New York
No. 02DW6083927
Qualified in NEW YORK County
Commission Expires APRIL 14, 2015

20 West 40 Bryant Park Owner LLC
By Ziel Feldman, Authorized Person

Name of Grantee (Type or Print)

Signature of Grantee

Sworn to before me
this 10 date of July 2013

DANIEL DWYER
Notary Public, State of New York
No. 02DW6083927
Qualified in NEW YORK County
Commission Expires APRIL 14, 2015

SEAL

These statements are made with the knowledge that a willfully false representation is unlawful and is punishable as a crime of perjury under Article 210 of the Penal Law.

NEW YORK CITY REAL PROPERTY TRANSFER TAX RETURNS FILED ON OR AFTER FEBRUARY 6th, 1990, WITH RESPECT TO THE CONVEYANCE OF A ONE- OR TWO-FAMILY DWELLING, OR A COOPERATIVE APARTMENT OR A CONDOMINIUM UNIT IN A ONE- OR TWO-FAMILY DWELLING, WILL NOT BE ACCEPTED FOR FILING UNLESS ACCOMPANIED BY THIS AFFIDAVIT.

SEE ATTACHED PAGE FOR ADDITIONAL APPLICABLE PROPERTIES

Applicable properties compliant with the Smoke Detector requirement

Street Address	Unit/Apt	Borough	Block	Lot
18 WEST 40TH STREET		MANHATTAN	841	60
16 WEST 40TH STREET		MANHATTAN	841	59
14 WEST 40TH STREET		MANHATTAN	841	58