221 WEST 77

CONDOMINIUM OFFERING PLAN FOR

221 WEST 77 CONDOMINIUM

219-223 West 77th Street
New York, New York 10024

26 Condominium Residences	$ 198,200,000
25 Storage Bin Licenses	$ 675,000
8 Parking Licenses	$ 3,400,000
Total Offering	$ 202,275,000

*The Condominium will also have a Commercial Unit, which is not being offered for sale at this time.

SPONSOR:

223 West 77th St. Owner LLC
c/o The Naftali Group
1700 Broadway
New York, New York 10019

SELLING AGENT:

Stribling & Associates
924 Madison Avenue
New York, New York 10021

Date of Acceptance for Filing: August 28, 2015.

The term of the initial offer is twelve (12) months commencing on the Date of Acceptance for Filing. The term may be extended by a duly filed amendment to the offering plan.

BECAUSE SPONSOR IS RETAINING THE 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 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. **The Condominium.** 221 West 77 Condominium (the "Condominium") contains 26 Residential Units, 25 Storage Bin Licenses and 8 Parking Licenses that are being offered for sale under this Offering Plan. The Units may generally be used only for residential purposes and, subject to compliance with the Declaration and the By-Laws, for 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. There is also a Commercial Unit that is not being offered for sale at this time, but which Sponsor may sell at a later time. Unsold Residential Units may be leased by Sponsor, its designee or by an Owner of Unsold Residential Units for any period of time, for any use and on any terms which are consistent with the then-existing certificate of occupancy for the Building. While a certificate of occupancy has not yet been issued for the Building it is anticipated that the certificate of occupancy will not permit transient occupancy.

It is currently anticipated that the Commercial Unit will initially be used for retail purposes (and ancillary uses). The Commercial Unit may be used for any legal purpose, except that the following uses are prohibited pursuant to the Condominium's By-Laws: pornography store, massage parlor, drug treatment facility or homeless shelter, so-called "discount" or "99 cent" store, a video arcade, betting parlor or other gambling related establishment, a nightclub, cabaret or any use involving continuous live or recorded music, entertainment and/or dancing, or a "fast food" style restaurant (e.g., without table service). The Board will have no right to restrict or limit any of the uses of the Commercial Unit which are permitted by law and applicable zoning ordinances, except as otherwise set forth in the By-Laws and Declaration, and the Commercial Unit may be subdivided, as set forth in the Declaration and By-Laws. No representation or warranty is made with respect to such initial or any subsequent uses of such Commercial Unit or with respect to who the owner or tenant(s) of the Commercial Unit may be at any time. As a result, in the future the Commercial Unit may be used for non-retail purposes. Use of the Commercial Unit as a café, restaurant or like use could result in additional noise and food-related smells. For more information, see the Section "Commercial Unit" in Part I of the Plan.

The Commercial Unit may be used for any commercial purpose that is legal. The Commercial Unit Owner has the right to subdivide the Commercial Unit and the right to freely sell the Commercial Unit or to freely lease all or part of the Commercial Unit, without having to first offer the same for sale or lease to the Condominium Board. The Commercial Unit may initially be owned by the Sponsor and/or leased to an operator. At some time in the future the Commercial Unit may be sold by the Sponsor to a third party.

The Condominium Board, at the request of a Commercial Unit Owner, will enter into a recognition agreement with any tenant with which the Commercial Unit Owner has entered into a lease for all or any portion of the Commercial Unit. Under the terms of the recognition 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 Commercial Unit Owner.

The Storage Bins may only be used for storage purposes, and in no event may the Storage Bins be used as dwelling spaces. No materials which pose a health or safety threat or which otherwise create a nuisance may be stored therein, and Storage Bins may not be used to store toxic, inflammable or combustible items as defined in the Building Code of the City of New York. Failure of a Unit Owner to comply with the use limitations set forth in the immediately preceding sentence may result in issuance by the New York City Department of Buildings of a violation against the Building along with imposition of an associated fine, which fine shall be paid by the violating Unit Owner as more particularly set forth in By-Laws. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any unlicensed Storage Bins for any purpose permitted by Legal Requirements (as hereinafter defined) or to change the permitted use of any unlicensed Storage Bins, subject, however, to the provisions of the Declaration. If at any time the licensee of a Storage Bin sells its Unit, it shall simultaneously assign its license of the Storage Bin to another owner of a Unit, and if it fails to do so, the Board shall have the right to terminate the license of the Storage Bin and take possession of the same, without compensation to the licensee.

The Condominium includes space for eight in-door parking garage spaces ("Parking Spaces") located on the Ground Floor with street access via West 77th Street. A two-tier, fully automated parking system ("Parking System") will provide room for eight Parking Spaces. Subject to the certificate of occupancy for the Building, the Parking Spaces may be used for parking generally, provided however that no property may be stored in a Parking Space which (a) constitutes an inflammable, combustible, explosive or other dangerous item; (b) has an objectionable odor; or (c) is deemed by Sponsor or the Board, in its sole and absolute discretion, not to be in conformity with the aesthetics or general welfare of the Building. The Rules and Regulations of the Condominium which are applicable to a Unit and/or the Unit Owner shall also be applicable to the Parking Spaces. Parking Space Licenses will be sold, at Sponsor's discretion, on a first-come, first-served basis. See the section of the Plan entitled "Introduction" for more information.

2. **Sponsor's Right to Rent Units.** Sponsor is reserving the unconditional right to rent rather than sell Units, after consummation of the Plan. Because Sponsor is not limiting the conditions under which it will rent rather than sell Units after consummation of the Plan, there is no commitment to sell more than the fifteen percent (15%) necessary to declare the Plan effective, and owner-occupants may never gain effective control and management of the Condominium. Sponsor does not currently have financing; however, if Sponsor obtains financing, the Plan will be amended to disclose any lender requirements relating to Sponsor's unlimited right to rent, rather than sell, Units, after consummation of the Plan. Please refer to the Section entitled "Control by Sponsor" in Part I of the Plan.

3. **Effectiveness of Plan.** 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, after consummation of the Plan. 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.

The Sponsor anticipates that the First Closing of a Unit will occur by January 1, 2017. 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 December 31, 2017, twelve months after the projected date for the First Closing, although the actual First Closing may occur prior to January 1, 2017. 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 December 31, 2017, the Sponsor may schedule the closing of title to other Units significantly later than such date. Unless your Agreement contains an outside closing date, the Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.

4. **Initial Payment and Purchase Agreement.** At the time an agreement to purchase a Residential Unit (the "Agreement") is executed, a Purchaser is required to make an initial option payment in an amount equal to at least ten percent (10%) of the Purchase Price (the "Initial Payment"); and an additional option payment equal to 5% of such purchase price (the "Additional Payment") is due and payable no later than the earlier to occur of: (x) six months after the date of the Agreement; or (y) 30 days after Sponsor serves Purchaser with written notice of an amendment to the Offering Plan declaring the same effective, but in no event later than the closing of title to the Unit; provided, however, that with respect to Agreements entered into after the Offering Plan has been declared effective, Sponsor reserves the right to require both the Initial Payment and the Additional Payment due and payable upon execution of the Agreement. The Deposit for the purchase of a Storage Bin License is 15% of the gross purchase price of the

Storage Bin License. The Deposit for the purchase of a Parking Space License is 15% of the gross purchase price of the Parking Bin License. The term "Payment" as used herein refers to both the Initial Payment and, if the same has been paid at the time in question, the Additional Payment, as well as any Payment in connection with the purchase of a Storage Bin License or Parking Space License.

Notwithstanding the foregoing, foreign governments and persons with diplomatic immunity will be obligated to make an Initial Payment in an amount equal to at least fifty percent (50%) of the Purchase Price on the execution of an Agreement. In the event a Purchaser 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, cancel such Agreement and retain, as liquidated damages, the entire Payment made by the Purchaser, together with interest earned thereon, if any. TIME IS OF THE ESSENCE (described below) 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. 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.

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 the remedies set forth in this Plan and the Agreement. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan.

All funds received by the Sponsor for upgrades or extras will be 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. Notwithstanding the foregoing, if Sponsor abandons the Plan, all funds received by Sponsor for upgrades or extras will be returned to Purchasers.

(See the Section entitled "Procedure to Purchase" for the further discussion of the foregoing.)

5. **FDIC Limits.** Purchasers are further advised that if a Purchaser makes the Payment in excess of $250,000 for the purchase of a Unit, such Payment will not be federally insured in excess of $250,000; and (ii) while the Payment are in the non-interest bearing checking portion of the Master Escrow Account, the Payment may not be fully federally insured even if the Payment does not exceed $250,000. Funds drawn on out-of-state or foreign banks will not be accepted as payment of the Payment of the Purchase Price for a Unit unless otherwise agreed by Sponsor. (See the Section entitled "Procedure to Purchase" for the further discussion of the foregoing.)

6. **Purchaser's Default Under Purchase Agreement.** 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 thirty (30) days after Sponsor

gives written notice to such Purchaser of the default, Sponsor may, at its option: (i) cancel such Agreement and retain as liquidated damages the Payment made by the Purchaser, together with all interest earned thereon, 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. Additionally, if a Purchaser fails for any reason to close title to his or her Unit on the originally scheduled closing date and Sponsor elects not to cancel the Agreement as a result of the same, (a) the closing apportionments to be made at the Closing will be made as of midnight of the day preceding the originally scheduled closing date, and (b) the Purchaser will be required to pay to Sponsor an amount equal to 0.04% 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 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 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 hereof); however, such Purchaser shall not have any right whatsoever to the return of all or any portion of its Payment (or any interest thereon). The election by Sponsor to retain and the retention by Sponsor of the 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.

(See the Section entitled "Procedure to Purchase" for the further discussion of the foregoing.)

7. **No Financing Contingency.** Although a Purchaser may obtain financing from a lending institution or any other source, his or her obligation to purchase a 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 Unit's appraised value has decreased. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan for further details.

Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on loans. Some restrictions include requiring that a certain percentage (70% or more) of the Units in a building be sold before the lender will consider making a loan. Even after the First Closing has occurred, lenders may still impose minimum sales requirements as a condition to making a loan for which commitments have been

issued. It may be possible for a Purchaser to experience difficulty obtaining a loan in a building where the percentage of Units purchased is lower than a lender's particular sales minimum. Moreover, in the current economic climate, lenders are imposing higher loan to value requirements, making it more difficult for purchasers to obtain a loan to finance the purchase of their Unit. (See the Section entitled "Procedure to Purchase" for further details.)

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 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 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.

8. **Mortgage Tax Credit.** 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 a Purchaser who is financing the purchase of said Unit with a Purchase Money Mortgage, to 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. Please refer to the Section entitled "Closing Costs and Adjustments" in Part I of the Plan.

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

10. **Control of the Condominium.** The Condominium will have a Condominium Board (the "Board"), which will, after the Initial Control Period, as hereafter defined, consist of elected representatives of the Unit Owners. Sponsor, as the owner of Unsold Units will have voting control of the Board during the period which continues until the earlier to occur of: (i) the sale by the Sponsor of more than ninety-five percent (95%) in number and in aggregate Common Interests of the Units or (ii) five (5) years after the First Closing (the "Initial Control Period"). During the period that Sponsor controls the Board, Sponsor will have control of maintenance, facilities and services to be provided to Unit Owners and will determine the Common Charges to be paid by all Unit Owners. At all meetings, each Unit Owner (or his or her proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Units) shall be entitled to cast one vote for each percentage of Common Interests pertaining to the Unit Owner's Unit.

Although Sponsor and its designees may exercise veto power over some actions of the Board, 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. Sponsor may exercise veto power over expenses other than those described in the foregoing sentence, for a period ending not more than five (5) years after the closing of the first Unit or whenever the Unsold Units constitute less than five percent (5%) of the Common Interest, whichever is sooner. Until Sponsor and its designees have conveyed title to ninety-five percent (95%) of the Units, but in no event later than five (5) years after the closing of the first Unit (the "First Closing"), the Board may not take any of the following actions without Sponsor's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit, or (b) assess any Common Charges for the creation of, addition to or replacement of all or part of a working capital, reserve, Reserve Contribution 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 it required to reflect normal annual increases in operating services, or (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary (and no other alternative is available) to enable the Board 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).

During the Initial Control Period, the Board shall consist of three (3) persons designated by Sponsor, although, Sponsor reserves the right to designate fewer than three (3) persons to the Board. Commencing with the First Annual Meeting, the Board shall consist of five (5) persons.

The Board shall have the powers and duties necessary and incidental to the administration of the affairs of the Condominium. All determinations with respect to the continuance or discontinuance of any of the services in the Building, will be made by the Board, which will be controlled by Sponsor for so long as the Units owned by Sponsor have appurtenant thereto more than five percent (5%) of the Common Interests of the Condominium 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 Board 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 the Board, as the case may be.

11. **Right of First Refusal.** The sale or lease of Units is subject to a right of first refusal by the Board. Leases of Units, other than Unsold Units, may not be for terms shorter than one (1) year. The 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. Please refer to the Section entitled "Control by Sponsor" in Part I of the Plan.

12. **Owner-Occupancy.** The By-Laws do not include a provision that after the expiration of the Initial Control Period, a majority of the 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. Additionally, the 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. (See the sections of this Plan entitled "Introduction", "Control by Sponsor" and "Condominium Board" for further discussion.)

13. **Amendments.** No amendment, modification, addition or deletion of the Declaration, By-Laws or Rules and Regulations shall be effective in any way without the prior written consent of Sponsor or its designee or the owner of any Unsold 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 Units, as the case may be, or otherwise adversely affecting Sponsor or its designee or the owner of any Unsold Units, as the case may be. (See the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board".)

14. **Power of Attorney.** Each Purchaser 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 Board to enter into agreements affecting the Common Elements. The power of attorney also grants to Sponsor the right to amend the Condominium Declaration with respect to any Unsold Unit. Please refer to the form of power of attorney set forth in its entirety in Part II of the Plan.

15. **Construction and Certificates of Occupancy.** 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 at least 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 any 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 and amenities, 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 after that particular floor is fully occupied by Unit Owners. Please refer to the Section of the Plan entitled "Description of Property" in Part I of the Plan for further details.

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 covering the entire building but with only a temporary certificate of occupancy, 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 temporary and permanent certificates of occupancy are issued by the New York City Department of Buildings. A temporary certificate of occupancy is intended to indicate that the property is safe for occupancy, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the New York City Department of Buildings. All temporary certificates of occupancy have an expiration date. A temporary certificate of occupancy typically expires 90 days after the date of issuance. When a temporary certificate of occupancy expires and is not renewed, it may be difficult or impossible to buy insurance or sell or refinance a Unit. If a temporary certificate of occupancy expires before it is renewed or a permanent certificate of occupancy is obtained, residential occupancy of the premises will be in violation of the Multiple Dwelling Law. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a temporary certificate of occupancy rather than a permanent certificate of occupancy. Sponsor anticipates this scenario may occur. Sponsor will undertake the responsibility for extending each temporary certificate of occupancy received prior to expiration thereof, and ultimately for obtaining a permanent certificate of occupancy covering the entire building within two (2) years from the date of the issuance of the first temporary certificate of occupancy. However, Sponsor makes no representation or guarantee that the New York City Department of Buildings will issue the permanent certificate of occupancy within such two year period. Notwithstanding the foregoing, Sponsor is obligated to procure the permanent certificate of occupancy for the entire building, and shall exercise best efforts to obtain the permanent certificate of occupancy within such two (2) year period while keeping the temporary

certificate of occupancy current. Unit Owners and the Board shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings. Sponsor makes no representation or warranty that the Department of Buildings will issue a permanent certificate of occupancy or as to when after issuance of the first temporary certificate of occupancy the final certificate of occupancy will be issued.

Furthermore, because Sponsor and the By-Laws of the Condominium may permit Unit Owners to undertake renovations to individual Units prior to the procurement of a permanent certificate of occupancy, such renovations may cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its principal(s) are obligated to procure the permanent certificate of occupancy.

Purchasers are advised to visit the New York City Department of Buildings website for further recommendations when purchasing a unit in a building that does not have a permanent certificate of occupancy. A fact sheet on certificates of occupancy is available on its website at http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf .

Purchasers should seriously consider negotiating closing based on a permanent certificate of occupancy, not a temporary certificate of occupancy. If purchasing a 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 Unit that does not have a permanent certificate of occupancy.

It has been customary for newly-constructed and gut rehabilitation cooperatives and condominiums to close after a temporary certificate of occupancy covering such Units has been issued. Sponsor will send closing notices for Units covered by temporary certificates of occupancy and purchasers will be required to close with a temporary certificate of occupancy, rather than a permanent certificate of occupancy, in place. Temporary certificates of occupancy are issued for three (3) months at a time. The New York City Department of Buildings advises purchasers of houses and apartments, who close with only a temporary certificate of occupancy in place, to consult with their attorneys and engineers to assure that sufficient funds are escrowed or otherwise secured for Sponsor to obtain a permanent certificate of occupancy. It is strongly recommended that Purchasers consult the DOB Website/Consumer Tips for its recommendation when buying units in a building that does not have a permanent certificate of occupancy.

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

Common Element as part of the Unit or designate all or part of a Unit as a newly created Common Element and (d) if appropriate, reapportion among the Unsold Units affected by any such change, their aggregate Common Interests. Please see the Section of the Plan entitled "Changes in Prices and Units" for further details.

Upon Closing 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 defects relating to construction of the Units, the Common Elements, or in the installation or operation of any appliances, fixtures, or equipment therein, except as expressly provided in this Plan.

The Sponsor as well as the Board may refuse to permit a Unit Owner to perform alterations in a Unit until such time as the Building has been completed and a permanent certificate of occupancy has been obtained therefor. In 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. Please refer to the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board" in Part I of the Plan.

16. **Commercial Unit and Permanent Certificate of Occupancy.** In order for Sponsor to obtain a permanent certificate of occupancy for the Building, the Commercial Unit Owner must first build out the Commercial Unit, as the Commercial Unit is being delivered to the Commercial Unit Owner as raw space. Sponsor currently owns the Commercial Unit. However, Sponsor intends to sell or lease the Commercial Unit, and the Commercial Unit Owner may not be fully built out until it is leased or sold, at which time the Commercial Unit may be built out to the specifications of the lessee or purchaser. A determination has not yet been made with respect to whether the Commercial Unit will be leased or sold, and no specific time frame has been set for such determination. As such, closings of Units may commence with only a temporary certificate of occupancy in place, rather than a permanent certificate of occupancy. In the event a temporary certificate of occupancy is expired and not renewed, it may be difficult or impossible to buy insurance, finance, refinance, or sell a Unit. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE PERMANENT CERTIFICATE OF OCCUPANCY FOR THE ENTIRE BUILDING, AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE PERMANENT CERTIFICATE OF OCCUPANCY WITHIN SUCH TWO YEAR PERIOD WHILE KEEPING THE TEMPORARY CERTIFICATE OF OCCUPANCY CURRENT.

17. **Construction and Closing Delays.** During the period when Sponsor is completing the construction to 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 Units and Sponsor may complete construction of certain Units before others. Purchasers should also note that even if the First Closing occurs on or before January 1, 2017 (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 Unit(s) for some period of time after signing their respective Agreement and after the First Closing. In such a case, provided that 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.** Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan.

18. **Inapplicability of Housing Merchant Implied Warranty Law.** As more fully set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor", Sponsor is obligated to renovate the Building in accordance with all applicable Laws and the Plans and Specifications as well as the provisions of this Offering Plan. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability of any Unit or Common Element. Unless caused by a violation of the sound transmission code, noise code or other applicable code, there is no warranty as to sound transmission. Unless caused by a failure of Sponsor to comply with the Laws and the 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 Unit Owners in their Units. 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, the 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 the Plans and Specifications, shall be resolved in favor of the latter. In no event will Sponsor be liable for incidental, special or consequential damages.

19. **Diplomatic Immunity.** Purchasers who have diplomatic immunity will be required to expressly waive any and all immunity from suit by the Sponsor and the 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 Board an amount equal to two years' estimated Common Charges.

20. **Contingency and Common Charges.** The Contingency provided for in the projected budget for the first year of Condominium operation (Schedule B) is intended to provide a fund for unanticipated expenses not included in the budgets and for increases in operating expenses above the amounts projected. Additionally, a Reserve Contribution has been established to conform to Fannie Mae requirements of an amount to be set aside as a reserve for capital repairs and replacements. These budget line items 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 the Plan entitled "Working Capital Fund" for further discussion.

21. Waiver Period. During the Condominium's initial two (2) fiscal years, the authority of the Board 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. Sponsor reserves the right, in its sole and absolute discretion, to cause its designees on the Board (the "Sponsor's Board Designees") to waive, in their sole discretion, the collection of Common Charges from the Unit Owners for a period of time beginning from the date of the First Closing until the Sponsor's Board Designees, in their sole discretion, otherwise determine (such period the "Waiver Period"), provided, however, that Sponsor during the Waiver Period shall be solely responsible for the payment of all expenses to operate the Building (the "Operating Expenses"). The Operating Expenses will not include the funding of the Contingency for repairs. The Unit Owners shall not be responsible for the payment of Common Charges until the expiration of the Waiver Period and the Unit Owners will not be subject to any special assessments for Operating Expenses incurred during the Waiver Period. Sponsor will provide no less than ten (10) days prior written notice to the Unit Owners that the Waiver Period will be terminating.

Sponsor reserves the right to delay the commencement of collection of Common Charges. During any such delay, Sponsor will timely pay all expenses of the Condominium, including but not limited to insurance premiums and any reserve fund payments required by lenders. 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 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 of the expiration of the delay period at least thirty (30) days prior to the commencement of collection of Common Charges and will disclose such fact in the following amendment to the Offering Plan. See the Section of the Plan entitled "Control by Sponsor" for further discussion.

22. Sponsor Designee. Sponsor reserves the right to sell six (6) or more Units and to designate the purchaser of such blocks of Units as "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.

23. No Bond or Other Security. 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 Units. Sponsor represents that it has the financial resources to meet such obligations with respect to Unsold Units. Please refer to the Section of the Plan entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further details.

24. Common Interest and Floor Plans. 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 Units. In such event, the Common Interest appurtenant to each individual Unit would be adjusted (by a minimal amount) pro rata. Sponsor expressly reserves the right, 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 providing 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 Unit be increased as a result of any of the foregoing by more than 5%.

The Floor Plans set forth in Part II depict the layouts of the Units. The approximate indoor floor area of each Unit has been measured horizontally from the exterior side of the exterior walls (columns, shear walls, mechanical pipes, shafts, shaftways, chases, chaseways and conduits are not deducted from measurement of each Unit) to the centerline of the partitions separating one Unit from another Unit, or separating one Unit from corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Unit or to the exterior side of the opposite exterior walls.

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 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 may significantly 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. Each Unit will be measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling. 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 Units and certain Units may have less clearance and all or portions of the ceilings in certain rooms within other Units may have a lesser clearance as the result of construction variances or the presence of beams, ducts and other and mechanical spaces in such Units. Because dimensions listed are based on measurements from floor slabs, they do not accurately represent the heights of the 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. The Terraces may not be used for any type of occupancy, including but not limited to: dining, sleeping, living room, recreation or an office. To do so may result in a violation against the Building issued by the Department of Buildings. 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.

25. **Windows.** The interior glass surfaces of all windows located in any Unit 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 white 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 Board. Please refer to the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board" under the subsection entitled "Repairs to and Maintenance of Units and Common Elements" in Part I of the Plan for further details.

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. 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 be maintained according to the manufacturer's recommendations.

26. **Real Property Transfer Tax.** Purchasers shall be obligated to pay the NYC Real Property Transfer Tax and NYS Real Property Transfer Tax which by law are the primary obligation of the Seller. If the Purchase Price of the 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 the NYS Department of Finance to arrive at total consideration. Therefore, for example, a 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).

27. **Closing Costs.** 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 ("Sponsor's Counsel"), 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 Counsel, 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 if there are multiple assignments); (iv) if Purchaser obtains mortgage financing, then Purchaser shall pay the Sponsor's Counsel 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 Counsel an additional fee of $1,000 for each adjournment to help defray the cost of preparing for and coordinating the new closing; (vi) 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; (vii) $250 for the preparation of ACRIS transfer documents required by the City of New York; (viii) 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, (ix) 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. 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.

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 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.

28. **Window Guards.** In the event a child of ten (10) years of age or less resides, or visits for an extended period of time, a Unit, the Unit Owner is required to have installed (at the Unit Owner's expense) child safety window guards in all windows of the Unit, as per New York City Code. The Unit Owner must notify the Managing Agent in writing when a child or children under the age of ten (10) years lives or resides in the Unit. Windows may 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 Condominium Board" for further details.

29. **Lot Line Windows.** The windows on the east façade of the building from the 7th floor to the 12th floor and from the 14th floor to the 16th floor and at the 19th floor are "Lot Line Windows". The Units are: 7E, 8E, 9E, 10E, 11E, 12E, and all Units on floor 14 – 19. These windows are provided with sprinklers but may be required to be closed up if the adjoining Property is ever redeveloped with one or more buildings of different configurations than that which is now located on the same. The habitable rooms having these windows have other windows that, under the existing building code, will satisfy light, air and other requirements for the lawful use of such rooms for habitation purposes. 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. The approximate cost to close each window is approximately $10,000. 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. Please refer to the Description of Property in Part II of the Plan.

30. **Easements.** The Sponsor, for so long as Sponsor owns any Unsold 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 provided, however, that no wires or cables shall be hanging on the side of the Building 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 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 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 their assignees or licensees shall be the exclusive property of Sponsor 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 Condominium Board" under the subsection entitled "Easements" for further details.

31. **Mechanical Equipment.** Mechanical equipment necessary for the maintenance and operation of the Building and the Units will be located in the Cellar and on the Roof. The Board with respect to the 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. 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.

32. **Superintendent.** The Condominium does not include a Resident Manager's Unit and there is not anticipated to be a Resident Manager or Superintendent in residence. In accordance with the Administrative Code of the City of New York, Section 27-2052, et seq., the Condominium Board shall be required to employ a superintendent residing within a distance of one block or 200 feet from the dwelling, whichever is greater, to provide janitorial services, or otherwise engage a third party to perform janitorial services on a twenty-four-hour-a-day basis. The Schedule B – "Budget for the First Year of Condominium Operation" provides for Royal Concierge, located at 388 Second Avenue New York NY 10010 to provide a Visiting Manager/Superintendent and related maintenance services available on a twenty-four-hour-a-day basis. See the Schedule B in Part I of the Plan for more information.

33. **Real Estate Taxes.** The real estate tax estimates for each Unit were calculated on the assumption that the real estate taxes for the residential portion of the Building payable with respect to each Unit for the first year of Condominium operation will be allocated in proportion to each Unit's percentage Common Interest. 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 amounts of real estate taxes. The real estate taxes payable the first year of the Condominium's operation is based on an assessment of the Building as complete for only a portion of the year. Once the Building is fully assessed, the real estate taxes will be higher.

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 Unit will be. Only the New York City tax authorities will make the actual determination upon the filing of tax lots. (See the Sections entitled "Offering Prices and Related Information, Schedule A" and "Real Estate Taxes" in Part 1 of the Plan for further discussion.)

Purchasers should note that the real estate taxes for the first taxable year of Condominium operation (2016/2017) will likely be less than the taxes will be for the second tax year of Condominium operation (2017/2018 since the first year's tax estimate assumes the property will be assessed as a fully completed structure. 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 of the Plan entitled "Real Estate Taxes" in Part I of the Plan for further details.

34. **Homeowners Association.** 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. The budget for the first year of Condominium operation, Schedule B, 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 "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" in Part I of the Plan for further discussion.

35. **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 Units are being offered for sale or lease by Sponsor or its designees there may be a greater number of visitors in the Building 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 designees nor the Managing Agent 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. 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. Please refer to the Section of the Plan entitled "Description of Property and Improvements" under the subsection entitled "General" for further details.

36. **Storage Licenses.** The Sponsor will be selling licenses to use the Storage Bins which are in the Cellar of the Building. Subject to their availability, the Purchaser of any Unit will have the right to purchase a Storage Bin License (a "License"). Storage Bins may only be owned by Unit Owners. A Unit Owner who owns a Storage Bin License will only be permitted to sell it to another Unit Owner or the Purchaser of a Unit. There is no certainty that when a Unit Owner sells his or her Unit there will be another Unit Owner, who may want to purchase the Storage Bin License if the Unit Owner's purchaser is not interested in purchasing it, in which event the Unit Owner will have to surrender it to the Board. A temporary certificate of occupancy is not required for the sale of use rights with respect to Storage Bin Licenses. Purchasers may be required to consummate their purchase of use rights with respect to a license simultaneously with their Unit(s)' closing even though a temporary certificate of occupancy has not been issued (and access may not be available) for the areas of the Building designated for the Storage Bins. (See the Section of the Plan entitled "Closing of Title to Units" for further details.)

37. **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 a Unit) will continue to exist unchanged.

38. **Alterations by an Initial Purchaser of an Unsold Residential Unit; Temporary Certificate of Occupancy and Permanent Certificate of Occupancy.** An initial purchaser of an Unsold Residential Unit shall have the right, without the approval of the 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 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. Because Sponsor and the By-Laws of the Condominium may permit Unit Owners to undertake renovations to individual Units prior to the procurement of a permanent certificate of occupancy, such renovations may cause additional delays in the issuance thereof. The Sponsor as well as the Board may refuse to permit a Unit Owner to perform alterations in a Unit until such time as the Building has been completed and a permanent certificate of occupancy has been obtained therefor. As more particularly set forth in

Special Risk 15 above, such work by an initial purchaser of an Unsold Residential Unit in or to such purchaser's Unit, may create noisy and otherwise disruptive conditions in the Building during the period such work is being performed. (See the Section of the Plan "Rights and Obligations of the Unit Owners and the Board" for further discussion.)

39. **Risk of Loss.** 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 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 Board 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, if affected, 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 Condominium Board"), 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. **Limitations on Sale.** In order to facilitate the Sponsor's sale of the Units, prior to (a) one (1) year after a Purchaser's closing on its Unit, a Purchaser will not be permitted to sell his or her Unit(s) without obtaining the Sponsor's written approval, and (b) a Purchaser's closing of a Unit, the Purchaser may not (i) list the Unit for resale with any broker or otherwise, or (ii) advertise, promote or publicize the availability of his or her Unit for sale or lease. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan.

41. **Insurance.** The Board is not required to obtain or maintain any insurance with respect to any property contained in any Unit or any liability with respect to occurrences in or

about each Unit or the Common Elements, that are exclusive and/or appurtenant to the Unit. Consequently, all Unit Owners are required to obtain and maintain a personal liability policy if the Unit Owner is an individual 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 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, the Board will not 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.

42. **Development Rights.** Sponsor has retained and expressly reserves all excess air or developmental rights otherwise appurtenant to the Property (the "Development Rights") and not used in connection with the original construction of the Building as described in this Plan, if the Building is ever upzoned, meaning that 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 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 Sponsor, if the Building is ever upzoned, Sponsor 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. The Development Rights reserved by Sponsor will not be used to add additional floors to the top of the Building. In the event such excess Development Rights are transferred to the owner(s) of adjoining properties or offsite, a Unit Owner's views and exposure to light may be affected. See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further detail.

43. **Alterations to Units.** All alterations to a Unit or the Building or services for a Unit Owner or the Building shall be performed in a manner which will not interfere with, or cause any labor disturbances or stoppages in, the work of Condominium employees, or other contractors or subcontractors employed in the 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 Board may require that the Board also assume and/or subject itself to the applicable union contracts.

44. **Custom Work.** Sponsor may agree, in its sole discretion, to perform Custom Work to a Unit (including without limitation combining or further dividing Units). Unless otherwise agreed to by Sponsor, a Purchaser shall bear the costs of the Custom Work Costs (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 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 Unit. In the event a Purchaser becomes entitled to rescission after the release of the Custom Work Costs or any portion thereof to Sponsor (i) the Purchaser shall not receive a refund of any Custom Work Costs, if any, used to perform Custom Work in the Unit. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan.

45. **Defense Costs.** 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, 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.

46. **No Invasive Testing.** Prior to the closing of a Unit, Purchasers shall not be entitled to conduct any invasive testing in the 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.

47. **Sponsor Principals Disclaimer.** 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.)

48. **Floor Designations.** All references in the Plan and in marketing materials to floors are references to their "marketing" designations and will not correspond to the designation given the floors on the plans submitted to the New York City Department of Buildings. Up until the 12th Floor, the marketing floors match the construction floors. The marketing floors do not include the 13th Floor, and therefore, all floor designations above the 12th Floor refer to a

construction floor that is one floor number lower than the marketing floor designation. Please refer to the Description of Property in Part II of the Plan.

49. Occupancy of Units; 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, after consummation of the Plan. 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.

50. 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 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 Units). Such activities will result in excess traffic and noise in the Building, and may interfere with owner-occupants' enjoyment of the Building. Please refer to the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan.

51. Appliances. 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 Common Elements, or in the installation or operation of any appliances, fixtures, or equipment therein, except as expressly provided in this Plan.

52. Representation and Warranties. 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 Units are being offered for sale or lease by Sponsor or its designees there may be a greater number of visitors in the Building than would otherwise be the case. Transients will always be using the Commercial Unit. 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 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.

53. **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 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 Board 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. Please refer to the Notes to Schedule B in Part I of the Plan.

54. **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 Down 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.

55. **Terraces.** Terraces are appurtenant to certain Units, as identified in Schedule A and in the Floor Plans set forth in Part II of the Plan, and are Residential Limited Common Elements available for the exclusive use of a Unit Owner of the Unit to which such Terrace, as the case may be, is appurtenant, subject to and in accordance with the Declaration, By-Laws and Rules and Regulations in effect from time to time. Each such Unit Owner of a Unit containing a Terrace shall be responsible for all ordinary maintenance and cleaning of the Terrace appurtenant to its Unit; however, the costs and expenses of any repairs or replacements, structural or otherwise (unless caused by or attributable to the Unit Owner), shall be charged to all Residential Unit Owners as a Common Expense. In addition, certain Units contain Juliette balconies which constitute a part of such Units. (See "Description of the Property and Improvements" and "Rights and Obligations of the Unit Owners and the Board" in Part I of the Plan for further discussion.)

56. **Parking Spaces.** Subject to their availability, a license for use of a Parking Space will be provided to Purchasers that purchase a Parking Space License at the price set forth on Schedule A.

Holders of Parking Space Licenses, excluding Sponsor with respect to unlicensed Parking Spaces (including the Extra Parking Space), shall be required to pay a license fee to the Condominium in an amount equal to $200 per month, which amount shall, following the First

Closing, be subject to biannual increases based upon the CPI Increase Factor in effect on the date of the First Closing. Further, the license fee is subject to change from time to time as the Board deems necessary.

The rules and regulations governing the operation of the Parking Spaces are contained in the By-Laws, including the Rules and Regulations. Sponsor makes no representation as to whether Parking Spaces will accommodate the length, width and/or height of the motor vehicle which a Purchaser intends to park therein or thereon. Any licensee of a Parking Space shall be responsible for maintaining their own liability insurance with respect to the space, and property insurance with respect to their vehicle(s) and permissible property stored therein.

If a Unit Owner holding a Parking Space License defaults in its obligations under the Parking Space License Agreement or under the Condominium Documents, the Board may, in addition to the rights and remedies set forth in the Condominium Documents: (i) deny access to and use of the Parking Space until such Unit Owner cures such default, or (ii) terminate the Parking Space License Agreement upon written notice to the Unit Owner.

Unit Owners must comply with applicable Legal Requirements regarding the Parking Spaces, which may be subject to periodic inspection by the police and fire departments and other governmental agencies having jurisdiction thereover.

See the Sections entitled "Introduction" and "Description of Property and Improvements" for further detail.

57. Commercial Unit. The owner of the Commercial Unit shall have the right to create additional Commercial Units consisting of portions of the Commercial Unit, each of which may have the rights and easements of the Commercial Unit, including an appurtenant easement to use a portion of the Commercial Unit's platform and other facilities on the roof of the Building, upon which such additional Commercial Unit Owner (or its tenant or licensee) may erect, use, lease, license, maintain, repair, replace and operate antennae, satellite dishes and other telecommunications equipment. If such additional Commercial Units are created, the percentage interest in the Common Elements allocated to the Commercial Unit, together with all such additional Commercial Units, and the percentage interests of all other Units, will remain unchanged. Any obligations and rights of the landlord under any such lease or any other similar lease hereafter entered into by such Commercial Unit Owner(s) shall be the obligations and rights, respectively, solely of such Commercial Unit Owner(s) and not of the Condominium or any other Unit Owner. The Residential 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. The Plan will be amended to disclose any such changes in or to the Commercial Unit. Sponsor is currently the owner of the Commercial Unit. Please refer to the Section entitled "Commercial Unit" in Part I of the Plan.

58. Treatment of Wood Floors. Certain rooms in the Residential Units will be delivered with wood floors, which should be maintained according to the manufacturer's recommendations and should only be cleaned with products for wood floors. Wood is also subject to changes as a result of humidity as well as chipping, scratching and cracking. Sponsor makes no representation or warranty that the wood floors will maintain their appearance after

they are subject to wear and tear. Standing water will cause cupping, swelling, and subsequent gapping. Relative humidity should be between 35% and 65% to avoid excessive shrinkage, cracking, swelling or cupping.

59. **Maintenance of Stone Surfaces.** Maintenance and cleaning of any stone surfaces by Residential Unit Owners should be done in accordance with the manufacturer's recommendations. The stone finishes in the Units must also be resealed regularly in accordance with the manufacturer's recommendations.

60. **Fireplaces in Certain Residential Units.** Certain Residential Units as identified on the Floor Plan in Part II hereof will feature fireplaces. The fireplaces will be wood burning and gas ignited. Each such fireplace and all associated parts connected thereto, including, without limitation, the chimney and/or flue (the fireplace, together with such parts, the "Fireplace Parts") shall be deemed to be part of each of the aforementioned Residential Units, but the service and maintenance agreements for such Fireplace Parts shall be selected and entered into by the Condominium Board. The cost of such maintenance agreements shall be paid by the Condominium Board and assessed as a special assessment against the Owners of such Residential Units, in proportion of the number of Residential Units covered by such agreements. Owners of Residential Units with fireplaces will also be responsible for maintaining insurance with respect to the Fireplace Parts. Please refer to the Description of Property in Part II of the Plan.

61. **Management Agreement.** It is contemplated that at or prior to the First Closing, the Board will enter into a management agreement (the "Management Agreement") on behalf of the Unit Owners with FirstService Residential New York, Inc. (the "Managing Agent"), having its principal office at 622 Third Ave., 15th Floor, New York, NY 10017, to act as Managing Agent with respect to the Units and Common Elements. Managing Agent is an affiliate of Sponsor.

It is contemplated that the term of the Management Agreement will commence on the date of the First Closing, and will continue in force for 12 months from such date, and thereafter, if not sooner terminated, will be deemed automatically renewed for intervals of 60 days until canceled by either party on 60 days' prior notice. If either the Managing Agent or the Board shall fail to perform or abide by any of its material obligations under the Management Agreement, the other party shall have the right to terminate the Management Agreement at the end of any calendar month on not less than thirty days' prior written notice, unless such default is cured within said 30 day period. The rate to be paid to the Managing Agent is within the prevailing rates charged by managing agents for similar work in similar buildings. (See the Section of the Plan "Management Agreement and Contracts" for further discussion.)

62. **Additional Units, Storage Bins.** Sponsor reserves the right to change the number and size of the Unsold Residential Units by, among other things, subdividing and reconfiguring the Unsold Residential Units and, as the case may be, in connection with such subdivision and reconfiguration, redesignating in an amendment to the Declaration, among other things, a portion of a subdivided Unit of one type (e.g., a Commercial Unit) as a Unit of another type (e.g., Residential). In such event, the Common Interest appurtenant to any diminished Unit will decrease and such reduced Common Interest will be allocated to and/or among the newly

created and/or configured Units. Sponsor expressly reserves the right, from time to time prior to the First Closing, to effect such changes among the Unsold Residential Units and to amend the Plan so as to reflect the same.

Notwithstanding the foregoing, where an Agreement for a Residential Unit has been countersigned by Sponsor and returned to Purchaser, no material change will be made in a Unit's size, layout or proportionate share of aggregate common interest unless (i) the affected Purchaser consents; (ii) the Purchaser is in default or (iii) the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Law, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where, in the exercise of sound construction management practices, no practicable alternative exists), and in such event covered by this clause (iii), 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 a refund of their Deposit(s), together with all interest earned thereon. There is a rebuttable presumption that a Unit size that is diminished by 5% or less is not material.

Sponsor also reserves the right, but is under no obligation, to create new Storage Bins from under-utilized Common Elements (i.e., Common Elements, in whole or in part, which have not been specified for a given purpose or use in the Plan, or which are otherwise unnecessary for the use and benefit of the Common Elements to which they are adjacent) and sell licenses therefor, and to change the number and size of the Storage Bins by, among other things, subdividing and reconfiguring the Storage Bins and, in connection with such subdivision and reconfiguration, redesignating in an amendment to the Declaration, among other things, a portion of a subdivided Storage Bin's space. Sponsor expressly reserves the right, from time to time prior to the First Closing, to effect such changes and to amend the Plan so as to reflect the same.

(See the Section entitled "Changes in Prices, Residential Units and Storage Bin Licenses" in Part 1 of the Plan for further discussion.)

63. **Sponsor's Right to Substitute Storage Bins.** At or prior to delivery of the Storage Bin License to Purchaser, Sponsor has the right, with or without prior notice to Purchaser, to substitute the Storage Bin designated in the Storage Bin License (the "Original Storage Bin") or in the Storage Bin rider therefor for an alternate Storage Bin (the "Substituted Storage Bin"), provided that such Substituted Storage Bin is of equal or larger size than the Original Storage Bin and provided further fees payable by Purchaser to the Condominium in connection with such Substituted Storage Bin are comparable per square foot to those payable in connection with the Original Storage Bin. Any exercise of Sponsor's rights to designate a Substituted Storage Bin shall not result in an increased Storage Deposit or purchase price and shall not afford Purchaser any abatement in purchase price or excuse Purchaser from its obligations under the Storage Bin License. See the Section entitled "Changes in Prices, Residential Units and Storage Bin Licenses" in Part 1 of the Plan.

64. **Special Allocation of Certain Common Expenses.** Each Unit Owner must pay Common Charges to cover the costs of operation and maintenance of the Condominium in accordance with Sections 339(i)(1)(iv) and 339(m) of the New York Condominium Act. The

costs of operation and maintenance of the Condominium, including both those directly attributable to the Units and an allocated share of expenses attributable to the Condominium as a whole (such as expenses for insurance, repairs and maintenance of the General Common Elements and various service contracts), will generally be borne by the Unit Owners in proportion to their respective Common Interests. The Commercial Unit Owner, who will receive in certain instances greater or fewer services from the Condominium, will bear an allocated share of the expenses of the Condominium, all as described in Schedule A – "Purchase Prices and Related Information" and Schedule B – "Projected Budget for First Year of Condominium Operation" of the Plan and Article 6 of the Condominium By-Laws. Such allocated share of expenses will result in the Residential Unit Owners having to pay either higher (if fewer services are being provided to the Commercial Unit Owner) or lower (if greater services are being provided to the Commercial Unit Owner) shared expenses of the Condominium. The requirements for amending Article 6 of the Condominium By-Laws do not differ from those otherwise provided in the Condominium By-Laws.

65. **Tenant Protection Plan.** As required under Section 28-104.8.4 of the New York City Building Code (the "New Code" as enacted 2008), since the Building is expected to be occupied by tenants and/or Unit Owners prior to the time when a permanent certificate of occupancy can be obtained, a tenant protection plan will be distributed to each occupant who will be occupying any dwelling units of the Building during construction.

66. **Roof Rights/Easement.** Sponsor has, with respect to the roof of the Building, the exclusive right (and such easements as shall be required) at any time and from time to time at its sole cost and expense, to exclusively erect, use, maintain, repair, replace, relocate and operate for Permitted Roof Platform Purposes, as hereinafter defined, one or more platforms, supports or structures on any portion of the roof (other than those portions of the roof which are Residential Limited Common Elements for the exclusive use of a particular Unit Owner) for the purpose of erecting, using, maintaining, repairing, replacing, relocating and operating for Permitted Roof Platform Purposes, antennae, satellite dishes and other communications equipment thereon (including, without limitation, the running of conduit wiring and/or cabling throughout the Building as necessary); provided, however, that Sponsor shall give prior notice to the Board for information purposes only of the type and location of any such equipment before installation. Such easement shall also include the right of Sponsor to use, lease and license such equipment, and to retain any profits therefrom. All of the foregoing shall at all times be used, installed and maintained in compliance with all Laws and Insurance Requirements. The word "equipment" as used in this paragraph shall be deemed to include fiber optic cable and other communications lines, wires, risers, cables and conduits, as well as any other ancillary equipment, based upon all current and future technologies, needed for the proper operation of the communications installations. Each easement and other right granted under this paragraph must be exercised, and all such platforms, supports, structures, installations and equipment must be used in such a way so as to minimize, to the extent reasonably practicable, interference with the exercise of the other easements and other rights granted under this paragraph. As used herein, "Permitted Roof Platform Purposes" shall mean all businesses, operations and activities of Sponsor and its affiliates, including the business of renting out or otherwise providing satellite dishes and/or other communications equipment, services and/or space for satellite dishes and/or other communications equipment or services to third parties, and any operations or activities in connection with such business.

B. INTRODUCTION

223 WEST 77TH ST. OWNER LLC, a Delaware limited liability company ("Sponsor"), hereby presents this offering plan (the "Plan") for the establishment of condominium ownership of certain land consisting of approximately 7,662 square feet on the northerly side of West 77th Street between Broadway and Amsterdam Avenue (the "Land"), including a building with eighteen (18) construction floors and one (1) cellar level, inclusive of roof levels containing twenty-six (26) residential units located at 219-223 West 77th Street, which are collective referred to as the "Units", 25 Storage Bins which are referred to collectively as the "Storage Bins" and eight (8) Parking Licenses. The Units and the Common Elements are referred to collectively as the "Building". The Land and the Building is collectively referred to herein as the "Property". The condominium will be known as "221 West 77 Condominium" and is called the "Condominium" in this Plan. There is also a Commercial Unit containing approximately 2,058 square feet, which is not being offered for sale at the present time.

As more specifically described herein, upon completion of Sponsor's construction work at the Building, the following will constitute the Condominium: (a) 26 residential apartments (the "Residential Units") located on the 2nd through 18th (PH) Floors together with the residential entrance and Lobby on the 1st Floor and certain other Common Elements on the Cellar Floor and Roof; (b) one Commercial Unit; (c) 25 Storage Bins which will be Residential Common Elements subject to license; (d) eight Parking Spaces, which will be subject to licenses; (e) common facilities and amenities for the benefit of the Residential Unit Owners will include a fitness center, multi-purpose area, bicycle storage room, and laundry room, all of which are located on the Cellar Floor, and the residential common terrace located on the Roof; and (f) various utility and service areas located throughout the Building.

The purpose of the Plan is to set forth in detail all material facts relating to the offering by Sponsor of the 26 Units, 25 Storage Bin Licenses and 8 Parking Space Licenses. 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 dollar ($250) deposit, which amount will be fully refunded after the earlier of (i) the prompt return of all borrowed materials in good condition within ten (10) days 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

The Sponsor is constructing the Building on the Land, which will be subject to a certificate of occupancy. The building located at 219-223 West 77th Street will contain eighteen (18) floors above grade exclusive of roof levels and a cellar.

2. Features of Condominium Ownership

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

Each Unit Owner is obligated to comply with the Declaration and By-Laws, rules and regulations, and any other requirements of the Board. The Board has the authority to manage the Condominium and the Units, respectively. The Unit Owners have the right to vote for members of the Board after the Initial Control Period.

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. Each Unit is separate and is not subject to the lien of any mortgage placed by other Unit Owners on their respective Units.

A Unit Owner may decorate the interior of his or her Unit in any way desired except as otherwise provided in 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. 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 Unit.

The Board does not have the right to approve or disapprove a purchaser of a Unit. With certain exceptions (for example, Sponsor and its designee are not required to give the Board a right of first refusal with respect to any Unsold Units), any sale or lease of a Unit will be subject to a right by the Board to acquire or lease such Unit or to produce a third party to acquire or lease such Unit on the same terms as were offered to the owner of such Unit. The 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. 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, 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.

Generally, the costs and expenses of operating and maintaining the Common Elements will be shared by all Unit Owners in proportion to their respective Common Interest as projected "Budget for First Year of Condominium Operation, Schedule B" in Part I of the Plan or in accordance with the terms of the By-Laws. The Board may make allocations of Common Expenses and 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 Board will be responsible for deciding all matters solely concerning the Building. As more particularly set forth in the By-Laws, the Board will determine the amount of Common Expenses and the portion of the Common Expenses reasonably payable by the Unit Owners and the Board will determine the amount of Common Expenses. On a monthly basis or at such other times as the Board determines, the Board will assess Common Charges to meet Common Expenses and the Board's pro rata share of Common Charges. Such charges will be assessed against Unit Owners in proportion to their respective Common Interests except as otherwise determined by the Board in accordance with the Condominium Act, Sections 339-(i) and (m).

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

There are no limitations on who may purchase 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 the Board, any Unit Owner, or mortgagee, to refuse to approve and execute an Agreement for any Unit or 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 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 Units offered for sale.

There is no construction financing currently in place.

In the event Sponsor takes a construction loan on the Property, then 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 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 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.

If one of Sponsor's Permitted Mortgagees, Construction Lender, or an affiliate thereof steps into ownership of all or any portion of the Property as Sponsor, or otherwise obtains a controlling interest in the Sponsor entity, such shall not be deemed a material change and shall not give rise to a right of rescission for any Purchaser, provided that such Permitted Mortgagee, Construction Lender, or affiliate thereof agrees to complete the Building in accordance with this Plan and does not make any material changes to the offering.

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 26 Residential Units and 25 Storage Bin Licenses. The prices for each of the Units offered under the Plan are listed in Schedule A entitled "Offering Prices and Related Information, Schedule A" and the prices for the Storage Bin Licenses are listed in Schedule A. **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.

Sponsor has not yet obtained construction financing for the construction of the Condominium. Notwithstanding the foregoing, Sponsor retains an unconditional right to rent rather than sell Units after consummation of the Plan, as further described below. In the event

Sponsor obtains financing, the Plan will be amended to describe any restrictions on Sponsor's unconditional right to rent, rather than sell, Units.

Sponsor will endeavor in good faith to sell all of the Offered Units in a reasonably timely manner; however, there is no certainty as to the period of time required to sell all of the Offered Units. As a consequence of the foregoing, residents of the Condominium may be comprised of Unit Owners and tenants leasing from Sponsor or other Unit Owners. Accordingly, it is possible that a significant proportion of Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Unit Owners and a Unit Owner seeking to resell or refinance a Unit may experience difficulty. Additionally, if Sponsor makes a bulk sale of all or some of its Unsold Units, the transferee successor sponsor shall be bound by Sponsor's representations regarding its commitment to sell Units. 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. However, the Unit Owners will obtain control of the Board at the expiration of the Initial Control Period (as such term is defined in the Condominium By-Laws). See Section of the Plan entitled "Rights and Obligations of Sponsor" for further detail.

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.

Each Purchaser of a Unit will be required to make a contribution to the Working Capital Fund of the Building, 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 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 Owner as a Common Expense. The costs and expenses of central heat and gas with respect to the Building will be included in Common Charges; Unit Owners will be required to pay charges for electricity consumed by the fan coil

HVAC Units for each Unit which provides air conditioning and heating to each Unit. Schedule A sets forth estimates of the amounts of real estate taxes which will be payable with respect to each Unit. See the Notes to Schedule A with respect to the bases of such estimates. See Schedule B-1 for the projected Budget for Individual Energy Costs for the First Year of Condominium Operation.

4. **Offering of Storage Bin Licenses**

Sponsor hereby offers Purchasers the opportunity to purchase the rights to one of the 25 Storage Bins pursuant to a license agreement (each such license being a "Storage Bin License," and each such license agreement being a "Storage Bin License Agreement.") The form of the Storage Bin License Agreement to be used for licensing the use of such Storage Bins to individual Unit Owners is included in Part II of this Plan as Exhibit 3. The Storage Bins will range in size from approximately 22 to 29 square feet. The Storage Bins and the area in which the Storage Bins are located are Residential Common Elements, and the Storage Bins may be licensed only by Residential Unit Owners.

The price for each Storage Bin License is listed on Schedule A in Part I of the Plan. THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

Holders of Storage Bin Licenses, excluding Sponsor with respect to unsold Storage Bin Licenses, will be required to pay a license fee to the Condominium in an amount equal to $1.00 per month per square foot of such Storage Bin, which amount shall, following the First Closing, be subject to biannual increases based upon the CPI Increase Factor in effect on the date of the first closing. Further, the license fee is subject to change from time to time as the Board deems necessary in its discretion.

Sponsor reserves the right to offer as many Storage Bin Licenses as it determines in its sole discretion. Sponsor shall offer the Storage Bin Licenses to Purchasers of Residential Units on a first-come, first-served basis until such time as all of the Storage Bin Licenses have been purchased. Sponsor reserves the right to limit the number of Storage Bin Licenses sold to any one Purchaser or to make bulk sales, as it as it determines in its sole discretion. Storage Bin Licenses will only be sold by Sponsor to Purchasers of Residential Units. Prospective Purchasers will be required to deliver a deposit in the amount of 15% of the purchase price of the Storage Bin License upon execution of an Agreement as set forth in the Storage Bin License rider to the form of Agreement included in Part II of this Plan.

At or prior to delivery of the Storage Bin License to a Purchaser, Sponsor hereby reserves the right, with or without prior notice to such Purchaser, to substitute the Storage Bin designated in such Purchaser's Agreement (the "Original Storage Bin") or in the Storage Bin rider therefor for an alternate Storage Bin (the "Substituted Storage Bin"), provided that such Substituted Storage Bin is equally sized or larger than the Original Storage Bin and provided further that any monthly license fees payable by such Purchaser to the Condominium in connection with such Substituted Storage Bin are comparable per square foot to those payable in connection with the Original Storage Bin. Any exercise of Sponsor's rights to designate a Substituted Storage Bin

shall not result in an increased deposit or purchase price due for such Storage Bin License under the Agreement and shall not afford a Purchaser any abatement in purchase price or excuse a Purchaser from its obligations under its Agreement.

Storage Bin Licenses may only be purchased by Unit Owners and may only thereafter be licensed to Unit Owners, except with respect to Sponsor or any holder of Unsold Residential Units. Upon the issuance of a Storage Bin License to a Unit Owner or the transfer of a Storage Bin License to an assignee, such Unit Owner or assignee, as the case may be, shall provide the Managing Agent with a copy of the Storage Bin License Agreement.

5. Offering of Parking Space Licenses

Sponsor hereby offers Purchasers the opportunity to purchase the rights to one of the 8 Parking Spaces pursuant to a license agreement (each such license being a "Parking Space License," and each such license agreement being a "Parking Space License Agreement.") The form of the Parking Space License Agreement to be used for licensing the use of Parking Spaces to individual Unit Owners is included in Part II of this Plan as Exhibit 10. The Parking Spaces will range in size from approximately 104 to 148.5 square feet. The Parking Spaces are Residential Common Elements and may be licensed only by Residential Unit Owners.

The price for each Parking License is listed on Schedule A in Part I of the Plan. THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

The eight in-door parking garage spaces are located on the Ground Floor with street access via West 77th Street. A two-tier, fully automated parking system ("Parking System") will provide room for eight Parking Spaces.

Holders of Parking Space Licenses, excluding Sponsor with respect to unlicensed Parking Spaces (including the Extra Parking Space), shall be required to pay a license fee to the Condominium in an amount equal to $200 per month, which amount shall, following the First Closing, be subject to biannual increases based upon the CPI Increase Factor in effect on the date of the First Closing. Further, the license fee is subject to change from time to time as the Board deems necessary.

The rules and regulations governing the operation of the Parking Spaces are contained in the By-Laws, including the Rules and Regulations. Sponsor makes no representation as to whether Parking Spaces will accommodate the length, width and/or height of the motor vehicle which a Purchaser intends to park therein or thereon. Any licensee of a Parking Space shall be responsible for maintaining their own liability insurance with respect to the space, and property insurance with respect to their vehicle(s) and permissible property stored therein.

Parking Spaces may only be purchased by Unit Owners and may only thereafter be licensed to Unit Owners, except with respect to Sponsor or any holder of Unsold Residential Units. Upon the issuance of a Parking License to a Unit Owner or the transfer of a Parking License to an assignee, such Unit Owner or assignee, as the case may be, shall provide the Managing Agent with a copy of the Parking License Agreement.

If a Unit Owner holding a Parking Space License defaults in its obligations under the Parking Space License Agreement or under the Condominium Documents, the Board may, in addition to the rights and remedies set forth in the Condominium Documents: (i) deny access to and use of the Parking Space until such Unit Owner cures such default, or (ii) terminate the Parking Space License Agreement upon written notice to the Unit Owner.

Unit Owners must comply with applicable Legal Requirements regarding the Parking Spaces, which may be subject to periodic inspection by the police and fire departments and other governmental agencies having jurisdiction thereover.

6. Commercial Unit Not Offered For Sale Hereunder

The Commercial Unit is not presently being offered for sale hereunder. Sponsor will not be permitted to sell the Commercial Unit to the general public without either amending the Plan, filing a separate offering plan for such Unit, or having received a no-action letter from the Department of Law in respect of such Unit.

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:

"Additional Payment" refers to the second payment required under the Agreement.

"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) materially 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) materially obstruct or degrade the view from the windows of such Unit Owner's Unit or (iv) otherwise materially diminish such Unit Owner's use and enjoyment of its Unit or Units.

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

"Amenities" refers to the items described in the section of the Plan entitled "Services and Facilities."

"Board" refers to the Condominium Board.

"Building" refers to the structures and improvements including above and below grade segments, known as the "221 West 77 Condominium" located at 219-223 West 77th Street , New York, New York in which the Units of the Condominiums are located.

"Building Code" refers to the New York City Building Code.

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

"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.

"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 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 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 Unit is issued and is anticipated to be on or about January 1, 2017.

"Condominium" refers to 221 West 77 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 board of managers of the Condominium.

"Common Terrace" refers to the terrace for the benefit of the Residential Unit Owners, located on the Roof as shown on the Floor Plans.

"Construction Lender" means Deutsche Bank AG, New York Branch, its successors and/or assigns.

"Construction Loan" refers to that certain loan made by Construction Lender with respect to the construction of the Building.

"CPI Increase Factor" refers to an increase proportionate to any increase in the cost of living from the date of the initial recording of the Declaration, as reflected by the change in the Consumer Price Index (CPI-U; All Items; 1982-84 = 100 standard reference base period) for New York, New York (or the smallest measured area including New York, New York), as published by the Bureau of Labor Statistics, United States Department of Labor or, if the same ceases to be published, a commonly used substitute therefor reasonably selected by the Board.

"Declarant" or "Developer" refers to 223 West 77th St. Owner LLC, a Delaware limited liability company, which is developing the Property, its successors and assigns, and any Persons designated as having the rights of Declarant by Declarant or a designee of Declarant.

"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.

"Development Rights" or "Transferable Development Rights" refers to the excess Development Rights appurtenant to the Property after the development of the Building and any additional Development Rights that are granted to the Property in the future.

"Escrow Agent" refers to Holland & Knight LLP.

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

"First 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.

"GBL" refers to the New York General Business Law.

"Initial Payment" refers to the initial payment under the Agreement that is due prior to the Closing.

"Initial Control Period" refers to the period ending the earlier to occur of: (i) the Sponsor and its designees as Holders of Unsold Units owning less than five percent (5%) of the aggregate Common Interests pertaining to all Units or (ii) five (5) years after the First Closing.

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

"Laws" or "Legal Requirements" refers to all applicable laws, rules or regulations of any governmental authority having jurisdiction over the Condominium.

"Legal Requirements" refers to all laws, statutes and ordinances (including, without limitation, environmental laws, and all building codes and zoning ordinances) and the orders, rules, regulations, directives, binding resolutions and requirements of all governmental authorities (including, without limitation, the New York City Department of Buildings, the City Planning Commission, the boards of fire underwriters or any public authority or agency having jurisdiction), whether in force as of the date hereof or hereafter, which are or become, or purport to be, applicable to the Property or any part thereof, all as more fully provided in the Condominium By-Laws.

"Lot Line Windows" are described in Special Risk 19.

"Managing Agent" refers to the managing agent or manager of the Condominium. It is anticipated that the managing agent of the Condominium will initially be FirstService Residential New York, Inc., having its principal office at 622 Third Avenue, 15th Floor, New York, New York, 10017, a management firm engaged in the management of luxury residential buildings in New York City, pursuant to a management agreement, as more fully discussed in "Management Agreement" in Part I of this Plan.

"Master Escrow Account" refers to the Escrow Account maintained by Holland & Knight.

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

"Offeree" refers to (a) Purchasers who have executed and delivered Agreements for 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.

"Parking Spaces" is defined in Special Risk 1.

"Parking System" is defined in Special Risk 1.

"Payment" refers to the Initial Payment, the Additional Payment and the payment for the Licenses, if any.

"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 first mortgage permitted to be placed upon a Unit or Units pursuant to the provisions of the By-Laws, the Construction Loan, and/or any mezzanine finance loan or preferred equity loan provided to Sponsor and/or Declarant.

"Permitted Mortgagee" refers to the holder of any Permitted Mortgage and shall include, without limitation, such banks and financial institutions as the Construction Lender, including the successors, assigns and affiliates thereof.

"Permitted Roof Platform Purposes" is defined in Special Risk 57.

"Plan" or "Offering 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.

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

"Property Deed" refers to the deed dated October 30, 2014, 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.

"Purchase Price" means the purchase price for a Residential Unit or a License, as applicable.

"Reserve Contribution" is described in Special Risk 3.

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

"Schedule A" refers to "Offering Prices and Related Information, Schedule A" set forth in Part I of the Plan.

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

"Selling Agent" refers to Stribling & Associates, or any successor selling agent at the time in question.

"Sponsor" refers to 223 West 77th St. 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 Units.

"Sponsor's Board Designees" refers to Sponsor's designees on the Board, as applicable.

"Storage Bins" refers to those storage bins located on Floors, which will be used for storage by Unit Owners who purchase Storage Bin Licenses.

"Storage Bin License" refers to the license contained in Exhibit 3 of the Plan.

"Time of the Essence" shall mean a failure by Purchaser to do what is required at the time specified in the Agreement which 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 Common Elements. All of such Units are collectively referred to as "Units."

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

"Unsold Unit" refers to (a) any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Sponsor or 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 Unit for which there is a signed Agreement but for which Closing has not yet occurred.

"Waiver Period" refers to the time period during the Condominium's initial two (2) fiscal years, during which Sponsor has reserved the right for Sponsor's Board Designees to waive the collection of Common Charges from the Unit Owners for a period of time beginning from the date of the First Closing.

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, 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 permanent 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 will not correspond to the designation given the floors on the plans submitted to the New York City Department of Buildings. Up until the 12th Floor, the marketing floors match the construction floors. The marketing floors do not include the 13th Floor, and therefore, all floor designations above the 12th Floor refer to a construction floor that is one floor number lower than the marketing floor designation. For example, references herein to the 15th Floor refer to the 14th construction floor.

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, which is anticipated to be on or about January 1, 2017, 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.

Sponsor has engaged Goldstein, Hill & West Architects, LLP ("Sponsor's Architect") as architects for the Building, Buro Happold Consulting Engineering PC as mechanical engineer for the Building, and WSP Group as the structural engineer for the Building. Sponsor will be the construction company responsible for the renovation of the Building.

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.

The location in the Building, and the size, layout and approximate square footages of the Units are shown on the floor plans duplicated in Exhibit 7 of Part II of the Plan. Such floor plans are subject to the rights of Sponsor or its designee to combine two or more Unsold Units, to add additional Units by subdividing Unsold Units or to change the number of rooms in, as well as the size, layout and square foot area of, any Unsold Units, as further described in Part I, the Section entitled "Changes in Prices and Units" hereof. Any Floor Plan or sketch shown to a Purchaser, including those set forth in this Plan are only an approximation of the dimensions and layout of each Unit. The actual layout of a Unit may have been altered [by the tenants thereof or others], and no variation will affect a Purchaser's obligations under his or her Agreement or the Plan. Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the Purchase Price for his or her Unit or otherwise be relieved of any obligations under the Agreement, by virtue of an inaccuracy or error in the Floor Plans. Square footage calculations are only approximations for the purposes of marketing the Units and may not be exact. Such square footage calculations shall not be relied upon for loan, valuation or other purposes. If exact square footage is a concern for a Purchaser, the Purchaser should have the Unit in question independently measured. Purchasers waive and disclaim any rights to rescind their Agreement and any and all other claims against Sponsor resulting from alleged discrepancies in square footage calculations.

The Building incorporates mechanical equipment necessary for the maintenance and operation of the Building and the Units. The Condominium Board, with respect to such mechanical equipment which is a Common Element will be responsible for making sure the mechanical equipment is operated in accordance with Legal Requirements, including requirements governing acceptable levels of noise and odor emissions. Sponsor is not responsible for, nor can Sponsor make any guarantees regarding the level of noise or odors resulting from the operation of the Building or the Units.

2. Residential Units

Subject to the rights of Sponsor and its designee to change the number of Units, there will be a total of 26 Residential Units situated on the First Floor through Eighteenth Floors of the Building. Detailed descriptions of the 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 for further details.

Except as otherwise agreed by the parties, the 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 Unit at his or her own cost and expense.

Included in the sale of each Unit are the following: refrigerator/freezer, kitchen cabinets, gas range, automatic dishwasher, 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 Improvements – 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 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.

A Unit Owner may only use his or her 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 Unit Owner use his Unit for a use violative of the By Laws or the Deed Restrictions which are described in this Plan. Units cannot be leased for terms shorter than one year.

There will be no modifications or extras for any Unit unless set forth in the Agreement for such 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 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 Unit as set forth in Part II of the Plan

3. Commercial Unit

The Commercial Unit occupies a portion of the Ground Floor. The Commercial Unit may be utilized for any lawful purpose.

The Condominium Board will have no right to restrict or limit the method of operation or any uses or appearance of the Commercial Unit, which are permitted by law and/or applicable zoning ordinances. No rules affecting the operation of the Commercial Unit may be adopted or modified by the Condominium Board without the prior written consent of the Commercial Unit Owner. All or any part of the Commercial Unit may be leased or subleased by the Commercial Unit Owner, as more fully set forth in the Declaration. Subject to compliance with all applicable laws and governmental rules and regulations, if any, the Commercial Unit may be sold without prior notice. The Commercial Unit may be divided by the Commercial Unit Owner. Any such sale or division by the Commercial Unit Owner shall be fully 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 Commercial Unit.

The Commercial Unit Owner shall have the right, without the consent of the Board, and at its 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. Sponsor and the Unit Owners also have an easement to use the sidewalks surrounding portions of the Building for purposes permitted by law. 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 Commercial Unit or as to who the tenants or occupants of any portion of the Commercial Unit may be at any time. In the event that Sponsor decides to sell the Commercial Unit, Sponsor will seek a "no-action" letter from the Office of the Attorney General. The Plan will be amended to disclose any change in ownership of the Commercial Unit.

No representation is made as to the uses to which any portion of the Commercial Unit may be put at any time (except that the Commercial Unit may be used for any lawful purpose or as otherwise limited by the Plan). The use of the Commercial Unit may generate noise or other disturbances over which the Residential Unit Owners will have no control.

4. Common Elements

Generally, the Common Elements 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 part of a Unit, or a Limited Common Element), beams, supports, and interior load bearing walls, together with those portions of the exterior walls of the Building, (c) corridors and all fire staircases, landings and stairs which 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 which are not a Limited Common Elements or part of any Unit; (g) the water tower; (h) the emergency generator room and a storage room; (i) elevators (including their shafts, pits, machinery and appurtenant facilities); (j) the exterior glass surfaces of all windows; (k) the entrance and lobby, vestibule, package room, toilette, elevator lobby, security system, concierge station, service vestibule and service corridor and the mailroom; (l) passages, hallways, stairs and corridors to the extent any of the same are for the exclusive use of the Unit Owners; (m) electric panels, closets, feeders and risers serving the Building; (n) the service vestibule and trash chutes servicing each of the Floors; (o) all mechanical space and other rooms, areas and spaces located in the Building and which are not Limited Common Elements part of any Unit; (p) mechanical room; and (q) 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 the Building. A detailed description of the Common Elements is set forth in the Declaration.

5. Limited Common Elements

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

6. Storage Bins

There will be approximately 25 Storage Bins located in the Cellar of the Building. Sponsor will be offering the Storage Bins to Purchasers and owners of Units at the offering prices listed on Schedule A-1. In the event a Purchaser purchases a Storage Bin License, the Purchaser will enter into a Storage Bin License Purchase Agreement with Sponsor prior to

Closing on the Storage Bin License and then at Closing, the Purchaser will enter into a Storage Bin License Agreement with Sponsor and the Board. The forms of each of these agreements are provided in Part II of the Plan. The Storage Bin License Agreement grants to Licensee, its successors and assigns, a license for the exclusive use of the Storage Bin. The Storage Bins may be used only for storage purposes, provided that no materials which pose a health or safety threat or otherwise create a nuisance may be stored therein, and further provided that Sponsor shall have the right to use any Unsold Storage Bin for any lawful purpose or to change the permitted use of any Unsold Storage Bin, subject, however, to the provisions of the By-Laws. Except for Sponsor, no Unit Owner may own a Storage Bin independently of a Unit. Purchasers of Storage Bin Licenses will pay a monthly fee to the Board equal to a per square foot common charge based on the size of the Storage Bin as that number is adjusted from time to time.

7. Parking Spaces

The Condominium includes space for eight in-door parking garage spaces located on the Ground Floor with street access via West 77th Street. A two-tier, fully automated parking system ("Parking System") will provide room for seven Parking Spaces.

To protect the security of the Building, any licensee of a Parking Space must also at all times be the owner of a Unit, provided, however, that the foregoing restriction shall not apply to Sponsor or its designee.

Sponsor makes no representation as to whether Parking Spaces will accommodate the length, width and/or height of the motor vehicle which a Purchaser intends to park therein or thereon. Any licensee of a Parking Space shall be responsible for maintaining their own liability insurance with respect to the space, and property insurance with respect to their vehicle(s) and permissible property stored therein.

Unit Owners must comply with applicable Legal Requirements regarding the Parking Spaces, which may be subject to periodic inspection by the police and fire departments and other governmental agencies having jurisdiction thereover.

8. Fitness Center

As indicated on the Floor Plans, a fitness center will be located on the Cellar Floor of the Building, and will be a Residential Common Element. All Residential Unit Owners shall have the right to access and use the Fitness Center, subject to the right of the Board to regulate its use in accordance with the By Laws and the Rules and Regulations. The Board shall be responsible for the maintenance and repairs (whether structural or otherwise) of the Fitness Center and all the equipment and machinery therein, and the costs and expenses associated therewith shall be allocated to Unit Owners as set forth in the Notes to Schedule B or as otherwise provided in the By-Laws.

9. Laundry Room

As indicated on the Floor Plans, a laundry room will be located on the Cellar Floor of the Building, which will be a Residential Common Element. Residential Unit Owners shall have the right to access and use the Laundry Room, subject to the right of the Board to regulate its use in

accordance with the By-Laws and the Rules and Regulations. The Board shall be responsible for the maintenance and repairs (whether structural or otherwise) of the Laundry Room, and the costs and expenses associated therewith shall be allocated to Unit Owners as set forth in the Notes to Schedule B or as otherwise provided in the By-Laws. It is anticipated that the Laundry Room will contain two laundry sinks, two electric washing machines and two gas operated dryers. The washing machines and dryers will be pay-per-use. In addition, each Residential Unit will be provided with a washer and dryer.

10. Terraces

As indicated on Schedule A and on the Floor Plans set forth in Part II of the Plan, Terraces are appurtenant to certain Residential Units in the Building, and are Residential Limited Common Elements available to the exclusive use of the Unit Owner of the Unit to which such Terraces are appurtenant, subject to and in accordance with the Declaration, By Laws and the Rules and Regulations. Such Unit Owner shall be responsible for all normal maintenance and cleaning of such Terrace however, the costs and expenses of any repairs or replacements, structural or otherwise, (unless caused by or attributable to the Unit Owner) shall be charged to all Residential Unit Owners as a Residential Common Expense.

The Board shall have the right to require a Residential Unit Owner to remove plantings, roof surfaces and other installations which have been placed on the Terraces if the Board determines, in its sole discretion, that such plantings or other installations may adversely affect the integrity of the Building or is otherwise unsafe. In addition, the Board shall have the right, in connection with any repair or maintenance work in the Building, to erect scaffolding temporarily on, upon or over any Terrace. In no event shall any Unit Owner of a Unit having a Terrace be permitted to enclose or erect any structure on such Terrace. The Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the Units and to ensure the integrity of the Building and the health and safety of the occupants.

There will also be Common Terraces for the benefit of the Residential Unit Owners and occupants which constitute Residential Common Elements, the cost for operation, maintenance and repair of which shall be a Common Expense solely allocated to the Residential Units. The Common Terrace is located in the Roof of the Building and will be furnished with moveable outdoor furniture and a gas-operated grille.

As set forth on the Floor Plans in Part II, certain Units shall also include Juliet balconies which constitute part of such Unit.

11. Common Elements

As is set forth in more detail in the Declaration, the Common Elements consist of the Land, together with all easements, rights and privileges appurtenant thereto (except as otherwise expressly provided in the Declaration), and all parts of the Building, other than the Units themselves, including, generally foundations, exterior walls, roofs and supports of the Building and all other parts of the Building and all apparatus, installations, systems, equipment and facilities therein for the common use of the Units and Unit Owners or which are necessary or convenient for the existence, maintenance or safety of the Property. The Common Elements are

divided into the following separate categories: (i) the General Common Elements, which are, generally, those Common Elements which serve or benefit all the Units or Unit Owners; (ii) the Residential Common Elements, which are, generally, those Common Elements which serve or benefit exclusively all or a combination of the Residential Units or Residential Unit Owners; and (iii) the Residential Limited Common Elements, which are generally those Common Elements which serve or benefit exclusively one Residential Unit or Residential Unit Owner. The Common Elements cannot be divided or partitioned, except as provided in the New York Condominium Act. A Unit Owner's interest in the Common Elements shall not be separated from the Unit to which it appertains.

12. Available Services and Facilities

The available services and facilities are described below in the Section entitled "Building Standard Services and Facilities". The Board shall at all times maintain, operate and staff the Building in compliance with, and subject to, all applicable Legal Requirements.

a. Building Standard Services and Facilities:

(i) Lobby Attendant. The residential lobby area will be staffed 24 hours per day, seven days per week.

(ii) Elevator Service. The two passenger elevators will be automatically operated and therefore will be in service as necessary, 24 hours per day, seven days per week. Use of the passenger elevators for residential move-in, move-outs and deliveries will be scheduled by prior arrangement with the Managing Agent, subject to such policies established by the Board governing such use.

(iii) Communications Facilities. Each Unit will be equipped with an intercom system that utilizes a Residential Unit's telephone.

(iv) Mail. All incoming mail will be delivered by the United States Postal Service to locked mail boxes located in the 1st Floor residential lobby

(v) Maintenance Personnel. Building maintenance personnel, who will be available beginning with the First Closing, will include a Visiting Manager/Super, who will check the daily operation of the common mechanical equipment in the Building and supervise any porter(s), and porter(s) as may be necessary for the proper maintenance and cleaning of the common areas.

(vi) Refuse Disposal. There will be recycling bins and a refuse chute located on each residential floor. Each chute will lead directly to a compactor at the Cellar Floor. Building staff will transfer compressed refuse to the sidewalk as needed pending collection by the City of New York Department of Sanitation. Recycling bins on each residential floor will be emptied as necessary by Building staff.

(vii) Other Service Contracts. Certain additional services covered by third-party contracts, such as elevator maintenance are included in Building standard services.

(viii) Carbon Monoxide Detectors. Each Unit will contain a combination smoke/carbon monoxide detector.

(ix) Laundry. Each Residential Unit will contain a washing machine and dryer.

(x) Fitness Center. The Fitness Center will be a Residential Common Element. As of the filing of the Plan, it is anticipated that the Fitness Center will include various exercise equipment, such as bikes, treadmills, free weights and benches. One restroom will be located on the Cellar Floor in the vicinity of the Fitness Center.

(xi) Multi-Purpose Room. The Multi-Purpose room will be a Residential Common Elements for the use and enjoyment of the Residential Unit Owners and occupants, located on the Cellar Floor and furnished with tables and chairs and television.

(xii) Laundry Room. The Laundry Room will be a Residential Common Element which is accessible to all Residential Unit Owners. Sponsor anticipates that the Laundry Room will contain two electric washers and two gas-operated dryers.

(xiii) Cable Television. Cable television service will be available for all Residential Units. All charges for cable television service (including installation and subscription charges for individual Residential Units) will be paid by each Residential Unit Owner who subscribes directly with the cable television service provider.

(xvi) Bicycle Storage. A resident bicycle storage space will be available on the Cellar Floor of the Building. Such storage space will be made available only to residents of the Building, upon application to the Board, on a first-come, first-served basis, with fees set at an initial rate of $20 per storage rack per month, subject to change at the discretion of the Board and subject to such Rules and Regulations as the Board may adapt in its discretion.

(xiv) Common Terraces. One Common Terraces will be available for the use of the Residential Unit Owners and occupants, located on the Roof of the Building, which will be furnished with movable furniture and a gas-operated grille.

13. General Provisions Concerning Services and Facilities

No representation or warranty is made as to the initial or continued operation of any of the foregoing services or facilities and neither Sponsor nor the Board 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. The full range of services and facilities described in this Plan may not be provided until move-ins are finished and Sponsor's construction work within and on the Building is completed.

In all likelihood, the nature of the services listed above and the hours during which they are provided will be at the discretion of the Board. However, all services required by Law will

be provided at all times. Sponsor will control the Board for the term of the Initial Control Period (the period which continues until the earlier to occur of: (i) the sale by the Sponsor of more than ninety-five percent (95%) of the aggregate Common Interests of the Units or (ii) five (5) years after the First Closing). Neither Sponsor, the Managing Agent, the Selling Agent, nor the Board 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 a result of the gross negligence or willful misconduct of Sponsor, the Managing Agent, the Selling Agent, or the Board, as the case may be.

The Board has complete discretion in determining how those facilities that are controlled by the Board will be operated, maintained or modified, whether facilities should be added or discontinued, and the rates, if any, will 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 some of these services (such as a full staff of personnel) 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 Units. In addition, certain of the amenities described in the Plan may not be arranged or available until after an initial period. However, it is anticipated that at all times after the First Closing, the Building 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 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 Unit, work should be expected to be undertaken and continue by or on behalf of: (i) Sponsor to complete the balance of the Building; and (ii) individual Unit Owners within their Units (to perform custom renovations, etc.). 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 may 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 Board 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.

14. Security Procedures

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

No representation or warranty is made and no assurance is given that the security systems and procedures of the Building and of the Condominium will prevent personal injury or damage to or loss of personal property. While Unsold Units are being offered for sale or lease by Sponsor or its designees there will be a greater number of visitors to the Building than would otherwise be the case. No representation or warranty is made and no assurance is given as to when such selling or leasing activity will terminate. Neither Sponsor nor its designee nor the Managing Agent 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 Building'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 situated at 219-223 West 77th Street, in the Borough of Manhattan, City and State of New York, located on the south side of West 77th Street, between Broadway and Amsterdam Avenue. The Condominium is located in the Upper West Side, which is within a short walking distance to both Central and Riverside Parks in one of the most dynamic and established neighborhoods in New York. In the immediate vicinity of the Building exists an array of outstanding cultural amenities, excellent public and private schools, and a variety of boutique retailers and restaurants.

New York City is one of the leading cultural centers of the world, with many of the finest universities, museums, libraries, theaters and cultural institutions, attracting millions of national and international tourists. New York City is the nation's center for communications, publishing, advertising, the stock market and other financial services, visual and performing arts and the fashion industry.

New York City is served by three major airports -- LaGuardia Airport, John F. Kennedy International Airport and Newark International Airport, located approximately 6, 15 and 17 miles from the Condominium, respectively.

Transportation to and from the Building, and throughout New York City, is readily available by taxi, limousine, private automobile, subway or bus. A number of commercial parking garages are located nearby. Public transportation via subways and buses is also readily available. Access to the Seventh Avenue line number 1 train is accessible just two blocks from the Building at 79th Street and Broadway, and the 1, 2 and 3 trains are accessible at a stop located on 72nd Street between Broadway and Amsterdam Avenue. The A, B, C trains are accessible at 81st Street and Central Park West. In addition, the area is serviced by the following bus lines, which all stop nearby the Building: M7, M11, and M79.

There are a wide variety of parks in the vicinity. Central Park in located a few blocks from the Building with entrances on Central Park West at 72nd Street and 79th Street. Riverside Park is located just a few blocks west of the Building with a dog run at 72nd Street.

There are also a wide variety of cultural activities in the area. The American Museum of Natural History is located a few blocks from the Building, on West 77th Street between Columbus Avenue and Central Park West. The New York Historical Society Museum and Library is located at 170 Central Park West. Beacon Theatre is located at 2124 Broadway.

Numerous private schools, public schools and parochial schools are easily accessible from the Building. The public schools in the area include P.S. 452, at 100 West 77th Street, P.S. 087, William Sherman, at 160 West 78th Street, M.S. 243 Center School at 100 West 84th Street, M.S. M245 The Computer School at 100 West 77th Street, P.S. M811 Mickey Mantle School at 466 West End Avenue, Fiorello H. LaGuardia High School of Music & Art and Performing Arts at 100 Amsterdam Avenue, Frank McCourt High School at 145 West 84th Street, High School for Arts, Imagination and Inquiry on Martin Luther King, Jr. Educational Campus at 122

Amsterdam Avenue, High School for Law, Advocacy and Community Justice on Martin Luther King, Jr. Educational Campus at 122 Amsterdam Avenue, High School of Arts and Technology, Manhattan/Hunter Science High School on Martin Luther King, Jr. Educational Campus at 122 Amsterdam Avenue, Innovation Diploma Plus at 145 West 84th Street. Success Academy Charter School is located at 145 West 84th Street. Certain public school programs require that parents apply for admission for their children.

Private schools in the area include Collegiate School at 260 West 78th Street, Calhoun School at 160 West 74th Street, The Upper West Success Academy at 100 West 84th Street, Le Jardin A L'Ouest at 164 West 83rd Street and The Ideal School of Manhattan at 4 West 76th Street.

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

The Property is located in the 20th Police Precinct with the station located at 120 West 82nd Street. Fire protection is provided from the Division 3 Ladder 25 fire station located at 207 West 77th Street. The zip code for the Building is 10024, which as of the date hereof, is serviced by the station located at 127 West 83rd Street.

The area is served by numerous hospitals and medical facilities located within an approximate two-mile radius of the Premises, including St. Luke's Roosevelt Hospital Center – Roosevelt Hospital Division at 1000 10th Avenue, Lenox Hill Hospital at 100 East 77th Street, Manhattan Eye, Ear & Throat Hospital at 210 East 64th Street, Mount Sinai Hospital at 1190 Fifth Avenue, Memorial Hospital for Cancer and Allied Diseases at 1275 York Avenue, and New York Weill Cornell Medical Center at 525 East 68th Street.

Many religious faiths have congregations within walking distance of the Property. Local houses of worship include, but are not limited to, the following: First Baptist Church, Holy Trinity Catholic Church, All Souls Church (Christian), West Side Institutional Synagogue, Carlebach Shul Synagogue, Congregation Rodelph Sholom, West Side CJL Chabad, and Islamic Cultural Center of Riverside Drive.

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

2. **Zoning**

The Building is located in an area zoned C4-6A/R10A equivalent under the New York City Zoning Resolution. This zoning designation permits, among other things, commercial and residential use. The intended use of the Building as described in this Plan will be in compliance with the current requirements of the Zoning Resolution.

F. OFFERING PRICES AND RELATED INFORMATION, SCHEDULE A

221 West 77th Condominium

SCHEDULE A

Offering Prices and Related Information

All Projected Charges are for the Twelve Month Period

Commencing January 1, 2017 and Ending December 31, 2017 ("First Year")

Unit	Unit Description Number of Bedrooms & Baths, Etc.	Approximate Gross Square Footage of Unit	Approximate Square Footage of Balcony or Terrace(s)	Offering Price	Proportionate Share of Aggregated Common Interest	Percentage of Common Interest Including Retail Unit	Estimated Monthly/Annual Common Charges (First Year)		Estimated Monthly/Annual Real Estate Taxes (First Year)		Total Estimated Annual/Monthly Carrying Charges (First Year)	
(1)		(2)		(4)	(5)		(6)		(7)			
TH-W	5 BD / 5.5 BA	3,809	1285	$9,750,000	5.67%	5.52%	$4,128	$49,535	$5,326	$63,909	$9,454	$113,444
TH-E	4 BD / 4.5 BA	3,181	920	$8,350,000	4.68%	4.56%	$3,409	$40,909	$4,398	$52,779	$7,807	$93,688
3 South	3 BD / 3.5 BA	2,277	n/a	$5,850,000	3.13%	3.04%	$2,276	$27,309	$2,936	$35,233	$5,212	$62,541
4 West	4 BD / 4.5 BA	2,727	n/a	$6,350,000	3.74%	3.65%	$2,725	$32,706	$3,516	$42,196	$6,242	$74,901
4 East	3 BD / 3.5 BA	2,048	n/a	$4,775,000	2.81%	2.74%	$2,047	$24,562	$2,641	$31,689	$4,688	$56,251
5 West	4 BD / 4.5 BA	2,727	n/a	$6,450,000	3.74%	3.65%	$2,725	$32,706	$3,516	$42,196	$6,242	$74,901
5 East	3 BD / 3.5 BA	2,048	n/a	$4,850,000	2.81%	2.74%	$2,047	$24,562	$2,641	$31,689	$4,688	$56,251
6 West	4 BD / 4.5 BA	2,727	n/a	$6,550,000	3.74%	3.65%	$2,725	$32,706	$3,516	$42,196	$6,242	$74,901
6 East	3 BD / 3.5 BA	2,048	n/a	$4,925,000	2.81%	2.74%	$2,047	$24,562	$2,641	$31,689	$4,688	$56,251
7 West	5 BD / 5.5 BA	3,060	n/a	$7,950,000	4.20%	4.09%	$3,058	$36,699	$3,946	$47,348	$7,004	$84,048
7 East	2 BD / 2.5 BA	1,735	n/a	$4,000,000	2.38%	2.32%	$1,734	$20,808	$2,237	$26,846	$3,971	$47,654
8 West	5 BD / 5.5 BA	3,060	n/a	$8,075,000	4.20%	4.09%	$3,058	$36,699	$3,946	$47,348	$7,004	$84,048
8 East	2 BD / 2.5 BA	1,735	n/a	$4,050,000	2.38%	2.32%	$1,734	$20,808	$2,237	$26,846	$3,971	$47,654
9 West	5 BD / 5.5 BA	3,060	n/a	$8,200,000	4.20%	4.09%	$3,058	$36,699	$3,946	$47,348	$7,004	$84,048
9 East	2 BD / 2.5 BA	1,735	n/a	$4,100,000	2.38%	2.32%	$1,734	$20,808	$2,237	$26,846	$3,971	$47,654
10 West	4 BD / 4.5 BA	2,727	n/a	$7,050,000	3.74%	3.65%	$2,725	$32,706	$3,516	$42,196	$6,242	$74,901
10 East	3 BD / 3.5 BA	2,067	n/a	$5,250,000	2.84%	2.76%	$2,066	$24,790	$2,665	$31,983	$4,731	$56,773
11 West	4 BD / 4.5 BA	2,727	n/a	$7,150,000	3.74%	3.65%	$2,725	$32,706	$3,516	$42,196	$6,242	$74,901
11 East	3 BD / 3.5 BA	2,067	n/a	$5,325,000	2.84%	2.76%	$2,066	$24,790	$2,665	$31,983	$4,731	$56,773
12 West	4 BD / 4.5 BA	2,727	n/a	$7,250,000	3.74%	3.65%	$2,725	$32,706	$3,516	$42,196	$6,242	$74,901
12 East	3 BD / 3.5 BA	2,067	n/a	$5,400,000	2.84%	2.76%	$2,066	$24,790	$2,665	$31,983	$4,731	$56,773
Fourteenth	5 BD / 4.5 BA	3,493	1,303	$12,750,000	5.24%	5.11%	$3,817	$45,799	$4,924	$59,089	$8,741	$104,888
Fifteenth Floor	5 BD / 4.5 BA	3,396	110	$10,450,000	4.70%	4.58%	$3,422	$41,059	$4,414	$52,973	$7,836	$94,032
Sixteenth Floor	5 BD / 4.5 BA	3,300	110	$10,350,000	4.57%	4.45%	$3,326	$39,908	$4,291	$51,487	$7,616	$91,395
Seventeenth Floor	4 BD / 4.5 BA	2,948	378	$10,500,000	4.18%	4.07%	$3,041	$36,489	$3,923	$47,077	$6,964	$83,567
Penthouse	5 BD / 5.5 BA	6,005	1,344	$22,500,000	8.70%	8.48%	$6,337	$76,049	$8,176	$98,116	$14,514	$174,165
Totals Residential		**71,501**	**5,450**	**$198,200,000**	**100.00%**	**97.42%**	**$72,823**	**$873,871**	**$93,953**	**$1,127,437**	**$166,776**	**$2,001,308**
Commercial A		**1,894**	**N/A**	**Not Offered**	**100.00%**	**2.58%**	**$1,617**	**$19,409**	**$3,756.88**	**$45,083**	**$5,374**	**$64,492**
Totals		**73,395**	**5,450**		**N/A**	**100.00%**	**$74,440**	**$893,280**	**$97,710**	**$1,172,520**	**$172,150**	**$2,065,800**

BD - denotes Bedrooms

BA - denotes Bathrooms

221 West 77th Condominium

SCHEDULE A -1
Note (8)
OFFERING PRICES OF STORAGE BIN LICENSES AND
LICENCE FEE DURING THE FIRST YEAR OF CONDOMINIUM OPERATION
Commencing January 1, 2017 and Ending December 31, 2017 ("First Year")

	Storage Bin #	Floor	Approximate Gross Square Feet	Offering Price	Monthly License Fee
	1	Cellar	25	$25,000	$25
	2	Cellar	27	$25,000	$27
	3	Cellar	27	$25,000	$27
	4	Cellar	27	$25,000	$27
	5	Cellar	25	$25,000	$25
	6	Cellar	25	$25,000	$25
	7	Cellar	25	$25,000	$25
	8	Cellar	25	$25,000	$25
	9	Cellar	25	$25,000	$25
	10	Cellar	25	$25,000	$25
	11	Cellar	25	$25,000	$25
	12	Cellar	27	$25,000	$27
	13	Cellar	27	$25,000	$27
	14	Cellar	27	$25,000	$27
	15	Cellar	27	$25,000	$27
	16	Cellar	25	$25,000	$25
	17	Cellar	26	$25,000	$26
	18	Cellar	28	$25,000	$28
	19	Cellar	28	$25,000	$28
	20	Cellar	28	$25,000	$28
	21	Cellar	28	$25,000	$28
	22	Cellar	28	$25,000	$28
	23	Cellar	28	$25,000	$28
	24	Cellar	28	$25,000	$28
	25	Cellar	28	$25,000	$28
	26	Cellar	44	$50,000	$44
Totals	**26**		**708**	**$675,000**	**$708**

221 West 77th Condominium

SCHEDULE A -2

OFFERING PRICES OF PARKING SPACE LICENSES AND LICENCE FEE DURING THE FIRST YEAR OF CONDOMINIUM OPERATION
Commencing January 1, 2017 and Ending December 31, 2017 ("First Year")

	Parking Space #	Floor	Approximate Gross Square Feet	Offering Price	Monthly License Fee
	1	GROUND	160	$350,000	$200
	2	GROUND	160	$350,000	$200
	3	GROUND	160	$350,000	$200
	4	GROUND	160	$350,000	$200
	5	GROUND	160	$500,000	$200
	6	GROUND	160	$500,000	$200
	7	GROUND	160	$500,000	$200
	H	GROUND	234	$500,000	$200
Totals	**8**		**1,354**	**$3,400,000**	**$1,600**

Notes to Schedule A

1. Amounts are projected on the assumption that the first year of operation will be during the year from January 1, 2017 to December 31, 2017. The actual first year of Building operation may begin earlier or later than that year and is currently projected to commence on or before January 1, 2017. Plans depicting layouts of 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 in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York.

   The number of bedrooms and bathrooms for each Unit was determined by Sponsor's architect in accordance with industry practice for condominiums and does not necessarily conform to the zoning room count or the method used by the Real Estate Board of New York. The approximate indoor floor area of each Unit has been measured horizontally from the exterior side of the exterior walls (columns, shear walls, mechanical pipes, shafts, shaftways, chases, chaseways and conduits are not deducted from measurement of each Unit) to the centerline of the partitions separating one Unit from another Unit, or separating one Unit from corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Unit or to the exterior side of the opposite exterior walls. Outdoor floor areas of a balcony and/or terrace and /or stoop appurtenant to a Unit are not included in the Unit's floor area. Dimensions measured from exterior walls may not accurately represent the interior space in the Unit and may exaggerate such interior space by as much as five percent (5%). There is a rebuttable presumption that an area that is diminished by 5% or less is not material.

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, 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 exists), 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 Payment(s), together with all interest earned thereon. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. An increase in the size of a room or Unit will not on its own give rise to a right of rescission.

3. The approximate square foot area of each Unit, within reasonable tolerances, has been measured horizontally, on each of one or more floors, from the exterior face of the exterior Building walls, the Building line or Property line to the midpoint of an interior partition or continuous structural element separating one Unit from another Unit, public

corridor, stairs, elevators, mechanical equipment spaces or any other Common Element. Where the window wall is recessed between masonry piers, the area is measured horizontally from a Building line which is taken as a straight line from exterior face of pier to exterior face of pier, parallel to the Property line. Columns and mechanical pipes and shafts, (whether along the perimeter or within the Unit) were not deducted from the square foot area of the Unit. Outdoor floor areas of Terraces or other outdoor areas, if any, appurtenant to a Unit were not included in the Unit's approximate floor areas.

Each Unit is measured vertically 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 (above any suspended ceiling). Terraces are measured horizontally from the outside face of exterior wall to the outside face of parapet. Where two Terraces abut, the measurement is taken to the centerline of the divider screen. Storage Bins are measured from the outside of the wire mesh to outside of wire mesh, and where a Storage Bin abuts a wall, to the face of the demising wall.

The square foot areas determined using the methodology set forth above, as shown in Schedule A in Part I of the Plan, would be different from that derived by using an alternative methodology of measuring from interior surfaces to interior surfaces (which would yield significantly lesser actual useable floor area for each Unit). The stated method of measurement used is applicable to all Units. The room count for each Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York.

4. 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, which can only be used for initial closing costs incurred by the Condominium and repairs and replacements to the Common Elements. Purchasers are advised to consult with their attorneys as to the exact closing costs they will incur in purchasing their Units.

5. 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 change involves the inclusion, in the Unit, of areas formerly designated as Common Elements, or involves adding to the Common Elements, space that was previously incorporated in the Units, the Common Elements of all of the Units may change slightly. Any such 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.

6. 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 during the year from January 1, 2017 to December 31, 2017, and are based on such Condominium Budget Expert's estimate of the receipts and expenses of the Building for the projected year. The actual first year of Condominium operation may be earlier or later than such year and is currently anticipated to commence on January 1, 2017. 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 (25%) percent or more, Sponsor will offer all purchasers the right to rescind for a period of fifteen (15) days after the date of the presentation of the amendment setting forth the right to rescind.

7. The estimated monthly Common Charges for each Unit are based on the projected "Budget for First Year of Condominium Operation, Schedule B" prepared by Sponsor's Condominium Budget Expert. The estimated monthly Common Charges include the cost of central heating for the Units. In addition to these estimated payments, each Unit Owner will be responsible for real estate taxes for such Unit, mortgage payments under a loan or loans, if any, obtained to finance the purchase of the Unit, the cost of electricity supplied to the Unit which will be separately submetered and payable by the Unit Owner to the Board, the insurance which must be carried by each Unit Owner with respect to liability and casualty to the contents of the Unit and the cost of interior repairs and decorations to the 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 Building are Common Expenses which will be borne solely by the 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.

8. As discussed in the Section entitled "Available Services and Facilities" above, the full range of services and facilities described in this Plan may not be provided until move-ins are finished and Sponsor's construction work within and on the Building is completed. To the extent that any service or facility provided during such interim period benefits particular Units, to the exclusion of other Units, and the cost of the same is readily

identifiable, the Common Charges necessary to provide such service or facility will be borne exclusively by the owners of the benefited Units, in proportion to their respective Common Interests.

The amount of the Common Charges necessary to defray the cost of the interim services and facilities described in the preceding paragraph, as well as the manner of allocating such Common Charges among any Unit Owners who are exclusively benefited by any of the same, will be determined by the Board, which will be controlled by Sponsor during such period. However, such allocation will be made in compliance with Section 339-m of the New York State Real Property Law, and in no event will Purchasers be assessed Common Charges during such interim period that are more than the Common Charges listed in Schedule A as the same may theretofore have been amended.

As discussed below in the Section entitled "Control by Sponsor" and in the Special Risk entitled "Control by Sponsor; First Residential Meeting", Sponsor shall have the right, in its sole and absolute discretion, to cause the Board to waive the collection of some or all of the Common Charges from Unit Owners for a period of time prior to full occupancy of the Condominium (the "Waiver Period"); provided, however, that Sponsor shall be solely responsible for payment of all remaining expenses to operate the Residential Section during the Waiver Period (the "Operating Expenses"). In connection with the Waiver Period, (i) if the collection of Common Charges will be delayed, Sponsor shall file an amendment to the Plan prior to the First Closing indicating that the collection of Common Charges will not commence with the beginning of Condominium operations and the anticipated length of such Waiver Period; (ii) Sponsor shall file an amendment to the Plan disclosing the expiration of the Waiver Period at least 30 days prior to such expiration; (iii) that during any such Waiver Period, Sponsor will timely pay all expenses of the Condominium (which shall not include real estate taxes, whether the Units have been separately assessed or not), including but not limited to insurance premiums and any reserve fund payments required by lenders to the extent otherwise included in Schedule B – "Projected Budget for First Year of Condominium Operation"; (iv) upon the commencement of the collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium; and (v) Sponsor shall remain obligated to update the budget for the Condominium, as provided in the Condominium Documents. Sponsor, in its sole and absolute discretion, may upon 30 days prior written notice to Unit Owners terminate the Waiver Period.

9. It is estimated that the aggregate real estate taxes attributable to all Residential Unit Owners for the first year of Condominium operation will total approximately $1,127,437 and $45,083 for all Retail Unit Owners, based on an opinion prepared by Aaron Valuation, Inc., dated September 17, 2014 which assumes (a) an estimated taxable assessed valuation upon completion attributable to the residential Property of $8,554,800 and to the retail Property of $411,600 and (c) a projected residential tax rate of 13.113% for 2016/2017 and 13.245% for 2016/2017 and a projected commercial tax rate of 10.899% for 2016/2017 and 11.008% for 2017/2018 per $100 of assessed valuation. Purchasers should note that the real estate taxes for the first taxable year of Condominium operation (2016/2017) will likely be less than the taxes will be for the second tax year of Condominium operation (2017/2018 since the first year's tax estimate assumes the

property will be assessed as a fully completed structure. 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.

SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY WILL BE AS PROJECTED OR THAT THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL NOT BE CHANGED.

The estimate of the taxes for each Unit has been determined by multiplying the total taxes due with respect to the Units by a percentage derived by dividing the projected sales price of each Unit as set forth in the most recent amendment to the Plan by the total aggregate projected sales price of all Units. Please refer to the Section of the Plan entitled "Real Estate Taxes" and the opinions of Holland & Knight LLP and Aaron Valuation Group Inc. as set forth in Part I of the Plan for further discussion regarding real estate taxes for the residential portion of the Property.

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 Unit will be determined by multiplying the total taxes due with respect to the Units by a percentage derived by dividing the Common Interest of each Unit by the total Common Interests of all Units. 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 percentage interest in the Common Elements rather than Purchase Price, or some combination of the two, and if so, Units having the same percentage interest may pay different real estate taxes.

PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT A GUARANTEE OR WARRANTY (i) that the New York City tax assessor will allocate individual Unit assessments on the basis of each Unit's percentage interest in the Common Elements; (ii) that the taxable assessed value of the incomplete Property during the fiscal tax year 2016/2017 will be $ $8,554,800 for the residential portion and $411,600 for the retail portion; or (iii) that the residential tax rate will be 13.113% or the commercial tax rate will be 10.899% per $100 of assessed value.

See the Section entitled "Income Tax Deductions to 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 Unit.

No warranty, guarantee or assurance is given that:

(i) any projected or estimated amount set forth above (including, without limitation, the estimates of the Property's assessed valuations during the First Year of Condominium Operation, the estimates of the portions of such assessed valuations that will be allocable to the Units and the projection of the

average real estate tax rate that will be in effect during such First Year of Condominium Operation and the date of completion of construction of the Building) will approximate the actual amount;

(ii) the New York City Real Estate Tax Assessment Bureau will allocate the Property's aggregate assessed valuation between the Units in accordance with the proportionate Common Interests of the Units, or that such bureau will allocate the aggregate assessed valuation attributable to the Units among the different Units as described above; or

(iii) any of the projections or estimates made above and in Schedule A are accurate.

Until the Units are separately assessed, each Unit Owner will pay to the Board his or her Unit's pro rata share of the Property's real estate taxes for the period in question. This proration will be made by first allocating the Property's taxes among the Units on basis of proportionate Common Interest. The Board will pay such real estate taxes to the Department of Finance of The City of New York or directly to Sponsor if Sponsor has paid such real estate taxes. If any Unit Owner fails to pay his or her pro rata share as set forth above, the Board will be entitled to assess late charges and/or place a lien on such Unit as if such unpaid share were Common Charges. (See the Section entitled "Collection and Lien for Non-Payment of Common Charges" in Part I of the Plan for further discussion.)

Upon determination of individual tax lots and individual assessments for such Unit, the New York City tax authorities may allocate taxes among the Units on some other basis rather than its relative Common Interest, and, if so, Units having the same or similar Common Interest may pay different real estate taxes and/or taxes may differ from those set forth on Schedule A. 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 expert and, if so, Unit Owners may pay significantly different real estate taxes than those set forth on Schedule A.

There is no assurance that the proration of taxes described in the paragraph above will equal the actual amount or allocation of real estate taxes which will be assessed against the Units, and the actual amounts may vary considerably from the method set forth above.

In the opinion of Sponsor's Counsel, an individual Residential Unit Owner who is a resident of New York City for tax purposes and who itemizes his or her deductions generally will, under the income tax laws and regulations in effect as of the date of this Plan and subject to certain limitations and qualifications, be entitled to deduct from his or her Federal, New York State and New York City income, the state and local real property taxes assessed against his or her Residential Unit and paid by such Residential Unit Owner. However, the amount of such deductions may vary from year to year due to changes in the amount of the real estate taxes payable by the Residential Unit Owner (which might result from changes in the assessed valuation of the Residential Unit, in the

tax rate and/or in the manner of assessing real property). Prospective Purchasers should refer to the Sections entitled "Income Tax Deductions to Unit Owners and Tax Status of Condominium" and "Opinions of Counsel" below for further discussion.

10. THE PRICES FOR THE STORAGE BIN LICENSES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

Only Residential Unit Owners may hold Storage Bin Licenses. Holders of Storage Bin Licenses, excluding Sponsor with respect to unsold Storage Bin Licenses, will be required to pay a license fee to the Condominium in an amount equal to $1.00 per month per square foot of such Storage Bin, which amount shall, following the First Closing, be subject to biannual increases based upon the CPI Increase Factor in effect on the date of the First Closing. Further, the license fee is subject to change from time to time as the Board deems necessary in its discretion.

The Storage Bins may only be used for storage purposes, and in no event may the Storage Bins be used as dwelling spaces. No materials which pose a health or safety threat or which otherwise create a nuisance may be stored therein, and Storage Bins may not be used to store toxic, inflammable or combustible items as defined in the Building Code of the City of New York. Failure of a Unit Owner to comply with the use limitations set forth in the immediately preceding sentence may result in issuance by the Department of Buildings of a violation against the Building along with imposition of an associated fine. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any unlicensed Storage Bins for any purpose permitted by Legal Requirements (as hereinafter defined) or to change the permitted use of any unlicensed Storage Bins, subject, however, to the provisions of the Declaration.

Upon the issuance of a Storage Bin License to a Unit Owner, such Unit Owner may freely assign such License without the consent of the Board; provided such assignee is also a Unit Owner; and provided further that the Board is provided written notice of such assignment. Neither Sponsor nor the Board shall have any liability or obligation with respect to a private assignment of a Storage Bin License. If at any time the licensee of a Storage Bin sells its Unit, it shall simultaneously assign its license of the Storage Bin to another Residential Unit Owner (or the Purchaser of such Unit), and if it fails to do so, the Board shall have the right to terminate the license of the Storage Bin and take possession of the same, without compensation to the licensee. Upon the issuance of a Storage Bin License to a Unit Owner or the transfer of a Storage Bin License to an assignee, such Unit Owner or assignee, as the case may be, shall provide the Managing Agent with a copy of the Storage Bin License Agreement.

If a Unit Owner holding a Storage Bin License defaults in its obligations under the Storage Bin License Agreement or under the Condominium Documents, the Board may, in addition to the rights and remedies set forth in the Condominium Documents: (i) deny access to and use of the Storage Bin until such Unit Owner cures such default, or (ii) terminate the Storage Bin License Agreement upon written notice to the Unit Owner.

The form of the Storage Bin License Agreement to be used for licensing the use of such Storage Bins to individual Unit Owners is included in Part II of this Plan.

Sponsor shall offer the Storage Bin Licenses to Purchasers of Residential Units on a first-come, first-served basis until such time as all of the Storage Bin Licenses have been purchased. Sponsor reserves the right to limit the number of Storage Bin Licenses sold to any one Purchaser or to make bulk sales, as it as it determines in its sole discretion. Storage Bin Licenses will only be sold by Sponsor to Purchasers of Residential Units. Prospective Purchasers will be required to deliver a deposit in the amount of 15% of the purchase price of the Storage Bin License upon execution of an Agreement as set forth in the Storage Bin License rider to the form of Agreement included in Part II of this Plan. In the event the Storage Bin is not available for conveyance to a Purchaser at the closing of such Purchaser's Unit, all monies paid for the Storage Bin License must be held in escrow by Escrow Agent and may only be released to Sponsor in connection with the conveyance of the Storage Bin to Purchaser. (See the Sections entitled "Storage Bins" under "Description of Property and Improvements", "Changes in Prices, Residential Units and Storage Licenses," and "Procedure to Purchase" in Part I of the Plan for further information).

11. THE PRICES FOR THE PARKING SPACE LICENSES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

Only Residential Unit Owners may hold Parking Space Licenses. Holders of Parking Space Licenses, excluding Sponsor with respect to unsold Parking Space Licenses, will be required to pay a license fee to the Condominium in an amount equal to $200.00 per month per square foot of such Parking Space License, which amount shall, following the First Closing, be subject to biannual increases based upon the CPI Increase Factor in effect on the date of the First Closing. Further, the license fee is subject to change from time to time as the Board deems necessary in its discretion.

Sponsor reserves the right to re-designate the Residential Unit to which one or more Parking Space Licenses will be appurtenant; however in no event will there be a change in the designation of a Parking Space to a particular Residential Unit if such Residential Unit is then under contract and Purchaser is not in default (except by written agreement of the Purchaser), and in the event of a change in designation of Parking Spaces Sponsor will amend the Plan to reflect such change.

Holders of Parking Space Licenses, excluding Sponsor with respect to unlicensed Parking Spaces (including the Extra Parking Space) will be required to pay a license fee to the Condominium in an amount equal to $200 per month, which amount shall, following the First Closing, be subject to biannual increases based upon the CPI Increase Factor in effect on the date of the first closing. Further, the license fee is subject to change from time to time as the Board deems necessary.

Subject to the certificate of occupancy for the Building, the Parking Spaces may be used for parking generally, provided however that no property may be stored in a Parking

Space which (a) constitutes an inflammable, combustible, explosive or other dangerous item; (b) has an objectionable odor; or (c) is deemed by Sponsor or the Board, in its sole and absolute discretion, not to be in conformity with the aesthetics or general welfare of the Building. The Rules and Regulations of the Condominium which are applicable to a Unit and/or the Unit Owner shall also be applicable to the Parking Spaces.

Upon the issuance of a Parking Space License to a Unit Owner, such Unit Owner may freely assign such License without the consent of the Board; provided such assignee is also a Unit Owner; and provided further that the Board is provided written notice of such assignment. Neither Sponsor nor the Board shall have any liability or obligation with respect to a private assignment of a Parking Space License. If at any time the licensee of a Parking Space sells its Unit, it shall simultaneously assign its license of the Parking Space to another Residential Unit Owner (or the Purchaser of such Unit), and if it fails to do so, the Board shall have the right to terminate the license of the Parking Space and take possession of the same, without compensation to the licensee. Upon the issuance of a Parking Space License to a Unit Owner or the transfer of a Parking Space License to an assignee, such Unit Owner or assignee, as the case may be, shall provide the Managing Agent with a copy of the Parking Space License Agreement.

If a Unit Owner holding a Parking Space License defaults in its obligations under the Parking Space License Agreement or under the Condominium Documents, the Board may, in addition to the rights and remedies set forth in the Condominium Documents: (i) deny access to and use of the Parking Space until such Unit Owner cures such default, or (ii) terminate the Parking Space License Agreement upon written notice to the Unit Owner.

The form of the Parking Space License Agreement to be used for licensing the use of such Parking Spaces to individual Unit Owners is included as Exhibit 16 in Part II of this Plan

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

221 West 77th Condominium

Projected Budget for First Year of Condominium Operation

January 1, 2017 to December 31, 2017 (Note 1)

Estimated Income	Residential Units	Commercial Unit	Total
Common Charges (Note 2)	$ 870,055	$ 19,409	$ 889,464
Storage Area Income (Note 3a)	$ 7,992	$ -	$ 7,992
Parking License Income (Note 3b)	$ 19,200	$ -	$ 19,200
Bicycle Room Income (Note 3c)	$ 7,680	$ -	$ 7,680
Total income	$ 904,927	$ 19,409	$ 924,336
Expenses			
Payroll And Related Expenses (Note 4)	$ 305,811	N/A	$ 305,811
Gas Heat, Cooking & Hot Water (Note 5)	$ 22,650	N/A	$ 22,650
Electricity for Common Elements (Note 6)	$ 109,450	N/A	$ 109,450
Water Charges and Sewer Rent (Note 7)	$ 67,500	N/A	$ 67,500
Repairs, Maintenance & Supplies for Common Elements(Note 8)	$ 68,000	$ 8,924	$ 76,924
Service Proposals & Contracts (other than Elevator Maintenance (Note 9)	$ 120,600	$ 500	$ 121,100
Elevator Maintenance (Note 10)	$ 19,800	N/A	$ 19,800
Insurance (Note 11)	$ 30,000	$ 2,500	$ 32,500
Management Fee (Note 12)	$ 36,000	$ 6,000	$ 42,000
Administrative Expenses (Note 13)	$ 12,000	$ 1,000	$ 13,000
Contingency 2.5% Approximately (Note 14)	$ 22,623	$ 485	$ 23,108
Major Capital Improvement Replacement Reserve Fund (Note 15)	$ 90,493	N/A	$ 90,493
Total Expenses	$ 904,927	$ 19,409	$ 924,336

The Notes to Schedule B (below) are an integral part of this Schedule and should be read in conjunction herewith

NOTES TO SCHEDULE B

(1) The budget shall be based upon the twelve (12) month period commencing on January 1, 2017 and ending December 31, 2017. If the actual or anticipated date of commencement of the First Year of Condominium Operation is to be delayed more than six (6) months from the aforementioned budget year, then Sponsor will amend the Plan to include a revised budget disclosing current projections. If such amended projections exceed the original projections by twenty five percent (25%) or more, the Sponsor must offer all Purchasers the right to rescind and a reasonable period of time that is not less than fifteen (15) days after the date of presentation to exercise the right, whether or not Sponsor offers to guarantee the previous budget projection. Sponsor must return any deposit to Purchasers who rescind within the specified time period. Sponsor may not declare the Plan effective where there are any material changes to the budget if these changes have not been disclosed by a duly filed amendment to the Plan.

(2) Common Charges Residential Units/Retail Unit: $889,464

These amounts represent the total Common Charges to be levied against and collected from the Residential Units and the Retail Unit during the projected First Year of Condominium Operation. The Common Charges will be utilized by the Board of Managers to defray the operational expenses of the Condominium. Generally, Common Expenses have been allocated among the Units on the basis of percentage interest in the Common Elements. Where the allocation of Common Expenses is not based on percentage interest in the Common Elements or Common Expenses have been allocated only to certain categories of Units, such circumstances are set forth in the following notes. The Retail Unit Owner will be obligated to pay its fair share of the expenses that are incurred by the Board of Managers in furnishing those services, as well as operating, maintaining and repairing those Common Elements that are utilized by such Unit Owner. Except for certain limited services and Common Elements, which the Retail Unit Owner shares with the Unit Owners in general, the Retail Unit is being constructed, equipped and separately metered to operate as an independent Unit with a minimum of common expenses or operations with the remainder of the Units. Common Expenses to be borne by the Residential Unit Owners have been allocated on the basis of the combined percentage of percentage common interest in the Common Elements of such Units, for a total of 97.20% Common Expenses to be borne by the owner of the Retail Unit have been allocated on the basis of such Unit Owner's percentage interest in the Common Elements, for a total of 2.80%.

(3a) Storage Area Income: $7,992

This amount represents income that will be generated by licensing fees related to 25 storage bins. These bins will be licensed to Unit Owners at an initial rate of $1 per square foot per month.

(3b) Parking License Income: $19,200

This amount represents income that will be generated by licensing fees related to 8 parking spaces. These spaces will be licensed to Unit Owners at an initial rate of $200 per space per month.

(3c) Bicycle Room Income: $7,680

This amount represents income that will be generated by fees related to 32 bicycle storage racks. These storage racks will be assigned to Unit Owners at an initial rate of $20 per storage rack per month.

(4) Payroll and Related Expenses: $305,811

The payroll projection for the Building is based upon a proposal, dated March 3, 2014, from Royale Concierge, located at 388 Second Avenue New York NY 10010 ("Royale") to provide concierge/doorman services and janitorial and maintenance services. Royale Concierge provides staffing solutions to luxury properties.

Pursuant to Royale's proposal the following services will be provided at the quoted costs:

Concierge:

The lobby of the Building will be manned by one rotating doormen, to provide 24 hours per day coverage, seven (7) days per week. The doormen shall assist those arriving and departing and provide general concierge duties. The doormen will supervise all admissions to the lobby, as well as identify and announce all visitors to a specific Residential Unit.

SERVICE	# OF HOURS PER WEEK	MONTHLY COST	ANNUAL TOTAL with Sales Tax
Concierge	168	$13,212.00	$158,544.00

* Holiday rate is included, our six (6) holidays:
Memorial Day • Independence Day • Labor Day • Thanksgiving Day • Christmas Day • New Year's Day

NOTE: Our pricing incorporates the following: We will provide, professional screening , training, oversight/supervision and uniforms for all on-site personnel. All benefits will be provided by Royale.

Porter:

The duties of the non-resident Porter include cleaning the sidewalk in front of the entrances to the Building, including snow removal, cleaning the common hallways, stairs, elevator cab and common areas, as needed and putting out trash for collection.

The building will use services of one full time porter (40 hours a week) and part time porter (20 hours a week). Porters will be employed for a total of 60 hours per week , Monday through Friday.

SERVICE	# OF HOURS PER WEEK	MONTHLY COST	ANNUAL TOTAL with Sales Tax
Porter	60	$4,420.00	$56,512.36

* Holiday rate is included, our six (6) holidays:
Memorial Day • Independence Day • Labor Day • Thanksgiving Day • Christmas Day • New Year's Day

NOTE: Our pricing incorporates the following: We will provide, professional screening , training, oversight/supervision and uniforms for all on-site personnel. All benefits will be provided by Royale.

Visiting Manager/Super:

The duties of Resident Manager/Super include checking the daily operation of the common mechanical equipment in the Building and supervising the building porter.
Such level of staffing complies with all applicable housing and labor laws.

SERVICE	# OF HOURS PER WEEK	MONTHLY COST	ANNUAL COST	ANNUAL TOTAL with Sales Tax
Super	25	$2,925.00	$35,100.00	$38,215.13

* Holiday rate is included, our six (6) holidays:
Memorial Day • Independence Day • Labor Day • Thanksgiving Day • Christmas Day • New Year's Day

NOTE: Our pricing incorporates the following: We will provide, professional screening , training, oversight/supervision and uniforms for all on-site personnel. All benefits will be provided by Royale.

The total annual costs for the above described services are $265,922.
This includes labor, uniforms, holidays, one week paid vacation, two personal days, NYS sales tax and health benefits to be offered to all full-time associates if they choose to accept them.
Royale Concierge is not affiliated with the Sponsor.

The projected annual cost has been increased by 15% for inflation ($265,922 x 115% = $305,810).

(5) Gas Heating, Cooking and Hot Water: $ 22,650

Gas consumption for the Building, including any supplemental heat for the public corridors, domestic hot water in the Units and Common Elements, gas consumed for cooking, gas dryers and fireplaces in the Building and gas consumed in the Common Elements shall be provided by gas-fired, storage type domestic hot water heaters located in the cellar of the building. The cost of this gas consumption for such heat, hot water and

other uses shall be collectively metered by one or more meters. Gas service shall be provided by the Consolidated Edison Company of New York and shall be a Common Expense of all of the Unit Owners.

Total cost of gas consumption is based upon projections, dated September 12, 2014, made by Buro Happold Consulting Engineers P.C. The estimated amount for the First Year of Operation of the Condominium, including public spaces is based on the following:

ESTIMATED UTILITY COMMON COSTS (does not include sub metered components)

1. The estimated first year cost for gas consumption for domestic hot water: $5,361.16

2. The estimated first year cost for gas consumption for heating: $10,482.36

3. The estimated first year cost for gas consumption for cooking gas, fire places and dryers: $3,851.10

Estimated Total: $19,694.62 for the first year

Gas for heating, cooking and hot water will be supplied only to the Residential Units. Gas to heat the Retail Unit will be separately metered and billed directly to the Retail Unit.

It is impossible to predict whether the budgeted figure will reflect the actual cost of gas for the actual First Year of Condominium Operation. This cost will vary with both the level of consumption of gas and the rate charged by the utility company. The level of consumption of gas will be affected by the severity of the weather and any conservation measures (such as staggering the hours of heating and lowering the temperature of the heat and hot water, etc.) adopted by the Board of Managers. Any projection of future costs therefore is difficult.

The projected annual cost has been increased by 15% for inflation ($19,694.62 x 115% = $22,648.13, increased to $22,650 for projection purposes).

It is believed that the budgeted figure will be sufficient to cover any reasonable increase in the cost of gas during the projected first year of condominium operation. However, no budget item is warranted.

(6) Electricity for Common Elements: $ 109,450

The first year electricity projection includes the aggregate cost of electricity supplied to the Common Elements at the Property. Common site electric meters are for the elevator, lighting in public corridors and stairs, mechanical equipment and miscellaneous common electric power for the Building, including, but not limited to, the amenities of the Property, electricity consumed for heating and/or air-conditioning of the

Common Elements. Electrical Service shall be provided by the Consolidated Edison Company of New York. The cost of electricity for the Common Elements shall be a Common Expense of all of the Unit Owners and shall be paid by the Board of Managers. The cost of such electricity has been estimated as of September 12, 2014 by the office of Buro Happold Consulting Engineers P.C.

The projections contained herein are based on consumption estimates of 477,070 kilowatt hours per year and a current flat residential average rate of$0.20 per Kwh. The total estimated annual electricity cost for the Common Elements is $95,414. The projected annual cost has been increased by 15% for inflation ($95,414.18 x 115% = $109,726.30, adjusted to $109,450 for projection purposes).

Costs can vary considerably depending upon actual usage, personal habits and maintenance of equipment in efficient operation condition as well as thermostat settings. These figures are not intended to be guaranteed.

The amount set forth is the estimate for the electricity consumed only by the Common Elements. There will be one master Con Edison meter servicing the entire building, and each Residential Unit, the Retail and the Common Elements will be sub-metered.

The Retail Unit will be separately sub metered and billed by the Condominium.

(7) **Water Charges and Sewer Rent: $ 67,500**

All charges for water consumed in both the Units and in the Common Elements; together with all related sewer rents arising therefrom, shall be a Common Expense of all of the Unit Owners and shall be paid by the Board of Managers.

The cost of water consumption in the Units and in the Common Elements, together with all related sewer rents arising therefrom, has been estimated as of September 12, 2014 by Buro Happold Consulting Engineers P.C. The amount budgeted for the Residential Units and the Common Elements is based upon the following:

Total Annual Water & Sewage Usage for Residential Common areas:	$ 4,734.03
Total Annual Water & Sewage Use for Residential units:	$ 53,376.86
Total Annual projected for Water & Sewage:	$58,110.89

The projected annual cost has been increased by 15% for inflation ($58,110.89 x 115% = $66,827.52, increased to $67,500.00 for projection purposes).

The Retail Unit will be separately sub metered and billed by the Condominium.

(8) Repairs, Maintenance & Supplies: $ 76,924

The figure does not include maintenance, repairs and supplies within specific Units, which are the obligation of the Unit Owner, but is designated to cover the cost of maintaining the Common Elements only, i.e., interior repairs not within Units, exterior repairs, including walls, windows, doors and locks, and painting of common areas which have been designated as Common Elements. Each Residential Unit Owner will be responsible for the cost of interior maintenance, repairs, decoration and painting of their respective Units.

No provision has been made in this line item to cover the cost of any major capital expenditure. Although no such expenditure is expected because the Building is newly constructed, each Unit Owner will be obligated to pay his pro rata share of such additional expenditures in the event that any such expenditures are required, except as provided with respect to the "Reserve Fund" discussed in Note 15 of this Budget.

Repair and maintenance expenses have been allocated among all Units on the basis of their shared percentage interest in the Common Elements as it relates to each Unit's projected consumption of such items. However, it is expected that the Retail Unit will incur repair and maintenance costs related only to the General Common Elements of the Condominium for which they utilize, those expenses are estimated to be eleven percent (11%) of this expense category.

(9) Service Proposals & Contracts: $ 121,100

This estimate includes the cost of various services used in or for the Common Elements, including heating & cooling maintenance, sprinkler & fire protection, metal, extermination, Concierge services, exterior window cleaning, maintenance for Parking system and water treatment.

The following is a cost estimate for each prospective contract:

AC Maintenance / Heat pumps	$18,000.00
Fire Alarm	$5,000.00
Window Cleaning	$16,600.00
Boiler Maintenance	$5,000.00
Concierge Services	$40,000
Water Treatment	$15,000.00

Parking System Maintenance	$4,000.00
Exterminating	$3,000.00
Hot Water Mechanical Equipment	$14,500.00

No maintenance or service contracts have been entered into as of the date of the Plan. The budgeted amounts are based on estimates received from contractors and otherwise or the experience of Sponsor's budget expert, in operating similar buildings. While this Schedule B includes a reasonable allowance for possible increases in cost, which may occur prior to and during the First Year of Condominium Operation, no warranty is made that the actual cost for these or other services will be in accordance with this projection.

The Retail Unit will incur service contract and supply costs related only to the General Common Elements of the Condominium for which they utilize. It is expected that the only contract that the Retail Unit will utilize will be fire protection contract, the cost of which is estimated to be $500 for the First Year of Condominium Operation. The Retail Unit will also purchase their own supplies as required by the Unit. Accordingly, service contract and supply expenses have been allocated among all Units on the basis of percentage of Common Interest as it relates to each Unit's projected consumption of such items.

The Plan will be amended to disclose any maintenance agreements or contracts not otherwise described herein.

(10) Elevator Maintenance $ 19,800

The passenger elevators in the Building which service all of the Residential Units is a Common Element of the Building. Therefore, the cost of any repairs, maintenance and/or replacement of the passenger elevators shall be the responsibility of the Unit Owners as a Residential Common Expense.

The amount indicated below is an estimate made by the proposed Managing Agent for the Building, in the amount of $1,550.00 per month or $18,600 per annum, plus any applicable sales tax for the maintenance of the elevators at the Building. The amount estimated for such service does not include the cost of any required repair, if any.

The projected annual cost has been increased by 6.5% for inflation ($18,600 x 116.5% = $19,800).

(11) Insurance: $ 32,500

The following is recommended for the Condominium for the first year of Condominium Operation in a letter, dated January 27, 2014 , from A. Logan Insurance, having an office at 260 West 36th Street, 9th Floor, New York, New York 10018.

The following coverage for the First Year of Condominium Operation is proposed:

Building Property-All Risk/Agreed Amount/ Replacement Cost	$30,000,000 – All Risk
Boiler Coverage	$30,000,000
Business Income/Extra Expense including Maintenance	$ 500,000
Deductible - $10,000	
General Liability	$ 1,000,000 Per Occurrence
	$ 2,000,000 Aggregate
	$ 1,000,000 Personal & Advertising Injury
	$ 2,000,000 Products/Completed Operations
	$ 5,000 Medical Expense(Per Person)
	$ 1,000,000 Non Owned Hired Auto
Umbrella Liability	$10,000,000 Per Occurrence/Aggregate
Directors & Officers Liability	$ 1,000,000
Deductible - $2,500	
Crime- Employee Dishonesty Coverage	$ 100,000
Deductible - $1,000	
TOTAL PREMIUM:	**$ 32,500**

The projected annual cost for the above coverage is $32,500.00. The proposed coverage for the Property is quoted under a Package Policy on a Replacement Cost basis. The limits selected and set forth above would be payable in full, up to the policy limit in the event of a complete loss. The policy is written with no coinsurance. Therefore, in case of a partial loss, there would be no coinsurance factor used in adjusting the loss. However, the replacement cost quoted and the representation of non co-insurance is based upon the assumption that the quoted coverage should be adequate to repair or replace the Building if totally destroyed, using Marshall & Swift Publications as a guide, provided that there are approximately 88,647 square feet in the Building, above grade. Costs for Worker's Compensation coverage and New York State Disability are included in the cost

projection for Salaries, Including Payroll Taxes and Benefits. This quotation is an indication of insurance premiums at current market rates. Because conditions may change in the Insurance marketplace, based upon industry losses, catastrophes, economics, etc., it is not possible to predict what premiums will be for the First Year of Condominium operation. Purchasers should be aware of the possibility of rate increases. The above is for Illustration Purposes Only. There is NO COVERAGE BOUND AT THIS TIME. Coverages are subject to the terms and Conditions as set forth by the Insurance Company and at the time of the effectiveness of the coverages.

The Sponsor represents that it shall initially bind on behalf of the Condominium at the Condominium's expense, to be effective at the First Unit Closing, fire and casualty insurance in the amounts as set forth above. The policy will provide that each Unit Owner will be an additional insured and that there will be no cancelation without notice to the Board of Managers and the Unit Owners. In addition, the policy will contain a waiver of subrogation, a waiver because of the acts of the insured and Unit Owners and will waive a pro rata reduction if additional Unit Owners obtain coverage.

No coverage is provided for such risks as fire and casualty losses to the contents of each individual Unit, nor does the coverage take into account any future replacements or additions to either the Units or the fixtures and improvements contained therein. In addition, no liability coverage for an individual Unit Owner is included in the coverage provided above. Prospective purchasers should consult their attorney or insurance agent to determine the advisability of obtaining insurance for their own risk of liability and fire and casualty losses.

The Sponsor will deliver a fire and liability insurance binder or policy to the Board of Managers prior to or at the First Unit Closing. The cost for such binder or policy will be paid by the Board of Managers as a Common Expense.

(12) Management Fee: $ 42,000

Based upon a proposed management agreement with TNG Management LLC ("Managing Agent") commencing on the date of the First Unit Closing, at an annual fee of $42,000.00 and payable in twelve (12) equal monthly installments of $3,500.00. The management agreement, which is for an initial term of one (1) year, shall continue in force unless sooner terminated pursuant to its terms. A principal of the Managing Agent is also a principal of Sponsor as set forth hereinafter.

As the Managing Agent, TNG Management LLC will receive management fees and may also receive other commissions or fees for performance of services rendered to the Board of Managers and Unit Owners. In view of the relationship between a principal of the Management Agent and Sponsor, the interests of the Managing Agent in performing these services may conflict with the interests of the Board of Managers.

In the opinion of Sponsor, the cost of management as estimated for the First Year of Condominium Operation is within the range of prevailing market rates for such services. If the Condominium is required to obtain management services from another managing agent, or if TNG Management LLC, increases the

fee in the second year of condominium operation, the annual Common Expenses of the Condominium would increase. As a result, the individual Common Charges of the Units would increase based upon the percentage Common Interest of each Unit. Please consult the section of the Plan titled "Management Agreement and Other Contractual Arrangements" for a further discussion and details.

Management fee expenses have been primarily allocated to the Residential Units. Because of its limited use of management services, the Retail Unit will be charged an annual fee of $6,000 for management services during the First Year of Condominium Operation.

(13) Administrative Expenses: $ 13,000

Based on the following itemized projections:

Various Office Supplies, Telephone, Postage and Miscellaneous:	$	2,000.00
Legal Expense:	$	3,500.00
Accounting Expense:	$	4,000.00
Fees, Inspection, Permits and Filings:	$	3,500.00
	$	13,000.00

The estimate of Accounting Expenses is based upon a fee quotation of $4,000.00 provided by Paritz & Company, Certified Public Accountants, located at 15 Warren Street, Suite 25, Hackensack, New Jersey 07601.

The accounting services to be provided will consist of the preparation of the applicable federal, state and city income tax returns for the Condominium and preparation of year-end audit financial statements, which shall be certified if Sponsor is still in control of the Board.

The estimate of legal expenses is based upon 20 hours of consultation with an attorney to be retained by the. Board of Managers at an approximate rate of $250.00 per hour. Such consultation would include, but not be limited to, issues raised by the Board of Managers in connection with the operation of the Property. Since no separate counsel has been appointed by Sponsor for the Condominium and as it is expected that each Purchaser shall be represented by an attorney in connection with the purchase of a Unit, it is not anticipated that further legal expense shall be required by the Condominium during the first year of Condominium operation. However, in the event that legal services are required by the Condominium in excess of the first year estimate, then such services would be billed on an hourly rate or monthly retainer rate to be determined and negotiated by the Board of Managers with the attorney to be retained.
Legal fees were projected based on the Managing Agent's experience with similar buildings.

Legal and audit fees have been allocated among all Units on the basis of their shared percentage interest in the Common Elements.

(14) Reserve for Contingencies: $ 22,623

This amount is to cover possible increases in expenses not now foreseen and for expenses not now included in the budget. The budget may be modified from time to time prior to commencement of, or during, the First Year of Condominium Operation to increase items of expenses and decrease the contingency reserve.

The reserve has been allocated among all Units on the basis of their percentage interests in the Common Elements.

(15) Reserve Fund: $90,493

A reserve in the amount of $90,493 for each of the first two years of operation will be established. The Board of Managers shall prepare a reserve study after the second year of Condominium operation and will subsequently decide, based on that report, if the reserve shall continue to be funded.

The Reserve Fund is established in order to provide periodic maintenance, repair and replacement of the Common Elements as determined by the Condominium Board of Managers. The amount budgeted is approximately ten percent (10%) of the Total Expenses. Sponsor makes no representation that this Reserve Fund will be, or is intended to be, adequate or sufficient to cover periodic maintenance, repair and replacement expenses of the Common Elements for the first or any subsequent year of Condominium operation. If such improvements, periodic maintenance or repairs and/or replacement are needed within that time period it is anticipated that they will be funded from this Reserve Fund together with the other line item expenses as set forth in the budget. If additional funds are required over and above this Reserve Fund, it may be necessary to increase the Common Charges or institute a Special Assessment.

H. BUDGET FOR INDIVIDUAL ENERGY COSTS, SCHEDULE B-1

BUROHAPPOLD
ENGINEERING

D. ESTIMATED COST OF ELECTRICITY FOR INDIVIDUAL CONDOMINIUMS

SCHEDULE B-1: INDIVIDUAL CONDOMINIUM ELECTRICAL COSTS (RESIDENTIAL)

APT	NUMBER OF BEDROOMS	SQFT	LTG/POWER (kW)	ANNUAL LTG/PWR USAGE (kW-HRS)	ESTIMATED FCU LOAD (kW)	ANNUAL FCU USAGE (kW-HRS)	ESTIMATED W/C CONDENSING UNIT LOAD (kW)	ANNUAL W/C CONDENSING UNIT USAGE (kW-HRS)	TOTAL ANNUAL USAGE (kW-HRS)	ESTIMATED ANNUAL ELEC. COST ($)
2A (Duplex)	5	4979.0	12.5	19767	2	8760	5.5	12100	40627	$ 8,125.40
2B (Duplex)	4	4502.0	11.3	17869	2	8760	5	11000	37629	$ 7,525.80
4A	4	2724.0	6.9	10911	1.5	6570	3	6600	24081	$ 4,816.20
4B	3	2042.0	5.2	8223	1	4380	2.3	5060	17663	$ 3,532.60
5A	1	2724.0	2	3163	1.5	6570	3	6600	16333	$ 3,266.60
5B	3	2042.0	5.2	8223	1	4380	2.3	5060	17663	$ 3,532.60
6A	4	2724.0	6.9	10911	1.5	6570	3	6600	24081	$ 4,816.20
6B	3	2042.0	5.2	8223	1	4380	2.3	5060	17663	$ 3,532.60
7A	5	3068.0	7.7	12177	1.5	6570	3.4	7480	26227	$ 5,245.40
7B	2	1700.0	4.3	6800	1	4380	1.9	4180	15360	$ 3,072.00
8A	5	3068.0	7.7	12177	1.5	6570	3.4	7480	26227	$ 5,245.40
8B	2	1700.0	2	3163	1	4380	1.9	4180	11723	$ 2,344.60
9A	5	3068.0	7.7	12177	1.5	6570	3.4	7480	26227	$ 5,245.40
9B	2	1700.0	4.3	6800	1	4380	1.9	4180	15360	$ 3,072.00
10A	4	2724.0	6.9	10911	1.5	6570	3	6600	24081	$ 4,816.20
10B	3	2042.0	5.2	8223	1	4380	2.3	5060	17663	$ 3,532.60
11A	4	2724.0	6.9	10911	1.5	6570	3	6600	24081	$ 4,816.20
11B	3	2042.0	5.2	8223	1	4380	2.3	5060	17663	$ 3,532.60
12A	4	2427.0	6.1	9646	1.5	6570	2.7	5940	22156	$ 4,431.20
12B	3	2042.0	5.2	8223	1	4380	2.3	5060	17663	$ 3,532.60
13A	4	3482.0	0.8	13916	2	8760	3.9	8580	31256	$ 6,251.20
14A	4	3388.0	8.5	13442	2	8760	3.8	8360	30562	$ 6,112.40
15A	4	3294.0	8.3	13125	2	8760	3.7	8140	30025	$ 6,005.00
16A	4	2915.0	7.3	11544	2	8760	3.3	7260	27564	$ 5,512.80
17A (Duplex)	5	5830.0	14.6	23087	3	13140	6.5	14300	50327	$ 10,105.40

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

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

SANDBERG MANAGEMENT CORP.
346 SEVENTH AVENUE, 8TH FLOOR, NEW YORK, NY 10001 (212) 268-0494 FAX (212) 268-0997

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339(i)

September 4, 2014

New York State Department of Law
120 Broadway
New York, New York 10271
Attn: Real Estate Finance Bureau

221 West 77th Condominium
219-223 West 77th Street, New York, New York 10024

Gentlemen:

Sandberg Management Corp. is a licensed real estate brokerage firm in the State of New York. Our firm is in the real estate management business for a period in excess of eighteen (18) years. We currently manage and in the past have managed residential brownstone and conventional elevator and non-elevator apartment buildings which are operated in the cooperative or condominium form of ownership, many of which contain commercial property. The undersigned has no beneficial interest in Sponsor or the profitability of the subject project.

The undersigned has reviewed the allocation of common interests as shown on the Schedule A to be included in the Condominium described in the offering plan for the subject project.

The common interests among the Units have been allocated to each based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit, in accordance with Section 339-i(1)(iv) of the New York State Real Property Law. This allocation utilizes measurements and calculations of net square footage made by Goldstein Hill & West Architects LLP, Sponsor's Architect.

Very truly yours,

SANDBERG MANAGEMENT CORP.

By: _____
Name: Louis Sandberg
Title: President

Sworn to before me this
4 day of September, 2014
Yekaterina Shterenberg
YEKATERINA SHTERENBERG
Notary Public, State of New York
No. 01SH6242719
Qualified in Kings County
Commission Expires 06/06/2017

J. COMMERCIAL UNIT

Subject to certain restrictions set forth in Section 6.14.2 of the By-Laws, the Commercial Unit (not offered hereby) may be used for any lawful purpose, including, without limitation, for retail, restaurant, banking, commercial, office, storage, garage and utility purposes. Notwithstanding the foregoing, the following uses are prohibited pursuant to Section 6 of the By-Laws: pornography store, massage parlor, drug treatment facility or homeless shelter, so-called "discount" or "99 cent" store, a video arcade, betting parlor or other gambling related establishment, a nightclub, cabaret or any use involving continuous live or recorded music, entertainment and/or dancing, or a "fast food" style restaurant (e.g., without table service). The Condominium Board will have no right to restrict or limit any of the uses of, or alterations in or to, the Commercial Unit (including the storefronts thereof) which are permitted by law and applicable zoning ordinances, except as otherwise set forth in the By-Laws and Declaration. It is currently anticipated that the Commercial Unit will initially be used for retail purposes (and ancillary uses), although no representation or warranty is made with respect to such initial or any subsequent uses of such Commercial Unit or with respect to who the owner or tenant(s) of the Commercial Unit may be at any time.

No unlawful use may be made of the Property or any portion thereof and all valid Legal Requirements relating to any portion of the Property shall be complied with at the sole cost and expense of the applicable Unit Owner or the applicable Board, whichever party has the obligation to maintain or repair such part of the Property, as set forth in the Declaration or the By-Laws.

The Commercial Unit Owner will be obligated to pay its share of the expenses that are incurred by the Condominium Board in furnishing services, and operating, maintaining and repairing Common Elements, only to the extent the same are utilized by or benefit such Commercial Unit Owner. As more fully set forth in the "Notes to Schedule B" above, each of the Commercial Unit Owner will therefore pay only allocated percentages of only certain expenses, which percentages may be less (or more) than their Common Interest. The allocated percentages represent a projection of the proportionate usage of the services and facilities in question by the Commercial Unit Owner, as estimated by Sandberg Management Corp., an independent expert retained by Sponsor. It is the opinion of Sandberg Management Corp., as more fully set forth in the Certification of Sponsor's Budget Expert in Exhibit 12 in Part II, that the aforementioned Common Charges payable by the Commercial Unit Owner are sufficient to cover the expenses fairly attributable to such Unit Owner's Commercial Unit.

The allocations between the Residential Units and the Commercial Unit set forth in Schedule B and the footnotes thereto are deemed presumptive evidence of reasonableness. The Condominium Board may not modify these allocations without the consent of the Commercial Unit Owner.

To the extent permitted by law, and subject to certain restrictions set forth in the Declaration and By-Laws, the Commercial Unit Owner will have the right with regard to its Unit, without the vote or consent of the Condominium Board, or any other party, to mortgage or otherwise hypothecate its Unit, to decorate or make alterations, additions or improvements to its Unit (except that alterations, additions or improvements which would either in the course of

performance or upon completion have a material adverse effect on the structural, mechanical, electrical or plumbing elements of the Building or would increase insurance premiums or maintenance costs for any other Unit or the Common Elements, shall be subject to the approval, not to be unreasonably withheld, of the Condominium Board), to change the size of its Unit by subdividing it into any desired number of condominium units (or by combining any units resulting from such subdivision), and to reapportion among the newly created condominium units resulting from any subdivision (or combination) their appurtenant Common Interests, provided that any such changes are in compliance with Article 9-B, Section 339 of the New York Condominium Act. As more particularly provided in the Declaration, the Commercial Unit Owner will have the right with regard to its Unit to amend the Declaration in order to reflect such changes, or to cause the Condominium Board to do so. If the Commercial Unit is subdivided or combined, the owner of each Unit resulting from a subdivision or combination will generally have all of the rights (without the consent of the Condominium Board or other Unit Owners), set forth above in this paragraph, described as pertaining to the Unit Owner of the original Unit or Units in question.

Subject and subordinate to Sponsor's rights with respect to the roof of the Building, the owner of the Commercial Unit and/or its designee (and their respective successors and assigns) shall have an easement to erect, use, lease, license, 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 (which is otherwise a Common Element) that is not occupied by any Building installations, without the consent of, or charge by, the Condominium Board or any other Unit Owners.

The owner of the Commercial Unit shall have the right to create additional Commercial Units consisting of portions of the Commercial Unit, each of which may have the rights and easements of the Commercial Unit, including an appurtenant easement to use a portion of the Commercial Unit's platform and other facilities on the roof of the Building, upon which such additional Commercial Unit Owner (or its tenant or licensee) may erect, use, lease, license, maintain, repair, replace and operate antennae, satellite dishes and other telecommunications equipment. If such additional Commercial Units are created, the percentage interest in the Common Elements allocated to the Commercial Unit, together with all such additional Commercial Units, and the percentage interests of all other Units, will remain unchanged. Any obligations and rights of the landlord under any such lease or any other similar lease hereafter entered into by such Commercial Unit Owner(s) shall be the obligations and rights, respectively, solely of such Commercial Unit Owner(s) and not of the Condominium or any other Unit Owner. The Residential 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. The Plan will be amended to disclose any such changes in or to the Commercial Unit. Sponsor is currently the owner of the Commercial Unit.

All normal maintenance and repairs of the roof of the Building will be made by the Condominium Board and chargeable to all Unit Owners as a Common Expense; except that if the holders of the aforementioned easement utilizes the roof of the Building pursuant to such easement, then such party/ies will be responsible for the normal maintenance and repair of the portion of the roof(s) it utilizes. Capital repairs and replacements to such roofs, other than

normal maintenance and repairs, will be charged to all Unit Owners as a Common Expense except to the extent such costs are attributable to the use of areas utilized pursuant to the above-described easements or are necessitated by the exercise of such easements, in which case the holders of such easement shall be responsible for such costs.

K. CHANGES IN PRICES AND UNITS

Purchase Prices for all Offered Units or Storage Bin Licenses are negotiable and Sponsor reserves the right, at any time and from time to time before and after the recording of the Declaration, without giving prior notice (except as otherwise provided herein) and without the consent of the 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. The offering prices set forth in Schedule A may be changed by a duly filed amendment to the Plan when the change in price is an across-the-board increase or decrease affecting one (1) or more lines of Units, or is to be advertised, or is a price increase for an individual 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 amount 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 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 Units, or to meet particular requirements of prospective purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Board, Unit Owner or mortgagee, to (a) change the layout of, or number of rooms in, any Unsold Unit, (b) change the size and/or number of Unsold Units by dividing one or more such Units into two or more separate Unsold Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering any boundary walls between one or more Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Unit into such Unsold Unit, (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 Units affected by any such

change, their aggregate Common Interests. In the event of any change pursuant to any of (a) - (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 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 Unit. The Common Interest of a Unit may change if there is a change in the floor space or the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. No material change will be made in the size or number of Units and/or their respective percentages of Common Interest, and 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.

Once the Declaration is recorded, no change may be made in the number of Units or number of rooms within a Unit, nor may the size of any Unit be changed by subdivision or combination or alteration of boundary walls as aforesaid or otherwise, nor may the Common Interest of any Unit be changed, unless, in each such event, the Declaration and Floor Plans and this Plan are amended with the consent of each Unit Owner whose Unit is so changed. Sponsor will have the right to amend or to cause the Board to amend the Declaration to reflect any such change and to file such amendment and any necessary plans and specifications in connection therewith.

It should be noted that as long as the layout and dimensions of a Unit are not insubstantially or materially different than 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.

Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the Purchase Price for his or her Unit or otherwise be relieved of any obligations under the Agreement, by virtue of a minor inaccuracy or error in the Floor Plans. With regard to size, such minor error would mean a decrease of 5% or less or any increase in the size of any Unit or room contained in a Unit. There is a rebuttable presumption that a Unit size that is diminished by 5% or less is not material.

No Purchaser will have the right to alter or modify any Storage Bin without the consent of the Condominium Board, which may be granted or withheld in its sole and absolute discretion.

Sponsor shall have the same rights with respect to changes in Storage Bins and the prices therefor as set forth above for Unsold Residential Units, with respect to the Storage Bin Licenses offered under this Plan.

L. INTERIM LEASES

Sponsor will endeavor in good faith to sell, but nevertheless reserves the unconditional right, prior to the date of closing title to a Unit, to rent or lease, rather than sell, such Unit to Purchasers and others. As a result, a Purchaser of a Unit may be acquiring a 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. In addition, because Sponsor reserves the unconditional right to rent or lease Units, there is no commitment to sell more Units than the fifteen percent (15%) of such Units necessary to declare the Plan effective and, accordingly, Unit Owners may never gain effective control and management of the Condominium and/or Building, and the First Annual Residential 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.) However, once an Agreement for a 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 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 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 rent 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 Payment will be returned subject to the terms of the Plan and the interim lease made with such Purchaser's 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 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.

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 losses 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 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.

Until such time as the Construction Loan is satisfied, all interim leases will be subject to the Construction Lender's approval, which approval may be conditioned or withheld in Construction Lender's sole discretion. All interim leases must contain a provision noting that the interim lease is subordinate to the Construction Loan.

M. 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 Part II of the Plan.

If a Purchaser has not received the Plan at least three (3) full business days prior to executing an Agreement, then 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.

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 Initial Payment. Sponsor will have thirty (30) days after delivery by Purchaser of an executed Agreement and the Initial 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 Initial Payment thereunder, without interest, shall be promptly returned to the prospective Purchaser. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without prior notice or prior amendment to the Plan and without the consent of the 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 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 an initial payment in an amount equal to at least 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 five percent (5%) of the Purchase Price (the "Additional Payment and the Initial Payment and the Additional Payment collectively the "Payment"). In the event the Purchaser defaults, the Sponsor shall have the right to retain the Payment. Agreements entered into after the construction of the building has been completed and the temporary certificate of occupancy issued, shall not require an Additional Payment. Alternatively, these Agreements will require an Initial Payment that is at least 10% of the Purchase Price and a Closing Date that is either (i)

sixty (60) days after the execution of the Agreement or (ii) thirty (30) days after a written notice of the time and place of the Closing is sent to the Purchaser. All Payment checks must be made payable to the direct order of "Holland & Knight LLP, Escrow Agent". All checks delivered in payment of the 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 such special work must initially be placed in the Escrow Account. 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, if Sponsor abandons the Plan, all such funds received by Sponsor for special work will be returned to Purchasers. 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 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 Payment will be credited or paid to Purchaser at Closing.

TIME IS OF THE ESSENCE TO PURCHASER 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 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 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 Units for which Agreements have been executed by serving notice upon each Purchaser 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 0.04% of the Purchase Price of his Unit for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date.

If 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 Agreements. In the event of a such a default, Sponsor may, at its option, cancel each such Agreements and retain, as liquidated damages, all Payment(s) made by Purchaser, together with any interest earned thereon, if any, under each of such Agreement(s).

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

It is anticipated that the First Closing will occur on or before January 1, 2017. In the event the projected commencement date of Condominium operation is later than December 31, 2017 anticipated date of the First Closing, Sponsor will offer all Purchasers the right to rescind their Agreements and have their Payment refunded to them. In the event that the projected 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 (25%) percent or more, Sponsor will offer all Purchasers the right to rescind their

Agreements and have their Payment refunded to them. Any Purchaser electing rescission will have their Payment 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 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 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 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 Board and Sponsor substantially in the form set forth in Part II of the Plan.

If the Plan is withdrawn or abandoned, the 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 or her 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.

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 prior to Closing, at which time any risk not covered by insurance shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of an 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 Board and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of an 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 Condominium Board"), 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 Section 12 of the Agreement, which must be executed by the Escrow Agent.

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

All Payment 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 Payment 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 10019 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 Bank of America (the "Bank") at its branch located at 1 Bryant Park, New York, New York 10036, entitled "Holland & Knight LLP - 221 West 77 Condominium, Escrow Account" or similar name (the "Master Escrow Account"). All Payment 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 Initial Payment and the Agreement. If an Initial Payment is accompanied by a completed and signed Form W-9 or Form W-8, the Initial 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 Payment transferred to an individual interest bearing sub-escrow savings account shall be the prevailing rate for such accounts, which as of October 1, 2014 is approximately .20%. Interest shall begin to accrue upon placing the Initial 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 Initial Payment along with any Additional 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 Payment is released, the 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 deposit insurance to a maximum of $250,000 per individual Payment. The following are special risks of this offer: (i) if a Purchaser makes a Payment in excess of $250,000 for the purchase of a unit, such Payment will not be federally insured in excess of $250,000; and (ii) while the Payment is in the non-interest bearing checking portion of the Master Escrow Account, the Payment may not be fully federally insured even if the Payment does not exceed $250,000. In addition, if Purchaser makes a 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 Initial 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 Initial Payment shall be deemed tendered by Purchaser on the date it is actually received by Sponsor or Selling Agent.

Acceptance of the Initial Payment by Sponsor or Selling Agent and deposit of the Initial 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 Initial Payment without an executed Agreement, Sponsor shall have the right to reject the Initial Payment and return it to Purchaser:

(i) within five (5) business days after tender, if the Initial Payment has not been Initial Payment into escrow, and (ii) at any time, if the Initial Payment has been Initial Payment 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 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 d within: (i) one (1) business day, if the Initial Payment is cash or cash equivalent, or (ii) three (3) business days, if the Initial Payment is other than cash or cash equivalent, of the transfer of the Initial 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 Initial Payment, the Escrow Agent shall sign the Agreement and place the Initial Payment into the Master Escrow Account. Within ten (10) business days after Initial Payment of the first portion of the Initial 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 Initial Payment is placed in the Master Escrow Account. If Purchaser does not receive notice of such Initial Payment within fifteen (15) business days after tender of the first portion of the Initial 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 Initial 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 Initial Payment was timely deposited in the Master Escrow Account in accordance with the New York State Department of Law's regulations concerning Initial Payment and requisite notice was timely mailed to Purchaser.

Release of Funds

All Payment, 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 Initial Payment 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.

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

(i) pursuant to terms and conditions set forth in the Agreement in Paragraph 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 Payment pursuant to paragraphs (i) through (iii) above, and the Escrow Agent receives a request by either party to release the 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 Payment. If the Escrow Agent has not received notice of objection to the release of the Payment prior to the expiration of the thirty (30) day period, the 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 Payment within said thirty (30) day period, the Escrow Agent shall continue to hold the 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 Payment the 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 Payment.

Sponsor will not object to the release of the 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 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 Payment or any other dispute between Sponsor and a Purchaser whether or not Escrow Agent is in possession of the 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 Payment nor deducted from the 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 Units or to do special work or provide extras to the 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 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. 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, waiver this thirty (30) day notice. At Closing, such Purchaser shall pay the balance of the purchase price stated in the purchase agreement by unendorsed, personal certified check or by official cashier check.

Purchasers should also note that even if the First Closing occurs on or before January 1, 2017 (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 Unit(s) for some period of time after signing their respective Agreement and after the First Closing. In such a case, provided that 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.**

4. **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 Payment 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 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 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 Payment, 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 Payment (or any interest thereon). The payment of the 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.

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 0.04% per day (or such lower daily rate which is the legal limit, if 0.04% 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.

5. Prohibition Against Advertising, Selling or Leasing

Prior to (a) one (1) year after a Purchaser's closing on its Unit, a Purchaser will not be permitted to sell his or her Unit(s) without obtaining the Sponsor's written approval, and (b) a Purchaser's closing of a Unit, the Purchaser may not (i) list the Unit for resale with any broker or otherwise, or (ii) advertise, promote or publicize the availability of his or her 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.

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 Board. 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 losses not covered by insurance. Subject to the foregoing, if a 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 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 Payment, 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 Payment, together with interest earned thereon.

7. 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.

8. 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, a share of the Resident Manager's Unit cost and transfer taxes, payable by purchasers, and payment by Purchaser of Sponsor's attorney, 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.

9. Unit Owner Power of Attorney

At the Closing and simultaneously with the delivery to Purchaser of the deed conveying the Unit, Purchaser shall execute and acknowledge the Unit Owner Power of Attorney substantially in the form set forth in Part II of the Plan as Exhibit 4 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 Development Rights.

10. 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.

N. 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 $1,000 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.

O. EFFECTIVE DATE

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 including investors for at least 15% 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 20 Units or eighty (80%) percent 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 (15%) percent of the Units being offered for sale under the Plan, which is 4 Units.

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 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) by duly filed amendment to this Plan. The closing of title with respect to any Unit shall in no event take place prior to the acceptance for filing of such amendment to this Plan.

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 half of one percent of the total offering amount; (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 half of one percent of the total offering amount; 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 a duly filed amendment and all Payment, 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 Payment, 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.

P. TERMS OF SALE

1. Preconditions 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 Counsel, 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, unless such notice is waived by Purchaser, 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 Board of the right to proceed under any existing assignable warranties covering appliances, equipment or fixtures installed in the Common Elements, or Limited Common Elements, as the case may be. (Purchasers should be aware that warranties vary in length, depending partly on when the appliances, equipment and fixtures covered by such warranties are first installed. 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;

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 or her 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 or her 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, Purchaser shall not have the right to reject title or receive a credit against or an abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. If Sponsor notifies Purchaser that it does not elect to repair or restore the Unit, the Agreement shall be deemed canceled and Sponsor shall return to Purchaser all sums deposited by Purchaser under the Agreement, together with interest earned thereon, if any, 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 permanent certificate of occupancy for the entire Building.

All personal property located within a Unit as of the date the Agreement is executed or located within the Common Elements on the date the Declaration is filed, is not included in the conveyance, unless the Agreement or the Declaration, as the case may be, specifically includes it.

There is no construction financing currently in place. If there is a construction loan on the Building which 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. 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, 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 described herein which is not specifically designated by the Purchaser on the inspection statement. A Purchaser shall provide written notice that such Purchaser wishes to inspect the Unit pursuant to this Paragraph at least ten (10) days prior to Closing and Sponsor shall respond prior to Closing. A Purchaser who fails to inspect such Unit prior to the Closing shall be deemed to have accepted the Unit in good condition and in accordance with the terms of the Plan.

3. **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, partial or total death of any trees, shrubs, bushes or other landscape improvements, 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, cracks in any concrete roof pavers, or concrete cracks which do not impair the structural soundness of the Building, (iv) variations in any floor levels, (v) ceiling imperfections, (vi) minor painting defects, (vii) alignment of bathroom finishes, (viii) air infiltration from windows, (ix) normal plumbing system, heating system and air conditioning system noises, (x) normal floor noises and creaking, (xi) 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, which also may result in the warping of the floors (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. Prior to Closing, but in no event thereafter, 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. 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.

4. **Tax-Deferred Exchanges**

Sponsor makes no representation or warranty as to whether a Unit will qualify 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 obligations 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.

5. **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 losses 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 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 Payment, 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 Payment, together with interest earned thereon.

Q. CLOSING COSTS AND ADJUSTMENTS

1. 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 Unit. Recording charges, fees and taxes are based on rates in effect on the date the Plan was prepared 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. If Purchaser elects to obtain fee title insurance from First American Title Insurance Company, having an office at 633 Third Avenue, Suite 1200, New York, New York 10019, Tel: (212) 376-0900 (the "Title Insurance Company"), the current rates appear below.

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

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

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

FEE AMOUNT	PREMIUM
First $35,000 or less	$402.00
From $35,001 to $50,000	$6.67 per Thousand
From $50,001 to $100,000	$5.43 per Thousand
From $100,001 to $500,000	$4.36 per Thousand
From $500,001 to $1,000,000	$3.98 per Thousand
From $1,000,001 to $5,000,000	$3.66 per Thousand
From $5,000,001 to $10,000,000	$3.25 per Thousand

(c) Mortgage Title insurance rates are outlined on the schedule below.

MORTGAGE RATE SCHEDULE

FEE AMOUNT	PREMIUM
First $35,000 or less	$344.00
From $35,001 to $50,000	$5.55 per Thousand
From $50,001 to $100,000	$4.54 per Thousand
From $100,001 to $500,000	$3.64 per Thousand
From $500,001 to $1,000,000	$3.31 per Thousand
From $1,000,001 to $5,000,000	$3.05 per Thousand
From $5,000,001 to $10,000,000	$2.71 per Thousand

Note: If a purchaser elects to simultaneously obtain both fee title insurance and mortgage title insurance from the Title Insurance Company, the premium for the mortgage title insurance will be at a 8% simultaneous bulk rate up to the amount of the owner's policy.

(d) A fee for recording the Unit Deed and Unit Power of Attorney. The Title Insurance Company charges $42.00 as a base recording charge plus $5 per page plus $40.00 document service charge and charges a mortgage recording fee (if applicable) at a rate of $42.00 per instrument plus $5 per page and a $40.00 document service charge. Each title company establishes its own additional service fees and surcharges in this regard;

(e) 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);

(f) 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 Real Estate Transfer Tax ("NYS Tax"), which is 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 the sum of (iii) by the RPT Tax rate to determine the RPT Tax payable.

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

Example:

Purchase Price = $4,000,000.00

(1) $4,000,000.00 x 1.425% = $57,000.00

(2) $4,000,000.00 x .4% = $16,000.00

(3) $4,000,000.00 + $28,287.50 = $4,073,000.00 ("Adjusted Purchase Price")

(4) $4,073,000.00 x 1.425% = $58,040.25

(5) ($4,073,000.00/$500.00) x $2.00 = $16,292.00
(rounded up to nearest $500)

(6) $4,073,000.00 x 1% = $40,730.00 (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.

(g) 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 (1%) percent 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 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.

(h) The legal fees of Sponsor's Counsel 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 Counsel, 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 Counsel, 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 Counsel 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 Counsel an additional fee of $1,000 for each adjournment to help defray the cost of preparing for and coordinating the new closing, (vi) $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, and, (ix) 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. 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.

(i) 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 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.

(j) 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 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 (e) 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 deposits monthly with the lender one-twelfth (1/12) of the estimated annual real estate taxes and tax assessments which are assessed or are 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 October, 2014 and assuming the Purchase Price is $4,000,000 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 6 pages + 1 cover page) at a rate of $42 for each instrument plus $5 per page plus a recording charge for the RP587 NYC form.	$ 289.00
(2) Title insurer's service charge and recording fee to record the Unit deed and Unit Owner's Power of Attorney	$ 80.00 (estimated & approximate)
(3) New York State transfer tax (also called the documentary stamps) at the rate equal to the Adjusted Purchase Price (see Example above) x .4% (rounded up to the nearest $500)	$ 16,000.00
(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	$ 58,040.25
(5) "Mansion Tax" of 1% of the Adjusted Purchase Price (if the Adjusted Purchase Price is $1,000,000 or more)	$ 40,730.00
Total projected mandatory Closing costs:	$ 115,139.25* (estimated & approximate)

* Note: This figure does not include the required Working Capital Fund payment equal to two (2) month's projected Common Charges or the legal fee due Sponsor's Counsel. In addition, governmental recording fees may vary from time to time. Additional 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 $3,200,000.00) 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 October, 2014 (all amounts are approximate):

(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 $30 and minus .25% payable by the mortgage lender before deducting the statutory credit against the mortgage tax credit payable to Sponsor.	$ 61,570.00
(2) Mortgage recording fee (assuming 20 pages, including 1 cover page) at the rate of $42 per instrument, $5 per page, and a $40 service fee to title company.	$ 182.00
(3) Municipal charge to record the mortgage tax credit affidavit.	$ 25.00
(4) Premium for simultaneous fee ($15,488.00) and mortgage ($3,143.00) title insurance	$ 18,631.00
(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)	$ 33,270.00
(6) Allowance for title closer gratuity and contingencies.	$ 250.00
Total projected elective closing costs:	$ 113,928.00* (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 Counsel in the event the Purchaser's lender or its counsel refuses to close at the office of Sponsor's Counsel or (c) a fee to any attorney Purchaser may engage.

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 Counsel, 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 the Unit Owners will pay a pro rata share (in the proportion that such Units' Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes with respect to the Property to the 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 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 Board and/or 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 0.04% 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.")

R. 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. 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 or design; 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 materially 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.

There is a rebuttable presumption that an area that is diminished by 5% or less is not material. 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 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 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(s) of their 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 Units' other improvements or Common Elements if such changes affect the percentage of Common Interests or materially 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 permanent certificate of occupancy for the entire Building of the Building shall be deemed presumptive evidence that the construction of such portion of the Building and its appurtenances and all of the Units have been substantially completed in accordance with this Plan and the Plans and Specifications.

Sponsor or its representatives will correct, repair or replace all defects in the construction of the Building of the Building and its appurtenances and the 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, 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 Board or the affected Unit Owner in writing of such defect: (i) as to the Common Elements, within six (6) months from the earlier of the issuance of a temporary certificate of occupancy for the portion of the Building subject to such defect or the date of substantial completion of the portion(s) of the Common Elements which is claimed to be defective; or (ii) as to any 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 six (6) months from the earlier of the closing of title to such Unit or the commencement date of an interim lease for such Unit. However, 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 Board, the 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 or total 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, 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 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, air infiltration from windows, any consequential damage resulting from settling (including, without limitation, concrete or drywall cracks which do not impair the structural soundness of the Building), normal plumbing, heating and air conditioning noises, or 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), 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 this 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 this Plan or (ii) variations from the Plans and Specifications or the description of any portion of the Building or a Unit set forth in this 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 Building which is material will be disclosed in a duly filed amendment to this Plan.

Inspection Statement

Each Unit and the fixtures and personal property contained therein, are being sold and delivered as described in this Plan, at the time of transfer of title to such Unit, unless Sponsor and the Purchaser of such Unit otherwise agree in writing. The Purchaser of a Unit shall inspect such Unit prior to the closing date and shall execute at such time an inspection statement acknowledging the Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan. However, if a Purchaser finds that Sponsor's improvements as described in the Plan or in the 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, 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 described herein which is not specifically designated by the Purchaser on the inspection statement.

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 also note 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 the closing of a Unit does not occur on a specific date. In the event that the first year of operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised Budget with current projections and if: (i) 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 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 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.

Purchasers should also note that even if the First Closing occurs on or before January 1, 2017 (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 Unit(s) for some period of time after signing their respective Agreement

and after the First Closing. In such a case, provided that 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.**

(b) Sponsor will obtain a temporary and permanent certificate of occupancy for the Building. A permanent certificate of occupancy is required for permanent residential use of the Building and the Units, which Sponsor will obtain prior to the expiration of the temporary certificates of occupancy. Temporary residential use of the Building is permitted upon the issuance of a temporary certificate of occupancy, but if a temporary certificate of occupancy, which may be extended up to a total of two years, expires prior to obtaining a permanent certificate of occupancy, residential occupancy of the condominium will be in violation of the Multiple Dwelling Law, subjecting the occupants of the Building, the Unit Owners and the Board to penalties under the Multiple Dwelling Law, including, possibly, the eviction of residential occupants. Sponsor makes no representation or guarantee as to when after issuance of the first temporary certificate of occupancy the Department of Buildings will issue a permanent certificate of occupancy. In the event that Sponsor fails to obtain a permanent certificate of occupancy for the Building, the Board may be obligated to obtain the permanent certificate of occupancy and any costs associated therewith could be assessed against all Unit Owners as a Common Expense until recouped from the Sponsor.

In order for Sponsor to obtain a permanent certificate of occupancy for the Building, the Commercial Unit Owner must first build out the Commercial Unit, as the Commercial Unit is being delivered to the Commercial Unit Owner as raw space. Sponsor currently owns the Commercial Unit. However, Sponsor intends to sell or lease the Commercial Unit, and the Commercial Unit Owner may not be fully built out until it is leased or sold, at which time the Commercial Unit may be built out to the specifications of the lessee or purchaser. A determination has not yet been made with respect to whether the Commercial Unit will be leased or sold, and no specific time frame has been set for such determination. As such, closings of Units may commence with only a temporary certificate of occupancy in place, rather than a permanent certificate of occupancy. In the event a temporary certificate of occupancy is expired and not renewed, it may be difficult or impossible to buy insurance, finance, refinance, or sell a Unit. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE PERMANENT CERTIFICATE OF OCCUPANCY FOR THE ENTIRE BUILDING, AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE PERMANENT CERTIFICATE OF OCCUPANCY WITHIN SUCH TWO YEAR PERIOD WHILE KEEPING THE TEMPORARY CERTIFICATE OF OCCUPANCY CURRENT.

It has been customary for newly-constructed and gut rehabilitation cooperatives and condominiums to close after a temporary certificate of occupancy

covering such Units has been issued. Sponsor will send closing notices for Units covered by temporary certificates of occupancy and purchasers will be required to close with a temporary certificate of occupancy, rather than a permanent certificate of occupancy, in place. Temporary certificates of occupancy are issued for three (3) months at a time. The New York City Department of Buildings advises purchasers of houses and apartments, who close with only a temporary certificate of occupancy in place, to consult with their attorneys and engineers to assure that sufficient funds are escrowed or otherwise secured for Sponsor to obtain a permanent certificate of occupancy. It is strongly recommended that Purchasers consult the DOB Website/Consumer Tips for its recommendation when buying units in a building that does not have a permanent certificate of occupancy.

(c) In the event that a closing takes place prior to the issuance of a permanent certificate of occupancy for the Unit, Sponsor shall maintain all Payment 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 permanent 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 permanent 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 this 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 personal property 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 but all such obligations to complete work in the Unit shall cease once the work has been completed. 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 and to obtain a temporary or permanent certificate of occupancy. 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 described herein which is not specifically designated by the Purchaser on the inspection statement.

(e) Following the recording of the Declaration, Sponsor will deliver, assign or otherwise grant to the Board, on behalf of all Unit Owners, or the 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 Units, the Common Elements, the Residential Common Elements and the 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. 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. However, Sponsor's obligations to construct the premises must be in accordance with all applicable codes and filed plans and specifications. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability of any Unit or Common Element. Unless caused by a violation of the sound transmission code, noise code or other applicable code, there is no warranty as to sound transmission. Unless caused by a failure of Sponsor to comply with the Laws and the 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 Unit Owners in their Units. 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, the 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 the Plans and Specifications, shall be resolved in favor of the latter. In no event will Sponsor be liable for incidental, special or consequential damages.

(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 Board and the Unit Owners in any such action or proceeding as is required by law.

(k) Following the issuance of a permanent certificate of occupancy for the Building, Sponsor will deliver to the 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 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 Units. Sponsor will fund its financial obligations from proceeds from the sales of offered Units, rental income from Unsold Units, and financing. No bond or other security will be posted by Sponsor with respect to this obligation.

(n) Sponsor will initially procure on behalf of the Board the insurance relating to the Condominium which is required to be maintained by the Board in accordance with the provisions of the By-Laws (see the Section entitled "Rights and Obligations of the Board") 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 Board.

(p) Sponsor is obligated to deliver to the 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 (20%) percent of the Units in the Condominium, whichever is less, in connection with Sponsor's liquidation of its interest in the 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) 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 any such risk not covered by insurance shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of an 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 Board and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of an 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 Condominium Board"), 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.

(t) During the Condominium's initial two (2) fiscal years, the authority of the Board 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. Sponsor reserves the right, in its sole and absolute discretion, to cause its designees on the Board (the "Sponsor's Board Designees") to waive, in their sole discretion, the collection of Common Charges from the Unit Owners for a period of time beginning from the date of the First Closing until the Sponsor's Board Designees, in their sole discretion, otherwise determine (such period the "Waiver Period"), provided, however, that Sponsor during the Waiver Period shall be solely responsible for the payment of all expenses to operate the Building (the "Operating Expenses"). The Operating Expenses will not include the funding of the Contingency for repairs. The Unit Owners shall not be responsible for the payment of Common Charges until the expiration of the Waiver Period and the Unit Owners will not be subject to any special assessments for Operating Expenses incurred during the Waiver Period. Sponsor will provide no less than ten (10) days prior written notice to the Unit Owners that the Waiver Period will be terminating.

Sponsor reserves the right to delay the commencement of collection of Common Charges. During any such delay, Sponsor will timely pay all expenses of the Condominium, including but not limited to insurance premiums and any reserve fund payments required by lenders. 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 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 of the expiration of the delay period at least thirty (30) days prior to the commencement of collection of Common Charges and will disclose such fact in the following amendment to the Offering Plan. See the Section of the Plan entitled "Control by Sponsor" for further discussion.

Sponsor will endeavor in good faith to sell all of the Units in a timely manner however, there is no certainty as to the period of time required to sell all of the Units. If Sponsor makes a bulk sale of all or some of its Unsold Units, the transferee successor sponsor shall be bound by Sponsor's representations regarding its commitment to sell Units. The Sponsor may retain ownership of the Units and may decide to rent certain Units from time to time, after consummation of the Plan. Therefore, it is likely, but there is no guaranty, that the Unit Owners will obtain control of the Board at the expiration of the Initial Control Period. Sponsor does not currently have financing; however, if Sponsor obtains financing, the Plan will be amended to disclose any lender requirements relating to Sponsor's unlimited right to rent, rather than sell, Units.

Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for the purpose of fulfilling Sponsor's obligations under the Plan and performing certain alterations and repairs in or about the Unsold 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 personality 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 shall be enforceable by the Board on behalf of 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 which are to be performed after closing, 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 anticipates obtaining a permanent certificate of occupancy for the Building within two (2) years after the First Closing provided, however, that the permanent certificate of occupancy cannot be obtained until all the Units are completed. Sponsor will endeavor in good faith to sell all of the Units unless otherwise specified in the Plan.

2. **Alterations of Unsold 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 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 Unit(s) from time to time; (iii) change the size and/or number of Unsold Unit(s) by subdividing one or more Unsold Units into two or more separate Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Units, converting an Unsold Unit or any portion thereof to a Common Element, altering the boundary walls between any Unsold 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 Units or otherwise, designate all or any part of an Unsold Unit or a Common Element as part of a newly created or expanded Unsold Unit or Common Element (v) if appropriate, reapportion among the Unsold 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 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 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

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 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.

2. 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.

3. 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 losses 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 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.

4. **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.

5. **Successors to Sponsor**

Sponsor reserves the right to sell six (6) 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.

6. **Reservation of Air and Development Rights**

Following the completion of the Building, there will not be any Development Rights remaining appurtenant to the Property. Notwithstanding the foregoing, Sponsor has retained and expressly reserves all excess air or developmental rights (collectively, the "Development Rights") otherwise appurtenant to or which may become available to the Property both (a) prior to the First Closing, in connection with any renovation work to be performed by Sponsor at the Building; and (b) subsequent to the First Closing, at which time Sponsor will continue to own any Development Rights not used in connection with any renovation of the Building prior to the First Closing. As a result, 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 Condominium Board or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable Legal Requirements and otherwise, may not be possible or may be limited. Further, Sponsor, as a result of such reservation, may transfer or sell such Development Rights to the owner(s) of adjoining properties and in such case such properties may be increased as a result of such transfer or sale.

The Development Rights reserved by Sponsor will not be used subsequent to the First Closing to add additional floors to the Building. Except in the case of a sale or transfer for use in connection with other properties, the reserved Development Rights will be used in the Property after the First Closing solely for the purpose of reconfiguring certain areas (e.g., adding mezzanine space, converting mechanical space to space used for other purposes) which, pursuant to the applicable provision of the Zoning Resolution, will require the use of Development Rights

in excess of those used in connection with any renovation of the Building in accordance with the Plan. In the event such Development Rights are transferred to the owner(s) of adjoining properties, a Unit Owner's views and exposure to light may be affected. The Plan will be amended to disclose any such use or transfer of the Development Rights.

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 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 any 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 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 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 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.

10. **Sponsor's Sales Office.** Sponsor and its designee reserve the right, without prior notice or amendment to the Plan, to use Unsold 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 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 Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Unit to the Purchaser of the Unit unless such Purchaser agrees to pay Sponsor an amount as determined by Sponsor in addition to the Purchase Price for such Unit and such items to be included are specifically stated to be included in an addendum to the Agreement for such Unit.

S. CONTROL BY SPONSOR

Sponsor as the owner of Unsold Units will, at its option, have voting control of the Board during the period which continues until the earlier to occur of: (i) the Sponsor and its designees as Holders of Unsold Units own less than five percent (5%) of the aggregate Common Interests pertaining to all Units or (ii) five (5) years after the First Closing (the "Initial Control Period"). During the Initial Control Period of the Board, Sponsor would be able to control maintenance, facilities and services to be provided to Unit Owners and would determine the Common Charges to be paid by all Unit Owners and the enforcement of Sponsor's obligations by said Board(s). Within thirty (30) days after the end of the Initial Control Period, the Board will call a special meeting of the Unit Owners (the "First Annual Meeting"), to be held not less than ten (10) days nor more than forty (40) days after such date, at which time the Unit Owners will elect members to the Board and the members of the Board on behalf of the Building.

During the Initial Control Period, the Board shall consist of three (3) persons designated by Sponsor. During the Initial Control Period, Sponsor reserves the right to designate fewer than three (3) persons to the Board.

Commencing with the First Annual Meeting, the Board shall consist of five (5) persons, four (4) of whom shall be elected by the Residential Unit Owners and one (1) of whom shall be appointed by the Commercial Unit Owner. The number of Board members and the number or composition of Board members may not be changed except in accordance with the procedures described in the By-Laws.

At the First Annual Meeting and at all times thereafter, Sponsor may be able to elect members of the Board as a result of its ownership of or interest in Unsold Units. Sponsor shall retain voting control of the Board (and the Board) if Sponsor and its designees are able to cast sufficient votes at such meetings to establish such control. In addition, Sponsor, for so long as Sponsor owns at least one (1) Unit, shall also have the right, at its option, to designate at least one member of the Board.

Pursuant to Section 3.9.3 of the By-Laws, after the Initial Control Period, a majority of the Condominium Board must be Unit Owners who are unrelated to the Sponsor or its principals.

Until Sponsor or its designee has conveyed title to ninety-five percent (95%) of all the Units, but in no event later than five (5) years after the First Closing, whichever shall first occur, the Board may not take any of the following actions without Sponsor's prior written consent (notwithstanding the number of votes Sponsor controls): (a) make any addition, alteration or improvement to the Common Elements or to any Unit, (b) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, Contingency for Repairs 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 Building, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in items (a)

through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary, and no other alternative is available, to enable the 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 "Budget for First Year of Condominium Operation, Schedule B" (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 exercise veto power over expenses other than those described in the foregoing sentence for a period ending not more than five (5) years after the closing of the first Unit or whenever the Unsold Units constitute less than five percent (5%) of the common interest, whichever is sooner.

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, in its sole and absolute discretion, to waive the collection of Common Charges from Purchasers under the Plan for a period of time after the First Closing (the "Waiver Period"); provided, however, that Sponsor shall be solely responsible for payment of all expenses to operate the Building during the Waiver Period (the "Operating Expenses"). All Operating Expenses paid by Sponsor during the Waiver Period are based on the actual cost of operating the Building and not on estimates set forth in Schedule B – "Projected Budget for First Year of Condominium Operation". Purchasers should note that Schedule B will not be in effect until the expiration of the Waiver Period. Notwithstanding anything to the contrary set forth above, the Operating Expenses shall not include real estate taxes regardless of whether the Unit has been separately assessed. In all instances the Unit Owners will remain responsible for the payment of the real estate taxes (including such Unit Owners' allocable share of those real estate taxes attributable to the Resident Manager's Unit). Sponsor, in its sole and absolute discretion, may upon thirty (30) days prior written notice to Unit Owners terminate the Waiver Period.

If Sponsor shall exercise its right to waive collection of Common Charges as set forth above, Sponsor shall file an amendment to the Plan prior to the First Closing indicating that collection of Common Charges will not commence with the beginning of the First Year of Condominium Operation and further indicating the anticipated length of the Waiver Period. Sponsor shall also file an amendment to the Plan disclosing the expiration of the Waiver Period at least thirty (30) days prior to such expiration. During any such Waiver Period, Sponsor will timely pay all expenses of the operation of the Condominium, including but not limited to insurance premiums and reserve fund payments required by lenders, if any. Upon expiration of any such Waiver Period and the commencement of assessment of Common Charges against the Units, there will not be any assessment over and above the amount of such Common Charges against Units or Unit Owners for any item set forth in the approved budget that is in effect at the time of commencement of assessment of Common Charges. During any such Waiver Period,

Sponsor shall remain obligated to update the operating budget for the Condominium when and as needed, as provided in the New York State Department of Law regulations as to the same.

Sponsor also reserves the right to delay the commencement of collection of Common Charges. During any such delay, Sponsor will timely pay all expenses of the Condominium, including but not limited to insurance premiums and any reserve fund payments required by lenders. 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 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 of the expiration of the delay period at least thirty (30) days prior to the commencement of collection of Common Charges and will disclose such fact in the following amendment to the Offering Plan.

Sponsor is reserving the unconditional right to rent rather than sell Units, after consummation of the Plan. Because Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment to sell more than the fifteen percent (15%) necessary to declare the Plan effective, owner-occupants may never gain effective control and management of the Condominium, and the First Annual Meeting may never take place.

T. CONDOMINIUM BOARD

The affairs of the Building shall be governed by the Board, which during the Initial Control Period, shall consist of three (3) persons designated by Sponsor. During the Initial Control Period, Sponsor reserves the right to designate fewer than three (3) persons to the Board.

Within thirty (30) days after the end of the Initial Control Period, the Board will call for the First Annual Meeting of 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 a new Board consisting of five (5) members shall be put into place, four (4) of whom shall be elected by the Residential Unit Owners, and one (1) of whom shall be appointed by the Commercial Unit Owner. (See the Section entitled "Control by Sponsor.") Thereafter, at each annual meeting, members of the Board shall be elected and shall serve until the next annual meeting thereof and until a successor has been elected and qualified. Because Sponsor is not limiting the conditions under which it will rent rather than sell Units after consummation of the Plan, there is no commitment to sell more than the fifteen percent (15%) necessary to declare the Plan effective, and owner-occupants may never gain effective control and management of the Condominium.

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 Board must be either Unit Owners or certain interested parties (e.g. directors, shareholders of Unit Owners) as described in the By-Laws. No member of the Board shall continue to serve on the Board if, during his term of office, said member shall cease to be a Unit Owner or an interested party. All Board members shall serve without compensation.

The Board shall collectively have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium.

As more fully set forth in the By-Laws, all determinations required to be made by the Board shall be by majority of the votes cast at any meeting at which a quorum is present.

Annual meetings of Unit Owners shall be held within approximately thirty (30) days of each anniversary of the First Annual Meeting. At such meetings, the Unit Owners shall elect the five (5) member Board, subject to any rights of Sponsor to designate or elect 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 Board shall mail a notice of each annual or special meeting of the Building to all 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 Unit Owners, the presence in person or by proxy of Unit Owners owning more than fifty (50%) percent of the Common Interests attributable to all Units shall constitute a quorum and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Unit Owners.

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

The initial members of the Board shall be Victor Sigoura, Yosi Manor and Matthew Van Damm. Victor Sigoura shall serve as President, Yosi Manor shall serve as Vice President, and Matthew Van Damm shall serve as Secretary of the Board. Each of these individuals is a principal of or is affiliated with the Sponsor or its principals. The Board may appoint additional officers. Except as otherwise provided by the Board, no officer shall receive any compensation for acting as such. The By-Laws provide that all instruments of the 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 significant expenditure by the Board must be countersigned by two members of the Board.

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

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 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 the Board shall have any personal liability with respect to any contract, act or omission of the Board or of any managing agent or manager in connection with the affairs or operation of the Condominium, or the 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 Board member and each 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, and Unsold Units, and provided that required consents of the Mortgage Representatives, as defined in the Declaration, if any, are obtained, any provision of the Declaration, By-Laws or Rules and Regulations affecting the Common Elements or all Unit Owners may be amended, modified, added to or deleted by affirmative vote of at least 66 2/3% in number and in Common Interest of all Unit Owners; 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 the affected 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 Units or affecting the rights, privileges, easements, licenses or exemptions granted to any Unit Owners, (b) without the prior written consent of Sponsor or its designee or the owner of any Unsold 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 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 Unit, or otherwise adversely affecting Sponsor or its designee or the owner of any Unsold Unit or (c) without the prior written consent of the holder of any present or future mortgage, pledge, or other lien or security interest covering any Unsold Unit with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration, or the Rules and Regulations modifying the permitted uses of such Unsold Unit or affecting the rights, privileges, easements, licenses or exemptions granted to the owner of such Unsold Unit.

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

1. Sales and Leases of Units

Each Unit Owner may sell or lease his or her Unit provided such Unit Owner (the "Transferor") first gives the Board, on behalf of all 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 8 of the By-Laws. If the Board does not elect to purchase or lease the Unit within twenty days after receipt of the offering 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 Board, provided that the Board shall be entitled to waive, or to permit an extension of, either or both of such sixty day periods. The Board may not exercise its option to purchase or lease any Unit without prior approval of a majority in interest of 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 Unit Owners, the Transferor shall have the right to vote in any vote conducted by the Board for the purpose of determining whether the Board shall exercise its right of first refusal to purchase or lease the Transferor's Unit. Notwithstanding the foregoing, the 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.

In connection with the foregoing, the Board may not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status, or other grounds prohibited by law.

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 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 Board, and that the 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 Unit shall have a term of less than one (1) year.

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

The purchase of any Unit by the Board or its designee, on behalf of all 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 Unit Owner in proportion to his respective Common Interest, as a Common Charge, and/or such Board may, in its discretion, finance the acquisition of such 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 appurtenant Common Interest. The lease or sublease covering any Unit leased or subleased by the Board or its designee shall be held by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interest in the Common Elements.

A Unit Owner may lease, sell or convey his or her Unit to a spouse, adult child or grandchild, parent, grandparent or adult sibling; may convey his or her Unit by gift; may devise his or her Unit by will; or may have it pass by intestacy, without complying with the foregoing restrictions; provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit shall be subject to, the preceding restrictions. In addition, any Unit Owner may lease, sell or convey his or her 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 Units shall not apply to Sponsor, the Sponsor's mortgagee or their designees with respect to any Unsold Units, to the Board, or to Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure, and they shall be free to sell or lease without first offering to sell or lease to the Board.

A Unit Owner may only sell or lease such Unit Owner's entire Unit. In addition, each conveyance of a Unit by a Unit Owner shall include, as part of the property to be conveyed, such Unit Owner's undivided interest in (a) the Common Elements and the Limited Common Elements, (b) any Unit or Units acquired by the Board on behalf of all Unit Owners, or any proceeds of the sale or lease thereof and (c) any other assets of the Building 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 Board may establish reasonable fees for the processing of sale and lease notices, which shall be payable by the selling or leasing Unit Owner, as the case may be, to the Managing Agent.

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

2. **Use of Units**

A Unit 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 Unit and complies with all applicable governmental regulations.

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. The Unit Owner, or the Board at such Unit Owner's expense, shall install 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. The portion of all curtains, drapes, blinds or other window treatments visible from the exterior of the Building must be white to give the Building a uniform exterior appearance and must be compliance with the Project Standards.

Sponsor or its designee may, without the permission of the Board (a) use or grant permission for the use of any Unsold Unit as a professional office or for any other purpose, provided such use is permitted by law, 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 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 may be accommodated in a Unit, except in Unsold Units, as permitted by law.

No nuisance, immoral, improper, offensive or unlawful use shall be allowed in 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 sole expense of the respective Unit Owners or the Board, 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 Unit or that violate the Project Standards, except that these sign restrictions shall not apply with respect to Unsold Units.

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

No more than two (2) domestic animals may be kept in a Unit without the consent of the Board or the Managing Agent. No pet shall weigh more than 40 pounds or be of a breed or type

generally considered dangerous to humans. 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, the 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 Units may be amended from time to time by the Board provided that copies thereof are furnished to each Unit Owner prior to the time that they become effective. Further restrictions on the use and leasing of Units are set forth in the By-Laws and Rules and Regulations.

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. The Sponsor shall have the right to mortgage any unsold Unit without any restriction or limitation.

As more particularly set forth in the By-laws, in certain instances the consent of the Mortgage Representative and/or the Mortgage Representative is necessary in order to amend the Declaration, By-Laws or Rules and Regulations. The By-Laws provide that no more than three 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

Common Expenses, which are payable only by Unit Owners and are included in their Common Charges, are allocated among Unit Owners in proportion to their respective Common Interests. Common Expenses shall include, without limitation, such amounts as the Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Common Elements or the Limited Common Elements. In addition, the Common Charges include the Unit Owner's allocable portion of the Common

Expenses. The respective Common Interests of each Unit, as estimated by Sponsor, are based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. 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. Common Expenses may include amounts for certain other items as the Board may deem proper, such as amounts for reserves or in connection with the purchase or lease by the Board of any Unit.

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 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 Board. Common Expenses shall also include such amounts as the Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Common Elements.

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 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 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 Units by individual Unit Owners.

At least annually the Board will prepare a budget for Common Expenses and allocate, as aforesaid, and assess Common Charges to meet such expenses.

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

Notwithstanding anything to the contrary contained in the By-Laws, so long as Sponsor or its designee shall continue to own at least five percent (5%) of the Common Interests but in no event later than five years from the First Closing, neither the Board nor the Board may, without Declarant's prior written approval assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund.

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, the Board, on behalf of all Unit Owners, will have a lien on each Unit for unpaid Common Charges together with interest thereon, assessed against such Unit. 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 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 (acting on behalf of all Unit Owners or all 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 Board to recover unpaid Common Charges without foreclosing such lien.

The Board may make any lien against a Unit Owner effective pursuant to Real Property Law §339-aa. The Sponsor will cause the 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 Board.

No Unit Owner may exempt himself or herself from liability for his or her Common Charges by waiving use of any of the 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 Unit Owner may, by conveying his or her Unit without consideration to the Board and complying with certain conditions in connection therewith, exempt himself or herself from Common Charges thereafter accruing.

On a resale of a Unit, the seller thereof will be liable for the payment of 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 Unit, any seller or purchaser of a Unit shall be entitled to a statement (an "Estoppel Letter") from the 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 the 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 Board will have the right to assess such unpaid balance as a Common Charge among all 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 (other than to the Common Elements or Limited Common Elements 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 Common Elements will be made by the Board and the cost and expense thereof will be charged to all Unit Owners as a Common Expense. 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. The interior of the windows are to be washed and cleaned by the Unit Owner at such Unit Owner's sole cost and expense. The exterior of the windows shall be washed by the Condominium. Any replacement of glass windows in any Unit because of breakage or otherwise shall be made by the Board at the sole cost and expense of the owner of such Unit (unless such breakage is caused by the 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 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 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 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 By-Laws further require that those public or other areas of the Building exposed to public view that are required to be maintained by each Unit Owner or the 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 (80%) percent of the floor area of 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 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 Board but, as more fully set forth in the By-Laws, this provision does not apply to an Unsold Unit. Except as otherwise permitted in the By-Laws, no Unit Owner may make any alteration, addition, improvement or repair in or to the Common Elements without the prior written approval of the Board. The Board may impose

fees upon such Unit Owner to reimburse the Condominium for costs incurred in connection with the review or supervision of such 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 Unit, the 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 Unit, unless approved and executed, if necessary, by the Board or, if required, by the Board. The Board (or the 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 Board and the Unit Owners shall not be subject to any expense or liability by reason of such approval and execution or, by reason of such addition, alteration or improvement, including, without limitation, liability to any contractor, subcontractor, materialman, architect or engineer, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this paragraph shall not apply to an Unsold Unit, provided any alteration to such Unsold 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 is authorized on behalf of the Board to execute such applications, permits or other documents as may be required to undertake, perform and complete such work to the Unsold Units, 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 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 a 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 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 permanent certificate of occupancy for such Unit, other Units or the Building, then upon the written request of Sponsor, or the Board, the Unit Owner shall restore the Unit or complete the work, 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.

Notwithstanding anything contained in the By-laws to the contrary, each Unit Owner will have the right, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building.

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

To promote a consistent aesthetic appearance of the Building, each Unit Owner will be required to install window treatments having a white 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 Board.

8. Rights of Access

As more fully set forth in the By-Laws, the Board and any managing agents, managers, superintendents and other persons authorized by the 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 work listed on the executed inspection statement 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 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 calendar 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 Board with respect to any damage to or destruction of the Building, and the Board with respect to any damage to or destruction of the 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 the Building is damaged or destroyed by fire or other casualty and the insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be shared entirely by all Unit Owners in proportion to their respective Common Interests. If said damage or destruction, however, affects only the 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 (i) first, by apportioning such proceeds in the aggregate among each class of Unit (i.e., Residential and Commercial) pursuant to an appraisal of fair market values to be performed by a panel of three (3) independent appraisers (one of whom shall be selected by the Board, one of whom shall be chosen by the Commercial Unit Owner, and the third chosen by the other two appraisers); and (ii) then among the Unit Owners of each class of Unit in proportion to the respective Common Interests of such Units; provided, however, that 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..

Notwithstanding anything contained herein to the contrary, the proceeds of all policies of physical damage insurance maintained by the 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 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 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, the Board 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 Board; (f) water damage insurance to the extent, if any, determined by the Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering the Board and all officers, directors and employees of the Condominium; (i) directors and officers liability coverage; and (j) such other insurance as the 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 Board meeting following the First Annual Meeting of the 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 Board shall also be required to obtain and maintain, to the extent obtainable, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as the Board may from time to time determine, covering (1) the Board, the Managing Agent or agents thereof, each Board member and each officer and employee of the Condominium, and (2) each Unit Owner, except that such policy will not cover liability of a Unit Owner arising from occurrences within his or her own Unit or within the Limited Common Elements, if any, exclusive to his or her Unit. The

Board shall review such limits not less than once each year. Until the first meeting of the Board following the First Annual Meeting of Unit Owners, such liability insurance shall be in at least the sum set forth in Schedule B with respect to bodily injury and property damage, combined single limit. The insurance discussed above shall also include cross-liability claims of one insured against another.

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

The 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 minimum coverage as established by the 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 Board from time to time. The insurance required above shall be written in form reasonably satisfactory to the 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 Board or the Managing Agent, the Unit Owner shall deliver to the Board a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Board. The Board 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 Condominium Board and Unit Owners

Every contract made by the Board or by any managing agent or manager thereof shall state that (a) it is made only as agent for all Unit Owners or Unit Owners, and such Board members or managing agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners, if applicable) and (b) the liability of any 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 Unit Owners, as the case may be, and (ii) to the extent permitted by law, unless otherwise determined by the 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 Unit Owners except that a Board member shall be liable for his 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 Board member and each Board member, against any liability or claim except those arising out of such member's

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

16. Units Acquired by Board

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

The purchase of any Unit by the Board or its designees, on behalf of the 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 Unit Owner in proportion to his or her respective Common Interest, as a 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 Board, on behalf of and as agent for all Unit Owners, will be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments

with respect to Units. All Unit Owners will share the costs in connection therewith and the benefits derived therefrom based on their respective Common Interests. In the event any Unit Owner individually seeks to have the assessed valuation of his or her Unit reduced by bringing a separate certiorari proceeding, the 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 Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

18. Mechanics' Liens

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

19. Litigation

The Condominium Board shall not bring any litigation except to enforce the Declaration or By-Laws without first receiving the written approval of the owners of two-thirds of the Units and the owners of two-thirds of the percentage interests in the Common Elements.

20. 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 Board and the adjacent property owners. 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 Common Elements. In addition, Sponsor and its designees 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 "221 West 77 Condominium". Any and all rights and interests appurtenant to such name, if same exist, are owned and controlled by Sponsor. 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 Sponsor shall have the

right to change the name of the Condominium and/or the Building, and such right may be exercised by Sponsor at any time without the vote or consent of the Board or any Unit Owner.

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. UNSOLD UNITS

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

A holder of Unsold 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 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 Units fails to fulfill its obligations under the By-Laws, Sponsor will be liable therefor until such time as the Unsold 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 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 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 Units shall have the right to mortgage the Unsold Units as collateral for a loan.

A holder of Unsold 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 Units may use an Unsold Unit as a model or sales or rental office.

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

W. 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 Board as Common Charges.

Assuming the Property does not receive any abatement from real estate taxes, it is estimated that the aggregate real estate taxes attributable to all Unit Owners for the first year of Condominium operation will total approximately $1,127,437 for Residential Unit Owners and $45,083 for all Retail Unit Owners based on an opinion prepared by Aaron Valuation, Inc., dated September 17, 2014, which assumes (a) an estimated taxable assessed valuation upon completion attributable to the residential Property of $8,554,800 and to the retail Property of $411,600 and (b) a projected residential tax rate of 13.113% for 2016/2017 and 13.245% for 2016/2017 and a projected commercial tax rate of 10.899% for 2016/2017 and 11.008% for 2017/2018 per $100 of assessed valuation. Purchasers should note that the real estate taxes for the first taxable year of Condominium operation (2016/2017) will likely be less than the taxes will be for the second tax year of Condominium operation (2017/2018 since the first year's tax estimate assumes the property will be assessed as a fully completed structure. 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.

SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY, THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL NOT BE CHANGED.

The estimate of the taxes for each Unit has been determined by multiplying the total taxes due with respect to the Units by a percentage derived by dividing the projected sales price of each Unit as set forth in the Plan by the total aggregate projected sales price of all Units. Please refer to the opinions of Holland & Knight LLP and Aaron Valuation Group Inc. 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 Unit will be determined by multiplying the total taxes due with respect to the Units by a percentage derived by dividing the Common Interest of each Unit by the total Common Interests of all Units. 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 percentage interest in the Common Elements rather than Purchase Price, or some combination of the two, and if so, Units having the same percentage interest may pay different real estate taxes.

The By-Laws provide that the 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 Unit Owners, or (ii) for individual Unit Owners, provided that each such Unit Owner indemnifies the 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.

No guaranty or assurance is given that (i) any of the assumptions described above will be valid, (ii) any projected or estimated amount set forth above (including, without limitation, the estimates of the Property's assessed valuations during the First Year of Condominium Operation, the estimates of the portions of such assessed valuations that will be allocable to the Units and the projection of the average real estate tax rate that will be in effect during such first year) will approximate the actual amount, (iii) the estimated or actual amount of assessed value of the Property following the projected First Year of Condominium Operation and the taxes payable based upon such assessment or (iv) the Real Estate Tax Assessment Bureau of the New York City Department of Finance will allocate the Property's aggregate assessed valuation between the Units in accordance with the values used by Sponsor's real estate tax consultant for such purpose, or that such bureau will allocate the aggregate assessed valuation attributable to the Units among the different Units as described above. Sponsor will amend the Plan promptly to disclose the same if it discovers that any of such assumptions are invalid as well as after the Units have been assessed and the applicable tax rate determined.

Until the Units are separately assessed, each Unit Owner will pay to the Condominium Board a share of the Property's real estate taxes for the period in question calculated based upon each Unit's proportionate share of the Common Interest. These allocation percentages reflect the relative approximate aggregate assessed values of each of these Units as estimated by Sponsor's real estate appraiser and as set forth above in this Section W. The Condominium Board will pay such real estate taxes timely to the Department of Finance of The City of New York, or directly to Sponsor if Sponsor has paid such taxes, so that no lien will be placed on the Property or any Unit. If Sponsor fails to pay real estate taxes attributable to any Unsold Unit in a timely manner and as a result of such failure a lien is placed on the Property and/or any other Unit, Sponsor will immediately cause such lien to be removed at its sole cost and expense. If Unit Owners fail to pay their pro rata share of Real Estate Taxes as set forth above, the Condominium Board will be entitled to assess late charges and/or place a lien on their Units as if such unpaid share were Common Charges. (See "Collection and Lien for Non-Payment of Common Charges" in Part I

above for further discussion.) After the Units are separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes. A Unit Owner will not be responsible for the payment of, and will not be subject to any lien arising from the non-payment of real estate taxes assessed against any other Units. At such time as a Unit is separately assessed and separate tax bills are issued, the Unit Owner will pay such taxes directly to the taxing authority.

There is no assurance that the proration of taxes described in the paragraph above will equal the actual amount of real estate taxes which will be assessed against the Units, and the actual amounts may vary considerably from the method set forth above.

Real estate taxes will be adjusted between Sponsor and each Purchaser at the closing of title to each Unit based on the period for which real estate taxes have been prepaid by Sponsor either directly to the taxing authority or as part of the Common Charges to the Condominium Board. If real estate taxes have been separately assessed to each Unit as of the closing, then the adjustment shall be based on the Unit's actual taxes for such period. If the real estate taxes have not been separately assessed to each Unit as of the closing, then the adjustment shall be determined by allocating to the Unit a prorated portion of the actual taxes for the entire Property for such period determined as provided above.

X. INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF THE CONDOMINIUM

The following discussion of certain income tax consequences of the ownership of Units by purchasers who use such Units as a personal residence was prepared by Sponsor based, in part, upon the 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 Unit Owner will own his or her Unit and its appurtenant interest in the Common Elements in fee simple and each Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments. Since each Unit Owner will own his or her 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 Unit Owner who uses his or her 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 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 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 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.

Y. TAX OPINION OF HOLLAND & KNIGHT LLP

Holland & Knight
31 West 52nd Street | New York, NY 10019 | T 82.513.3200 | F 82.385.9010
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.

223 WEST 77TH ST. OWNER LLC
c/o The Naftali Group
1700 Broadway
New York, New York 10019

Re: Condominium Offering Plan
221 West 77 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 Plan is the document pursuant to which owners of the Units will acquire their Units and that the relevant facts are as set forth therein.

Pursuant to the Plan, the purchaser of a Unit will receive legal title in fee simple to his or her Unit, coupled with ownership of an undivided interest in the appurtenant Common Elements

held in common with other Unit Owners. Such purchaser will have the right to place an individual mortgage on his or her separate Unit and will be liable to the local tax authority for the real estate 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, 2017 (the "2018 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 2018 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 2018 Taxable Year. To the extent that actual expenses for association property decreases by a small amount in the 2018 Taxable Year, or the expenses for non association property increases by a small amount in the 2018 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 2018 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 2018 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

Z. 339-I OPINION OF HOLLAND & KNIGHT LLP

Holland & Knight
31 West 52nd Street | New York, NY 10019 | T 82.513.3200 | F 82.385.9010
Holland & Knight LLP | www.hklaw.com

223 WEST 77TH ST. OWNER LLC
c/o The Naftali Group
1700 Broadway
New York, New York 10019

Re: 221 West 77 Condominium
219-223 West 77th 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 Sandberg Management Corp. 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 Sandberg Management Corp.

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 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

Holland & Knight LLP

AA. REAL ESTATE TAX OPINION OF AARON VALUATION GROUP INC.

AARON
VALUATION

358 Seventh Avenue - PMB 124
Brooklyn, NY 11215

(347) 674-3005 tel
(323) 693-8636 fax

September 17, 2014

223 West 77th St Owner LLC
c/o The Naftali Group
1700 Broadway, 16th Floor
New York, NY 10019

Re: Real Estate Tax Projection
219 West 77th Street
Borough of Manhattan, Block 1169, Lot 23
City and State of New York

You have requested a forecast of the real estate tax liability for the above-referenced premises for the first year of condominium operation commencing in January 2017.

We have been provided the following facts regarding this project:

- The existing 5-story commercial parking garage will be demolished to make way for the proposed 18-story property. The property is proposed construction for multi-family and retail condominium use.
- Construction will begin on February 1, 2015.
- Upon completion of construction the property will have 25 residential units and 1 retail unit. Livable residential area will measure 71,290 square feet upon completion. The retail space will measure 2,058 square feet.
- Additional amenities will include a doorman, shared and private outdoor spaces, a fitness center, storage units, and 8 licensed parking spaces.
- The first year of condominium operation will commence on January 1, 2017.

Methodology

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

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

The capitalization of income method is based upon the proposition that the annual net income generated by a property, when divided by the rate of return an investor at a given time would accept for his money in a competing investment, yields a close estimate of the market value of the property.

The sales price comparison method is founded upon the belief that value can be ascertained by surveying market prices. Market value has been defined as that price which a property would bring in a competitive and open market, wherein both buyer and seller are acting prudently, knowledgeably, and assuming the price is not affected by undue stimulus. However, the addition of sales price of individual units may not be the basis for arriving at the assessed valuation of a residential condominium or cooperative housing corporation. The standard for assessment for residential cooperative and condominium structures is set forth in Real Property Tax Law 581. In the case of condominiums, the method of assessment of the individual units is set forth in Real Property Law Section 339-Y. In essence, the standard of assessment prescribed by statute for cooperative and condominium structures is that these buildings are to be assessed in the same manner as are rental apartment buildings. Further, the statutes provide that the sale price of a cooperative apartment building as an entity and the sale of a condominium unit are not the measure of value for assessment purposes.

Since the tax year 1982/83, Real Property Tax Law Section 1805(3) provides for the creation of a transitional assessment system within the City of New York. Under the transitional assessment system, any increase in the assessed value of a property is phased in over a five-year period in equal installments. However, the statute requires the Finance Department to include all physical (new construction, renovation, rehabilitation or addition of square footage to existing structures) changes directly into the taxable assessed valuation without the five-year phase-in. The "actual assessment" is the target value which will be reached at the end of the five-year period, assuming the assessment is not increased in the interim. Pursuant to Real Property Tax Law Section 1805, the taxable assessment is determined to be the lesser of the actual assessed valuation or the transitional assessed valuation.

In arriving at the assessed valuation for each unit in the Condominium, the building is first assessed as an entity. This overall assessment is then apportioned among the respective units, each of which will be assigned a tax lot designation once the Condominium Declaration has been recorded and the floor plans are filed with the Office of the City Registrar. The Department of Finance currently apportions assessed value based upon each unit's percentage of overall common interest.

It should be noted that the subject property's real estate tax burden for the 2016/2017 tax year will be based on its status as of January 5, 2016. Although the property may be assessed as a partially constructed property in the 2016/2017 tax year, and thus the property taxes may actually be lower for that tax year, for purposes of this opinion the taxes are computed at full assessment as a fully completed property for the first year of condominium operation.

The residential and non-residential components of the property may not be assessed separately until the 2017/2018 tax year. For the 2016/2017 tax year, the property will most likely receive a single partial completion assessment, with the resulting tax burden allocated between the residential and non-residential components by the Sponsor. However, for the purposes of this opinion, we have projected the assessment of each component separately for the first year of condominium operation and computed the post-completion tax burden based on each component's respective future tax class.

Current Assessments

New York City's fiscal tax year runs from July 1 to June 30. Assessments in any given year are determined as of the "taxable status date," January 5, proceeding the fiscal tax year. The assessed values for Block 1169, Lot 23 for the upcoming tax year are set forth as follows:

CURRENT ASSESSMENTS (2014/2015)

Lot	Actual Land	Actual Total	Transitional Land	Transitional Total	Taxable Total
23	$1,620,900	$4,905,000	$1,562,220	$4,057,400	$4,057,400

The upcoming year's taxable assessed value is the lower of the "actual" or "transitional" total. In the current year, the taxable assessed value of $4,057,400 represents the transitional assessment.

This assessed value for the current tax year is based on the property's status a parking garage building assessed within Tax Class 4; however, this does not represent the completion assessment for the subject property as proposed, as these structures will be demolished.

Tax Rates

The property is presently classified as a Tax Class 4 (commercial) property. The property's retail unit will continue to be assessed in Tax Class 4 while the residential units will be classified within Tax Class 2 (multi-family residential) upon condominium division.

The Class 2 tax rate for the 2014/2015 tax year is $12.885 per $100 of assessed value. The Class 4 tax rate for the 2014/2015 tax year is $10.684 per hundred of assessed value. Rates for subsequent tax years have not yet been announced. The chart below illustrates historical tax rates in each class.

HISTORICAL TAX RATES, NYC

Year	Class 2	Rate of Change	Class 4	Rate of Change
2005/2006	$12.396		$11.306	
2006/2007	$12.737	2.75%	$10.997	-2.73%
2007/2008	$11.928	-6.35%	$10.059	-8.53%
2008/2009	$12.596	5.60%	$10.241	1.81%
2009/2010	$13.241	5.12%	$10.426	1.81%
2010/2011	$13.353	0.85%	$10.312	-1.09%
2011/2012	$13.433	0.60%	$10.152	-1.55%
2012/2013	$13.181	-1.88%	$10.288	1.34%
2013/2014	$13.145	-0.27%	$10.323	0.34%
2014/2015	$12.855	-2.21%	$10.684	3.50%
Cumulative Change	$0.459	3.70%	-$0.622	-5.50%
Average Annual Change		0.47%		-0.57%
Compound Annual Change		0.40%		-0.63%

Source: New York City Department of Finance

Between 2005/2006 and 2008/2009, tax rates remained fairly stable. The 2008/2009 tax rates reflect a tax increase enacted to counter budget shortfalls but rates have stabilized since then. The Class 2 tax rate has had a compound annual increase of 0.40% over this period, and the Class 4 tax rate has had a compound annual decrease of .63% over this period.

For the purpose of this tax forecast, tax rates are assumed to increase by 1% per annum on average for future tax years. Aaron Valuation Inc. makes no representations or warranties that the forecasted tax rates for the 2015/2016 or subsequent tax years will be adopted by the New York City Council.

Forecasted Future Taxes

This letter assumes that the property is reassessed as a fully completed structure for the 2016/2017 tax year.

A review of current valuations of comparable recently constructed buildings in the vicinity of the subject, justifies an overall assessed valuation as follows for each component upon completion of construction and reassessment:

Residential Units:	$8,554,800
Retail Unit:	$411,600
Combined Total:	$8,966,400

While there is a formula which has been utilized by the Real Property Assessment department in reassessing such properties in the past, it has not been employed consistently, and it is therefore not possible to estimate or determine the post-completion assessed valuation of this property with any degree of certainty. All prospective purchasers are advised that although the estimate of assessed valuation upon completion of construction is a good-faith estimate, such assessed valuation, when actually made, may be less or greater than as estimated on the following pages.

The taxes for each component are calculated below.

ESTIMATED FULL TAX LIABILITY FIRST YEAR CONDOMINIUM OPERATION

JANUARY 2017 TO DECEMBER 2017

		Residential		Retail
Forecasted Full Assessment		$8,554,800		$411,600
Forecasted Tax Rate First Year Operation	x	13.179%	x	10.953%
Forecasted Taxes First Year Operation		$1,127,437		$45,083

The residential units' aggregate tax burden is forecasted to total $1,127,437 for the first year of condominium operation. The retail units' aggregate tax burden is forecasted to total $45,083 for the first year of condominium operation.

This estimate excludes any exemptions or abatements for which the property may qualify.

Prospective purchasers are advised that this valuation estimate assumes that the taxing authority is assessing a fully constructed, occupied building and is not intended to reflect any interim or partial completion assessment. Because the subject property may be only partially completed as of the taxable status day, January 5, 2016, the 2016/2017 assessed valuation may be lower than estimated herein. Furthermore, the tax projection for 2016/2017 is computed based on separate assessments and tax rates for the residential and non-residential components. A combined 2016/2017 tax bill may be allocated between residential and non-residential components in a different manner by the Sponsor, resulting in somewhat different assessment burdens for each component.

ESTIMATED TAXES PER UNIT - FIRST YEAR CONDOMINIUM OPERATION

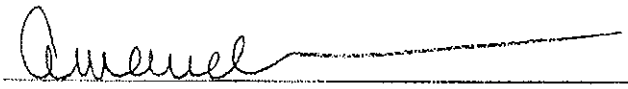
JANUARY 1, 2017 TO DECEMBER 31, 2017 (UPON COMPLETION REASSESSMENT)

Residential Units	Retail Unit
$1,127,437 x Common Interest Percentage	$45,083

This letter was prepared at the Sponsor's request. Certain figures set forth herein are approximations derived from material submitted by the sponsor and are subject to variation. We have not passed upon the accuracy of any figures or estimates contained within the offering plan, and offer no warranties of the amount of any liability for any period.
The opinions expressed above are based on my interpretation of the Real Property Tax Law, Administrative Code of the City of New York, and the applicable rules and regulations of the Department of Finance in effect as of the date hereof. While I believe my opinions are well founded, they are not intended, and should not be construed as representations or warranties. You should be aware that the laws, regulations and practices of the Department of Finance upon which this opinion is predicated may in the future be revised in a manner adverse to your interests, or that there may be an adverse interpretation of the law or regulations by one or more agencies of the City of New York, or Courts of competent jurisdiction.

The foregoing analysis is based upon experience with the Real Property Assessment Department and the Tax Commission of the City of New York, and their assessment policies regarding newly renovated properties held in condominium ownership. Application of a particular approach to valuation by an individual assessor may yield a different result. This would necessitate commencement of real property tax review proceedings at the Tax Commission or Supreme Court level to bring the assessment in line with the estimates presented herein.

Sincerely,



Amanda Aaron, MAI
NY Certified Real Estate Appraiser #46-49784

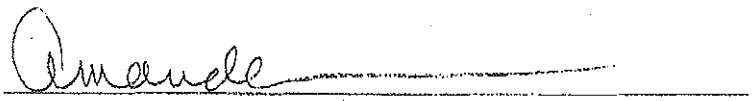
CONTINGENT AND LIMITING CONDITIONS

- The appraiser assumes no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor does the appraiser render any opinion as to the title which is assumed to be good and marketable.
- The appraiser is not required to give testimony or appear in court because of having made the appraisal with reference to the property in question unless arrangements have been previously made therefore.
- Any distribution of the valuation in the report between land and improvements applies only under the existing program of use. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.
- The appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil or structures which would render them more or less valuable. The appraiser assumes no responsibility for such conditions or for engineering which might be required to discover such facts.
- Information, estimates and opinions furnished to the appraisers and contained in the report were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the appraiser can be assumed by the appraiser.
- Disclosure of the contents of the appraisal report is governed by the Bylaws and Regulations of the professional appraisal organizations with which the appraiser is affiliated.
- Neither all nor any part of the content of the report or copy thereof shall be used for any purposes by anyone but the client specified in the report, the borrower if appraisal fee paid by same, the mortgagee or its successors and assigns, mortgagee insurers, consultants, professional appraisal organizations, any state or federally approved financial institution without the previous written consent of the appraiser.
- It is assumed that there will be full compliance with all applicable federal, state and local environmental regulations and laws unless nonconformity has been stated, defined and considered in this analysis.
- It is assumed that all applicable zoning and use regulations and restrictions will be complied with unless a non-conformity has been stated, defined and considered in this analysis.
- It is assumed that the existing or proposed improvements will conform to the Certificate of Occupancy as issued by the appropriate municipal agency.
- Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraisers. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field if desired.

- That all mortgages, liens, encumbrances, leases and servitudes have been disregarded unless so specified within this appraisal report. The property is appraised as though under responsible ownership and competent management.
- That no survey of the property has been made by the appraisers, and no responsibility is assumed in connection with such matters. Sketches used in this appraisal report are included only to assist the reader in visualizing the property.
- That this appraisal report is meant to be presented in its entirety. If this report is presented in any form other than its complete form, it becomes invalid.
- The Americans with Disabilities Act (ADA) became effective January 26, 1992. The appraiser has not made a specific survey or analysis of this property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. Since compliance matches each owner's financial ability with the cost to cure the property's potential physical characteristics, the appraisers cannot comment on compliance to ADA. A brief summary of physical aspects is included in this report. It in no way suggests ADA compliance by the current owner. Given that compliance can change with each owner's financial ability to cure non-accessibility, the value of the subject does not consider possible non-compliance. Specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.

CERTIFICATION

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- I meet the Competency provision of USPAP.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- I have made a personal inspection of the property that is the subject of this report.
- Jordan Hermiller provided assistance identifying comparable properties for the tax burden forecast. No one else provided significant real property appraisal assistance to the person signing this certification.
- I have provided no services involving the subject property within the three years prior to this assignment.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, I have completed the continuing education requirements of the Appraisal Institute.



Amanda Aaron, MAI

NY State Certified General Appraiser #46-49784

QUALIFICATIONS: AMANDA AARON, MAI

Principal, Aaron Valuation Inc.

Education

Columbia University, (New York, New York), B.A.
New York University Graduate School of Arts and Science, M.A.
Appraisal Institute – MAI designation and continuing education requirements

Experience

Full range of property appraisal experience since 1998 includes valuation of apartment buildings, condominiums and cooperative buildings, retail properties, industrial buildings, mixed-use properties, affordable housing, office buildings, hotels, senior housing facilities, proposed construction and vacant land.

Competencies include market analysis and feasibility determination, property tax analysis, cash equivalency valuation of favorable financing terms and LIHTC valuation for affordable housing developments, ground-lease valuation and fractional interest valuation.

Experience includes supervision of both experienced and junior appraisers, peer appraisal review for a range of properties, and instruction of courses for New York State licensing requirements. Clients of Aaron Valuation include lending institutions, attorneys, CPAs, property owners and developers.

Professional Affiliations

- MAI Designated Member of the Appraisal Institute
- Metro New York Chapter of the Appraisal Institute – 2013-2015 Board Member and 2014-2015 Education Chair
- Appraisal Institute 2014-2015 Regional Representative
- Association of Real Estate Women (AREW)
- New York State Certified General Real Estate Appraiser #46-49784
- New York State Supervisory Appraiser
- New York State Course Instructor

BB. WORKING CAPITAL FUND AND APPORTIONMENTS

The Purchaser of each Unit shall be required to make a contribution at the Closing of his Unit(s) to the working capital fund of the Building (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 Board 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 the items described in 1-10 above, and to pay for repairs and replacements to the Residential Common Elements for the Building's share of the cost of repairs and replacements to the Common Elements and may be augmented by allocations from the monthly Common Charges collected from each Unit. While Sponsor

controls the Board (see the Section entitled "Control By Sponsor"), the Working Capital Fund will not be used to reduce estimated Common Charges.

No representation or warranty can be made and no assurance can be given as to the exact amount of funds available at any specific time. However, in no event shall any portion of the Working Capital Fund be used to pay any Common Charges attributable to Unsold Units.

In 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 the 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.

CC. MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

1. Management Agreement

It is presently contemplated that at or prior to the First Closing, the Board will enter into a management agreement with FirstService Residential New York, Inc. (the "Managing Agent"), having its principal office at 622 Third Avenue, 15th Floor, New York, New York, 10017 to act as Managing Agent with respect to the Condominium. Managing Agent is not affiliated with Sponsor.

It is contemplated that the term of the Management Agreement will commence on the date of the First Closing, and will continue in force for 12 months from such date, and thereafter, if not sooner terminated, will be deemed automatically renewed for intervals of 60 days until canceled by either party on 60 days' prior notice. The Managing Agent will receive an annual fee of $36,000 for such first year, payable in equal monthly installments, subject to annual increases based on a consumer price index defined in the Management Agreement, such increase not to be less than 2% nor more than 5% annually. This rate is comparable to that paid by comparable buildings. If either the Managing Agent or the Board shall fail to perform or abide by any of its material obligations under the Management Agreement, the other party shall have the right to terminate the Management Agreement at the end of any calendar month on not less than thirty days' prior written notice, unless such default is cured within said 30 day period. The Management Agreement does not contain a provision as to assignability.

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

(a) Supervise, hire and discharge employees necessary for the proper maintenance and operation of the Building.

(b) Cause the Common Elements to be maintained, repaired, replaced and altered in the manner deemed advisable by the Board. Prior approval of the Board is necessary for any expenditure of over $2,500 for any one item of ordinary repairs or alterations (other than emergency repairs or repairs to comply with a governmental notice or order).

(c) Contract for necessary services and purchasing all supplies necessary to properly maintain and operate the Building and its Common Elements subject to prior approval of the Board for any such contracts having a term longer than one year or requiring annual payments in excess of $2,500.

(d) Upon request of the Board, cause to be effected and/or maintained "all risk" insurance coverage pertaining to the Building, and its employees.

(e) Check all bills received in connection with the maintenance and operation of the Common Elements and causing all such bills and other expenses to be paid.

(f) Assist in the creation of an application package and accept applications from all prospective Unit Owners, and prospective tenants of space being leased by a Unit Owner or the Board.

(g) Schedule the moving in and out of Unit Owners and lessees and, as far as possible, arrange the dates thereof so that there shall be a minimum of disturbance to the operation of the Building and of inconvenience to other Unit Owners.

(h) Bill and collect Common Charges payable by the Unit Owners.

(i) Consider and, when reasonable, attend to complaints of Unit Owners and lessees, providing such complaints concern a violation of the Condominium Documents, a general Building system, service, or common area.

(j) Cause to be prepared and filed the necessary forms for unemployment insurance, withholding and social security taxes and all other tax and other forms relating to employment of Building's building service employees and maintenance and operation of the Building required by any Federal, State or municipal authority.

(k) Not later than the twentieth day of each month, render monthly statements of receipts and disbursements to the Board or other designated entity for the preceding month.

(l) Maintaining accurate sets of books for the Board.

(m) Cooperate with the Board's accountants with regard to the annual audit of the books of account of the Board.

(n) Prepare and submit annually to the Board an operating budget of the anticipated income and expenses for the ensuing year.

(o) Attend meetings of the Board and annual meetings of the Unit Owners and have its representative act as secretary for purpose of recording the minutes of such meetings.

(p) Prepare and send out all letters, notices and reports as the Board may reasonably request, including but not limited to notices of meetings, special, annual and monthly, as required by the By-Laws of the Condominium and the Offering Plan, as directed by the Board.

(q) Set up and maintain separate and accurate books and account, checkbooks, payroll and other corporate books and records of the Board and maintain orderly files of all other documents pertaining to the Condominium.

The management fee will be included in Common Expenses as discussed above in Schedule B – "Projected Budget for First Year of Condominium Operation." The Managing Agent will be entitled to additional fees for certain special services performed by it, including, among others:

(a) Commissions, as agreed upon by the Board and the Managing Agent in advance, for the leasing or subleasing of space in the Building on behalf of the Board.

(b) Fees for discretionary services rendered pursuant to the Management Agreement.

(i) Unit Sales. In connection with the processing of an application for the sale/transfer of ownership by a Unit Owner and conducting a credit check, a nonrefundable sum of $700.00 if a broker is involved or $750.00 if no broker is involved, to be paid by the Unit Owner/transferee and not by the Board;

(ii) Unit Leases. In connection with the processing of a lease application on behalf of a Unit Owner, a nonrefundable sum of $700.00 if a broker is involved or $750.00 if no broker is involved, to be paid by the Unit Owner/transferee and not by the Board; and in connection with the renewal of a lease with an existing tenant a nonrefundable sum of $300.00;

(iii) Unit Transfers. In connection with the transfer of title, whether or not by assignment, including any transfers of title to or from the Board, a fee of $300.00 for the closing of such transfers and assignments;

(c) Reimbursement for out of pocket expenses for items such as messenger service, postage, facsimile transmissions, photocopying, printing, scanning, on-line payment service fee and other administrative expenses incurred by the Managing Agent.

The Board will indemnify the Managing Agent against liability for all claims for all acts properly performed by the Managing Agent pursuant to the management agreement or at the instructions of the Board.

Sponsor reserves the right during the Initial Control Period to designate any other reputable managing agent to perform all of the duties and services to be performed by the Managing Agent under the Plan and if Sponsor does so, Sponsor will cause such other managing agent to accept employment on terms substantially similar to the terms specified above. After the Initial Control Period, upon the expiration or sooner termination of the then current agreement with the Managing Agent, the Board may designate any other managing agent to perform the duties and services to be performed by the Managing Agent under the Plan. The term "Managing Agent" when used in the Plan with respect to any time after Sponsor or the Board has designated another managing agent shall mean such other agent. The Management Agreement may not be assigned by the Managing Agent without the prior written consent of the Board. Sponsor will amend the Plan to disclose having entered into the Management Agreement promptly after execution thereof.

2. Contracts and Leases

The Plan will be amended to describe all agreements that will be binding upon 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.

DD. RESERVE FUND

No reserve fund is being established for the Condominium.

EE. IDENTITY OF PARTIES

1. Sponsor

Sponsor is 223 West 77th St. Owner, LLC, a Delaware limited liability company authorized to do business in the State of New York, with an office at c/o The Naftali Group, 1700 Broadway, 16th Floor, New York, New York 10019.

Miki Naftali is the principal of Sponsor.

Mr. Naftali is a real estate developer, owner, operator and investor, involved in high-end development and key investment opportunities in North America, Asia and Europe. Prior to establishing the Naftali Group LLC, Mr. Naftali launched and guided Elad Properties' New York operation. Mr. Naftali has designated the New York Secretary of State to receive service of process with respect to this Offering Plan.

Mr. Naftali has been a sponsor or principal for the following cooperative or condominium offerings in the State of New York in the preceding five years:

Address of Property	AG File No.	AG Filing Date
182 West 82nd Street	CD13-0075	July 25, 2013
250 West Street	CD11-0015	July 5, 2011
234 East 23rd Street	CD13-0313	June 10, 2014
261 West 25th Street	CD14-0042	July 8, 2014
275 West 10th Street	CD14-0421	August 11, 2014
206-210 West 77th Street	CD14-0076	August 21, 2014

Sponsor and its principal are current in their obligations with respect to the offerings, if any, stated above.

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

2. Selling Agent

Stribling & Associates, with offices 924 Madison Avenue, New York, New York, is the Selling Agent retained by the Sponsor in connection with the offering of 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. 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 ("Sponsor's Counsel"). Holland & Knight LLP prepared the Plan, the Declaration, the By-Laws and the forms of Agreement, Unit Deed and Unit Power of Attorney and has also rendered an opinion with respect to the availability of income tax deductions to purchasers of Units and compliance with Section 339-i of the Real Property Law. 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.

4. Managing Agent

It is contemplated that at or prior to the First Closing, the Board will enter into a management agreement on behalf of the Unit Owners with FirstService Residential LLC (the "Managing Agent"), having its principal office at 622 Third Avenue, New York, NY 10017, to act as Managing Agent with respect to the Condominium. The Managing Agent has been managing residential condominium buildings in New York for more than fifteen (15) years. Representative buildings managed by the Managing Agent include the One Lincoln Square Condominium, The Plaza Condominium, The Lincoln Square Condominium, the Morton Square Condominium, the Cielo Condominium and the Stella Condominium. The Managing Agent is not affiliated with Sponsor.

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

5. Budget Expert

Sandberg Management Corp., having an address at 345 7th Avenue, New York, New York 10001, reviewed all amounts of income and expenses in Schedule B – "Projected Budget for First Year of Condominium Operation," in consultation with Sponsor. Budget Expert is not affiliated with Sponsor or with Sponsor's principal, and has no financial interest in the Property, in Sponsor, in the Managing Agent, or in any other party interested in this transaction, except: (i) for its fees for services rendered in connection with the same; or (ii) to the extent it may in the future be designated as Managing Agent.

6. Real Estate Tax Consultant

Aaron Valuation Inc., having an address at 358 Seventh Avenue, Brooklyn, New York 11215, has been engaged as the real estate tax consultant in connection with the Plan, and has prepared forecasts of the assessed valuation of the Units following Sponsor's construction of the Building and submission of the Property to a condominium regime of ownership that was used in preparing the provisions of Schedule A and other disclosures in the Plan regarding projected real estate taxes. The real estate tax consultant has no financial interest in the Property, in Sponsor, in the Managing Agent, or in any other party interested in this transaction, except for its fees for services rendered in connection with the same.

7. Construction Professionals

Goldstein, Hill & West Architects, LLP, 11 Broadway, Suite 1700, New York, NY 10004 ("GHWA"), is the architect engaged by Sponsor to construct the Project. GHWA has been engaged as an architect in such projects as The Aldyn (60 Riverside Boulevard), The Rushmore (80 Riverside Boulevard), 151 Maiden Line, and 33 West End Avenue.

Buro Happold Consulting Engineers P.C., 100 Broadway, 23rd Floor, New York, New York, 10005 is the mechanical and electrical engineer for the Project. (See the Section entitled "Identity of Parties" in Part I of the Plan)

WSP Cantor Seinuk, having an office located at 228 East 45th St #3, New York, NY 10017, is the structural engineer for the Project.

None of the construction professionals is an affiliate of Sponsor or of Sponsor's principal. None of the construction professionals has a financial interest in the Property, in Sponsor, in the Managing Agent, or in any other party interested in this transaction, except for their respective fees for services rendered in connection with the same.

8. Sponsor Affiliations

The Selling Agent, Managing Agent, and construction professionals are not affiliated with the Sponsor.

FF. REPORTS TO UNIT OWNERS

It is the obligation of the 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 Board and while the Sponsor is in control of the Board, such budget shall be certified pursuant to 13 NYCRR §20.4(d).

GG. DOCUMENTS ON FILE

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

HH. 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 Unit Deed, form of 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 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 Payment, together with any interest thereon, to Purchasers who rescind, except that Sponsor shall retain the 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 has 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 Payment 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 tenants as of the date of submission of the Plan to the Department of Law.

II. SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor hereby adopts the Description of Property set forth as Exhibit 6 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

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221 WEST 77 CONDOMINIUM

219-223 WEST 77th STREET

NEW YORK, NEW YORK 10024

EXHIBIT "1"

AGREEMENT

AGREEMENT

223 WEST 77TH ST. OWNER LLC

Sponsor-Seller

TO

_____

Purchaser

UNIT NUMBER _____

221 West 77 Condominium
219-223 West 77th Street
New York, New York 10024

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UNIT NUMBER(S)_____

221 West 77 Condominium
219-223 West 77th Street
New York, New York 10024

(TO BE EXECUTED IN QUADRUPLICATE)

AGREEMENT, made as of _____, 20__, between 223 West 77th St. Owner LLC, a Delaware limited liability company, having an office at c/o The Naftali Group, 1700 Broadway, 16th Floor, New York, New York 10019 ("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 221 West 77 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 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 payment for the option is the Initial Payment and the Additional Payment described in 4.1(a) and (b) (referred to individually, as an "Option Payment" and collectively, 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. 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 proceeding 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 Payment shall not be refundable.

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 down payment is 50%] (the "Initial Payment"), 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 Option Payment of $_____ [an amount that with the Initial Payment equals at least 15% of the Purchase Price (the "Additional Payment"; the term "Option Payment", as used herein, refers to both the Initial Payment and, if the same has been paid at the time in question, the Additional Payment")], due on the earlier of one hundred twenty (120) days after the execution of this Agreement or thirty (30) days after the Plan is declared effective, by check (subject to collection). [This paragraph is inapplicable to foreign governments or persons with diplomatic immunity.] Agreements entered into after the construction of the building has been completed and the temporary certificate of occupancy issued, shall not require an Additional Payment deposit. If the Purchaser exercises the option to purchase the Unit or fails to provide notice of Purchaser's exercise of the option during the Notice Period, the Additional Payment shall be applied to the Purchase Price; and

(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 Initial Payment and

the Additional Payment 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 "223 West 77th St. 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 Payment 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 his or her failure to obtain such financing will not relieve him or her of his or her 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 him or her of his or her 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 the 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 extra fee as set forth in the Plan. Sponsor, from time to time, may adjourn the date and hour for closing on written notice to Purchaser, 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 March 1, 2017. 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), 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 First American Land Title Insurance Company (or such other title or abstract company designated by Sponsor; the "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 0.04% per day (or such lower rate per day which is the legal limit, if 0.04% 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. DOWN PAYMENT. The Option Payment 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 Payment 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 Payment 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) 513-3200, 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 Bank of America (the "Bank") at its branch located at 1 Bryant Park, New York, New York 10036, a bank authorized to do business in the State of New York. The master escrow account is entitled "Holland & Knight LLP - 221 West 77 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 Payment and the Agreement. If an 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 Master Escrow Account is federally insured by the FDIC at the maximum amount of $250,000.00 per deposit.

12.4 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. 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 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 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 as of October, 2014 is approximately .20%. 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.

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 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.

12.7 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.

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 Payment 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 Payment 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 Payment 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 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 (a) through (c) 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.

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 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.

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 Payment 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 Payment 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 Payment 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 Payment 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 Payment 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 Payment 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 Payment nor deducted from the Option Payment 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 Initial Payment or Additional Payment, 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 is or becomes the tenant of record of the Unit, Purchaser's failure to pay rent or to otherwise comply with Purchaser's lease or tenancy obligations; or

(d) If Purchaser is or becomes the tenant of record of the Unit and Purchaser vacates or abandons the Unit; or

(e) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or

(f) If a non-bankruptcy trustee or receiver is appointed over Purchaser or Purchaser's property, or an involuntary petition in bankruptcy is filed against Purchaser; or

(g) If a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the same; or

(h) Purchaser's failure to pay any closing costs set forth in this Agreement or the Plan, on the Closing Date designated by Sponsor; or

(i) The failure to pay, perform or observe any of Purchaser's other obligations hereunder; or

(j) 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 0.04% 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 Payment (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 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.

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 DOWN 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 Payment 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 Liability of Sponsor. Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such 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 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 Payment 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 Payment 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.

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. RECORDING. This Agreement may not be recorded.

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 a 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.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

SPONSOR:

223 West 77th St. 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

Building restrictions and zoning and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted.

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.

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.

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.

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.

Revocability of licenses for vault space, if any, under the sidewalks and streets.

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.

Leases and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.

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.

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.

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.

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.

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.

Any lease covering the Unit made from the Grantor to the Grantee.

Any violation against the Property (other than the Unit) which is the obligation of the Condominium Board or another Unit Owner to correct.

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"

STORAGE BIN LICENSE PURCHASE AGREEMENT

STORAGE BIN LICENSE PURCHASE AGREEMENT

This Storage Bin License Purchase Agreement (this "Agreement") is made as of _____, 20___, between Sponsor and Purchaser.

Re: Unit No. ___ ("Unit")
221 West 77 Condominium (the "Condominium")
219-223 West 77th Street
New York, NY 10024

1. (a) Sponsor agrees to sell and grant, and Purchaser agrees to purchase the right to use a storage bin for a Purchase Price of $_____. At Closing, Sponsor shall designate, in its sole discretion, the storage bin which will be subject to such License(s). The License to use the storage bin shall be prepared by Sponsor substantially in the form set forth in Part II of the Plan.

Choose (b) or (c) (*delete whichever is inapplicable*)

(b) Upon execution of this Agreement, Purchaser has delivered a check to Sponsor (subject to collection) in an amount $_____ representing the Deposit due in connection with the purchase of the Storage Bin License

-or-

(c) Within 15 days of receipt of notice that Sponsor has met the threshold percentages set forth in the Plan or upon closing of the Unit, whichever is earlier, Purchaser shall deliver to Sponsor a check (subject to collection) in the amount of $_____ representing the Deposit due in connection with the purchase of the Storage Bin License.

2. If there is a fire or other casualty to the area in which the Storage Bin is located and Sponsor does not elect to repair or restore such area(s) following such fire or casualty, then this Agreement shall be deemed modified to provide for the closing of title with respect to the Residential Unit and any other unaffected License(s) only.

3. A default by Purchaser under this Agreement shall constitute a default under the Agreement for the Unit and any other default by Purchaser under the Agreement for the Unit shall constitute a default under this Agreement entitling Sponsor to those remedies as more fully described in the Agreement and the Plan. Notwithstanding an earlier closing of title with respect to the Unit, the provisions of the Agreement with respect to the delivery of the License shall survive.

4. All capitalized terms used in this Agreement not defined herein shall have the same meanings ascribed to them in the Agreement to which this Agreement is annexed or in the Plan.

5. In the event of any inconsistency between the provisions of this Agreement and those contained in the Agreement to which this Agreement is annexed, the provisions of this Agreement shall govern and be binding.

6. Except as set forth in this Agreement, all of the terms and conditions of the Agreement remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date written herein below.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

223 West 77th St. Owner LLC

By: _____
Name:
Title:

EXHIBIT "3"

STORAGE BIN LICENSE AGREEMENT

STORAGE BIN LICENSE AGREEMENT

AGREEMENT made this ____ day of _____, 20___ (this "Agreement") by and between 223 West 77th St. Owner LLC, having an address at c/o The Naftali Group, 1700 Broadway, 16th Floor, New York, New York 10010, and the 221 West 77 Condominium ("Licensor") having an address at 219-223 West 77th Street, New York, New York 10024 ("Licensee");

WHEREAS, the 221 West 77 Condominium, located at 219-223 West 77th Street, New York, New York ("Condominium"), is governed by a certain Declaration of Condominium dated _____, 20___, recorded in the New York County Office of the Register of the City of New York on _____, 20___ in Reel ___, as the same has been or may be amended from time to time (the "Declaration"), the by-laws of the Condominium, as the same has been or may be amended from time to time (the "By-Laws") and the rules and regulations of the Condominium, as the same has been or may be amended from time to time (the "Rules and Regulations") (the "Declaration", the "By-Laws" and the "Rules and Regulations" are collectively, referred to as the "Condominium Documents); and

WHEREAS, in the Condominium there are certain areas designated as the Storage Areas (collectively "Licensed Areas") which are part of the Storage Unit, which is owned by Licensor; and

WHEREAS, storage bins have been installed in the Licensed Areas for use by permitted Residential Unit Owners; and

WHEREAS, Licensee, owns or simultaneously herewith is acquiring a Residential Unit in the Condominium; and

WHEREAS, Licensee desires the right to the exclusive use of the storage bin designated as _____ (the "Storage Bin") for so long as Licensee owns a Residential Unit in the Condominium;

NOW THEREFORE, in consideration of the sum of $10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Licensor hereby grants to Licensee, its successors and assigns, a license for the exclusive use of the Storage Bin ("License") and Licensee hereby accepts such License from the Sponsor for a term commencing on the date hereof. The Licensee shall pay a monthly fee to the Licensor equal to $1. per square foot of the Storage Unit as that number is adjusted from time to time.

2. The Storage Bin may only be used for storage purposes, in compliance with law. No articles or material which pose a threat to the health or safety of the Units Owners or the Building, or that cause noxious odors, dirt or other sanitary problems or otherwise create a nuisance, shall be permitted to be brought into or stored in the Storage Bin. The Storage Bin cannot be owned independently of a Unit.

3. Licensee shall not (a) store any property outside of the Storage Bin or (b) allow any other person to use the License except in accordance with the terms hereof.

4. The License may be assigned by Licensee at any time provided that no outstanding money is owed to the Condominium Board and provided that the assignee: (i) is a Unit Owner at the Condominium, (ii) assumes the obligations hereunder in the form annexed hereto, and (iii) delivers notice of the assignment, in writing to the Condominium Board in compliance with their requirements. The License shall automatically terminate at such time as the Licensee no longer owns a Unit in the Condominium unless this License is assigned to and assumed by another Unit Owner. In the event this License terminates without being assigned by the Licensee, the Board shall have the right to designate the successor licensee and retain any payment made for the License.

5. Licensee represents that it accepts the Storage Bin in its condition "as is" as of the date of this Agreement. Licensee shall throughout the term of this Agreement, take good care of and maintain the Storage Bin. All repairs and replacements to the Storage Bin shall be performed by the Condominium Board and the cost and expense thereof shall be borne by the Licensee as a special assessment pursuant to the Condominium Documents.

6. Neither Sponsor nor the Condominium Board nor their respective agents or employees shall be liable for any theft or damage to any property stored in the Storage Bin.

7. The terms of this Agreement are subject to the terms of the Condominium Documents. Nothing contained herein shall be construed as limiting the rights and obligations of the parties under the Condominium Documents. Any conflict between the provisions of this Agreement and the Condominium Documents shall be resolved in favor of the Condominium Documents.

8. If Licensee defaults in its obligations hereunder or under the Condominium Documents, Condominium may, in addition to the rights and remedies set forth in the Condominium Documents, (i) deny access to and use of Storage Bin until Licensee cures such default or (ii) terminate this Agreement upon written notice to Licensee.

9. Licensor or its agents shall have the right (but not the obligation) to open the Storage Bin in an emergency at any time, and, at the other reasonable times upon prior notice to Licensee, to inspect and examine the Storage Bin and to make such repairs, replacements and improvements as the Condominium shall deem necessary.

10. This Agreement shall constitute a License only and shall not be construed under any circumstances to be a sale of the Storage Bin or conveyance of title thereto. In no event shall a landlord/tenant relationship exist between the Condominium or the Licensor and the Licensee with respect to this Agreement.

11. Licensee shall indemnify and hold the Condominium, the Sponsor of the Condominium, the Condominium Board and their officers, agents and employees, harmless from and against any and all liabilities, claims, penalties, and judgments, together with any related costs and expenses, including reasonable legal fees, asserted against or sustained by any of them in

connection with any act, omission, or negligence of Licensee or Licensee's family, servants, employees, agents, guests and invitees in connection with the License.

12. Licensee shall be obligated to reimburse the Condominium and the Licensor for any legal fees and disbursements incurred by the Condominium or the Licensor in defending the rights of the Condominium or Licensor under this Agreement, or, in the event Licensee defaults under this Agreement beyond any applicable grace period, enforcing Licensee's obligations hereunder.

13. Neither this Agreement nor any provision hereof may be waived, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, amendment, discharge or termination is sought and then only to the extent set forth in such instrument.

14. It is understood and agreed that all understandings and agreements heretofore had between the parties hereto are merged in this Agreement, which alone fully and completely express their agreement and that this Agreement supersedes any and all such understandings and agreements with respect to the subject matter hereof.

15. If any provision of this Agreement is invalid or unenforceable as against any party or under certain circumstances, the remainder of this Agreement and the applicability of such provision to other parties or circumstances shall not be affected thereby. Each provision of this Agreement, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by Law.

16. 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 conform or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

17. Any failure by the Licensor to insist upon strict performance by Licensee of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and the Licensor, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Licensee of any and all of the provisions of this Agreement to be performed by Licensee.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first above written.

LICENSOR:

223 West 77th St. Owner LLC

By:_____
Name:
Title:

221 West 77 Condominium

By:_____
Name:
Title:

LICENSEE:

By: _____

EXHIBIT "4"

POWER OF ATTORNEY

POWER OF ATTORNEY

_____

TO

THE CONDOMINIUM BOARD OF 221 WEST 77 CONDOMINIUM

221 WEST 77 CONDOMINIUM

219-223 WEST 77TH STREET, NEW YORK, NEW YORK 10024

UNIT _____

COUNTY: NEW YORK

BLOCK: 1168

LOT:

UNIT POWER OF ATTORNEY

Terms used in this Unit Power of Attorney which are used (a) in the declaration (the "Declaration") submitted by 223 West 77th St. Owner LLC ("Declarant") establishing a plan for Condominium ownership of the premises known as 221 West 77 Condominium and by the street number 219-223 West 77th Street, New York, New York 10024 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 221 West 77 Condominium which is (are) designated and described as Residential Unit No. _____ in the Declaration and also designated as Tax Lot _____, in Block 1168 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute:

The 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 Unit Power of Attorney shall be irrevocable.

Each Agent may act SEPARATELY.

This 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 "5"

FORM OF UNIT DEED

UNIT DEED

THIS INDENTURE, made the ____ day of _____, 20___, between 223 West 77th St. Owner LLC, a Delaware limited liability company, having an office at c/o The Naftali Group, 1700 Broadway, 16th Floor, New York, New York 10024 (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 221 West 77 Condominium (the "Condominium") and by the street number 219-223 West 77th 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 Grantee agrees that the Unit may be used only for residential purposes.

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:

223 West 77th St. 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.

_____
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

SCHEDULE B

REFER TO PERMITTED ENCUMBRANCES SET FORTH AS SCHEDULE A TO AGREEMENT

TO BE INSERTED PRIOR TO CLOSING

EXHIBIT "6"

DESCRIPTION OF PROPERTY

DESCRIPTION OF THE PROPERTY AND SPECIFICATIONS

221 West 77th Street Condominium
221 West 77th Street
New York, New York 10024

A. Location and Use of the Property:

1. Address:	221 West 77th Street New York, New York 10024
2. Block/Lot Number:	Block 1169, Lots 23. Development Rights Parcel: Block 1169, Lot 26 Additional permitted zoning floor area has also been obtained via the purchase of the Development Rights from Block 1169 Lot 26.
3. Zoning:	C4-6A / R10A Equivalent.
4. Permissible Uses:	Use Groups 1-6, 8-10 & 14 as per New York City Zoning Resolution section 32-00, which permits residential, community facility and commercial uses. The Property and proposed uses will comply with all zoning and use requirements at closing.

B. Status of Construction:

1. Class of Construction:	Class I-B: 2 hour protected - non-combustible (bearing walls and other major structural elements are generally of two hour fire resistance rating), conforming to all applicable regulations of the Building Code of the City of New York. The building will comply with the accessibility requirements of the 2008 New York City Building Code and The Fair Housing Act.
2. Status of Construction:	The Building will be constructed under a New Building Permit. Documents have been filed with the New York City Department of Building under New Building Application No. 121187508 NB. The anticipated start of construction date is April 2015. The anticipated completion date is February 2017.
3. Certificate of Occupancy:	A Certificate of Occupancy will be issued for the building. The sponsor will obtain a temporary Certificate of Occupancy for each residential unit prior to the closing of each residential unit. The Sponsor expects to obtain the first temporary Certificate of Occupancy by December 2016.

Buyers are advised to visit the DOB website for further recommendations when purchasing unit(s) in a building that does not have a Final Certificate of Occupancy. In addition, see the special risk section of the offering for further disclosure regarding TCO issues.

4. Quality Housing: The Building will comply with the Quality Housing regulations of the NYC zoning resolution (ZR 28-00), specifically: Size of Dwelling Unit, Windows, Refuse Storage and Disposal, Density in Corridors, Recreation Space and Planting Areas, Standards for Recreation Space.

C. Site:

1. Size: The size of the Building Lot is 102'-2" x 74'-8", approximately 7,662.5 square feet.

2. Number and Use of the Building: The Building, which will be the only structure on the property located on the North side of West 77th Street, between Broadway and Amsterdam Avenue will be used primarily for residential purposes. The building will consist of 26 Residential Units, 1 Commercial Unit (COMM). The Unit Owner or tenant will be responsible for finishing the Commercial Unit.

The residential lobby entrance, COMM Unit entrance, Parking Area entrance and two building egress will be located on West 77th Street.

3. Streets: West 77th Street abuts the property. The street is paved with asphalt, are owned and maintained by the City of New York and are in fair condition.

The street abutting the property is pitched to drain through catch basins. The catch basins are part of the New York City storm water drainage system. They are in usable condition.

There is currently no street lighting adjacent to the property owned, operated, and maintained by the City of New York.

4. Drives, Sidewalks and Ramps: The sidewalks adjacent to the property will be replaced with new concrete sidewalks running full width from the property line along the street and pitched for drainage to the curb. The Parking Garage Driveway will also be pitched for drainage to the curb and away from the buildings foundation. An adequate drainage system has been provided for the property.

The complete description of the site drainage system is provided in section K of this report. Curbs abutting the property will be replaced with new steel-faced concrete curbs. There are no NYC light poles adjacent to the property.

Sidewalks and curbs will be designed to be free of tripping hazards and ponding in accordance with NYCDOT's standards and applicable accessibility requirements. The Condominium will be responsible for maintaining the sidewalks in accordance with New York City Department of Buildings requirements.

Site lighting will consist of wall-mounted fixtures. Numbers of fixtures of each type are as shown on plans.

There is one fire hydrant adjacent to the property, approximately 36.1" feet west of the property on West 77th Street.

5. Easements: There are no existing easements through the property. The Condominium will not have the need to obtain any right-of egress from an adjacent neighbor.

6. Noise: A potential source of substantial noise in proximity to the property currently includes Fire Station FDNY Ladder 25 is located immediately west to the property at 210 West 77th Street.

D. Utilities:

1. Electricity: The electricity will be provided by Consolidated Edison Company, Inc. (Con Ed), a regulated utility company. The Building will be provided with a house meter for building common areas and base building mechanical systems.

Each Residential Unit is separately metered and shall pay actual usage charges directly to Con Edison on approved Utility Electric rates.

Con Ed will separately meter the electricity consumed in the Residential Comment Elements of the building and the cost of the same will be borne by the Residential Unit Owners as a Residential Common Expense. This will be apportioned to each Unit in accordance with its common interest as provided in the First Year's Budget.

2. Gas: Gas will be provided by Con Edison Company.

Con Edison will supply gas for heating (gas-fired boilers), and general use (domestic hot water,

kitchens, dryers & fire places) in accordance with New York City Building Codes.

Gas meters shall be provided as follows: one (1) for gas fired boiler(s), and one (1) for domestic hot water, residential cooking, and fire places.

Gas for the Residential Units will be collectively metered. The cost of the gas consumed in the Residential Section (including all gas used for cooking purposes and domestic hot water) will be borne by the Residential Unit Owners as a common expense.

The cost of the gas consumed in the building for heat will be borne by the Residential Unit Owners as a common expense.

Gas for the Emergency Generator will be individually metered, the cost of which will be borne by all Residential Unit Owners as a common expense.

3. Water and Sewer:

The City of New York provides water supply and combined sanitary and storm sewer service.

The charges for water and sewer services provided to the building (including Residential Units, and in the public areas of the building) will be levied on the basis of a master city meter and borne by the Residential Unit Owner as a Residential Common Expense.

4. Telephone:

Each Unit Owner will be required to pay telephone/data charges with respect to his or her Unit directly to the telephone company providing such service.

The telephone charges with respect to the public areas of the building (such as the concierge's desk, maintenance offices, etc.) will be borne by the Residential Unit Owners as a Residential Common Expense and apportioned to each Residential Unit in accordance with its common interest as provided in the First Year's Budget.

The "Local" telephone service will be provided by either Verizon and/or other service provider.

5. Cable Television:

Cable (or Satellite) Television service will be available for all Residential Units from Time Warner Cable, Verizon or other alternate TV company.

Each Residential Unit that subscribes will pay all charges for cable television services, including installation and subscription charges directly to cable television provider.

Each Residential Unit will be provided with cable TV outlets in the living rooms and in each bedroom.

The cable television service charges with respect to the public areas of the building will be borne by the Residential Unit Owners as a Residential Common Expense.

E. Sub-Soil Conditions:

1. Fill: Consisting of sand containing varying percentages of sand, gravel, silt and brick. The fill is uncontrolled and is classified as 7 in accordance with the 2008 New York City Building Code (NYCBC). The bottom of fill is estimated 10- ft below sidewalk level.

2. Bedrock: Mica schist is anticipated 10-ft below sidewalk level.

3. Groundwater: The groundwater level is expected to be perched above the top of bedrock. The site is not located within a FEMA designated flood zone.

F. Landscaping:

1. Planting Areas, Grass: Plantings consisting of shrubs, perennials and ground cover in moveable raised planters will be provided at the Public Roof Terraces.

2. Fencing, Gates, Garden Walls: A Planter and Divider fence will be provided to separate the Private Terraces at the 2nd floor. A Divider fence will also be provided at the Main Roof Level separating the private terrace from the Roof Residential Outdoor Space and mechanical areas. The Divider fences will be approximately 3'-6" high and constructed of painted aluminum and /or wood. There will be painted aluminum and/or wood gates for access at the Main Roof Level.

3. Display Pools and Fountains: None.

4. Street trees: Two street trees will be provided adjacent to the property on West 77th Street. Zoning Regulations are such that a total of three street trees are required adjacent to the lot. The one additional tree that cannot be located, per above, due to other regulations, will be planted by the Sponsor elsewhere.

G. Building Size:

1. Total Height: Approximately 185-0" from the top of slab at Residential Lobby to the top of slab at Main Roof.

2. Sub-cellar: None.

3. Cellar: There will be one cellar (Cellar Level) – ceiling height varies.

4. Number of Floors above Grade: Floors above grade are designated 1-12, 14-19, Main Roof, MER Level and EMR Level at Bulkhead Level 1 approximately 196'-0" from the top of slab at the Residential Lobby. The Cooling Tower will be located on Bulkhead Level 2, approximately 207'-0" and the Emergency Generator will be located on Bulkhead Level 3 above at approximately 213'-6" from the top of slab at the Residential Lobby

5. Equipment Rooms: Mechanical Equipment Rooms will be located at Cellar MER Level and EMR Level.

6. Parapet/Railing Assemblies: The parapet and/or railing assemblies will extend a minimum of 3' -6" above the roof finishes.

H. Occupancy:

(Location of Residential Units and Residential Lobby)

Cellar:	Storage Bins (Residential Limited Common Element).
Floor 1:	Residential Lobby, COMM Unit.
Floor 2-3:	2 Duplex Residential Units.
Floor 3:	1 Residential Unit
Floor 4-12:	18 Residential Units.
Floor 14-17:	4 Residential Units.
Floor PH:	1 Duplex Residential Unit (18-19 Floor)
Main Roof:	Private Terrace, Residential Common Terrace, MER Level
Bulkhead Roof:	EMR Level, EMG Level,

I. Structural System:

1. Foundation: The foundation system will consist of piles and pile caps supporting the building foundation walls, shear walls and columns. According to FEMA Flood Insurance Rate Maps for the City of New York, date September 2007, the site is outside the 0.2% annual chance floodplain. To limit water infiltration, the foundation walls and slab will be concrete slab will be waterproofed with positive-side membrane type waterproofing.

2. Superstructure: The building will be constructed of reinforced concrete flat plates supported by concrete columns and shear walls. The lateral system will be represented by the concrete central shear core and side shear walls. It will resist wind and seismic forces as stipulated in 2008 New York City Building Code.

3. Exterior Walls: Although the majority of the facades will be a window-wall system, solid portions of the façades will be constructed of Pre-cast Masonry Panels, 2" wide airspace, 2 ½" Extruded Polystyrene (XPS) insulation, 6" thick CMU wall, with an interior finish of 5/8" gypsum wallboard applied over 2½" steel studs with an aggregate nominal thickness of approximately 1"-5" to meet NYCECC. Other decorative material may be used on the exterior of the Building including stone at the base and decorative metal panels at the north elevation.

Local Law 11 report will be due in accordance with the NYCDOB schedule in effect at the completion of construction. Based on the anticipated completion of construction date of February 2017. The initial critical examination of the building shall be conducted in 2021, the fifth year following the erection of the exterior walls and / or enclosures inspection. Based on the current NYCDOB schedule the inspection will be scheduled during Cycle 9.

4. Windows and Doors: Residential Unit exterior windows shall be a window wall system with a combination of outswing casement windows, inswing doors at Juliet Balconies and fixed windows. Residential Unit exterior doors shall be outswing. All shall be of aluminum construction with anodized and/or "Kynar" finish and glazed with factory-assembled 1" insulating Low 'E' glass units. The windows will be manufactured by Wausau, Efco, Skyline, Oldcastle or no less equal in quality and design with a five year guarantee from the window manufacturer on material, workmanship and weather-

tightness. The windows will be provided with factory installed limit stops. No screens or separate storm

windows will be provided. The perimeter of all windows will be caulked to control water and air infiltration. Window will be cleaned from the inside.

Structural performance: Withstand without excessive deflection, damage or impairment of function the higher of the wind or seismic load established by the requirements of the New York City Building

Light and air requirements have been verified.

The Building does not currently have landmark status.

5. Lot Line windows: The windows on the east façade of the building from the 7th floor to the 12th floor 14th floor to the 16th floor and at the 19th floor are 'Lot Line Windows'. These windows are provided with sprinklers but may be required to be closed up if the adjoining Property is ever redeveloped with one or more buildings of different configurations than that which is now located on the same. The habitable rooms having these windows have other windows that, under the existing building codes, will satisfy light, air and other requirements for the lawful use of such rooms for habitation purposes. These windows in the Residential Units are identified on the floor plans that follow this Report.

6. Parapets and Coping: Parapets will be a constructed of concrete masonry wall with brick cladding. Copings will be pre-cast concrete. Parapets and railing assembly will be 3'-6" high minimum above adjacent floor, terrace and/or roof finishes per code. As designed, all exterior metals and fasteners shall be corrosion resistant.

7. Chimneys and Caps: The Building will have a trash compactor and rubbish chute, 16 ga. Type: AL/Steel, with explosion vents and metal flashing collars. Bathroom and kitchen vents will be provided with central fan systems exhausting to the exterior from the Main Roof. The selected factory-built metal chimney for use with the fireplaces, at a minimum, must be listed by a recognized agency for solid fuel and as tested to UL 103, for continuous use of one thousand degrees (1000°) Fahrenheit and intermittent use of seventeen hundred degrees (1700°) Fahrenheit. The factory-built metal flue design can be from the following types:

1. Non-insulated completely thermal siphoning, double-wall, air-cooled solid fuel rated chimneys listed to UL 103, ULC S629.
2. Double-wall with solid-pack insulation.

3. A combination of double-wall, solid-pack insulation and air space (triple-wall).
4. Triple-wall air space solid fuel chimney.
5. Listed chimney liners conforming with the seventeen hundred degree (1700°) Fahrenheit requirements of UL 1777 or ULCS635 or ULC640 may also be used with Isokern fireplaces.

Notes:
The selected, approved chimney manufacturer must provide the masonry anchor plate designed to fit their flue system. All chimneys and chimney liners must be installed in accordance with the manufacturer's installation instructions and under the terms of their listing for use with open faced fireplaces. Minimum flue size for the Magnum fireplace is twelve and three-quarter inches (12-3/4") inside diameter. Maximum height of a metal flue system is not required as all the load can be taken off the firebox.

8. Residential Fireplaces: There are fireplaces in the following units:

Floor #	Unit#
14	A
15	A
16	A
17	A
19	PH
Roof	PH (Outdoor Fireplace)

These fireplaces are Isokern Magnum 48 wood burning fireplaces. The fireplaces are finished with Stone Surround, Blond Firebricks within the firebox and Slate Hearth. All Fireplaces exhaust to the building exterior at the Main Roof.

9. Juliet Balconies, Balconies & Terraces: Juliet Balconies & Balconies will poured concrete with a traffic coating as the deck finish with parapets and railings as described in Article G; fences/divider walls will be as described in Article F. Drainage at terraces will be as described in Article K

Terraces will be located at Residential Units 2A, 2B, 14A, 15A, 16A, 17A, PH. The PH Unit private terrace will be located on the Main Roof, accessible via an interior stair within the PH Unit.

The Private Terraces will be constructed of poured-in-place concrete and will be finished with pre-cast concrete pavers over a membrane roofing system. Parapet walls will be reinforced concrete parapets with imbed planters. All exterior metals, including fasteners shall be corrosion resistant. Doors to Juliet Balconies, Balconies and Private Terraces will be aluminum and glass doors.

The Juliet Balconies, Balconies and Terraces may not be enclosed, and must remain open as built.

10. Exterior Entrances:

The residential entrance will have a pair of swing doors with anodized aluminum trim and tempered glass with anodized aluminum and glass marquee above. The marquee will be securely fastened to the structure. The egress will each have a painted aluminum swing door. The entrances to the COMM Unit 1 will each have a pair of swing doors with painted aluminum trim and tempered glass. The exterior soffit above the entrances will be finished with painted aluminum. The exterior entrances were designed in accordance with applicable accessibility requirements and free of tripping hazards. As designed, all exterior metals, including exposed fasteners, shall be corrosion resistant.

The exterior residential entrance swing doors will be manufactured by Kawneer, Oldcastle, Wausau, Efco, Skyline or approved equal and have a standard 10 year manufacturer's warranty.

Drainage system at marquee will be as per Article K.6 and is adequate per code.

Front loading, metal, USPS approved mailboxes will be located in the residential lobby at the 1st floor for the Residential Units only.

The doors to the roof will be 1.5 hour fire rated, self-closing, hollow metal doors with metal frames, complying with code.

11. Service Doors:

Service doors will be 1.5 hour or 45 minute fire rated, self-closing as required, hollow metal doors with metal frames complying with code.

12. Roof and Roof

Structures: The roofing system will be an Insulated Roof Membrane Assembly (IRMA) roof comprised of a two component liquid applied roofing (90 mil minimum

thickness) manufactured by Siplast, or approved equal, installed below drainage mat, installed below extruded polystyrene board insulation (R-20), installed below minimum 2" thick concrete pavers or stone ballast. The insulation is in compliance with the Energy Conservation Construction Code of New York State. Specifications require that the roofing manufacturer approve the applicator/installer for the specified membrane. There will be a "No Dollar Limit" warranty provided for all materials and labor by the roofing manufacturer for a period of ten years and a limited guarantee by the contractor for a period of two years.

Flashing will be as follows: base flashing, fluid-applied water-proofing membrane; counter-flashing and drain-flashing; Stainless Steel.

Cast iron roof and area drains will be provided for all roof areas, which will discharge through internal cast iron leaders into the building storm drain system. Scuppers will be provided at the bulkhead roof. Discharge of storm water is made via the buildings combined gravity sewer on 77th Street, at a discharge rate that meets the DEP design flow requirements.

A metal ladder and scuttle will be provided from the roof at the EMR Level to the Bulkhead Level. There will also be exterior metal ladders access to the Bulkhead Roofs form the roof at Bulkhead Roof.

Stair, elevator and mechanical equipment bulkheads above the Main Roof will be constructed of materials similar to below with louvers of metal or other perforated material.

There will be no skylights.

As designed, all exterior metals, including exposed fasteners shall be corrosion resistant.

Vibration isolation will be provided for all rooftop mounted mechanical equipment and mechanical equipment in indoor mechanical rooms to prevent vibration and noise from reverberating to the Units below. All steel dunnage will have a galvanized finish.

13. Fire Escapes: None.

14. Terraces and Courts: The outdoor space at the 2nd floor consists of 2 private terraces. The combined size of the terraces is approximately 74'-8" x 30'-0" and complies with the requirements of the 2008 New York City Building

Code and the New York City Zoning Regulations. The 2nd floor terraces will be enclosed on the north, east and west sides with a concrete parapet wall. The terraces will be constructed of poured-in-place concrete and will be finished with pre-cast concrete pavers over a membrane roofing system. Cast iron roof and area drains will be located at the roof slab beneath the pavers, which will provide adequate drainage per the New York City Plumbing Code. See Article K for additional drainage information. The 2 private terraces appurtenant to Residential Unit 2A and 2B will be separated by a fence. The fence will be 50% open above the height of 42"

15. Interior Stairs: Stairs A and B will be a pair of scissor stairs (separately enclosed) serving the Building from the cellar floor through the Main Roof Room Level. Stair B will also serve the Bulkhead Level 1 floor. The stair enclosures will be constructed of reinforced concrete and/or concrete block and /or gypsum wall board and will be painted. Painted steel tube handrails and guardrails will be provided. The stair stringers and treads will be poured in place reinforced concrete. Emergency lighting will be provided within the stair enclosure. In accordance with the New York Multiple Dwelling Law, a 20 square foot window and a 144 square inch fixed louver is provided at the top of the two main fire egress stairs.

16. Interior Doors and Frames: The entrance door and frame to each Residential Unit will be flush-panel solid wood door 1 3/4" thick F.P.S.C. 1 1/2 hour rated, STC 35db, with stone saddles as required. Residential Unit interior swing doors, will be 1¾ " thick, flush-panel painted solid core wood doors in painted wood frames with saddles as per the door schedule. Laundry room will be provided with painted solid core wood doors with louvers panel.

The entrance door and frame to each of the Storage Bins at the Cellar will be metal and metal mesh and have metal and metal mesh dividers.

All public corridor doors and frames and stair hall doors and frames will be painted flush-panel hollow

metal, 1 3/4" thick, F.P.S.C. 1 1/2 hour rated with saddles as per the door schedule.

Service doors and frames will be painted flush-panel hollow metal, 1 3/4" thick, F.P.S.C. 1½ hour or 45 minute rated with saddles, as appropriate.

The hollow metal doors and frames shall be manufactured by Steelcraft, Curries, Ceco Door Products or approved equal.

17. Elevators:

Passenger elevators PE1 and PE2 will stop at floors Cellar, 1-12, 14-19 and Main Roof. Elevator PE1 will use geared traction type machines, have 2,500 pound lifting capacity and travel at 350 feet per minute. Elevator PE2 will use geared traction type machines, have 2,000 pound lifting capacity and travel at 350 feet per minute. The passenger elevator doors will be single speed side opening automatic type.

The make and model number of the custom elevators will be Fujitec/Custom, Kone/Custom, Otis/Custom Schindler/Custom or ThyssenKrupp/Custom.

Various capacity air conditioning units will be provided for all Elevator Machine Rooms. These ac units will condition the air supply and will assure that the temperature in each room will not exceed the maximum allowed for proper operation of equipment.

Sponsor has advised that it has instructed the Management Company for the Condominium to enter into maintenance contracts for all elevators in the building. The budget reflects the cost of same.

18. Elevator Cabs:

A manufacturer for the elevator cabs has not yet been selected. Similarly, the cab lighting, as well as the materials for the floor, walls and ceiling of the cabs, have not yet been finalized.

As per the NYC Code, all elevators will be equipped with an emergency lighting system to operate automatically in the event of loss of normal power and will provide the prescribed levels of illumination for a minimum of four hours.

Each car will also have a two-way, hands-free voice communication system for distressed passengers. It will be automatically activated when the emergency call buttons is pushed. As per the NYC Code the emergency alarm bell will operate on a supplemental, independent power source for a minimum of four hours.

A key fob system will be provided for secure access to the residential floors.

19. Sound Insulation: Interior partitions inclusive of demising walls and walls surrounding bedrooms will contain 2" thick sound attenuation blanket, partitions will have a 54 STC rating. A sound absorption mat will be provided under the wood floors to reduce the impact noise between floors of the residential units.

20. Mailboxes: Mailboxes will be provided in the Mailroom alcove at the Residential Lobby. The manufacturer will be AF Florence, model Versatile 4C Front-load Horizontal Mailbox Suite D (Unit Height: 21 1/2"). The specified mailboxes are USPS approved and will be installed as per the 2008 New York City Building Code.

J. Auxiliary Features:

1. Refuse Disposal: The refuse chute will be located off the public corridor at the refuse room on the residential corridor. The refuse chute will discharge into a compactor located at the Cellar Level. Building personnel will then take compacted refuse to the street via elevator for pickup up by NYC Dept. of Sanitation. The compactor (model no. 45KSR by Wilkinson, or approved equal with a standard 1 year manufacturer's warranty), when installed, will receive all necessary government approvals.

2. Laundry Room: A Laundry Room will be located at the Cellar Level serving the Residential Units. The laundry room will contain, one laundry sink, two electric washers and two gas dryers.

The gas dryers will be vented by an exhaust fan to the exterior. Utility charges for the laundry room will be part of the Residential Common Expenses and will be allocated to each Residential Unit as noted in the First Year's Budget in the Offering Plan.

3. Amenity Spaces: The Amenity Spaces, comprised of the Fitness Center, Basketball Court, Multi-Purpose room and 1 toilet room, will be located in the Building at the Cellar Level, accessible from the passenger elevators.

The Fitness Center will be furnished with a drinking fountain,. The fitness equipment will include the following:
(2) Treadmills; (2) Elliptical Machines; (1) Cross Trainer; (3) Rec/Upright Bikes; (1) Rowing Machine; (1) Medicine Ball Rack; (1) Kettlebell Rack; (1) Free-

weight rack; and (4) Stack Multi Gym Machine. The maximum capacity of occupants at any given time in the Fitness Center cannot exceed 19 people. Automatic wet sprinklers will be provided in compliance to the New York City Plumbing Code.

The Multi-Purpose room will be furnished with lounge

seating and a billiard table.

The Basketball Court will be approximately 34' x 28', with one basketball hoop with tempered glass backboard.

The Fitness Center, Multi-Purpose room and toilet room will be for residential occupants only and will be part of the Residential Common Expenses and will be allocated to each Residential Unit as noted in the First Year's Budget in the Offering Plan.

4. Roof Residential Outdoor Space:

The Roof Residential Outdoor Space will be located in the Building at the Main Roof Level, accessible from the corridor which is accessed via the passenger elevators. The Roof Residential Outdoor Space will be separated from the Private Penthouse Roof Terrace with a 50% open fence. Approximately 50% of the Roof Terrace will be allocated for the Residential Outdoor Space as recreational space. The dimensions of the Roof Residential Outdoor Space will be approximately 22'-8" x 48'-2 ½". The Roof Residential Outdoor Space will be finished with pre-cast concrete pavers over a membrane roofing system, and furnished with moveable outdoor furniture and a gas barbeque grill The Roof Residential Outdoor Space complies with the New York City Building Code.

The Roof Residential Outdoor Space will be for residential occupants only and will be part of the Residential Common Expenses and will be allocated to each Residential Unit as noted in the First Year's Budget in the Offering Plan. A portion of the Main Roof will be a Private Roof Terrace serving the Penthouse Unit. A outdoor Fireplace will be located at the Private Roof Terrace serving the Penthouse Unit.

5. Storage:

There will be a Storage Room at the Cellar, accessible from the public corridor. There will be approximately 26 bins. The Storage Bins will be licensed to individual residential occupants only. The Storage Space will be part of the Residential Common Elements and the costs and expenses to operate and maintain the facility will be included in the Residential

Common Expenses. The storage units are open to above and provided with ordinary hazard sprinkler coverage.

6. Bicycle Room: The Bicycle Room will be located at the Cellar Level, accessible from the public corridor and will have racks & wall mounted hooks to store 14 bicycles. This facility will be for residential occupants only. The

Bicycle Room will be part of the Residential Common Expenses and will be allocated to each Residential Unit as noted in the First Year's Budget in the Offering Plan.

K. Plumbing and Drainage:

1. Water Supply: Potable water is supplied via New York City public water system. A 4" domestic water service is provided from 77th Street. The water pressure is 30 psi at the top most plumbing fixtures in the building and maintained by means of an automatic constant pressure booster system. A duplex domestic water booster pump with automatic pressure controls will maintain water pressure within the code required limits. There is a single water meter for all Residential Units. Domestic water service will be provided with RPZ backflow preventer and water meter in accordance with NYC DEP requirements.

Domestic hot water is provided by means of two (2) gas fired hot water heaters. The water heaters will be manufactured by LOCHINVAR model AWN701 or approved equal located in the roof mechanical room. Each heater is capable of producing 13gpm recovery with a single 200-gallon storage tank. Domestic hot and cold water is distributed to each Residential Unit by means of type "L" copper pipe distribution system. All hot water piping system shall be insulated with fiberglass pipe insulation with thickness as per New York State Energy Conservation Code.

No rooftop water storage tanks will be provided for domestic cold water.

2. Fire Protection System:

a. Fire Water Services: The building is fully sprinkled throughout via a combination standpipe and wet sprinkler system in accordance with New York City Building Code and NFPA 13 and 13R.
Siamese connections are provided as required by New York City Building Code and FDNY requirements. Water for the system is provided

through one 6" dedicated Standpipe and sprinkler water service connected to the City water main from 77th Street.

A 500 GPM automatic fire pump controller power wiring is tapped ahead of the main electrical service switch, and supplements pressure for the fire protection system. The fire pump will be FAIRBANKS NIJHUIS model 5876F. A one year warranty following

the date of Substantial Completion will be provided. The jockey pump will be FAIRBANKS NIJHUIS model PVM2-100D. A one year warranty following the date of Substantial Completion will be provided.

b. Standpipes: The residential floors are served by one combination standpipe and sprinkler riser located in one side of the main scissor stair enclosure, and a further standpipe in the other side of the main scissor stair enclosure. A further sprinkler riser is located in the trash chute. A drain riser is provided in accordance with code alongside each of the combination standpipe and sprinkler risers.

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

c. Hose Rack, Hoses and Nozzles:

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

A central hose station and locked key box will be located at the first floor Lobby. The hose cabinet will include the necessary devices and 375' hose in accordance with NYC Building Code and Fire Department.

d. Sprinkler System:

Sprinkler heads are Reliable Sprinkler Company's (or equal) concealed, pendant, sidewall or upright configuration as required to meet space conditions.

Sprinkler water will be from the 6" combined standpipe/sprinkler riser.

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

A dry pipe sprinkler system will be supplied in the garage / parking area.
Piping will be schedule 10 or 40 steel piping with rolled or cut grooved or threaded joints.

All sprinkler floor control valve assemblies are provided with sprinkler water flow and valve tamper switches for monitoring by the fire alarm control panel. All service valves are provided with tamper water flow switches connected to the sprinkler fire alarm panel. A sprinkler fire alarm panel monitors the fire pump. A central station-monitoring panel is provided to automatically transmit an alarm whenever flow is

detected in the sprinkler system.

e. Siamese Connections:
One (1) flush mount Siamese connection, 3" x 3" x 6" is located at the grade level on 77th Street in accordance with New York City Building Code and FDNY requirements.

3. Water Pressure and How Maintained:
The domestic water pressure is maintained by means of an automatic constant pressure booster system to provide a minimum of 25 psi at all fixtures. The fire protection water pressure is maintained by an automatic fire pump. The pump will be CANARIIS model DM-131-123-2VS. A one year warranty following the date of Substantial Completion will be provided.

4. Water Storage Tank(s) and Enclosures:
A secondary water supply to the fire pump is not required based on the building's height and seismic classification. One (1) storm water detention tank is located within the cellar based on DEP regulations. A 257 gallon water heater storage tank is located in the bulkhead mechanical room.

5. 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 above grade with standard couplings consisting of stainless steel shield/clamp assembly and one-piece rubber sealing sleeve.

Drainage and vent piping will be hub spigot with neoprene joints below grade.

b. Sanitary Ejector Pumps:
Duplex Ejector pumps will pump waste water, sewage from the cellar Level to the sanitary pipe downstream of the house trap. The pump will be WEILL model

2533. A one year warranty following the date of Substantial Completion will be provided.

c. Sump Pumps: An elevator sump pump is provided for the elevator pit. The pump will be WEILL model 1411. A one year warranty following the date of Substantial Completion will be provided.

d. Foundation relief drainage:
A dedicated sand trap and sump pit is provided for connection to the inlet from the civil engineering relief

drainage system under the cellar slab.

Duplex Ejector pumps will pump ground water, from the cellar Level to the sanitary pipe downstream of the house trap. The pump will be FLYGHT model CP3085IMP434. A one year warranty following the date of Substantial Completion will be provided.

e. Sewage Disposal:
One (1) 8-inch combined sewer, to be connected to street municipal sewer on W. 77th Street. Combined sewer is allowed at this location.

6. Permits required:

All permits will be obtained by the plumbing and sprinkler contractors. Approval will be obtained from the New York City Department of Environmental Protection for one (1) 8" diameter combined sewer connection located on 77th Street. Approval will be obtained for one 6" fire service connection from 77th Street and (1) 4" domestic water service connection from 77th Street.

7. Storm Drainage System:
Gravity drainage from roof and terraces drains into the storm water detention tank located within the cellar. Water is then released to the sewer at a controlled rate via one (1) 8" combined house sewer connected to street municipal sewer on W. 77th Street.

a. Catch Basins: None.

b. Roof and Terrace Drains:
Roof and terrace drains will be located on the roof and terraces. High points will be typically located at the perimeter of the Roof and or Terrace parapets wall and against the building with the drains pitching towards the center of the respective Roof and or Terrace.

c. Piping: Cast Iron piping will be no-hub cast iron piping with standard couplings consisting of stainless steel shield/clamp assembly and one-piece rubber sealing sleeve.

8. Garage Drainage System:
Gravity drainage from a combination of trench drains and area drains into the main building sewer.

L. Heating:

1. Domestic Hot Water Heating:
Domestic hot water is provided by means of two (2) gas fired water heaters located in the roof top mechanical room. The water heaters will be manufactured by LOCHINVAR model AWN701 or approved equal located in the roof mechanical room. Each heater is capable of producing 13 gpm recovery with one (1) 200-gallon storage tank. Domestic hot and cold water is distributed to each Residential Unit by means of type "L" copper pipe distribution system. All hot water piping system shall be insulated with fiberglass pipe insulation with thickness as per New York State Energy Conservation Code.
All units are sized to provide 120 degree water at peak load.

Instant hot water devices will not be provided.

The domestic hot water heaters will be provided with natural gas supplied by public utility through a schedule 40 steel pipe distribution system.

The Lochinvar Limited warranty for the AWN 701 Gas-Fired Water Heater is as follows:

The shell assembly shall carry a non-prorated 10 year limited warranty from date of shipment against leakage due to thermal shock, water side corrosion, mechanical defects or workmanship.

2. Space Heating and Cooling:
Each Residential Unit will be provided with refrigerant based vertical fan coil air conditioning units.
Operation of each fan coil will be controlled by a 7-day programmable wall mounted thermostat with automatic change over to provide heating or air conditioning. Nominal capacity of each unit will vary from 0.75 to 4 tons, depending on the size and exposure of the Residential Unit served.

Refrigerant will be produced within each apartment

via dedicated Water Cooled Condensing Units (1 per apartment), located within the Apartment's utility area or within a dedicated closet. The system is capable of both heating and cooling the apartments and includes energy recovery. The water cooled condensing units will be Daikin or approved equal, and individually connected to the buildings central condenser water system.

Hot water will be provided by 2 condensing boilers (Lochinvar or approved equal). Hot water will be used

for heat injection into the condenser water system in the heating season, and also distributed throughout the building for use in the amenity spaces and common areas.

Air conditioning and heating in common spaces and the lobby will be provided with horizontal fan coil units or air handing units operation of each FCU & AHU will be controlled by a 7-day programmable thermostat.

All systems will be controlled by an automatic temperature control system(s) with capability of assigning heating or air conditioning service to each of the fan coil units.
Other common areas, including the entry vestibule, will be provided with electric unit heating elements.

Equipment Warranty Period: Five years from date of Substantial Completion.

3. Piping, Insulation, Pumps:

All hot water piping will be Schedule 40 steel with standard weight fittings and will be insulated as required by the NYC Energy Code (NYCECC).

The insulation for Air Distribution Ducts will be installed in accordance with New York City Building Code, New York City Mechanical Code, ASTM, UL, NFPA, NYCECC (ASHRAE 90.1-2007). Insulation shall be 1½" thick 6 lb. rigid board, 1½" thick ¾ lb. density glass fiber blanket, and NFPA 96 compliant fire resistant duct wrap.

There will be two (2) hot water pumps, manufactured by Bell & Gossett or approved equal, for circulating heating water to be used in the condenser water loop.

There will be two (2) primary condenser water centrifugal pumps and two (2) secondary condenser water pumps manufactured by Bell & Gossett or approved equal.

M. Gas Supply:

1. Type: The Building will be provided with gas service as called for on the drawings for domestic hot water, cooking ranges, emergency generator, heating, and fire places (where provided).

2. Meters: Common meter(s) will be provided for the Residential Units' gas cooking and hot water.

A separate meter will be provided for the building

heating system.
A separate meter will be provided for the gas generator.

A gas booster pump will be provided for the generator. The pump will be GENPAC model HB-3314-1/2-VFD-N4. A one year warranty following the date of Substantial Completion will be provided.

3. Piping Material: All gas piping will be black steel Schedule 40 pipe with malleable iron fittings

N. Air Conditioning:

1. Type of system:
   a) Residential: Each Residential Unit will be provided with a minimum of one refrigerant based vertical fan coil air conditioning unit. Refrigerant will be provided by the apartment's dedicated water cooled condensing unit located within its associated utility room or designated closet. The water cooled condensing unit will be Daikin model RWEYQ or approved equal.
Condenser water for the unit will be provided by a central cooling tower located on the roof and condenser water pumps to be located in the roof top mechanical room. Both cooling tower and condenser water pumps will be provided with variable speed drives for capacity control and energy conservation.

Operation of fan coil unit will be controlled by a 7-day programmable wall mounted thermostat with automatic change over to provide heating or air conditioning. Nominal capacity of each unit will vary from 0.75 tons to 3 tons, depending on the size and exposure of the Residential Unit served. System will be capable of maintaining inside conditions of 75° F and 50% relative humidity when outside temperature is 89° DB.

Residential Fan Coil Units will be manufactured by

Daikin as follows or no less equal in quality and design:

Symbol	International Manufacturer and Model Number	CFM	Total Capacity BTUH Cooling	Total Capacity BTUH Heating
FCU-A	FXTQ18PAVJU	600	18,000	20,000
FCU-B	FXTQ24PAVJU	800	24,000	27,000
FCU-C	FXTQ30PAVJU	1,000	30,000	34,000
FCU-D	FXTQ36PAVJU	1,200	36,000	40,000

All Residential Units will have one or more fan coil units as scheduled above.
Equipment Warranty Period: Seven years Compressor, One year Parts.

b) Commercial Unit:

Retail Unit will be provided with capped 2 ½" condenser water supply and return for future use. Each tenant to provide entire HVAC system in the future.
Retail Unit will also be provided with capped 2 ½" heating hot water supply and return for future use.
An exterior wall louver and plenum box will be provided above the storefront for future Tenant ductwork connection. This is to be used for outside air and exhaust air.

3. Individual units:

Individual units will be designed to meet all requirements of the NYCECC. Cooling capacities are based on ASHRAE and ARI conditions of 89 deg F DB/73 deg WB outside, 75 deg F DB/50%RH inside air.

Separate fan coil units and air handling units will be provided for various common areas inclusive of the lobby, The Amenities Spaces, elevator machine room, telephone room.

The Elevator machine room will be mechanically exhausted directly through the bulkhead roof. The provided ventilation is adequate and in accordance with the New York City Building Code. The AC unit provided will be split-system air conditioning unit manufactured by DAIKIN, with a total cooling capacity of 18,000 BTUH

Cooling and heating of corridor ventilation air will be provided by packaged rooftop unit. The rooftop unit has a cooling capacity of 669,000 BTUH and heating capacity input of 525,000 BTUH.

Equipment Warranty Period: Five years from date of Substantial Completion.

4. Cooling Tower: The cooling tower has a 2,520,000 BTUH cooling capacity at 500 gallons per minute. The tower will be installed on steel dunnage mounted on spring vibration isolators which are mounted on concrete curbs. The external vibration isolator is seismic rated and has a maximum of 4" deflection. As designed, all exterior metals including fasteners will be corrosion resistant.

Piping which is exposed to weather will be covered with a PVC plastic jacket similar to Johns-Manville "Zeston 2000" or equal, including all fittings in addition to insulation and finishes specified for piping exposed to outdoors.

Equipment Warranty Period: Five years from date of Substantial Completion.

O. Ventilation:

1. Bathrooms: Interior residential bathrooms will be ventilated with an exhaust ventilation system continuously exhausting a minimum of 25 cubic feet of air per minute from each bathroom.

2. Non-Residential Bathrooms: Interior non-residential bathrooms will be ventilated with an exhaust ventilation system exhausting a minimum of 75 cubic feet of air per minute for each water closet and urinal.

3. Locker Room: Locker rooms will be ventilated with exhaust ventilation capable of exhausting air at a rate of 1 cubic feet per minute per square foot.

4. Public Corridors: Typical floor corridors will be provided with conditioned outside air.

5. Laundry Room: Laundry Room in the cellar will be provided with a fan forced exhaust system from dryers and an outside air supply interlocked with the dryers.

6. Gas Meter Room: Gas meter room will be provided with vent in 2 hour fire rated enclosure exhausted directly to outside.

7. Bike Storage Room: Bike Storage Rooms will be ventilated with exhaust ventilation capable of exhausting air at a rate of 50 cubic feet per minute.

8. Residential Units: Habitable rooms of Residential Units will be provided

with natural ventilation by opening of operable windows only.

9. Parking Garage: The parking garage area will be ventilated via a dedicated exhaust fan capable of exhausting 1.5 cubic feet per minute per square foot of garage area and shall maintain a minimum of .05 cubic feet per minute per square foot of garage area. Makeup outside air will be provided through the open area of the garage door.

10. Noise All rooms inside Residential Units will be provided with air outlets with noise criteria (NC) between 30-40, all other spaces between NC 35-40

11. General All spaces, inclusive of cellars shall be ventilated at the rate specified by the NYC Mechanical Code.

P. Electrical System:

1. Service from main switchgear:
The main electrical service enters the building underground from 77th Street. The service has the capacity of 4,000 amps at 120/208 volt, 3-phase. Circuit breakers shall protect the wiring in accordance with the New York City Electrical Code. There is one (1) meter room located in the cellar switchboard room, which contains the electric meters for all Residential Units. Four (4) 800-amp, 120/208-volt, 3-phase meter banks serve the Residential Units. Separate main disconnect switches and metering equipment are provided for the Residential building house loads.

2. Service to individual units:
Each Residential Unit has a dedicated circuit breaker panel, which contains circuits for water cooled condensing units, fan coil units, small appliance circuits, general lighting and convenience receptacle circuits and dedicated circuits for large appliances, including dishwashers, ovens, and refrigerators. Each Residential Unit Owner is separately metered and shall pay actual usage charges directly to Con Ed on approved Utility Electric rates. Residential Unit panel boards will include a minimum forty-two (42) pole spaces. Refer to schedules for specific panel sizes.

Arc Fault Circuit Interrupters (AFC) shall be provided as per latest applicable NEC requirements.

3. Unit service:
The equipment will be rated to comply with New York City Code and will take into account all equipment

provided in Residential Units, such as washing machines, clothes dryers, dishwashers, microwaves, etc.

4. Adequacy:

a. Service: Capacity provided for each Residential Unit will be in accordance with Code requirements. All residential units will be provided with a minimum of 100 amp, 120/208 volt, 1-phase, 3- wire electrical service. Electrical panels shall be rated for a minimum of 100 amps. Refer to schedules for specific service sizes.

b. Lighting and fixtures:
Switched lighting fixtures will be provided in bathrooms, foyers, walk-in closets, and kitchens. Fixtures will be energy efficient lamp type in foyers, baths and kitchens.

c. Convenience receptacles, appliance receptacles:
Switched receptacles will be provided in each bedroom and living room in compliance with NYC Electrical Code. Ground fault receptacles will be provided in all bathrooms, on top of kitchen counters and at Residential Unit terraces, where applicable. Water-proof receptacles shall be used in all exterior uses. Appliance receptacles will be provided in kitchens. Convenience receptacles will be provided to meet the requirements of the NYC Electrical Code.

5. Emergency Power:

A 300kW natural gas emergency generator will be located in the open mechanical equipment roof that has enough capacity to support the specified emergency life safety and optional standby loads.

The generator shall be Kohler Power Systems Model 300REZXB or approved equal. The generator shall be capable of providing 300kW / 375kVA. The unit shall be 3 phase with a power factor of 0.8 and an energy efficiency rating of 40%.

The generator has been sized for both 'life safety loads' and critical building operation 'optional standby loads'.

The following Optional Standby Loads for the Residential Units have been included for the emergency generator:

A 20 amp receptacle connected to the emergency

generator will be provided in the residential lobby and each Residential Unit. This receptacle will only be operational under emergency power conditions and shall be utilized for cell phone recharging and other minor applications.

A dedicated receptacle for the refrigerator within each apartment will be connected to the emergency generator.

6. Obstruction Signal System:
None provided.

7. Lightning Protection:
None provided.

Q. Telephone, Intercom and Security Systems:

Telephone service will enter the Building on the Cellar level and will be routed through various rooms and terminate in the building's centrally located main telecom room. It will then be distributed throughout the building through risers and sleeves. Each residential unit will receive telephone service to a closet within the Unit.

Each Residential Unit will be provided with an Aiphone GT-2C intercom system that utilizes the telephone system. Unit Owner will provide telephone for intercom. Wiring will be installed in each Residential Unit to enable the Unit Owner to obtain telephone and cable television service at the Unit Owner's expense.

The Building will not be equipped with a master television antenna system.
A virtual doorman and or equal will not be provided.
A 24 hour Doorman will be provided.

R. Public Area Lighting:

Entrances to the building at grade will be provided with a minimum of one light fixture. Lobbies will be provided with ceiling mounted and/or recessed downlight fixtures. All lighting levels have been designed in accordance with the NYC Building Code and the Housing Maintenance Code.

S. Garage:

Parking garage will be located at the ground floor with the entrance located at the West 77th Street façade. The Parking garage will provide 8 Residential parking

spaces including 1 handicap Residential parking

space, in compliance with the New York City Zoning Resolution. The Parking garage will be unattended. The parking surface with be pour concrete slab with an applied traffic coating.

A Mechanical parking system will be provided. All steel structural and platform elements will be 100% galvanized steel. The system will hold 7 cars. The top level spaces (4) will hold standard cars only (vehicle limited to 60" high and 5000 pounds). Grade level (3) will accommodate cars, mini-vans, and mid-size SUV's up to 72" in height and up to 5000 lbs. each. The perimeter of the parking system will be protected by electric photo sensors. A single user control

station will be provided for all users of the system. A swipe card will be required to operate the system. Each user will be assigned a specific space.

A one year warranty for parts and labor services will be provided by the manufacturer.

T. Swimming Pools: None.

U. Recreation Facilities:

Indoor recreation space will be provided in Fitness Center, part of The Amenity Space located at the Cellar Level as described in Article J. Outdoor recreation space will be provided at the Main roof as described in Article J

V. Permits and Certificates:

The building is being constructed under a New Building Permit. Sponsor will obtain all required permits and inspections prior to closing.

W. Violations:

Sponsor will cause all violations to be cured and/or removed of the record prior to issuance of the permanent Certificate of Occupancy.

X. Vaults: None.

Y. Unit Information:

1. Residential Unit Information:

There will be 25 Residential Units.

Top of floor finished floor to bottom of hung ceiling heights in the Units will be approximately 9'-0" on floors 2, 14 and 19, approximately 8'-0" on the floors

3-12 and 14-17. Ceiling heights in the kitchens, powder rooms, bathroom hallways and closets in the Residential Units will be approximately 8'-0". Ceiling heights in the public corridors will be approximately 8'-0". At beam drops and/or where there are concealed mechanical pipes or ducts or dropped ceilings, heights may be lower than the above stated heights and may also vary slightly from room to room.

2. Washers & Dryers:

Each Residential Unit is provided with one electric vented dryer and one electric washer.

The types of Residential Units, together with the type and number of rooms in each of the same, are as follows:

Type/ Rooms	Unit	Floor
2 BEDROOM		
2 Bedrooms, Living Room, Dining Area, Kitchen, 2 Juliet Balconies and 2.5 Baths	Unit: B	Floor: 7-9
3 BEDROOM		
3 Bedrooms, Living Room, Dining Area, Kitchen, 2 Juliet Balconies and 3.5 Baths	Unit: B	Floor: 4-6, 10-12
3 BEDROOM		
3 Bedrooms, Living Room, Dining Area, Kitchen, 2 Juliet Balconies and 3.5 Baths	Unit: C	Floor: 3
4 BEDROOM		
4 Bedrooms, Living Room, Dining Area, Kitchen, Fire Place,, 2 Juliet Balconies and 4.5 Baths	Unit: A	Floor: 4-6, 10-12
4 BEDROOM		
4 Bedrooms, Living Room, Dining Area, Kitchen, Fire Place, 1 Private Terrace, 1 Juliet Balcony and 4.5 Baths	Unit: A	Floor: 17
4 BEDROOM DUPLEX		
4 Bedrooms, Living Room, Dining Area, Kitchen, Private Terrace, 1 Juliet Balconies and 4.5 Baths	Unit: B	Floor: 2-3

Type/ Rooms	Unit	Floor
5 BEDROOM DUPLEX		
5 Bedrooms, Living /Dining Room, Family Room, Library, Kitchen, Private Terrace, 2 Juliet Balconies and 5.5 Baths	Unit: A	Floor: 2-3
5 BEDROOM		
5 Bedrooms, Living Room, Dining Area, Kitchen, 2 Juliet Balconies and 4.5 Baths	Unit: A	Floor: 7-9
5 BEDROOM		
5 Bedrooms, Living Room, Dining Area, Kitchen, Fire Place, 2 Private Terraces, 1 Juliet Balcony and 4.5 Baths	Unit: A	Floor: 14
5 BEDROOM		
5 Bedrooms, Living Room, Dining Area, Kitchen, Fire Place, 1 Private Terrace, 1 Juliet Balcony and 4.5 Baths	Unit: A	Floor: 15, 16
5 BEDROOM PH DUPLEX		
5 Bedrooms, Living /Dining Room, Great Media Room, Fire Place, Kitchen, 6 Juliet Balconies, 3 Balconies, Private Roof Terrace, Outdoor Fire Place and 6.5 Baths	Unit: PH	Floor: PH

Fixtures and Appliances: All finishes, fixtures and appliances are subject to Sponsor's right to substitute finishes, fixtures or appliances of equal or better quality, as set forth in the Offering Plan. The Residential Units will be equipped with the following or comparable fixtures and appliances:

ITEM	DESCRIPTION	UNITS
Refrigerator/ Freezer	Miele 48" total Built-In side by side Refrigerator/Freezer (with custom millwork paneling) Model# F1471SF & K1801SF with side by side kit	2A, 2B, 4A, 4B, 5A, 5B, 6A, 6B, 7A, 7B, 8A, 8B, 9A, 9B, 10A, 10B, 11A, 11B, 12A, 12B, 14A, 15A, 16A, 17A, PH

ITEM	DESCRIPTION	UNITS
Cooktop	Miele 42" Hexa Design 6 Burner Gas Cooktop, Model# KM3484G	2A, 2B, 4A, 4B, 5A, 5B, 6A, 6B, 7A, 7B, 8A, 8B, 9A, 9B, 10A, 10B, 11A, 11B, 12A, 12B, 14A, 15A, 16A, 17A, PH
Ventilation Hood	Miele 36" Built-In ventilation, Model# DA3490	2A, 2B, 4A, 4B, 5A, 5B, 6A, 6B, 7A, 7B, 8A, 8B, 9A, 9B, 10A, 10B, 11A, 11B, 12A, 12B, 14A, 15A, 16A, 17A, PH
Wall Oven	Miele 30" Single Oven Master Chef Europa Design with 4043 Square Series Handle. Model# H 4886BP	2A, 2B, 4A, 4B, 5A, 5B, 6A, 6B, 7A, 7B, 8A, 8B, 9A, 9B, 10A, 10B, 11A, 11B, 12A, 12B, 14A, 15A, 16A, 17A, PH
Speed Oven	Miele 24" Master Chef Europa Design with DS 4043 Square Series Handle. Model# H 4086BM	2A, 2B, 4A, 4B, 5A, 5B, 6A, 6B, 7A, 7B, 8A, 8B, 9A, 9B, 10A, 10B, 11A, 11B, 12A, 12B, 14A, 15A, 16A, 17A, PH
Warming Drawer	Miele 30" Warming Drawer with custom millwork paneling and handle. Model# ESW 4802FB	2A, 2B, 4A, 4B, 5A, 5B, 6A, 6B, 7A, 7B, 8A, 8B, 9A, 9B, 10A, 10B, 11A, 11B, 12A, 12B, 14A, 15A, 16A, 17A, PH
Dishwasher	Miele 24" Futura Profiline Custom Millwork Panel, Model# PG 8083	2A, 2B, 4A, 4B, 5A, 5B, 6A, 6B, 7A, 7B, 8A, 8B, 9A, 9B, 10A, 10B, 11A, 11B, 12A, 12B, 14A, 15A, 16A, 17A, PH
Wine Storage	Miele 24" Undercounter Unit, Model# KWT 4154 UG-1	2A, 2B, 4A, 4B, 5A, 5B, 6A, 6B, 7A, 7B, 8A, 8B, 9A, 9B, 10A, 10B, 11A, 11B, 12A, 12B, 14A, 15A, 16A, 17A, PH
Sink	Mila Stainless Steel Undermount Sink, Model# MUS-504 & MUS-501	2A, 2B, 4A, 4B, 5A, 5B, 6A, 6B, 7A, 7B, 8A, 8B, 9A, 9B, 10A, 10B, 11A, 11B, 12A, 12B, 14A, 15A, 16A, 17A, PH
Faucet	Dornbracht Tara Ultra Single Lever Mixer with Hand Spray Set. Model# 33826875 & 27719970	2A, 2B, 4A, 4B, 5A, 5B, 6A, 6B, 7A, 7B, 8A, 8B, 9A, 9B, 10A, 10B, 11A, 11B, 12A, 12B, 14A, 15A, 16A, 17A, PH
Garbage Disposal	Insinkerator Model# Evolution Excel	2A, 2B, 4A, 4B, 5A, 5B, 6A, 6B, 7A, 7B, 8A, 8B, 9A, 9B, 10A, 10B, 11A, 11B, 12A, 12B, 14A, 15A, 16A, 17A, PH

Finish Schedule: The following is a finish schedule for a typical Residential Unit:

Location	Floor	Base	Walls	Ceiling	Remarks
Foyer, Corridors	Wood ¾" solid white oak	Wood / MDF	gypsum board-painted	Conc. w/ Kadex-primed* and/or Hung gypsum board-primed*	
Living Rooms, Dining Room, Family Rooms, Closets, All other rooms & halls in Unit.	Wood ¾" solid white oak	Wood / MDF	gypsum board-painted	Conc. w/ Kadex-primed* and/or Hung gypsum board-primed*	
Bedroom	Wood ¾" solid white oak	Wood / MDF	gypsum board-painted	Conc. w/ Kadex-primed* and/or Hung gypsum board-primed*	
Master Bathroom	Stone tile	___	Stone tile	Conc. w/ Kadex-primed* and/or Hung gypsum board-primed*	Stone countertop, mirror
Secondary Bathroom	Stone tile	___	Stone Tile	Conc. w/ Kadex-primed* and/or Hung gypsum board-primed*	
Powder Room	Stone tile	___	WR gypsum board-painted	Conc. w/ Kadex-primed* and/or Hung gypsum board-primed*	Stone countertop, mirror
Kitchen	Wood ¾" solid white oak	___	WR gypsum board-painted	Conc. w/ Kadex-primed* and/or Hung gypsum board-primed*	Stone countertops, stone tile backsplash
Laundry Closet	Porcelain Tile	___	gypsum board-painted	Conc. w/ Kadex-primed* and/or Hung gypsum board-primed*	

Z. Substitutions: The Sponsor reserves the right to substitute materials, appliances, fixtures and equipment to make substitutions as set forth in the Offering Plan, comparable in quality and design to those set forth in this report.

AA. Safety and Warning Devices:

A one-way voice communication fire alarm system shall be provided for this building including smoke detectors at Elevator lobbies, in Elevator Machine rooms and in elevator shafts for elevator recall and in

Mechanical rooms. Heat detectors shall be provided at top of elevator shafts for elevator recall and in the Boiler Room as required. A fire command station shall be provided in the building lobby within sight of the elevators. Speakers shall be provided in each apartment and in stairwells on every other floor. Fire Fighter phones shall be provided in every stairwell on every floor. A fire warden station shall be provided in every common space elevator lobby on each floor. The fire alarm system shall be installed as required per 2008 NYC building code.

Each apartment will be provided with a combination smoke/carbon monoxide alarms in each bedroom and within fifteen feet of each bedroom door (all devices interconnected), each apartment's system shall be stand alone and not part of the buildings fire alarm system. Smoke/carbon monoxide detectors shall be KIDDE 120V model or approved equal.

BB. Additional Information:

To the best of my knowledge, belief and professional judgment, these plans and specifications are in compliance with the 2011 New York City Energy

Conservation Construction Code (NYCECC) Chapter 5 Commercial Energy Efficiency.

As specified, the gypsum wallboard in this Building will be manufactured in the US and may contain non-detectable amounts of sulfides.

The architect of record, Goldstein, Hill & West Architects, LLP has not been retained by the sponsor to perform controlled inspection/ commissioning agent on the project.

We have been advised by Sponsor that the following documents, to the extent the listed documents are in the possession of the Sponsor shall be transferred to the condominium management upon transfer: Operation & Maintenance (O&M) manuals for mechanical equipment; electronic system manual, equipment warranties; roof warranty; major equipment start-up sheets; original test and balance report for HVAC; final as-built mechanical, electrical and plumbing drawings as maintained during construction.

CC. Additional Information on Floor Areas of Units:

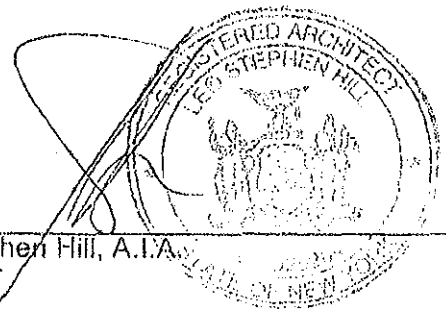
The approximate floor area of each Unit has been measured horizontally, on each of one or more floors, from the exterior side of the exterior Building walls, the

line of the masonry piers, the Building Line or Property Line to the midpoint of an interior partition or continuous structural element separating one Unit from another Unit, public corridor, stairs, elevators, Mechanical equipment spaces or any other Common Element, Columns, mechanical pipes and shafts, (whether along the perimeter or within the Unit) were not deducted from the square foot area of the Unit. Outdoor floor areas of terraces or other outdoor areas, if any, appurtenant to a Unit were not included in the Unit's approximate floor areas.

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 (above any suspended ceiling.

The foregoing constitutes a true, correct and complete Description of Property by our firm for the property located at 221 East 77th Street, New York, New York.

Dated: January 9, 2015



L. Stephen Hill, A.I.A.
Partner

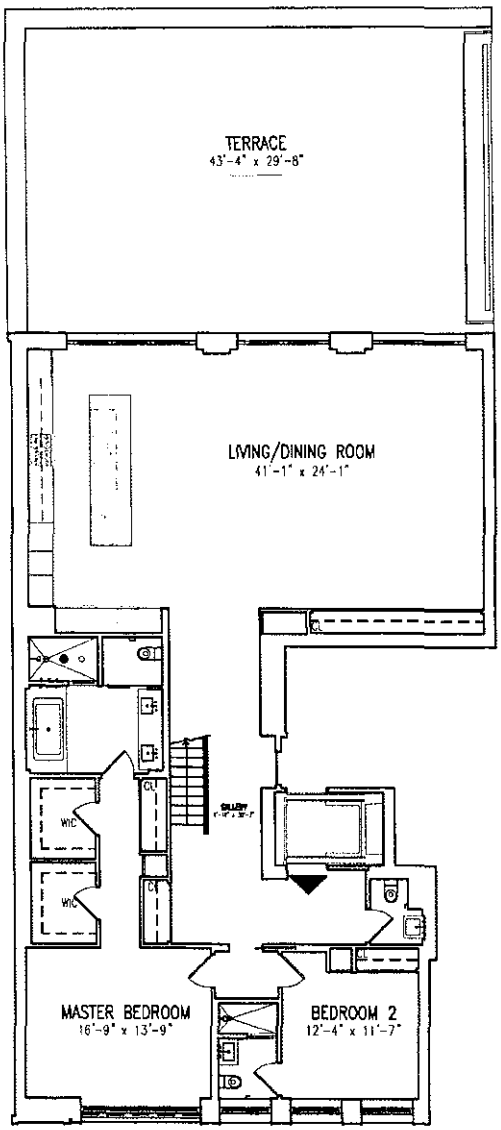
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts. Sponsor reserves the right to make changes due to unforeseen conditions in accordance with the Offering Plan.

EXHIBIT "7"

FLOOR PLANS

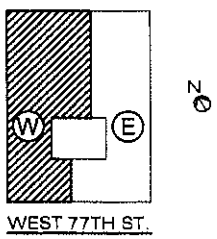
RESIDENCE TOWNHOUSE WEST-MAIN LEVEL

5 BEDROOM DUPLEX
5.5 BATHROOMS
INTERIOR: 2,563 SF. (TOTAL: 3,809 SF.)
TERRACE: 1,285 SF.





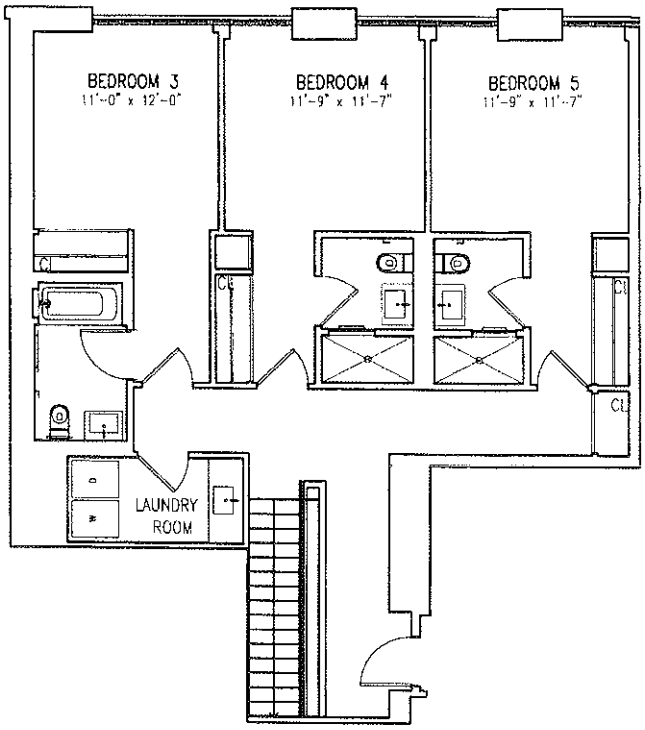
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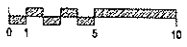


WEST 77TH ST.

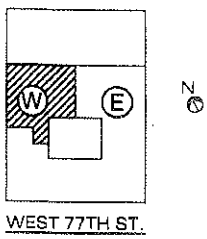
RESIDENCE TOWNHOUSE WEST-UPPER LEVEL

5 BEDROOM DUPLEX
5.5 BATHROOMS
INTERIOR: 1,246 SF. (TOTAL: 3,809 SF.)
TERRACE: 1,285 SF.



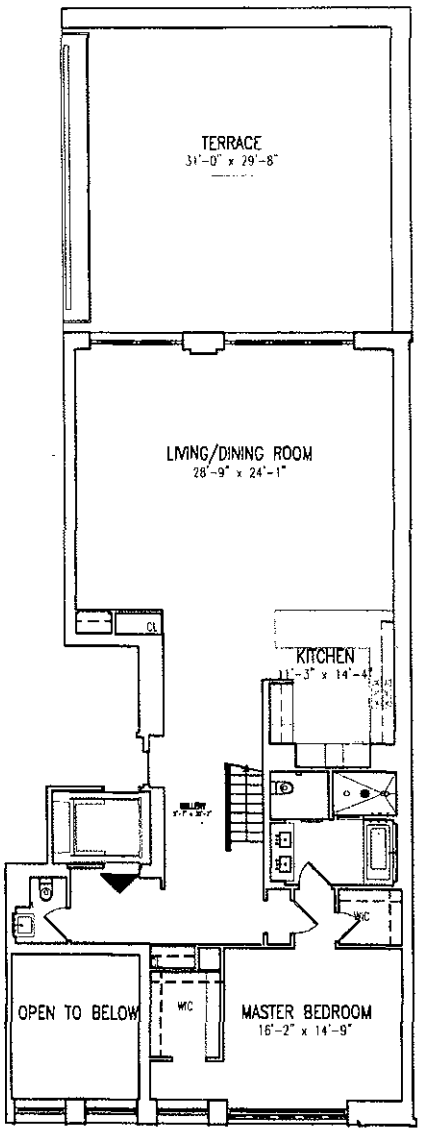


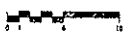
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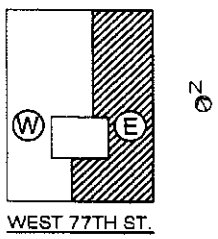
RESIDENCE TOWNHOUSE EAST-MAIN LEVEL

4 BEDROOM DUPLEX
4.5 BATHROOMS
INTERIOR: 2,015 SF. (TOTAL: 3,181 SF.)
TERRACE: 920 SF.





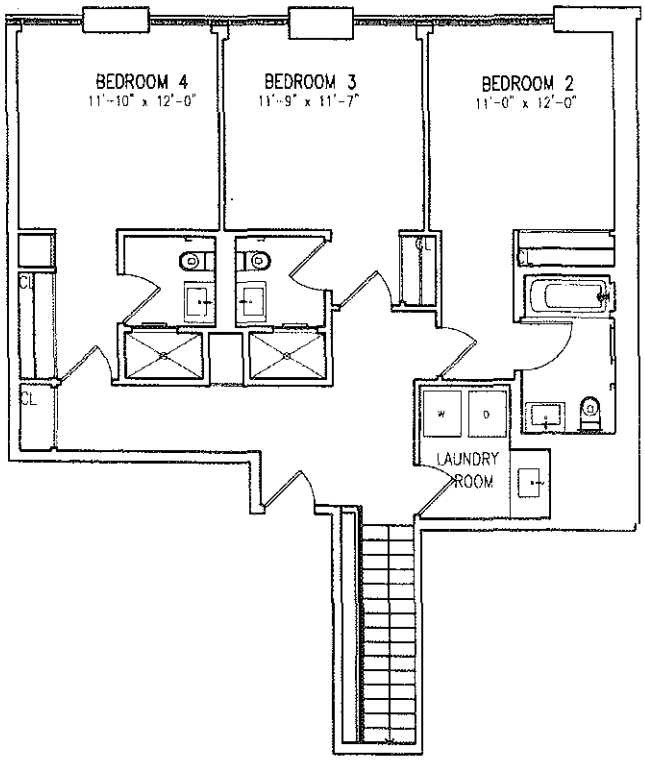
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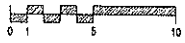


WEST 77TH ST.

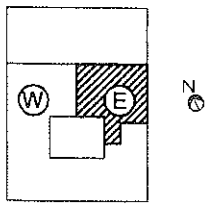
RESIDENCE TOWNHOUSE EAST-UPPER LEVEL

4 BEDROOM DUPLEX
4.5 BATHROOMS
INTERIOR: 1,166 SF. (TOTAL: 3,181 SF.)
TERRACE: 920 SF.





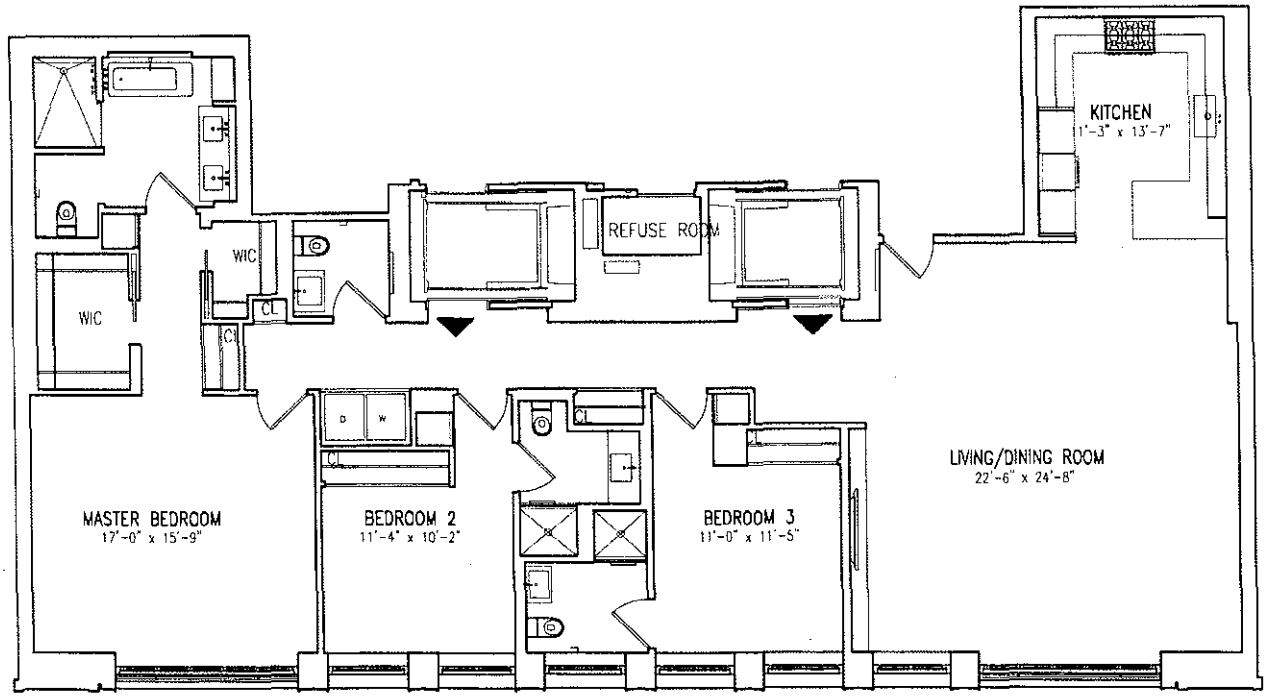
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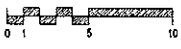


WEST 77TH ST.

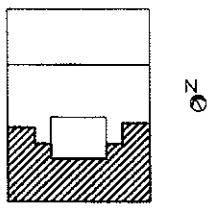
RESIDENCE 3 SOUTH

3 BEDROOM
3.5 BATHROOMS
INTERIOR: 2,277 SF.



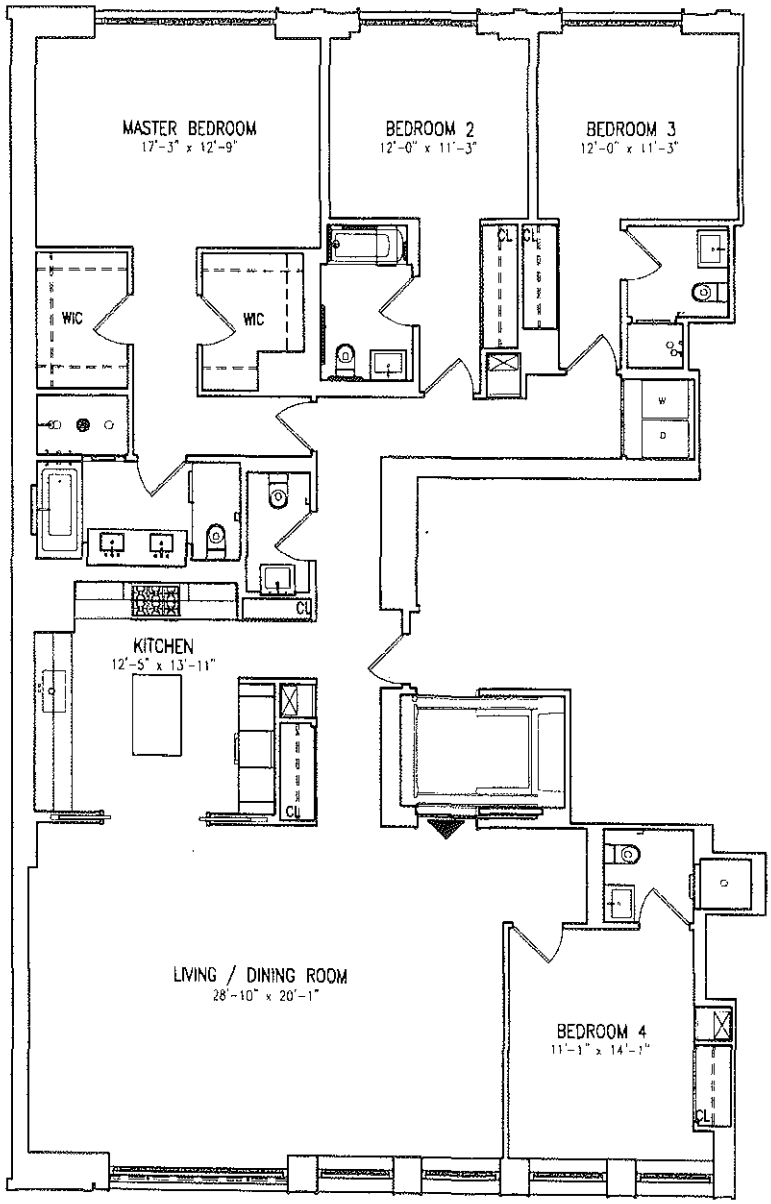


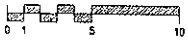
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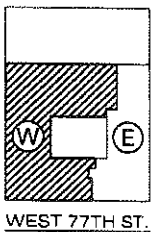
RESIDENCE 4-6 WEST

4 BEDROOMS
4.5 BATHROOMS
2,727 SF.



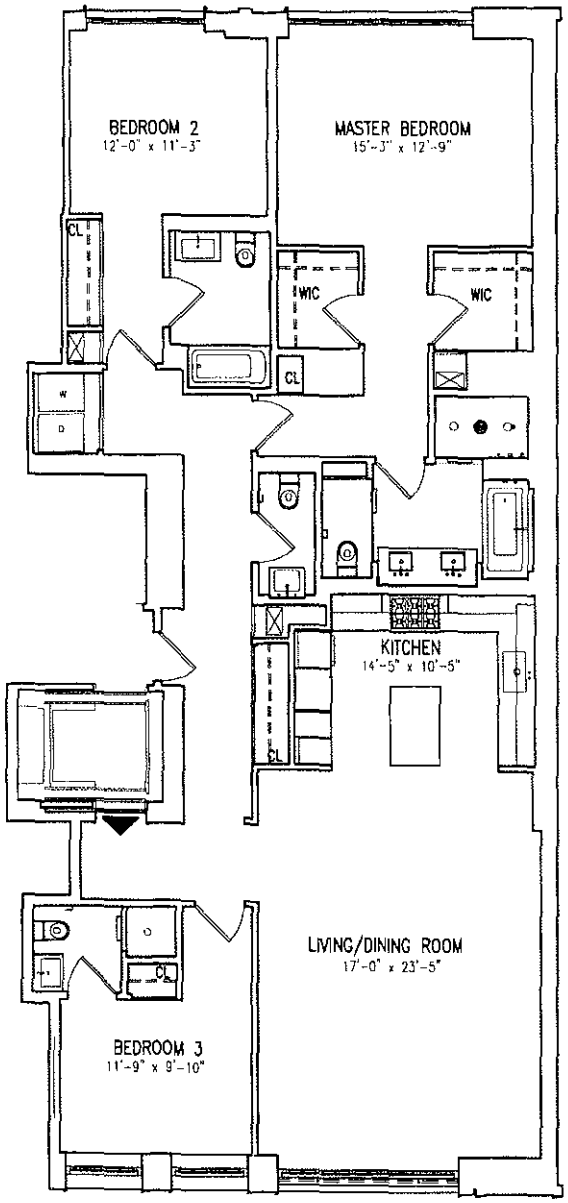


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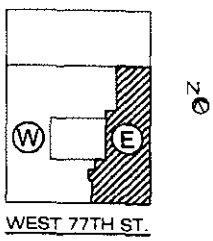
RESIDENCE 4-6 EAST

3 BEDROOMS
3.5 BATHROOMS
2,048 SF.



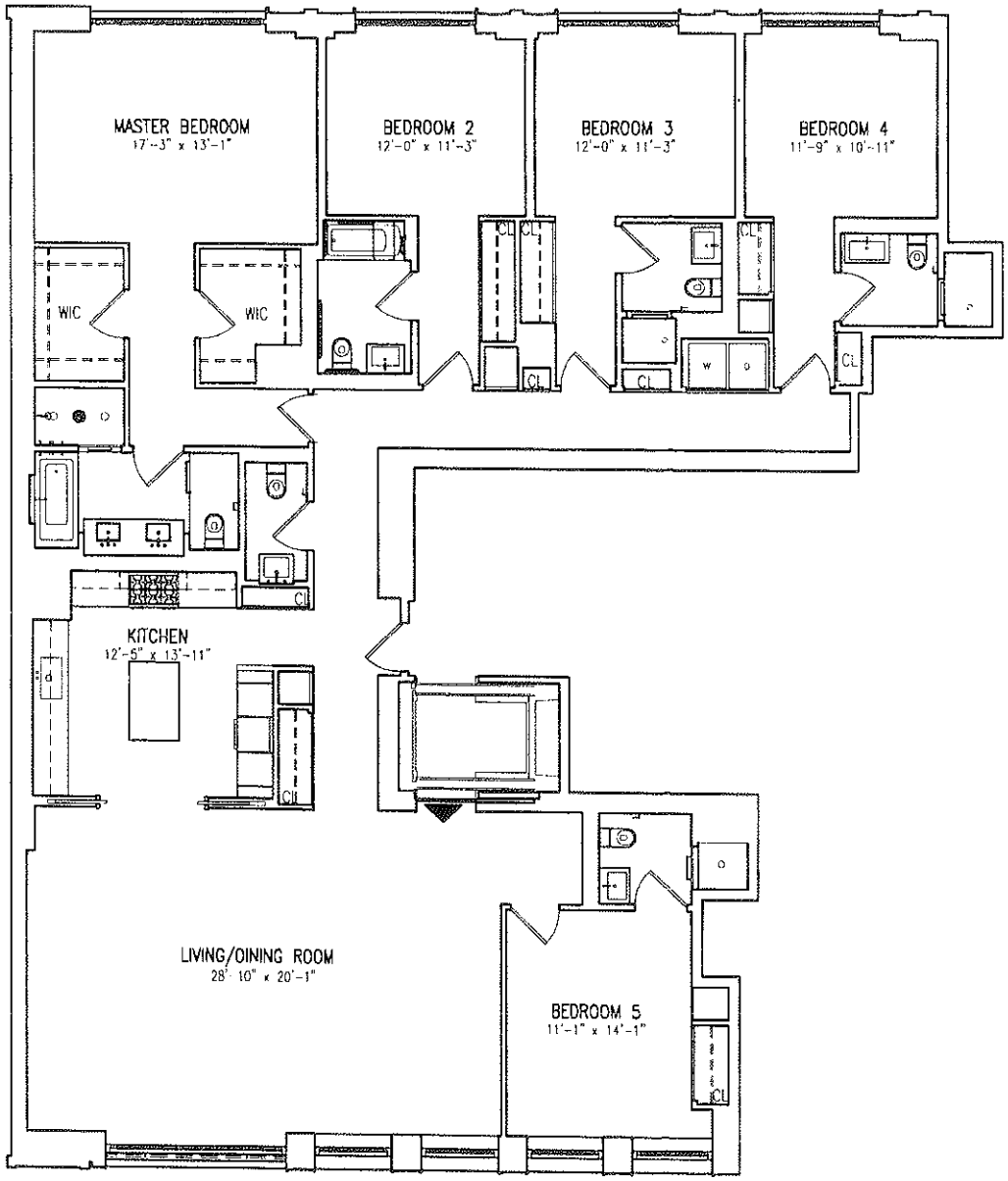


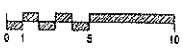
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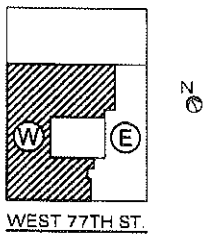
RESIDENCE 7-9 WEST

5 BEDROOMS
5.5 BATHROOMS
3,060 SF.





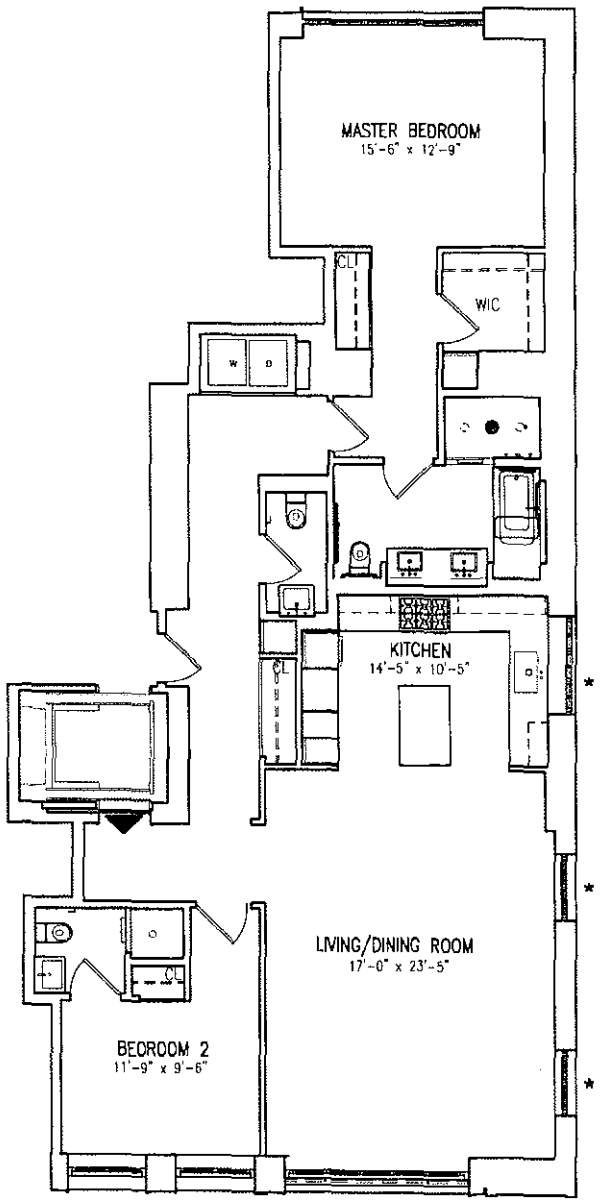
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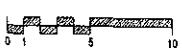


WEST 77TH ST.

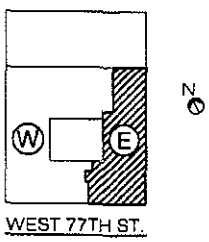
RESIDENCE 7-9 EAST

2 BEDROOMS
2.5 BATHROOMS
1,735 SF.
*LOT LINE WINDOW AT 9TH FL ONLY





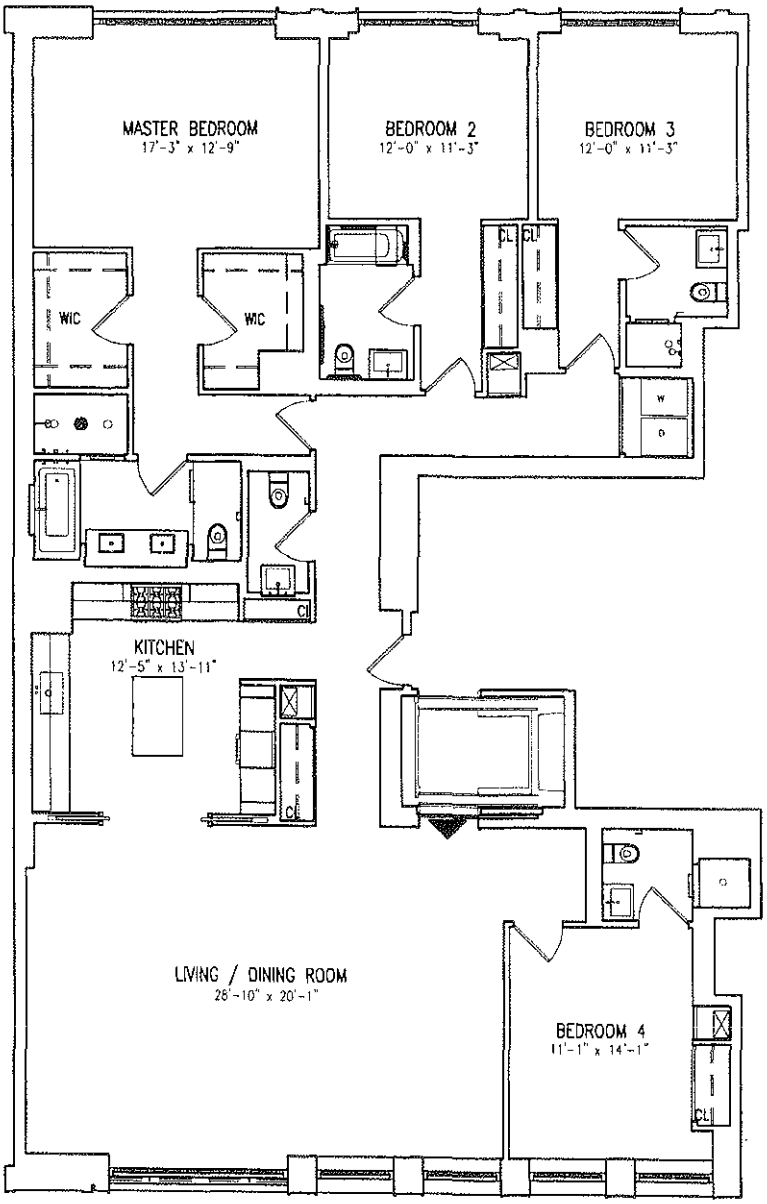
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WEST 77TH ST.

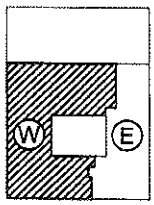
RESIDENCE 10-12 WEST

4 BEDROOMS
4.5 BATHROOMS
2,727 SF.



0 1 5 10

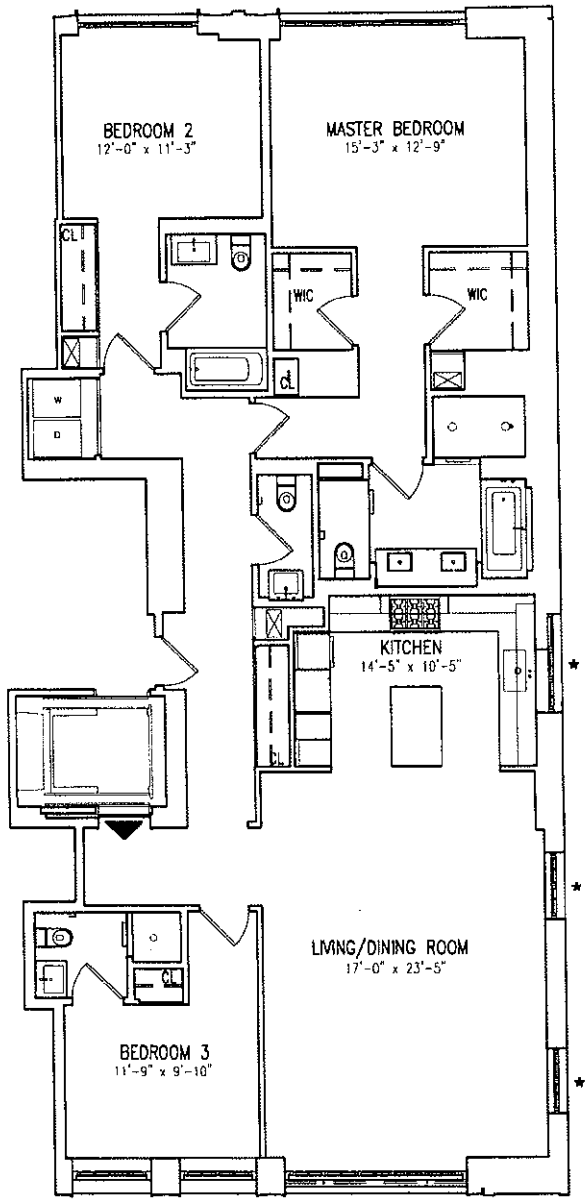
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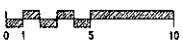


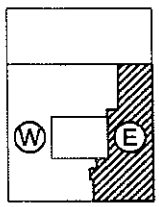
WEST 77TH ST.

RESIDENCE 10-12 EAST

3 BEDROOMS
3.5 BATHROOMS
2,067 SF.
*LOT LINE WINDOW





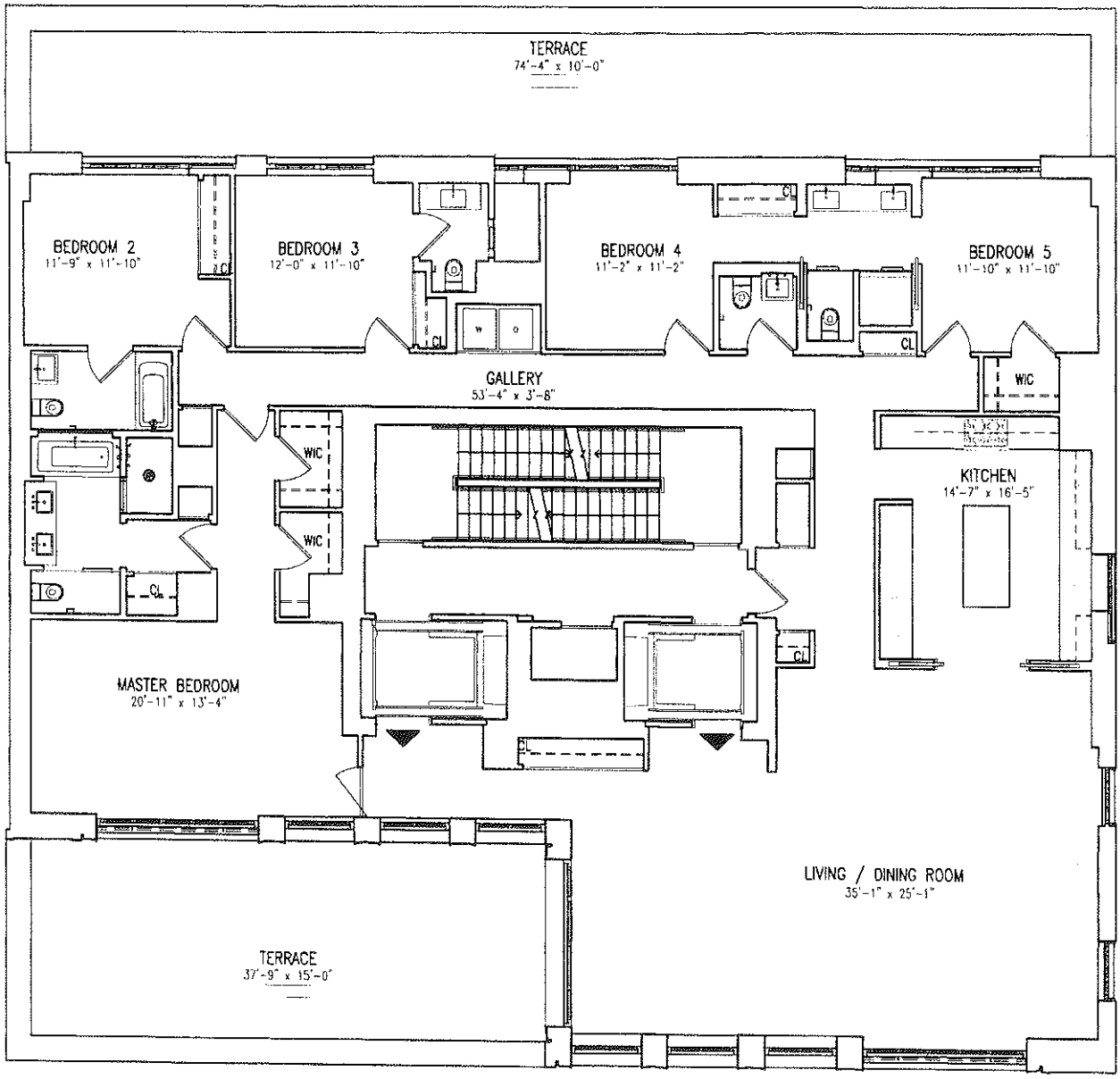


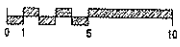
WEST 77TH ST.

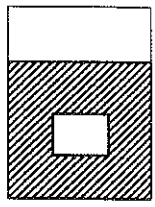
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FOURTEENTH FLOOR RESIDENCE

5 BEDROOMS
4.5 BATHROOMS
INTERIOR: 3,493 SF.
TERRACES: 1,303 SF.
*LOT LINE WINDOW



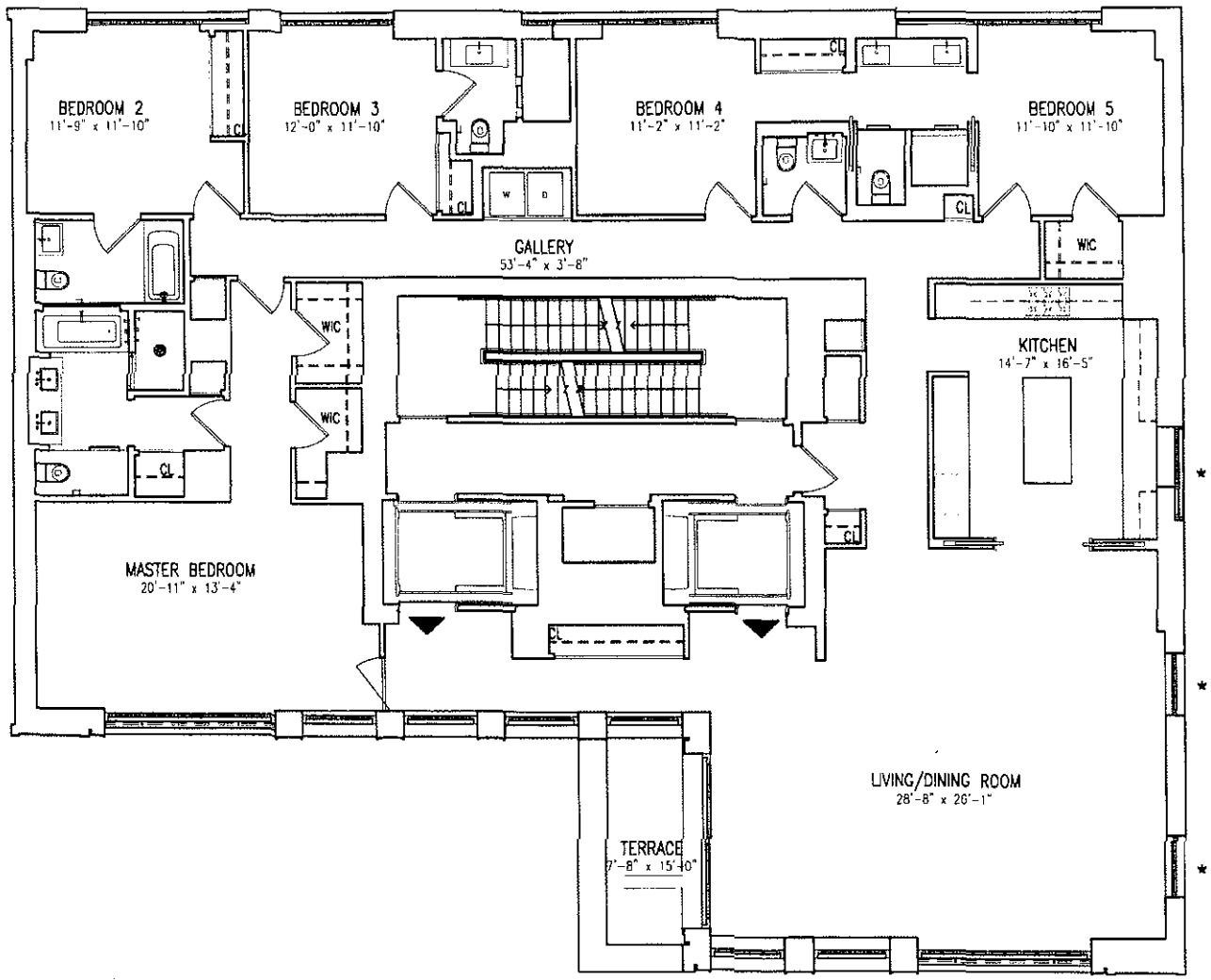


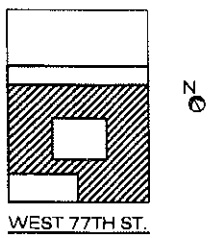


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FIFTEENTH FLOOR RESIDENCE

5 BEDROOMS
4.5 BATHROOMS
INTERIOR: 3,396 SF.
TERRACE: 110 SF.
*LOT LINE WINDOW

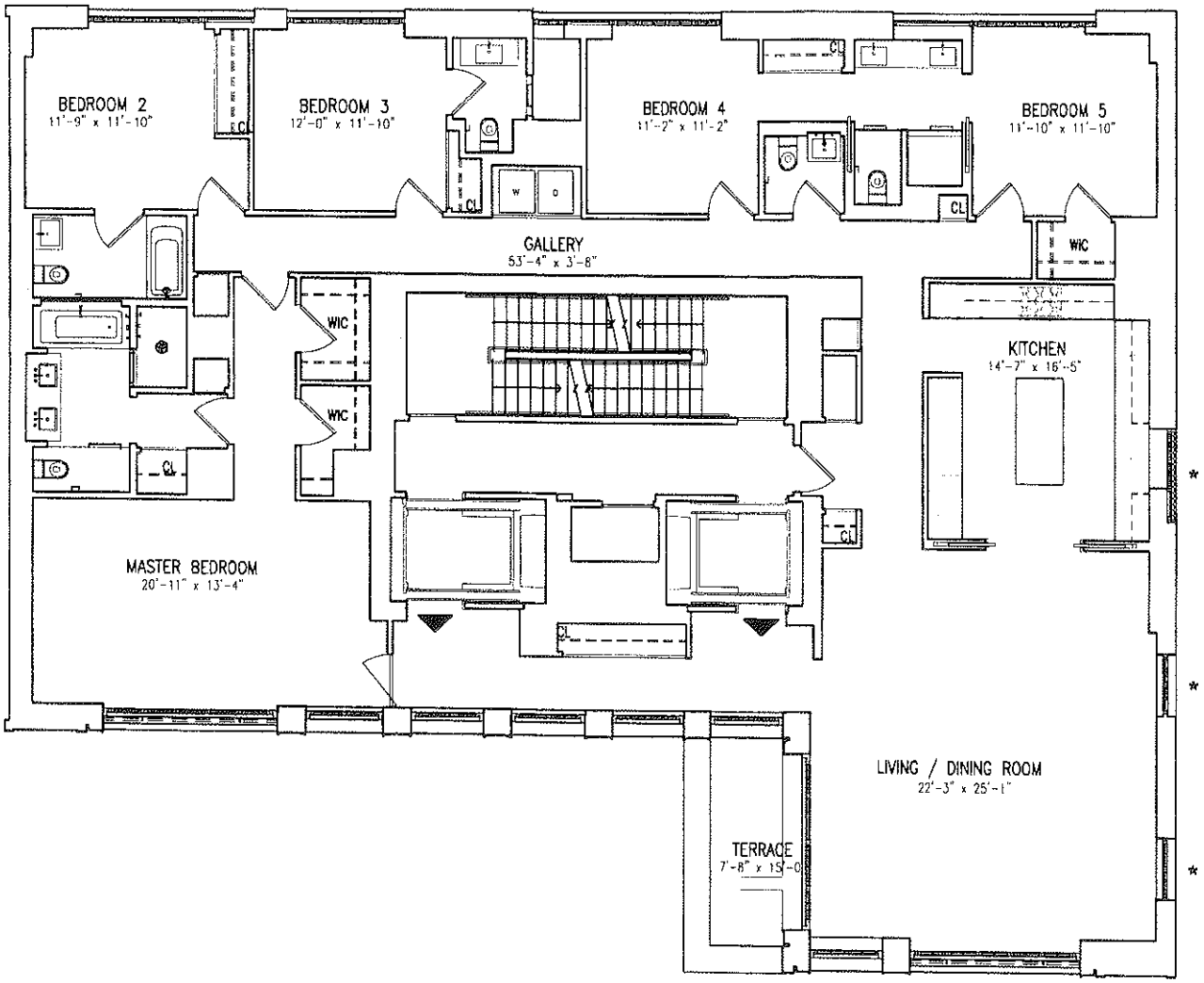


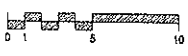


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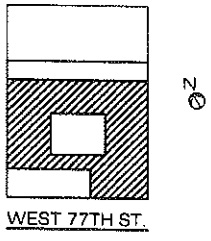
SIXTEENTH FLOOR RESIDENCE

5 BEDROOMS
4.5 BATHROOMS
INTERIOR: 3,300 SF.
TERRACE: 110 SF.
*LOT LINE WINDOW



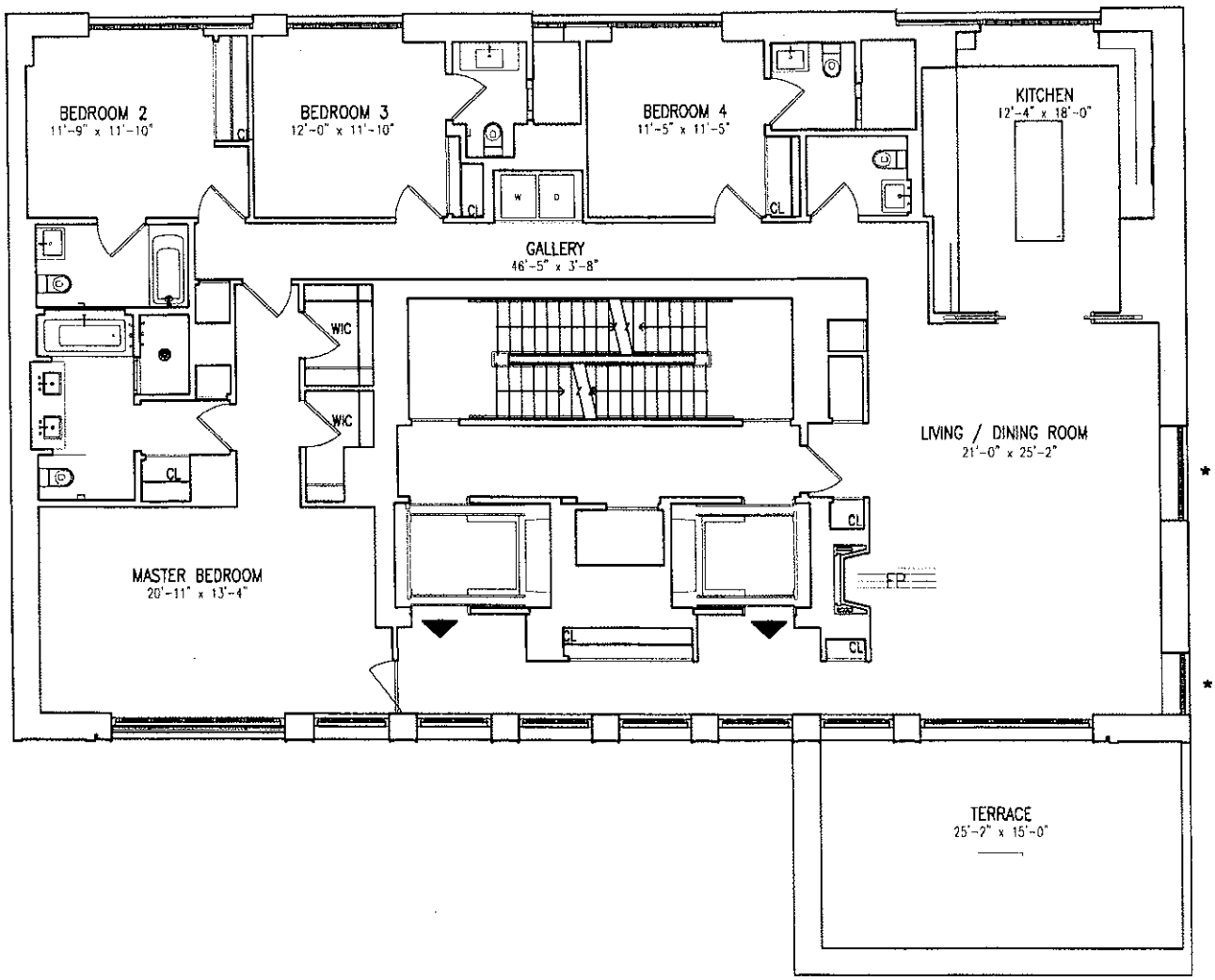


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SEVENTEENTH FLOOR RESIDENCE

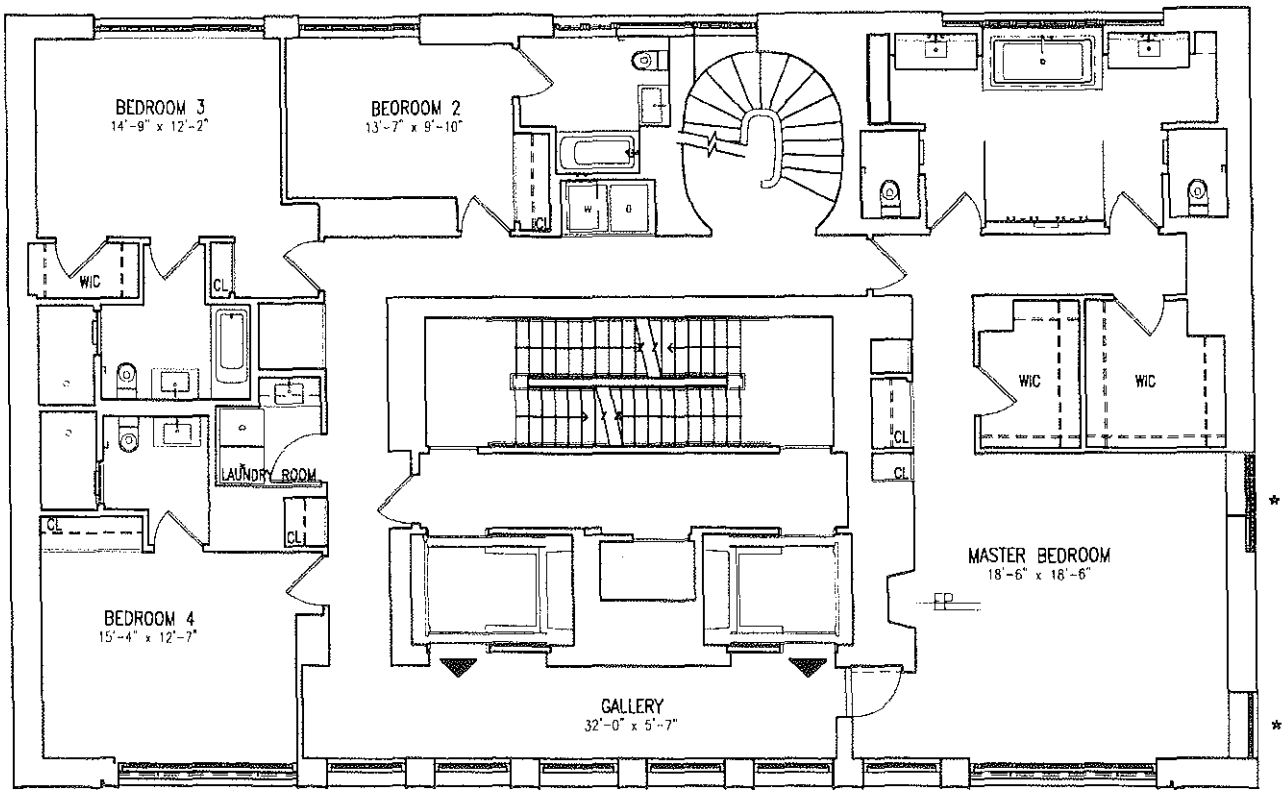
4 BEDROOMS
4.5 BATHROOMS
INTERIOR: 2,948 SF.
TERRACE: 378 SF.
*LOT LINE WINDOW

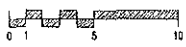


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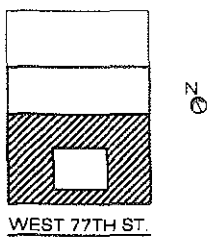
PENTHOUSE-LOWER LEVEL

5 BEDROOM DUPLEX
5.5 BATHROOMS
INTERIOR: 2,948 SF. (TOTAL: 6,005 SF.)
TERRACE: 973 SF.
BALCONIES: TOTAL 371 SF.
*LOT LINE WINDOW



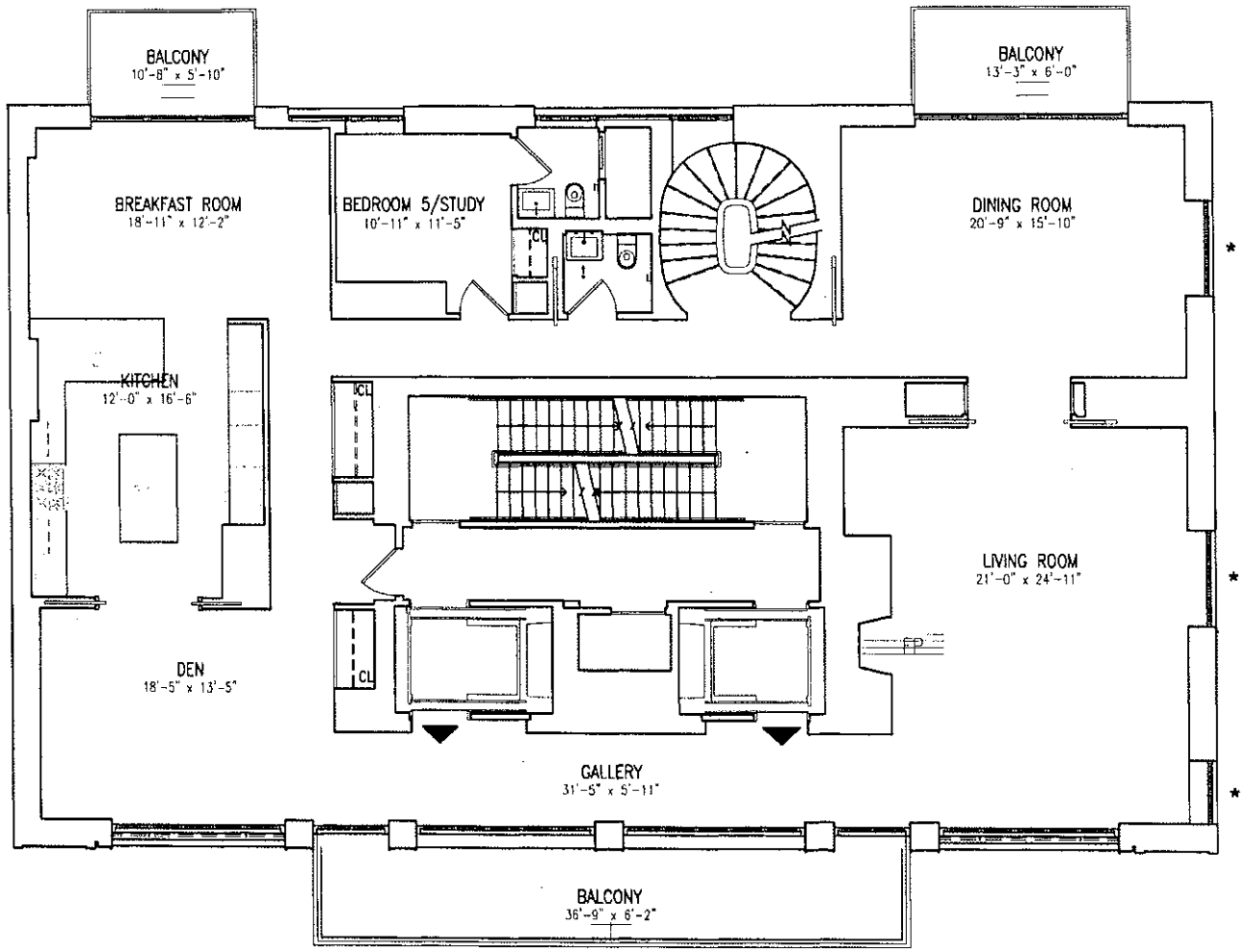


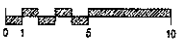
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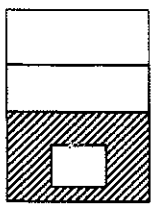
PENTHOUSE-MAIN LEVEL

5 BEDROOM DUPLEX
5.5 BATHROOMS
INTERIOR: 2,948 SF. (TOTAL: 6,005 SF.)
TERRACE: 973 SF.
BALCONIES: TOTAL 371 SF.
*LOT LINE WINDOW





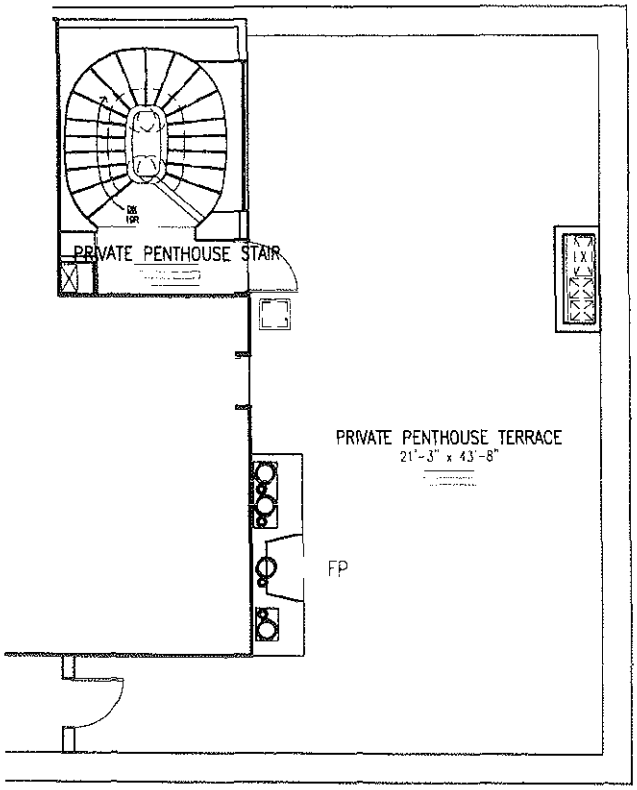
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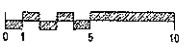


WEST 77TH ST.

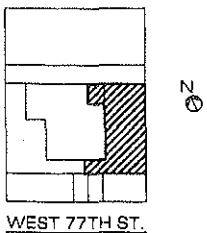
PENTHOUSE-ROOF DECK

5 BEDROOM DUPLEX
6.5 BATHROOMS
INTERIOR: 109 SF. (TOTAL: 6,005 SF.)
TERRACE: 973 SF.
BALCONIES: TOTAL 371 SF.
*LOT LINE WINDOW



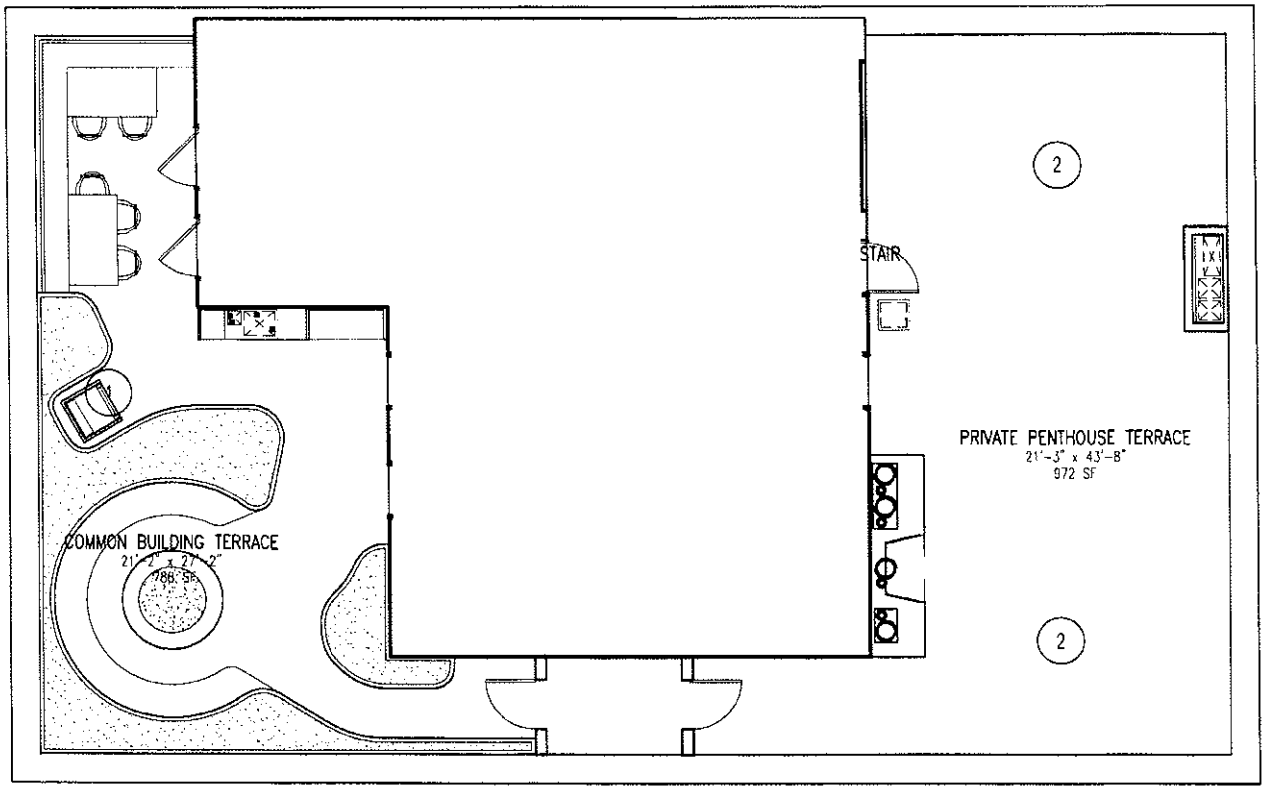


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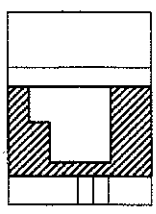
ROOF

COMMON(1): 788 SF.
PRIVATE(2): 972 SF.



0 1 5 10

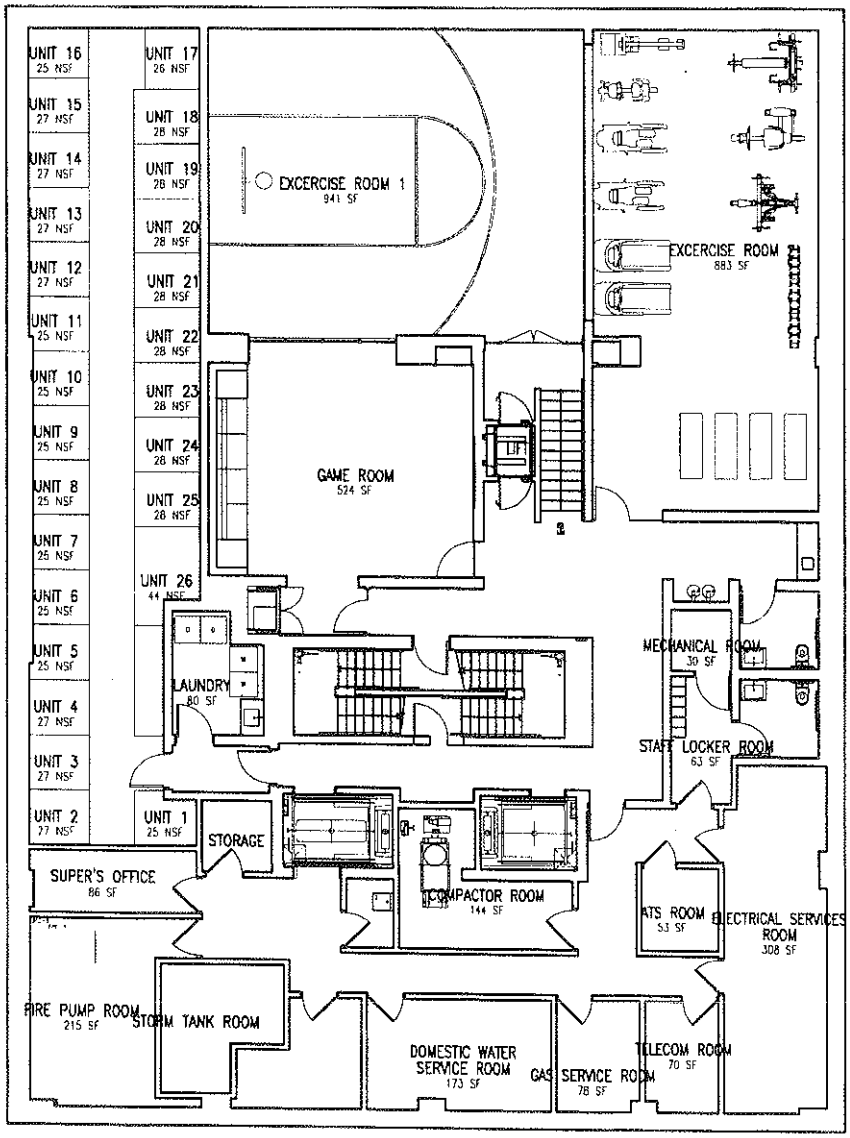
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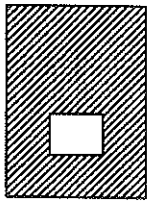
WEST 77TH ST.

N

CELLAR

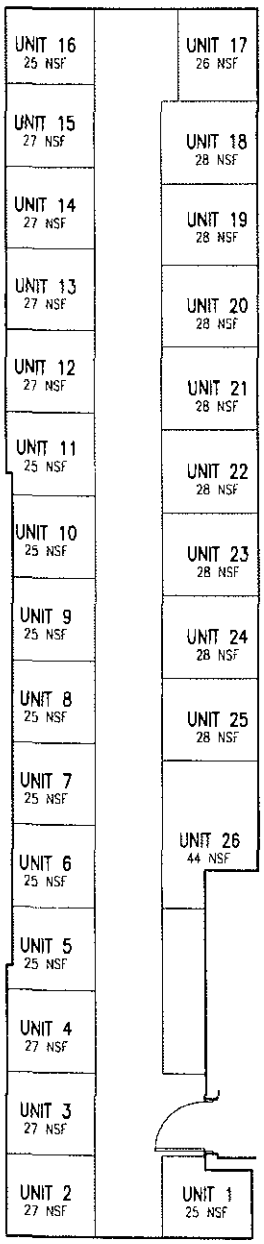


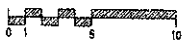
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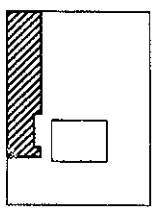
CELLAR STORAGE

RESIDENTIAL STORAGE UNITS 1-26



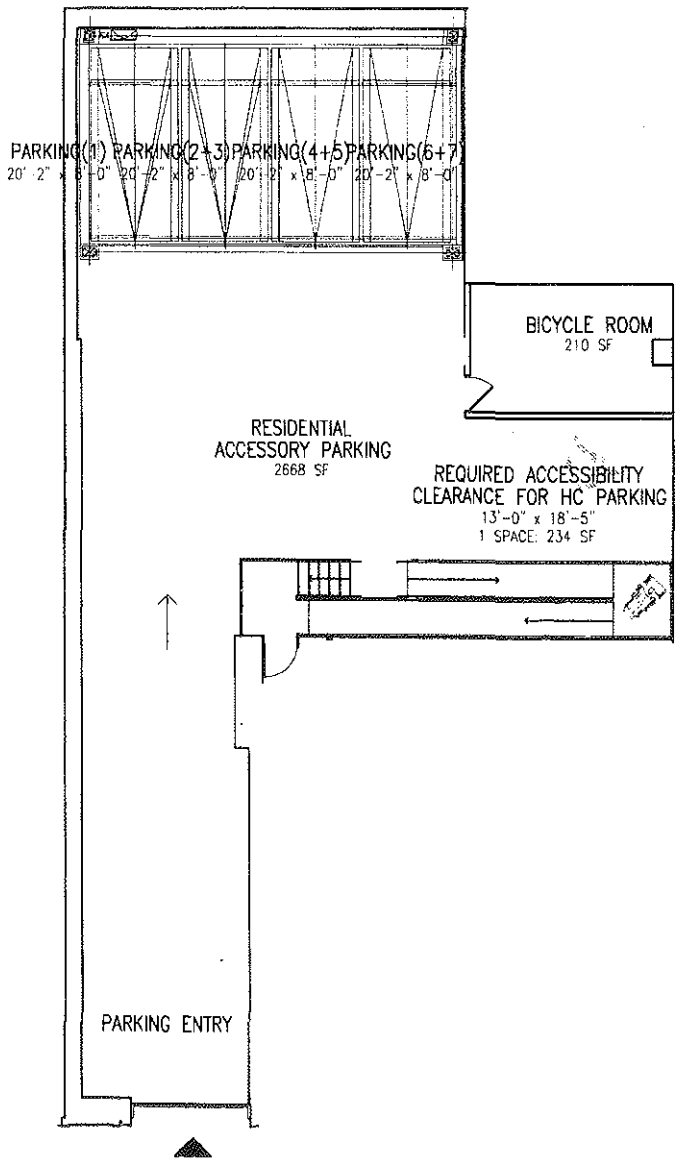


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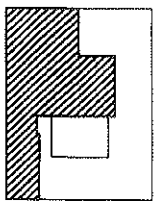


RESIDENTIAL PARKING

7 SPACES
1 EXTRA PARKING SPACE
PARKING: 2,668 SF.

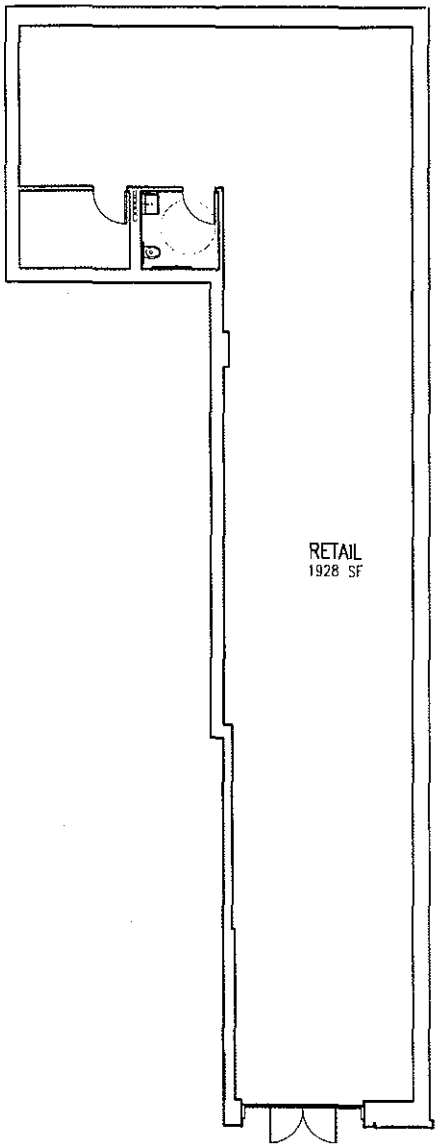


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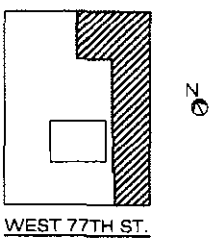


GROUND FL - RETAIL

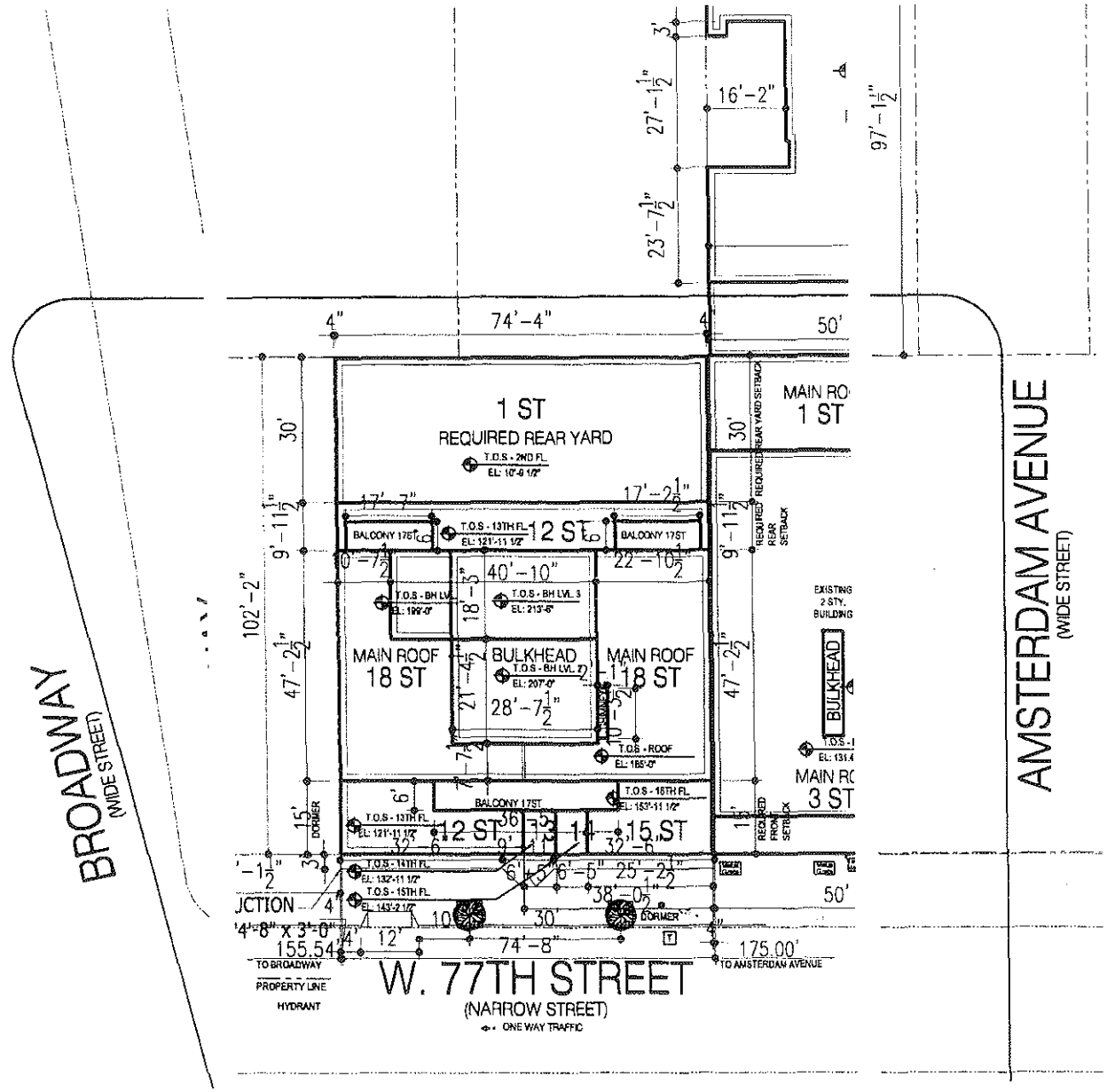
COMMERCIAL REFUSE STORAGE
1 UNISEX BATHROOM
RETAIL: 1,928 SF.



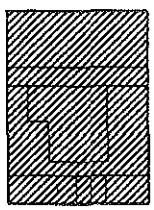
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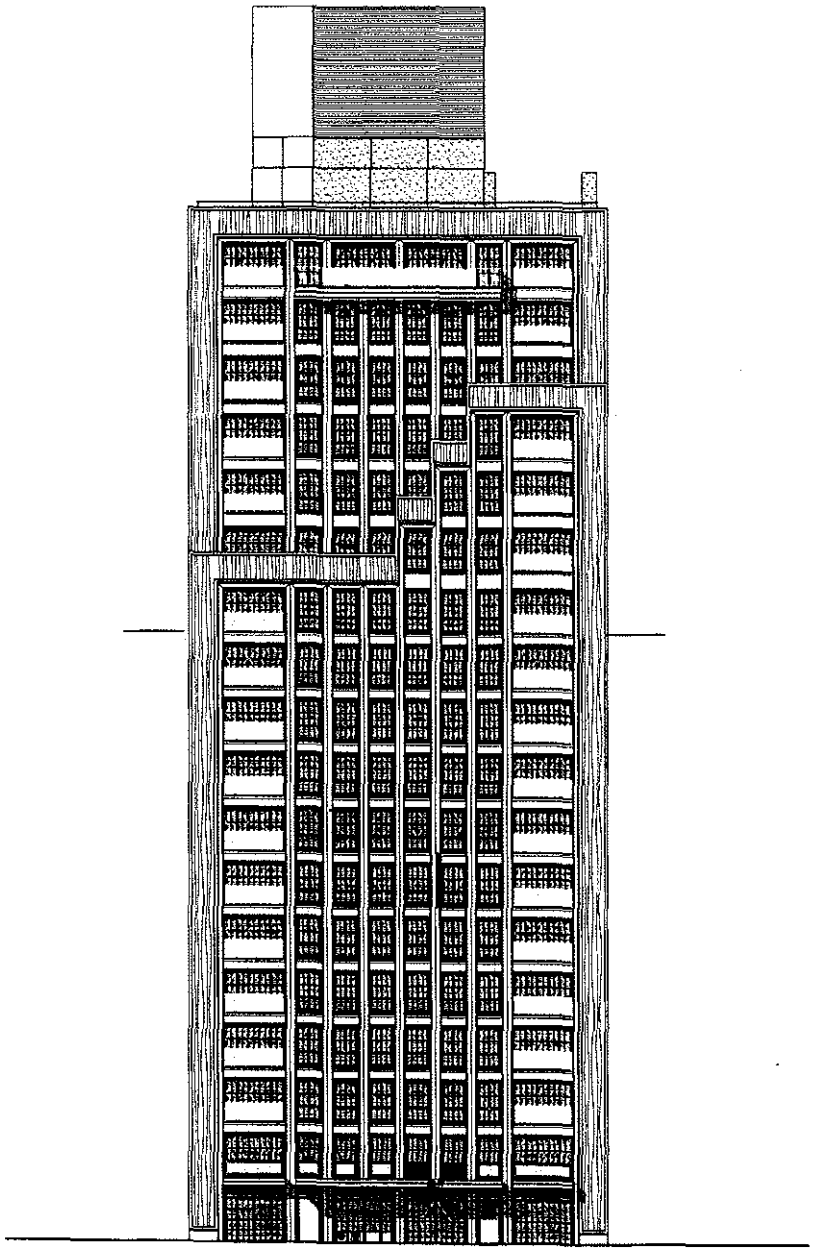
SITE PLAN

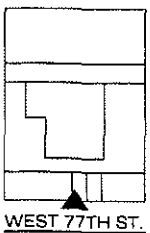


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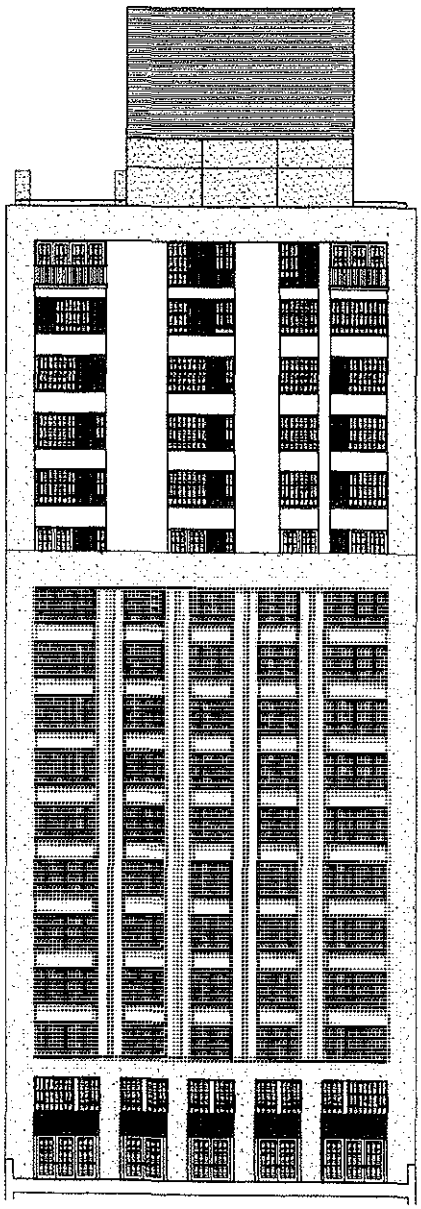
SOUTH ELEVATION

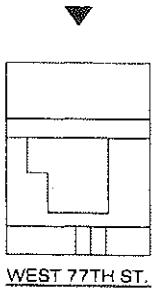




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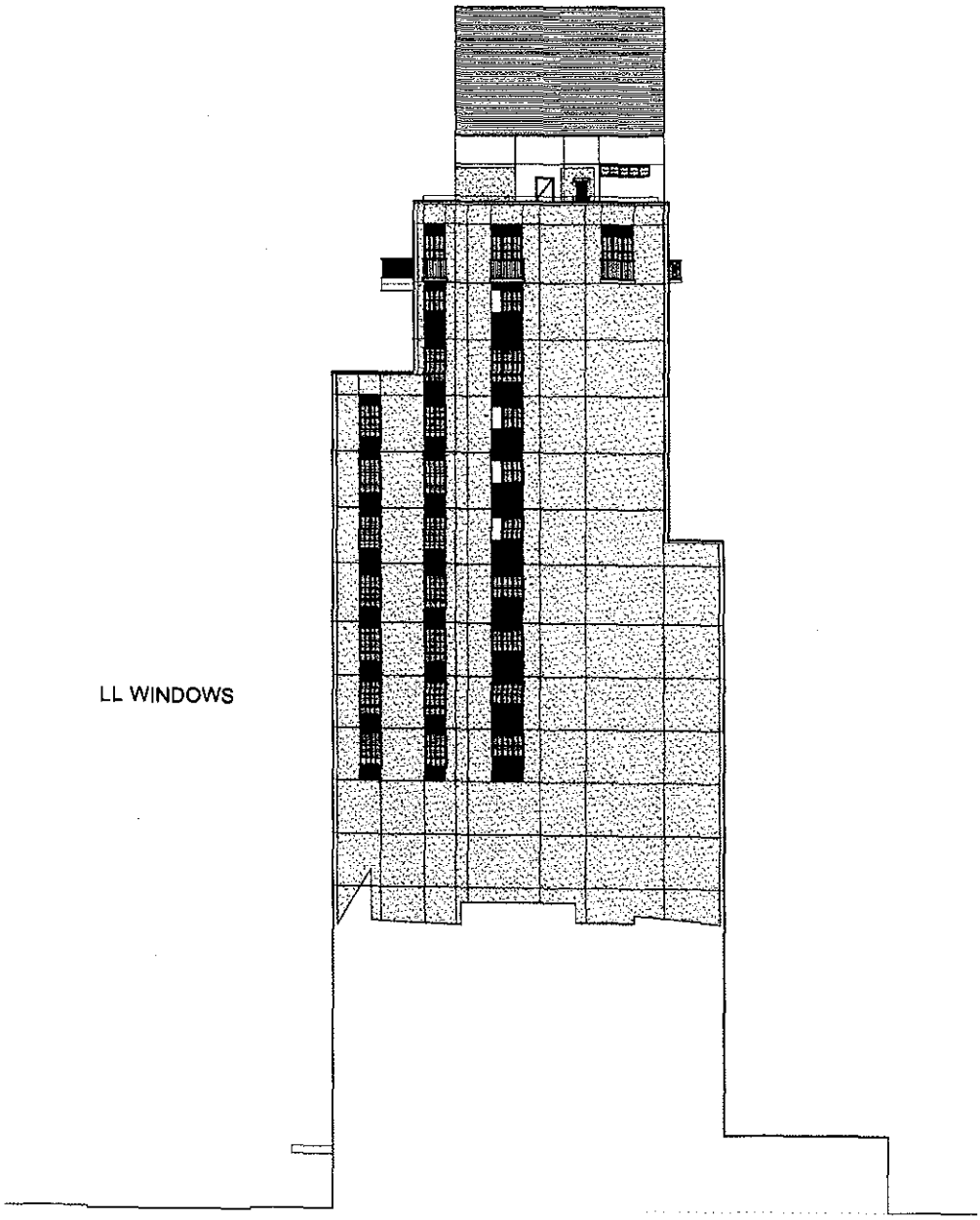
NORTH ELEVATION



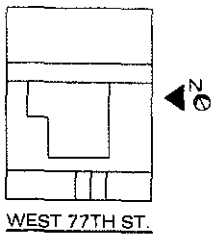


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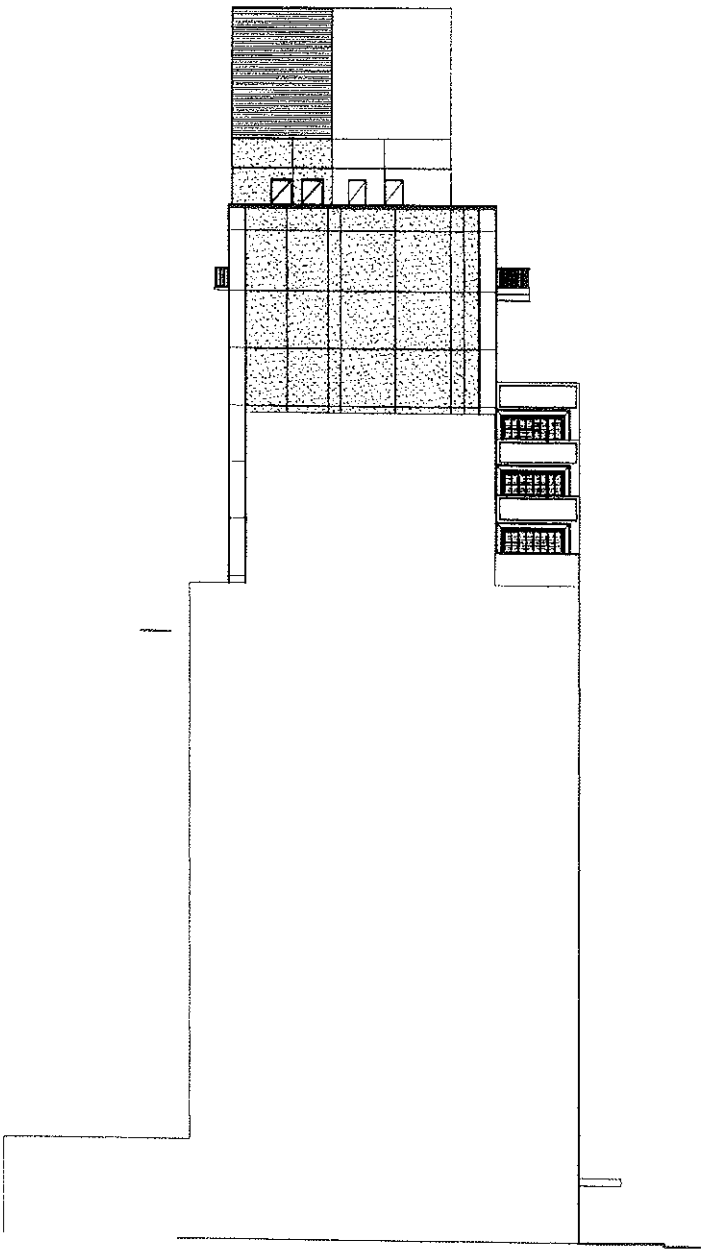
EAST ELEVATION

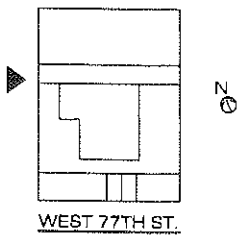


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WEST ELEVATION





This floor plan is based on construction drawings and all dimensions and depictions of column and shaft widths and locations are approximate and subject to normal construction variances and tolerances. Minor inaccuracies in square footage and inaccuracies in layout and room dimensions as shown on this floor plan will not excuse the purchaser from completing the purchase of a unit without abatement in price or recourse against Sponsor. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

EXHIBIT "8"

DECLARATION OF CONDOMINIUM

DECLARATION
Establishing a Plan for Condominium Ownership
of the Premises located at
219-223 West 77th Street
New York, New York 10024

Pursuant to Article 9-B of the Real Property
Law of the State of New York

Name:
221 West 77 Condominium

Declarant:
223 WEST 77TH ST. OWNER LLC
c/o The Naftali Group
1700 Broadway
New York, New York 10019

Date of Declaration:

The land affected by the within instrument lies in
Tax Block 1169
formerly known as Base Lot 23
now known as Lots _____
on the Block Map of Taxes and Assessments
in the Borough of Manhattan, City of New York

Attorneys for Declarant
Holland & Knight LLP
31 West 52nd Street
New York, New York 10019
(212) 513 - 3308
Attn: Stuart M. Saft, Esq.

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DECLARATION
OF
221 WEST 77 CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law
of the State of New York)

223 West 77th St. Owner LLC, a Delaware limited liability company, having an office at c/o The Naftali Group, 1700 Broadway, New York, New York 10019 ("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 "221 West 77 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 The Property includes that portion of the unused floor area development rights that are subsequently acquired or that may become available under the Zoning Resolution of the City of New York (the "Development Rights"), all of which, however, are hereby assigned and reserved to and shall inure to the benefit of the Declarant, which Development Rights may be utilized by the Declarant or any other party acquiring the same from the 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 "ZLDA"). The Declarant has the sole right to transfer or sell such Development Rights, provided, they will not be used to increase the volume of the Building nor will be transferred to an entity where they would be used to impact the light or air appurtenant to the Building or the economics of the Building. None of

the Unit Owners or the Condominium Board will have any interest in the rents, profits or revenues from the sale or use of any of the Development Rights.

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 7,662 square feet.

ARTICLE 4
THE PROPERTY

Included in the Property described in Article 2 is an eighteen (18) story building ("Building") consisting of 27 Units, 26 residential units and one (1) Commercial Unit (collectively, the "Units" and individually, a "Unit"), 25 storage areas (the "Storage Bins") and eight parking spaces (the "Parking Spaces"). The owner of a Unit is herein called a "Unit Owner" and all the owners of the Units are herein collectively called the "Unit Owners". The owner of the Retail is a Commercial Unit Owner. The owner of a Storage Bin is called a Storage Bin Licensee.

ARTICLE 5
THE BUILDING

The Building consists of twenty six (26) Residential Units and one (1) Commercial Unit. The Building is constructed of masonry bearing walls and concrete slabs with concrete beams. The exterior walls are constructed of masonry. The Building is eighteen (18) stories. The floors in the Building are named (from bottom to top): First Floor through Eighteenth Floor, main roof, MER Level and Bulkhead. The Building has entrances on West 77th Street.

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; tax lot number; approximate square foot area; approximate Limited Common Element square foot area; location; number of bedrooms and bathrooms; and the percentage interest in the 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 Goldstein Hill & West Architects, LLP 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 includes, and each Unit Owner shall be responsible for, the doors in and to such Unit, except for the front entrance door, smoke detectors, for cleaning purposes, all windows to such Unit, 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 will have the right, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building.

6.3 Each Unit will include all related Facilities exclusively serving the Units.

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 Each of the Units is subject to the encroachments and easements described in this Declaration to the extent and on the terms and conditions provided for herein.

6.6 With respect to those Residential Units that contain a fireplace, the fireplace an all associated parts connected thereto, including, without limitation, the chimney and/or flue (the fireplace, together with such parts, the "Fireplace Parts") shall be deemed to be part of each of the aforementioned Residential Units, but the service and maintenance agreements for such Fireplace Parts shall be selected and entered into by the Condominium Board. The cost of such maintenance agreements shall be paid by the Condominium Board and assessed as a special assessment against the Owners of such Residential Units, in proportion of the number of Residential Units covered by such agreements. Owners of Residential Units with fireplaces will also be responsible for maintaining insurance with respect to the Fireplace Parts.

ARTICLE 7
DIMENSIONS OF UNITS, TERRACES AND STORAGE AREAS

7.1 The approximate floor area of each Unit has been measured horizontally, on each of one or more floors, from the exterior face of the exterior Building walls, the Building line or Property line to the midpoint of an interior partition or continuous structural element separating one Unit from another Unit, public corridor, stairs, elevators, mechanical equipment spaces or

any other Common Element. Where the window wall is recessed between masonry piers, the area is measured horizontally from a Building line which is taken as a straight line from exterior face of pier to exterior face pier, parallel to the Property line. Columns and mechanical pipes and shafts, (whether along the perimeter or within the Unit) were not deducted from the square foot area of the Unit. Outdoor floor areas of terraces or other outdoor areas, if any, appurtenant to a Unit were not included in the Unit's approximate 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 Terraces are measures horizontally from the outside face of exterior wall to the outside face of parapet. Where two Terraces abut, the measurement is taken to the centerline of the divider screen. Storage Bins are measured from the outside of the wire mesh to outside of wire mesh, and where a Storage Bin abuts a wall, to the face of the demising wall.

7.4 The floor area occupied by any Common Elements bordering or within a Unit (such as the Building's facade or exterior walls, vents, chase walls or areas, conduits, ducts, shafts or pipes) have been included in the computation of the floor area of the Unit, but such Common Elements are not part of the Unit. As a result, the square footage shown are taken from points behind the walls enclosing the Unit and exceed the Unit's usable floor area. Minor inaccuracies in a Unit's square footage will not excuse a Purchaser from completing the purchase of a Unit without recourse against the Declarant, or reduction in the price.

ARTICLE 8
COMMON ELEMENTS

8.1 Common Elements.

8.1.1 The Common Elements of the Condominium (the "Common Elements") consist of the entire Property, including the Land and all parts of the Buildings and improvements thereon other than the Units. The Common Elements include, but are not limited to, those rooms, areas, corridors, spaces and other parts of the Buildings and all Facilities (defined below) therein for the common use of the Units and 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 one or more but not all of the Units or the Unit Owners. The Common Elements are appurtenant to, serve and benefit each Unit to the extent of such Unit's percentage share of the Common Elements. The 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, 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, drainage system, sewer, drywell, detention tanks, 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.

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 Common Elements consist of the following:

8.3.1 The Land (as more particularly described in Exhibit A attached to this Declaration), together with all easements, rights and privileges appurtenant thereto.

8.3.2 All foundations, footings, columns, girders, floor slabs and ceilings, beams, and supports and interior load bearing walls, (except to the extent included in Sections 8.4 or 8.5), together with the exterior walls of the glass or concealed block work or concealed structural members of those walls, and the roof.

8.3.3 The boilers and related support structure.

8.3.4 All passages and corridors, mechanical and other utility rooms, all fire staircases, landings and stairs, areas and spaces located in the Building, which are not Residential Common Elements or Residential Limited Common Elements or included in any Unit.

8.3.5 Any ventilation supply system consisting of motors, ductwork, fans and controls return piping, serving or benefiting the Building.

8.3.6 Hot water and condenser water systems.

8.3.7 All mechanical equipment and associated piping and controls serving or benefiting the Units.

8.3.8 All electrical risers, feeders, lines and equipment, including incoming service, main switchgear and distribution panelboards, conduits, wires, meters, transformers and panelboards serving or benefiting the Building, excluding, however, all such items located within a Unit and serving only that Unit.

8.3.9 All plumbing fixtures, equipment for distribution of cold water and equipment for producing and distributing hot and cold water, including pumps, valves, pressure reducers, meters and water heaters, excluding, however, all such items located within a Unit and serving only that Unit.

8.3.10 All storm and sanitary sewer equipment and pipes (including vent lines, ejectors, interceptors, filters and valves), excluding, however, all such items located within a Unit and serving only that Unit.

8.3.11 All electric service rooms, gas and water meter rooms, Building storage rooms (not including Storage Bins to be licensed to Unit Owners), workrooms, locker rooms, telephone rooms and other service, mechanical and utility rooms serving or benefiting the Units.

8.3.12 All other facilities of the Building (including shafts, pipes, wires, ducts, vents, flues, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Building.

8.3.13 All other parts of the Property either existing for the common use of the Units, or their respective Unit Owners or that are necessary or convenient for the existence, maintenance, operation or safety of the Property.

8.3.14 Whether or not specifically identified as part of the General Common Elements (or identified at all) on the Floor Plans, all other parts of the Property and all Equipment existing in the Building or on the Property (other than those areas and items specifically identified on the Floor Plans as part of a Unit and/or Residential Common Elements and/or Residential Limited Common Elements) the common use of and/or benefit from which is necessary or convenient for the existence, maintenance, operation or safety of the Property.

8.4 The Residential Common Elements consist of those portions of the Property designated on the Floor Plans as Residential Common Elements; and also those Common Elements which serve or benefit exclusively all or a combination of the Residential Units or the Residential Unit Owners, whether or not designated as Residential Common Elements (or designated at all) on the Floor Plans (but excluding any items therein or in the Building which are not part of the Property, including, without limitation, any equipment, wiring and devices owned by telecom providers). The Residential Common Elements include, without limitation, the following:

8.4.1 The Storage Bins and the area in which the Storage Bins are situated, located on the Cellar Floor of the Building.

8.4.2 Resident Bicycle Room storage, Fitness Center, Multi-Purpose Room, Laundry Room on the Cellar Floor.

8.4.3 The residential lobby, package room, entrances and exit located on the 1st Floor and entered from West 77th Street.

8.4.4 The fire pump room, storm tank room, domestic water service room, gas service room, telecom room, electrical services room, compactor room, super's office, staff locker room, mechanical room, breakout room located on the Cellar Floor.

8.4.5 The two (2) passenger elevators (PE1, PE2), in each case including the shafts, elevator equipment, elevator pits and entrances and appurtenant facilities.

8.4.6 Smoke detection alarm system, telephone system and cable television system.

8.4.7 All security monitors and equipment and other security facilities serving or benefiting only the Residential Units.

8.4.8 All passages, corridors, storage rooms, mechanical and other rooms, areas and spaces (including their respective floors, ceilings and enclosing walls) located in the Building which exclusively serve or benefit the Residential Units and are not part of any Residential Unit.

8.4.9 The Common Terrace located on the Roof of the Building (as shown on the Floor Plans).

8.4.10 The Parking Spaces on the Ground Floor (each of which is subject to a Parking Space License providing for exclusive use by the licensee of such Parking Space at such time as Sponsor executes a Parking Space License thereof).

8.5 The Residential Limited Common Elements consist of those portions of the Property designated on the Floor Plans as Residential Limited Common Elements; and also those Common Elements which serve or benefit exclusively one Residential Unit or Residential Unit Owner, whether or not designated as Residential Limited Common Elements (or designated at all) on the Floor Plans (but excluding any items therein or in the Building which are not part of the Property, including, without limitation, any equipment, wiring and devices owned by telecom providers). The Residential Limited Common Elements include, without limitation, the following: Any Terrace either appurtenant or designated to any Residential Unit (although the benefitted Residential Unit Owner shall have the responsibilities with respect thereto as are set forth in the By-Laws).

ARTICLE 9
USE OF BUILDING AND UNITS

9.1 As more particularly set forth in the By-Laws a Unit may be used for any lawful purposes, subject, however, to (1) the terms and conditions of the then existing certificate of occupancy for such Unit, (2) applicable governmental laws and regulations, (3) the use of such Unit not adversely affecting the use and enjoyment of neighboring or adjacent Units for joint live/work by artists purposes, and (4) the restrictions as described in Section 6.14 of the By-Laws. Units may only be leased in accordance with the By-Laws and the Rules and Regulations.

9.2 Units may be owned or leased by an individual, corporation, partnership limited liability company, fiduciary or any other entity (including, but not limited to, embassies and consulates of foreign governments). Units 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 (i) through (vi) above: (A) the individual, designated officer, director, shareholder, partner, member, fiduciary, beneficiary, 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 an Occupancy Plan; and (vii) family members, domestic partners, domestic employees and/or non-paying guests of any of the foregoing. Subject to the foregoing, Units may only be leased in accordance with the By-Laws and the Rules and Regulations. An "Occupancy Plan" means a program, plan, agreement or other arrangement for the use, occupancy, marketing, advertising or promotion of one or more Units under short-term, timeshare, fractional or shared 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 through which a participant in the plan or arrangement acquires a direct or indirect ownership interest in the Unit(s) in question with attendant rights of periodic use and occupancy or acquires contract rights to such periodic use and occupancy of such Unit(s) or a portfolio of accommodations including such Unit(s).

9.3 Notwithstanding the foregoing or anything contained herein, in the By-Laws or any Rules and Regulations to the contrary, Declarant (and its designees) may, without permission of the Board or any other person use or grant permission for the use of any Unsold Unit for any lawful purpose, including, but not limited to, the use of any Unsold 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 compliance with applicable laws. As used in the Condominium Documents, "Unsold Unit" refers to any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Declarant or any of its respective designees as the holder of one or more Unsold Unit(s); any Unit that is acquired, individually or collectively, by a principal of Declarant or a group of which Declarant or one or more of its principals is a member; or any Unit that is acquired, individually or collectively, by either the holder of a Permitted Mortgage given by Declarant or the designee of a holder of such a Permitted Mortgage.

9.4 Notwithstanding the foregoing or anything contained herein, in the By-Laws or the Rules and Regulations to the contrary, Declarant or its designee may, without the permission of the Board use or grant permission for the use of any Unsold Unit for any purpose, including, but not limited to, the use of any Unsold Units as models and sales and/or promotion offices in connection with the sale or rental of the Units for any other purpose, subject only to compliance with applicable governmental laws and regulations to any such use.

ARTICLE 10
CHANGES IN THE CONDOMINIUM

10.1 Except to the extent prohibited by law, Declarant or its designee shall have the right, without the vote or consent of the Board, other Unit Owners or the Mortgage Representatives, if any, to: (a) make alterations, additions or improvements to any Unsold Units; (b) change the use (subject to Section 9.2 above) or layout of, or number of rooms in, any Unsold Units from time to time; (c) change the size and/or number of Unsold Units by subdividing one or more Unsold Units into two or more separate Units, combining separate Unsold Units

(including those resulting from such subdivision or otherwise) into one or more Units, converting a Unit or any portion thereof to a Common Element or a Limited Common Element, altering the boundary walls between any Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Unit) which exclusively benefit an Unsold Unit into such Unit; (d) 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 Common Element or Limited Common Element; and (e) if appropriate, reapportion among the Unsold 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, however, that (i) the percentage interest in the Common Elements of any other Units (other than Unsold Units) shall not be changed by reason thereof unless the owners of such Units shall consent thereto; (ii) Declarant 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 the Board and all other Unit Owners harmless from any liability arising therefrom. The provisions of this Article 10 may not be added to, amended, modified or deleted without the prior written consent of Declarant or its designee. By written permission of the Condominium Board, which permission, shall not be unreasonably withheld, any other Unit Owner may be given, with respect to his or her Unit, the same rights and be subject to the same limitations and conditions as are set forth in this Article 10 with respect to Unsold Units. Notwithstanding the other provisions of this Article 10, no reapportionment of the interests in the Common Elements appurtenant to any Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the percentage interests of the respective Units in the Common Elements, immediately after such reapportionment, will be based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. The certification referred to in the preceding sentence shall be delivered (i) at Declarant's election, by Declarant, the managing agent of the Condominium or any other person reasonably acceptable to the Condominium Board in the case of any Unsold Unit, and (ii) by either the managing agent of the Condominium or any other person reasonably acceptable to the Condominium Board in the case of any other Unit.

10.2 The Commercial Unit Owner shall have the right to create additional Commercial Units consisting of portions of the Commercial Unit, each of which may have the rights and easements of the Commercial Unit, including an appurtenant easement to use a portion of the Commercial Unit's platform and other facilities on the roof of the Building, upon which such additional Commercial Unit Owner (or its tenant or licensee) may erect, use, lease, license, maintain, repair, replace and operate antennae, satellite dishes and other telecommunications equipment. If such additional Commercial Units are created, the percentage interest in the Common Elements allocated to the Commercial Unit, together with all such additional Commercial Units, and the percentage interests of all other Units, will remain unchanged. Any obligations and rights of the landlord under any such lease or any other similar lease hereafter entered into by such Commercial Unit Owner(s) shall be the obligations and rights, respectively, solely of such Commercial Unit Owner(s) and not of the Condominium or any other Unit Owner. The Residential 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.

ARTICLE 11
PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York, having an address at One Commerce Plaza, 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 Secretary of State shall mail copies of such process c/o The Naftali Group, 1700 Broadway, New York, New York 10019.

ARTICLE 12
DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

12.1 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(1)(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%.

12.2 The percentage interest of each Unit in the Common Elements is apportioned in the same proportion that the Unit bears to the Common Interests of all Units.

ARTICLE 13
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 made by Declarant or its designee, 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 14
ACCESS TO COMMON ELEMENTS

Each Unit Owner shall have an easement in common with all other Unit Owners to use, maintain, repair, alter and replace all Common Elements located in any of the other Units or elsewhere on the Property which serve his or her Unit including an easement to connect to existing utilities including, but not limited to utilities for gas, electricity, steam and ventilation. Each Unit shall be subject to an easement in favor of all Unit Owners to use, maintain, repair, alter and replace all Common Elements located in such Unit or elsewhere on the Property which serve other Units. In addition, the Condominium Board, or their agents, to the extent the Board

is 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 14 shall be exercised in such a manner as will not unreasonably interfere with 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" (i.e., a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building).

ARTICLE 15
EASEMENTS AND NAME OF CONDOMINIUM

15.1 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 Common Elements.

15.2 Each Unit Owner shall have, in common with all other Unit Owners, an easement for ingress and egress through the Condominium and for the use of any Common Element, to the extent necessitated by an emergency.

15.3 Each Unit Owner shall have, in common with all other 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 or Limited Common Elements located in, over, under, through or upon any Unit, or any other 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 the Units, the Common Elements; or the Limited 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 the Units for their permitted purposes. Such entry shall be permitted on not less than one days' notice, except that no notice will be necessary in the case of an emergency.

15.4 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.

15.5 Declarant or its designee 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 the sale or lease of any Unsold Unit.

15.6 Declarant or its designee and the Condominium Board with respect to the Property, shall have the right to grant such additional electric, gas, steam, ventilation, sewer or other easements for utilities or otherwise or relocate any easements in any portion of the Property, as the case may be, as Declarant or its designee or the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or to complete the Building as described in the Plan or for the

general health or welfare of the owners, tenants and occupants of the appropriate Units, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Units for their permitted purposes, and shall not result in the imposition of any mechanic's lien against any of the Units. Any utility company and its employees and agents shall have the right of access to any 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 use of the Units for their permitted purposes.

15.7 Declarant 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 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 Common Elements or Limited Common Elements, and (b) to maintain 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 easement shall be exercised in a manner as will not unreasonably interfere with the use of the Units for their 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.

15.8 The Condominium shall be designated and known as "221 West 77 Condominium". Declarant shall own and control all rights and interests, and shall be responsible for all obligations and liabilities, appurtenant to the name of the Condominium and/or the Building. For so long as Declarant owns any Units in the Building, only Declarant shall have the right to change or assign the name of the Condominium and/or the Building, subject to the consent of the Condominium Board.

15.9 Declarant and its contractors, employees and agents for so long as Declarant shall own any Unsold Unit, shall have an easement for ingress and egress through all of the Common Elements and the Units in order to complete construction of the Building and to make alterations, additions, or improvements, whether structural or nonstructural, interior or exterior, ordinary or extraordinary, in, to and upon the Common Elements and the Units.

15.10 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 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" (i.e., a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building) 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 Unit 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 Unit 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 Unit Owner Expenses and the Unit 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.

15.11 Each Unit Owner of a Residential Unit with a Terrace shall have an easement for the exclusive use of such Terrace, which use shall be subject to the terms and conditions of this Declaration and the By-Laws. Each Terrace (and the Residential Unit to which such Terrace is appurtenant or designated) shall be subject to the easement(s) in favor of Sponsor and the Board as set forth herein.

15.12 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 in connection with the sale and leasing of Unsold Residential Units.

15.13 The owner of the Commercial Unit and/or its designee (and their respective successors and assigns) shall have an easement to erect, use, lease, license, 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 (which is otherwise a Common Element) that is not occupied by any Building installations, without the consent of, or charge by, the Condominium Board or any other Unit Owners.

15.14 Except as may otherwise be set forth in this Declaration, any easement created or granted hereunder shall be perpetual and irrevocable for so long as the Condominium shall remain in existence.

ARTICLE 16
POWER OF ATTORNEY TO THE CONDOMINIUM BOARD

Each Unit Owner shall grant to the persons who shall from time to time constitute the Condominium Board an irrevocable power of attorney, coupled with an interest (in such form

and content as the Condominium Board shall determine) following due authorization (if required) from the Unit Owners (a) to acquire or lease any 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 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 Units so acquired, or to sublease any Unit so leased, without the necessity of further authorization by the 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 Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate and (c) to execute, acknowledge and deliver any declaration or other instrument affecting the entire 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 entire Property or any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the entire Property or the Common Elements which the Condominium Board deems necessary or appropriate.

ARTICLE 17
ACQUISITION OF UNITS BY THE BOARD

17.1 If (a) any Unit Owner surrenders his or her Unit, together with (i) the undivided interest in the Common Elements and Limited Common Elements appurtenant thereto, (ii) the interest of such Unit Owner in any other Units theretofore acquired by the Condominium Board or its designee, corporate or otherwise, on behalf of all 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 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 Condominium Board, pursuant to Article 8 of the By-Laws, acquires or leases a Unit, together with the Appurtenant Interests, or (c) the Condominium Board purchases, at a foreclosure or other similar sale, a Unit, together with the Appurtenant Interests, then, in any such event, title to any such Unit, together with the Appurtenant Interests, shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements. The lease or sublease covering any Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interest in the Common Elements.

17.2 The Condominium Board shall have the authority to purchase, on behalf of all Unit Owners, a Unit to be used as the residence of the Superintendent of the Building and, in such event, title to all or any such portion of the Unit, together with its Appurtenant Interests, shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements.

ARTICLE 18
COVENANTS RUNNING WITH THE LAND

18.1 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 18, 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 owners, tenants, subtenants, licensees, and other occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

18.2 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.

18.3 Subject to Section 18.2, 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 19
AMENDMENTS OF DECLARATION

19.1 Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Units any provision of this Declaration may be added to, amended, modified or deleted by the vote of at least 66-2/3% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of the By-Laws. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Units, no amendment, modification, addition or deletion shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) (i) of the Mortgage Representatives (as defined in the By-Laws), if any, and (ii) of the Construction Lender, until the Construction Lender's mortgage lien is satisfied. No such amendment, modification, addition or deletion shall be effective until recorded in the City Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Units, any such amendment, modification, addition or deletion shall be executed by 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-infact. Subject to the foregoing provisions of this Section 19.1 and the rights of Declarant or its designee, under Articles 9, 10 and 11 of this Declaration, Articles 8 and 9 of this Declaration may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, as set forth above) 80% in number and in Common Interest of all Unit Owners affected thereby, approve such amendment, modification, addition or deletion in the manner set forth above.

19.2 Notwithstanding anything contained in the Condominium Documents to the contrary, but subject to any limitation imposed by the Condominium Act, no Amendment to the Condominium Documents shall be adopted which would:

(a) unreasonably interfere with the sale, lease or other disposition of an Unsold Unit;

(i) abridge, modify, suspend, eliminate or otherwise affect any right, power, easement, privilege or benefit reserved to Declarant or its designee; or

(ii) impose any discriminatory charge or fee against Declarant or its designee, unless Declarant or such designee shall consent thereto, by joining in the execution of such Amendment;

(b) abridge, modify, suspend, eliminate or otherwise affect any right, power, easement, privilege or benefit reserved to the Declarant, unless the

Declarant shall consent thereto by joining in the execution of such Amendment; or

(c) change the permitted use of any such Unit or such Unit's Common Interest, unless the owner of such affected Unit shall consent thereto by joining in the execution of such Amendment.

19.3 If the number of rooms in an Unsold Unit is changed, or the use, size and/or number of Unsold Units is changed (whether as a result of a subdivision or combination of Unsold Units or alteration of boundary walls between Unsold Units, or otherwise) and the appurtenant percentage interests of Units in the Common Elements are reapportioned as a result thereof, all in accordance with Article 10 hereof, then Declarant or its designee causing such changes shall have the right to execute, or (upon its request) to require any other Unit Owner or the Condominium Board to execute, and record in the City Register's Office and elsewhere, if required by law, an amendment to this Declaration (together with such other documents as Declarant 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 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 the Condominium Board, the Unit Owners or the Mortgage Representatives, if any. In addition, if any Unit Owner other than Declarant or its designee causing such changes is given the right by the Condominium Board to make the changes described in this Section 19.3 with respect to such Unit Owner's Unit or Units, all in accordance with Article 10 hereof, then such Unit Owner shall have the right to require the 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 Condominium Board) to reflect the changes made by the Unit Owner, all without the approval of the Condominium Board, other Unit Owners or the 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.

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

modifying the permitted uses of such Unsold Unit or affecting the rights, privileges, easements, licenses or exemptions granted to the owner of such Unsold Unit.

ARTICLE 20
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 or delayed) of the Mortgage Representatives, if any, and (b) without the written consent of Declarant, until such time as Declarant and its designees have conveyed title to all Units, provided that in no event shall Declarant's consent be required more than five (5) years after the date fee title to a Unit is first conveyed to a purchaser by Declarant 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 any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of his 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 21
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 22
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 23
CERTAIN REFERENCES

23.1 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.

23.2 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.

23.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

ARTICLE 24
SEVERABILITY

Subject to the provisions of 18.2 and 18.3, 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 25
COVENANT OF FURTHER ASSURANCES

25.1 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, a recognized mortgagee, an occupant of a Unit, a member or officer of the Condominium Board or otherwise, shall, upon prior reasonable written request at the expense of any such other 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 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").

25.2 A Unit Owner, or any other party which is subject to the terms of this Declaration must within ten (10) business days after its receipt of written request therefore, (a) take a Required Action or (b) object to taking a Required Action. In the event any Unit Owner or any other party does not take the Required Action or 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 Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party. Any objection by a Unit Owner as to whether or not a request pursuant to this Section 25.2 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 such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party.

25.3 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 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 Common Elements or the Building (the "Defaulting Unit Owner"), the Condominium Board shall give written notice to the Defaulting Unit Owner including a request that the Defaulting Unit Owner and to any Recognized Mortgagee in accordance with Article 7 of the By-Laws, take specific steps to ameliorate such a condition ("Remedy Notice"). If the Defaulting Unit Owner fails to remedy the condition within seven (7) days of the receipt of the Remedy Notice, or, if the condition is such that it cannot be remedied within seven days, fails to commence appropriate remedies, the Condominium Board may, upon ten (10) business days (or such shorter time that the Condominium Board reasonably determines is necessary to prevent irreparable damage in the event of an emergency) additional notice to the Defaulting Unit Owner, 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 send a Remedy Notice. If the Condominium 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 Condominium Board or a Unit Owner as aforesaid shall be deemed Unit Owner Expenses as to which the Condominium Board will have the lien rights more particularly set forth in the By-Laws. Each Unit Owner and the Condominium Board shall indemnify, defend and hold harmless the other Unit Owners, Permitted Users and the Condominium 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 Condominium Board, however applicable, including, but not limited to, reasonable legal fees.

ARTICLE 26
SUCCESSORS AND ASSIGNS

Except as set forth herein or in the By-Laws to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee, or, with the consent of Declarant or its designee, any transferee of some or all of the then Unsold Units then owned by Declarant or its designee, as the case may be.

ARTICLE 27
COVENANTS

Whenever the consent, approval, satisfaction or permission of Declarant or its designee is required under this Declaration or the By-Laws, such consent, approval, satisfaction or permission will not be required when Declarant or such designee no longer owns any Unsold Units.

ARTICLE 28
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 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.

IN WITNESS WHEREOF, Declarant has caused this Declaration to bc executed as of the ____ day of _____, ____.

223 WEST 77TH ST. OWNER LLC

By: _____
Name:
Title:

STATE OF NEW YORK)
)ss.:
COUNTY OF NEW YORK)

On the _____day of _____ in the year ____ before me, the undersigned personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

EXHIBIT A
PROPERTY DESCRIPTION

EXHIBIT B

TO BE COMPLETED PRIOR TO RECORDING

EXHIBIT C
DEFINITIONS

"Access Costs" defined in Section 15.10 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 or (iv) otherwise materially diminish such Unit Owner's use and enjoyment of its Unit or Units.

"Alteration" is defined in Section 6.13 of the By-Laws.

"Arbitration" refers to the procedure described in Article 11 of the By-Laws.

"By-Laws" refer to the By-Laws governing the operations of the Condominium.

"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 Unit in question is conveyed to a Purchaser pursuant to a fully executed Purchase Agreement.

"Common Charges" refer to assessments payable to the Condominium Board for the purpose of meeting Common Expenses.

"Common Elements" refer to the Land and all parts of the Building, including its foundations, roofs and supports, other than the Units.

"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 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.

"Condominium" refers to 221 West 77 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 board of managers of the Condominium.

"Condominium Documents" refers to the Declaration, the By-Laws, the Rules and Regulations and the Floor Plans.

"Construction Lender" means Deutsche Bank AG, New York Branch, its successors and/or assigns.

"Declarant" refers to 223 WEST 77TH ST. OWNER LLC, a Delaware limited liability company, its successors and assigns, and any Persons designated as having the rights of Declarant by Declarant or a designee of Declarant.

"Declarant and/or its designee(s)", "Declarant or a designee of Declarant" or similar terms refers to Declarant and any designee of Declarant.

"Declaration" refers to this instrument, which creates the Condominium, as the same may be amended from time to time.

"Default Rate" is defined in Section 6.6 of the By-Laws.

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

"Development Rights" is defined in Section 2.3 of the Declaration.

"Development Rights Purchaser" is defined in Section 2.3 of the Declaration.

"Exercising Party" is defined in Section 15.10 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 fee title to a Residential Unit is first 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.

"Impacted Owner" is defined in Section 15.10 of the Declaration.

"Indemnitees" is defined in Section 25.3 of the Declaration.

"Initial Control Period" is defined in Section 2.2.6 of the By-Laws.

"Insurance Trustee" is defined in Section 12.5 of the By-Laws. Construction Lender shall be the initial Insurance Trustee.

"Land" refers to the land beneath the Building and the appurtenances thereto.

"Limited Common Elements" are defined in Section 8.1 of the Declaration.

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

"Mortgage Representatives" is defined in Section 7.5 of the By-Laws.

"Offeree" refers to (a) Purchasers who have executed and delivered Purchase Agreements for 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.

"Opposing Party" is defined in Section 6.13 of the By-Laws.

"Parking Spaces" is defined in Article 4 of the Declaration.

"Permitted Mortgage" refers to a first mortgage permitted to be placed upon a Unit or Units pursuant to the provisions of the By-Laws, the Construction Loan, and/or any mezzanine finance loan or preferred equity loan provided to Sponsor and/or Declarant.

"Permitted Mortgagee" refers to the holder of any Permitted Mortgage and shall include, without limitation, such banks and financial institutions as the Construction Lender, including the successors, assigns and affiliates thereof.

"Plan" refers to the offering plan for the Condominium, as the same may be amended from time to time.

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

"Proponent" is defined in Section 6.13 of the By-Laws.

"Purchase Agreement" refers to the agreement to purchase a Unit pursuant to the Plan.

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

"Required Documentation" is defined in Section 6.11.5 of the By-Laws.

"Required Action" is defined in Section 25.1 of the Declaration.

"Rules and Regulation" refer to the rules and regulations made in accordance with the By-Laws and attached thereto as Schedule A.

"Residential Common Elements" are defined in Section 8.4 of the Declaration.

"Residential Limited Common Elements" are defined in Section 8.5 of the Declaration.

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

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

"Storage Bins" refers to the storage bins in the cellar, which will be used for storage by Unit Owners who purchase Storage Bin Licenses.

"Storage License" is defined in Section 6.26.1 of the By-Laws.

"Terrace(s)" refers to terraces and/or balconies appurtenant to certain Units and the roof terraces, if any, which are Limited Common Elements.

"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" refers to space designated as a Unit in the Declaration, consisting, generally, of either a specific residence, together with an appurtenant proportionate undivided interest in the Common Elements and, as the case may be, in the Common Elements or the Limited Common Elements. All of such Units are collectively referred to as "Units".

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

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

"Zoning Lot Development Agreement" or "ZLDA" is defined in Section 2.3 of the Declaration.

EXHIBIT D

BY-LAWS
OF

221 WEST 77 CONDOMINIUM
219-223 WEST 77TH STREET
NEW YORK, NEW YORK 10024

EXHIBIT E
UNIT POWER OF ATTORNEY

POWER OF ATTORNEY

_____

TO

THE CONDOMINIUM BOARD OF 221 WEST 77 CONDOMINIUM

221 WEST 77 CONDOMINIUM

219-223 WEST 77TH STREET, NEW YORK, NEW YORK 10024

UNIT _____

COUNTY: NEW YORK

BLOCK: 1168

LOT:

UNIT POWER OF ATTORNEY

Terms used in this Unit Power of Attorney which are used (a) in the declaration (the "Declaration") submitted by 223 West 77th St. Owner LLC ("Declarant") establishing a plan for Condominium ownership of the premises known as 221 West 77 Condominium and by the street number 219-223 West 77th Street, New York, New York 10024 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 221 West 77 Condominium which is (are) designated and described as Residential Unit No. _____ in the Declaration and also designated as Tax Lot _____, in Block 1168 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute:

The 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 Unit Power of Attorney shall be irrevocable.

Each Agent may act SEPARATELY.

This 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 "9"

CONDOMINIUM BY-LAWS

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BY-LAWS

OF

221 WEST 77 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 the 221 West 77 Condominium (the "Condominium"). The Condominium covers the property (the "Property") consisting of approximately 7,662 square feet of land (the "Land") which comprises Block 1169 of Lots _____ 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). Each owner of a Unit is a member of the Condominium association. 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
BOARD OF MANAGERS

2.1 Number, Term and Qualification.

2.1.1 As more particularly set forth in Section 2.2, the affairs of the Condominium shall be governed by a board of managers of the Condominium (the "Condominium Board"). From and after the first annual meetings of Unit Owners as provided in Section 3.1, the Condominium Board shall consist of five (5) persons, four (4) of whom shall be elected by the Residential Unit Owners and one (1) of whom shall be appointed by the Commercial Unit Owner, subject to Declarant's rights under Subsection 2.1.3 hereof. The Condominium Board is herein sometimes referred to collectively as the "Board".

2.1.2 Each member of the Condominium Board except for the first Board as provided in 2.4 and except as otherwise provided herein, shall be elected at the annual meetings of 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.

2.1.3 Except for Board members elected or designated by Declarant or its designee, all members of the Condominium Board shall be either Unit Owners or officers, directors, shareholders, partners, principals, employees or beneficiaries of corporations, partnerships, fiduciaries or any other entities which own Units, Permitted Mortgagees, or family members of any of the foregoing. Other than Board members elected or designated by Declarant or its designee, no Board member shall continue to serve after he ceases 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.

2.1.4 In no event shall any Unit Owner (or its proxy) or another interested party be eligible for election to the Board, and any such Unit Owner (or its proxy) or other party may be removed as a Board member by a majority vote of the other Board members, if such Unit is then in arrears, beyond any applicable grace period, in the payment of Common Charges or any other amounts required by the Board to be paid. In addition, no member of the Board (or his or her proxy) may continue to participate as a member thereof after the Board has perfected a lien against his or her Unit, for so long as such lien remains unsatisfied.

2.2 Powers and Duties.

2.2.1 The Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (except such powers and duties which by law, the Declaration or these By-Laws may not be delegated to the Board by the Unit Owners). All other determinations with respect to the administration of the affairs of the Condominium shall be made by the Condominium Board.

2.2.2 Subject to the provisions of Subsection 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 Common Elements, including contracts for utilities, services and supplies;

2.2.2.1.b. The amount of Common Charges (as hereinafter defined).

2.2.2.1.c. Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements.

2.2.2.1.d Adoption of, and amendments and additions to, the Rules and Regulations for the use of the Common Elements.

2.2.2.2.e. Making additions and improvements to, or alterations of, the Common Elements.

2.2.2.1.f. Making repairs and restorations of the 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.

2.2.2.1.h. Levying fines against Unit Owners for violations of the Rules and Regulations (any such fines shall constitute Common Charges payable by the Unit Owner 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).

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 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), 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 said 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 to act as designees of the Condominium Board with respect to such matters as the 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 Buildings, 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. Purchasing, leasing and otherwise acquiring in the name of the Board or its designee, on behalf of all Unit Owners, the Unit or portions thereof offered for sale or lease or surrendered by their owners to the Board.

2.2.2.1.q. Purchasing the Units or portions thereof at foreclosure or other similar sales, in the name of the Board or its designee, on behalf of all Unit Owners.

2.2.2.1.r. Selling, leasing, subleasing, mortgaging and otherwise dealing with (but not voting the interests appurtenant to) the Units or portions thereof acquired by, and subleasing the Units or portions thereof leased by, the Board or its designee, on behalf of all Owners.

2.2.2.1.s. Operation, maintenance and supervision of all Common Elements and the Limited Common Elements.

2.2.2.1.t 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 Units for the benefit and on behalf of (i) all Unit Owners, or (ii) for individual Unit Owners, provided that each such Unit Owner indemnifies the Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

2.2.2.1.u Imposition of move in fees and charges, and transfer fees in connection with the sale or lease of a Unit, provided that no such fees or charges or any other conditions of transfer or lease may be imposed upon the Declarant.

2.2.2.1.v Executing, acknowledging and delivering: (a) any declaration (including a declaration of single zoning lot) or other instrument affecting the Property that the Condominium Board deems necessary or appropriate to comply with any law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Building and (b) any consent, covenant, restriction, easement, or declaration affecting the Property that the Condominium Board deems necessary or appropriate.

2.2.2.1.w Commencement of summary eviction proceedings in the name of or on behalf of the Condominium Board and/or a Unit Owner or the Unit Owners, as the case may be, against an authorized guest and/or a Tenant of a Unit Owner if such authorized guest and/or Tenant does not conform to the Rules and Regulations of the Condominium, annexed hereto as Schedule A, as said Rules and Regulations may at any time and from time to time, be modified, amended or added to in accordance with the terms of these By-Laws. All costs in connection with the removal of the authorized guest and/or Tenant, including reasonable attorney's fees, shall be borne by the Unit Owner.

2.2.2.1.x Licensing or leasing Common Elements that are not being used by the Unit Owners.

2.2.2.1.y Carrying out any other duties imposed upon the Condominium Board pursuant to the Declaration and these By-Laws.

2.2.2.1.z Leasing or purchasing an apartment for use as the residence of the Building Superintendent, either in the Building or elsewhere (in compliance with applicable law and regulation) and amending, modifying, extending, renewing, and otherwise dealing in any way with respect to any such lease.

2.2.3 Except as otherwise provided in these By-Laws or in the Declaration, the Commercial Unit Owner shall be entitled to make determinations with respect to the following matters:

(a) Operation, care, upkeep, maintenance, repair and replacement of its Commercial Unit.

(b) Employment and dismissal of personnel necessary for the maintenance and operation of the Commercial Unit.

(c) Leasing or granting consent with respect to the sublease of all or any portion of the Commercial Unit, or the use thereof by persons or for purposes otherwise permitted and the granting of other consents as in these By-Laws provided, except that the Commercial Unit shall be used for any lawful purpose approved by the Board as provided in the Plan, and provided that the Unit Owner of the Commercial Unit (and any lessee, sublessee and occupant) complies with any other restrictions with respect to the Commercial Unit that the Unit Owner of the Commercial Unit agreed to with Sponsor.

(d) Making repairs, restorations, additions and improvements to, or alterations of, the Commercial Unit, provided such repairs, restorations, additions, improvements and alterations comply with all applicable Legal Requirements and do not significantly and adversely

affect all or any portion of the Building outside the Commercial Unit (including, without limitation, any building systems outside of the Commercial Unit).

(e) Making repairs to and restoration of its Commercial Unit, or parts thereof, damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings, provided such repairs and restorations comply with all applicable Legal Requirements and do not significantly and adversely affect all or any portion of the Building outside the Commercial Unit (including, without limitation, any building systems outside of the Commercial Unit).

(f) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) if the loss involves only its Commercial Unit, as set forth in Section 6.2.

(g) Borrowing money 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, its Commercial Unit, or otherwise in connection with any permitted action or activity of such Commercial Unit Owner; provided, however; that (i) no lien to secure repayment of any sum borrowed may be created on any other Unit or its appurtenant interests in the Common Elements without the consent of the owner of such other Unit, and (ii) Unit Owners other than such Commercial Unit Owner will not be liable for repayment of any portion of any such loan, unless they otherwise agree in writing.

(h) Execution, acknowledgement and delivery of (i) any declaration or other instrument affecting its Commercial Unit which the Commercial Unit Owner thereof deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission or any other public authority or agency, applicable to the maintenance, demolition, construction, alteration, repair or restoration of its Commercial Unit, or (ii) any consent, covenant, restriction, easement or declaration affecting its Commercial Unit which the Commercial Unit Owner there deems necessary or appropriate.

(i) Execution, acknowledgement and delivery of any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain a reduced real estate tax assessment solely with respect to its Commercial Unit.

2.2.4 Any act with respect to a matter determinable by the Board and deemed necessary or desirable by the Board in connection therewith shall be done or performed by the Board or shall be done on its behalf and at its direction by the agents, employees or designees of the Board.

2.2.5 The Condominium Board shall not bring any litigation except to enforce the Declaration or By-Laws without first receiving the written approval of the owners of two-thirds of the Units and the owners of two-thirds of the percentage interests in the Common Elements.

2.2.6 Notwithstanding anything to the contrary contained in these By-Laws, (including, without limitation, in Section 2.2.2 above) for a period (the "Initial Control Period")

which shall end upon the earlier to occur of: (a) the fifth anniversary of the First Closing of title to any Unit, by the Sponsor, pursuant to an Agreement (as the terms "Sponsor" and "Agreement" are defined in that certain Offering Plan, dated as of _____ for the sale of Units at the Condominium (the "Offering Plan" or "Plan"); or (b) the closing of title by Sponsor to Units representing more than 95% in number and in aggregate Common Interests of all Units, the Board may not, without the prior written consent of Sponsor: (i) make any addition, alteration or improvement to the Common Elements or any Residential Unit (unless required by any applicable laws, statutes and ordinances, including, without limitation, environmental laws, and all building codes and zoning ordinances) and the orders, rules, regulations, directives, binding resolutions and requirements of all governmental authorities (including, without limitation, the New York City Department of Buildings, the City Planning Commission, the boards of fire underwriters or any public authority or agency having jurisdiction), whether in force as of the date hereof or hereafter, which are or become, or purport to be, applicable to the Property or any part thereof ("Legal Requirements"); (ii) assess any Common Charges for the creation of, addition to or replacement of all or any reserve, contingency or surplus fund; (iii) increase or decrease the number of, or change the kind of, employees initially hired for the Building, as provided for in Schedule B — "Projected Budget for First Year of Condominium Operation" set forth in the Plan; (iv) 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; (v) borrow money on behalf of the Condominium unless any such borrowing is approved by the owners of Units representing at least seventy-five percent (75%) both in number and aggregate Common Interests of all Units); or (vi) exercise any right of first refusal to lease or purchase a Residential Unit. However, the Board may perform any function or take any actions enumerated in subsections (i) through (v) hereinabove, without the consent of Sponsor if, and only if, the performance of such function or the carrying out of such action is necessary, and no other alternative is available, either to enable the Board to comply with any Legal Requirements, or to remedy any notice of violation entered against the Condominium, or to comply with any proper work order by an insurer of the Building, or for the health and safety (but not the general comfort or welfare) of the occupants of the Building. 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 the Unsold Residential Units constitute less than five percent (5%) of the Common Interest, whichever is sooner.

2.3 Managing Agents and Managers. With respect to matters the determinations concerning which the Board is entitled to make, the Board may employ a managing agent and/or a manager at a compensation established by the Board to perform such duties and services as the Board shall authorize. The Board may delegate to such managing agent or manager other powers granted to the Board by these By-Laws, except the powers set forth in subparagraphs 2.2.2.1(b), (e), (g), (h),(l), (m), (n) and (o).

2.4 First Board. The Condominium Board shall initially consist of the three (3) persons designated by Declarant, who shall be deemed to have been "elected" as members of the

Board for the purposes of these By-Laws. Within one hundred eighty (180) days after the earlier of five (5) years after the first closing of a Unit or the sale by Declarant of 95% of the Units, the Condominium Board will call for the first annual meetings of Unit Owners for the purpose of electing a new Board in accordance with the provisions of Section 3.1. The terms of each such member of the Board shall expire annually. Notwithstanding the foregoing, for as long as Declarant has the voting power to elect all members of the Board, the Board shall have three (3) members.

2.5 Resignation and Removal. A Board member may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Board. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Subject to the provisions of subsection 3.9.3, any Board member may be removed, with or without cause, by a majority vote of Unit Owners present in person or by proxy at a regular or special meeting of Unit Owners at which a quorum is present. The Board member whose removal has been proposed shall be given an opportunity to be heard at the meeting. Notwithstanding the above, Board members designated by Declarant or its designee may only be removed with cause and replaced as described in 2.6. In addition, any member of the Board who is designated as such by Declarant or its designee, 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. A Board member, who fails to attend three consecutive meetings of the Board or five meetings in any twelve month period or who ceases to be a Unit Owner or who is more than two months in arrears in paying maintenance and assessments shall be deemed to have resigned from the Board.

2.6 Vacancies. Subject to the provisions of 3.9.3, any vacancy on the Board for whatever reason shall be filled by the members of the Board then in office, at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy even though the members present at such meeting may constitute less than a quorum, and any person so elected shall be a member of the Board until the next annual meeting of the Unit Owners, when a successor shall be elected for the remainder of the term of the member creating such vacancy. Notwithstanding anything to the contrary contained in these By-Laws, in the case of a vacancy on the Board, created by the resignation, removal or any other cause which results in the Board member designated by Declarant or its designee, ceasing to be a member of any the Board, Declarant or its designee, as the case may be, shall have the sole right to designate a replacement for such member.

2.7 Organizational Meetings of the Board. The organizational meetings of the Condominium Board following each annual meeting of the Unit Owners shall be held immediately following each such annual meeting.

2.8 Regular Meetings of the Board. Regular meetings of the Board may be held at such time and place in the Borough of Manhattan as shall be determined from time to time by a majority of the members thereof, provided that 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 telegram, at least five business days prior to the day named for such meeting. Board members may attend meeting by conference telephone call.

2.9 Special Meetings of the Board. Special meetings of the Board 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 telegram, which notice shall state the time, place (in the Borough of Manhattan) and purpose of the meeting. Special meetings of the Board shall be called in like manner and on like notice on the written request of at least two members of the Board. Board members may attend meeting by conference telephone call.

2.10 Waiver of Notice. Any Board member may at any time waive notice of the Board meeting in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the 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 the Board, no notice shall be required and any business may be transacted at such meeting.

2.11 Determinations by the Board; Quorums.

2.11.1 Except as otherwise set forth in subparagraph 2.11.3, all determinations by the Board shall be made at a meeting of the Board at which a quorum thereof is present. At a Board meeting, a majority of the members thereof shall constitute a quorum, and the votes of a majority of the members present shall constitute the decision of the Board.

2.11.2 If at the 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.

2.11.3 Members of the 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 the Board may be taken without a meeting if all members of the Board consent in writing to the adoption of a Resolution authorizing such action and the writing or writings are filed with the minutes of the Board.

2.12 Compensation. No member of the Board shall receive any compensation for acting as such.

2.13 Liability of the Board and Unit Owners.

2.13.1 To the extent permitted by applicable law, no member of the Board shall have any personal liability with respect to any contract, act or omission of the Board or of any managing agent or manager in connection with the affairs or operation of the Condominium 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 the Board or by any managing agent or manager thereof shall state that it is made by the Board, managing agent or manager only as agent for all Unit Owners, that the Board members or managing agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners) and shall also state the applicable limitations of liability of Unit Owners provided for in the next sentence. The liability of any Unit Owner with respect to any contract, act or

omission with respect to the Condominium or 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, and, unless expressly stated to the contrary in such contract (as determined by the Board in its sole and absolute discretion), to the extent permitted by applicable law, shall be limited to such Unit Owner's interest in his or her Unit and his or her 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 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 Board member against any liability or claim except those arising out of such member's own bad faith or willful misconduct. The Board may contract or effect any transaction with the Board member, any Unit Owner, Declarant, Declarant's designee or any affiliate of any of them without, except in cases of bad faith or willful misconduct, incurring any liability for self-dealing.

2.13.2 Neither the Board nor 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, the Board or to be paid for as a Common Expense, except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of the 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 Common or Limited Common Element.

2.14 Fidelity Bonds. The 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 Common Expenses.

2.15 Committees. The Board may, subject to such limitations and exceptions as the Board may prescribe, appoint an Executive Committee and such other committees as the Board may deem appropriate, each to consist of as many members as the Board shall deem appropriate for the purpose of making such reports and studies as the Board deems appropriate. For so long as Declarant is entitled to designate members to the Board, any committee appointed by any the Board shall have as at least one of its members a member appointed by Declarant.

2.16 Principal Offices of the Board. The principal offices of the Board 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 the Board.

2.17 Status of the Board. In addition to the status conferred upon the Board under or pursuant to the provisions of the Condominium Act, the Board 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 the Board pursuant to the provisions of Section 2.18, the provisions of this Section 2.17 shall no longer be applicable to the Board.

2.18 Incorporation of the Board. To the extent and in the manner provided in the Condominium Act, the Board may by action of the Board as provided in this Article 2, be incorporated under the applicable statutes of the State of New York. In the event that the 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 the Board under or pursuant to the provisions of the Condominium Act. The certificate of incorporation and by-laws of any such resulting corporation shall conform as closely as practicable to the provisions of the Declaration and these By-Laws and the provisions of the Declaration and these By-Laws shall control in the event of any inconsistency or conflict between the provisions hereof and the provisions of such certificate of incorporation and by-laws.

2.19 The Board as Agent of the Unit Owners. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Board shall act in good faith as, and shall be, the agent of the Unit Owners the Board represents, subject to and in accordance with the provisions of the Declaration and these By-Laws.

2.20 Prohibited Transactions. Each member of the 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 commercially 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. The first annual meeting of Unit Owners shall be called on or no more than one hundred eighty (180) days after the expiration of the Initial Control Period. Such meeting shall be held not less than 10 days nor more than 40 days after such date. At such meeting, Unit Owners shall elect (in accordance with the provisions of Section 2.1 and as

otherwise provided in these By-Laws) five (5) Board members. Thereafter, annual meetings of 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 Condominium Board shall be elected and there shall also be transacted such other business as may properly come before such meetings.

3.2 **Place of Meetings**. Meetings of all or any Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place in the Borough of Manhattan, as may be designated by the Board.

3.3 **Special Meetings**. The President of the Board shall call a special meeting of Unit Owners, if so directed by resolution of the Board or upon a petition signed and presented to the Secretary by not less than 25% in Common Interest of Unit Owners.

3.4 **Notice of Meetings and Actions Taken**. Notice of each annual or special meeting shall be given by the 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 telegram, at least ten (10) but no more than thirty (30) business days prior to the day named for the meeting and shall be given or sent to the Unit Owners entitled to receive same at their address at the Property or at such other address at the Property or elsewhere as any Unit Owner has designated by notice in writing to the 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 Unit Owners. The designation of any such proxy shall be made in writing to the Secretary of the Board and shall be revocable at any time by written notice to the Secretary by the Unit Owner so designating; provided, however, that no designation to act as a proxy shall be effective for a period in excess of six 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. Neither the Board nor its designee shall be entitled to vote the interest appurtenant to any Unit owned by the 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 one vote for each of his or her percentage interests in the Common Elements.

3.8.3 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, anyone 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.

3.8.4 Inspectors of Election. In advance of or at any meeting of Unit Owners, the Board of Managers may appoint any person, other than nominees for election to the Board of Managers or existing 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 may, or on the request of not fewer than 10 percent 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 Board of Managers 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 of all votes or consents; determining the result; and such acts 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.

3.9.1 All elections of Board members shall be determined by plurality vote.

3.9.2 When voting for members of the 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 subparagraph 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 Unit Owners, Declarant shall have the right to vote all of the Common Interests attributable to Unsold Units owned by it until Declarant has closed title to all of the Unsold Units owned by it (excluding Unsold Units purchased by Declarant or its designee). Declarant shall not hold a majority of seats on the Condominium Board after the expiration of the Initial Control Period. Any vacancy created by removal of a Board member designated by Declarant, or by any other cause which results in a Board member designated by Declarant ceasing to be a member of the Board, shall be filled by a person designated by Declarant. After the Initial Control Period, a majority of the Condominium Board must be Unit Owners who are unrelated to the Declarant or its principals.

3.10 Majority of Unit Owners. Except as may otherwise be provided by law, as used in these By-Laws, the term "Majority of Unit Owners" means those Unit Owners having more than 50% of the total authorized votes of all Unit Owners, 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 Unit Owners owning more than 50% 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, 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. In addition, at elections of members to

the Board held after the expiration of the Initial Control Period but while Declarant still owns at least one Unit, Declarant and/or its designee shall have the right to elect or designate not more than one (1) member of the Board, who may be a person related to or affiliated with Declarant, such designee or other Unsold Unit Owner; and such designee and all other Unit Owners shall have the right to elect the remaining members of the Board.

3.13 Meetings. Any action required or permitted to be taken at any meeting of the Condominium Board or any committee thereof may be taken without a meeting if all members of the Condominium Board or the committee, as the case may be, consent in writing to the adoption of a resolution authorizing the action and if the resolution and the written consents thereto are filed with the minutes of the proceedings of the Condominium Board or the committee.

3.14 Confidentiality. Information disclosed to Board Members should be kept in confidence and not disclosed under any circumstance until a decision is made by the Board to make the information public. Once determined, decisions of the Board are to be presented in their final form, and any discussions leading up to such decisions are confidential. Board members should never disclose how other Board members voted.

3.15 Conflicts of Interest.

(a) No member of the Board shall receive any economic benefit of any nature, including any remuneration, gift or other consideration, from any person, firm, or entity dealing with the Condominium, as a result of, or in any way associated with, transactions involving the Condominium, unless such economic benefit shall have been specifically disclosed to, and approved by, a two-thirds vote of the disinterested Board Members prior to receipt thereof.

(b) Real estate brokers or salespersons, who are members of the Board, shall refrain from engaging in selling Units in the Building or participating in such sales, either directly or indirectly, as listing broker, co-broker or otherwise as an economic participant in such sales. Attorneys, who are members of the Board, shall refrain from representing Unit Owners of the Condominium in matters arising between the Condominium and such Unit Owners. A Board Member who is a principal or owner of, or has a financial interest in, any company supplying goods or services to the Condominium shall refrain from doing business with the Condominium.

(c) No member of the Board shall vote on any matter, or participate in the discussion of any matter, in which the member has a financial interest, other than a general interest as a Unit Owner or proprietary Unit Owner of the Condominium. "Financial interest" includes, without limitation, any of the following interests:

(i) Interests as an owner, agent or principal of, either directly or indirectly, or otherwise possessing a financial interest of any nature in or with, any company or other entity, in any way involved in the subject of such vote; or

(ii) Interests as a party involved in any manner in the transaction being voted upon, including, without limitation, as a broker in any way involved in the sale of a Unit; or

(iii) Interests as attorney for, or other legal representative of, any Unit Owner or any party being the subject of such vote or discussion.

(d) The violation of any of the foregoing provisions shall be grounds for removal of such Board Member for cause by a vote of two thirds of the Board or majority vote of the Unit Owners.

The Condominium Board may, by majority vote, require that a Board Member be recused from participating in any discussion or voting on any matter, when the Board determines that there is a substantial financial conflict between the interests of the Board Member and the interests of the Condominium or that such a conflict of interest reasonably appears to exist.

3.16 New Business. Any new business to be taken up at the annual meeting shall be stated in writing and filed with the secretary of the Condominium at least five days before the date of the annual meeting, and all business so stated, proposed, and filed shall be considered at the annual meeting; but no other proposal shall be acted upon at the annual meeting. Any Unit Owner may make any other proposal at the annual meeting and the same may be discussed and considered, but unless stated in writing and filed with the secretary at least five days before the meeting, such proposal shall be laid over for action at an adjourned, special, or annual meeting of the Unit Owners taking place 30 days or more thereafter. This provision shall not prevent the consideration and approval or disapproval at the annual meeting of reports of officers, Board Members, and committees; but in connection with such reports, no new business shall be acted upon at such annual meeting unless stated and filed as herein provided.

ARTICLE 4
OFFICERS

4.1 Designation. The principal officers of the Condominium shall be a President, Vice President, Secretary and Treasurer thereof, all of whom shall be elected by the Condominium Board. The Condominium Board may appoint an Assistant Treasurer, Assistant Secretary and such other officers as in its judgment may be desirable. None of the officers of the Condominium need be Unit Owners or have any interest therein or be Board members until the first organizational meeting of the Condominium Board after the first annual meeting of Unit Owners. Thereafter, the President and Vice President must be members of the Condominium Board. Any one may hold multiple offices.

4.2 Election of Officers. The officers shall be elected annually by the Board at the organizational meetings thereof, except that the initial officers shall be elected by the initial Condominium 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 Board. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Upon the affirmative vote of a majority of the members of the Board, any officer may be removed, either with or

without cause. A successor officer may be elected at any regular Board meeting or at any special Board meeting called for such purpose.

4.4 President. 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 President 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 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.

4.5 Vice President. The Vice President shall take the place of the President under whom he serves and perform his or her duties whenever the President shall be absent or unable to act. If both the President and the Vice President of the Condominium are unable to act, the Board shall appoint some member of the Board to act in the place of the President and Vice President on an interim basis. The 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.

4.6 Secretary. The Secretary of the Condominium shall keep the minutes of all joint meetings of Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Board 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 Treasurer. The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Board (or in the name of the managing agent appointed by the Board) in such depositories as may from time to time be designated by the 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 shall be executed by any officer thereof or by such other person or persons as may be designated by the Board. However, any expenditure in excess of $2,500 by the Condominium Board must be countersigned by two members of the Board. 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, 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 the Board shall be personally delivered or sent by registered or certified mail to the office of the Board or to such other address as the Board may designate from time to time, by notice in writing to all Unit Owners, and if there is a managing agent of the Board, a duplicate shall be sent in like manner to such managing agent. All notices to any Unit Owner shall, except as otherwise provided herein, be personally delivered or sent by registered or certified mail to the Property address of such Unit Owner or to such other address as may have been designated by such Unit Owner from time to time, in writing, to the Condominium Board. 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. 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 Common Elements ("Common Expenses") shall be determined by the Condominium Board as set forth below. Common Expenses shall include all such other items provided for in the Declaration or these By-Laws to be Common Expenses. 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 Common Elements. The Condominium Board shall from time to time and at least annually prepare a budget to meet 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 or to the extent a different method of allocation is described in Schedule B, Projected Budget for First Year of Condominium Operation), charges as set forth in the Plan ("Common Charges") to meet 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 Common Expenses in accordance with sub metering, 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.

6.1.2 From time to time the Condominium Board may increase or decrease the amount of Common Charges payable for a fiscal year or any portion thereof to meet a revised

estimate or determination of Common Expenses for such fiscal year or any portion thereof. During the Condominium's initial two fiscal years but not thereafter, the Condominium 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. The Condominium Board shall advise all 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. 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 shall be rebated to the Unit Owners by the Condominium Board in proportion to each Unit's percentage of Common Interest. Rebates, if any, attributable to Units purchased from Declarant during the first year of condominium operation will be distributed by the Condominium Board to Declarant and the Unit Owner(s) in proportion to the amount of time the Declarant and each Unit Owner owned such Unit.

6.1.3 Common Expenses shall include real estate taxes on the Property until the Units are separately assessed.

6.1.4 Notwithstanding anything to the contrary herein, no part of the net earnings of the Condominium may inure (other than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than by a rebate of excess membership dues, fees, or assessments) to the benefit of any Unit Owner or individual.

6.1.5 The failure or delay of the Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In the event of such failure by the Board, the Common Charges thereafter allocable to the Units until a new determination of Common Charges is made shall be computed as set forth in the By-Laws. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the Common Charges payable by the Unit Owners until a new determination of the Common Expenses can be made.

6.1.6 In addition to the foregoing duty to determine the amount of and to assess Common Charges, the Board shall have the right to levy special assessments to meet the Common Expenses (or a prior period's deficit, in accordance with subsection 6.1.2). All special assessments shall be levied against all Unit Owners (or, as applicable, all Residential Unit Owners) in proportion to their respective Common Interests. The Board shall have all rights and remedies for the collection of special assessments as are provided herein for the collection of Common Charges (including, without limitation, perfecting a lien against the defaulting Unit).

6.1.7 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 General Common Element or Residential Limited Common Element remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by the Board, as agent for and on

behalf of all Unit Owners (in the case of any General Common Element) or the Residential Unit Owners (in the case of the Residential Limited Common Elements), and shall constitute income of the Unit Owners or the Residential Unit Owners, as applicable. 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, licensing or use of any space in the Building be deemed to be derived from the rental, licensing 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.

6.1.8 Subject to the terms of this Article 6, the Common Expenses shall initially be allocated among (a) the Residential Units and (b) the Commercial Unit, as set forth in the footnotes to Schedule B in the Plan. The Common Charges payable by each Residential Unit Owner will be in proportion to such Unit's percentage Common Interests compared to the total of all Residential Units, except as indicated in Section 6.1.3 above. The Commercial Unit Owner will be assessed Common Charges to meet the share of only those Common Expenses allocated to its Unit as provided in Section 6.1.1 above. The Board shall periodically, but not less than once per year, review the Common Expenses to determine whether each category of Unit Owners is paying its fair share of the Common Expenses. Such redetermination shall also be made if any Commercial Unit is subdivided, the use of the same is changed, or the owners of 50% or more in percentage Common Interests of any category of Units request such a redetermination (which request may be made periodically, but not more often than once per year). If, as a result of a regular review, a redetermination based upon changed circumstances, or a redetermination requested by Unit Owners, such Unit Owners and the Board cannot agree upon any decision or determination to be made, the same shall be submitted for arbitration in accordance with the terms of Article 11 of these By-Laws. Pending the resolution of the dispute, the Unit Owners in question shall continue to pay Common Charges upon the allocations theretofore in force, and any variation in such Common Charges based upon such resolution shall be retroactive to the date of the review, redetermination, or request for redetermination, as the case may be. In addition to basing allocations of Common Expenses on Common Interests, the Board may also make allocations and assessments of Common Expenses based upon 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.

6.2 Insurance.

6.2.1 The Condominium Board shall be required to obtain and maintain to the extent obtainable the following insurance: (a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements and increased cost of construction 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, the Board and all Unit Owners and their Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings), said policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject however, to the loss payment provisions hereinafter set forth; (b) rent insurance in an amount equal to Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any, determined by the Condominium Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering the Board and all officers, directors, managing agents and employees of the Condominium; (i) directors and officers liability insurance; and (j) such other insurance as the Condominium Board may determine. The premiums for all insurance referred to above and for the liability insurance referred to below shall be a Common Expense and shall be borne by the 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 other such parties designated by the Condominium Board).

6.2.2 All such policies shall provide that adjustment of loss shall be made exclusively by the Condominium Board if the loss affects only the Common Elements. Insurance proceeds with respect to any loss shall be payable to the Board, except that the proceeds of all policies of physical damage insurance, if in excess of $1,000,000, shall be payable to a New York City bank or trust company designated by the Condominium Board as Insurance Trustee (as hereinafter defined) pursuant to the provisions of Section 12.5.

6.2.3 All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least ten days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees. Duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees at least thirty (30) days prior to expiration of the then current policies.

6.2.4 The Condominium Board shall also be required to obtain and maintain, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as the Board may from time to

time determine, covering (i) the Board, the managing agent or agents thereof, each Board member, and each officer and employee of the Condominium, (ii) the Unit Owners, all officers, directors and employees thereof, and its managing agent or agents, except that such policy will not cover liability of a Unit Owner arising from occurrences within his own Unit or within the Limited Common Elements, if any, exclusive to his Unit. The Condominium Board shall review such limits once each year. The insurance required in accordance with this Subsection 6.2.4 shall also cover cross-liability claims of one insured against another.

6.2.5 Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Board determines.

6.2.6 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 minimum 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 or the Managing Agent, the Unit Owner shall deliver to the Condominium Board a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Condominium Board. The Condominium Board 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.

6.2.7 If the use of any Unit causes an increase in the premium for the insurance which the Board is required to obtain and maintain, as set forth herein or otherwise, then the owner of such Unit shall be obligated to pay to the Board a sum equal to the amount of such increase attributable to such use.

6.2.8 Until payment of the debt under the Construction Lender's loan (the "Mortgage") is made in full or until such Mortgage is assigned by Construction Lender to Declarant's designee, whichever occurs first, the Board must comply with the obligations of the Mortgage (which provisions set forth the Board's obligations with respect to the maintenance of insurance during such period).

6.3 Repair or Reconstruction after Fire or Other Casualty.

6.3.1 In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty (unless three-fourths or more of the Building is destroyed or

substantially damaged and 75% or more in Common Interest of all Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Condominium Board with respect to any damage to or destruction of the Common Elements, will 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) and the Board or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. If only the Commercial Unit is destroyed or damaged by fire or other casualty and if the net insurance proceeds are less than sufficient to cover, or exceed, the cost of repairs and restoration, the Commercial Unit Owner will bear the entire amount of the deficit, or shall receive all of the surplus, as the case may be, in proportion to its respective Common Interests. Similarly, if only the Residential Units, Residential Common Elements and/or the Residential Limited Common Elements are 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 borne or shared entirely by all Residential Unit Owners in proportion to their respective Common Interests. If said damage or destruction, however, affects only the Common Elements, then any deficit or surplus in insurance proceeds shall be borne as a general Common Expense or profit, respectively, as provided in subsection 6.1.1 or shared by all Unit Owners in proportion to their Common Interests. Any surplus payable to any Unit Owner pursuant to this subsection 6.3.1 shall be lessened by such amounts as may be required to reduce unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order or priority of such liens.

6.3.2 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 (i) first, by apportioning such proceeds in the aggregate among each class of Unit (i.e., Residential and Commercial) pursuant to an appraisal of fair market values to be performed by a panel of three (3) independent appraisers (one of whom shall be selected by the Board, one of whom shall be chosen by the Commercial Unit Owner, and the third chosen by the other two appraisers); and (ii) then among the Unit Owners of each class of Unit in proportion to the respective Common Interests of such Units; provided, however, that 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.

6.3.3 As used in this Section 6.3, the words "promptly resolve" shall mean not more than 60 days after the date of the damage of destruction in question occurs.

6.3.4 Any dispute between the Board and a Unit Owner under this Section 6.5 shall be settled by Arbitration (as provided in Article 11).

6.4 Payment of Common Charges.

6.4.1 The Unit Owners shall be obligated to pay to the Condominium Board the 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. Unless otherwise determined by the Board, 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 his or her Unit subsequent to a sale or other conveyance by him or her (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 Board or its designees, corporate or otherwise, and in such event (except as hereinafter set forth), be exempt from Common Charges, as the case may be, thereafter accruing. A purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by him or her of such Unit, and, to the extent permitted by law, a purchaser of a Unit at a foreclosure sale of a Permitted Mortgage shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by said purchaser of such Unit. In the event of a foreclosure sale of a Unit by a Permitted Mortgagee, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale. Except to the extent prohibited by law, the Condominium Board, on behalf of all Unit Owners, shall have a lien on each Unit for unpaid Common Charges, together with interest thereon, assessed against such Unit. The Board shall have the right to assess such unpaid balance as a Common Charge among all Unit Owners. 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. All liens provided for in 6.4.2, to the extent permitted by applicable law, shall be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the Unit.

6.4.3 Prior to a permissible sale, transfer or other conveyance of a Unit, any seller or purchaser of a unit shall be entitled to a statement from the Board, setting forth the amount of unpaid Common Charges accrued against the Unit. Notwithstanding Section 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 Condominium Board.

6.4.4 In the event that prior to the Units being separately assessed for real estate tax purposes, the 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 the Board shall have a lien (as provided in Section 6.4.2) for any such accrued and unpaid amounts.

6.4.5 Any Unit Owner that is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by any foreign government (i.e. diplomatic or sovereign immunity) shall deposit with the Board an amount equal to the Common Charges for such Unit for a period of two (2) years as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of these By-Laws.

6.4.6 For the purposes of this subsection 6.3.4, "non-occupying owner" shall mean a Unit Owner who or which does not occupy its Unit.

(a) 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 Board, 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 notice in accordance with subdivision (b) of this subsection, all rental payments from the tenant shall be directly payable to the Board.

(b) 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. Where a majority of the Board has been elected by and from among the Unit Owners who are in occupancy, the Board may elect not to require that rental payments be made payable to the 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 ate that such Board receives notice that such owner seeks to dispute such claim.

(c) No Unit Owner may exempt himself or herself from liability for his or her Common Charges by waiving use of any of the Common Elements or by abandonment of his or her Unit.

(d) Nothing in this subsection shall limit any rights of any Unit Owner or the Board existing under any other law or agreement.

6.4.7 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.

6.5 Collection of Common Charges. The Board shall take prompt action to collect any Common Charges due to the Board which remain unpaid for more than thirty days after the due date for payment thereof.

6.6 Default in Payment of Common Charges. In the event any Unit Owner fails to make payment of Common Charges when due, such Unit Owner shall be obligated to pay (a) a "late charge" equal to the greater of $150.00 or one percent (1%) of such amounts which remain unpaid for more than ten days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid), and (b) interest at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by law) on such unpaid amounts computed from the due date thereof (the "Default Rate"), together with all expenses, including, without limitation, attorneys' fees paid or incurred by the Board or by any managing agent in any proceeding brought to collect such unpaid Common Charges or in any action to foreclose the lien on such Unit arising from said unpaid Common 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 Common Charges payable by such Unit Owner. Notwithstanding the foregoing, the Board may establish its own alternate fees for late payments, whether such fees are more or less than the charges set forth herein. Any lien for unpaid 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 (6) years from the date of filing (unless foreclosure of such lien is started within such six (6)-year period), whichever shall occur sooner.

6.7 Foreclosure of Liens for Unpaid Common Charges. In any action brought by the Board to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use and occupancy of his Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. The Condominium Board, acting on behalf of all Unit Owners, shall have the power to purchase any such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit or portion thereof (but not to vote the votes appurtenant to such Unit or portion thereof). A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on such foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit.

6.8 Statement of Common Charges. The Board shall promptly provide any Unit Owner who so requests, with a written statement of all unpaid Common Charges due to it from Unit Owners.

6.9 Maintenance and Repairs.

6.9.1 The Unit Owners shall take possession of their Units and their appurtenances and fixtures in "as is" condition. Except as otherwise provided in the Declaration or these By-Laws, all painting, decorating, maintenance, repairs and replacements, whether structural or nonstructural, ordinary or extraordinary, (a) in or to any Unit (excluding Common Elements included therein except as otherwise provided in these By-Laws and the entrance doors thereto) shall be made by the owner of such Unit at such Unit Owner's sole cost and expense, or

(b) in or to the Common Elements shall be made by the Condominium Board and the cost and expense thereof shall be charged to the Unit Owners as a Common Expense.

6.9.2 Notwithstanding the provisions of 6.9.1:

6.9.2.1 In the event that any painting, decorating, maintenance, repairs or replacements to the Property, any Unit, or any part thereof is necessitated by the negligence, misuse or neglect of (a) any Unit Owner, or anyone visiting, residing or working in the Unit, the entire cost thereof shall be borne by such Unit Owner, (b) the Condominium Board, the entire cost thereof shall be charged to the Unit Owners as a 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.

6.9.2.2 In the event of damage to the Unit by fire, casualty or a leak from outside of the Unit, unless the Unit Owner caused the casualty, the Board shall repair the Unit, but the Unit Owner shall be responsible for its furniture, fixtures, personal property, wall and floor covering and other decorations. In the event the casualty was caused by the negligence or misconduct of the Unit Owner or anyone residing, visiting or working in the Unit, the Unit Owner shall be responsible for repairing the damage caused by the casualty.

6.9.2.3 The interior and exterior glass surfaces of all windows located in any Unit shall not be colored or painted and the windows may not be modified, altered or replaced without the consent of the Board. Terraces and Balconies are Limited Common Elements. All normal maintenance, repairs and replacements of any Terrace shall be made by the Unit Owner having access to such Terrace at his or her own cost and expense, but any structural or extraordinary repairs or replacements to such Terrace (excluding any leaks which are not caused by the negligence of the Unit Owner having access to the same) shall be made by the Condominium Board and the cost and expense thereof shall be charged to all Unit Owners as a Common Expense. No plantings, structures or installations may be placed on Terraces or Balconies without the prior written approval of the Condominium Board. The Condominium Board may require a Unit Owner to remove plantings and other installations placed on Terraces and Balconies by said Unit Owners if the Condominium Board determines, in its reasonable discretion, that such plantings and other installations adversely affect the integrity of the surface beneath the Terrace. The Condominium Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants.

6.9.2.4 The exterior surface of all windows in the Condominium if so determined by the Condominium Board, shall be washed and cleaned by the Board and the cost and expense thereof shall be a Common Expense. Otherwise, the exterior of all windows in the Condominium shall be washed or cleaned at the cost and expense of the Unit Owner. The interior glass surfaces of all windows located in any Unit shall be washed and cleaned by the Unit Owner or occupant thereof at his sole cost and expense. Any replacement of glass windows in any Unit shall be made by the Board at the sole cost and expense of the Unit Owner (unless such breakage is caused by the Board or the negligence of another Unit Owner, in which event the replacement of such glass windows will be at the sole cost and expense of the Board or such Unit Owner).

6.9.2.5 The exterior of all front doors of Units shall not be painted or decorated other than in accordance with the standard for the Condominium.

6.9.3 Each Unit and all portions of the Common Elements shall be kept in first-class condition (and with respect to any Terrace, roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work, repairs and replacements necessary in connection therewith. In addition, 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 Board with respect to such parts of the Building required to be maintained by it, and (b) each Unit Owner with respect to the windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to his Unit.

6.9.4 In the event the Unit Owner or the Unit Owner's predecessor in interest replaced the windows or doors or modified the plumbing, gas or electrical lines ("utility lines") servicing the Unit or made any other repairs or replacements affecting the Unit or the Building (collectively "Renovations") and such windows, doors or utility lines require repair, the Unit Owner shall be responsible for the cost of making such repairs including repairs to the utility lines running from the Unit to the riser in the event the Renovations or the item that was repaired or replaced require repair or replacement in the future or in the event any renovation adversely affect the Building.

6.9.5 Without limiting the generality of the other provisions of these By-Laws (including, without limitation, Section 6.9 hereof and the Rules and Regulations), the Commercial Unit Owner, at its sole cost and expense, shall:

(a) clean the interior and exterior doors in its Unit and in the perimeter walls thereof whenever necessary, and clean and polish the inside and outside of the store fronts of the Unit whenever reasonably necessary;

(b) keep its Unit clean, and in a sanitary condition, keep all plumbing and sanitary systems and installations serving its Unit in a good state of repair and operating condition to the points they connect with the main vertical risers and stacks of the Building;

(c) comply with all sanitary codes, bag and remove all rubbish and other debris from the subleased premises daily between the hours of 6:00 P.M. and 8:00 A.M., keep the sidewalks in front of its Unit clean and free from any garbage, debris, or obstruction and place all garbage away from the lobby;

(d) use reasonable efforts to eliminate all noxious fumes, odors or gases originating from its Unit and vent the foregoing;

(e) utilize all reasonable measures to keep its Unit free from rats, mice, insects, and other vermin;

(f) on a daily basis, keep the sidewalks in front of its Unit clean and free of dirt, ice, snow, mud and rubbish, but the cost of all necessary repairs or replacements to the sidewalks for which the Condominium is responsible shall be a Common Charge (unless the need to make such repair or replacement is caused by or attributable to a Unit Owner, in which case such Unit Owner shall be responsible for the entire cost);

(g) as soon as reasonably practicable after any glass (including mirrors) in its Unit and the perimeter and the demising walls thereof is broken or cracked, including a so-called "bulls eye" break in the glass, replace such glass with glass of substantially the same kind and quality as may be necessary or desirable in connection with such replacement, repair or replace the frames for such glass and in the event such Commercial Unit Owner shall fail to so replace such glass and if necessary repair or replace such frames as aforesaid, then the Board may replace the glass, if necessary, and repair or replace such frames on such Commercial Unit Owner's behalf and the Commercial Unit Owner shall, within ten (10) days after the Board's demand therefor, pay to the Board the costs incurred by the Board in so doing; and

(h) in the event that any part or all of the Commercial Unit is ever used (to the extent permitted under the Declaration) for restaurant purposes, install, over and adjacent to the areas used for cooking or baking the proper exhaust hoods and equipment which will be equipped in self-extinguishing fire control system, which shall be approved by the Board of Fire Underwriters for such use.

6.9.6 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.

6.10 Violations of Maintenance Obligations.

6.10.1 In the event that any Unit Owner, within a reasonable time after receipt of written notice from the Condominium Board, fails to perform any of its obligations with respect to the painting, decorating, maintenance, repair or replacement of its Unit as provided in this Article 6 or of any Limited Common Element for which such Unit Owner is responsible under the Declaration or these By-Laws, the Condominium Board may, but shall not be obligated to, perform or cause to be performed such painting, decorating, maintenance, repair or replacement unless such Unit Owner, within thirty (30) days after receiving notice of such default from the Condominium Board, cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such painting, decorating, maintenance, repair or replacement by the Condominium Board, together with interest thereon at the rate of 2% per month from the date on which the Board first incurs any cost or expense (but in no event in excess of the maximum rate permitted by law), shall be immediately payable by such Unit Owner to the Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

6.11 Structural Alterations, Additions, Improvements and Repairs of Units.

6.11.1 Alterations of any Unit shall not encroach or impinge on public areas of the Building. Any alterations of a common hallway by a Unit Owner shall only be made with the consent of the Board and each Unit Owner having a Unit adjacent to that hallway. Any consent to proposed alterations shall be subject to such terms and conditions as the Condominium Board shall impose, including the Unit Owner's execution of an agreement in form and substance satisfactory to the Condominium Board setting forth the terms and conditions under which such alteration may be made, including, without limitation the hours and days during which any alteration work may be performed, a per diem penalty for delays in completion of work beyond the time specified in the alteration agreement and the delivery of a security deposit (in an amount determined by the Board) to ensure compliance with the terms of the alteration agreement.

6.11.2 The Board shall not consent to any alteration until the Unit Owner cures any defaults under the Declaration, By-Laws or Rules and Regulations and pays such sums, to be fixed by the Condominium Board, to cover reasonable legal, architectural, engineering and other expenses of the Board and its managing agent in connection with such proposed alterations.

6.11.3 Except as otherwise provided in the Declaration, no Unit Owner shall make any structural alteration, addition, improvement or repair in or to his or her Unit without the prior written approval of the Condominium Board. The 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 Unit, the Board may exercise 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. The Board may impose fees upon a Unit Owner to reimburse the Condominium for its costs incurred in reviewing or supervising the aforesaid work. Notwithstanding anything to the contrary contained in this subsection 6.11.1, neither Declarant or its designee nor a Permitted Mortgagee (or its designee) of Declarant or its assignee shall be required to obtain the approval of the Board for any structural alteration, addition, improvement or repair in or to Unsold Units or enter into any alteration agreement with respect thereto.

6.11.4 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 the Board and all other Unit Owners harmless from any costs or liability arising therefrom.

6.11.5 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 Board shall, if required by law or such department or authority, be executed by the Board or, provided that the

Board shall incur any liability, cost or expense in connection with such application, including 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, Declarant is hereby authorized on behalf of the Board to execute such applications, permits or other documents as may be required to undertake, perform and complete such work to the Unsold Units and Common Elements as Declarant 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 Board, if requested by Declarant, shall execute the Required Documentation.

6.11.6 In the event that any alterations, additions, improvements or repairs made by any Unit Owner materially delay, prevent or adversely affect, or create a significant risk of materially delaying, preventing or adversely affecting, whether directly or indirectly, the issuance or reissuance of a temporary or permanent certificate of occupancy for other Units or the Building, then upon the written request of Declarant or the Condominium 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 Declarant or the Board, as the case may be, requesting such restoration shall be entitled to enter and restore the Unit at the expense of the Unit Owner and to exercise any other remedies provided in these By-Laws.

6.11.7 Until such time as the initial construction of the building is complete, including the completion of "punch list" work, neither the Board nor the 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. 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, shall take precedence over the prosecution of any other work at the Buildings.

6.11.8 Declarant is authorized, on behalf of the Board, to execute such applications, permits or other documents as may be required to undertake, perform and complete such work as required to complete the Unsold Units, and to obtain certificates of completion as may then be required by Law. The Board, if requested by Declarant, is obligated to execute any documentation in connection therewith.

6.12 Alterations, Additions, Improvements, Repairs or Replacements 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 or Limited Common Element shall be made by the Board or Unit Owner(s) required to maintain such Common Element or Limited Common Element and the cost and expense thereof shall be charged to the Unit Owners as a Common Expense. Whenever in the judgment of the Condominium Board, 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), then such proposed alteration, addition, or improvement shall not be made unless first approved by a Majority of Unit Owners, who shall be required to bear the cost and expense thereof as aforesaid with respect to alterations,

additions, or improvements made by the Board. 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 Unit Owners. Required repairs or replacements to the Common Elements including replacement of existing elements of the Building shall be made by the Board in its own discretion regardless of the cost.

6.13 Alterations of Certain Common Elements.

6.13.1 In the event that pursuant to any of the provisions of these By-Laws, any consent by the 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 6.13 as an "Alteration"), proposed to be made by Declarant or its designee, Unit Owners or the Board (sometimes collectively referred to herein as the "Proponent"), such consent shall not be unreasonably withheld or delayed by the Board or Unit Owner (referred to in this Section 6.13 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.

6.13.2 Nothing contained in subsection 6.13.1 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.

6.14 Restrictions on Use of Units.

6.14.1 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.

6.14.1.1 A Unit may be used only as a residence and, subject to compliance with the By-Laws, for a lawful home occupation. Each such 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.

6.14.1.2 A Unit may be used for any purpose permitted by law, provided such use (1) does not violate the then existing certificate of occupancy for such Unit, (2) does not adversely affect the use and enjoyment of neighboring or adjacent Units, and (3) complies with all applicable governmental regulations.

6.14.1.3 No portion of a 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 6.14.1) may be accommodated therein.

6.14.1.4 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. Please see the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board" for further details.

6.14.1.5 Unit Owners and their guests shall not permit cigarette, cigar or pipe smoke from escaping from the Unit and entering any other Unit or the Common Elements. Unit Owners shall not smoke in their Units if they are unable to prevent the smoke from entering the Common Elements or another Unit.

6.14.2 The Commercial Unit (not offered hereby) may be used for any lawful purpose, including, without limitation, for retail, restaurant, banking, commercial, office, storage, garage and utility purposes. Notwithstanding the foregoing, the following uses are prohibited: pornography store, massage parlor, drug treatment facility or homeless shelter, so-called "discount" or "99 cent" store, a video arcade, betting parlor or other gambling related establishment, a nightclub, cabaret or any use involving continuous live or recorded music, entertainment and/or dancing, or a "fast food" style restaurant (e.g., without table service). The

Condominium Board will have no right to restrict or limit any of the uses of, or alterations in or to, the Commercial Unit (including the storefronts thereof) which are permitted by law and applicable zoning ordinances, except as otherwise set forth herein.

6.14.3 Notwithstanding the provisions of subsection 6.14.1, Declarant or its designee may, without the permission of the Condominium Board, (a) grant permission for the use of any Unsold Unit as a professional office or for any purpose, provided such use is permitted by law, does not violate the Deed Restrictions, does not violate the then existing certificate of occupancy for such Unit and the user of such Unit complies with all applicable governmental regulations and (b) use any Unsold 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.

6.14.4 The Condominium Board may, in its sole discretion, consent to the use of a Unit as a professional or business office or for any purpose 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 paragraph 6.14.1.

6.15 Use of Common Elements.

6.15.1 Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

6.15.2 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 or Limited Common Elements other than in (a) Limited Common Elements for the exclusive use of a particular Unit Owner or (b) in the areas designated as storage areas or storage bins, without the prior consent of the Condominium Board as to the Common Elements. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them.

6.15.3 Unit Owners shall require their tradesmen to utilize exclusively the elevator and entrance designated by the Condominium Board for transporting packages, merchandise or other objects.

6.15.4 The owner of any two or more 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 Condominium 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 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.

6.16 Other Provisions as to Use.

6.16.1 No nuisance shall be allowed in the Condominium nor shall any use or practice be allowed in the Condominium 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 Condominium 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 Board, whoever shall have the obligation to maintain or repair such part of the Property.

6.16.2 The Board may, in its discretion, grant permission for the use of a 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. Such permission by the Board shall be in writing and shall be personal to the Unit Owner. Any successor in title to such Unit shall be required to obtain the prior written approval of the Board before using such Unit for any purpose other than those expressly set forth above.

6.16.3 Declarant or its designee, without the permission of the Board, may (a) use or grant permission for the use of any Unsold 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 Unit, and the user of such Unit complies with all applicable Legal Requirements; (b) use any one or more Unsold Units as models and sales and/or leasing offices in connection with the sale or rental of the Units or for any other purpose, subject only to compliance with applicable legal requirements; and (c) lease Unsold Units to any party(ies).

6.16.4 Each Unit Owner shall promptly comply with all legal requirements applicable to its Unit. No Unit Owner shall use or permit the use of hazardous materials on, about, under, or in its Unit or the Property. Each Unit Owner agrees to indemnify and hold harmless the Board and each other Unit Owner from and against any and all claims or demands, including any action or proceeding brought thereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including, but not limited to, costs of investigation, remedial response, and reasonable attorneys' fees and cost of suit, arising out of or resulting from any Hazardous Material used or permitted to be used by such Unit Owner on, about, under or in his or her Unit or the Property. As used herein, the term "Hazardous Materials" means petroleum products, asbestos, polychlorinated biphenyls, radioactive materials and all other dangerous,

toxic or hazardous pollutants, contaminants, chemicals, materials or substances listed or identified in, or regulated by, any Environmental Law; and "Environmental Laws" means all federal, state and local laws, rules, regulations, ordinances, requirements and orders whether now existing or hereafter enacted, promulgated or issued, regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material and/or the protection of human health and the environment.

6.16.5 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 Unit, except that these sign restrictions shall not apply with respect to Unsold Units.

6.17 Right of Access.

6.17.1 A Unit Owner shall grant a right of access to his or her Unit to the Declarant for the completion of the Building including but not limited to any punch list work in such Unit Owner's Unit, and to the Board, the managing agents, managers, Superintendent and/or any other person authorized by any of the foregoing. A Unit Owner shall grant a right of access to his or her Unit, and the Board shall grant rights of access to the Common Elements and the Limited Common Elements to Declarant 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. In an emergency, in the event the Condominium incurs any expense as a result of a Unit Owner's failure to provide access to the Unit or if access is otherwise impeded or the Unit Owner has failed to leave a full set of the Unit's keys with the Condominium's personnel at the Building, the Unit Owner shall reimburse the Condominium for the Condominium's costs in obtaining access including without limitation the cost of a locksmith.

6.18 Rules and Regulations. Annexed hereto as Schedule A and made a part hereof are rules and regulations (the "Rules and Regulations") concerning the use of the Common Elements and Limited Common Elements. The Condominium Board may from time to time, modify, amend or add to the Rules and Regulations except that a Majority of Unit Owners may overrule the Board with respect to any such modification, amendment or addition. The Condominium Board shall also have the authority to promulgate special rules and regulations concerning the use of storage space, if any, for the personal property of the Unit Owners.

6.19 Real Estate Taxes, Water Charges and Sewer Rents.

6.19.1 Water and sewer services shall be supplied to and for all of the Units and the Limited Common Elements through one or more building systems by the City of New York. 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.

6.19.2 Until the Units are separately assessed and billed for real estate tax purposes, the Board will pay all real estate taxes with respect to the Property to the Department of Finance of the City of New York (or directly to Declarant if Declarant has paid such taxes)

and allocate the cost thereof among the individual Units, in proportion to the Units' percentage interests in the Common Elements. Each Unit Owner will then reimburse the Board for his or her allocated share. Such reimbursement shall be payable as if it were a Common Charge. Such taxes will be paid in a timely manner so that no lien will be placed on the Condominium or any Unit. If Declarant fails to pay real estate taxes attributable to any Unsold Unit in a timely manner and as a result of such failure a lien is placed on the Condominium and/or any other Unit, Declarant will immediately cause such lien to be removed at its sole cost and expense. A Unit Owner will not be responsible for the payment of, and will not be subject to any lien arising from, the nonpayment of real estate taxes assessed against any other Units.

6.19.3 In the event of a proposed sale of any Unit, the Board (so long as the Board is still collecting and paying such real estate taxes and/or water charges and sewer rents), upon the written request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit or to such purchaser's title company, a letter agreeing to promptly pay all such taxes, charges and rents affecting such Owner's Unit to the date of the closing of title to such Unit.

6.19.4 The 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 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 Board to do so, and indemnified the 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 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 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 Board harmless from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) resulting from such proceedings.

6.20 Heat. Heat for the Building shall be supplied by boilers using oil and the charges therefor shall be paid by the Condominium Board. The costs incurred by the Condominium Board shall be allocated to the Unit Owners as a Common Charge. Until such time as the Units are submetered, the cost of steam shall be allocated as set forth in "Schedule B-Projected Budget for First Year of Condominium Operation" in Part I of the Plan.

6.21 Gas. Gas for the Condominium will be supplied from the Con Edison gas distribution system and charges therefor shall be paid by the Condominium Board. The cost of gas consumed in the Condominium will be borne by the Unit Owners as a Common Charge.

6.22 Electricity.

6.22.1 Electricity for each Unit shall be supplied through a separate electric meter for each Unit (or portion thereof). However, the Condominium Board, at its sole discretion, shall have the right to require that electricity be supplied to the Condominium, through one or more electrical meters and that the cost thereof be borne by each Unit Owner based upon sub-metering

or any other reasonable basis, as determined by the Board. Each Unit Owner shall be required to pay the bills for electricity consumed or used in his Unit (or portion thereof) directly to the utility company, except that in the event that the Condominium Board has elected to sub-meter electricity to each Unit, then in such event each such Unit Owner shall be required to pay bills for electricity consumed or used in his or her Unit either to the Board or to the utility company as directed by the Board.

6.22.2 In the event the Property is submetered, no Unit Owners will be charged an amount (including any charge for billing costs) which exceeds the rate contemporaneously paid by customers who are served directly by the utility company and who are in the service classification that would be applicable if the Unit Owners were served directly by the utility company.

6.22.3 A Unit Owner who has a complaint about his or her submetered electricity bill shall first attempt to resolve any dispute regarding electrical service or charges with the Managing Agent. If a satisfactory resolution is not obtained then a Unit Owner shall bring said complaint in writing before the Condominium Board and shall send a copy of the complaint to the Managing Agent. If the Condominium Board is unable to provide a satisfactory resolution to the Unit Owner within 30 days after the Condominium Board receives the complaint, then the complainant will be provided written notice of the grievance procedure rules summarized below and the complaint shall be submitted to arbitration proceedings which shall be conducted in accordance with the rules of the American Arbitration Association. The cost of such arbitration shall be paid by the Condominium Board. The American Arbitration Association shall be asked to appoint the arbitrator.

6.22.4 The arbitrator shall be obliged to provide a full and fair hearing within 15 days of the filing of the compliant with the arbitrator, unless the Unit Owner requests a longer period to prepare his case. At the hearing both sides may be represented by counsel or other designated persons, produce witnesses, submit documentary evidence and cross-examine adverse witnesses. The arbitrator shall be obligated to issue a written decision specifying the grounds for its decision and evidence relied upon therein, within 10 days of the hearing. The decision of the arbitrator shall be binding on all parties to the proceeding, and shall not be appealable. Records on all such complaints and decisions shall be maintained by the Condominium Board for at least 3 years from the date the complaint is first brought.

6.22.5 Notwithstanding the fact that a Unit Owner has filed a complaint about an electricity bill or that an arbitration is pending or proceeding, the complaining Unit Owner must continue to pay his or her electricity bill to the Condominium Board or its agent. Failure to make any payment when due may subject the Unit Owner to penalties and/or interest charges, as the same may be established, from time to time by the Condominium Board. Any refund due a complaining Unit Owner will be paid or credited to such Unit Owner by the Condominium Board or its agent promptly upon receipt by the Condominium Board or its agent of such payment or credit from the utility company.

6.22.6 Rates and charges to be paid by Unit Owners shall be based on the actual cost of the energy consumed. The Condominium Board or its agent may charge the Unit Owner

the actual cost of providing an electricity billing statement charged by the Managing Agent or a submetering company.

6.22.7 Nothing contained herein shall preclude the Condominium Board, on behalf of Unit Owners, from filing a complaint concerning electricity provided to the Property with the Public Service Commission.

6.23 Utilities Serving the 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 Common Element shall be considered part of the expense of maintaining such Common Element.

6.24 Abatement and Enjoinment of Violations by Unit Owners.

6.24.1 The violation of any of the Rules and Regulations or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Condominium Board the right, in addition to such other rights set forth in these By-Laws, (i) to enter any Unit, Common Element or Limited Common Element in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Board shall not thereby be deemed guilty or liable in any manner of trespass, or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach; and/or (iii) to levy such fines and penalties as the Board may deem appropriate, and the Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

6.24.2 The violation or breach of any of the provisions of these By-Laws, any of the Rules and Regulations or the Declaration with respect to any rights, easements, privileges or licenses granted to Declarant or its designee shall give to Declarant and its designee the right, in addition to any other rights set forth in these By-Laws or the Declaration, to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach.

6.25 Reimbursement of Condominium Expenses. A Unit Owner shall reimburse the Condominium for all expenses incurred by the Condominium (including but not limited to legal fees, disbursements and the cost of collection) as a result of the Unit Owner's failure to comply with the Declaration, these By-Laws or the Rules and Regulations.

6.26 Licensing and Use of Storage Bins.

6.26.1 Permitted Licensees; Transfer

(a) To help protect the security of the Building, the holder of a license to use a Storage Bin (a "Storage License") (other than Sponsor) must at all times be a Residential Unit Owner, provided, however, that the foregoing restriction shall not apply: (i) to Sponsor or its designee; or (ii) to the Board or its designees. If the Board terminates a Storage License or a Residential Unit Owner surrenders a Storage License without assigning such license to another Residential Unit Owner, the Board shall have the right to issue a new Storage License for the

corresponding Storage Bin upon terms and conditions determined in its sole discretion. If at any time the licensee of a Storage Bin sells its Residential Unit, it shall simultaneously assign its license of the Storage Bin to another owner of a Residential Unit (or the purchaser of such Unit), and if it fails to do so, the Board shall have the right to terminate the license of the Storage Bin and take possession of the same, without compensation to the licensee.

(b) Upon the issuance of a Storage License to a Residential Unit Owner, such Unit Owner may freely assign such license without the consent of the Board; provided such assignee is also a Residential Unit Owner; and provided further that the Board is provided written notice of such assignment. Neither Sponsor nor the Board shall have any liability or obligation with respect to a private assignment of a Storage License.

(c) The Board has the authority to promulgate additional rules regarding the use of and access to the Storage Bins and the procedures for assigning such Storage Licenses. If the Board terminates a Storage License or a Unit Owner surrenders a Storage License without assigning such license to another Unit Owner, the Board shall have the right to issue a new Storage License for the corresponding Storage Bin upon terms and conditions determined in its sole discretion.

6.26.2 Use. The Storage Bins may be used only by occupants of the Units and only for storage of the personal effects of the owners or tenants thereof, provided that no article or material that shall pose a threat to the health or safety of the Unit Owners or other occupants of the Building, or that shall cause the dissemination of noxious odors, dirt or other sanitary problems or otherwise create a nuisance, shall be permitted to be brought into or stored in any Storage Bin. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any unlicensed Storage Bins for any lawful purpose or to change the permitted use of any unlicensed Storage Bins, subject, however, to the provisions of the Declaration.

6.26.3 License Fee. Holders of Storage Licenses, excluding Sponsor with respect to unsold Storage Licenses, will be required to pay a license fee to the Condominium in an amount equal to $1.00 per month per square foot of such Storage Bin, which amount shall, following the First Closing, be subject to biannual increases based upon the CPI Increase Factor in effect on the date of the first closing. Further, the license fee is subject to change from time to time as the Board deems necessary.

6.26.4 Copy to Managing Agent. Upon the issuance of a Storage License to a Residential Unit Owner or the transfer of a Storage License to an assignee, such Unit Owner or assignee, as the case may be, shall provide the Managing Agent with a copy of the Storage License.

6.26.5 Issuance. Sponsor (or its designee), in its own name or in the name of the Board, shall have the exclusive right to initially issue Storage Bin licenses for Storage Bins and to retain the proceeds thereof. Thereafter, if the Board terminates a Storage Bin License or a Unit Owner surrenders a Storage Bin License without assigning such license to another Unit Owner, the Residential Board shall have the right to issue a new Storage Bin License for the corresponding Storage Bin upon terms and conditions determined in its sole discretion.

6.27 Licensing and Use of Parking Space

6.27.1 Use. Subject to the Certificate of Occupancy for the Building, the Parking Spaces may be used for parking generally, provided however that no property may be stored in a Parking Space which (a) constitutes an inflammable, combustible, explosive or other dangerous item; (b) has an objectionable odor; or (c) is deemed by Sponsor or the Board, in its sole and absolute discretion, not to be in conformity with the aesthetics or general welfare of the Building. The Rules and Regulations of the Condominium which are applicable to a Unit and/or the Unit Owner shall also be applicable to the Parking Spaces.

6.27.2 License Fee. Holders of Parking Space Licenses, excluding Sponsor with respect to unlicensed Parking Spaces (including the Extra Parking Space) shall be required to pay a license fee to the Condominium in an amount equal to $200 per month, which amount shall, following the First Closing, be subject to biannual increases based upon the CPI Increase Factor in effect on the date of the First Closing. Further, the license fee is subject to change from time to time as the Board deems necessary.

6.27.3 Issuance. Sponsor (or its designee), in its own name or in the name of the Board, shall have the exclusive right to initially issue Parking Space Licenses for Parking Spaces.

6.27.4 Assignment. A Unit Owner may freely assign its Parking Space License without the consent of the Board, provided such assignee is also a Unit Owner, and provided further that the Board is provided written notice of such assignment. Neither Sponsor nor the Board shall have any liability or obligation with respect to a private assignment of a Parking Space License. If at any time the licensee of a Parking Space sells its Unit, it shall simultaneously assign its license of the Parking Space to another Residential Unit Owner (or the Purchaser of such Unit), and if it fails to do so, the Board shall have the right to terminate the license of the Parking Space and take possession of the same, without compensation to the licensee. Upon the issuance of a Parking Space License to a Unit Owner or the transfer of a Parking Space License to an assignee, such Unit Owner or assignee, as the case may be, shall provide the Managing Agent with a copy of the Parking Space License Agreement.

6.28 Use of Common Elements; Use of Adjacent Sidewalks.

6.28.1 Except as otherwise provided herein or in the Declaration, 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.

6.28.2 In no event shall any Unit Owner impair, restrict or impede the use of the Common Elements by any other Unit Owner or anyone claiming by, through or under any other Unit Owner.

6.28.3 The Owner or Owners of any one or more Residential Units, which Unit or Units are the only Unit or Units serviced or benefited by any Common Element adjacent or appurtenant thereto (for example, that portion at the end of any hallway which is directly adjacent to any such Units located on opposite sides of such hallway) and not affecting access in any material way or service (including, without limitation, heating, ventilating and air

conditioning) to any other Unit or to any other portion of the Common Elements shall, to the extent permitted by applicable law and subject to the consent of the Board (which consent may be granted or withheld in the Board's sole discretions and shall not be required if the Unit Owner or Owners shall be Sponsor or its designee), have the exclusive right to use that portion of the Common Elements 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 by reason thereof; provided, however, that notwithstanding the provisions of Subsection 6.1 hereof, such Unit Owner or Owners, at their sole cost and expense, shall (a) be responsible for the operation, maintenance and repair of that portion of the Common Elements for so long as such Unit Owner or Owners exercise such exclusive right of use, and (b) restore that portion of the Common Elements to its original condition, reasonable wear and tear excepted, after such Unit Owner or Owners cease 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.

6.28.4 Notwithstanding the foregoing, elevator landings which serve fewer than three (3) Units may be decorated and/or furnished by the adjoining Residential Unit Owners as they desire, at their expense, provided that each such Unit Owner consents in writing thereto, and the Board gives its written consent to such decoration and/or furnishing, which consent of the Board may not be unreasonably withheld or delayed. After an elevator landing is decorated and/or furnished by the Residential Unit Owners serviced by the same, the Owners of such Units, and not the Board, will be responsible for keeping the decor and furnishings in a first class condition and state of repair and performing, at their joint expense, all repairs and maintenance necessary or desirable in order to accomplish the same

6.28.5 Notwithstanding anything to the contrary contained herein, Sponsor and its designees shall have the right, until the tenth (10th) Anniversary of the First Closing (or until no Unsold Residential Units remain, if earlier), to use portions of the General Common Elements, without charge, for exhibitions or for other promotional functions with respect to the sale and leasing of Unsold Residential Units.

6.28.6 The Commercial Unit Owner shall not:

(a) permit its or its occupants' respective employees, agents, heirs, distributees, executors administrators, legal representatives, successors, and assigns, to enter or use the Building's lobby or other public areas of the Building, nor have access or use of any kind of the Building's elevators, except in an emergency.

(b) except in an emergency, permit, bring into, or have delivered from the street, any deliveries whatsoever, to its Commercial Unit through the lobby of the Building; and all deliveries of any kind on behalf of a Commercial Unit Owner or any other occupant of a Commercial Unit, shall be made through the Commercial Unit;

(c) display, or permit to be displayed, any merchandise, nor maintain, or permit to be maintained, any stand or counters upon any part of the sidewalk in front of or adjoining its Commercial Unit or the Building; or

(d) permit or allow to be placed any table, seat, bench, or other form of outside seating on the sidewalks outside of its Commercial Unit.

ARTICLE 7
MORTGAGES

7.1 Notice to the Board. Each Unit Owner may mortgage his or her Unit, subject to the provisions of this Article 7. A Unit Owner who mortgages his or her Unit, or the holder of any mortgage encumbering such Unit, shall notify the Condominium Board 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 or her Unit shall so notify the Board and shall file a conformed copy of the satisfaction of mortgage with the Board. The Board shall maintain such information in a book entitled "Mortgages of Units."

7.2 Notice of Default and Unpaid Common Charges. Whenever so requested in writing by a Permitted Mortgagee, the Condominium Board shall promptly report to such Permitted Mortgagee any default in the payment of Common Charges or any other default by the Unit Owner of such Unit under the provisions of the Declaration or these By-Laws or the Rules and Regulations which may to the 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.

7.3 Performance by Permitted Mortgagees. The Board 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.

7.4 Examination of Books. Each Unit Owner and Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times, on business days, but not more than twice a year.

7.5 Representatives of Mortgagees.

7.5.1 In the manner more particularly set forth in subsection 7.5.2, the holders of Institutional Mortgages (as hereinafter defined) may, at their election, designate one or more (but not more than three) representatives ("Mortgage Representatives") who shall be empowered to act on behalf of all holders of Institutional Mortgages, with respect to any matter requiring their consent or approval under the Declaration or these By-Laws. If any Mortgage Representatives are so designated and notice thereof is given to the 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 Mortgages. As used herein, the term and "Institutional Mortgage" means an Institutional Mortgage (defined below) covering a Unit or Units. As used herein the terms "Permitted Mortgage" and "Institutional Mortgage" means any first mortgage covering a Unit or Units, the initial holder of which is (i)

Declarant or its designee, (ii) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust or mortgage trust, or (iii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system.

7.5.2 Any designation of a Mortgage Representative made by the holders of Institutional Mortgages, constituting a majority in principal amount of all Institutional Mortgages, shall be binding upon the holders of all Institutional Mortgages. Any such designation of any 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 Board. Unless otherwise required by law, all Permitted Mortgagees other than holders of an Institutional Mortgage, shall have no right to participate in the selection of Mortgage Representatives, but such Permitted Mortgagees shall be subject to all determinations made by such Mortgage Representatives, pursuant to the Declaration or these By-Laws.

7.5.3 In any instance under the Declaration or these By-Laws that requires the consent of a majority of the Mortgage Representatives, such requirement shall be construed to provide that the written consent of Construction Lender must also be given with respect to any such decision, for so long as the Construction Lender's mortgage lien has not yet been satisfied.

7.6 Consent of Mortgagees.

7.6.1 Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the 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.

7.6.2 Notwithstanding anything herein to the contrary, Construction Lender's consent must be obtained prior to the Board incurring any debt on behalf of the Unit Owners.

7.7 Form of Mortgage. Any mortgage obtained by a Unit Owner must 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 the Declarant, its designees or affiliates).

ARTICLE 8
SELLING, LEASING AND MORTGAGING OF UNITS

8.1 Selling and Leasing. No Unit Owner, other than Declarant or its designee may sell or lease his or her Unit except by complying with the following provisions:

8.1.1 Any Unit Owner who receives a bona fide offer to (a) purchase his or her Unit together with its appurtenant Common Interest, or (b) lease his or her Unit (such offer to purchase or lease a 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 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 Condominium 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 the Board may reasonably require. The giving of such notice to the Condominium Board, on behalf of all the Unit Owners represented by the Board, shall constitute an offer by such Unit Owner to sell his or her Unit together with its appurtenant Common Interest or to lease his or her Unit to the 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 Unit Owner who has received such Outside Offer to the Board acting on behalf of all Unit Owners that such 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 the Board may reasonably request. Not later than twenty (20) days after receipt of such notice together with such information as may have been requested, the 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 Unit together with its appurtenant Common Interest or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise), on behalf of all Unit Owners represented by the Board, upon the same terms and conditions as contained in the Outside Offer and as stated in the notice from the Offeree Unit Owner. Notwithstanding anything contained herein to the contrary, the Board shall not be obligated to exercise the option herein contained and the sale or lease shall not proceed in the event the Board determines that the intended use of the Unit by the purchaser, lessee or anyone anticipated to be residing with them is not in compliance with the Declaration, By-Laws or Rules and Regulations or the purchaser's or lessee's credit report indicates a failure by the purchaser or lessee to pay their bills on a timely basis or the purchaser, the lessee or anyone residing with them has been convicted of a violent crime.

8.1.2 In the event the Condominium Board shall timely elect to purchase a Unit together with its appurtenant Common Interest or to lease such 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 the Board, in accordance with the terms of the Outside Offer, within 45 days after the giving of notice by the 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 the 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 the Board of its election to accept the aforesaid offer, the 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 8) including, but not limited to, payment of a downpayment 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 the Board referred to in subsection 8.1.1 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 Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, the Board may purchase the Unit and assume or take title to the Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such Unit together with its appurtenant Common Interest is to be sold, shall convey the same to

the Condominium Board, or to its designee, corporate or otherwise, on behalf of all 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 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 Unit, for the rental and term contained in such Outside Offer. All Units acquired or leased by the Board or its designees shall be held by the Board, or its designee, on behalf of all Unit Owners, and the rent or purchase price, closing costs and adjustments payable in connection therewith shall be assessed against all Unit Owners. No Units held by the Board shall carry any voting rights.

8.1.3 In the event the 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 Unit together with its appurtenant Common Interest or to lease such 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 8.1. Notwithstanding the foregoing, the Condominium 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.

8.1.4 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.

8.1.5 Any lease executed in connection with the acceptance of any Outside Offer to lease a Unit shall be consistent with these By-Laws and shall provide that the lease may not be materially modified, amended or extended without the prior consent in writing of the Condominium 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 Board and that the 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. No lease of a Unit shall have a term of less than one (1) year.

8.1.6 Except as hereinbefore set forth, the form of any such lease executed by the Condominium 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 the Board. Any lease executed by the Condominium Board as tenant shall provide that the Board may enter into a sublease of the premises without the consent of the landlord.

8.1.7 The foregoing restrictions of this Section 8.1 shall not apply to Unsold Units (including the lease of a Unit to Declarant or its designee). Declarant or its designee shall have the right to freely sell their respective Units, or to freely lease all or any part of the Unsold Units, as the case may be, without having to first offer the same for sale or lease to the Board.

8.1.8 On the closing of the transfer or sale of each Unit, the purchaser or transferee shall make a non-refundable contribution to the Condominium Working Capital Fund equal to two month's common charges (other than an Unsold Unit).

8.1.9 Prior to a permissible sale, transfer or other conveyance of a Unit, any seller or purchaser of a unit shall be entitled to a statement from the Board, setting forth the amount of 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.

8.1.10 The Board shall have 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 be required to exercise the right of first refusal. The Board may not discriminate against any person the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by Law.

8.1.11 Any purported sale or lease of a Unit in violation of this Section 8.1 shall be voidable at the election of the Board.

8.2 Consent of Unit Owners to Purchase or Lease of Units by Condominium Board. The Condominium Board shall not exercise any option hereinabove set forth to purchase or lease any Unit without the prior approval of a Majority of Unit Owners, unless the Board is assigning its rights to a third party including another Unit Owner or a member of the Board and the Condominium will not incur any expense as a result, in which event Unit Owner consent shall not be required. The Condominium Board shall have the right to release or waive such option without the prior approval of a Majority of Unit Owners.

8.3 No Severance of Ownership. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his 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 8.3 shall permit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

8.4 Release by Condominium Board of Right of First Refusal. The right of first refusal contained in 8.1 may be released or waived by the Condominium Board only in the manner provided in 8.5. In the event the Condominium Board shall release or waive its right of first refusal as to any Unit, such Unit together with its appurtenant Common Interest may be sold, conveyed or leased, free and clear of the provisions of subsection 8.1.1 and 8.1.2, provided that such sale, conveyance or lease occurs within any applicable time periods required pursuant to 8.1.3.

8.5 Certificate of Termination of Right of First Refusal. A certificate executed by an officer of the Condominium stating that the provisions of subsection 8.1.1 have been met by a Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Condominium Board, and that as a result thereof the rights of the Board thereunder have terminated (provided that any sale, conveyance or lease occurs within any applicable time periods required pursuant to subsection 8.1.3), shall be conclusive upon the Board and the Unit Owners in favor of all persons who rely on such certificate in good faith. The Condominium Board shall furnish such certificate upon request to any Unit Owner with respect to whom the provisions of subsection 8.1.1 have, in fact, terminated.

8.6 Financing of Purchase of Units by Condominium Board. The purchase of any Unit by the Condominium Board or its designee, on behalf of all 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 Condominium Board may levy an assessment against each Unit Owner in proportion to his respective Common Interest, as a Common Charge, and/or the Board may, in its discretion, finance the acquisition of such 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).

8.7 Exceptions. The provisions of Section 8.1 shall not apply with respect to any lease, sale or conveyance of any 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 or a related or controlled individual or entity of the Unit Owner thereof, (b) Declarant, its designee, its mortgagee, or the owner of an Unsold Unit, (c) the Condominium Board, (d) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure, or (e) a Permitted Mortgagee or his nominee, who has acquired title to any Unit at any foreclosure sale of his Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction; provided, however, that each succeeding Unit Owner shall be bound by, and his Unit subject to, the provisions of this Article 8. 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.

8.8 Gifts and Devises, etc. Any Unit Owner shall be free to convey or transfer his or her Unit by gift, or may devise his or her Unit by will or have his or her Unit pass by intestacy, without being subject to the restrictions of Section 8.1; provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit subject to, the provisions of this Article 8.

8.9 Unauthorized Sales or Leases of Units. Any purported sale or lease of a Unit consummated in violation of Section 8.1 or 8.3 shall be voidable at the election of the Condominium Board and if the Board shall so elect, the Unit Owner shall be deemed to have authorized and empowered the 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 Unit Owner as the owner or landlord, as the case may be. Said Unit Owner shall reimburse the Board for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

8.10 Charges Imposed on Sale or Lease of Units. The Condominium Board shall be entitled to fix by resolution and collect, before any sale or lease of a Unit is consummated, a reasonable charge to cover its expenses, and any fees due the Managing Agent or any attorney retained by the 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 Unit Owner. The aforementioned charge shall not apply to the lease of a Unit to or from Declarant or its designee, to the sale or lease of Unsold Units by Declarant or its designee, or to the sale or lease of Unsold Units by a Permitted Mortgagee of Declarant that acquires title to Unsold Units. Upon the acquisition of a Unit, Purchasers of Units (that are not Unsold Units) shall also pay to the Condominium Board two months common charges as a non-refundable contribution to working capital.

8.11 Power of Attorney. At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and make arrangements for recording in the New York City register's office, the Unit Power of Attorney required by Article 17 of the Declaration, in the form set forth as Exhibit E to the Declaration.

8.12 Notices Concerning Unit Occupancy. Within five (5) days following acquisition of a 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.

8.13 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 Condominium Board, or its respective designees, corporate or otherwise, on behalf of all 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.

8.14 Payment of Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or lease his Unit unless and until he shall have paid in full to the Board all unpaid Common Charges theretofore assessed by the Board against such Unit and until

such Unit Owner shall have satisfied all unpaid liens against his Unit other than Permitted Mortgages.

8.15 Mortgage of Units. Subject to Article 7 and Section 8.14, each Unit Owner shall have the right to mortgage his Unit without restriction, provided that, with respect to any mortgage covering a Unit, the Unit Owner making such mortgage shall notify in writing the Condominium Board of the making of such mortgage.

8.16 Transfer of Units to Trusts and Other Entities. No Unit shall be transferred to a trust or any other entity unless the Condominium Board receives, prior to or at the closing in a form determined by the Board (a) a written designation of the state and federal courts in New York City as a jurisdiction for any dispute between the owner and the Condominium, (b) a written designation by the purchaser of an agent for service of process in New York City, (c) a guaranty of the Common Charges and assessments signed by an individual on behalf of the entity purchasing the unit and (d) an occupancy agreement identifying who will be residing in the Unit.

8.17 Lease or Purchase of Unit or Other Apartment for Superintendent's Residence. The Condominium Board shall have the right to lease or purchase a Unit or other apartment for the Superintendent'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.

8.18 Transfer of Interests in Entities Owing Units. In the event a Unit is owned by an entity, a transfer of interest in the entity shall be considered a transfer of the Unit and the Board shall have the same right of first refusal to purchase the interests in the entity.

8.19 Prohibition Against Advertising and Resales. Prior to (a) one (1) year after a Purchaser's closing on its Unit, a Purchaser will not be permitted to sell his or her Unit(s) without obtaining the Sponsor's written approval, and (b) a Purchaser's closing of a Unit, the Purchaser may not (i) list the Unit for resale with any broker or otherwise, or (ii) advertise, promote or publicize the availability of his or her Unit for sale or lease.

ARTICLE 9
CONDEMNATION

In the event of the taking in condemnation or by eminent domain of all or any part of the Common Elements, then, subject to the provisions set forth below, the Board will arrange for the prompt repair and restoration of the part of the Common Elements affected by such taking. The award made for any such taking shall be payable to the Board, provided, however, that if any such award exceeds $1,000,000, such award shall be payable to the Insurance Trustee (as defined in Section 12.5 hereof) and shall be disbursed to the contractors engaged in such repair and restoration, if any, in appropriate progress payments. If the net proceeds of any such award are insufficient to cover, or if such net proceeds exceed, the cost of any repairs and restorations, the deficit or surplus, as the case may be, will be: (a) borne and shared by all Unit Owners with respect to any taking of General Common Elements pro rata in accordance with their respective Common Interests percentages; and (b) borne and shared by all Residential Unit Owners with

respect to any taking of the Residential Common Elements and/or Residential Limited Common Elements pro rata in accordance with their respective Common Interests percentages; provided, that the amount of any surplus payable to any Unit Owner shall be lessened by such amounts as may be necessary to reduce unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order of the priority of such liens. Notwithstanding any provisions contained herein to the contrary, if seventy-five percent (75%) or more of the Residential Common Elements, Residential Limited Common Elements and/or General Common Elements, in the aggregate, are so taken, such repairs or restorations shall not be made unless at least eighty percent (80%) in both number and aggregate Common Interests or more of all affected Unit Owners (including Sponsor or its designee, if they shall then own any Units), in aggregate Common Interests, shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the repairs and restoration shall be performed as set forth above. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the repairs and restoration shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the sale, and net proceeds of any condemnation awards shall be divided among all Unit Owners: (i) first, by apportioning such proceeds in the aggregate among each class of Unit (i.e., Residential and Retail) pursuant to an appraisal of fair market values to be performed by a panel of three (3) independent appraisers (one of whom shall be selected by the Board, one of whom shall be chosen by the Commercial Unit Owner, and the third chosen by the other two appraisers selected); and (ii) then, among the Unit Owners of each class of Unit in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of its share of such funds, such amounts as may be necessary to discharge all unpaid liens on its Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens. As used in this Article 9, the words "promptly resolve" shall mean not more than 60 days after the date notice is given of such taking. Any dispute between the Board and a Unit Owner under this Article 9 shall be settled by Arbitration (as provided in Article 11).

ARTICLE 10
RECORDS AND AUDITS

10.1 Records. The Board or the managing agent for the Board, if any, shall keep detailed records of the actions of the Board, minutes of the meetings of the Board, minutes of the meetings of the Unit Owners and financial records and books of account with respect to the activities of the Board, including a listing of all receipts and expenditures. In addition, the Condominium Board shall keep a separate account for each Unit, which, among other things, shall contain the amount of each assessment of Common Charges made by the Condominium Board against each such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

10.2 Audits. Within four 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 the Condominium Board to all Unit Owners and, if so requested, to any Permitted Mortgagee, as the case may be. The cost of such report submitted by the Board as a Common Expense.

10.3 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 during reasonable business hours, but not more frequently than once each calendar quarter.

ARTICLE 11
ARBITRATION

11.1 General Procedure. Disputes between Unit Owners 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.

11.2 Costs and Expenses. The fees, costs and expenses of the arbitrator will be borne by the losing party in the arbitration or, if the position of neither party to the dispute will be substantially upheld by the arbitrator, such fees, costs and expenses will be borne equally by the disputants. Each disputant will also bear the fees and expenses of his counsel and expert witnesses. All costs and expenses paid or incurred by the Condominium Board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, will constitute Common Expenses.

11.3 Agreement by Parties. The parties to any dispute required or permitted to be submitted to arbitration hereunder may, by mutual agreement between them, vary any of the provisions of 11.1 with respect to the arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes."

ARTICLE 12
MISCELLANEOUS

12.1 Waiver. No provision contained in these By-Laws or the Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

12.2 Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws nor the intent of any provision hereof.

12.3 Certain References.

12.3.I A reference in these By-Laws to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

12.3.2 The terms "herein," "hereof' or "hereunder" or similar terms used in these By-Laws refer to these entire By-Laws and not to the particular provision in which the terms are used, unless the context otherwise requires.

12.3.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of these By-Laws.

12.3.4 Unless otherwise expressly stated herein to the contrary all references herein to dollar amounts shall be adjusted from time to time, after the date this Declaration is entered into, to reflect any increase in the cost of living, as reflected by an increase in the CPI Increase Factor. The term "CPI Increase Factor" as used herein shall mean an increase proportionate to any increase in the cost of living from and after the First Closing, as reflected by the change in the Consumer Price Index (CPI-U; All Items; 1982-84 = 100 standard reference base period) for New York, New York (or the smallest measured area including New York, New York), as published by the Bureau of Labor Statistics, United States Department of Labor or, if the same ceases to be published, a commonly used substitute therefore reasonably selected by the Board.

12.4 Severability. Subject to the provisions of the Declaration, if any provision of these By-Laws is invalid or unenforceable as against any person, party or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by law. In the event any provision of these By-Laws or the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

12.5 Insurance Trustee. The "Insurance Trustee" shall be a bank or trust company in The City of New York, designated by the Condominium Board and having a capital surplus and undivided profits of $500,000,000 or more. Sponsor's Permitted Mortgagee shall serve as the Insurance Trustee for so long as Sponsor has a mortgage long encumbering any Unsold Units. The Construction Lender shall be the initial Insurance Trustee, and shall remain the Insurance Trustee until its release of all Units from the lien of its mortgage. In the event the Insurance Trustee resigns or the Condominium Board wishes to replace it, the Condominium Board shall promptly appoint a new Insurance Trustee. The Condominium Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense. The Insurance Trustee shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law of the State of New York.

12.6 Successors and Assigns. Except as set forth herein or in the Declaration to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee or,

with the consent of Declarant or its designee, any transferee of some or all of the Unsold Units then owned by Declarant or its designee, as the case may be. Subject to the foregoing, Declarant, and/or its designee, as the case may be, shall have the right, at any time in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

12.7 Covenant of Further Assurances.

12.7.1 Any party which is subject to the terms of these By-Laws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board, or otherwise, shall, upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of these By-Laws or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

12.7.2 If any Unit Owner, the Board or other party which is subject to the terms of these By-Laws fails, within ten days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, the 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, stating the reasons why such Unit Owner, the Board or other party refuses to execute, acknowledge or deliver such instrument or take such action, then the 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, the Board or other party and such document or action shall be binding on such Unit Owner, Board or other party.

12.7.3 If any Unit Owner, the Board or other party which is subject to the terms of these By-Laws fails, within ten days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, the Board or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Declarant or its designee, or (ii) to deliver a written notice to Declarant or its designee, as applicable, and to the Board representing such Unit Owners stating the reasons why such Unit Owner, the Board or other party refuses to execute, acknowledge or deliver such instrument or take such action, then Declarant or its designee is hereby authorized, as attorney-in-fact for such Unit Owner, the 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, the Board or other party and such document or action shall be binding on such Unit Owner, the Board or other party, as the case may be.

12.8 Indemnity. In the event Unit Owner requests that the Board's employees perform services for the Unit Owner, which are not the Board's obligation to perform, including but not limited to repairs and alterations to the Unit Owner's Unit, the Unit Owner shall indemnify the Board and save the Board harmless from any liability, loss, damage and expense

arising from injury to any person (including the employee) or property when occurring while the employee is performing such work.

12.9 Mold. Unit Owners are advised that the prevention of the growth of mold in a Unit is the responsibility of each Unit Owner. Residential home 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 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.

ARTICLE 13
AMENDMENT TO BY-LAWS

13.1 Amendments by Unit Owners.

13.1.1 Except as specifically provided herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee or any Unsold Units, 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. Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, Permitted Mortgagees, or any Unsold Units, any such amendment, modification, addition or deletion shall be executed by 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 Declarant or its designee or any Unsold Units, 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 or delayed) of the Mortgage Representatives, if any.

13.1.2 Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor (or its designee), any Unsold Residential Units, or the Commercial Unit or the Commercial Unit Owner, each duly adopted amendment, modification, addition or deletion to the Declaration and By-Laws, shall be executed by the Board, as attorney-in-fact, coupled with an interest, for the Residential Unit Owners, the Commercial Unit Owner or all Unit Owners, as the case may be, and the Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact and shall be effectuated by an instrument recorded in the City Register's Office and the same shall not be effective until so recorded.

13.2 Scrivener Errors. Notwithstanding anything to the contrary contained herein or in the Declaration, the Condominium Board may amend these By-Laws without the consent of any Unit Owner or Recognized Mortgagee, but upon at least ten (10) days written notice to the Unit Owner and Recognized Mortgagee, to correct or supplement any patent mistakes, inconsistencies or scrivener errors.

ARTICLE 14
CERTAIN DAMAGES

14.1 Self Help. If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, including, without limitation, any breach of his obligation to paint, decorate, maintain, repair, or replace his 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 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 shall have the right to enter such Unit Owner's Unit and/or its appurtenant Limited Common Elements, if any, and summarily to abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. In addition, in the event that the Condominium Board shall determine that the abatement, removal, or cure of any such violation or breach is immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals or is required to avoid the suspension of any necessary service in the Building, the Condominium Board may take such action immediately, without prior notice and without allowing the said Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

14.2 Abatement and Enjoinment.

(A) In the event that any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, the Condominium Board shall have the right (i) to enter any Unit or Common Elements in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Condominium Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity, provided that the Condominium Board gives the Unit Owner notice (which may be by telephone or in writing) that such violation exists, that repairs or replacements are necessary and that the Condominium Board will complete such repairs or replacements in the event the Unit Owner does not promptly act or complete the repairs or replacements, and/or (iii) to levy such fines and penalties as the Condominium Board may deem appropriate, and the Condominium Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges

(B) The violation or breach of any of the terms of the By-Laws with respect to any rights, easements, privileges, or licenses granted to Declarant shall give to Declarant 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.

14.3 Remedies Cumulative. The remedies specifically granted to the Condominium Board or to Declarant in this Article 14 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 or Declarant 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.

14.4 Costs and Expenses. All sums of money expended, and all costs and expenses incurred, by (i) the Condominium Board in connection with the abatement, enjoinment, removal, or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of Section 14.1 or paragraph (A) of Section 14.2 hereof or (ii) 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 14.2 hereof, shall be immediately payable by (a) in the event set forth in subparagraph (i) hereof, such Unit Owner to the Condominium Board or (b) in the event set forth in subparagraph (ii) hereof, the offending party (i.e., the Condominium Board or the Unit Owner) to Declarant, as the case may be, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of two percent per month (but in no event in excess of the maximum rate chargeable to such Unit Owner pursuant to Law). All sums payable by a Unit Owner to the Condominium Board pursuant to the terms of this Section 14.3 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

14.5 Liability for Litigation Costs. If any Unit Owner, tenant, purchaser or an applicant to purchase or lease a Unit, institutes any action or proceeding against the Condominium, its officers, Board Members, agents or employees, relating to the By-Laws, the Rules and Regulations or the affairs of the Condominium and if there is an adverse determination by the court against the Unit Owner, tenant, purchaser or applicant or the action or proceeding is dismissed, then on a determination by the court that such action or proceeding was not brought in good faith, (a) such Unit Owner, tenant, purchaser or applicant shall reimburse the Condominium for the attorneys' fees and disbursements incurred by the Condominium in such action or proceeding or in the enforcement of this provision, and (b) the Condominium shall have the right to collect the same as an assessment against the Unit Owner or rent against the subtenant. By applying to purchase or lease a Unit, an applicant to purchase or lease a Unit agrees to be bound by this provision. The effective date of this provision is the date that it is approved by two thirds of the Unit Owners and all actions and proceedings brought or new causes of action alleged in then existing actions or proceedings subsequent to such date shall be expressly subject to this provision.

SCHEDULE A
RULES AND REGULATIONS

(1) The sidewalks, entrances, passages, public halls, elevators, vestibules, corridors and stairways of the Condominium shall not be obstructed or used for any other purpose than ingress to and egress from the Condominium 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 Condominium, 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 Condominium.

(3) Neither occupants nor their guests shall play in the entrances, passages, public hails, elevators, vestibules, corridors, stairways or fire towers of the Condominium.

(4) No public hall or public elevator vestibule of the Condominium shall be decorated or furnished by any Condominium Unit Owner in any manner.

(5) Each Unit Owner shall keep his or her Unit and any Limited Common Elements appurtenant thereto (including the surface of any Terrace appurtenant to a Unit) in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance. Any determination as to what constitutes a good state of preservation and cleanliness for any Unit Owner's Terrace shall be within the sole but reasonable discretion of the Condominium Board.

(6) No window guards or window decorations shall be used in or about any Unit, unless otherwise required by law, except such as shall have been approved in writing by the Condominium Board or the managing agent of the Condominium, which approval shall not be unreasonably withheld or delayed. The portions of all curtains, drapes, blinds or other window treatments visible from the exterior of the Building must be white to give the Building a uniform exterior appearance.

(7) No radio, television aerial, satellite or similar device shall be attached to or hung from the exterior of the Condominium and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any door or window or other part of the Condominium except such as are permitted pursuant to the Declaration or the By-Laws or shall have been approved in writing by the Condominium Board or the managing agent of the Condominium, nor shall anything be projected from any door or window of the Condominium without similar approval.

(8) No awning, ventilator or air conditioning device shall be installed in any 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) If such equipment is permitted in writing by the Board, all radio, television or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements or recommendations of the New York Board of Fire

Underwriters and the public authorities having jurisdiction and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such 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 Condominium Board or the managing agent of the Condominium 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 Condominium.

(11) No Unit Owner shall make or permit any disturbing noises or activity in the Condominium, 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 Condominium. No 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 Condominium Board. No construction or repair work or other installation involving noise shall be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 9:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency or unless such work is performed by Declarant.

(12) No more than (2) domestic animals shall be permitted, kept or harbored in a Unit without the same in each instance having been expressly permitted in writing by the Condominium Board or the managing agent of the Condominium and such consent, if given, shall be revocable by the Condominium Board or such managing agent in their sole discretion, at any time. No pet shall weigh more than 40 pounds or be of a breed generally considered dangerous to humans. Dogs may not be walked on the Property and all 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 Condominium, other than the elevators designated by the Condominium Board or the managing agent of the Condominium for that purpose, or in any of the public portions of the Condominium, 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 Condominium or on the sidewalk or street adjacent to the Building. Each Unit Owner who keeps any type of pet in his Unit shall be required to indemnify and hold harmless the Condominium, all Unit Owners and the managing agent from all claims and expenses resulting from acts of such pet, and abide by any and all reasonable rules and regulations of the Board adopted with respect thereto.

(13) Messengers and tradespeople visiting in the Condominium shall use the elevators designated by the Condominium Board or the managing agent of the Condominium 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 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 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 Unit Owners. Deliveries, if made, will be made from the package room to individual 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 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 Units after such service or delivery persons have received approval for such delivery from the Unit Owner.

(15) Trunks and heavy baggage shall be taken in or out of the Condominium by the elevators designated by the Condominium Board or the managing agent of the Condominium for that purpose, and through a designated entrance only.

(16) No refuse from the Units shall be sent to the below grade levels of the Building except at such times and in such manner as the Condominium Board or the managing agent of the Condominium may direct.

(17) Water-closets and other water apparatus in the Condominium 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 Unit shall be repaired and paid for by the Owner of such Unit.

(18) No occupant of the Condominium shall send any employee of the Condominium or of the managing agent thereof out of the Building on any private business.

(19) The agents of the Condominium Board or the managing agent, and any contractor or worker authorized by the Condominium Board or the managing agent of the Condominium, may enter any room or Unit at any reasonable hour of the day, on at least one day's prior written notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests; however, such entry, inspection and extermination shall be done in a manner so as not to unreasonably interfere with the use of such Condominium 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 Condominium Board or the managing agent of the Condominium may retain a passkey to each Unit that has locks. If any lock is altered or a new lock is installed, the Condominium Board or the managing agent of the Condominium shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to 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 the Board or such managing agent, then the Condominium Board or such managing agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the 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 Unit Owner or to a member of the family or guest, tenant or employee of a 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 Condominium shall be made in writing to the Condominium Board or to the managing agent of the Condominium.

(24) Any consent or approval given under these Rules and Regulations may be granted, refused, added to, amended or repealed, in the sole discretion of the Condominium Board, at any time by resolution of the Condominium Board. Further, any such consent or approval may, in the discretion of the Condominium Board, be conditional in nature.

(25) 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, 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) 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 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 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 Condominium Board or the managing agent of the Condominium, whether for such Unit Owner's Unit or an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Condominium Board nor the managing agent of the Condominium 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 Unit or in the Common Elements or Limited Common Elements which will increase the rate of insurance of the Building or contents thereof without the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements or Limited Common Elements which will result in the cancellation of insurance on the Building or which would be in violation of any law. No waste shall be committed in the Common Elements or Limited Common Elements.

(31) The Board shall have the right from time to time to relocate any portion of the Common Elements devoted to storage or service purposes.

(32) No group tour or exhibition of any Unit or its contents shall be conducted, nor shall any auction sale be held in any Unit, without the prior consent of the Condominium Board or the managing agent of the Condominium.

(33) In the event that any 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.

(34) Unless expressly authorized by the Condominium Board in each case, at least 80% of the floor area of each Unit (excepting only kitchens, pantries, bathrooms and closets) must be covered with rugs, carpeting or equally effective noise-reducing material.

(35) There will be no barbecuing in the Units, in their Limited Common Elements (including Terraces and Balconies), or the Common Elements, except for those areas (if any) specifically designated for barbecuing by the Condominium Board.

(36) The Condominium 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 Condominium when, in the reasonable judgment of the Condominium Board, the Condominium Board deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Condominium, or the preservation of good order therein, or the operation or maintenance of the Condominium, or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Condominium. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Unit Owner or other occupant shall operate as a rescission, alteration or waiver in respect of any other Unit Owner or other occupant.

(37) No article, including, but not limited to, bicycles and similar vehicles, shall be stored or allowed to stand on Terraces and Balconies other than furniture of the kind usually maintained in outdoor areas. All personal property, furnishings, equipment and furniture left on the Terraces, Balconies or the Roof of the Building shall be anchored. No plantings, structures or installations may be placed on the Terraces or Balconies without the prior written approval of the Condominium Board.

(38) No children may be left unattended in any common area of the Building, including but not limited to the hallways and lobby.

EXHIBIT "10"

CERTIFICATION OF SPONSOR AND PRINCIPALS

CERTIFICATION OF SPONSOR AND PRINCIPALS

Sep 22, 2014

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

Re: 221 West 77 Condominium, 219-223 West 77th Street, New York, New York

The undersigned certify as follows:

We are the sponsor and the principals of sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibilities for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where 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.

223 WEST 77TH ST OWNER LLC

Sworn to before me this
22 day of September 2014

By: _____
Name: Miki Naftali
Title: Principal

Notary Public

STATE OF ~~NEW YORK~~ New Jersey)
COUNTY OF ~~NEW YORK~~ Bergen)) ss.:

On the 22 day in September the year 2014 before me personally appeared Miki Naftali, 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.

EVA MALACHI
Notary Public
State of New Jersey
My Commission Expires Aug 26, 2019

Notary Public

SPONSOR'S PRINCIPALS:

Sworn to before me this
22 day of September 2014

Miki Naftali

Notary Public

EVA MALACHI
Notary Public
State of New Jersey
My Commission Expires Aug 26, 2019

STATE OF ~~NEW YORK~~ New Jersey)
) ss.:
COUNTY OF ~~NEW YORK~~ Bergen)

On the 22 day in September the year 2014 before me personally appeared Miki Naftali, 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 "11"

CERTIFICATION OF SPONSOR'S ARCHITECT

Goldstein, Hill & West Architects, LLP

PART 20: CERTIFICATION OF ENGINEER OR ARCHITECT
RE: NEWLY CONSTRUCTED OR VACANT UNITS

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

January 14, 2015

Re: Condominium Offering Plan
221 West 77th Street Condominium
221 West 77th Street
New York, New York 10024

The sponsor of the condominium offering plan to convert the captioned property to condominium ownership retained our firm to prepare a report describing the construction of the property (the "Report"). We examined the building plans and specifications that were prepared by us dated November 3, 2014 and prepared the Report dated January 9, 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/licensed engineer in the State of New York.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

We certify that the Report:

(i) sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that we examined;

(ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that we examined;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and

(vii) does not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

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.

Sworn to before me this
14th day of Jan ~~2014~~ 2015

Notary Public

SARAH LADNER GOMEZ
NOTARY PUBLIC-STATE OF NEW YORK
No. 01LA6123261
Qualified In Kings County
My Commission Expires 05/26/17

Goldstein, Hill & West Architects, LLP
(Architect's Seal)

By: _____
Name: Leo Stephen Hill
Title: Partner

REGISTERED ARCHITECT
LEO STEPHEN HILL
No. 028264
STATE OF NEW YORK

EXHIBIT "12"

CERTIFICATION OF SPONSOR'S BUDGET EXPERT

EXHIBIT A-3

SANDBERG MANAGEMENT CORPORATION
345 SEVENTH AVE, 8TH FLOOR
NEW YORK, NY 10001

CERTIFICATION OF SPONSOR'S EXPERT ON ADEQUACY OF CONDOMINIUM BUDGET PURSUANT TO SECTION 20.4(d) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

September 4, 2014

New York State Department of Law
120 Broadway
New York, New York 10271
Attn: Real Estate Finance Bureau

Re: 221 West 77 Condominium
219-223 West 77th Street, New York, New York 10024

The undersigned, Sandberg Management Corp, LLC, is a licensed real estate brokerage/management firm in the State of New York. Sandberg Management Corp. has been engaged in the management of many condominium, cooperative and residential rental properties for a period in excess of 18 years, many of which contain commercial property.

The sponsor of the condominium offering plan for the above captioned property retained us to review Schedule B (together with the notes thereto, the "Schedule B") to the offering plan containing projections of income and expenses of the Condominium for the fiscal year commencing January 1, 2017 and ending December 31, 2017, the projected first year of Condominium operation.

We understand we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the Schedule B.

We have reviewed the Schedule B and investigated the facts set forth in the Schedule B and the facts underlying them with due diligence in order to form a basis for this certification. We also have relied on our experience in managing mixed use and residential buildings in Manhattan.

We certify that the projections in the Schedule B appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses of the Condominium for the projected first year of Condominium operation.

We certify that the Schedule B:

(i) sets forth in detail the projection of income and expenses for the projected first year of Condominium operation;

(ii) affords potential investors, purchasers, and participants an adequate basis upon which to found their judgment concerning the projected first year of Condominium operation;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the projected 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.

Sandberg Management Corp.

By: _____
Name: Louis Sandberg
Title: President

Sworn to before me this
4 day of September 2014

Yekaterina Shterenberg
Notary Public

YEKATERINA SHTERENBERG
Notary Public, State of New York
No. 01SH6242719
Qualified in Kings County
Commission Expires 06/06/2015

EXHIBIT "13"

CERTIFICATION OF SPONSOR'S EXPERT

CONCERNING ADEQUACY OF NON-RESIDENTIAL COMMON CHARGES

SANDBERG MANAGEMENT CORP.
345 SEVENTH AVENUE, 8TH FLOOR, NEW YORK, NY 10001 (212) 868-0491 FAX (212) 868-0397

CERTIFICATION OF SPONSOR'S EXPERT
ON ADEQUACY OF COMMON CHARGES PAYABLE BY THE COMMERCIAL UNIT OWNERS PURSUANT TO SECTION 20.4(e) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

September 4, 2014

New York State Department of Law
120 Broadway
New York, New York 10271
Attn: Real Estate Finance Bureau

Re: 221 West 77 Condominium
219-223 West 77th Street, New York, New York 10024

The undersigned, Sandberg Management Corp, LLC, is a licensed real estate brokerage/management firm in the State of New York. Sandberg Management Corp. has been engaged in the management of many condominium, cooperative and residential rental properties for a period in excess of 18 years, many of which contain commercial property.

The sponsor of the condominium offering plan for the above captioned property retained us to review Schedule B (together with the notes thereto, the "Schedule B") to the offering plan containing projections of common charges payable by the owners of the commercial units of the Condominium for projected first year of condominium operation.

We understand we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the commercial units listed in Schedule B.

We have reviewed the Schedule B as it impacts upon the commercial 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 and commercial buildings.

We certify that the projections in Schedule B for common charges payable by the owners of commercial units appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such commercial units for the projected first year of condominium operation, and that the allocation of common charges attributable to the commercial units also reflects the special or exclusive use or availability or exclusive control of particular common areas.

We certify that the estimates in the Schedule B for the common charges payable by the owners of the commercial units:

(i) set forth in detail the projected common charges for the commercial units for the projected first year of condominium operation;

(ii) afford potential investors, purchasers, and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owners of the commercial units during the projected first year of condominium operation;

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment, or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the commercial units for the projected 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.

Sandberg Management Corp.

By: _____
Name: Louis Sandberg
Title: President

Sworn to before me this
4 day of Septem. 2014

_____
Notary Public

YEKATERINA SHTERENBERG
Notary Public, State of New York
No. 01SH6242719
Qualified in Kings County
Commission Expires 06/06/2015

EXHIBIT "14"

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 "15"

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

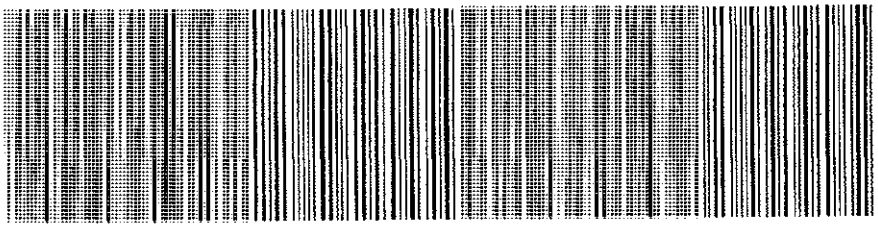
Capacity in which acting (if form is not signed by beneficial owner)

EXHIBIT "16"

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.



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RECORDING AND ENDORSEMENT COVER PAGE **PAGE 1 OF 6**

Document ID: 2014110300588001 Document Date: 10-30-2014 Preparation Date: 11-04-2014
Document Type: DEED
Document Page Count: 5

PRESENTER:
ROYAL ABSTRACT OF NEW YORK LLC(906098)MB
500 5TH AVENUE
SUITE 1540
NEW YORK, NY 10110
212-376-0900
MBASALATAN@ROYALABSTRACT.COM

RETURN TO:
ROYAL ABSTRACT OF NEW YORK LLC(906098)MB
500 5TH AVENUE
SUITE 1540
NEW YORK, NY 10110
212-376-0900
MBASALATAN@ROYALABSTRACT.COM

PROPERTY DATA

Borough	Block	Lot	Unit	Address
MANHATTAN	1169	23	Entire Lot	219 WEST 77TH STREET

Property Type: COMMERCIAL REAL ESTATE

CROSS REFERENCE DATA

CRFN_____ *or* DocumentID_____ *or* _____ Year____ Reel____ Page____ *or* File Number_____

PARTIES

GRANTOR/SELLER:
SYLGAR GARAGE LLC
C/O OLSHAN FROME WOLOSKY, LLP, 65 EAST 55TH STREET
NEW YORK , NY 10022

GRANTEE/BUYER:
223 WEST 77TH ST OWNER LLC
C/O NAFTALI GROUP , 1700 BROADWAY, 16TH FLOOR
NEW YORK , NY 10019

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:	$	62.00
Affidavit Fee:	$	0.00

Filing Fee:	
$	250.00
NYC Real Property Transfer Tax:	
$	1,653,750.00
NYS Real Estate Transfer Tax:	
$	252,000.00

RECORDED OR FILED IN THE OFFICE OF THE CITY REGISTER OF THE CITY OF NEW YORK
Recorded/Filed 11-12-2014 15:20
City Register File No.(CRFN): **2014000374760**

City Register Official Signature

BARGAIN AND SALE DEED

WITHOUT COVENANT AGAINST GRANTOR'S ACTS

SYLGAR GARAGE LLC

TO

223 WEST 77th ST OWNER LLC,

ADDRESS: 219-223 West 77th Street
New York, New York

BLOCK: 1169
LOT: 23
COUNTY: New York

RETURN BY MAIL TO:

Greenberg Traurig, LLP
200 Park Avenue
New York, New York 10016
Attention: Michael Rishty, Esq.

906098
ROYAL ABSTRACT
500 FIFTH AVENUE SUITE 1540
NEW YORK, N.Y. 10110
(212) [illegible]300

2785382-4

BARGAIN AND SALE DEED WITHOUT COVENANT AGAINST GRANTOR'S ACTS

THIS INDENTURE, made as of this 30th day of October, 2014

BETWEEN SYLGAR GARAGE LLC, a New York limited liability company, having an office c/o Olshan Frome Wolosky LLP, 65 East 55th Street, New York, New York 10022, Attn: Samuel P. Ross, Esq., party of the first part, and 223 WEST 77th ST OWNER LLC, a Delaware limited liability company, having an office at c/o Naftali Group, 1700 Broadway, 16th Floor, New York, New York 10019, party of the second part,

WITNESSETH, that the party of the first part, in consideration of ten dollars and other valuable consideration paid by the party of the second part, does hereby grant and release unto the party of the second part, the heirs or successors and assigns of the party of the second party forever,

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City, County and State of New York, more commonly known as 219-223 West 77th Street, New York, New York and designated as Block 1169 Lot 23 as shown on the Tax Map of the City of New York, County of New York and more particularly described on Exhibit A attached hereto and hereby made part hereof, being and intended to be the same premises conveyed to the party of the first part by Deed dated as of 1/26/2006 from Sylgar Properties Company, LLC recorded on 02/23/2006 in CRFN 2006000105049.

TOGETHER with all right, title and interest, if any, of the party of the first part 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 party of the first part in and to said premises;

TO HAVE AND TO HOLD the premises herein granted unto the party of the second part, the heirs or successors and assigns of the party of the second part forever.

AND the party of the first part, in compliance with Section 13 of the Lien Law, covenants that the party of the first part 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]

- Deed Signature Page -

IN WITNESS WHEREOF, the party of the first part has duly executed this deed the day and year first above written.

SYLGAR GARAGE LLC,
A NEW YORK LIMITED LIABILITY COMPANY

By: _____
Name: Arnold Penner
Title: Authorized Signatory

STATE OF NEW YORK
COUNTY OF NEW YORK

On the 22nd day of October in the year 2014 before me, the undersigned, a Notary Public in and for said State, personally appeared Arnold Penner, 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.

LOUIS MARASCO
Notary Public State of New York
No. 01MA2516870
Qualified in Nassau County
Commission Expires May 06, 2015

Signature and Office of individual taking acknowledgement

Exhibit A to Deed

ALL that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded as described as follow:

BEGINNING at a point on the northerly side of 77th Street distant 175 feet westerly from the corner formed by the intersection of the northerly side of 77th Street with the westerly side of Amsterdam Avenue;

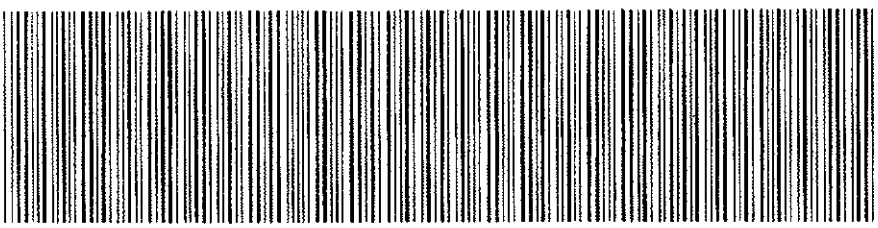
RUNNING THENCE northerly parallel with Amsterdam Avenue, 102 feet 2 inches to the center line of the block;

THENCE westerly along the center line of the block and parallel with the northerly side of 77th Street, 75 feet;

THENCE southerly parallel with the westerly side of Amsterdam Avenue, 102 feet 2 inches to the northerly side of 77th Street; and

THENCE easterly along the northerly side of 77th Street, 75 feet to the point or place of BEGINNING.

NYC DEPARTMENT OF FINANCE
OFFICE OF THE CITY REGISTER



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SUPPORTING DOCUMENT COVER PAGE **PAGE 1 OF 1**

Document ID: 2014110300588001 Document Date: 10-30-2014 Preparation Date: 11-04-2014
Document Type: DEED

ASSOCIATED TAX FORM ID: 2014100900289

SUPPORTING DOCUMENTS SUBMITTED:

	Page Count
DEP CUSTOMER REGISTRATION FORM FOR WATER AND SEWER BILLING	1
RP - 5217 REAL PROPERTY TRANSFER REPORT	3

FOR CITY USE ONLY

C1. County Code | | C2. Date Deed Recorded | | / | / | (Month / Day / Year)

C3. Book OR C5. CRFN | | C4. Page | |

REAL PROPERTY TRANSFER REPORT

STATE OF NEW YORK
STATE BOARD OF REAL PROPERTY SERVICES

RP - 5217NYC

PROPERTY INFORMATION

1. Property Location: 219 (STREET NUMBER) | WEST 77TH STREET (STREET NAME) | MANHATTAN (BOROUGH) | 10024 (ZIP CODE)

2. Buyer Name: 223 WEST 77TH ST 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: 1 # of Parcels OR ☐ Part of a Parcel

4A. Planning Board Approval - N/A for NYC
4B. Agricultural District Notice - N/A for NYC

Check the boxes below as they apply:
6. Ownership Type is Condominium ☐
7. New Construction on Vacant Land ☐

6. Deed Property Size: (FRONT FEET) X (DEPTH) OR (ACRES)

8. Seller Name: SYLGAR GARAGE 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: 5 / 8 / 2014 (Month / Day / Year)

11. Date of Sale / Transfer: 10 / 30 / 2014 (Month / Day / Year)

12. Full Sale Price $: 63,000,000

(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: G1

16. Total Assessed Value (of all parcels in transfer): $4,905,000

17. Borough, Block and Lot / Roll Identifier(s) (If more than three, attach sheet with additional identifier(s))

MANHATTAN 1169 23

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

<See attached>

BUYER SIGNATURE — DATE

C/O NAFTALI GROUP 1700 BROADWAY, 16TH FLOOR

STREET NUMBER — STREET NAME (AFTER SALE)

NEW YORK | NY | 10019

CITY OR TOWN — STATE — ZIP CODE

BUYER'S ATTORNEY

LAST NAME — FIRST NAME

AREA CODE — TELEPHONE NUMBER

SELLER

SELLER SIGNATURE — DATE

By: Arnold Penn
Authorized Signatory

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'S ATTORNEY
BUYER SIGNATURE / DATE	LAST NAME / FIRST NAME
C/O NAFTALI GROUP 1700 BROADWAY, 16TH FLOOR	
STREET NUMBER / STREET NAME (AFTER SALE)	AREA CODE / TELEPHONE NUMBER
NEW YORK / NY / 10019	SELLER: See attached
CITY OR TOWN / STATE / ZIP CODE	SELLER SIGNATURE / DATE

The City of New York
Department of Environmental Protection
Bureau of Customer Services
59-17 Junction Boulevard
Flushing, NY 11373-5108

Customer Registration Form for Water and Sewer Billing

Property and Owner Information:

(1) Property receiving service: BOROUGH: MANHATTAN BLOCK: 1169 LOT: 23

(2) Property Address: 219 WEST 77TH STREET, NEW YORK, NY 10024

(3) Owner's Name: 223 WEST 77TH ST OWNER LLC

Additional Name:

Affirmation:

☑ You have visited DOF's Mailing Address Update website and indicated that your water & sewer bill should be sent to the mailing address provided on that site. If no information was entered your water & sewer bill be sent to the property address.

Customer Billing Information:

Please Note:

A. Water and sewer charges are the legal responsibility of the owner of a property receiving water and/or sewer service. The owner's responsibility to pay such charges is not affected by any lease, license or other arrangement, or any assignment of responsibility for payment of such charges. Water and sewer charges constitute a lien on the property until paid. In addition to legal action against the owner, a failure to pay such charges when due may result in foreclosure of the lien by the City of New York, the property being placed in a lien sale by the City or Service Termination.

B. Original bills for water and/or sewer service will be mailed to the owner, at **the property address or to an alternate mailing address**. DEP will provide a duplicate copy of bills to one other party (such as a managing agent), however, any failure or delay by DEP in providing duplicate copies of bills shall in no way relieve the owner from his/her liability to pay all outstanding water and sewer charges. Contact DEP at (718) 595-7000 during business hours or visit www.nyc.gov/dep to provide us with the other party's information.

Owner's Approval:

The undersigned certifies that he/she/it is the owner of the property receiving service referenced above; that he/she/it has read and understands Paragraphs A & B under the section captioned "Customer Billing Information"; and that the information supplied by the undersigned on this form is true and complete to the best of his/her/its knowledge.

Print Name of Owner:

Signature: _____ Date (mm/dd/yyyy)

Name and Title of Person Signing for Owner, if applicable:

Printed by:
The Mirell Company
(212) 629-4070