THIS IS A NON-EVICTION PLAN. NO NON-PURCHASING TENANT WILL BE EVICTED BY REASON OF CONVERSION TO CONDOMINIUM OWNERSHIP

CONDOMINIUM OFFERING PLAN

385 FIRST AVENUE CONDOMINIUM

385 FIRST AVENUE
NEW YORK, NEW YORK 10010

	Offering Price[1]
138 Residential Units (including 1 Resident Manager's Unit)	**$181,587,500**
47 Storage Lockers	**$1,316,000**
Total Offering Amount	**$182,903,500**
Working Capital Fund [2]	**$282,741**
Reserve Fund [3]	**$5,447,625**

The Condominium will also include 3 Commercial Units which are not being offered for sale at this time.

(1) See Section entitled "Rights of Existing Tenants" for a discussion of the rights of tenants to buy the Residential Units they occupy during the first 90 days of this offering and Schedule A.

(2) This amount represents an estimate of the initial Working Capital Fund to be established by Purchaser's non-refundable contribution of 2 months' Residential Common Charges at each initial Closing of Residential Units.

(3) This is an estimate of the minimum amount under the first alternative under the Reserve Fund Law. The actual amount cannot be determined until the Plan is declared effective. See Reserve Fund section of Plan for additional information.

SPONSOR:	SALES CENTER:	SELLING AGENT:
MF 385 First Ave LLC **594 Broadway, Suite 1010** **New York, New York 10012**	**Sales Center** **385 First Avenue** **New York, New York 10010**	**Urban Compass** **19 Union Square West, 10th Floor** **New York, New York 10003**

Filing Date of this Offering Plan: September 15, 2015. This Offering Plan may not be used after September 14, 2016, unless this Offering Plan is extended by amendment.

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

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

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

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PART I

CONDOMINIUM OFFERING PLAN

385 FIRST AVENUE CONDOMINIUM
385 FIRST AVENUE
NEW YORK, NEW YORK 10010

SPECIAL RISKS

Purchase of a Condominium Unit

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

(b) At the time Purchaser executes a Purchase Agreement, a Bona Fide Tenant who wishes to purchase the Residential Unit such Bona Fide Tenant occupied on the Filing Date will be required to deliver an Initial Deposit in an amount equal to 15% of the Purchase Price and a Non-Tenant-Purchaser is required to deliver an Initial Deposit in an amount equal to 15% of the Purchase Price. All Purchasers will be required to deliver an Additional Deposit in an amount equal to 5% of the Purchase Price before the earlier to occur of (i) 6 months after the date on which the Purchase Agreement is executed, or (ii) 15 days after the Presentation Date of the amendment declaring the Plan effective. Notwithstanding the foregoing, any Purchaser executing a Purchase Agreement on or after the date the Plan is declared effective is required to deliver the full Deposit in an amount equal to 20% of the Purchase Price.

(c) Pursuant to Law, Sponsor may declare the Plan effective by entering into Purchase Agreements for the sale of a minimum of 15% of the Residential Units offered for sale (excluding the Resident Manager's Unit) (i.e., 21 Residential Units based on 138 Residential Units offered for sale). Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to submit the Property to a condominium regime and convey Residential Units with fewer than the minimum number of sales if Purchasers counted towards effectiveness do not ultimately close title to Residential Units. Among other requirements, Non-Tenant-Purchasers must represent that they intend that they or one or more specified Family Members will occupy the Unit after the Closing or when the Unit becomes vacant. When executing a Purchase Agreement, all Non-Tenant-Purchasers must also execute a Bona Fide Purchaser Statement of Purchase, the form of which is appended to the Purchase Agreement in Schedule B.

(d) To declare the Plan effective, 15% of Purchasers must be "bona fide," which is defined as: (i) a tenant in occupancy on the date the Plan is declared effective or (ii) a Purchaser who represents that they or one or more members of their immediate family intend to occupy the Unit when it becomes vacant. For purposes of effectiveness, the purchase of contiguous Units (i.e. Unit combinations) shall be treated as one Unit. Notwithstanding the foregoing, the purchase of non-contiguous Units by one Purchaser for more than one Bona Fide Tenant or Bona Fide Purchaser (e.g. one Unit for parents and one for adult child) shall be treated as individual Units for effectiveness purposes.

In connection with the Plan being declared effective, the New York State Department of Law ("Department of Law") requires an affirmative representation from each Bona Fide Tenant Purchaser and each Bona Fide Non-Tenant Purchaser as a part of the Department of Law's investigative process. Each Bona Fide Tenant Purchaser and each Bona Fide Non-Tenant Purchaser will be required to execute either an affidavit entitled "Affidavit of Bona Fide Tenant Purchaser For Purposes of Declaring Offering Plan Effective" or "Affidavit of Bona Fide Non-Tenant Purchaser For Purposes of Declaring Offering Plan Effective", as applicable (each a "Purchaser Affidavit"). A copy of each Purchaser Affidavit is annexed to the Purchase Agreement set forth in Part II of the Plan. The Purchaser Affidavit must be executed and returned by Purchaser together with the executed Purchase Agreement. To the extent the Department of Law or Sponsor requires that the Purchaser affidavit be re-executed thereafter, Purchaser shall have five (5) days to re-execute and return an original copy to Sponsor. A Bona Fide Tenant-Purchaser and a Bona Fide Non-Tenant-Purchaser may also be required to submit to the Department of Law additional

information concerning the intended occupancy of the Residential Unit which is the subject of the Purchase Agreement and otherwise cooperate with the Department of Law's inquiry into the intended occupancy of the Residential Unit. Any Bona Fide Tenant-Purchaser or Bona Fide Non-Tenant-Purchaser who fails to (i) execute and return the Purchaser Affidavit (or re-execution thereof) to Sponsor, as and when required; (ii) deliver any and all additional information the Department of Law may require; and (iii) otherwise cooperate in any inquiry the Department of Law may initiate, will be deemed to have committed an Event of Default under the Purchase Agreement. Bona Fide Tenant-Purchasers and Bona Fide Non-Tenant-Purchasers are advised that a default of these obligations shall entitle Sponsor to all rights and remedies, including, without limitation, the right to retain, as and for liquidated damages, the Deposit and any interest earned on the Deposit, as set forth below, or, in the alternative, the right to commence an action for specific performance, in which case the Bona Fide Tenant-Purchaser or Bona Fide Non-Tenant-Purchaser may be compelled by a court of law to fulfill all obligations concerning the Purchaser Affidavit.

Purchasers are advised to seek the advice of an attorney before executing the Purchaser Affidavit. The submission of any misinformation to the Department of Law, including a false instrument, shall be deemed a violation of the Martin Act, and may also subject both the Sponsor and the Purchaser to both civil and criminal liability.

The Department of Law reserves the right to request additional information from Sponsor and any and all Purchasers used for purposes of declaring the Plan effective. Failure to provide such information to the Department of Law within the timeframe requested may result in the rejection of Sponsor's effectiveness amendment. Furthermore, the submission of any misinformation to the Department of Law, including a false instrument, shall be deemed a violation of the Martin Act, and may also subject both the Sponsor and the Purchaser to both civil and criminal liability.

(e) In the event a Purchaser commits an Event of Default of any of the obligations on Purchaser's part to perform under the Purchase Agreement, whether monetary or non-monetary, TIME BEING OF THE ESSENCE with regard to the obligations of Purchaser thereunder, Sponsor, in its sole discretion, may elect by notice to Purchaser to either: (i) cancel the Purchase Agreement; or (ii) seek specific performance. If Sponsor elects to cancel the Purchase Agreement, Purchaser shall have 30 days from the giving of notice of cancellation to cure the specified Event of Default. If the Event of Default is not cured within such 30 days, TIME BEING OF THE ESSENCE, then the Purchase Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, all Deposits and any interest earned thereon. Upon the cancellation of the Purchase Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though the Purchase Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale. If Sponsor elects to seek specific performance (where the Purchaser is a Non-Tenant-Purchaser), then Purchaser shall have 30 days from the giving of notice of Sponsor's election to close title to the Unit in accordance with the Purchase Agreement, without prejudice to Sponsor's right to recover from Purchaser all damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled under the Purchase Agreement (including, but not limited to, attorneys' fees, disbursements and costs of collection). Notwithstanding the foregoing, Sponsor shall not exercise its right to file an action for specific performance against a Tenant-Purchaser who purchases the Residential Unit that the Tenant-Purchaser occupied on the Filing Date of the Plan. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

(f) TIME IS OF THE ESSENCE as to all of Purchaser's obligations under the Purchase Agreement, including, without limitation, for the payment of all Deposits and the Balance of the Purchase Price. According to Black's Law Dictionary (Revised Fifth Edition), "time is of the essence of contract" means generally that punctual performance by one party at one precise time named or within a period specified in the contract is essential to enable the party to require performance by the other party.

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

(h) If a Purchaser fails for any reason to close title to the Residential Unit on the originally Scheduled Closing Date other than due to Sponsor's failure or inability to close: (a) the closing apportionments to be made at the Closing will be made as of midnight of the day preceding the Scheduled Closing Date regardless of when the actual Closing occurs ("Actual Closing Date"), and (b) Purchaser will be required to pay to Sponsor an amount equal to 0.03% of the Purchase Price of the Residential Unit for each day commencing with the Scheduled Closing Date through the Actual Closing Date, as a reimbursement of Sponsor's increased carrying costs by virtue of the delay, in addition to the other payments to be made to Sponsor under the Purchase Agreement and the Plan. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

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

Sponsor Control of the Condominium Board

2. (a) Sponsor will have voting control over the Condominium Board until the earlier to occur of: (i) the Unsold Residential Units representing less than 50% of the aggregate Common Interest, or (ii) 5 years after the First Closing ("Sponsor Control Period"). Sponsor reserves the right to relinquish voting control of the Condominium Board prior to the expiration of the Sponsor Control Period.

(b) After the Sponsor Control Period, Sponsor, as owner of Unsold Residential Units, shall continue to have the right to vote all of the Common Interests attributable to Residential Units owned by Sponsor and shall designate no more than 2 Residential Members, for so long as the Common Interests attributable to the Unsold Residential Units equal, in the aggregate, less than 50% but more than 15% of the Common Interests attributable to all Residential Units; and thereafter, 1 Residential Member, for so long as Sponsor owns at least one Unsold Residential Unit. If there are non-Sponsor members of the Condominium Board and there is a vote on such board to pursue litigation against Sponsor, the Sponsor Members must recuse themselves from such vote.

(c) During the Sponsor Control Period, Sponsor will designate a majority of the Residential Members and shall have voting control of the Condominium Board. Therefore, Sponsor will have control of the maintenance and operation of, and the services to be provided by, the Condominium, and will determine the Common Charges to be paid by all Unit Owners. Sponsor may continue to exercise veto power over certain actions of or contemplated by the Condominium Board after the Sponsor Control Period. For so long as Sponsor shall continue to own Unsold Residential Units representing at least 25% in aggregate Common Interest of all Residential Units, but in no event later than 5 years after the First Closing, the Condominium Board may not take any of the following actions without Sponsor's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit, or (b) assess any

Common Charges, Residential Common Charges or Special Assessment for the creation of, addition to or replacement of all or part of a working capital, reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, or (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services, or (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that (x) Sponsor may not exercise such veto power so as to diminish or eliminate services, facilities or any line items set forth in the First Year's Budget; and (y) Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary and no other alternative is available to enable the Condominium Board to (i) comply with Law or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer or (iv) to ensure the health and safety of the occupants of the Building.

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

Conveyance of Title

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

Sponsor's Rights with Respect to Leasing Rather than Selling Unsold Residential Units

4. (a) Sponsor reserves the right to rent or lease any vacant Unit prior to Closing to the Purchaser thereof or any other party. Sponsor reserves the unconditional right to rent rather than to sell Residential Units as they become vacant. Sponsor's right to rent rather than sell Residential Units once they become vacant is unconditional and exercisable in Sponsor's sole discretion.

(b) Following the expiration of the Initial Exclusive Purchase Period, Sponsor shall have the right to: (i) sell occupied Units to one or more non-occupant Purchasers for investment or resale; (ii) lease occupied Units to others; or (iii) retain vacant Units for future sale or rental. Any such sales are subject to the rights, if any, of Bona Fide Tenants to purchase their Units during a subsequent Exclusive Purchase Period which may be provided in an amendment to the Plan prior to the Effective Date. The Plan may not be declared effective based on Purchase Agreements executed by Purchasers who have not represented that they intend to occupy the Unit when it becomes vacant. (See the Section of the Plan entitled "Effective Date" for details.)

(c) Residents of the Condominium may be comprised of both Unit Owners and tenants leasing from Sponsor or tenants leasing from 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 number of tenants may not be Unit Owners. Owner-occupants may never gain control and management of the Condominium since the By-Laws do not include a provision that after the expiration of the Sponsor Control Period a majority of

the Condominium Board must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principal. 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., purchasing as a home as opposed to as an investment. (See the Section of the Plan entitled "Obligations of Purchasers of Units Occupied by Non-Purchasing Tenants" for details).

(d) Prospective Purchasers should be aware that potentially they may be living with non-purchasing occupants in many of the Units for an indefinite period, depending upon market conditions. In Sponsor's sole discretion, non-purchasing occupants (other than Non-Purchasing Tenants whose rights are governed by Law) may receive the same Building services and use the Building's amenities as owner-occupants, however, they have no investment in their Units and, therefore, may not share the same economic interests as owner-occupants in the maintenance and care of the Building's facilities and amenities.

(e) Sponsor reserves the right to sell 10% or more of the Unsold Units ("Bulk Sale") to a Person which assumes the rights and obligations of Sponsor with respect to such Units.

Closing Fees

5. Purchasers shall be required to pay (i) certain closing fees to Attorneys for Sponsor at Closing, and (ii) all New York City Real Property Transfer Tax ("RPT Tax"), New York State Real Estate Transfer Tax ("State Transfer Tax") and New York State Additional Real Estate Transfer Tax, commonly referred to as the "Mansion Tax," imposed on their purchase. The New York City Department of Finance has taken the position that where the purchaser of property assumes the obligation for the payment of the State Transfer Tax and the RPT Tax, the amount of the tax which would otherwise be payable if the seller were to pay such taxes, will be treated as additional consideration for the transaction subject to tax. The State Transfer Tax is currently equal to $2 per $500 of the bulked up consideration and the RPT Tax is currently equal to 1% of the bulked up consideration where the bulked up consideration is $500,000 or less, and 1.425% where the bulked up consideration is greater than $500,000. The Department of Finance currently takes the position that: (i) the lower tax rate (either 1% if the consideration is $500,000 or less, or 1.425% if the consideration is greater than $500,000) applies only in the case of a transfer of "an individual residential condominium unit;" and (ii) the higher tax rate (either 1.425% if the consideration is $500,000 or less, or 2.625% if the consideration is greater than $500,000) applies if a purchaser acquires more than one individual Residential Unit (i.e., two Residential Units). See the Section of the Plan entitled "Closing Costs and Adjustments" for details.

Closing Adjustments

6. 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) rent and any other charges pursuant to a lease or tenancy, if any, covering the Residential Unit. In the event the Units have not been separately assessed and billed to Unit Owners for real estate tax purposes prior to the First Closing, at Closing, each Purchaser will pay a pro rata share with respect to the Property (in the proportion that such Unit's Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes in a lump sum for the next ensuing tax period and thereafter on a monthly basis to the Condominium as Common Charges. The Condominium will be responsible to pay such real estate taxes either to the New York City Department of Finance or directly to Sponsor if Sponsor has already paid such real estate taxes. If any Residential Unit Owner fails to pay such Residential Unit Owner's pro rata share as set forth above, the Unit Owner shall be deemed in default of the Condominium By-Laws and Sponsor or the Condominium, as the case may be, will have a lien on such Residential Unit for non-payment of Residential Common Charges. At such time as a Residential Unit is separately assessed and separately billed, for real estate tax purposes, the Residential Unit Owner will pay such taxes directly to the taxing

authority. (See Schedule A for an estimate of real estate taxes payable during the First Year of Condominium Operation and the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board" for details.) In addition to the foregoing, all legal costs, fees and expenses charged by Purchaser's attorney shall be the sole responsibility of Purchaser, and Purchaser will also be responsible for payment of certain closing fees payable to Starr Associates LLP. (See the Section of the Plan entitled "Closing Costs and Adjustments.")

No Adverse Changes to Condominium Documents

7. No amendment, modification, addition or deletion of the Declaration, By-Laws or Residential Rules and Regulations shall be effective in any way without the prior written consent of Sponsor or any affected Commercial Unit Owner, as the case may be, with respect to any such amendment, modification, addition or deletion which modifies the permitted uses of the Building or any portion thereof (including the Commercial Units) or affecting the rights, privileges, easements, licenses or exemptions retained or granted to Sponsor or the Commercial Unit Owners or which otherwise, in the opinion of Sponsor or the Commercial Unit Owners, as the case may be, would have the effect of adversely affecting Sponsor or the Commercial Unit Owners, as the case may be. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board" for details.)

Commercial Units

8. (a) No assurance, representation, or warranty is made (i) with respect to the future ownership or tenancies of all or any portion of the Commercial Units and (ii) that the owners, tenants, occupants, or other users of the Commercial Units will be agreeable to Residential Unit Owners, their Permitted Users, or any other parties. Notwithstanding anything to the contrary contained in the Plan or elsewhere, the use of the Commercial Unit is subject to the following restrictions: the Commercial Unit may not be used for any of the following purposes at any time: (i) a massage parlor, an adult theater, a peep show establishment, or a topless or bottomless bar, (ii) a video arcade, a betting parlor, a gambling casino, or any other gambling related establishment, (iii) for any use that is primarily concerned with lewd or prurient sexual activity, (iv) an in-patient or out-patient center for drug, alcohol, or mental health treatment, or (v) a homeless shelter or any center offering food or other special services to the homeless. No assurance, representation, or warranty is made with respect to the uses to which any portion of the Commercial Units may be put at any time, except that the Commercial Units may be used for any purpose permitted by Law. The uses of the Commercial Units may generate noise, traffic, fumes, odors, vibrations, or other disturbances over which the Residential Unit Owners will have no control. Residential Unit Owners will not have any interest in the rents, profits or revenues generated from the business, rental, or other use of any space in any Commercial Unit.

(b) Each Commercial Unit Owners and its Permitted Users shall have the right, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any and without amendment to the Plan, to (i) subdivide and/or combine any Commercial Unit and/or (ii) change any Commercial Units in size by relocating a boundary wall between Commercial Units. In the event of a subdivision, combination, and/or change in size of any Commercial Unit, each Commercial Unit Owner shall additionally have the right to reapportion among the affected Commercial Units their respective Common Interests. Any additional condominium units created as a result of a subdivision of a Commercial Unit will retain the same rights, privileges, and benefits afforded the original Commercial Unit Owner and will be subject to the same obligations imposed on the original Commercial Unit Owner, as set forth in the Condominium Documents. Notwithstanding the foregoing, in the event of a subdivision of any Commercial Unit, the Commercial Unit Owners shall have the right to designate, collectively, only one (1) Commercial member to the Condominium Board.

(c) Each Commercial Unit Owner and its Permitted Users shall have an easement in, over, under, through or upon the Common Elements or elsewhere on the Property (i) for the purpose of

accessing such Commercial Unit or any portion of the Building servicing such Commercial Unit, (ii) for the purpose of exiting the Building in the event of an emergency, and (iii) to install, operate, maintain, repair, alter, rebuild, restore and replace any pipes, wires, ducts, vents, cables, conduits or other lines, equipment or Facilities forming a part of or servicing such Commercial Unit.

(d) In addition to the foregoing, each Commercial Unit Owner and its Permitted Users shall have the right and an easement, as applicable, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any:

(1) to erect, maintain, repair and replace one or more signs and lighting, of such size and content as such Commercial Unit Owner shall determine in the windows of the Commercial Unit, including without limitation any storefronts of such Commercial Unit, for the purposes of advertising (a) the sale or rental of all or any portion of the Commercial Unit or (b) the operation of any business for which such Commercial Unit is used.

(2) subject only to Sponsor's prior written consent in each instance for so long as Sponsor continues to own an Unsold Unit, to (i) alter, modify, and/or restore the exterior façade and/or the windows of the Commercial Unit, including without limitation any storefronts, and (ii) create additional means of egress and ingress to such Commercial Unit.

(3) to use the sidewalk adjacent to such Commercial Unit for any purposes permitted by Law, including without limitation food and beverage services and the placement of outdoor seating, tables, lighting and signage on such sidewalk, provided that the entrances to the Building are not impeded by such use. In the event a Commercial Unit Owner utilizes a sidewalk adjacent to their Commercial Unit, the maintenance, replacement, and repair of the sidewalk during the period of use, together with all costs and expenses associated therewith, shall be the responsibility of the Commercial Unit Owner.

(e) As more fully set forth in the By-laws, the Condominium shall deliver a non-disturbance and attornment agreement to the Commercial Unit Owner and/or Sponsor if so requested.

(f) See the Section of the Plan entitled "Commercial Units" for details.

Foreign Government Purchaser

9. Any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (.i.e., diplomatic or sovereign immunity) ("Foreign Government Purchaser") shall be required to expressly and voluntarily waive such immunity and consent to any suit, action or proceeding arising out of or relating to the Purchase Agreement or the Condominium Documents being brought in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchase Agreement or the Condominium Documents. Any Foreign Government Purchaser shall designate and authorize a lawful agent to receive process for and on behalf of the Foreign Government Purchaser in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchase Agreement or the Condominium Documents. A Foreign Government Purchaser will be required to deposit with the Condominium at Closing an amount equal to 2 years' Common Charges with respect to the Residential Unit based on the Condominium budget in effect as of the Closing Date of the Residential Unit which will be in addition to the required contribution to the Working Capital Fund. Such amount shall increase from time to time as such Common Charges increase, together with the full amount of any Special Assessment levied against, or allocable to, such Unit, as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of the By-Laws of the Condominium. In the event that such Foreign Government Unit Owner defaults in respect of the terms, provisions and conditions of the By-Laws, the Condominium Board may use, apply or retain the whole or any part of the security so deposited, to the extent required for the payment of any Common

Charges or any other sum to which such Foreign Government Unit Owner is in default. Thereafter, the Foreign Government Unit Owner shall deposit with the Condominium Board the amount so applied or retained so that such Condominium Board has the full amount of said security on hand at all times. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

Storage Locker Licenses

10. (a) Sponsor is offering Purchasers of Residential Units the opportunity to purchase certain Storage Locker Licenses for the exclusive use of Purchaser for so long as Purchaser owns a Residential Unit in the Building pursuant to the terms of a license ("Storage Locker License"), the form of which is set forth in Part II of the Plan. Although the Storage Locker Area(s) will be Residential Common Elements, the Sponsor has the exclusive right, without charge, to sell Storage Locker Licenses located therein. The Condominium will not be entitled to any of the proceeds from the sale of the Storage Lockers. Purchasers will be required to consummate the purchase of the Residential Unit and the Storage Locker License simultaneously at Closing even though access may not be available to the Storage Locker Area or the particular storage locker. In such event, the proceeds from the sale of the Storage Locker License will be held in escrow ("Storage Locker Escrow") by Escrow Agent until such time as access is available to the Storage Locker Area or the particular storage locker. The Storage Locker Escrow will not be held in an interest bearing escrow account, and, therefore, Purchaser will earn no interest on the Storage Locker Escrow. (See the Section of the Plan entitled "Terms of Sale" for details.)

(b) Based upon market conditions, until such time as Sponsor has entered into a Purchase Agreement with respect to the sale of a Storage Locker License, Sponsor reserves the right to withdraw the offering of Storage Lockers and/or to reduce the number of Storage Locker Licenses offered. After such time that Sponsor has entered into a Purchase Agreement with respect to the sale of a Storage Locker License, Sponsor may withdraw or reduce the offering of Storage Locker Licenses but only to the extent that such withdrawal or reduction does not affect any Storage Locker Licenses already under contract. If, subject to the foregoing limitations, Sponsor elects to withdraw or reduce the offering of Storage Locker Licenses, then such withdrawal or reduction shall be disclosed by Sponsor in an amendment to the Plan, and Sponsor shall have the right to utilize such Storage Locker Area(s) for any use as determined by Sponsor in its sole discretion. Furthermore, in the event of such withdrawal or reduction, with respect only to Purchasers (i) who have not entered into Purchase Agreements for Storage Locker Licenses and (ii) who have entered into Purchase Agreements for Storage Locker Licenses unaffected by the withdrawal or reduction, such Purchasers shall not be relieved of any of their obligations under their respective Purchase Agreements as a result of such withdrawal or reduction, including without limitation the obligation to purchase the Residential Unit.

(c) The Storage Lockers and the Storage Locker Area(s) will not be serviced by an emergency generator. In the event of a power outage, any resulting loss or damage will be at the sole cost of the Storage Locker Licensee. The Condominium Board, its agents and employees, and Sponsor shall not be liable for any loss or damage caused by power outages, temperature fluctuations or other causes in the Storage Locker Area(s).

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

Resident Manager's Unit

9. (a) At, or subsequent to the First Closing, Sponsor shall sell Residential Unit 2E to the Condominium to be used by the Resident Manager and designated as the Resident Manager's Unit. The Purchase Price of the Resident Manager's Unit is $1,750,000. At the Closing of each Residential Unit, each Purchaser will be required to pay on behalf of the Condominium Board, Purchaser's share of the cost of the Resident Manager's Unit, plus all closing costs incurred in connection with the purchase of

the Resident Manager's Unit, including, without limitation, recording fees, title insurance, legal fees, transfer taxes and other transaction fees (estimated to be approximately $100,000) determined in accordance with the Common Interest of the Residential Unit acquired, in proportion to the Common Interest of all Residential Units (other than the Resident Manager's Unit). The amount of each Purchaser's share of this closing cost is set forth in the Section of the Plan entitled "Schedule A – Purchase Prices and Related Information." There is no guarantee or assurance that the taxing authorities will not require that each Purchaser's allocable portion of the cost of the Resident Manager's Unit be included in the total consideration deemed to have been paid by Purchaser at Closing, in which case additional transfer taxes may be payable by Purchaser. (See the Footnotes to Schedule A and the Section of the Plan entitled "Closing Costs and Adjustments" for details.)

(b) Sponsor reserves the right, in its sole discretion, to choose a different Residential Unit other than Residential Unit 2E to sell to the Condominium as the Resident Manager's Unit, provided, however, that such sale shall only be made pursuant to an amendment to the Plan and shall not result in an increase of each Purchaser's share of the cost of the Resident Manager's Unit by 25% or more.

(c) Sponsor does not make any representation or guarantee that there will be a Resident Manager residing in the Building at the time of any Closing, except that Sponsor will comply with Law, including the Administrative Code of the City of New York, § 27-2052 et seq.

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

No Bond or Other Security Posted

11. To the best of Sponsor's knowledge, as of the Filing Date of the Plan, Sponsor has sufficient resources to fund its obligations set forth in the Plan including its obligations with respect to Unsold Units. No bond or other security has been posted by Sponsor to secure Sponsor's obligation. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for details.)

Services and Facilities

12. (a) Purchasers are advised that some of the services and facilities, if any, described in the Plan (such as usage of certain amenity areas) may not be available until approximately 12 months after the First Closing. Purchasers should be aware that the hours and dates for move-ins, move-outs and/or alterations, as well as the use of the passenger and/or service elevators, will be restricted during the period that Sponsor is performing Sponsor's Work (as hereinafter defined).

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

(c) See the Section of the Plan entitled "Description of Property and Improvements" subsection "Services and Facilities" for details.

Sponsor's Work

13. (a) Following the submission date of the preliminary Plan, Sponsor intends to undertake a program of work ("Sponsor's Work") including without limitation, renovating and combining vacant Residential Units, upgrading the decoration or finishing of the Residential lobby and corridors and construction of additional Storage Lockers, installing light fixtures, painting, hanging wall coverings or laying carpeting. All of the foregoing work and conditions may create a noisy or otherwise disruptive

condition in the Building. During the performance of Sponsor's Work, Sponsor reserves the right to access any common areas of the Building or the Property (subject to the rights of tenants thereof), temporarily interrupt utility service in connection with such work and temporarily relocate entrances and exits to the Building (provided legally required means of access and egress are provided). It is anticipated that for a significant period of time following the First Closing through, including and beyond the Closing of Title to any Residential Unit, Sponsor's Work should be expected to be undertaken and performed by or on behalf of Sponsor. Sponsor will comply with all applicable Department of Buildings ("DOB") filing requirements in connection with Sponsor's Work.

(b) Following submission of the Plan, as a part of Sponsor's Work, Sponsor submitted Building alteration plans ("Alteration Plans") to the Department of Buildings ("DOB") to, among other things, combine Residential Units at the Building. Based upon these combinations, the number of Residential Units offered for sale would be reduced from 138 units to approximately 103 units. The Alteration Plans covered combinations of Residential Units for (i) Vacant Units, (ii) occupied Units where the leases were expiring on or before June 30, 2015 and the Sponsor believed that the tenants would be vacating and (iii) occupied Units where the leases were expiring on or after July 1, 2015. Sponsor acknowledges and agrees that it will undertake no work under the Alteration Plans in any occupied Unit until such Unit is vacated. During the performance of Sponsor's Work, Sponsor will comply with all DOB requirements with respect to the Tenant Protection Plan (which may be amended from time to time), a copy of which is set forth in Part II of the Plan, and will adhere to the terms thereof. Sponsor will also provide a person to be contacted 24/7 with respect to construction issues: Jose Gomez at (917) 532-0672 or e-mail at jgomez@magnumreg.com.

(c) Sponsor and/or the Condominium Board may refuse to permit a Residential Unit Owner to perform alterations in a Residential Unit until such time as Sponsor's Work has been completed. (See the Section of the Plan entitled "Description of Property and Improvements" subsection "Services and Facilities" for details.)

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

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

(f) The Building will contain certain major mechanical equipment, including, but not limited to, water tank, elevator machine rooms, fans, pumps, cooling tower and compactor (collectively, "Equipment") located on the roof, bulkhead level and in the cellar. As a result, Residential Units, Terraces and Storage Locker Area(s) in close proximity may be affected.

(g) As is typical and customary, the Building is subject to normal settling, deflection, expansion and shifting. Sponsor will not be obligated to correct, and will not be liable to the Condominium

Board or any Unit Owner as a result of any defects in Building condition, including without limitation, minor gapping in the flooring, uneven ceilings or floors and floor buckling resulting from such conditions. Additionally, Purchasers should note that ceramic, marble, stone and wood finishing installed in renovated Units (in areas including, but not limited to, flooring, walls, countertops, backsplash and vanity tops) are cut from different slabs and are comprised of natural materials, there will be variations in the tone and color of such finishes. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details.)

Risk of Loss Prior to Closing

14. (a) The risk of loss to the Unit by fire or other casualty until the Closing is assumed by Sponsor unless and until Purchaser takes possession of the Unit, at which time such risk to the extent not covered by existing insurance shall be assumed by Purchaser. Purchasers who are presently in occupancy of a Residential Unit should undertake to obtain appropriate levels of insurance coverage required by their Lease or any use and occupancy agreement.

(b) If Purchaser is the existing tenant or occupant of the Residential Unit, then Purchaser shall be solely responsible for any damage to, or loss or other condition in, the Residential Unit resulting from Purchaser's use or occupancy, and Sponsor shall not be obligated to make any repairs to the Residential Unit or its Installations unless the cause thereof originated outside the Residential Unit and did not result from the acts or omissions of Purchaser or other occupants of the Residential Unit or Purchaser's guests, invitees, agents or workers. However, until Closing, Sponsor will remain responsible to make those repairs required of it as landlord under any existing lease and the Rent Laws, if applicable; and after Closing, the Condominium Board will be responsible to make those repairs required of it under the Declaration and By-Laws.

(c) Purchasers should refer to the Section of the Plan entitled "Terms of Sale" and the Section entitled "Damage to the Residential Unit" of the Purchase Agreement set forth in Part II of the Plan for details.

Changes to Residential Units by Sponsor

15. In order to meet the possible varying demand for number and type of Residential Units, or to meet particular requirements of Purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by Law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without requiring the consent of the Condominium Board, any Residential Unit Owner or mortgagee, to (a) change the layout of, or number of rooms in, any Unsold Residential Unit, (b) change the size and/or number of Unsold Residential Units by dividing one or more of such Residential Units into two or more separate Unsold Residential Units, combining separate Unsold Residential Units (including those resulting from such subdivision or otherwise) into one or more Unsold Residential Units, altering any boundary walls between one or more Unsold Residential Units, or otherwise, including incorporating Residential Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Residential Unit into such Unsold Residential Unit, without changing such Unit's Common Interest percentage, (c) designate a Residential Common Element as part of a newly created Residential Unit or designate all or part of a Residential Unit as a newly created Residential Unit or Residential Common Element, (d) incorporate and enclose Limited Common Elements within a Residential Unit, (e) if appropriate, reapportion among the Unsold Residential Units affected by any such change, their aggregate Common Interest, and (f) make non-material changes in the size or quality of Common Elements. To the extent any such change involves entry into an occupied Residential Unit; Sponsor will repair any resulting damage to such Residential Unit. See the Section of the Plan entitled "Changes in Prices and Units" for details.

Unit Power of Attorney

16. Each Purchaser shall be obligated to enter into a power of attorney at the Closing of Title to the Residential Unit. The form of power of attorney, set forth in Part II of the Plan, grants broad powers to the Condominium Board to enter into agreements affecting the Common Elements and to bring tax certiorari proceedings on behalf of all Unit Owners. The power of attorney also grants to Sponsor the right to amend the Declaration and to make certain changes to Unsold Units and the Common Elements. (See the Power of Attorney set forth in Part II of the Plan.)

Security

17. While Unsold Residential Units are being offered for sale or lease by Sponsor, there may 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 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 visitors and any delivery of packages, provided that any such failure is not caused by the negligence of Sponsor, Managing Agent or their respective agents. No representation or warranty is made and no assurance is given that the security systems and procedures in the Building will prevent personal injury or damage to or loss of personal property. (See the Section of the Plan entitled "Description of Property and Building Condition" for details.)

Reserve Fund and Working Capital Fund

18. (a) A law enacted by the New York City Council provides a formula for determining the amount of the Reserve Fund. The exact amount of the Reserve Fund cannot be ascertained until the Plan is declared effective. Sponsor reserves the right to take a credit against the Reserve Fund for qualifying work performed in the Building (see the Section of the Plan entitled "Reserve Fund" and the Reserve Fund Law (Local Law 70) in Part II of the Plan for further details).

(b) No assurance can be given that the Reserve Fund will be adequate to pay for the replacement of capital items, and if additional monies are required over and above the Reserve Fund, it may be necessary to increase Common Charges or Residential Common Charges or levy a Special Assessment against the Unit Owners. Sponsor may also elect to advance its contributions to the Reserve Fund and take a credit against future supplemental contributions for capital expenditures. The Reserve Fund may only be used for capital expenditures and replacements and may not be used to reduce Common Charges. The obligations under the Reserve Fund Law shall not be waived under any circumstances except as may permitted under Law. (See the Section of the Plan entitled "Reserve Fund" for further details.)

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

(d) Each Purchaser of a Residential Unit will be required to make a non-refundable contribution to the Working Capital Fund of the Condominium. Such contribution, to be made at the time of Closing and at each resale closing, shall be in an amount equal to 2 months' Residential Common Charges assessed against the Residential Unit at Closing.

(e) Sponsor does not, to the best of Sponsor's knowledge, know of any capital items that are necessary or are likely to be necessary within 5 years from the commencement of the First Year of Condominium Operation.

(f) See the Section of the Plan entitled "Reserve Fund" and "Working Capital Fund and Apportionments" and the Reserve Fund Law (Local Law 70) in Part II of the Plan for further details.

Section 421-a Real Estate Tax Exemption

19. As more fully explained in the Opinion of Counsel re: Real Estate Tax Projection set forth in Part I of the Plan, the Residential Units of the Property currently receive partial real estate tax exemption benefits under Section 421-a of the Real Property Tax Law of the State of New York ("421-a Benefits"). The New York City Department of Housing Preservation and Development ("HPD") issued a preliminary certificate of eligibility ("PCE") on July 22, 2003 and the 421-a Benefits have been fully implemented. Sponsor is in the process of ascertaining the status of the Final Certificate of Eligibility HPD.

According to Sponsor's Real Estate Tax Counsel, the Property is currently in the final year of the 421-a Benefit period and the 421-a Benefits are scheduled to expire on June 30, 2015 ("421-a Benefits Expiration Date"). **Following the 421-a Benefits Expiration Date, Residential Units which become vacant will no longer be subject to the Rent Laws. Residential Units which are occupied on such date will be subject to the Rent Laws only until the expiration date of the respective lease for such Residential Unit.**

Neither Sponsor, Sponsor's Attorney, Sponsor's Real Estate Tax Counsel, Selling Agent, Managing Agent, nor any other person makes any warranty as to the amount of the real estate taxes which will be assessed against any Residential Unit or the amount of real estate taxes payable at any time by any Residential Unit Owner. Purchasers should refer to the Opinion of Counsel re: Real Estate Tax Projection and the Section of the Plan entitled "Real Estate Taxes" for further information

Special Allocation of Certain Common Expenses

20. Each Unit Owner must pay Common Charges to cover the cost of the operation and maintenance of the Condominium and Building in accordance with the New York Condominium Act (Real Property Law §§339(i)1(iv) and 339(m)). These costs, including those directly attributable to the Units and an allocated share of expenses attributable to the Condominium as a whole, will generally be borne by the Unit Owners in proportion to their respective Common Interests. However, certain budgeted items are allocated between the Residential Units and the Commercial Units on a special basis which reflects actual benefit and/or use associated with that particular item of expense or exclusive control of particular Common Elements, which may not be modified without the consent of the Commercial Unit Owners. Please refer specifically to Footnote 2 of Schedule B and Article 6.1(E) of the By-laws. Article 19.6 of the Declaration also provides that any amendment affecting the Sponsor or Commercial Unit Owner requires their consent. See "Notes to Schedule B" and the By-Laws for details.

Apportionments with the Condominium

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

Description of Property and Building Condition

22. (a) The "Description of Property and Building Condition" set forth in Part II of the Plan prepared by Gerner Kronick + Valcarcel, Architects, DPC ("Sponsor's Architect") recommends the repair and/or replacement of certain systems or portions of the Building. No assurance can be given that the Reserve Fund will be adequate to pay for the replacement of capital items listed in the "Description of Property and Building Condition" as requiring repair or replacement or other such replacements or repairs, and if additional monies are required over and above the Reserve Fund, it may be necessary to increase Common Charges or levy a Special Assessment against Unit Owners. The Reserve Fund may only be used for capital expenditures and may not be used to reduce Common Charges. (See the "Description of Property and Building Condition" in Part II and the Section of the Plan entitled "Reserve Fund" for details.)

(b) An Asbestos Inspection Report is set forth in Part II of the Plan. The Asbestos Inspection Report disclosed that no asbestos-containing material ("ACM") was detected in the Building. Sponsor makes no representation as to the existence or non-existence of ACM in any specific locations in the Building other than as set forth in the Asbestos Inspection Report. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" under the subsection "Sponsor's Obligations with respect to Asbestos" for further details.)

Window Treatments

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

Purchase Agreement Not Contingent on Financing

24. (a) Although a Purchaser may obtain financing from any lending institution or other source, Purchaser's obligation to purchase a Residential Unit pursuant to a Purchase Agreement is not contingent on Purchaser obtaining such financing, so that Purchaser will remain obligated under the Purchase Agreement, whether or not Purchaser has been able to obtain financing. If Purchaser is unable to obtain financing and has committed an Event of Default under the Purchase Agreement, Purchaser risks losing the Deposit. Neither Sponsor nor Selling Agent makes any representation as to the availability or terms of any mortgage financing. Prospective Purchasers may want to consult with a lending institution to ascertain the availability of financing and finalize their financing arrangements before signing a Purchase Agreement. While the First Closing is currently projected to occur on or around January 1, 2017, neither Sponsor nor Selling Agent makes any representation as to the actual closing date for any particular Unit. In addition, as set forth in the Plan and the Purchase Agreement, Sponsor has the right to adjourn the Closing Date in its sole discretion, from time to time, and prospective Purchasers should be aware that if the Closing Date is adjourned, Purchaser's financing terms may be adversely affected, the interest rate may increase and the loan commitment could expire. Sponsor shall have no liability as a result of any scheduling or adjournment of the Closing Date beyond the expiration of a loan commitment. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

(b) Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include, among others, requiring that a certain percentage of units in a building or group of buildings be sold before a lender will consider making a loan. Thus, it may be possible for a Purchaser to experience difficulties in obtaining a loan in a building or group of buildings where the Sponsor has not sold a substantial percentage of the units 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 a Residential Unit if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions.

(c) Even in a building undergoing conversion, lenders may still impose minimum sales requirements before granting a loan. It may then be difficult for Purchasers to resell Residential Units if prospective buyers are unable to obtain a loan due to such minimum sales and/or owner-occupancy requirements. (See the Section of the Plan entitled "Effective Date" for details.)

Special Rights of Sponsor

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

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

(c) During the Sponsor Control Period, the Condominium Board shall have the right, in its sole discretion, to waive Unit Owner obligations to pay Common Charges from and after the First Closing for a period to be determined by the Condominium Board, provided the basic operating costs of the Condominium (inclusive of insurance premiums and reserves required by lenders) are paid by Sponsor. If the Condominium Board elects to waive payment of Common Charges, Sponsor shall disclose such waiver of Common Charges and the expected period of time of such waiver of Common Charges ("Waiver Period") in the post-closing amendment to the Plan. In the event the Condominium Board elects to extend the Waiver Period. Upon commencement of collection of Common Charges from all Unit Owners, there will not be a Special Assessment for any expense set forth in the approved budget for which Common Charges were not collected during the Waiver Period. The Condominium Board shall remain obligated to update the budget in accordance with the terms of the Plan. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners," subsection "Common Charges: Determination and Assessment" for details.)

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

decrease in the square footage of a Unit, as set forth in the Schedule A, by 5% or less (excluding interior partitions) is not a material and/or adverse change. (See the Sections of the Plan entitled "Changes in Prices and Units" for details.)

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

(f) To the extent that Sponsor exercises its right to combine vacant Residential Units after the Filing Date of the Plan, resulting in fewer Residential Units in the Building, Sponsor reserves the right to modify the Schedule B to reflect any changes necessitated by such reduction, as determined by Sponsor. In such event, Sponsor shall amend the Plan, which amendment shall include an updated Schedule B and Certification of Budget Expert. Purchasers should note that such updated Schedule B will, in all likelihood, result in the reduction of Building staff and Purchasers who have entered into Purchase Agreements prior to the acceptance for filing of such amendment shall not be relieved of any of their obligations under the Purchase Agreement. Notwithstanding any reduction in the number of Residential Units the Building will be staffed appropriately and in compliance with Law.

Lot Line Windows

26. Lot line windows exist on the south facade of the Building in the "G" and "H" line Units on the 6th through 12th and 14th through 21st floors specifically affecting Units 6G through 12G, 6H through 12H, 14G through 21G, and 14H through 21H and such windows comply or will comply with all applicable codes, rules and regulations. Purchasers should refer to the "Description of Property and Building Condition" set forth in Part II of the Plan for the specific Residential Units containing lot line windows. Lot line windows are windows located on an exterior wall abutting (or less than 30' 0" away from) a property line, where the adjacent property is owned by others. While such windows provide views, light and air to spaces in the Residential Unit, they cannot be utilized to meet light and ventilation required by the Building Code of the City of New York. Residential Units having lot line windows have other windows which satisfy requirements for the lawful use of such Units for habitation. Lot line windows are considered amenities that potentially can be lost. Should an abutting property owner redevelop such property with one or more buildings of different configurations, it may be necessary to close the affected lot line windows and seal them in a manner and with such materials as are acceptable to the Buildings Department and the Condominium. The cost to close-up any lot line windows, if necessary, shall be borne by the affected Residential Unit Owner (including Sponsor with respect to Unsold Residential Units), which cost is currently estimated to be approximately $2,000 per window. Sponsor does not make any representation that this cost will not increase in the future. Neither Sponsor, Sponsor's architect, the Condominium Board or any other Person who took part in this offering will have any liability or obligation if the closing-up of any or all lot line windows is required. (See the "Description of Property and Building Condition" set forth in Part II of the Plan for details.)

Future Construction

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

Unit Measurements

28. (a) Floor Plans depicting layouts of Units and the Storage Lockers appear in Part II of the Plan. Each Unit is measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits are not deducted from measurement of each Unit) to the corridor side of the wall separating one Unit from corridors or to the centerline of the partitions separating one Unit from another Unit, 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. Each Unit is measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling.

(b) These square footages exceed the usable floor area of each Unit. See the Footnotes to Schedule A in Part I of the Plan and the "Description of Property and Building Condition" set forth in Part II of the Plan for details.

Window Guards / Legally Compliant Window Stops

29. Any installations, replacements, and/or repairs in connection with legally-compliant window guards and/or window stops in any Residential Unit shall be performed at the direction of the Managing Agent and all costs associated therewith shall be charged to and borne solely by the Residential Unit Owner. It is the responsibility of each Residential Unit Owner to (i) notify the Managing Agent in writing if any child under the age of eleven (11) years resides (even temporarily) in the Residential Unit, (ii) make the necessary arrangements with respect to the installation, repair, replacement, operation, and/or maintenance of legally-compliant window guards and/or window stops in the Residential Unit and/or any additional equipment as required by Law, and (iii) otherwise ensure that all operable windows located in the Residential Unit comply with Laws relating to window guards and/or window stops. Sponsor does not make any representation, warranty or assurance whether Residential Unit Owners will comply with the foregoing obligations. (See the Section of the Plan entitled "Terms of Sale" for further details.)

Marketing Materials

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

Wood Materials

31. Purchasers should note that natural materials used as finishes have certain inherent risks associated with such use. All references in the Plan to wood products shall be deemed references to engineered wood products unless otherwise specified. The renovated Residential Units will be delivered with wood floors, which should be maintained in accordance with the manufacturer's recommendations. Risks associated with all wood products (including, without limitation, wood flooring, furniture, cabinetry or interior of cabinetry may or may not be the same material and/or color as the exterior and molding)

include, but are not limited to, the following: appearance of cracks between the floor boards, squeaks, variation in color, variation in wood grain, texture, occurrence of knots, and cupping. Purchasers should also note that since wood is a product of nature, it can have a great deal of variability in color, grain, texture and appearance. Cracks, occurrence of knots, and grain variation are more noticeable in light colored wood flooring. Furthermore, wood flooring is affected by sunlight and often fades and changes with use and age. Some woods darken and some lighten when exposed to light. Wood flooring can also dent. Protective felt pads and protective sheeting such as plywood or masonite should always be used when placing furniture or appliances. As recommended by the National Wood Flooring Association, Purchasers are advise to be cautious about using water to wash wood flooring because it can cause warping and cracking. Standing water will cause cupping, swelling, and subsequent gapping. For more information about the effect of water on wood flooring, Purchasers should make reference to the National Wood Flooring Association, available at http://www.nwfa.org/. (See the Sections of the Plan entitled "Rights and Obligations of Sponsor" and "Rights and Obligations Unit Owners" for further details.)

Principal of Sponsor Has Executed The Certification of Sponsor and Principal for Compliance with the Martin Act and Governing Regulations

32. Consistent with a recent First Department decision, the principal of Sponsor expressly disclaims the existence of any private right of action for contract claims by individual unit owners (or a board on their behalf) in connection with or arising solely from his execution of the Certification of Sponsor and Principal, absent liability under another statute or under an alter-ego or other veil-piercing theory. See Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC. et al, 106 A.D. 3rd 542 (1st Dept. May 16, 2013).

Insurance

33. (a) The budgeted line item for the insurance premiums set forth in Schedule B represents current insurance premiums at current rates. In recent years, premiums for insurance (especially fire, terrorism, liability and flood insurance) have increased significantly. Although the projections in Schedule B are believed to be reasonable as of the submission of the preliminary Plan to the DOL, Purchasers should note that insurance premiums could increase depending on market and weather conditions. It is not possible to predict whether future premiums will continue to escalate at the same substantial rate or will level off. No guarantee is given that insurance premiums will not increase.

(b) Sponsor does not make any representation that the insurance limits set forth in Schedule B will meet the requirements of a lender who finances the purchase of a Unit. If Purchaser's lender requires additional insurance, Purchaser will be obligated to obtain such supplemental insurance at Purchaser's sole cost and expense.

INTRODUCTION

Nature of the Transaction

MF 385 First Ave LLC ("Sponsor") is a limited liability company organized and existing under the laws of the State of Delaware. Sponsor acquired the Property on September 19, 2014 from Rose Hill Associates, LLC.

Sponsor presents this offering plan, as the same may be amended from time to time ("Plan") for the conversion to condominium ownership of the Land and Building pursuant to the Condominium Act. The Condominium will be known as 385 First Avenue Condominium and located at 385 First Avenue, New York, New York 10010 ("Property"). The Condominium will be established in accordance with the Condominium Act upon the recording of the Declaration and filing of the tax lot drawings.

The sole principal of Sponsor is Benjamin Shaoul. (See the Sections of the Plan entitled "Identity of Parties" and the "Certification of Sponsor and Principal" in Part II of the Plan for further details.)

The Condominium will consist of: (a) 138 Residential Units (including 1 Resident Manager's Unit), (b) 3 Commercial Units, and (c) 47 Storage Lockers. As of the approximate submission date of the preliminary Plan, all of the Residential Units in the Building are subject to the Emergency Tenant Protection Act of 1974, as amended, the New York City Rent Stabilization Law of 1969, as amended, the Rent Stabilization Code, as amended, and any policies and procedures promulgated thereunder and any administration and/or judicial determinations and/or interpretations thereof, to the extent that any or all of the same shall apply to the Property (collectively, "Rent Laws") solely on account of the receipt of Section 421-a Real Estate Tax Exemption Benefits, which expired on June 30, 2015. None of the Units are subject to the New York City Rent Control Law.

Following submission of the Plan, as a part of Sponsor's Work, Sponsor submitted Building alteration plans ("Alteration Plans") to the Department of Buildings ("DOB") to, among other things, combine Residential Units at the Building. Based upon these combinations, the number of Residential Units offered for sale would be reduced from 138 units to approximately 103 units. The Alteration Plans covered combinations of Residential Units for (i) Vacant Units, (ii) occupied Units where the leases were expiring on or before June 30, 2015 and the Sponsor believed that the tenants would be vacating and (iii) occupied Units where the leases were expiring on or after July 1, 2015. Sponsor acknowledges and agrees that it will undertake no work under the Alteration Plans in any occupied Unit until such Unit is vacated. During the performance of Sponsor's Work, Sponsor will comply with all DOB requirements with respect to the Tenant Protection Plan (which may be amended from time to time), a copy of which is set forth in Part II of the Plan, and will adhere to the terms thereof. Sponsor will also provide a person to be contacted 24/7 with respect to construction issues: Jose Gomez at (917) 532-0672 or e-mail at jgomez@magnumreg.com.

The Residential Units and the Commercial Units are collectively referred to as the "Units."

The Offering Plan

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

Sponsor may from time to time amend the Plan by filing an amendment with the New York State Department of Law ("Department of Law"), having an office at 120 Broadway, 23rd Floor, New York, New York and serving such amendment on Offerees, as the term "Offerees" is defined in the Regulations of the Department of Law.

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

In addition, Sponsor has filed with the Department of Law, Exhibits to the Plan which, along with the Plan, constitute the entire offer of Sponsor. Copies of the Plan and all documents referred to in the Plan and all Exhibits submitted to the Department of Law in connection with the Plan shall be available for inspection by Purchasers and their attorneys without charge and for copying at a reasonable charge by any Person who shall have purchased a Unit offered by the Plan at the Sales Office and available for inspection and copying at the office of the Department of Law. A prospective Purchaser (other than a Tenant-Purchaser) may borrow a copy of the Plan upon payment of a $300 deposit, which amount will be fully refunded upon either (i) the prompt return of the Plan in good condition or (ii) the execution by the Purchaser of a Purchase Agreement subsequently accepted by Sponsor. Copies of the Plan will be served upon all Tenant-Purchasers within three (3) business days after acceptance for filing by the Department of Law. Purchasers are also advised to consult with their own attorneys or other advisers before agreeing to purchase. All documents are important and should be read carefully by Purchasers.

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

Offering of Residential Units for Sale

Sponsor hereby offers the Residential Units for sale pursuant to the Plan. In addition, the Resident Manger's Unit is being sold by Sponsor to the Condominium to be used by the Resident Manager. The Purchase Prices for each of the Residential Units are listed in the Section of the Plan entitled "Schedule A – Purchase Prices and Related Information" ("Schedule A"). THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

Schedule A also contains a listing of the approximate square footage of each Residential Unit. (See the Section of the Plan entitled "Description of Property and Building Condition" and "Floor Plans" for details.)

1. The Offer to Present Existing Tenants

Bona Fide Tenants have the exclusive right to purchase only their respective Residential Units within the first 90 days from the Presentation Date of the Plan ("Initial Exclusive Purchase Period") at the Purchase Prices set forth in Schedule A. There will be no increase in Purchase Prices for Tenant-Purchasers during any Exclusive Purchase Period and Sponsor will not accept Purchase Agreements from Non-Tenant Purchasers for occupied Units during any Exclusive Purchase Period.

In order to qualify for the foregoing benefits during the Initial Exclusive Purchase Period, a Bona Fide Tenant must deliver to Selling Agent during such Initial Exclusive Purchase Period (i) four (4) original, complete, and unaltered executed copies of the Purchase Agreement, (ii) a completed and executed original form W-9 or form W-8, as applicable, and an official bank check made payable to "Starr Associates LLP, as Escrow Agent" in the amount of 15% of the Purchase Price of the Unit representing the Initial Deposit. (See the Section of the Plan entitled "Procedure to Purchase" for further details.)

If prior to the First Closing, Sponsor amends the terms and conditions of the offering to be more favorable to Bona Fide Tenants, a Tenant-Purchaser who executed and submitted a Purchase Agreement and delivered the Initial Deposit for the Residential Unit which the Tenant-Purchaser occupied on

the Filing Date before Sponsor amended the terms of the Plan, shall benefit from the more favorable terms and conditions.

2. **The Offer to Non-Tenant-Purchasers**

Sponsor hereby offers for sale the Residential Units set forth in Schedule A to Non-Tenant-Purchasers (defined as Purchasers other than Tenant-Purchasers) on the following terms:

(i) They shall have opportunity to purchase a vacant Residential Unit at the prevailing "Purchase Price for Non-Tenant-Purchasers" as set forth on Schedule A, as amended from time to time; and

(ii) They shall have the opportunity to purchase an occupied Residential Unit either following the Initial Exclusive Purchase Period afforded Bona Fide Tenants or upon receipt of a written waiver by the Bona Fide Tenant of the right to purchase the Residential Unit which such Bona Fide Tenant occupies during the Initial Exclusive Purchase Period, at the "Purchase Price for Non-Tenant-Purchasers" as set forth on Schedule A, as amended from time to time.

In order to qualify for the foregoing benefits, a Non-Tenant-Purchaser must deliver to Selling Agent (i) four (4) original, complete, and unaltered executed copies of the Purchase Agreement, (ii) a completed and executed original form W-9 or form W-8, as applicable, and (iii) an official bank check made payable to "Starr Associates LLP, as Escrow Agent" in the amount of 15% of the Purchase Price of the Unit representing the Initial Deposit. (See the Section of the Plan entitled "Procedure to Purchase" for further details.)

3. **All Offers to Purchase Residential Units**

At the time of execution of a Purchase Agreement, a Tenant-Purchaser or Non-Tenant-Purchaser as applicable will be required to deliver an Initial Deposit in an amount specified in Paragraphs 1 or 2 above, as applicable. At the earlier to occur of (i) 6 months after the date of the Purchase Agreement or (ii) 15 days after the Presentation Date of the amendment declaring the Plan effective, a Tenant-Purchaser will be required to deliver an Additional Deposit in an amount equal to 5% of the Purchase Price and a Non-Tenant Purchaser will be required to deliver an Additional Deposit in an amount equal to 5% of the Purchase Price. Notwithstanding the foregoing, any Purchaser executing a Purchase Agreement on or after the date the Plan is declared effective is required to deliver the full Deposit in an amount equal to 20% of the Purchase Price and any Non-Tenant Purchaser executing a Purchase Agreement after the Plan is declared effective is required to deliver the full Deposit in an amount equal to 20% of the Purchase Price.

With respect to the payment of any Deposits, Purchaser shall deliver such payment by official bank check or, if Sponsor offers the option in Sponsor's sole discretion, by wire transfer. All checks (i) must be drawn on or issued by a bank or trust company which is a member of the New York Clearinghouse Association, (ii) must be made payable to the direct order of "Starr Associates LLP, as Escrow Agent," and (iii) shall be accepted by Sponsor subject to collection. If any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, at its option, among other things, (a) with respect to a check towards the Initial Deposit, to deem such Purchase Agreement to be void *ab initio* and of no further force or effect, or (b) with respect to any check towards the Additional Deposit, to cancel the Purchase Agreement and retain as liquidated damages all Deposits delivered, together with any interest earned thereon. With respect to wire transferred funds, (y) such wire transfer must be payable to the direct order of the Escrow Agent and (z) any wiring fees charged by the initiating and/or receiving bank shall be paid by Purchaser. FUNDS DRAWN ON OUT-OF-STATE OR FOREIGN BANKS WILL NOT BE ACCEPTED IN PAYMENT OF THE PURCHASE PRICE.

Offering of Storage Lockers for Sale

Sponsor hereby offers the Storage Lockers for sale pursuant to the Plan pursuant to a licensing arrangement ("Storage Locker License"). A Storage Locker may only be purchased by a Purchaser of a Residential Unit or other Residential Unit Owners. The Purchase Price for each of the Storage Lockers is listed in Schedule "A." THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY. The Condominium Board has the right to impose license fees and Special Assessments in connection with the Storage Locker Licenses.

Although the Storage Locker Area(s) are Residential Common Elements, the Condominium Board has granted Sponsor the exclusive right, without charge, to sell Storage Locker Licenses located therein. The Condominium will not be entitled to any of the proceeds from the sale of the Storage Locker Licenses.

Purchasers will be required to consummate the purchase of the Residential Unit and the Storage Locker License simultaneously at Closing even though access may not be available to the Storage Locker Area or the particular storage locker. In such event, the proceeds from the sale of the Storage Locker License will be held in escrow ("Storage Locker Escrow") by Escrow Agent until access is available to the Storage Locker Area or the particular storage locker. The Storage Locker Escrow will not be held in an interest bearing account for the benefit of Purchaser. Purchaser will earn no interest on the Storage Locker Escrow.

Sponsor reserves the right to offer as many Storage Lockers as it determines and to withhold one or more for future sale. In addition, Sponsor has the right to limit the number of Storage Lockers sold to any single Purchaser of a Residential Unit or to make bulk sales, as it deems fit.

Based upon market conditions, until such time as Sponsor has entered into a Purchase Agreement with respect to the sale of a Storage Locker License, Sponsor reserves the right to withdraw the offering of Storage Lockers and/or to reduce the number of Storage Locker Licenses offered. After such time that Sponsor has entered into a Purchase Agreement with respect to the sale of a Storage Locker License, Sponsor may withdraw or reduce the offering of any Storage Locker Licenses but only to the extent that such withdrawal or reduction does not affect any Storage Locker Licenses already under contract. If, subject to the foregoing limitations, Sponsor elects to withdraw or reduce the offering of any Storage Locker Licenses, then such withdrawal or reduction shall be disclosed by Sponsor in an amendment to the Plan, and Sponsor shall have the right to utilize such Storage Locker Area(s) for any use as determined by Sponsor in its sole discretion. Furthermore, in the event of such withdrawal or reduction, with respect only to Purchasers (i) who have not entered into Purchase Agreements for Storage Locker Licenses and (ii) who have entered into Purchase Agreements for Storage Locker Licenses unaffected by the withdrawal or reduction, such Purchasers shall not be relieved of any of their obligations under their respective Purchase Agreements as a result of such withdrawal or reduction, including without limitation the obligation to purchase the Residential Unit.

Terms of Offer

The Residential Units and their appurtenant Common Elements are being sold "as is" to Tenant-Purchasers in the condition in which they exist on the Filing Date of the Plan, subject to ordinary wear and tear and further subject to Sponsor's obligations to maintain the Building until the First Closing and to make repairs, improvements or decorations as may be otherwise set forth in the Plan; and to all Purchasers of vacant Residential Units "as is" in the condition in which they exist on the Closing Date of such Residential Unit.

All Deposits received by Sponsor directly or through its agents or employees will be held in accordance with the Section of the Plan entitled "Escrow and Trust Fund Requirements."

A copy of the form of Purchase Agreement that will be used by Sponsor in connection with the sale of the Residential Units is set forth in Part II of the Plan. Sponsor reserves the right to revise the form of Purchase Agreement from time to time. All material and adverse changes in the Purchase Agreement will be disclosed in an amendment to the Plan.

No binding obligation shall arise for the sale of a Residential Unit unless and until a Purchase Agreement, executed by both Purchaser and Sponsor, has been exchanged, and Sponsor has collected the Initial Deposit (see the Section of the Plan entitled "Procedure to Purchase" for further details), except for a Bona Fide Tenant who executes and delivers an unaltered Purchase Agreement and the Initial Deposit to Sponsor within an Exclusive Purchase Period, with respect to the Residential Unit occupied by such Bona Fide Tenant on the Filing Date and who is in good standing under such Bona Fide Tenant's lease, provided that such rejection is not based on sex, race, creed, color, national origin, marital status, ancestry, disability, or other grounds proscribed by Law.

For further details concerning the Closing of Title to the Residential Units, the costs and adjustments with respect thereto and the time periods which must elapse before closings may occur, see the Sections of the Plan entitled "Effective Date," "Closing Costs and Adjustments" and "Terms of Sale."

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

Applicable Rent Laws

The Plan is a non-eviction plan and is being presented in compliance with the requirements of Section 352-eeee of the General Business Law ("GBL") which sets forth the procedure for converting occupied dwelling units to condominium ownership. Under the GBL, Sponsor may declare the Plan effective when Purchase Agreements have been executed for at least 15% of the Residential Units in the Building by Bona Fide Tenants in occupancy on the Filing Date or Bona Fide Purchasers who represent that they intend that they or one or more specified Family Members will occupy the Residential Unit when it becomes vacant. A Non-Purchasing Tenant of a Residential Unit will not be evicted by reason of conversion of the Property to condominium ownership. As of the approximate submission date of the preliminary Plan (or "red herring") to the Department of Law, all of the 138 Residential Units in the Building are subject to the Emergency Tenant Protection Act of 1974, as amended, the New York City Rent Stabilization Law of 1969, as amended, the Rent Stabilization Code, as amended, and any policies and procedures promulgated thereunder and any administration and/or judicial determinations and/or interpretations thereof, to the extent that any or all of the same shall apply to the Property (collectively, "Rent Laws"). Specifically, as of the submission date, all of the Residential Units are subject to Rent Stabilization and none of the Residential Units are subject to the New York City Rent Control Law. The Rent Laws are applicable to the Residential Units solely on account of the receipt of Section 421-a Real Estate Tax Exemption Benefits as described in the Section of the Plan entitled "Real Estate Tax Exemption Benefits (421-a)."

Purchasers should refer to the Sections of the Plan entitled "Rights of Existing Tenants" and "Obligations of Purchasers of Residential Units Occupied by Non-Purchasing Tenants" for details.

Sponsor's Rights with Respect to Leasing Rather than Selling Unsold Residential Units

(a) Sponsor reserves the right to rent or lease any vacant Unit prior to Closing to the Purchaser thereof or any other party. Sponsor reserves the unconditional right to rent rather than to sell Residential Units as they become vacant. Sponsor's right to rent rather than sell Residential Units once they become vacant is unconditional and exercisable in Sponsor's sole discretion.

Sponsor has procured an agreement from Post Collection Funding LLC with an address at 150 Strafford Avenue, Suite 301, Wayne, PA 19087 ("Sponsor's Lender") for financing the acquisition and/or renovation or improvement of the Building or portions thereof. Sponsor will receive advances from Sponsor's Lender each month, so long as Sponsor complies with the provisions of the loan regarding its responsibilities to use the funds advanced in the agreed manner and generally to proceed with the Building improvements as agreed to in the loan documents. The loan documents do not require Sponsor to enter into a specific minimum number of Purchase Agreements prior to declaring the Plan effective. The loan documents require Sponsor to meet certain minimum release prices prior to Sponsor's Lender's release of its lien against each Residential Unit. Sponsor has also procured financing from RCG Longview with an address at 7 Pennsylvania Plaza, No. 512, New York, NY 10001 ("Additional Lender") for financing the Sponsor work. The financing provided by Additional Lender is not secured by a mortgage on the Building. Proceeds from the sale of the Units will first be applied to satisfy the loan held by Sponsor's Lender and subsequent proceeds will be applied to satisfy the loan held by Additional Lender.

(b) Following the expiration of the Initial Exclusive Purchase Period, Sponsor shall have the right to: (i) sell occupied Residential Units to one or more non-occupant Purchasers for investment or resale; (ii) lease occupied Residential Units to others; or (iii) retain vacant Residential Units for future sale or rental. Any such sales are subject to the rights, if any, of Bona Fide Tenants to purchase their respective Residential Units during a subsequent Exclusive Purchase Period provided in an amendment to the Plan prior to the Effective Date. The Plan may not be declared effective based on Purchase Agreements executed by Purchasers who have not represented that they intend to occupy the Unit when it becomes vacant. (See the Section of the Plan entitled "Effective Date" for details.)

(c) Residents of the Condominium may be comprised of both Unit Owners and tenants leasing from Sponsor or tenants leasing from 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 number of tenants may not be Unit Owners. Owner-occupants may never gain control and management of the Condominium since the By-Laws do not include a provision that after the expiration of the Sponsor Control Period a majority of the Condominium Board must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principal. 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., purchasing as a home as opposed to as an investment. (See the Section of the Plan entitled "Obligations of Purchasers of Units Occupied by Non-Purchasing Tenants" for details).

(d) Prospective Purchasers should be aware that potentially they may be living with non-purchasing occupants in many of the Units for an indefinite period, depending upon market conditions. In Sponsor's sole discretion, non-purchasing occupants (other than Non-Purchasing Tenants whose rights are governed by Law) may receive the same Building services and use the Building's amenities as owner-occupants, however, they have no investment in their Units and, therefore, may not share the same economic interests as owner-occupants in the maintenance and care of the Building's facilities and amenities.

(e) Sponsor reserves the right to sell 10% or more of the Unsold Units ("Bulk Sale") to a Person which assumes the rights and obligations of Sponsor with respect to such Units.

Basic Aspects of Condominium Ownership

The ownership of a Unit is similar in many respects to the ownership of a private home in the case of a Residential Unit, and a building in the case of a Commercial Unit. Each Unit Owner owns fee title to the Unit and is entitled to the exclusive possession and use thereof and is obligated to comply, with the terms of the Condominium Documents and any other requirements implemented by the Condominium Board. Each Unit Owner also owns, in common with the owners of all other Units, an undivided interest in (and right to use) the Common Elements. The Common Elements are comprised of: (i) portions of the Property serving and benefiting all Units, generally, including, for example, the Land upon which the Building stands and

foundations and supports of the Building, these Common Elements being more specifically designated as "General Common Elements," (ii) portions of the Building serving and benefiting the Residential Units, exclusively, including for example, and without limitation, the residential lobby, residential hallways, residential corridors and residential elevators exclusively servicing the Residential Units, these Common Elements being more specifically designated as "Residential Common Elements;" (iii) portions of the Building exclusively serving and benefiting one Residential Unit such as a Terrace, these Common Elements being specifically designated as "Residential Limited Common Elements;" and (iv) portions of the Building exclusively serving and benefiting the Commercial Unit, these Common Elements being specifically designated as "Commercial Limited Common Elements."

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

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

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

Each Unit will be taxed as a separate tax lot for real estate tax purposes and a Unit Owner will not be responsible for the payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes assessed against any other Unit.

With certain exceptions set forth in the By-Laws, any sale or lease of a Residential Unit will be subject to a right by the Condominium Board to acquire or lease such Residential Unit or to produce a third party to acquire or lease such Residential Unit on the same terms as were offered to the owner of such Residential Unit. Sponsor and the Commercial Unit Owners may sell or lease any of their respective Units without any restriction or limitation. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board" subsection "Sales and Leases of Residential Units" for details.)

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

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

The cost of operating the Condominium will be borne entirely by the Unit Owners in accordance with allocations set forth in the Schedule B – Projected Budget for the First Year of Condominium Operation. As more particularly set forth in the By-Laws, the Condominium Board will determine the amount of Common Expenses. On a monthly basis or at such other times as the Condominium Board determines, the

Condominium Board will assess Unit Owners for Common Charges to meet Common Expenses. Common Expenses shall be either General Common Expenses attributable to all Unit Owners or Residential Common Expenses attributable to Residential Unit Owners only. Residential Common Charges will be assessed against Residential Unit Owners in the same proportion their respective Residential Units bears to the aggregate Common Interest of all Residential Units. The estimated Common Charges for each Unit for the First Year of Condominium Operation are set forth in Schedule A. Purchasers are obligated to pay monthly Common Charges pursuant to the Condominium Act (RPL Sections 339-i and 339-m).

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

The Residential Common Interest of each Residential Unit in the Residential Common Elements is apportioned in the same proportion that the Residential Unit bears to the aggregate Common Interest of all of the Residential Units in the Condominium.

Certain budgeted items (See the "Notes to Schedule B" for details) are allocated between the Residential Units and the Commercial Units on a special basis which reflects actual benefit and/or use associated with that particular item of expense or exclusive control of particular Common Elements. The Condominium Board may not modify these allocations without the unanimous consent of the Commercial Unit Owners. In the opinion of Sponsor's budget expert, as set forth in the Certifications of Budget Expert set forth in Part II of the Plan, the allocated Common Charges payable by the Commercial Unit Owners are sufficient to cover the expenses fairly attributable to the Commercial Units. Unit Owners will have no interest in any rents, net profits or revenues derived from the rental or use of any Unit owned by another. The aggregate Common Interest of all Units equals 100%. The aggregate Residential Common Interests of all Residential Units equals 100%. The percentage of Common Interests are the basis for determining a Unit Owner's share of distribution upon termination of the Condominium with Unit Owners then sharing pro rata in the proceeds of the Condominium. Each Unit's Common Interest and Residential Common Interest, as applicable, and estimate of the Common Charges that will be payable by the Unit Owner during the First Year of Condominium Operation of the Property subsequent to the First Closing are set forth in the Section of the Plan entitled "Schedule A – Purchase Prices of Units and Related Information."

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

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

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

Real Property Law – Section 339-kk

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

Income Taxes

In the opinion of Income Tax Counsel to Sponsor, under present income tax laws, certain Residential Unit Owners who are U.S. citizens or permanent residents of the United States and who itemize their deductions may deduct from income for income tax purposes the real estate taxes paid in connection with an owned Residential Unit, and any other interest paid to a lender with respect to a mortgage on such Residential Unit, provided the Residential Unit Owner uses the Residential Unit as a principal residence or a secondary residence and the mortgage indebtedness does not exceed the Residential Unit Owner's cost of the residence plus the cost of any improvements thereto. Purchasers are advised to consult with their own tax counsel regarding the availability or non-availability of such deduction on a case-by-case basis. A copy of Attorney's Income Tax Opinion is set forth in Part I of the Plan.

Use of Units

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

A Storage Locker may be used only for the storage of personal effects of a Residential Unit Owner, and in no event shall any food or other perishable item, or any flammable or explosive item or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance, be stored therein.

Sponsor may, without the consent of either the Condominium Board or the Unit Owners, use any Unsold Storage Locker for any purpose permitted by Law or to change the permitted use of an Unsold Storage Locker, subject to the provisions of the By-Laws. Except for Sponsor and the Condominium Board, a Storage Locker may not be licensed independently of a Residential Unit.

With certain exceptions, as set forth in the By-Laws, any sale or rental of a Residential Unit will be subject to a right by the Condominium Board to acquire or lease such Residential Unit or to produce a third party to acquire or lease such Residential Unit on the same terms as were offered to the owner of such Residential Unit. Sponsor and each Commercial Unit Owner may sell or lease their respective Units, or portions thereof, without any restriction or limitation. Since the Condominium Board does not have the right to approve or disapprove potential Purchasers of Residential Units, the Condominium Board is unable to limit

the number of Purchasers who purchase Residential Units for investment or resale rather than for personal occupancy and there may always be a substantial percentage of Residential Unit Owners who are not occupants. It is possible that Residential Unit Owners who occupy Residential Units may have different interests than those Residential Unit Owners who do not occupy Residential Units. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners" subsection "Sales and Leases of Units" for details.)

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

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

General

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

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.

DEFINITIONS

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

"Additional Deposit" shall mean the deposit in an amount as applicable, (i) in the case of a Tenant-Purchaser, equal to 5% of the Purchase Price; or (ii) in the case of a Non-Tenant Purchaser, equal to 5% of the Purchase Price required to be delivered by Purchaser before the earlier to occur of (i) 6 months after the date the Purchase Agreement is executed; or (ii) 15 days after the Presentation Date of an amendment declaring the Plan effective.

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

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

"Bona Fide Tenant" shall mean (a) a bona fide tenant in occupancy on the Filing Date; (b) a bona fide tenant with the right to renew a lease on the Filing Date; (c) a bona fide tenant who has the right to continued occupancy on the Filing Date; (d) a bona fide tenant of record with an unexpired lease on the Filing Date even though the tenant has sublet the Residential Unit or the Residential Unit is not the tenant's primary residence; and (e) a bona fide sublessee in occupancy on the Filing Date, if such sublessee subleases from a non-bona fide tenant, or has obtained written permission to purchase the Residential Unit from the bona fide tenant of record.

"Bona Fide Purchaser" shall mean a Purchaser (other than a Bona Fide Tenant) who represents that Purchaser or members of Purchaser's immediate family intend to occupy the Residential Unit when it becomes vacant.

"Building" shall mean the building located at 385 First Avenue, New York, New York 10010.

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

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

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

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

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

"Commercial Common Elements" shall mean those portions of the Common Elements either existing for the common use of the Commercial Units or the Commercial Unit Owners or necessary for, or convenient to, the existence, maintenance or safety of the Commercial Units, as more particularly described in the Declaration and the Floor Plans.

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

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

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

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

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

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

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

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

"Condominium" shall mean 385 First Avenue Condominium which will be established pursuant to the terms of the Declaration and which is governed pursuant to the terms of the By-Laws.

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

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

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

"Declarant" shall mean 385 First Ave LLC and its successors and assigns.

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

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

"Deposits" shall mean, collectively, all deposits, advances and payments delivered by a Purchaser prior to the Closing of a Unit, including, without limitation, the Initial Deposit and Additional Deposit.

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

"Exclusive Purchase Period" shall mean the exclusive 90 day period from the Presentation Date of the Plan within which a Bona Fide Tenant shall have the exclusive right to purchase the Residential Unit such Bona Fide Tenant occupies on the Filing Date at the Purchase Price set forth on Schedule A and any subsequent exclusive purchase period which may be granted by Sponsor pursuant to an amendment to the Plan.

"Facilities" shall mean all personal property and fixtures now or hereafter existing in, on, or under the Land or the Building and either existing for the common use of one or more of the Units or the Unit Owners or necessary or convenient for the existence, maintenance, or safety of the Property. For purposes of illustrating the broad scope of such term and without intention to limit the generality of the foregoing in any respect, the term "Facilities" shall include all systems, equipment, apparatus, convectors, radiators, heaters, converters, heat exchangers, mechanisms, devices, machinery, induction units, fan coil units, motors, pumps, controls, tanks, tank assemblies, installations, condensers, compressors, fans, dampers, blowers, thermostats, thermometers, coils, vents, sensors, shut off valves, other valves, gongs, panels, receptacles, outlets, relays, alarms, sprinkler heads, electric distribution facilities, wiring, wireways, switches, switchboards, circuit breakers, transformers, fittings, siamese connections, hoses, plumbing fixtures, lighting fixtures, other fixtures, bulbs, signs, antennae, telephones, intercom equipment, playground equipment, meters, meter assemblies, scaffolding, piping, lines, ducts, conduits, cables, risers, mains, shafts, pits, flues, locks, hardware, racks, screens, strainers, traps, drainage systems, sewers and/or storm pipes, drywalls, or detention tanks, drains, catch basins, leaders, filters, incinerators, canopies, closets, cabinets, doors, railings, copings, steps, furniture, mirrors, furnishings, appurtenances, urns, baskets, mail chutes, mail boxes, carpeting, tiles, floor coverings, sheetrock, interior walls, draperies, shades, window coverings, wallpaper, wallcoverings, trees, shrubbery, flowers, plants, horticultural tubs and horticultural boxes, sockets, davits and rigs for window cleaning.

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

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

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

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

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

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

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

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

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

"General Common Elements" shall mean those certain portions of the Property (other than the Units), as well as those Facilities therein, either existing for the common use of all of the Units or all the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property, as more particularly described in the Declaration and the Floor Plans.

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

"Initial Deposit" shall mean a deposit required to be delivered by Purchaser at the time Purchaser executes a Purchase Agreement in an amount, as applicable, (i) in the case of a Tenant-Purchaser, equal to 15% of the Purchase Price; or (ii) in the case of a Non-Tenant-Purchaser, equal to 15% of the Purchase Price.

"Initial Purchase Period" shall mean the exclusive 90 day period from the Presentation Date of the Plan within which a Bona Fide Tenant shall have the exclusive right to purchase the Residential Unit such Bona Fide Tenant occupies on the Filing Date, at the Purchase Price set forth on Schedule A

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

"Institutional Mortgage" shall mean any Permitted Mortgage where the initial holder is either Sponsor or an Institutional Lender.

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

"Land" shall mean the land located in the Borough of Manhattan on the Tax Map of the Division of Land Records of The City of New York as Block 928, Lot 31 and more particularly described in Exhibit A to the Declaration.

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

"Licensee" shall mean a Purchaser who enters into a Storage Locker License.

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

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

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

"Mortgage Representative" shall mean not more than 3 representatives designated by the holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages, which Mortgage Representatives shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgagees under the Declaration or the By-Laws.

"Non-Purchasing Tenant" shall mean a person who has not purchased a Residential Unit under the Plan and who was a tenant entitled to possession at the time the Plan was declared effective. A person who sublets a Residential Unit from a Purchaser under the Plan is not deemed a Non-Purchasing Tenant.

"Offeree" shall mean (a) a Purchaser who has executed and delivered a Purchase Agreement for a Residential Unit and who is not in default thereunder, (b) a Residential Unit Owner, and (c) any other Person who, pursuant to Law, is an offeree of the Plan.

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

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

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

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

"Permitted User" shall mean any officer, director, member, stockholder, principal, partner, employee, agent (including managing, sales and leasing agent), guest, tenant, occupant, customer, invitee,

licensee, contractor, Permitted Mortgagee or any other Person related, affiliated or designated by Sponsor, the Condominium Board or a Unit Owner who has permission to use a Unit and/or a portion of the Common Elements, subject to the terms of the Condominium Documents, whether written or oral, granted by: (i) a Unit Owner in the case of such Unit Owner's Unit and its appurtenant Common Elements; or (ii) the Condominium Board; or (iii) the Condominium Documents; or (iv) Sponsor.

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

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

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

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

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

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

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

"Rent Laws" shall mean, collectively, (i) the Emergency Tenant Protection Act of 1974, as amended, (ii) the New York City Rent Stabilization Law of 1969, as amended, (iii) the Rent Stabilization Code, as amended, and (iv) any policies and procedures promulgated thereunder and any administration and/or judicial determinations and/or interpretations thereof, to the extent that any or all of the same shall apply to the Property.

"Resident Manager's Unit" shall mean the Residential Unit designated as the Resident Manager's Unit in the Declaration.

"Residential Common Charges" shall mean the Common Charges allocated and assessed by the Condominium Board to the Residential Unit Owners, pro-rata, in accordance with their respective Residential Common Interests to meet the Residential Common Expenses.

"Residential Common Elements" shall mean those portions of the Common Elements either existing for the common use of the Residential Units or the Residential Unit Owners or necessary for, or convenient to, the existence, maintenance or safety of the Residential Units, as more particularly described in the Declaration and the Floor Plans, except with respect to the Storage Lockers, which are only available for use by the licensee of the particular Storage Locker.

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

"Residential Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, of each Residential Unit Owner in the Residential Common Elements. The total of all Residential Common Interest percentages appurtenant to all Residential Units equals 100%. The Residential Common Interests are the basis for determining a Residential Unit Owner's liability for such Unit Owner's share of the Residential Common Expenses.

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

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

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

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

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

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

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

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

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

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

"Sponsor" shall mean MF 385 First Ave LLC and its successors and assigns as well as any Person(s) designated by Sponsor, in a writing to the Condominium Board or by amendment to the Plan, to retain Sponsor's rights under the Plan and the Condominium Documents.

"Sponsor Control Period" shall mean the period ending on the earlier to occur of: (i) the Unsold Residential Units representing less than 50% of the aggregate Common Interest, or (ii) 5 years after the First Closing, or (iii) the date on which Sponsor otherwise exercises its right to relinquish voting control of the Condominium Board.

"Sponsor's Lender" shall mean a Person, together with its successors, assigns and servicers, from whom Sponsor has procured, or will have procured, an agreement for financing the acquisition and/ or renovation or improvement of the Building or portions thereof.

"Sponsor's Work" shall mean the work performed by Sponsor at the Property as described in the Plan, as amended, including, without limitation, combining Units, making certain capital repairs, replacements and cosmetic improvements and adding and improving amenity areas.

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

"Storage Locker Area" shall mean an area located in the cellar of the Building containing the Storage Lockers. The Storage Locker Area is a Residential Common Element.

"Storage Locker License" shall mean the agreement pursuant to which a Storage Locker is licensed to a Residential Unit Owner.

"Storage Locker Licensee" shall mean any Residential Unit Owner who licenses a Storage Locker at the time in question. All such Residential Unit Owners are, collectively, referred to as "Storage Locker Licensees."

"Tenant-Purchaser" shall mean a Bona Fide Tenant who purchases the Residential Unit which such Bona Fide Tenant occupied on the Filing Date of the Plan.

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

"Title Company" shall mean Kensington Vanguard National Land Service, having an office at 39 West 37th Street, 7th Floor, New York, New York 10018, telephone: 212-532-8686, or any successor Title Company at the time in question.

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

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

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

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

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

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

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

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

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

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

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

Location

The Property is located at 385 First Avenue in the Borough of Manhattan, City and State of New York.

Improvements - General Description of Units

The Condominium will consist of 138 Residential Units (including 1 Resident Manager's Unit), 3 Commercial Units and Storage Lockers located within a structure comprising 20 above-grade stories, one (1) below-grade level, and one (1) roof level.

There are various amenities for the benefit of the Residential Unit Owners, including a fitness center, common recreation Terrace and rooftop Sundeck, and various utility and service areas located throughout the Building. (See the subsection entitled "Services and Facilities" for details.)

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

Lot Line Windows

Lot line windows exist on the south facade of the Building in the "G" and "H" line Units on the 6th through 12th and 14th through 21st floors specifically affecting Units 6G through 12G, 6H through 12H, 14G through 21G, and 14H through 21H and such windows comply or will comply with all applicable codes, rules and regulations. Purchasers should refer to the "Description of Property and Building Condition" set forth in Part II of the Plan for the specific Residential Units containing lot line windows. Lot line windows are windows located on an exterior wall abutting (or less than 30' 0" away from) a property line, where the adjacent property is owned by others. While such windows provide views, light and air to spaces in the Residential Unit, they cannot be utilized to meet light and ventilation required by the Building Code of the City of New York. Residential Units having lot line windows have other windows which satisfy requirements for the lawful use of such Units for habitation. Lot line windows are considered amenities that potentially can be lost. Should an abutting property owner redevelop such property with one or more buildings of different configurations, it may be necessary to close the affected lot line windows and seal them in a manner and with such materials as are acceptable to the Buildings Department and the Condominium. The cost to close-up any lot line windows, if necessary, shall be borne by the affected Residential Unit Owner (including Sponsor with respect to Unsold Residential Units), which cost is currently estimated to be approximately $2,000 per window. Sponsor does not make any representation that this cost will not increase in the future. Neither Sponsor, Sponsor's architect, the Condominium Board or any other Person who took part in this offering will have any liability or obligation if the closing-up of any or all lot line windows is required.

Residential Units

There are 138 Residential Units located on Floor 2 through Floor 21, the square footages of which are set forth on Schedule A. There is no designated 13th Floor.

Purchasers are urged to consult the floor plans and the "Description of Property and Building Condition" contained in Part II of the Plan for details regarding the Residential Units.

Storage Lockers

The Storage Lockers will be located in the Storage Locker Area of the Building in the cellar, as set forth on the Floor Plans set forth in Part II of the Plan. The approximate square footages and Purchase Prices of the Storage Lockers are set forth on Schedule A.

A Storage Locker may be used only for the storage of personal effects of a Residential Unit Owner, and in no event shall any food or other perishable item, or any flammable or explosive item or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance, be stored therein. Sponsor, however, shall have the right to use any unassigned Storage Locker for any purpose permitted by Law or to change the permitted use of any unassigned Storage Locker, subject to the provisions of the By-Laws.

Except for Sponsor and the Condominium Board, a Storage Locker may not be licensed independently of a Residential Unit.

Notwithstanding anything to the contrary, Sponsor may, without the consent of either the Condominium or the Unit Owners, use any Unsold Storage Locker for any purpose permitted by Law or to change the permitted use of an Unsold Storage Locker, subject to the provisions of the By-Laws. Except for Sponsor and the Condominium Board, a Storage Locker may not be licensed independently of a Residential Unit.

Although the Storage Locker Area(s) are Residential Common Elements, the Sponsor has the exclusive right to sell Storage Locker Licenses located therein. The Condominium will not be entitled to any of the proceeds from the sale of the Storage Locker Licenses.

Based upon market conditions, until such time as Sponsor has entered into a Purchase Agreement with respect to the sale of a Storage Locker License, Sponsor reserves the right to withdraw the offering of Storage Lockers and/or to reduce the number of Storage Locker Licenses offered. After such time that Sponsor has entered into a Purchase Agreement with respect to the sale of a Storage Locker License, Sponsor may withdraw or reduce the offering of any Storage Locker License but only to the extent that such withdrawal or reduction does not affect any Storage Lockers already under contract. If, subject to the foregoing limitations, Sponsor elects to withdraw or reduce the offering of Storage Lockers Licenses, then such withdrawal or reduction shall be disclosed by Sponsor in an amendment to the Plan, and Sponsor shall have the right to utilize such Storage Locker Area(s) for any use as determined by Sponsor in its sole discretion. Furthermore, in the event of such withdrawal or reduction, with respect only to Purchasers (i) who have not entered into Purchase Agreements for Storage Locker Licenses and (ii) who have entered into Purchase Agreements for Storage Locker Licenses unaffected by the withdrawal or reduction, such Purchasers shall not be relieved of any of their obligations under their respective Purchase Agreements as a result of such withdrawal or reduction, including without limitation the obligation to purchase the Residential Unit.

The Storage Lockers and the Storage Locker Area(s) will not be serviced by an emergency generator. In the event of a power outage, any resulting loss or damage will be at the sole cost of the Storage Locker Licensee. The Condominium Board, its agents and employees, and Sponsor shall not be liable for any loss or damage caused by power outages, temperature fluctuations or other causes in the Storage Locker Area(s).

Purchasers should not purchase a Unit in reliance on the use or availability of any Storage Locker and Sponsor does not make any representation or guarantee of the availability of any particular Storage Locker.

Resident Manager's Unit

At or subsequent to the First Closing, Sponsor shall sell Residential Unit 2E to the Condominium to be used by the Resident Manager and designated as the Resident Manager's Unit. The Purchase Price of the Resident Manager's Unit is $1,750,000. At the Closing of each Residential Unit, each Purchaser will be required to pay on behalf of the Condominium Board, Purchaser's share of the cost of the Resident Manager's Unit, plus all closing costs incurred in connection with the purchase of the Resident Manager's Unit, including, without limitation, recording fees, title insurance, legal fees, transfer taxes and other transaction fees (estimated to be approximately $100,000) determined in accordance with the Common Interest of the Residential Unit acquired, in proportion to the Common Interest of all Residential Units (other than the Resident Manager's Unit). The amount of each Purchaser's share of this closing cost is set forth in the Section of the Plan entitled "Schedule A – Purchase Prices and Related Information." There is no guarantee or assurance that the taxing authorities will not require that each Purchaser's allocable portion of the cost of the Resident Manager's Unit be included in the total consideration deemed to have been paid by Purchaser at Closing, in which case additional transfer taxes may be payable by Purchaser. (See the Footnotes to Schedule A and the Section of the Plan entitled "Closing Costs and Adjustments" for details.)

Sponsor reserves the right, in its sole discretion, to choose a different Residential Unit other than Residential Unit 2E to sell to the Condominium as the Resident Manager's Unit, provided, however, that such sale shall only be made pursuant to an amendment to the Plan and shall not result in an increase of each Purchaser's share of the cost of the Resident Manager's Unit by 25% or more.

All costs and expenses attributable to the Resident Manager's Unit, including utilities, cable TV package, real estate taxes, cost of repairs, alterations and improvements shall be borne by all Residential Unit Owners as a Residential Common Expense.

(1) Sponsor does not make any representation or guarantee that there will be a Resident Manager residing in the Building at the time of any Closing, except that Sponsor will comply with Law, including the Administrative Code of the City of New York, § 27-2052 et seq.

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

Commercial Units

The Condominium will contain 3 Commercial Units. The Commercial Units are not being offered for sale at this time.

Purchasers should refer to the Section of the Plan entitled "Commercial Units" for a detailed description of the Commercial Units.

Local Law 11

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

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

Services and Facilities

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

(a) Residential Lobby

There will be a residential lobby located on the first floor of the Building for the use and enjoyment of the Residential Unit Owners.

(b) Residential Lobby Attendants

A doorman will be stationed in the residential lobby 24 hours a day, 7 days a week.

(c) Building Staff

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

(d) Residential Elevator Service

All automatic passenger elevators will be in service 24 hours a day, 7 days a week, subject to temporary interruptions for repair or maintenance. Purchasers should refer to the Description of Property and Building Condition set forth in Part II for details concerning the passenger elevators.

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

(e) Telecommunications

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

(f) Mail

All incoming mail will be delivered to the Building and is placed by the United States Postal Service in mail boxes located in the residential lobby of the Building.

(g) Laundry Facilities

Each Residential Unit contains a washing machine and dryer. There is no common laundry room located in the Building.

(h) Refuse Disposal

There are recycling bins and access to refuse chutes located on each floor containing Residential Units. The refuse chutes lead directly to a compactor located in the compactor rooms in the cellar.

(i) Intercom System

Each Residential Unit is equipped with a "stand-alone" intercom system which enables the occupants to communicate directly with the lobby attendant and other areas of the Building over a standard touch tone telephone. Sponsor reserves the right to substitute an alternate service to enable communication between the lobby attendant and the residents.

(j) Smoke and Carbon Monoxide Detector/Sprinklers

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

(k) Service Entrance

There is a service entrance located on First Avenue. Hours of access to the service entrance may be regulated by the Condominium Board or the Managing Agent in their sole discretion.

(l) Fitness Center

An unattended Fitness Center is located on Floor 2 of the Building. It contains various equipment for the use of the Residential Unit Owners.

(m) Sales Center Furniture, Furnishings and Equipment

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

(n) Residential Recreational Terrace and Multi-Purpose Recreation Room

The Residential Unit Owners will have shared access to a Multi-Purpose Recreation Room on the second floor with adjacent outdoor Terrace. Use of the Terrace will be subject to regulations by the Condominium Board. Such regulations may include, without limitation: (i) restrictions concerning the number of people permitted on the Terrace at one time; (ii) noise constraints; (iii) prohibitions from utilizing glassware; (iv) restrictions concerning access during inclement weather; and (v) requiring a chaperone for children under the age of 18.

(o) Rooftop Sundeck

The Residential Unit Owners will have shared access to a Sundeck on the roof. Use of the Sundeck will be subject to regulations by the Condominium Board. Such regulations may include, without limitation: (i) restrictions concerning the number of people permitted on the Sundeck at one time; (ii) noise constraints; (iii) prohibitions from utilizing glassware; (iv) restrictions concerning access during inclement weather; and (v) requiring a chaperone for children under the age of 18.

Marketing Materials

In no event shall the presence of any furniture, furnishings, finishes, equipment or decorations, wall coverings, window treatments, carpeting and the like ("FFE") in any portion of the Building or Residential Units set forth in any marketing materials and/or advertisements, and/or websites used in connection with the sales and marketing of the Residential Units imply or represent that any such FFE will be located within any portion of the Building or Residential Units. The presence of FFE in such marketing materials is for illustrative purposes only. In addition, marketing materials may use designations, labels or nomenclature to describe certain areas or rooms within Residential Units that differ from the designations utilized on the floor plans of the Residential Units set forth in Part II of the Plan, including, without limitation, closets, hallways, dens/media rooms and powder rooms. The use of such designations, labels or nomenclature is for marketing

purposes only and does not obligate Sponsor to deliver such areas or rooms designed or fitted out in the manner depicted or implied in the marketing materials.

General

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

The Building will be maintained, operated and staffed in a manner to be determined by the Condominium Board. Prospective Purchasers are urged to carefully review Schedule B in Part I of the Plan and the "Description of Property and Building Condition" set forth in Part II of the Plan, for a description of the services presently being provided. Sponsor makes no representation that the aforesaid services will continue to be provided. Notwithstanding the foregoing, however, the Condominium Board shall at all times maintain, operate and staff the Building in compliance with, and subject to, all applicable Laws and any rights of Non-Purchasing Tenants under the GBL. Except as otherwise consented to in writing by Sponsor, the Condominium Board shall operate the Property at the same level of services as those supplied on the date of recording the Declaration in accordance with the Rent Laws, provided only if any Residential Units are subject to Rent Laws on such date and only for so long as any Residential Units are subject to the Rent Laws, except for those services, if any, that are the obligation of Sponsor to provide under the terms of the Declaration or the Plan. The Condominium Board shall not impose any charge or fee against the tenants or occupants of the Residential Units owned by Sponsor or against Sponsor on account of any services provided to such tenants and occupants unless Sponsor is entitled and thereafter permitted by the Rent Laws to impose such charge or fee against such tenants or occupants. Such permitted charge or fee may be increased by the Condominium Board, but only to the extent Sponsor or the owner of the occupied Residential Units would be entitled and thereafter permitted to charge its tenants or occupants such increased charges or fees under the Rent Laws. If, as the result of the aforesaid limitations on the Condominium Board, the amount of such charges or fees collected is insufficient to cover the cost of providing such service(s), then such additional cost will be included in Residential Common Charges and borne by all Residential Unit Owners based on their Residential Common Interest.

Purchasers are advised that some of the services and facilities, if any, described in the Plan (such as usage of certain amenity areas) may not be available until approximately 12 months after the First Closing. Purchasers should be aware that the hours and dates for move-ins, move-outs and/or alterations, as well as the use of the passenger and/or service elevators, will be restricted during the period that Sponsor is performing work in the Building. Purchasers will not be entitled to any credit or abatement against the Purchase Price or Common Charges if any of the services and/or facilities are not available for use on or after Purchaser's Closing. The Condominium Board shall have the right, but not the obligation, in its sole and absolute discretion, to adjust the First Year's Budget to reduce the Common Charges for the period in which such services and/or facilities are not available.

Except as otherwise noted above, and except as otherwise required under the Rent Laws (if and to the extent applicable) all determinations with respect to the continuance of services and Facilities for the Building will be made by the Condominium Board, which, until the expiration of the Sponsor Control Period, will be controlled by Sponsor (see the Section of the Plan entitled "Control by Sponsor").

LOCATION AND AREA INFORMATION

Location

The Property is located at 385 First Avenue in the Borough of Manhattan in the City and State of New York. The Property is located on the corner of 23rd Street and First Avenue.

Surrounding Area, Shopping, Culture and Recreation

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

Many popular stores and restaurants are in close proximity to the Building. Vamos!, Petite Abeille, Gramercy Tavern, CRAFT, Shake Shack and City Bakery are just a few of the neighborhood's most popular dining establishments. Intermix, Zara, and ABC Home and Carpet are just a few blocks from the property. Grocery stores near the building are Morton Williams and Gracefully.

Transportation

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

Transportation to and from the Condominium, and through New York City, is available by taxi, limousine, private automobiles, subway or bus. A number of commercial parking garages are located nearby. The building is close to the following subway lines: L, 4,5,6, N, R, Q.

Medical, Educational, and Religious Facilities

A number of medical centers are located within close proximity to the Building, such as Bellevue Hospital, Beth Israel Medical Center, and NYU Hospital for Joint Diseases. The property is also close to New York Hospital, Weill-Cornell Medical Center, Memorial Sloan Kettering, Lenox Hill Hospital, New York University Langone Medical Center, Mount Sinai Medical Center and Columbia University Presbyterian Medical Center.

Private schools, public schools and parochial schools on the elementary, middle school and high school levels are located within walking distance of the Condominium. There are many colleges, universities, and other educational centers available in the New York City area. The Building is located in Public School District No. 2. The elementary school is PS 40 Augustus Saint-Gaudens, which is located at 317 19th Street. In addition, there are several public high schools with various specialties available within the City of New York, with entrance by competition or examination. Some of the City's finest private schools are on the Upper East Side or the Union Square neighborhoods. Sponsor, however, makes no guarantee or representation as to which school a child residing at the Building may actually attend.

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

Municipal Services

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

The local police station is Precinct 13 and is located at 230 East 21st Street, New York, NY, 10010-7460.

The local fire station is Engine 16 and is located at 234 E 29th Street, NYC, NY 10016.

Mailing Address

The mailing address for the Building is 385 First Avenue, New York, NY 10010.

Zoning

The Property is located within a C1-9A zoning district in which residential use is permitted.

Landmark Designation

The Building does not have landmark status.

General

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

SCHEDULE A – PURCHASE PRICES OF UNITS AND RELATED INFORMATION

385 FIRST AVENUE CONDOMINIUM

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (January 1, 2017 - December 31, 2017)

Unit	Vacant/ Occupied & Rent Regulatory Status	Bedrooms (1)	Bathrooms (1)	Unit Square Footage (2)	Terrace/ Balcony Square Footage (2)	Offering Price (3)	General Common Interest (4)(a)	Residential Common Interest (4)(b)	Estimated Monthly Common Charges (5)	Estimated Annual Common Charges (5)	Estimated Monthly Real Estate Taxes 1st Year (6)	Estimated Annual Real Estate Taxes 1st Year (6)	Estimated Total Monthly Charges 1st Year (7)	Estimated Total Annual Charges 1st Year (7)	Share of Resident Mangers Unit Purchase Price and Closing Costs (8)
2 B	Vacant	1	1	821	192	$ 1,275,000	0.7562%	0.8158%	$ 1,153.28	$ 13,839.40	$ 1,418.41	$ 17,020.97	$ 2,571.70	$ 30,860.37	$ 16,920
2 C	Vacant	0	1	453		$ 650,000	0.3942%	0.4253%	$ 601.19	$ 7,214.32	$ 739.40	$ 8,872.84	$ 1,340.60	$ 16,087.16	$ 8,820
2 D	Occupied/FM	1	1	653		$ 950,000	0.5682%	0.6130%	$ 866.62	$ 10,399.46	$ 1,065.85	$ 12,790.21	$ 1,932.47	$ 23,189.67	$ 12,714
2 E*	RM Unit	2	2	1235		$ 1,950,000	1.0747%	1.1594%	$ 1,639.02	$ 19,668.19	$ 2,015.81	$ 24,189.76	$ 3,654.83	$ 43,857.95	$ -
2 F	Vacant	1	1	720		$ 1,085,000	0.6265%	0.6759%	$ 955.54	$ 11,466.47	$ 1,175.21	$ 14,102.53	$ 2,130.75	$ 25,569.00	$ 14,019
2 G	Vacant	1	1	770	180	$ 1,200,000	0.7092%	0.7651%	$ 1,081.62	$ 12,979.41	$ 1,330.27	$ 15,963.28	$ 2,411.89	$ 28,942.69	$ 15,868
2 H	Vacant	1	1	715	245	$ 1,100,000	0.6755%	0.7287%	$ 1,030.19	$ 12,362.29	$ 1,267.02	$ 15,204.29	$ 2,297.22	$ 27,566.58	$ 15,114
3 A	Vacant	1	1	781		$ 1,150,000	0.6796%	0.7332%	$ 1,036.50	$ 12,437.94	$ 1,274.78	$ 15,297.33	$ 2,311.27	$ 27,735.27	$ 15,206
3 B	Vacant	1	1	739		$ 1,035,000	0.6431%	0.6937%	$ 980.76	$ 11,769.06	$ 1,206.22	$ 14,474.68	$ 2,186.98	$ 26,243.74	$ 14,389
3 C	Vacant	0	1	453		$ 662,500	0.3942%	0.4253%	$ 601.19	$ 7,214.32	$ 739.40	$ 8,872.84	$ 1,340.60	$ 16,087.16	$ 8,820
3 D	Vacant	1	1	653		$ 962,500	0.5682%	0.6130%	$ 866.62	$ 10,399.46	$ 1,065.85	$ 12,790.21	$ 1,932.47	$ 23,189.67	$ 12,714
3 E	Occupied/FM	2	2	1235		$ 1,975,000	1.0747%	1.1594%	$ 1,639.02	$ 19,668.19	$ 2,015.81	$ 24,189.76	$ 3,654.83	$ 43,857.95	$ 24,046
3 F	Vacant	1	1	720		$ 1,100,000	0.6265%	0.6759%	$ 955.54	$ 11,466.47	$ 1,175.21	$ 14,102.53	$ 2,130.75	$ 25,569.00	$ 14,019
3 G	Vacant	1	1	729		$ 1,100,000	0.6344%	0.6844%	$ 967.48	$ 11,609.81	$ 1,189.90	$ 14,278.81	$ 2,157.39	$ 25,888.62	$ 14,194
3 H	Occupied/FM	1	1	748		$ 995,000	0.6509%	0.7022%	$ 992.70	$ 11,912.39	$ 1,220.91	$ 14,650.96	$ 2,213.61	$ 26,563.35	$ 14,564
4 A	Occupied/FM	1	1	781		$ 1,165,000	0.6796%	0.7332%	$ 1,036.50	$ 12,437.94	$ 1,274.78	$ 15,297.33	$ 2,311.27	$ 27,735.27	$ 15,206
4 B	Occupied/FM	1	1	739		$ 1,050,000	0.6431%	0.6937%	$ 980.76	$ 11,769.06	$ 1,206.22	$ 14,474.68	$ 2,186.98	$ 26,243.74	$ 14,389
4 C	Vacant	0	1	453		$ 675,000	0.3942%	0.4253%	$ 601.19	$ 7,214.32	$ 739.40	$ 8,872.84	$ 1,340.60	$ 16,087.16	$ 8,820
4 D	Vacant	1	1	653		$ 975,000	0.5682%	0.6130%	$ 866.62	$ 10,399.46	$ 1,065.85	$ 12,790.21	$ 1,932.47	$ 23,189.67	$ 12,714
4 E	Vacant	2	2	1235		$ 2,000,000	1.0747%	1.1594%	$ 1,639.02	$ 19,668.19	$ 2,015.81	$ 24,189.76	$ 3,654.83	$ 43,857.95	$ 24,046
4 F	Vacant	1	1	720		$ 1,115,000	0.6265%	0.6759%	$ 955.54	$ 11,466.47	$ 1,175.21	$ 14,102.53	$ 2,130.75	$ 25,569.00	$ 14,019
4 G	Vacant	1	1	729		$ 1,115,000	0.6344%	0.6844%	$ 967.48	$ 11,609.81	$ 1,189.90	$ 14,278.81	$ 2,157.39	$ 25,888.62	$ 14,194
4 H	Vacant	1	1	748		$ 1,010,000	0.6509%	0.7022%	$ 992.70	$ 11,912.39	$ 1,220.91	$ 14,650.96	$ 2,213.61	$ 26,563.35	$ 14,564
5 A	Occupied/FM	1	1	781		$ 1,180,000	0.6796%	0.7332%	$ 1,036.50	$ 12,437.94	$ 1,274.78	$ 15,297.33	$ 2,311.27	$ 27,735.27	$ 15,206
5 B	Vacant	1	1	739		$ 1,065,000	0.6431%	0.6937%	$ 980.76	$ 11,769.06	$ 1,206.22	$ 14,474.68	$ 2,186.98	$ 26,243.74	$ 14,389
5 C	Vacant	0	1	453		$ 687,500	0.3942%	0.4253%	$ 601.19	$ 7,214.32	$ 739.40	$ 8,872.84	$ 1,340.60	$ 16,087.16	$ 8,820
5 D	Vacant	1	1	653		$ 987,500	0.5682%	0.6130%	$ 866.62	$ 10,399.46	$ 1,065.85	$ 12,790.21	$ 1,932.47	$ 23,189.67	$ 12,714
5 E	Occupied/FM	2	2	1235		$ 2,025,000	1.0747%	1.1594%	$ 1,639.02	$ 19,668.19	$ 2,015.81	$ 24,189.76	$ 3,654.83	$ 43,857.95	$ 24,046
5 F	Occupied/FM	1	1	720		$ 1,130,000	0.6265%	0.6759%	$ 955.54	$ 11,466.47	$ 1,175.21	$ 14,102.53	$ 2,130.75	$ 25,569.00	$ 14,019
5 G	Occupied/FM	1	1	729		$ 1,130,000	0.6344%	0.6844%	$ 967.48	$ 11,609.81	$ 1,189.90	$ 14,278.81	$ 2,157.39	$ 25,888.62	$ 14,194
5 H	Occupied/FM	1	1	748		$ 1,025,000	0.6509%	0.7022%	$ 992.70	$ 11,912.39	$ 1,220.91	$ 14,650.96	$ 2,213.61	$ 26,563.35	$ 14,564
6 A	Occupied/FM	1	1	781		$ 1,195,000	0.6796%	0.7332%	$ 1,036.50	$ 12,437.94	$ 1,274.78	$ 15,297.33	$ 2,311.27	$ 27,735.27	$ 15,206
6 B	Vacant	1	1	739		$ 1,080,000	0.6431%	0.6937%	$ 980.76	$ 11,769.06	$ 1,206.22	$ 14,474.68	$ 2,186.98	$ 26,243.74	$ 14,389
6 C	Vacant	0	1	453		$ 700,000	0.3942%	0.4253%	$ 601.19	$ 7,214.32	$ 739.40	$ 8,872.84	$ 1,340.60	$ 16,087.16	$ 8,820
6 D	Occupied/FM	1	1	653		$ 1,000,000	0.5682%	0.6130%	$ 866.62	$ 10,399.46	$ 1,065.85	$ 12,790.21	$ 1,932.47	$ 23,189.67	$ 12,714
6 E	Occupied/FM	2	2	1235		$ 2,050,000	1.0747%	1.1594%	$ 1,639.02	$ 19,668.19	$ 2,015.81	$ 24,189.76	$ 3,654.83	$ 43,857.95	$ 24,046
6 F	Vacant	1	1	720		$ 1,145,000	0.6265%	0.6759%	$ 955.54	$ 11,466.47	$ 1,175.21	$ 14,102.53	$ 2,130.75	$ 25,569.00	$ 14,019
6 G	Occupied/FM	1	1	729		$ 1,145,000	0.6344%	0.6844%	$ 967.48	$ 11,609.81	$ 1,189.90	$ 14,278.81	$ 2,157.39	$ 25,888.62	$ 14,194
6 H	Occupied/FM	1	1	748		$ 1,040,000	0.6509%	0.7022%	$ 992.70	$ 11,912.39	$ 1,220.91	$ 14,650.96	$ 2,213.61	$ 26,563.35	$ 14,564
7 A	Vacant	1	1	781		$ 1,210,000	0.6796%	0.7332%	$ 1,036.50	$ 12,437.94	$ 1,274.78	$ 15,297.33	$ 2,311.27	$ 27,735.27	$ 15,206
7 B	Occupied/FM	1	1	739		$ 1,095,000	0.6431%	0.6937%	$ 980.76	$ 11,769.06	$ 1,206.22	$ 14,474.68	$ 2,186.98	$ 26,243.74	$ 14,389
7 C	Occupied/FM	0	1	453		$ 712,500	0.3942%	0.4253%	$ 601.19	$ 7,214.32	$ 739.40	$ 8,872.84	$ 1,340.60	$ 16,087.16	$ 8,820
7 D	Vacant	1	1	653		$ 1,012,500	0.5682%	0.6130%	$ 866.62	$ 10,399.46	$ 1,065.85	$ 12,790.21	$ 1,932.47	$ 23,189.67	$ 12,714
7 E	Vacant	2	2	1235		$ 2,075,000	1.0747%	1.1594%	$ 1,639.02	$ 19,668.19	$ 2,015.81	$ 24,189.76	$ 3,654.83	$ 43,857.95	$ 24,046
7 F	Vacant	1	1	720		$ 1,160,000	0.6265%	0.6759%	$ 955.54	$ 11,466.47	$ 1,175.21	$ 14,102.53	$ 2,130.75	$ 25,569.00	$ 14,019
7 G	Vacant	1	1	729		$ 1,160,000	0.6344%	0.6844%	$ 967.48	$ 11,609.81	$ 1,189.90	$ 14,278.81	$ 2,157.39	$ 25,888.62	$ 14,194
7 H	Vacant	1	1	748		$ 1,055,000	0.6509%	0.7022%	$ 992.70	$ 11,912.39	$ 1,220.91	$ 14,650.96	$ 2,213.61	$ 26,563.35	$ 14,564
8 A	Vacant	1	1	781		$ 1,225,000	0.6796%	0.7332%	$ 1,036.50	$ 12,437.94	$ 1,274.78	$ 15,297.33	$ 2,311.27	$ 27,735.27	$ 15,206
8 B	Vacant	1	1	739		$ 1,110,000	0.6431%	0.6937%	$ 980.76	$ 11,769.06	$ 1,206.22	$ 14,474.68	$ 2,186.98	$ 26,243.74	$ 14,389
8 C	Vacant	0	1	453		$ 725,000	0.3942%	0.4253%	$ 601.19	$ 7,214.32	$ 739.40	$ 8,872.84	$ 1,340.60	$ 16,087.16	$ 8,820
8 D	Vacant	1	1	653		$ 1,025,000	0.5682%	0.6130%	$ 866.62	$ 10,399.46	$ 1,065.85	$ 12,790.21	$ 1,932.47	$ 23,189.67	$ 12,714
8 E	Occupied/FM	2	2	1235		$ 2,100,000	1.0747%	1.1594%	$ 1,639.02	$ 19,668.19	$ 2,015.81	$ 24,189.76	$ 3,654.83	$ 43,857.95	$ 24,046
8 F	Occupied/FM	1	1	720		$ 1,175,000	0.6265%	0.6759%	$ 955.54	$ 11,466.47	$ 1,175.21	$ 14,102.53	$ 2,130.75	$ 25,569.00	$ 14,019
8 G	Occupied/FM	1	1	729		$ 1,265,000	0.6344%	0.6844%	$ 967.48	$ 11,609.81	$ 1,189.90	$ 14,278.81	$ 2,157.39	$ 25,888.62	$ 14,194
8 H	Vacant	1	1	748		$ 1,165,000	0.6509%	0.7022%	$ 992.70	$ 11,912.39	$ 1,220.91	$ 14,650.96	$ 2,213.61	$ 26,563.35	$ 14,564
9 A	Vacant	1	1	781		$ 1,240,000	0.6796%	0.7332%	$ 1,036.50	$ 12,437.94	$ 1,274.78	$ 15,297.33	$ 2,311.27	$ 27,735.27	$ 15,206
9 B	Vacant	1	1	739		$ 1,125,000	0.6431%	0.6937%	$ 980.76	$ 11,769.06	$ 1,206.22	$ 14,474.68	$ 2,186.98	$ 26,243.74	$ 14,389
9 C	Vacant	0	1	453		$ 737,500	0.3942%	0.4253%	$ 601.19	$ 7,214.32	$ 739.40	$ 8,872.84	$ 1,340.60	$ 16,087.16	$ 8,820
9 D	Occupied/FM	1	1	653		$ 1,037,500	0.5682%	0.6130%	$ 866.62	$ 10,399.46	$ 1,065.85	$ 12,790.21	$ 1,932.47	$ 23,189.67	$ 12,714
9 E	Vacant	2	2	1235		$ 2,125,000	1.0747%	1.1594%	$ 1,639.02	$ 19,668.19	$ 2,015.81	$ 24,189.76	$ 3,654.83	$ 43,857.95	$ 24,046
9 F	Vacant	1	1	720		$ 1,190,000	0.6265%	0.6759%	$ 955.54	$ 11,466.47	$ 1,175.21	$ 14,102.53	$ 2,130.75	$ 25,569.00	$ 14,019
9 G	Occupied/FM	1	1	729		$ 1,280,000	0.6344%	0.6844%	$ 967.48	$ 11,609.81	$ 1,189.90	$ 14,278.81	$ 2,157.39	$ 25,888.62	$ 14,194
9 H	Occupied/FM	1	1	748		$ 1,180,000	0.6509%	0.7022%	$ 992.70	$ 11,912.39	$ 1,220.91	$ 14,650.96	$ 2,213.61	$ 26,563.35	$ 14,564
10 A	Occupied/FM	1	1	781		$ 1,255,000	0.6796%	0.7332%	$ 1,036.50	$ 12,437.94	$ 1,274.78	$ 15,297.33	$ 2,311.27	$ 27,735.27	$ 15,206
10 B	Occupied/FM	1	1	739		$ 1,140,000	0.6431%	0.6937%	$ 980.76	$ 11,769.06	$ 1,206.22	$ 14,474.68	$ 2,186.98	$ 26,243.74	$ 14,389
10 C	Vacant	0	1	453		$ 750,000	0.3942%	0.4253%	$ 601.19	$ 7,214.32	$ 739.40	$ 8,872.84	$ 1,340.60	$ 16,087.16	$ 8,820

385 FIRST AVENUE CONDOMINIUM

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (January 1, 2017 - December 31, 2017)

Unit	Vacant/ Occupied & Rent Regulatory Status	Bedrooms (1)	Bathrooms (1)	Unit Square Footage (2)	Terrace/ Balcony Square Footage (2)	Offering Price (3)	General Common Interest (4)(a)	Residential Common Interest (4)(b)	Estimated Monthly Common Charges (5)	Estimated Annual Common Charges (5)	Estimated Monthly Real Estate Taxes 1st Year (6)	Estimated Annual Real Estate Taxes 1st Year (6)	Estimated Total Monthly Charges 1st Year (7)	Estimated Total Annual Charges 1st Year (7)	Share of Resident Mangers Unit Purchase Price and Closing Costs (8)
10 D	Vacant	1	1	653		$ 1,050,000	0.5682%	0.6130%	$ 866.62	$ 10,399.46	$ 1,065.85	$ 12,790.21	$ 1,932.47	$ 23,189.67	$ 12,714
10 E	Occupied/FM	2	2	1235		$ 2,150,000	1.0747%	1.1594%	$ 1,639.02	$ 19,668.19	$ 2,015.81	$ 24,189.76	$ 3,654.83	$ 43,857.95	$ 24,046
10 F	Occupied/FM	1	1	720		$ 1,205,000	0.6265%	0.6759%	$ 955.54	$ 11,466.47	$ 1,175.21	$ 14,102.53	$ 2,130.75	$ 25,569.00	$ 14,019
10 G	Occupied/FM	1	1	729		$ 1,295,000	0.6344%	0.6844%	$ 967.48	$ 11,609.81	$ 1,189.90	$ 14,278.81	$ 2,157.39	$ 25,888.62	$ 14,194
10 H	Vacant	1	1	748		$ 1,195,000	0.6509%	0.7022%	$ 992.70	$ 11,912.39	$ 1,220.91	$ 14,650.96	$ 2,213.61	$ 26,563.35	$ 14,564
11 A	Occupied/FM	1	1	781		$ 1,270,000	0.6796%	0.7332%	$ 1,036.50	$ 12,437.94	$ 1,274.78	$ 15,297.33	$ 2,311.27	$ 27,735.27	$ 15,206
11 B	Vacant	1	1	739		$ 1,155,000	0.6431%	0.6937%	$ 980.76	$ 11,769.06	$ 1,206.22	$ 14,474.68	$ 2,186.98	$ 26,243.74	$ 14,389
11 C	Vacant	0	1	453		$ 762,500	0.3942%	0.4253%	$ 601.19	$ 7,214.32	$ 739.40	$ 8,872.84	$ 1,340.60	$ 16,087.16	$ 8,820
11 D	Vacant	1	1	653		$ 1,062,500	0.5682%	0.6130%	$ 866.62	$ 10,399.46	$ 1,065.85	$ 12,790.21	$ 1,932.47	$ 23,189.67	$ 12,714
11 E	Vacant	2	2	1235		$ 2,175,000	1.0747%	1.1594%	$ 1,639.02	$ 19,668.19	$ 2,015.81	$ 24,189.76	$ 3,654.83	$ 43,857.95	$ 24,046
11 F	Vacant	1	1	720		$ 1,220,000	0.6265%	0.6759%	$ 955.54	$ 11,466.47	$ 1,175.21	$ 14,102.53	$ 2,130.75	$ 25,569.00	$ 14,019
11 G	Vacant	1	1	729		$ 1,310,000	0.6344%	0.6844%	$ 967.48	$ 11,609.81	$ 1,189.90	$ 14,278.81	$ 2,157.39	$ 25,888.62	$ 14,194
11 H	Vacant	1	1	748		$ 1,210,000	0.6509%	0.7022%	$ 992.70	$ 11,912.39	$ 1,220.91	$ 14,650.96	$ 2,213.61	$ 26,563.35	$ 14,564
12 A	Vacant	1	1	781		$ 1,285,000	0.6796%	0.7332%	$ 1,036.50	$ 12,437.94	$ 1,274.78	$ 15,297.33	$ 2,311.27	$ 27,735.27	$ 15,206
12 B	Vacant	1	1	739		$ 1,170,000	0.6431%	0.6937%	$ 980.76	$ 11,769.06	$ 1,206.22	$ 14,474.68	$ 2,186.98	$ 26,243.74	$ 14,389
12 C	Vacant	0	1	453		$ 775,000	0.3942%	0.4253%	$ 601.19	$ 7,214.32	$ 739.40	$ 8,872.84	$ 1,340.60	$ 16,087.16	$ 8,820
12 D	Vacant	1	1	653		$ 1,075,000	0.5682%	0.6130%	$ 866.62	$ 10,399.46	$ 1,065.85	$ 12,790.21	$ 1,932.47	$ 23,189.67	$ 12,714
12 E	Occupied/FM	2	2	1235		$ 2,200,000	1.0747%	1.1594%	$ 1,639.02	$ 19,668.19	$ 2,015.81	$ 24,189.76	$ 3,654.83	$ 43,857.95	$ 24,046
12 F	Vacant	1	1	720		$ 1,235,000	0.6265%	0.6759%	$ 955.54	$ 11,466.47	$ 1,175.21	$ 14,102.53	$ 2,130.75	$ 25,569.00	$ 14,019
12 G	Vacant	1	1	729		$ 1,325,000	0.6344%	0.6844%	$ 967.48	$ 11,609.81	$ 1,189.90	$ 14,278.81	$ 2,157.39	$ 25,888.62	$ 14,194
12 H	Vacant	1	1	748		$ 1,225,000	0.6509%	0.7022%	$ 992.70	$ 11,912.39	$ 1,220.91	$ 14,650.96	$ 2,213.61	$ 26,563.35	$ 14,564
14 A	Vacant	1	1	781		$ 1,300,000	0.6796%	0.7332%	$ 1,036.50	$ 12,437.94	$ 1,274.78	$ 15,297.33	$ 2,311.27	$ 27,735.27	$ 15,206
14 B	Vacant	1	1	739		$ 1,185,000	0.6431%	0.6937%	$ 980.76	$ 11,769.06	$ 1,206.22	$ 14,474.68	$ 2,186.98	$ 26,243.74	$ 14,389
14 C	Vacant	0	1	453		$ 787,500	0.3942%	0.4253%	$ 601.19	$ 7,214.32	$ 739.40	$ 8,872.84	$ 1,340.60	$ 16,087.16	$ 8,820
14 D	Vacant	1	1	653		$ 1,087,500	0.5682%	0.6130%	$ 866.62	$ 10,399.46	$ 1,065.85	$ 12,790.21	$ 1,932.47	$ 23,189.67	$ 12,714
14 E	Vacant	2	2	1235		$ 2,225,000	1.0747%	1.1594%	$ 1,639.02	$ 19,668.19	$ 2,015.81	$ 24,189.76	$ 3,654.83	$ 43,857.95	$ 24,046
14 F	Occupied/FM	1	1	720		$ 1,250,000	0.6265%	0.6759%	$ 955.54	$ 11,466.47	$ 1,175.21	$ 14,102.53	$ 2,130.75	$ 25,569.00	$ 14,019
14 G	Occupied/FM	1	1	729		$ 1,340,000	0.6344%	0.6844%	$ 967.48	$ 11,609.81	$ 1,189.90	$ 14,278.81	$ 2,157.39	$ 25,888.62	$ 14,194
14 H	Occupied/FM	1	1	748		$ 1,240,000	0.6509%	0.7022%	$ 992.70	$ 11,912.39	$ 1,220.91	$ 14,650.96	$ 2,213.61	$ 26,563.35	$ 14,564
15 A	Vacant	1	1	781		$ 1,315,000	0.6796%	0.7332%	$ 1,036.50	$ 12,437.94	$ 1,274.78	$ 15,297.33	$ 2,311.27	$ 27,735.27	$ 15,206
15 B	Vacant	1	1	739		$ 1,200,000	0.6431%	0.6937%	$ 980.76	$ 11,769.06	$ 1,206.22	$ 14,474.68	$ 2,186.98	$ 26,243.74	$ 14,389
15 C	Occupied/FM	0	1	434		$ 700,000	0.3777%	0.4074%	$ 575.98	$ 6,911.74	$ 708.39	$ 8,500.69	$ 1,284.37	$ 15,412.43	$ 8,450
15 D	Occupied/FM	2	2	1116	718	$ 2,650,000	1.1273%	1.2162%	$ 1,719.31	$ 20,631.69	$ 2,114.56	$ 25,374.76	$ 3,833.87	$ 46,006.45	$ 25,224
15 E	Vacant	1	1	743	128	$ 1,500,000	0.6744%	0.7275%	$ 1,028.53	$ 12,342.39	$ 1,264.98	$ 15,179.81	$ 2,293.52	$ 27,522.20	$ 15,090
15 F	Vacant	0	1	433		$ 760,000	0.3768%	0.4065%	$ 574.65	$ 6,895.81	$ 706.76	$ 8,481.11	$ 1,281.41	$ 15,376.92	$ 8,431
15 G	Occupied/FM	1	1	727		$ 1,355,000	0.6326%	0.6825%	$ 964.83	$ 11,577.95	$ 1,186.64	$ 14,239.64	$ 2,151.47	$ 25,817.59	$ 14,155
15 H	Vacant	1	1	727		$ 1,255,000	0.6326%	0.6825%	$ 964.83	$ 11,577.95	$ 1,186.64	$ 14,239.64	$ 2,151.47	$ 25,817.59	$ 14,155
16 A	Vacant	1	1	781		$ 1,330,000	0.6796%	0.7332%	$ 1,036.50	$ 12,437.94	$ 1,274.78	$ 15,297.33	$ 2,311.27	$ 27,735.27	$ 15,206
16 B	Occupied/FM	1	1	739		$ 1,215,000	0.6431%	0.6937%	$ 980.76	$ 11,769.06	$ 1,206.22	$ 14,474.68	$ 2,186.98	$ 26,243.74	$ 14,389
16 C	Vacant	0	1	434		$ 712,500	0.3777%	0.4074%	$ 575.98	$ 6,911.74	$ 708.39	$ 8,500.69	$ 1,284.37	$ 15,412.43	$ 8,450
16 D	Vacant	2	2	1116		$ 2,350,000	0.9711%	1.0477%	$ 1,481.09	$ 17,773.04	$ 1,821.58	$ 21,858.92	$ 3,302.66	$ 39,631.96	$ 21,729
16 E	Vacant	1	1	743		$ 1,425,000	0.6465%	0.6975%	$ 986.06	$ 11,832.76	$ 1,212.75	$ 14,553.03	$ 2,198.82	$ 26,385.79	$ 14,467
16 F	Occupied/FM	0	1	433		$ 772,500	0.3768%	0.4065%	$ 574.65	$ 6,895.81	$ 706.76	$ 8,481.11	$ 1,281.41	$ 15,376.92	$ 8,431
16 G	Occupied/FM	1	1	727		$ 1,370,000	0.6326%	0.6825%	$ 964.83	$ 11,577.95	$ 1,186.64	$ 14,239.64	$ 2,151.47	$ 25,817.59	$ 14,155
16 H	Vacant	1	1	727		$ 1,270,000	0.6326%	0.6825%	$ 964.83	$ 11,577.95	$ 1,186.64	$ 14,239.64	$ 2,151.47	$ 25,817.59	$ 14,155
17 A	Vacant	1	1	781		$ 1,345,000	0.6796%	0.7332%	$ 1,036.50	$ 12,437.94	$ 1,274.78	$ 15,297.33	$ 2,311.27	$ 27,735.27	$ 15,206
17 B	Vacant	1	1	739		$ 1,230,000	0.6431%	0.6937%	$ 980.76	$ 11,769.06	$ 1,206.22	$ 14,474.68	$ 2,186.98	$ 26,243.74	$ 14,389
17 C	Vacant	0	1	434		$ 725,000	0.3777%	0.4074%	$ 575.98	$ 6,911.74	$ 708.39	$ 8,500.69	$ 1,284.37	$ 15,412.43	$ 8,450
17 D	Occupied/FM	2	2	1116		$ 2,375,000	0.9711%	1.0477%	$ 1,481.09	$ 17,773.04	$ 1,821.58	$ 21,858.92	$ 3,302.66	$ 39,631.96	$ 21,729
17 E	Vacant	1	1	743		$ 1,440,000	0.6465%	0.6975%	$ 986.06	$ 11,832.76	$ 1,212.75	$ 14,553.03	$ 2,198.82	$ 26,385.79	$ 14,467
17 F	Vacant	0	1	433		$ 785,000	0.3768%	0.4065%	$ 574.65	$ 6,895.81	$ 706.76	$ 8,481.11	$ 1,281.41	$ 15,376.92	$ 8,431
17 G	Vacant	1	1	727		$ 1,385,000	0.6326%	0.6825%	$ 964.83	$ 11,577.95	$ 1,186.64	$ 14,239.64	$ 2,151.47	$ 25,817.59	$ 14,155
17 H	Vacant	1	1	727		$ 1,285,000	0.6326%	0.6825%	$ 964.83	$ 11,577.95	$ 1,186.64	$ 14,239.64	$ 2,151.47	$ 25,817.59	$ 14,155
18 A	Occupied/FM	1	1	781		$ 1,360,000	0.6796%	0.7332%	$ 1,036.50	$ 12,437.94	$ 1,274.78	$ 15,297.33	$ 2,311.27	$ 27,735.27	$ 15,206
18 B	Occupied/FM	1	1	739		$ 1,245,000	0.6431%	0.6937%	$ 980.76	$ 11,769.06	$ 1,206.22	$ 14,474.68	$ 2,186.98	$ 26,243.74	$ 14,389
18 C	Vacant	0	1	434		$ 737,500	0.3777%	0.4074%	$ 575.98	$ 6,911.74	$ 708.39	$ 8,500.69	$ 1,284.37	$ 15,412.43	$ 8,450
18 D	Vacant	2	2	1116		$ 2,400,000	0.9711%	1.0477%	$ 1,481.09	$ 17,773.04	$ 1,821.58	$ 21,858.92	$ 3,302.66	$ 39,631.96	$ 21,729
18 E	Vacant	1	1	743		$ 1,455,000	0.6465%	0.6975%	$ 986.06	$ 11,832.76	$ 1,212.75	$ 14,553.03	$ 2,198.82	$ 26,385.79	$ 14,467
18 F	Occupied/FM	0	1	433		$ 797,500	0.3768%	0.4065%	$ 574.65	$ 6,895.81	$ 706.76	$ 8,481.11	$ 1,281.41	$ 15,376.92	$ 8,431
18 G	Vacant	1	1	727		$ 1,400,000	0.6326%	0.6825%	$ 964.83	$ 11,577.95	$ 1,186.64	$ 14,239.64	$ 2,151.47	$ 25,817.59	$ 14,155
18 H	Occupied/FM	1	1	727		$ 1,300,000	0.6326%	0.6825%	$ 964.83	$ 11,577.95	$ 1,186.64	$ 14,239.64	$ 2,151.47	$ 25,817.59	$ 14,155
19 A	Occupied/FM	2	2	984	1115	$ 2,350,000	1.0988%	1.1854%	$ 1,675.84	$ 20,110.13	$ 2,061.11	$ 24,733.29	$ 3,736.95	$ 44,843.42	$ 24,586
19 B	Vacant	2	2	998	150	$ 2,415,000	0.9011%	0.9721%	$ 1,374.25	$ 16,491.02	$ 1,690.18	$ 20,282.18	$ 3,064.43	$ 36,773.20	$ 20,162
19 C	Vacant	1	1	633	150	$ 1,350,000	0.5834%	0.6294%	$ 889.85	$ 10,678.15	$ 1,094.42	$ 13,132.98	$ 1,984.26	$ 23,811.13	$ 13,055
19 D	Vacant	2	2	963	1057	$ 2,500,000	1.0679%	1.1521%	$ 1,628.73	$ 19,544.77	$ 2,003.16	$ 24,037.96	$ 3,631.89	$ 43,582.73	$ 23,895
20 A	Vacant	2	2	984		$ 2,375,000	0.8562%	0.9237%	$ 1,305.90	$ 15,670.85	$ 1,606.12	$ 19,273.46	$ 2,912.03	$ 34,944.31	$ 19,159

385 FIRST AVENUE CONDOMINIUM

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (January 1, 2017 - December 31, 2017)

Unit	Vacant/ Occupied & Rent Regulatory Status	Bedrooms (1)	Bathrooms (1)	Unit Square Footage (2)	Terrace/ Balcony Square Footage (2)	Offering Price (3)	General Common Interest (4)(a)	Residential Common Interest (4)(b)	Estimated Monthly Common Charges (5)	Estimated Annual Common Charges (5)	Estimated Monthly Real Estate Taxes 1st Year (6)	Estimated Annual Real Estate Taxes 1st Year (6)	Estimated Total Monthly Charges 1st Year (7)	Estimated Total Annual Charges 1st Year (7)	Share of Resident Mangers Unit Purchase Price and Closing Costs (8)
20 B	Vacant	2	2	998		$ 2,295,000	0.8684%	0.9369%	$ 1,324.48	$ 15,893.81	$ 1,628.97	$ 19,547.68	$ 2,953.46	$ 35,441.49	$ 19,432
20 C	Occupied/FM	1	1	633		$ 1,262,500	0.5508%	0.5942%	$ 840.08	$ 10,080.94	$ 1,033.21	$ 12,398.48	$ 1,873.28	$ 22,479.42	$ 12,325
20 D	Vacant	2	2	963		$ 1,800,000	0.8380%	0.9040%	$ 1,278.03	$ 15,336.41	$ 1,571.84	$ 18,862.14	$ 2,849.88	$ 34,198.55	$ 18,750
21 A	Occupied/FM	2	2	984		$ 2,400,000	0.8562%	0.9237%	$ 1,305.90	$ 15,670.85	$ 1,606.12	$ 19,273.46	$ 2,912.03	$ 34,944.31	$ 19,159
21 B	Vacant	2	2	998		$ 2,320,000	0.8684%	0.9369%	$ 1,324.48	$ 15,893.81	$ 1,628.97	$ 19,547.68	$ 2,953.46	$ 35,441.49	$ 19,432
21 C	Vacant	1	1	633		$ 1,275,000	0.5508%	0.5942%	$ 840.08	$ 10,080.94	$ 1,033.21	$ 12,398.48	$ 1,873.28	$ 22,479.42	$ 12,325
21 D	Occupied/FM	2	2	963		$ 1,825,000	0.8380%	0.9040%	$ 1,278.03	$ 15,336.41	$ 1,571.84	$ 18,862.14	$ 2,849.88	$ 34,198.55	$ 18,750
Residential Unit Sub Total				**105,539**	**3,935**	**$ 181,587,500**	**92.6930%**	**100.0000%**	**$ 141,370.41**	**$ 1,696,444.95**	**$ 173,870.42**	**$ 2,086,445.00**	**$ 315,240.83**	**$ 3,782,889.95**	**$ 2,050,000**
Commercial Units				Unit Square Footage	Cellar Sq Footage										
Commercial Unit 1 (restaurant)				1491	756		1.6921%		$ 834.77	$ 10,017.26	$ 2,685.74	$ 32,228.83	$ 3,520.51	$ 42,246.09	
Commercial Unit 2 (bank)				2300	1311		2.6859%		$ 1,325.01	$ 15,900.08	$ 4,262.98	$ 51,155.77	$ 5,587.99	$ 67,055.85	
Commercial Unit 3 (store)				3366			2.9290%		$ 1,444.95	$ 17,339.36	$ 4,648.87	$ 55,786.40	$ 6,093.81	$ 73,125.76	
Commercial Unit Sub Total				**7,157**	**2067**		**7.3070%**		**$ 3,604.73**	**$ 43,256.70**	**$ 11,597.58**	**$ 139,171.00**	**$ 15,202.31**	**$ 182,427.70**	
TOTALS				**112,696**	**3,935**	**$ 181,587,500**	**100.0000%**	**100.0000%**	**$ 144,975.14**	**$ 1,739,701.65**	**$ 185,468**	**$ 2,225,616.00**	**$ 330,443.14**	**$ 3,965,317.65**	**$ 2,050,000**

*** 2E Resident Manager's Unit**

385 FIRST AVENUE CONDOMINIUM

Schedule A-1: Purchase Prices for Storage Unit License Agreement and Related Information for the Projected First Year of Condominium Operation (January 1, 2017 - December 31, 2017)

Storage Unit	Storage Unit Square Footage	Purchase Price	License Fee Per Month	License Fee Per Year
1	9	$ 28,000	$ 50.00	$ 600.00
2	9	$ 28,000	$ 50.00	$ 600.00
3	9	$ 28,000	$ 50.00	$ 600.00
4	9	$ 28,000	$ 50.00	$ 600.00
5	9	$ 28,000	$ 50.00	$ 600.00
6	9	$ 28,000	$ 50.00	$ 600.00
7	9	$ 28,000	$ 50.00	$ 600.00
8	9	$ 28,000	$ 50.00	$ 600.00
9	9	$ 28,000	$ 50.00	$ 600.00
10	9	$ 28,000	$ 50.00	$ 600.00
11	9	$ 28,000	$ 50.00	$ 600.00
12	9	$ 28,000	$ 50.00	$ 600.00
13	9	$ 28,000	$ 50.00	$ 600.00
14	9	$ 28,000	$ 50.00	$ 600.00
15	9	$ 28,000	$ 50.00	$ 600.00
16	9	$ 28,000	$ 50.00	$ 600.00
17	9	$ 28,000	$ 50.00	$ 600.00
18	9	$ 28,000	$ 50.00	$ 600.00
19	9	$ 28,000	$ 50.00	$ 600.00
20	9	$ 28,000	$ 50.00	$ 600.00
21	9	$ 28,000	$ 50.00	$ 600.00
22	9	$ 28,000	$ 50.00	$ 600.00
23	9	$ 28,000	$ 50.00	$ 600.00
24	9	$ 28,000	$ 50.00	$ 600.00
25	9	$ 28,000	$ 50.00	$ 600.00
26	9	$ 28,000	$ 50.00	$ 600.00
27	9	$ 28,000	$ 50.00	$ 600.00
28	9	$ 28,000	$ 50.00	$ 600.00
29	9	$ 28,000	$ 50.00	$ 600.00
30	9	$ 28,000	$ 50.00	$ 600.00
31	9	$ 28,000	$ 50.00	$ 600.00
32	9	$ 28,000	$ 50.00	$ 600.00
33	9	$ 28,000	$ 50.00	$ 600.00
34	9	$ 28,000	$ 50.00	$ 600.00
35	9	$ 28,000	$ 50.00	$ 600.00
36	9	$ 28,000	$ 50.00	$ 600.00
37	9	$ 28,000	$ 50.00	$ 600.00
38	9	$ 28,000	$ 50.00	$ 600.00
39	9	$ 28,000	$ 50.00	$ 600.00
40	9	$ 28,000	$ 50.00	$ 600.00

41	9	$	28,000	$	50.00	$	600.00
42	9	$	28,000	$	50.00	$	600.00
43	9	$	28,000	$	50.00	$	600.00
44	9	$	28,000	$	50.00	$	600.00
45	9	$	28,000	$	50.00	$	600.00
46	9	$	28,000	$	50.00	$	600.00
47	9	$	28,000	$	50.00	$	600.00
TOTAL	**423**	**$**	**1,316,000**	**$**	**2,350**	**$**	**28,200**

Notes to Schedule A

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

(2) The square footage of the Units listed in Schedule A or in the Declaration are approximate and were obtained by using the method customarily used in New York City to measure condominium units. Each Unit is measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits are not deducted from measurement of each Unit) to the corridor side of the wall separating one Unit from corridors or to the centerline of the partitions separating one Unit from another Unit, 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. Each Unit is measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling. These square footages exceed the usable floor area of each Unit. The method of measurement is applicable to all Units. Any Common Elements located within or appurtenant to any Unit shall not be considered as part of that Unit. Terraces shown on Schedule A are Residential Limited Common Elements.

All of the Residential Units are subject to the Rent Laws as of the approximate submission date of the preliminary Plan. Next to each Residential Unit number is the vacancy status of such Residential Unit.

(3) (a) The Purchase Prices and other terms of sale (as more fully set forth in the Section of the Plan entitled "Changes in Prices and Units") of Residential Units may be negotiated by Sponsor (other than Tenant-Purchasers until the effective date of the Plan) and, therefore, may be changed. Accordingly, Purchasers may pay different Purchase Prices for similar Residential Units. The effect of this, as well as the right of Sponsor to change Purchase Prices, is more particularly discussed in the Section entitled "Changes in Prices and Units." In addition to the payment of the Purchase Price, each Purchaser will be responsible for the payment of certain closing costs and expenses at the time of Closing, as explained in the Section of the Plan entitled "Closing Costs and Adjustments" (and for a portion of the Purchase Price and the associated closing costs for the Resident Manager's Unit as set forth on Schedule A). If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of additional closing costs and expenses relating to such loan. There will be an apportionment of certain charges relating to the Units at the Closing. THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENT AGENCY. The Condominium Board has the right to impose license fees and Special Assessments in connection with the Storage Locker Licenses.

(b) Each Bona Fide Tenant has the exclusive right to purchase only the Residential Unit such Bona Fide Tenant occupies on the Filing Date within the first 90 days from the Presentation Date of the Plan. See the Section of the Plan entitled "Changes in Prices and Units" concerning other terms of sale.

(c) The aggregate monthly rents payable by the tenants of Units in the Building is $538,532.00 as of November, 2014.

(4) (a) The Common Interests of each Unit in the Common Elements has been determined pursuant to the method set forth in Real Property Law Section 339-i(l) based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium,

the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with subsection (iv).

(b) The percentage interest of each Residential Unit in the Residential Common Elements is apportioned in the same proportion that the Residential Unit bears to the aggregate Common Interest of all of the Residential Units in the Condominium.

(5) The estimated monthly Common Charges for each Unit are based on Schedule B - First Year's Budget prepared by Sponsor's Condominium Budget Expert on the assumption that the First Year of Condominium Operation will be the year from January 1, 2017 to December 31, 2017. The actual First Year of Condominium Operation may be earlier or later than such year. In addition to these estimated payments, each Unit Owner will be responsible for real estate taxes on the Unit, mortgage payments under a loan, if any, obtained to finance the purchase of the Unit, the cost of electricity supplied to the Unit which will be separately metered and payable either directly to the utility company or to the Condominium Board for payment to the utility company, the cost of any insurance which the Unit Owner obtains for the Unit and the cost of interior repairs and decorations to the Unit See the Section of the Plan entitled "Schedule B-1 - Budget for Individual Energy Costs" concerning estimates of certain electric costs for the Residential Units.

(6) The New York City real estate taxes for the First Year of Condominium Operation, which have been estimated by Sponsor's Real Estate Tax Counsel, Tuchman, Korngold, Weiss, Liebman & Gelles, LLP, to be as follows based upon their estimated assessed valuations and tax rates: Residential Units $2,086,445; Commercial Units: $139,171, assuming (a) a transitional assessed valuation for the Residential Units of $15,526,050 and a transitional assessed valuation for the Commercial Units of $1,223,920 for the 2016/2017 tax year, (b) a transitional assessed valuation for the Residential Units of $16,573,110 and a transitional assessed valuation for the Commercial Units of $1,306,460 for the 2017/2018 tax year based on the Opinion of Counsel Re: Real Estate Tax Projection prepared by Real Estate Tax Counsel dated June 18, 2015 in Part I of the Plan, and (b) a residential tax rate of 13.50 per $100 of assessed valuation and a commercial tax rate of 11.50 per $100 of assessed valuation for the 2016/2017 and 2017/2018 tax years.

No representation is made or assurance given as to what the actual tax rate or assessed valuation will be for such period. *The information set forth above for the 2016/2017 and 2017/2018 tax years is based upon an estimate of the tentative assessed valuations and estimated tax rates.

As more fully explained in the Opinion of Counsel re: Real Estate Tax Projection set forth in Part I of the Plan, New York provides that the aggregate of the assessment of the Units plus their Common Interests shall not exceed the total valuation of the Property were the Property assessed as one parcel.

The Property currently receives partial tax exemption benefits under Real Property Tax Law Section 421-a ("Section 421-a Benefits") pursuant to a Preliminary Certificate of Eligibility issued by the New York City Department of Housing Preservation and Development on July 22, 2003, a copy of which is attached to the Opinion of Counsel Re: Real Estate Tax Projection. The Section 421-a Benefits expired on June 30, 2015. Since the projected First Year of Condominium Operation is anticipated to commence on January 1, 2017, none of the Units will receive any Section 421-a Benefits after such date. Purchasers should refer to the Opinion of Counsel re: Real Estate Tax Projection prepared by the Real Estate Tax Counsel set forth for further discussion regarding the 421-a program and the applicability of such program to this project. Sponsor is in the process of ascertaining the status of the Final Certificate of Eligibility from HPD. The estimated real estate taxes set forth in Schedule A, are based on the assumption that the 421-a partial exemption will **not** be in effect for the First Year of Condominium Operation, and that there will not be any change in the taxable status of the Property. Notwithstanding the foregoing, no warranty or guarantee is made as to the amount of any tax exemption that will actually be received. In addition, no

warranty or guarantee is made, that the real estate taxes will be allocated among Units in proportion to their Common Interests or Schedule A purchase prices.

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

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

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

Tax certiorari proceedings are pending for tax year 2014/2015. Any proceeds from such tax certiorari proceedings for tax periods prior to the recording of the Declaration shall belong exclusively to Sponsor.

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

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

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

SCHEDULE B – BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

SCHEDULE B

385 First Avenue Condominium
Projected Budget for First Year of Condominium Operation (See Note 1)
January 1, 2017 through December 31, 2017

ESTIMATED INCOME (Note 2)

Common Charges - Residential Units	$ 1,696,445
Common Charges - Commercial Units	$ 43,257
Storage Unit License Fee Income	$ 28,200
Total Income	$ 1,767,901

ESTIMATED EXPENSES (Note 3)

Payroll & Benefits (Note 4)	$ 833,798
Electricity (Note 5)	$ 137,640
Steam (Note 6)	$ 208,839
Cooking Gas (Note 7)	$ 1,520
Water & Sewer (Note 8)	$ 118,289
Repairs and Maintenance (Note 9)	$ 49,500
Service Contracts (Note 10)	$ 104,800
Insurance (Note 11)	$ 122,300
Management Fee (Note 12)	$ 70,000
Legal and Audit Fees (Note 13)	$ 20,000
Other Expenses (Note 14)	$ 23,500
Resident Manager's Unit (Note 15)	$ 47,715
Contingency (Note 16)	$ 30,000
Total Expenses (Note 17)	$ 1,767,901

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

ALLOCATION OF COMMON EXPENSES BETWEEN RESIDENTIAL & COMMERCIAL UNITS

(see also detailed notes which follow)

Common Charges	Total Expenses	Residential Units Expenses	Commercial Units Expenses	
Payroll & Benefits	833,798	812,579	21,219	A
Electricity	137,640	137,640	-	
Steam	208,839	208,839	-	
Cooking Gas	1,520	1,520	-	
Water & Sewer	118,289	118,289	-	
Repairs and Maintenance	49,500	47,125	2,375	
Service Contracts	104,800	103,645	1,155	B
Insurance	122,300	113,364	8,936	
Management Fee	70,000	64,885	5,115	
Legal and Audit Fees	20,000	18,539	1,461	
Other Expenses	23,500	22,696	804	
Resident Manager's Unit	47,715	47,715	-	
Contingency	30,000	27,808	2,192	
			-	
Sub-Total		1,724,645	43,257	
Less Storage License Income		28,200	-	
Total Common Charges	**1,767,901**	**1,696,445**	**43,257**	

All General Common Charges have been allocated based upon each Unit's Common Interest unless otherwise stated. Each Unit Owner must pay Common Charges to cover the expenses of the Condominium in accordance with Section 339-m of the New York Condominium Act; and as noted in Section 339-m, profits and expenses may be specially allocated and apportioned by the Board of Managers in a manner different from Common Charges to one or more Commercial Units, as such is authorized by the Declaration and By-Laws of the Condominium.

A. The Commercial Unit Owner's share of payroll and related expenses is based on their Common Interest applied to the costs of the Resident Manager, Handyman and one (1) Porter only. The Commercial Units will not utilize or share in the expense of the doormen.

B. The Commercial Unit Owner's share of service contract expenses is based on their Common Interest applied to the costs of the following service contracts only: Exterminating, Fire Protection, Central Station Monitoring, Fire Extinguishers, Sprinkler, Steam Station Maintenance.

FOOTNOTES TO SCHEDULE B

(1) Amounts are projected on the assumption that the First Year of Condominium Operation will be the year from January 1, 2017 to December 1, 2017. The actual First Year of Condominium Operation may be earlier or later than that year. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections. If the amended budget exceeds this projected budget by 25% or more, Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period, if the Plan has been declared effective) the right to rescind their Purchase Agreements not less than 15 days after the presentation date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their Deposit returned.

(2) These amounts represent the total Common Charges to be levied against and collected from the Residential Unit Owners and the Commercial Unit Owners units during the anticipated First Year of Condominium Operation. The Common Charges will be utilized by the Condominium Board to defray the operational expenses of the Condominium. Except as otherwise set forth herein, the Common Charges have been allocated between the Residential Unit Owners and the Commercial Unit Owners based on anticipated usage and benefits derived by such Unit Owners, respectively, and between and among the Residential Unit Owners on the basis of percentage of Common Interest allocated to each Unit. Where the allocation of Common Expenses is not based on percentage of Common Interest, or Common Expenses have been allocated only to certain categories of Units, such circumstances are set forth in the following notes. The Commercial Unit Owners will only be obligated to pay their respective allocable share of those expenses that are incurred by the Condominium Board in furnishing services, operating and maintaining those Common Elements which are utilized by and serve such Commercial Unit Owners. Those Common Charges that have been allocated on the basis of Common Interest have been allocated on such a basis as follows: Those expenses to be borne by the Residential Unit Owners have been allocated on the basis of the combined percentage of Common Interest of such Residential Units, for a total of 92.6930%. Common Charges to be borne by the Owner of the Commercial Units has been allocated on the basis of such Commercial Unit Owner's Common Interest for a total of 7.3070%.

The total also reflects income from 47 storage units that will be licensed to Residential Unit Owners at an anticipated cost of $50 per month.

(3) Common Expenses include the costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements and the provision of services to Unit Owners in general, such as service contracts applicable to the Building as a whole, employees who

will provide services to the entire Condominium, the Managing Agent for the Condominium, and insurance coverage for the Common Elements.

(4) **Payroll & Benefits: $833,798**

This estimate includes wages, workers compensation, and disability insurance, welfare and pension costs, payroll taxes and the cost of sick days, holidays and vacation pay for a projected shared Building staff of 1 Resident Manager, 1 Handyman, 3 full time porters and 4 Doormen. All staff will be full-time employees and will be members of Local 32B-32J Service Employees International Union AFL-CIO. The building is classified as Class "A" for the purpose of defining the wage scale. The contract with Local 32B-32J Service Employees International Union AFL-CIO is as of April 21, 2014 to April 20, 2018. The wages described below are computed in accordance with the contract of Local 32 BJ and its affiliates.

The wage and salary estimates included in Common Expenses are detailed as follows:

POSITION	ANNUAL WAGE
Resident Manager (1)*	$ 70,144
Handyman (1)	$ 53,969
Porters (3)	$ 146,870
Doormen/Receptionist (4)	$ 195,827
Bonus	$ 20,000
Multiply by 1.1535 to bring to 60 pay weeks to allow for sick days, holidays and vacation pay.	
Total Wages	$ 561,535
FICA	$ 42,957
NYS Unemployment	$ 5,738
Workers' compensation:	$ 28,077
Federal Unemployment	$ 693
NYS Disability	$ 405
Health	$ 140,175
Pension	$ 46,215
Legal, Training Fund & Profit Sharing	$ 8,003

*In addition to his salary, the Resident Manager resides rent free in the Resident Manager's Unit located in Unit 2E and is provided by the Board with free electric and telephone.

These expenses are allocated among all Unit Owners based on their percentage of common interest with the exception of the Commercial Units. The Commercial Unit's labor expenses are based on their percentage of common interest of the wages and related expenses for the Resident Manager, one Handyman and one Porter.

The projected level of staffing for the Building complies with all applicable housing and labor laws. The projected expenses for wages, salaries and benefits as well as the assumptions described herein, are believed to be reasonable and reflect the experience of Sponsor's budget expert, FirstService Residential, in managing comparable buildings.

(5) **Electricity: $134,640**

Electricity (including current necessary to operate HVAC Systems) shall be supplied to all Units through a separate Con Edison meter for each such Unit, and the cost of electricity consumed or used in each such Unit or any Limited Common Elements appurtenant thereto shall be payable to Con Edison.

The budget for common area electricity cost is based on the 3 year average annual consumption from 2012 – 2014 of 544,033 kilowatt (KwH) hours of electricity at an estimated cost of $.23 per KwH. An additional 10% was added to this estimate to account for cost inflation.

Year	Kilowatt Hours
2012	504,200
2013	566,800
2014*	561,100

*2014 consumption data is based upon 9 month actual and 3 month estimated consumption.

(6) **Steam: $208,839**

The budget for steam to provide heat and hot water for the common are as well as residential units is based on the 3 year average annual consumption from 2012 – 2014 of 5,642 millipounds (Mlb) at an estimated cost of $34.92 per Mlb. An additional 6% was added to this estimate to account for cost inflation.

Year	Mlb
2012	4,535
2013	6,494
2014*	5,897

*2014 consumption data is based upon 9 month actual and 3 month estimated consumption.

It is anticipated that the Commercial Units will be sub-metered for steam usage.

(7) **Cooking Gas: $1,520**

The budget for cooking gas for all residential units is based on the 3 year average annual consumption from 2012 – 2014 of 987 therms at an estimated cost of $1.40 per therm. An additional 10% was added to this estimate to account for cost inflation.

Year	Therms
2012	913
2013	1,049
2014*	999

*2014 consumption data is based upon 9 month actual and 3 month estimated consumption.

(8) **Water & Sewer: $118,289**

The budget for water & sewer usage is based on the 2 year average annual consumption data for 2012 - 2013 of 1,122,500 cubic feet at an estimated cost of $.0958 per CF. An additional 10% was added to this estimate to account for cost inflation.

Year	Cubic Feet
2012	897,900
2013	1,347,100

It is anticipated that the Commercial Units will be sub-metered for water & sewer usage.

(9) **Repairs and Maintenance: $49,500**

This estimate includes painting, maintenance and repair costs of General and Residential Common Elements only. Unit Owners will be responsible for the cost of repairs and painting in the interiors of their Units. No provision has been made to cover the cost of any capital expenditure. This estimate also includes the estimated annual cost of services and supplies (excluding service contracts) provided to and for the benefit of the Units.

Supplies/Hardware	20,000
Plumbing	5,000
Electrical	2,500
Elevators	2,500
Intercom	1,000
Windows/Locks/Doors	1,000
HVAC Repair	5,000
Plastering and Painting	2,500
Compactor	2,500
Pump Repair	2,500

General Repairs	5,000
Total	**49,500**

This estimate is based on experience of Sponsor's budget expert, FirstService Residential in operating comparable buildings.

(10) **Service Contracts: $104,800**

This estimate includes the cost of various services used in or for the Common Elements, including but not limited to elevator service, extermination, fire alarm and HVAC.

(current service contracts with expiration dates in parenthesis)

Elevator (Otis Elevator; exp 10/1/15)	25,000
Exterminating (Global Pest Control; exp 10/1/15)	2,500
Landscaping (For The Plants; exp. 10/1/15)	10,000
Flowers (For The Plants; exp. 10/1/15)	6,500
Fire Alarm (Protection) (Brisco Protective Services, exp 10/1/15)	2,500
Central Station Monitoring (Brisco Protective Services, exp 10/1/15)	1,800
Fire Extinguishers (No current contract)	1,500
Sprinkler (Signature; exp 10/1/15)	2,500
HVAC (Epic Mechanical Contractors; exp 10/1/15)	6,000
Steam Station Maintenance (Epic Mechanical Contractors; exp 10/1/15)	5,000
Telephone/Cable/Internet (Verizon/Time Warner; monthly)	6,000
Uniform Cleaning (No current contract)	3,000
Gym Maintenance (No current contract)	2,500
Window Cleaning (No current contract)	30,000
Total	**104,800**

The budgeted amounts are based on existing contracts and the experience of Sponsor's budget expert, FirstService Residential in operating comparable buildings. All existing service contracts will be expired before the estimated First Year of Operation and will be rebid with the same or different vendors. 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.

(11) **Insurance: $122,300**

The insurance premiums are based on the letter dated December 5, 2014 from MR Cooper, Ltd., located at 622 3rd Ave, New York, NY 10017. The fire, casualty and general liability are on the terms set therein:

Property Insurance
Building Limit $75,000,000
Business Personal Property Limit $200,000
Demolition & Increased Cost $1,000,000
Flood $5,000,000
Earthquake $5,000,000

DEDUCTIBLES
$10,000 Building , Underground Water & Sewer Backup
$25,000 Flood
$50,000 Earthquake

General Liability Insurance
$1,000,000 Each Occurrence
$2,000,000 General Aggregate
$1,000,000 Personal and Advertising Injury
$50,000 Fire Damage Liability
$5,000 Medical Expense
$1,000,000 Hired /Non Owned Auto Liability
$1,000,000 Water Damage Legal Liability

Umbrella Liability Insurance (Excess)
Limit of liability in excess of primary limits $100,000,000
$10,000 self-insured retention.
Includes Excess Directors & Officers

Directors & Officers Liability
$1,000,000 Claims Made Basis
Defense Costs Outside the limit
Deductible $5,000

Crime Insurance (Fidelity Bond)
Employees Dishonesty Limit $500,000 (includes managing agent as additional insured)
Managing Agent's Rider $500,000
Deductible $1,000

Boiler & Machinery (Equipment Breakdown Coverage)
Limit: $75,200,000

Deductible $10,000

TOTAL ESTIMATED ANNUAL PREMIUM - CONDOMINIUM: $122,300

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

This coverage applies to a Unit to the extent that the Unit remains unchanged from the time that it was initially offered by Sponsor. Any structural alterations or additions to Units are excluded from coverage. This coverage does not include claims for personal injury or property damage resulting from occurrences in individual Units or any Common Elements exclusive to such Units, nor does it include coverage of the furniture or personal property of Unit Owners nor decorations, fixtures or coverings (including, without limitation, painting, finishing, wall-to-wall carpeting, pictures, mirrors, shelving and lighting fixtures) installed by Unit Owners.

This quotation is an indication of insurance premiums at current rates. Because conditions in the insurance marketplace are volatile, it is not possible to predict what the premiums will be for the First Year of Condominium Operation. Purchasers should be aware of the possibility of rate increases. The insurance is adequate for the replacement of the building in the event of a total loss. The carrier will be selected at the time the coverage is bound. This will occur prior to the first unit closing.

Sponsor will procure, on behalf of the Board, on or before the date of the First Closing, the general liability insurance that is required to be carried by the Condominium.

This insurance coverage meets the requirements of any mortgage lender procured by Sponsor.

(12) **Management Fee: $70,000**

Based on the management agreement to be entered into with FirstService Residential at or before the First Closing, it is expected that the Managing Agent will receive an annual fee of $70,000 for the first year. Reference should be made to "Management Agreement" in Part I for further discussion of the terms of the Management Agreement.

(13) **Legal and Audit Fees: $20,000**

Based upon the estimate set forth in a letter dated October 28, 2014 from Tarlow & Co., C.P.A.'s, located at 7 Penn Plaza, Suite 210, New York, NY 10001, $15,000 has been budgeted to provide for estimated auditing and accounting fees in connection with the preparation of the audited financial statements for the First Year of Condominium Operation and Federal, state and city income tax returns. The balance of the budgeted amount ($5,000) has been estimated to provide for minor legal services to be rendered in connection with the operation of the Building such as attendance at Board meetings, preparation of Board minutes and negotiation of minor agreements.

(14) **Other Expenses: $23,500**

$23,500 has been budgeted to cover the ongoing need office equipment, postage, special communications and mailings to the Unit Owners, compliance, payroll processing, and holiday decorating expenses.

(15) **Resident Managers Unit: $47,715**

It is anticipated that Sponsor will sell Residential Unit 2E to the Board of Managers for use and occupancy of the Resident Manager of the Condominium for a purchase price of $1,750,000 (the "**RM Unit Price**"). It is anticipated that 100% of the RM Unit Price is to be paid by the Board of Managers in cash (such cash to be collected from each Residential Unit Owner at Unit Closing based on said Owner's Common Interest). The costs represented by this line item reflect the annual costs allocated to the RM Unit as follows:

Annual Real Estate Taxes:	23,772
Annual Common Charges:	19,943
Annual Utility Cost:	4,000
Total:	**47,715**

See the Special Risk entitled "Resident Manager's Unit" for further details.

(16) **Contingency: $30,000**

This fund may be used at the discretion of the Board toward unforeseen expenses or other appropriate Condominium expenses. The purpose of the contingency is to provide for unanticipated expenses or unanticipated increases in projected expenses.

(17) IN THE OPINION OF FIRSTSERVICE RESIDENTIAL NEW YORK INC., THE PROJECTED INCOME IS ADEQUATE TO MEET THE PROJECTED COMMON EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE 12-MONTH PERIOD COMMENCING JANUARY 1, 2017. THE FOREGOING SCHEDULE, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY BY ANYONE THAT THE ANNUAL COMMON CHARGES OR OTHER INCOME AND EXPENSES FOR SUCH FISCAL YEAR OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY WILL BE AS SET FORTH IN SAID SCHEDULE, SINCE THE ANNUAL COMMON CHARGES AND OTHER ITEMS OF INCOME AND EXPENSE MAY VARY FROM AMOUNTS SHOWN IN THE SCHEDULE.

Sponsor reserves the right to enter into additional or other service, maintenance, employment, concessionaire and other agreements that will be binding on the Condominium upon commencement of condominium operation. Sponsor shall not, however, enter into any binding service, maintenance, employment, concessionaire or other agreements that will materially increase the first year's projected Common Charges or that will be binding on the Condominium for a period of more than two (2) years,

unless the Plan is amended.

Sponsor has attempted to make accurate estimates. However, due to inflation, changes in the economy and unforeseen factors, it is likely that actual expenditures will differ from estimates set forth herein.

SCHEDULE B-1 - PROJECTED INDIVIDUAL ENERGY COSTS BUDGET

SCHEDULE B-1
Projected Individual Energy Costs Budget

I.M. Robbins, P.C., having an office at 15 West 44th Street, New York, New York 10036 provided the attached estimate of annual electric energy costs for lighting and for operating the typical electrical appliances located in each Residential Unit.

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

I.M. ROBBINS P.C.

CONSULTING ENGINEERS / 15 WEST 44TH STREET / NEW YORK, N.Y. 10036
TELEPHONE: (212) 944-5566 / FAX: (212) 944-5597

September 23, 2014

Magnum Real Estate Group
594 Broadway
Suite 1010
New York, NY 10012

Attn: Josh Krat, V.P.

Re: 385 First Avenue
Attorney General Report / Schedule B-1
Individual Electrical cost estimates

Gentlemen:

In accordance with your request, we list below estimate of annual electric energy costs for lighting, seasonal heating (Fan Operation), Air Conditioning, and for operating the typical electrical appliances located in a number of typical apartment units.

The estimated KWHR per year per square foot and annual cost of electricity per square foot utilized by individual apartments are 13.05 KWHR/Sq.Ft./Year and $3.65 per square foot, based on a Con Edison rate of $0.28 per KW Hour. The following table lists Annual Cost of Electricity for Typical Apartments.

TYPE APT/BR	SQ. FT.	TOTAL ANNUAL KWHR	TOTAL ANNUAL COST
1BR	459	5,989	$ 1,677
1BR	656	8,560	$ 2,397
1BR	728	9,500	$ 2,660
1BR	749	9,774	$ 2,736
1BR	761	9,931	$ 2,780
1BR	800	10,440	$ 2,923
2BR	958	12,501	$ 3,500
2BR	1003	13,089	$ 3,664
2BR	1011	13,193	$ 3,694
2BR	1135	14,811	$ 4,147
2BR	1253	16,351	$ 4,578

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

Very truly yours,

Marc Robbins, P.E.

MR/tt

REAL PROPERTY LAW SECTION 339-i COMPLIANCE LETTER

FirstService
RESIDENTIAL

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

August 27, 2015

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

Re: Condominium Offering Plan
385 First Avenue Condominium
385 First Avenue
New York, New York 10010 ("Property")

Dear Sir/Madam:

MF 385 First Ave LLC ("Sponsor") of the Condominium Offering Plan ("Offering Plan") for the Property retained FirstService Residential New York, Inc. ("Firm") to review the percentage of Common Interest in the Common Elements allocated to each Unit in the Property set forth in Schedule A of the Offering Plan.

The Firm is licensed as a real estate brokerage firm in the State of New York. The principals of the Firm have been engaged in the real estate and brokerage business for over twenty-five (25) years and have been actively associated with sale and management of condominium and cooperative buildings.

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

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

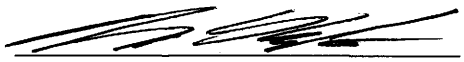
The Firm certifies that it is not owned or controlled by Sponsor and that it has no financial interest in the offering other than its fee for services rendered in connection with the preparation of this letter (and acting as Selling Agent under the Offering Plan). The Firm understands that a copy of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

622 Third Avenue | New York, NY 10017
Tel 212.634.8900 | Fax 212.634.3946
www.fsresidential.com

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

Very truly yours,

FirstService Residential New York, Inc.

By: 

Name: Marc Kotler
Title: Senior Vice President
New Development Group

COMMERCIAL UNITS

As more particularly described in the Declaration and in the "Description of Property and Building Condition," each of which are contained in Part II of the Plan, the Condominium will contain 3 Commercial Units.

Commercial Units

Commercial Unit 1 consists of approximately 2,250 square feet and is located on portions of the cellar and first floors. It is currently leased to Stacca Rest. Corp. for use as a café pursuant to a lease that expires on May 31, 2022.

Commercial Unit 2 consists of approximately 3,750 square feet and is located on portions of the cellar and first floors. It is currently leased to M & T Bank for use as a bank pursuant to a lease that expires on August 31, 2017 with one five year extension option.

Commercial Unit 3 consists of approximately 3,400 square feet and is located on portions of the first floor. It is currently leased to Cooperton, LLC for use as a "Bolton's" clothing store pursuant to a lease that expires on January 31, 2020 with one five year extension option.

General

The Commercial Units are not being offered for sale pursuant to the Plan. The Commercial Units may be offered for sale in the future by a duly filed amendment to the Plan or pursuant to a "No-Action," "No Jurisdiction," or similar ruling issued by the Department of Law.

Each Commercial Unit may be combined or subdivided by the Commercial Unit Owner into two or more separate condominium units without prior notice and without amendment to the Plan. Additionally, any Commercial Unit created as a result of such subdivision will retain the same rights afforded the Commercial Unit Owners as set forth herein.

Residential Unit Owners will not have any interest in the rents, profits or revenues from the rental or use of any space in any of the Commercial Units.

No representation is made with respect to the ownership of all or any portion of the Commercial Units or as to who the future owners or tenants of any portion of the Commercial Units may be at any time or as to the uses to which any portion of the Commercial Units may be put at any time except that each of the Commercial Units may be used for any purpose permitted by Law, including, without limitation, additional residential units, retail stores, banks, restaurants, theaters, bars, spas, health clubs, parking garages, and commercial and professional office space which uses may result in increased noise and traffic. Notwithstanding anything to the contrary contained in the Plan or elsewhere, the use of the Commercial Unit is subject to the following restrictions: the Commercial Unit may not be used for any of the following purposes at any time: (i) a massage parlor, an adult theater, a peep show establishment, or a topless or bottomless bar, (ii) a video arcade, a betting parlor, a gambling casino, or any other gambling related establishment, (iii) for any use that is primarily concerned with lewd or prurient sexual activity, (iv) an in-patient or out-patient center for drug, alcohol, or mental health treatment, or (v) a homeless shelter or any center offering food or other special services to the homeless. No assurance, representation, or warranty is given that any tenants, occupants or users of the Commercial Units will not be objectionable to Residential Unit Owners or other parties. The uses of the Commercial Units may generate noise, traffic, fumes or other disturbances over which the Residential Unit Owners will have no control. Residential Unit Owners will not have any interest in the rents, profits or revenues generated from the business, rental, or other use of any space in any Commercial Unit.

Rights and Obligations of the Commercial Unit Owners

Each Commercial Unit Owner will be obligated to pay its portion of the Common Charges in accordance with the allocations set forth in the Section of the Plan entitled "Schedule B – Budget for First Year of Condominium Operation" ("Schedule B"). As set forth in the Footnotes annexed to Schedule B, certain budgeted items are allocated between the Residential Units and the Commercial Units on a special basis which reflects actual benefit and/or use associated with a particular item of expense or exclusive control of particular Common Elements. The Condominium Board may not modify these allocations without the unanimous consent of the Commercial Unit Owners. In the opinion of Sponsor's budget expert, the allocated Common Charges payable by the Commercial Units are sufficient to cover the expenses fairly attributable to the Commercial Unit. See "Certification of Budget Expert Concerning the Adequacy of Common Charges Payable by the Commercial Unit Owners" set forth in Part II of the Plan for details.

The Commercial Unit Owners, collectively, shall have the right to designate one (1) Commercial Member to the 6-member Condominium Board. The Member of the Condominium Board designated by the Commercial Unit Owners may only be removed by the Commercial Unit Owners, who alone will have the right to elect or designate a replacement.

As more fully set forth in the By-laws, the Condominium shall deliver a non-disturbance and attornment agreement to the Commercial Unit Owner and/or Sponsor if so requested.

Notwithstanding anything to the contrary, (i) the allocations of budgeted items between the Residential Units and the Commercial Units (as set forth in Schedule B) may not be modified by the Condominium Board without the unanimous consent of the Commercial Unit Owners, and (ii) the Condominium Documents may not be amended or modified to adversely affect a Commercial Unit Owner without the prior written consent of the affected Commercial Unit Owner. Otherwise, any decisions by the Condominium Board which solely affect a Commercial Unit may be made only by the Commercial Member of the Condominium Board designated by the Commercial Unit Owners.

Notwithstanding anything to the contrary, each Commercial Unit Owner and its Permitted Users shall have the right to sell or lease all or any portion of such Commercial Unit (i) without prior approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any, (ii) without notice, (iii) without complying with any requirements with respect to rights of first offers or first refusals, and (iv) without payment of any fees or charges (including any transfer fees).

Each Commercial Unit Owner and its Permitted Users shall have an easement in, over, under, through or upon the Common Elements or elsewhere on the Property (i) for the purpose of accessing such Commercial Unit or any portion of the Building servicing such Commercial Unit, (ii) for the purpose of exiting the Building in the event of an emergency, and (iii) to install, operate, maintain, repair, alter, rebuild, restore and replace any pipes, wires, ducts, vents, cables, conduits or other lines, equipment or Facilities forming a part of or servicing such Commercial Unit.

Each Commercial Unit Owner and its Permitted Users shall additionally have the right and an easement, as applicable, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any:

1. to make alterations, additions, improvements, or repairs in or to the interior portions of a Commercial Unit, whether structural or non-structural, ordinary or extraordinary, including without limitation any alterations with respect to the type, number, or layout of rooms in each Commercial Unit.

2. to amend the Certificate of Occupancy of the Building with respect to the use or number of the Commercial Units.

3. without amendment to the Plan, to (i) subdivide and/or combine any Commercial Unit and/or (ii) change any Commercial Units in size by relocating a boundary wall between Commercial Units. In the event of a subdivision, combination, and/or change in size of any Commercial Unit, each Commercial Unit Owner shall additionally have the right to reapportion among the affected Commercial Units their respective Common Interests. Any additional condominium units created as a result of a subdivision of a Commercial Unit will retain the same rights, privileges, and benefits afforded the original Commercial Unit Owner and will be subject to the same obligations imposed on the original Commercial Unit Owner, as set forth in the Condominium Documents. Notwithstanding the foregoing, in the event of a subdivision of any Commercial Unit, the Commercial Unit Owners shall have the right to designate, collectively, only one (1) Commercial Member to the Condominium Board.

4. to make all arrangements for the prompt repair and restoration of the Commercial Unit to the extent the Commercial Unit is damaged or destroyed by fire or other casualty.

In addition to the foregoing, each Commercial Unit Owner and its Permitted Users shall have the right and an easement, as applicable, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any:

5. to erect, maintain, repair and replace one or more signs and lighting, of such size and content as such Commercial Unit Owner shall determine in the windows of the Commercial Unit, including without limitation any storefronts of such Commercial Unit, for the purposes of advertising (a) the sale or rental of all or any portion of the Commercial Unit or (b) the operation of any business for which such Commercial Unit is used.

6. subject only to Sponsor's prior written consent in each instance for so long as Sponsor continues to own an Unsold Unit, to (i) alter, modify, and/or restore the exterior façade and/or the windows of the Commercial Unit, including without limitation any storefronts, and (ii) create additional means of egress and ingress to such Commercial Unit.

7. to use the sidewalk adjacent to such Commercial Unit for any purposes permitted by Law, including without limitation food and beverage services and the placement of outdoor seating, tables, lighting and signage on such sidewalk, provided that the entrances to the Building are not impeded by such use. In the event a Commercial Unit Owner utilizes a sidewalk adjacent to their Commercial Unit, the maintenance, replacement, and repair of the sidewalk during the period of use, together with all costs and expenses associated therewith, shall be the responsibility of the Commercial Unit Owner.

Any alterations, additions, improvements, or repairs by Commercial Unit Owners are to be performed at the applicable Commercial Unit Owner's sole cost and expense and must be in compliance with Law and the terms of the Declaration and the By-Laws.

Reference should be made to the Declaration and the By-Laws set forth in Part II of the Plan for details with respect to rights and obligations of Commercial Unit Owners relating to the use and ownership of the Commercial Units.

CHANGES IN PRICES AND UNITS

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

The Purchase Prices to Tenant-Purchasers set forth in Schedule A will not increase during any Exclusive Purchase Period nor will Sponsor accept Purchase Agreements from non-occupant Purchasers for occupied Residential Units during any Exclusive Purchase Period. Unless it would constitute a discriminatory inducement, Sponsor reserves the right to negotiate with each Purchaser the following terms and conditions of the Purchase Agreement among other terms: Purchase Price; the amount and timing of the Deposits; the availability of financing; the payment of Purchaser's financing fees and other closing costs; the availability of Common Charge rebates, Purchase Price rebates and subsidies payable as a credit against the Purchase Price or on a periodic basis; and extensions of time periods within which to perform obligations under the Purchase Agreement. After the Plan is declared effective, Sponsor reserves the right to enter into a negotiated agreement with an individual Tenant-Purchaser to sell one or more Residential Units at prices lower than and terms different than those in effect from time to time without filling an amendment to the Plan.

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

The location in the Building, approximate size and layout of the Units are shown on the floor plans set forth in Part II of the Plan. In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of Purchasers, or for any other reason (including with respect to Sponsor's Work), Sponsor reserves the right (except to the extent prohibited by Law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Condominium Board, any Unit Owner or mortgagee, to (a) change the size, layout and square footage of, or number of rooms in, any Unsold Residential Unit, (b) change the size and/or number of Unsold Residential Units by dividing one or more such Units into two or more separate Unsold Residential Units, combining separate Unsold Residential Units (including those resulting from such subdivision or otherwise) into one or more Unsold Residential Units, altering any boundary walls between one or more Unsold Residential Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Residential Unit into such Unsold Residential Unit without changing the percentage of Common Interest of such Unit, and (c) if appropriate, reapportion among the Unsold Residential Units affected by any such change, their aggregate Common Interest. In the event of any change pursuant to either (b) or (c) above, such change shall be disclosed in a duly filed amendment to the Plan. No such change,

including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Unit, will be made with respect to such Unsold Residential Unit for which a Purchase Agreement is then in effect which increases or decreases the square footage (excluding interior partitions) or Common Interest by more than 5%, or materially changes the Unsold Residential Unit size, the layout or Common Interest of such Unsold Residential Unit, unless the Purchaser consents to such changes. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit, as set forth in the Schedule A, by 5% or less (excluding interior partitions) is not a material and/or adverse change. Provided Purchaser's consent is not required, a Purchaser will not be excused from purchasing the Unit and will not have any claim against Sponsor as a result of any such change and such change will not affect a Purchaser's obligations under the Purchase Agreement or the Plan. If Purchaser's consent is required as a result of such change and Purchaser refuses to consent, then in such event, Sponsor's sole obligation shall be to refund to Purchaser the Deposit made under the Purchase Agreement and any interest earned thereon. To the extent any such change involves entry into an occupied Residential Unit, Sponsor will repair any resulting damage to such Residential Unit. In addition, it is possible that Sponsor will install additional plumbing pipes through the concrete slabs vertically separating Residential Units and that such pipes will be run across the ceiling of some rooms in certain Residential Units and enclosed in sheetrock enclosures. Sponsor reserves the right to perform before or after the closing of any Residential Unit and such change shall not be deemed a material and adverse change with respect to any Purchaser nor give rise to any claim against Sponsor by any Residential Unit Owner. Such change shall not be deemed a material and adverse change with respect to any Purchaser or Residential Unit Owner. No material change will be made in the size and quality of the Common Elements without giving Purchasers, who are not in default under a Purchase Agreement, a right to rescind in accordance with a duly filed amendment to 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 of the Unit or otherwise be relieved from any obligations under the Purchase Agreement, by virtue of a non-material inaccuracy or error in the Floor Plans.

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

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

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

ACCOUNTANT'S CERTIFIED STATEMENTS OF OPERATION

MF 385 FIRST AVE LLC

(A Limited Liability Company)

SCHEDULES OF OPERATIONS

YEARS ENDED DECEMBER 31, 2013 AND 2012

MF 385 FIRST AVE LLC
(A Limited Liability Company)
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Magnum Real Estate Group

We have audited the accompanying Schedules of Operations of the property located at 385 First Avenue, New York, NY, which is now owned by MF 385 First Ave LLC (the "Company" or "385 First Avenue"), for the years ended December 31, 2013 and 2012, and the related notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the Schedules of Operations in accordance with the Office of New York State Attorney General Regulations Governing the Conversion of Occupied Residential Property to Condominium Ownership (Title 13 Part 23.3 of New York Codes, Rules and Regulations); this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Schedules of Operations that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Schedules of Operations based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Schedules of Operations are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Schedules of Operations. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Schedules of Operations, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Schedules of Operations in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Schedules of Operations.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Schedules of Operations referred to above present fairly, in all material respects, the results of operations for the years ended December 31, 2013 and 2012, on the basis of accounting described above.

Basis of Accounting

We draw attention to Note 2 to the Schedules of Operations, which describes the basis of accounting. The Schedules of Operations were prepared by 385 First Avenue on the basis of the condominium's offering plan, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the provisions of the New York State Attorney General Regulations Governing the Conversion of Occupied Residential Property to Condominium Ownership (Title 13 Part 23.3 of New York Codes, Rules and Regulations). Our opinion is not modified with respect to that matter.

Restriction of Use

The report is intended solely for the information of the potential purchasers of condominium units under the conversion plan and the management of 385 First Avenue and is not intended to be and should not be used by anyone other than these specified parties.

CERTIFIED PUBLIC ACCOUNTANTS

New York, New York
December 3, 2014

MF 385 FIRST AVE LLC
(A Limited Liability Company)
SCHEDULES OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	2013	2012
Revenues:		
Rental income and other charges	$ 6,742,107	$ 6,668,738
Common expenses:		
Labor and benefits	865,216	886,419
Gas	284,598	214,268
Electricity	91,505	102,654
Water charges and sewer	124,153	76,451
Repairs and maintenance	212,885	222,986
Service contracts	34,407	43,312
Insurance	79,084	57,258
Professional fees	37,652	13,602
Telephone	11,325	10,600
Building supplies	19,089	19,204
Permits and inspections	18,405	9,446
Management fee	170,160	167,598
Total common expenses	1,948,479	1,823,798
Excess of revenues over expenses	$ 4,793,628	$ 4,844,940

See accompanying notes to schedules of operations.

MF 385 FIRST AVE LLC
(A Limited Liability Company)
NOTES TO SCHEDULES OF OPERATIONS
DECEMBER 31, 2013 AND 2012

NOTE 1. ORGANIZATION

385 First Avenue New York, New York (the "Property") was built in 2002. The Property is 21 stories and consists of 138 residential apartments and commercial space and was owned by Rose Hill Associates, LLC until it was acquired by the MF 385 First Ave LLC (the "Company) in September 2014. The Company is pursuing plans for conversion of the Property to condominium ownership.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Schedules of Operations (the "Schedules") have been prepared in accordance with the Office of New York State Attorney General Regulations Governing the Conversion of Occupied Residential Property to Condominium Ownership (Title 13 Part 23.3 of New York Codes, Rules and Regulations) and are not intended to present the Property's results of operations in conformity with accounting principles generally accepted in the United States of America ("GAAP").

Had the accompanying Schedules been prepared in accordance with GAAP, they would include the following income and expense items: (i) straight line rental income, (ii) depreciation and amortization expense associated with building improvements and brokerage commissions, (iii) real estate taxes, (iv) mortgage interest expense, and (v) various other ancillary income and expense items.

Revenue Recognition

The Company recognizes revenue from monthly rental charges billed to tenants of the Property.

Subsequent Events

In accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 855, *Subsequent Events*, the Company has evaluated subsequent events through December 3, 2014, the date on which the Schedules were available to be issued. There were no material subsequent events that required recognition or additional disclosure in the Schedules.

RIGHTS OF EXISTING TENANTS

Each "Bona Fide Tenant" shall have the exclusive right within the first 90 days from the Presentation Date of the Plan ("Initial Exclusive Purchase Period") within which to purchase the Residential Unit such Purchaser occupied on the Filing Date of the Plan at the Purchase Price set forth in Schedule A, during which time the Bona Fide Tenant's Residential Unit shall not be shown to a third party unless the Bona Fide Tenant has, in writing, waived the right to purchase. In order to exercise this exclusive right to purchase, the Bona Fide Tenant must deliver to Selling Agent during the Initial Exclusive Purchase Period (i) four (4) original, complete, and unaltered executed copies of the signed Purchase Agreement, (ii) a completed and executed original form W-9 or form W-8, as applicable, and (iii) the Initial Deposit. Sponsor has agreed that during any Exclusive Purchase Period, the purchase prices to be paid by Bona Fide Tenants for the Residential Units occupied by such Bona Fide Tenants on the Filing Date will not be increased nor will Sponsor accept Purchase Agreements from non-occupant Purchasers for occupied Residential Units, unless the Bona Fide Tenant of such occupied Residential Unit has waived, in writing, such Bona Fide Tenant's right to purchase such Residential Unit.

The term "Bona Fide Tenant" shall include: (a) a bona fide tenant in occupancy on the Filing Date; (b) a bona fide tenant with the right to renew a lease on the Filing Date; (c) a bona fide tenant who has the right to continued occupancy on the Filing Date; (d) a bona fide tenant of record with an unexpired lease on the Filing Date even though the tenant has sublet the Residential Unit or the Residential Unit is not the tenant's primary residence; and (e) a bona fide sublessee in occupancy on the Filing Date, if such sublessee sublets from a non-bona fide tenant, or has obtained written permission to purchase the Residential Unit from the bona fide tenant of record.

The term "Bona Fide Tenant" shall not include (i) any tenant of any Commercial Unit and (ii) the estate or legal representative of a Bona Fide Tenant who was in occupancy of a Residential Unit on the Filing Date and who died on or after the Filing Date without having previously delivered a Purchase Agreement in compliance with the terms hereof.

Bona Fide Tenants do not have any exclusive right to purchase any Unit other than Unit such Bona Fide Tenant occupied on the Filing Date of the Plan. A Purchase Agreement from a Bona Fide Tenant for the Unit such Bona Fide Tenant occupied on the Filing Date of the Plan, properly executed and delivered during any Exclusive Purchase Period provided in the Plan or in an amendment to the Plan, shall have priority over and pre-empt any Purchase Agreement for such Unit executed and delivered by a Non-Tenant-Purchaser.

Bona Fide Tenants may purchase a vacant Unit but do not have the exclusive right to purchase such Unit. The price of such vacant Unit will be the "Price to Non-Tenant-Purchasers" as set forth on Schedule A, as it may be amended from time to time. The procedure to purchase such vacant Unit is set forth in the Section of the Plan entitled "Introduction" subsection "The Residential Units Offered for Sale."

THIS IS A NON-EVICTION PLAN. NO NON-PURCHASING TENANT WILL BE EVICTED BY REASON OF CONVERSION TO CONDOMINIUM OWNERSHIP.

The following summary of rights of existing tenants is set forth in accordance with Section 352-eeee of New York State General Business Law ("GBL"), a copy of which is set forth in Part II of the Plan. Bona Fide Tenants in occupancy derive substantial protections under the GBL.

The term "Non-Purchasing Tenant" means a person who has not purchased a Residential Unit pursuant to the Plan and who is a tenant entitled to possession at the time the Plan is declared effective. A person who sublets a Residential Unit from "a Purchaser under the Plan" (as such term is defined in the GBL) shall not be deemed a Non-Purchasing Tenant.

(A) No eviction proceedings may be commenced at any time against Non-Purchasing Tenants for failure to purchase; provided that such proceedings may be commenced for non-payment of rent, illegal

use or occupancy of the premises, refusal of reasonable access to the owner, failure to maintain the premises as a primary residence, or any other breach of lease by the Non-Purchasing Tenant of his leasehold obligations to the owner of the Residential Unit; and provided further that an owner of a Residential Unit may not commence an action to recover possession from a Non-Purchasing Tenant on the grounds that such owner seeks the Residential Unit for the use and occupancy of such owner or such owner's family.

(B) Non-Purchasing Tenants who resided in Residential Units subject to government regulation as to rentals and continued occupancy prior to the conversion of the Building to condominium ownership shall continue to be subject thereto following the conversion. Nothing contained herein shall be deemed to extend greater rights to a Non-Purchasing Tenant than such tenant would have had if the Building had not been converted to condominium ownership, except as otherwise provided in subparagraph (C).

(C) The rents of Non-Purchasing Tenants who reside in Residential Units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the Filing Date shall not be subject to unconscionable increases beyond rental amounts charged for comparable Residential Units during the period of their occupancy. In determining comparability, consideration will be given to such factors as location of the Building and of the Residential Unit within the Building, amenities and building services, level of maintenance and operating expenses. Non-Purchasing Tenants are advised that complaints of unconscionable rent increases may be referred to the New York State Department of Law, Real Estate Finance Bureau at 120 Broadway, New York, New York 10271. Non-Purchasing Tenants may be subject to rent increases as the result of major capital improvements ("MCI") made by Sponsor, the Condominium or Purchasers of Residential Units occupied by such Non-Purchasing Tenants. Under current Law, Sponsor is not entitled to seek a MCI rent increase to the extent Sponsor has taken a credit against the Reserve Fund as the result of such MCI. (See the Section of the Plan entitled "Reserve Fund" for further details.)

(D) The Plan may not be amended at any time to provide that it shall be an eviction plan.

(E) The rights granted under the Plan to Purchasers under the Plan (as such term is defined in the GBL) and to Non-Purchasing Tenants may not be abrogated or reduced notwithstanding any expiration of, or amendment to, the GBL.

(F) Building-wide services shall be managed on behalf of all Residential Units (including those occupied by Non-Purchasing Tenants) by the same Managing Agent who manages all other Residential Units in the Building. Such Managing Agent will provide to Non-Purchasing Tenants all services and facilities required by Law on a non-discriminatory basis.

(G) It shall be unlawful for any Person to engage in any course of conduct, including, but not limited to, interruption or discontinuance of essential services, which substantially interferes with or disturbs the comfort, repose, peace or quiet of any tenant in his use or occupancy of his Residential Unit or the Facilities related thereto. The Attorney General may apply to a court of competent jurisdiction for an order restraining such conduct and, if the Attorney General deems it appropriate, an order restraining the owner from selling the Residential Unit. Nothing contained in the GBL shall be deemed to preclude the tenant from applying on his own behalf for similar relief.

(H) Any provision of a lease or other rental agreement which purports to waive a Non-Purchasing Tenant's rights under the GBL or Law promulgated pursuant to the GBL shall be void as contrary to public policy.

(I) Tenants or their representatives, upon reasonable advance notice, may inspect the Property physically at any time subsequent to the submission of the Plan to the Department of Law, during normal business hours upon written request made by them to Sponsor.

The following disclosure is required by the Department of Law to reflect current case law applicable to the conversion of occupied Buildings in New York County to condominium ownership as

of the submission date of the preliminary Plan to the Department of Law. Sponsor makes no representations concerning any future court decisions with respect to this disclosure and reserves all rights under applicable law then available to Sponsor pursuant to such future court decisions. Under this non-eviction Plan, tenants whose leases expire and against whom holdover proceedings are commenced before the Plan is declared effective retain only the minimal protections available to the common-law "tenant at sufferance," and ARE NOT PROTECTED from eviction for failure to purchase or any other reason applicable to expiration of tenancy and from unconscionable rent increases absent some special circumstance, as found by a court of competent jurisdiction. Tenants who first lease Unsold Units from Sponsor after the Plan is declared effective are not protected from eviction for failure to purchase or any other reason applicable to expiration of tenancy and from unconscionable rent increases.

Subsequent to the First Closing under the Plan, with respect to the first sale of each unsold Residential Unit by Sponsor, the Non-Purchasing Tenant in occupancy of such Residential Unit will be notified in writing by Sponsor of the name and address of the Person who purchased such Non-Purchasing Tenant's Residential Unit. Upon a resale of such Residential Unit, the seller and each subsequent seller will be obligated to notify the Non-Purchasing Tenant in writing within 10 days following the resale of the name and address of the non-occupant Purchaser.

If prior to the First Closing, Sponsor amends the terms and conditions of this offering to be more favorable to Bona Fide Tenants, a Tenant-Purchaser who executed and submitted a Purchase Agreement and delivered the Initial Deposit for the Residential Unit which the Tenant-Purchaser occupied on the Filing Date, before Sponsor amended the terms of the Plan, shall benefit from the more favorable terms and conditions.

If a Bona Fide Tenant purchases a Residential Unit, then from and after the Closing of Title to such Residential Unit, such Tenant-Purchaser would no longer be subject to, or have any rights afforded tenants in occupancy, under the GBL.

A Non-Purchasing Tenant will not have access to or an exclusive right to use any portion of the Common Elements except for a Terrace (if any) appurtenant to the Residential Units occupied by such Non-Purchasing Tenant. Each such Terrace is a Residential Limited Common Element for the exclusive use of the Residential Unit Owner and permitted tenants or occupants of such appurtenant Unit.

Non-Purchasing Tenants shall have no rights with respect to their Residential Units except as same may specifically set forth above and in the GBL. Nothing contained herein shall be deemed to grant Non-Purchasing Tenants any additional rights of occupancy with respect to the Residential Units.

Sponsor will post the status of sales in accordance with the posting requirements set forth in greater detail in the Section of the Plan entitled "Effective Date."

The rights of a Purchaser under the Purchase Agreement are not assignable or transferable. See the Section of the Plan entitled "Assignment of Purchase Agreements."

Tenants may obtain additional information in a memorandum dated June 19, 2013 from the Department of Law entitled "Disclosure Requirements for Occupied Conversions Regarding Tenant Protection from Evection and Unconscionable Rent Increases."

OBLIGATIONS OF PURCHASERS OF RESIDENTIAL UNITS OCCUPIED BY NON-PURCHASING TENANTS

A Person purchasing a Residential Unit occupied by another does so subject to (a) the existing lease for the Residential Unit, if any (and any renewal thereof pursuant to Law or effected prior to the date on which the Purchaser's Purchase Agreement is accepted), (b) the existing occupancy of the Residential Unit, and (c) rights of the tenant thereof, if any, under the Rent Laws and under the GBL, including the right to stay in possession of the Residential Unit pursuant to the GBL, as more fully discussed in the Section entitled "Rights of Existing Tenants." As of the approximate submission date of the preliminary Plan or "red herring" to the Department of Law, all of the Residential Units are subject to the Rent Laws on account of the receipt of 421-a Real Estate Tax Exemption Benefits, which are scheduled to expire on June 30, 2015.

No representations or statements of any kind as to the requirements of the Rent Laws are given, except as expressly set forth in the Plan, and a prospective Purchaser interested in purchasing an occupied Residential Unit in which such prospective Purchaser does not reside, or lease, is advised to consult with an attorney regarding the application and effect of the applicable Law in order to become fully apprised of such prospective Purchaser's rights as a Purchaser and such prospective Purchaser's obligations to any existing tenant or occupant.

After Closing of Title of the sale of a Residential Unit to a non-occupant Purchaser, such non-occupant Purchaser will own the Residential Unit, subject to the lease or tenancy of the present tenant and subject to all rights afforded such tenant under the Rent Laws (if applicable) and the Plan, including the right to receive a renewal lease as set forth above and to be evicted only on grounds permitted by Law. Under the GBL, the Non-Purchasing Tenant may not be evicted at any time for failure to purchase or any other reason applicable to expiration of tenancy, provided that eviction proceedings may be commenced for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the Condominium or its Managing Agent or a breach by the Non-Purchasing Tenant of any leasehold obligations to the owner of the Residential Unit or such other grounds for eviction as may then be permitted by Law. In addition, no eviction proceedings may be commenced against a Non-Purchasing Tenant on the grounds that the non-occupant Purchaser seeks the Residential Unit for the use and occupancy of the non-occupant Purchaser or the non-occupant Purchaser's family.

If a non-occupant Purchaser acquires a Residential Unit occupied by another, then on the Closing Date of such Residential Unit, the non-occupant Purchaser will become the landlord of such tenant and the latter will become the non-occupant Purchaser's tenant. Such non-occupant Purchaser will be required under the Purchase Agreement to pay the Common Charges, Special Assessments, taxes and other charges against the Residential Unit to the Condominium Board or the City of New York, as the case may be, regardless of whether such Common Charges, Special Assessments, taxes and other charges are greater or less than the rent payable by the tenant or occupant, and regardless of whether or not the rent is received. In addition, such non-occupant Purchaser will be responsible for the performance of all obligations of the landlord under the lease with, or tenancy of, the tenant or occupant, including without limitation, the obligation to register the Residential Unit with the New York State Division of Housing and Community Renewal and to maintain, repair, and replace fixtures and equipment (if any) in the Residential Unit, to the extent provided in the lease, the Rent Laws or other applicable Law. In addition, any litigation costs, fees and any dues related to the tenancy, are the sole responsibility of the non-occupant Purchaser.

The Purchase Agreement for a Residential Unit occupied by a Non-Purchasing Tenant contains a provision whereby each non-occupant Purchaser of a Residential Unit irrevocably appoints the then Managing Agent of the Building (which Managing Agent may be replaced by the Condominium Board if Sponsor no longer controls the Condominium Board) as Purchaser's agent, coupled with an interest, to provide for the account and at the expense of the non-occupant Purchaser, all services and facilities required by Law on a non-discriminatory basis, to the Non-Purchasing Tenant who has a right to occupy the Residential Unit such non-occupant Purchaser is purchasing until such time as such right to occupy

terminates. In addition, each non-occupant Purchaser agrees: (a) to deposit with Managing Agent at the Closing of Title to the Residential Unit, a sum not less than the greater of 2 months' rent under such Non-Purchasing Tenant's lease or occupancy agreement and 2 months' Common Charges, to be used as working capital to furnish such services and facilities, and (b) upon written notice by Managing Agent (or the Condominium Board) that such deposit has been diminished, to replenish said fund within 30 days. The By-Laws provide that the failure of the Residential Unit Owner to replenish the fund in a timely fashion will result in the Condominium Board on behalf of all Residential Unit Owners, filing a lien against the Residential Unit for nonpayment of such charges. Sponsor shall guarantee the obligation of Managing Agent to provide such services and facilities until such time as Sponsor surrenders control of the Condominium Board. Each non-occupant Purchaser of a Residential Unit will be required to promptly defend, indemnify and hold Sponsor harmless for all costs expended by Sponsor on such non-occupant Purchaser's behalf. The foregoing obligations of a non-occupant Purchaser do not apply to Sponsor.

Upon each resale of a Residential Unit occupied by a Non-Purchasing Tenant, the new Unit Owner shall promptly notify the Non-Purchasing Tenant thereof in writing following the resale of the name and address of the new non-occupant Purchaser.

No representation is made or warranty given as to whether any Rent Laws will continue to apply to any Residential Unit in the Building or whether there will be any future amendments thereto.

A Person interested in purchasing a Residential Unit in which such Person does not reside is advised to examine the lease for such Residential Unit to ascertain the rental thereof, expiration date and obligations imposed on the landlord thereof. These leases are available from Sponsor upon request. Such Person is advised to consult with an attorney in order to become fully apprised of the effect of the Rent Laws, if applicable, as well as the lease for the Residential Unit, on such Person's rights as a non-occupant Purchaser and such Person's obligations to the existing tenant or occupant.

A non-occupant Purchaser of a Residential Unit subject to a lease will be entitled to receive the unapplied portion of any security deposit held by Sponsor under the terms of such lease. Such security must be held by the non-occupant Purchaser, in trust, in an interest bearing account in accordance with Section 7-103 of the New York General Obligations Law. Upon receipt of such security deposit, the non-occupant Purchaser will be required to acknowledge, in writing, receipt thereof and agree to promptly defend, indemnify and hold Sponsor harmless against all claims or liability in connection therewith.

PROCEDURE TO PURCHASE

A Purchaser desiring to purchase a Residential Unit will be required to execute a Purchase Agreement in quadruplicate (i.e., four (4) original, complete and unaltered executed copies), which will be in the form set forth in Part II of the Plan and may not be amended, revised or altered by the Purchaser in any way. Any conflict between the Plan and the Purchase Agreement will be resolved in favor of the Plan. A Purchaser desiring to purchase a Storage Locker will be required to execute the form of Rider annexed to the Purchase Agreement set forth in Part II of the Plan.

Sponsor must accept a Purchase Agreement from a Bona Fide Tenant, only with respect to the Residential Unit such Bona Fide Tenant occupied on the Filing Date, who submits 4 original, complete and unaltered executed copies of the signed Purchase Agreement and an official bank check (subject to collection) for the Initial Deposit to Sponsor during the time within which the Bona Fide Tenant has the exclusive right to purchase the Residential Unit under the Plan. Such Tenant-Purchaser will receive a fully-executed counterpart of the Purchase Agreement from Sponsor.

Unless less than 3 business days remain in the statutory time period to declare the Plan effective, prospective Purchasers will be afforded not less than 3 business days to review the Plan and any and all amendments thereto prior to executing a Purchase Agreement. A prospective Non-Tenant-Purchaser may obtain the Plan upon payment of a $300 deposit, which amount will be fully refunded upon either (i) the prompt return of the Plan in good condition or (ii) the execution by the prospective Purchaser of a Purchase Agreement subsequently accepted by Sponsor. If a Non-Tenant-Purchaser has not received the Plan at least 3 business days prior to executing a Purchase Agreement, the Non-Tenant-Purchaser shall have the right to rescind the Purchase Agreement within 7 days from the date the Non-Tenant-Purchaser delivers an executed Purchase Agreement together with the Initial Deposit to Sponsor or Selling Agent. The Purchase Agreement sets forth in detail the terms of sale with respect to each Residential Unit and should be read carefully by Purchaser.

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

At the time Purchaser executes a Purchaser Agreement, a Tenant-Purchaser will be required to deliver an Initial Deposit in an amount equal to 15% of the Purchase Price and a Non-Tenant-Purchaser will be required to deliver an Initial Deposit in an amount equal to 15% of the Purchase Price. Tenant-Purchasers will be required to deliver an Additional Deposit in an amount equal to 5% of the Purchase Price and Non-Tenant-Purchasers will be required to deliver an Additional Deposit in an amount equal to 5% of the Purchase Price at the earlier to occur of (i) 6 months after the date of the Purchase Agreement, or (ii) 15 days after the Presentation Date of an amendment declaring the Plan effective. Notwithstanding the foregoing, a Purchaser executing a Purchase Agreement after the date the Plan is declared effective is required to deliver the full Deposit in an amount equal to 20% of the Purchase Price and a Non-Tenant-Purchaser executing a Purchase Agreement after the date the Plan is declared effective is required to deliver the full Deposit in an amount equal to 20% of the Purchase Price. Sponsor may require that Non-Tenant Purchasers of more than 1

Residential Unit deliver a Deposit in excess of that set forth in the Plan, which amount shall be on terms individually negotiated with each such Purchaser.

With respect to the payment of any Deposits, the Purchaser may deliver such payment by official bank check or, if Sponsor offers the option in Sponsor's sole discretion, by wire transfer. All checks (i) must be drawn on or issued by a bank or trust company which is a member of the New York Clearinghouse Association, (ii) must be made payable to the direct order of "Starr Associates LLP, as Escrow Agent," and (iii) shall be accepted by Sponsor subject to collection. If any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, at its option, among other things, (a) with respect to a check towards the Initial Deposit, to deem such Purchase Agreement to be void *ab initio* and of no further force or effect, or (b) with respect to any check towards the Additional Deposit, to cancel the Purchase Agreement and retain as liquidated damages all Deposits delivered, together with any interest earned thereon. With respect to wire transferred funds, (y) such wire transfer must be payable to the direct order of the Escrow Agent and (z) any wiring fees charged by the initiating and/or receiving bank shall be paid by Purchaser. FUNDS DRAWN ON OUT-OF-STATE OR FOREIGN BANKS WILL NOT BE ACCEPTED IN PAYMENT OF THE PURCHASE PRICE.

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

With respect to Purchase Agreements received from Tenant-Purchasers for the Units such Tenant-Purchasers occupy on the Filing Date, such Purchase Agreements must be accepted by Sponsor provided that, during any Exclusive Purchase Period, the Tenant-Purchaser has delivered to Selling Agent (i) four (4) original, complete, and unaltered executed copies of the signed Purchase Agreement, (ii) a completed and executed original form W-9 or form W-8, as applicable, and (iii) the Initial Deposit. Such Tenant-Purchaser will receive a fully-executed counterpart of the Purchase Agreement from Sponsor.

The signing of the Purchase Agreement signifies Purchaser's acceptance of the condition of the Property (as represented by Sponsor in the Plan), including, but not limited to, the Unit, the Storage Lockers, the Building and all Common Elements contained in the Building. In the event of any inconsistency between the provisions of the Purchase Agreement and the Plan, the provisions of the Plan will govern and be binding. The Purchase Agreement shall not contain, and shall in no event be modified to contain, a provision waiving the Purchaser's rights or abrogating Sponsor's obligations under the Plan or under Article 23-A of the General Business Law of the State of New York.

With respect to Purchase Agreements from Non-Tenant-Purchasers, Tenant-Purchasers after the expiration of the Initial Exclusive Purchase Period, and Tenant-Purchasers for Residential Units they do not occupy on the Filing Date to the Plan, such Purchase Agreement will not be binding on Sponsor until approved and executed by Sponsor, and delivered by Sponsor to the prospective Purchaser. Sponsor reserves the right to request thorough identification and financial information (including credit reports to be paid for by Purchaser) concerning any such prospective Purchaser, subject to any limitations and requirements imposed by Law. Sponsor will have 30 days after delivery by Purchaser of an executed Purchase Agreement and the Initial Deposit to accept or reject the Purchase Agreement. If a Purchase Agreement is not accepted by Sponsor within the 30 day period, the Purchase Agreement shall be deemed to have been rejected and cancelled and the Initial Deposit shall be returned to Purchaser within 30 days thereafter. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, to refuse to approve and execute (a) a Purchase Agreement for any Residential Unit, except as prohibited by Law, and (b) a Purchase Agreement for more than one Residential Unit to any Person.

With respect to both Tenant-Purchasers and Non-Tenant-Purchasers, the Balance of the Purchase Price shall be payable simultaneously with the delivery of the deed to the Residential Unit. The Purchaser

may deliver such payment by official bank check, or if Sponsor offers the option in Sponsor's sole discretion, by wire transfer. All checks (i) must be drawn on or issued by a bank or trust company which is a member of the New York Clearinghouse Association, (ii) must be made payable to the direct order of Sponsor, or to any other party as directed by Sponsor, and (iii) shall be accepted by Sponsor subject to collection. If any such check is returned for insufficient funds or any other reason, it will constitute a material default under the Purchase Agreement and Sponsor may, at its option, cancel the Purchase Agreement and retain as liquidated damages all Deposits, together with interest earned thereon, if any. With respect to wire transferred funds any wiring fees charged by the initiating and/or receiving bank shall be paid by Purchaser. FUNDS DRAWN ON OUT-OF-STATE OR FOREIGN BANKS WILL NOT BE ACCEPTED IN PAYMENT OF THE PURCHASE PRICE.

The Balance of the Purchase Price shall be payable simultaneously with the delivery of the deed to the Residential Unit and, if applicable, the Storage Locker License.

The deed and Storage Locker License will be substantially in the form set forth in Part II of the Plan. Interest, if any, on Purchaser's Deposits will be credited or paid to Purchaser at Closing or released to Sponsor if the Purchaser defaults and the Plan is consummated.

Each Purchaser shall be obligated to execute and deliver a power of attorney at the Closing of Title to the Unit to the Condominium Board. The power of attorney grants broad powers to the Condominium Board to enter into agreements affecting the Common Elements and to bring tax certiorari proceedings on behalf of all Unit Owners. The power of attorney also grants to Sponsor the right to amend the Condominium Documents. The power of attorney shall be substantially in the form set forth in Part II of the Plan.

The following shall constitute "Events of Default" under the Purchase Agreement:

(i) Purchaser's failure to close title to the Unit on the scheduled Closing Date; or

(ii) Purchaser's failure to pay when due, or the dishonor of any check delivered by Purchaser to Sponsor in payment of the Balance of the Purchase Price, or any Closing adjustment, Closing cost or fee, including, without limitation, attorneys' fees and costs required to be paid by Purchaser as set forth in this Plan or in the Purchase Agreement; or

(iii) Purchaser's failure to pay, perform or observe any of Purchaser's other obligations under the Purchase Agreement or this Plan; or

(iv) if Purchaser is a tenant or occupant or is permitted to occupy the Unit prior to Closing, Purchaser's failure to pay rent when due or to otherwise comply with another lease obligation; or

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

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

(vii) if a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the judgment or lien; or

(viii) Purchaser's assignment or transfer of the Purchase Agreement without the prior written consent of Sponsor; or

(ix) Purchaser's listing the Unit for sale or rental with any broker, placing or authorizing any listing in any broker's listing system or any other listing service or advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or rental without

Sponsor's prior written consent, which consent may be withheld, conditioned, or delayed in Sponsor's sole and absolute discretion; or

(x) an Event of Default by Purchaser beyond any applicable grace period under a Purchase Agreement between Purchaser and Sponsor for another Unit at the Property or any other agreement between Purchaser and Sponsor for any amenity or other space in the Condominium.

(xi) Purchaser's failure to (i) execute and return to the Department of Law the Purchaser Affidavit (or re-execution thereof) as and when required; (ii) deliver any and all additional information the Department of Law may require; and (iii) otherwise cooperate in any inquiry the Department of Law may initiate into the intended occupancy of the Unit, as set forth in Paragraph 27.3 of the Purchase Agreement.

In the event a Purchaser commits n Event of Default of the obligations on Purchaser's part to perform under the Purchase Agreement, whether monetary or non-monetary, TIME BEING OF THE ESSENCE with regard to the obligations of Purchaser under the Purchase Agreement, Sponsor, in its sole discretion, may elect by written notice to Purchaser to either: (i) cancel the Purchase Agreement and retain as liquidated damages all Deposits made by Purchaser, together with interest earned thereon, if any; (ii) seek specific performance (except where the Purchaser is a Tenant-Purchaser who has entered into a Purchase Agreement to purchase the Residential Unit such Tenant-Purchaser occupied on the Filing Date of the Plan) in which event Purchaser may be compelled to complete the purchase of the Unit. If Sponsor elects to cancel the Purchase Agreement, Purchaser shall have 30 days from the giving of notice of cancellation to cure the specified Event of Default. If the Event of Default is not cured within such 30 days, TIME BEING OF THE ESSENCE, then the Purchase Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, all Deposits and any interest earned thereon. Upon the cancellation of the Purchase Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though the Purchase Agreement had never been made, and without any obligation on the part of Sponsor to account to Purchaser for any of the proceeds of such sale. If Sponsor elects to seek specific performance (where the Purchaser is a Non-Tenant-Purchaser), then Purchaser shall have 30 days from the giving of notice of Sponsor's election to close title to the Unit in accordance with the Purchase Agreement, without prejudice to Sponsor's right to recover from Purchaser all damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled under the Purchase Agreement (including, but not limited to, attorneys' fees, disbursements and costs of collection). Notwithstanding the foregoing, Sponsor shall not exercise its right to file an action for specific performance against a Tenant-Purchaser who purchases the Unit that the Tenant-Purchaser occupied on the Filing Date of the Plan.

TIME IS OF THE ESSENCE as to all of Purchaser's obligations under the Agreement, including, without limitation, Purchaser's obligation to close title on the Closing Date and to pay, perform or observe all of Purchaser's other obligations under the Purchase Agreement and to cure any Event of Default within 30 days after Sponsor gives written notice to Purchaser of the Event of Default. According to Black's Law Dictionary (Revised Fifth Edition), "time is of the essence of contract" means generally that punctual performance by one party at one precise time named or within a period specified in the contract is essential to enable the party to require performance by the other party. A Purchaser who has committed an Event of Default under the Purchase Agreement and fails to cure the Event of Default within the 30 day period may not be permitted additional time to cure the Event of Default.

After the amendment declaring the Plan effective has been accepted for filing, Sponsor will fix dates for closing title to all Residential Units for which Purchase Agreements have been executed by serving written notice upon each Purchaser setting the Closing Date for the Residential Unit. Such notice will be served not less than 30 days prior to the date set for the Closing of the Residential Unit. Sponsor, in its sole discretion, may permit Purchaser to waive this 30 day notice provision.

If a Purchaser fails for any reason to close title to the Residential Unit on the Scheduled Closing Date, other than due to Sponsor's failure or inability to Close: (a) the Closing apportionments described in the Section of the Plan entitled "Closing Costs and Adjustments" will be made as of midnight of the day preceding the Scheduled Closing Date, regardless of when the actual Closing occurs ("Actual Closing Date"); and (b) Purchaser will be required to pay to Sponsor an amount equal to 0.03% of the Purchase Price of the Residential Unit per day commencing with the Scheduled Closing Date through the Actual Closing Date, as a reimbursement of Sponsor's increased carrying costs for the Residential Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Purchase Agreement and the Plan. If through no fault of Purchaser, Sponsor postpones the Scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing Date.

TIME IS OF THE ESSENCE AS TO PURCHASER'S OBLIGATIONS UNDER THE PURCHASE AGREEMENT, INCLUDING, WITHOUT LIMITATION, FOR THE PAYMENT OF ALL DEPOSITS AND THE BALANCE OF THE PURCHASE PRICE.

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

Any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) ("Foreign Government Purchaser") shall be required to expressly and voluntarily waive such immunity and consent to any suit, action or proceeding arising out of or relating to the Purchase Agreement or the Condominium Documents being brought in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchase Agreement or the Condominium Documents. Any Foreign Government Purchaser shall designate and authorize a lawful agent to receive process for and on behalf of the Foreign Government Purchaser in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchase Agreement or the Condominium Documents. Such Foreign Government Purchaser will be required to deposit with the Condominium at Closing, an amount equal to 2 years' Common Charges with respect to the Residential Unit based on the Condominium's budget in effect as of the Closing of the Residential Unit which will be in addition to the required contribution to the Working Capital Fund. Such amount shall increase from time to time as such Common Charges increase, together with the full amount of any Special Assessment levied against, or allocable to, such Unit, as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of the By-Laws of the Condominium. In the event that such Foreign Government Unit Owner defaults in respect of the terms, provisions and conditions of the By-Laws, the Condominium Board may use, apply or retain the whole or any part of the security so deposited, to the extent required for the payment of any Common Charges or any other sum to which such Foreign Government Unit Owner is in default. Thereafter, the Foreign Government Unit Owner shall deposit with the Condominium Board the amount so applied or retained so that such Condominium Board has the full amount of said security on hand at all times.

Prior to the Closing of Title to a Residential Unit, the Purchase Agreement prohibits a Purchaser from listing the Residential Unit for sale or rental with any broker or listing agent or advertising or otherwise offering, promoting, holding open houses or publicizing the availability of the Residential Unit for sale or lease, without Sponsor's prior written consent, which consent may be unreasonably withheld or delayed in Sponsor's sole and absolute discretion. Any such action by Purchaser in violation of the terms of the Plan will be deemed a material Event of Default under the Purchase Agreement, and Sponsor may, at its option, cancel the Purchase Agreement and retain, as liquidated damages, all Deposits made by Purchaser, together with interest earned thereon.

Purchase Agreements delivered by Tenant-Purchasers during any Exclusive Purchase Period may only be modified to the extent negotiated without discriminatory inducement or to the extent such modification is the result of a duly filed amendment to the Plan.

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

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

The risk of loss to any Residential Unit by fire or other casualty until the Closing for such Residential Unit is assumed by Sponsor unless and until Purchaser is in possession or takes possession of the Residential Unit, at which time such risk, to the extent not covered by existing insurance, shall be assumed by Purchaser. In the event of damage or destruction of a Residential Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, the cause of which originated outside the Unit and did not result from the acts or omissions of Purchaser or other occupants, guests, invitees, agents or workers, provided Sponsor elects (which election shall be, in its sole discretion), to repair or restore the Residential Unit, the Purchase Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price of the Residential Unit. In such event, Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Residential Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Residential Unit by fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Residential Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section of the Plan entitled "Rights and Obligations of the Condominium Board/ Summary of By-Laws"), the Purchase Agreement shall be deemed canceled and of no further force or effect and Sponsor shall return all Deposits, together with any interest earned thereon, to Purchaser, whereupon Sponsor and Purchaser shall be released and discharged from all obligations and liability under the Purchase Agreement and the Plan; provided, however, if Purchaser has then committed an Event of Default under the Purchase Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages. If the cause of such damage or casualty resulted from the acts or omissions of Purchaser or other occupants, guests, invitees, agents or workers of Purchaser, Purchaser shall assume the risk of loss and obligation to repair the damage, and Purchaser's failure to make such repair shall not excuse Purchaser from paying the Balance of the Purchase Price and accepting delivery of the deed.

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

SPONSOR SHALL IN NO EVENT BE OBLIGATED TO PERFORM ANY WORK TO THE PROPERTY, THE BUILDING, THE UNITS OR THE COMMON ELEMENTS OTHER THAN AS

REQUIRED BY THE TERMS OF THE PLAN AND THE DESCRIPTION OF PROPERTY AND BUILDING CONDITION IMPROVEMENTS SET FORTH IN PART II OF THE PLAN.

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

ESCROW AND TRUST FUND REQUIREMENTS

Deposits will be held in escrow in conformity with the disclosure contained in this Section of the Plan and in accordance with the escrow provisions contained in the Purchase Agreement.

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

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

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

Escrow Agent has established an escrow account entitled "Starr Associates LLP, Escrow Account" ("Escrow Account") at Signature Bank located at 261 Madison Avenue, New York, NY 10016 ("Escrow Bank"). Escrow Bank is authorized to do business in the State of New York.

All instruments to be deposited into the Escrow Account shall be made payable directly to the order of "Starr Associates LLP, as Escrow Agent" or wired directly to the Escrow Account, as applicable, and shall be accepted subject to collection. Endorsed instruments will not be accepted. All checks must be drawn on or issued by a bank or trust company which is a member of the New York Clearinghouse Association. A return of any check delivered in payment of the Initial Deposit, for insufficient funds or for any other reason, shall constitute a non-curable Event of Default under the Purchase Agreement, rendering the Purchase Agreement void *ab initio* and of no further force or effect, in which event Purchaser and Sponsor shall each be released and discharged of all further liability and obligations under the Purchase Agreement and the Plan and the Unit may be sold to another as though the Purchase Agreement had never been made. A return of any check delivered in payment of the Additional Deposit, for insufficient funds or for any other reason, shall constitute a default under the Purchase Agreement, entitling Sponsor, at its option, to exercise the remedies provided therefor under the Purchase Agreement. With respect to wire transferred funds, any wiring fees charged by the initiating and/or receiving bank shall be paid by Purchaser.

Deposits properly delivered to Escrow Agent will be placed in the Escrow Account within 5 business days after delivery by Purchaser to Sponsor or Selling Agent. Escrow Agent shall execute the Purchase Agreement Escrow Rider with respect to its obligations in this Section.

The checking account portion of the Escrow Account will not be interest-bearing. The sub-escrow account portion of the Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement, or (ii) Purchaser is entitled to a return of all Deposits. All interest will be credited to Sponsor only in the event there is a Consummation of the Plan (as such term is defined in the Attorney General's regulations) and Purchaser has committed an Event of Default. The interest rate to be earned will be the prevailing rate for these accounts. As of November 1, 2014, the interest rate for the Escrow Bank is .30%. The interest rate is subject to change by the Escrow Bank. Sponsor makes no guarantee of, and shall have no liability to Purchaser for changes to, the interest rate. Interest will begin to accrue within: (x) 3 business days, if the Deposit is cash or cash equivalent, or (y) 5 business days, if the Deposit is other than cash or cash equivalent, of the transfer of the Deposit from the checking account portion of the Escrow Account into the sub-escrow account portion of the Escrow Account, as determined by whether and when the Deposit clears.

All Deposits will be placed initially in the non-interest bearing portion of the Escrow Account. Each Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) or a Form W-8 (Certificate of Foreign Status) in the forms set forth in Part II to the Plan, to Sponsor or Selling Agent at the time Purchaser delivers the Initial Deposit and the Purchase Agreement. If a Deposit is accompanied by a completed and signed Form W-9 or Form W-8, the Deposit will thereafter be promptly transferred to an individual interest bearing sub-escrow account in the name of Purchaser. If a Purchaser does not deliver the Form W-9 or Form W-8, the Deposit will remain in the non-interest bearing portion of the Escrow Account. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow account to the non-interest bearing portion of the Escrow Account so that checks may be drawn thereon. The Escrow Account is not an IOLA account.

All Deposits are and shall continue to be the Purchaser's money, and may not be commingled with any other money or pledged or hypothecated by Sponsor, until such time as Sponsor is entitled to the Deposit as per GBL § 352-h.

The sub-escrow account number and the initial interest rate, if any, will be disclosed to each Purchaser, as appropriate, in a letter from Escrow Agent to each Purchaser sent within 10 business days after the delivery of the Initial Deposit. If Purchaser does not receive notice that the Initial Deposit has been placed in the Escrow Account within 15 business days after delivery of the Initial Deposit, Purchaser may cancel the Purchase and rescind the Purchase Agreement so long as the right to rescind is exercised within 90 days after delivery or crediting of the Initial Deposit by notice delivered to Sponsor and to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, New York 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Initial Deposit was timely deposited and requisite notice was timely mailed to Purchaser in conformity with the Attorney General's regulations. However, Escrow Agent will not be required to send the aforementioned letter to any Purchaser in connection with any subsequent Deposits delivered by Purchaser after the Initial Deposit (including, without limitation, the Additional Deposit or any funds in connection with any changes in the interest rate).

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

Under current Law, the sub-accounts at the Escrow Bank are insured by the Federal Deposit Insurance Corporation ("FDIC") to a maximum of $250,000 per individual Deposit. The following are SPECIAL RISKS of this offer: (i) if a Purchaser makes a Deposit in excess of $250,000 such Deposit will not be FDIC insured in excess of $250,000; and (ii) while the Deposit is in the non-interest bearing portion of the Escrow Account, the Deposit may not be fully FDIC insured even if the Deposit does not

exceed $250,000. No representation is made with respect to any further changes in Law which may increase or decrease such limit.

All Deposits delivered subsequent to the Initial Deposit, including, without limitation, the Additional Deposit, may be delivered 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. A Deposit shall be deemed delivered by Purchaser on the date it is actually received by Sponsor or Selling Agent.

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

If a Purchaser delivers a Deposit without an executed Purchase Agreement, Sponsor shall have the right to reject the Deposit and return it to Purchaser: (i) within 5 business days after delivery, if the Deposit has not been deposited into escrow, and (ii) within 10 business days, if the Deposit has been deposited into escrow and the Purchase Agreement has not yet been delivered by Purchaser.

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

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

Escrow Agent shall release the Deposits if so directed:

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

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

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

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

Sponsor will not object to the release of the Deposits to:

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

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

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

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

Escrow Agent is acting merely as a stakeholder. Upon the release of any Deposits pursuant to the Plan, Escrow Agent shall be fully released from all liability and obligation with respect to such Deposits.

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

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

Escrow Agent may rely upon any document which may be submitted to it in connection with its duties under this Section and which is believed by Escrow Agent to be genuine and to have been signed or presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

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

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

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

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

ASSIGNMENT OF PURCHASE AGREEMENTS

No Assignment of Purchase Agreement

Purchaser does not have the right to assign the Purchase Agreement without the prior written consent of Sponsor, which shall only be granted in Sponsor's reasonable discretion to an assignment (i) to an entity of which Purchaser is a principal, (ii) to a trust of which Purchaser is trustee or (iii) to a member of the immediate family of Purchaser, all of which shall be without any monetary consideration payable to Purchaser for such assignment. Any purported assignment by Purchaser in violation of this Section will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel the Purchase Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, or for the addition, deletion or substitution of names on the Purchase Agreement, then Purchaser shall be required to pay to Starr Associates LLP a fee of $1,250, in advance, for preparation of an assignment and assumption agreement. Any purported assignment by Purchaser in violation of this Section shall be an Event of Default by Purchaser, entitling Sponsor to the default remedies set forth in the Section of the Plan entitled "Procedure to Purchase," and shall be voidable at the option of Sponsor.

EFFECTIVE DATE

The offering by Sponsor of the Residential Units under the Plan is contingent upon the Plan being declared effective. The following provisions will determine whether, and when, the Plan will be declared effective:

(a) The Plan may not be declared effective until Purchase Agreements have been executed and delivered for at least 15% of all dwelling Residential Units in the Building (i.e. 21 Units, not including the Resident Manager's Unit, assuming 138 Residential Units offered for sale), by Bona Fide Tenants in occupancy or Bona Fide Purchasers who represent that they intend that they or one or more Family Members will occupy the Residential Unit upon purchase or when it becomes vacant. As to tenants who were in occupancy on the Filing Date of the Plan, the Purchase Agreement must be executed and delivered pursuant to an offering made without discriminatory re-purchase agreements or other discriminatory inducements.

(b) After the conditions in the foregoing paragraph (a) have been met, Sponsor may, at its option, declare the Plan effective.

(c) When Purchase Agreements have been executed and delivered for the sale of 80% of all Residential Units in the Building (i.e. 110 Units, not including the Resident Manager's Unit, assuming 138 Residential Units offered for sale), and all the conditions referred to in the foregoing paragraph (a) have been met, Sponsor must declare the Plan effective.

The Plan will not be declared effective based on Purchase Agreements: (i) signed by Purchasers who have been granted a right of rescission that has not yet expired or been waived; or (ii) assigned or transferred in violation of the Plan; or (iii) signed by Purchasers who have not been afforded at least 3 business days to review the Plan and all filed amendments prior to executing a Purchase Agreement or at least 7 days to rescind after executing a Purchase Agreement; or (iv) signed by any Purchaser who is Sponsor, Selling Agent, Managing Agent, or a principal of either, or is related by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner of Sponsor, Selling Agent, Managing Agent or a principal of either (except that such a Purchaser other than Sponsor or a principal of Sponsor may be counted only if Sponsor has submitted proof satisfactory to the Department of Law establishing that Purchaser is Bona Fide).

When calculating the 15% requirement: (i) no more than one Purchase Agreement by a Non-Tenant Purchaser or by a tenant or tenants of a particular Residential Unit will be counted; and (ii) only one Purchase Agreement from any tenant who leases or occupies more than one Residential Unit will be counted.

The Plan will be declared effective either by: (a) an amendment to the Plan or (b) by personal service of notice on every tenant and Purchaser or by commencement of service by mail of notice stating that the Plan is declared effective and submitting an amendment within 5 business days following such notice confirming that the Plan was declared effective as of the date of such notice. Upon acceptance for filing, the amendment will be delivered to all Purchasers and tenants. The First Closing shall not be fixed until the Plan is declared effective and the effectiveness amendment is accepted for filing by the Department of Law.

To declare the Plan effective, 15% of Purchasers must be "bona fide," which is defined as: (i) a tenant in occupancy on the date the Plan is declared effective or (ii) a Purchaser who represents that they or one or more members of their immediate family intend to occupy the Unit when it becomes vacant. For purposes of effectiveness, the purchase of contiguous Units (i.e. Unit combinations) shall be treated as one Unit. Notwithstanding the foregoing, the purchase of non-contiguous Units by one Purchaser for more than one Bona Fide Tenant or Bona Fide Purchaser (e.g. one Unit for parents and one for adult child) shall be treated as individual Units for effectiveness purposes.

In connection with the Plan being declared effective, the New York State Department of Law ("Department of Law") requires an affirmative representation from each Bona Fide Tenant Purchaser and each Bona Fide Non-Tenant Purchaser as a part of the Department of Law's investigative process. Each Bona Fide Tenant Purchaser and each Bona Fide Non-Tenant Purchaser will be required to execute either an affidavit entitled "Affidavit of Bona Fide Tenant Purchaser For Purposes of Declaring Offering Plan Effective" or "Affidavit of Bona Fide Non-Tenant Purchaser For Purposes of Declaring Offering Plan Effective", as applicable (each a "Purchaser Affidavit"). A copy of each Purchaser Affidavit is annexed to the Purchase Agreement set forth in Part II of the Plan. The Purchaser Affidavit must be executed and returned by Purchaser together with the executed Purchase Agreement. To the extent the Department of Law or Sponsor requires that the Purchaser affidavit be re-executed thereafter, Purchaser shall have five (5) days to re-execute and return an original copy to Sponsor. A Bona Fide Tenant-Purchaser and a Bona Fide Non-Tenant-Purchaser may also be required to submit to the Department of Law additional information concerning the intended occupancy of the Residential Unit which is the subject of the Purchase Agreement and otherwise cooperate with the Department of Law's inquiry into the intended occupancy of the Residential Unit. Any Bona Fide Tenant-Purchaser or Bona Fide Non-Tenant-Purchaser who fails to (i) execute and return the Purchaser Affidavit (or re-execution thereof) to Sponsor, as and when required; (ii) deliver any and all additional information the Department of Law may require; and (iii) otherwise cooperate in any inquiry the Department of Law may initiate, will be deemed to have defaulted under the Purchase Agreement. Bona Fide Tenant-Purchasers and Bona Fide Non-Tenant-Purchasers are advised that a default of these obligations shall entitle Sponsor to all rights and remedies, including, without limitation, the right to retain, as and for liquidated damages, the Deposit and any interest earned on the Deposit, as set forth below, or, in the alternative, the right to commence an action for specific performance, in which case the Bona Fide Tenant-Purchaser or Bona Fide Non-Tenant-Purchaser may be compelled by a court of law to fulfill all obligations concerning the Purchaser Affidavit.

Purchasers are advised to seek the advice of an attorney before executing the Purchaser Affidavit. The submission of any misinformation to the Department of Law, including a false instrument, shall be deemed a violation of the Martin Act, and may also subject both the Sponsor and the Purchaser to both civil and criminal liability.

The Department of Law reserves the right to request additional information from Sponsor and any and all Purchasers used for purposes of declaring the Plan effective. Failure to provide such information to the Department of Law within the timeframe requested may result in the rejection of Sponsor's effectiveness amendment. Furthermore, the submission of any misinformation to the Department of Law, including a false instrument, shall be deemed a violation of the Martin Act, and may also subject both the Sponsor and the Purchaser to both civil and criminal liability.

The Plan may not be amended at any time to provide that it shall be an eviction plan.

If the Plan has not become effective within 15 months from the Filing Date, it will be deemed abandoned, void and of no effect and all monies will be returned to Purchasers who have not committed an Event of Default under their respective Purchase Agreements, with interest if earned, within 5 days thereafter. Upon the return of the Deposit, the Purchase Agreement will be null and void and Sponsor will have no further obligation or liability to such Purchaser under the Plan or the Purchase Agreement. Sponsor will promptly file an amendment together with Form RS-3 with the Department of Law. In the event of abandonment, no new offering plan for the conversion of the Building shall be submitted to the Department of Law for at least 12 months after such abandonment.

Prior to the Plan becoming effective, Sponsor may, at its option, declare the Plan abandoned for any reason whatsoever. If the Plan is abandoned and Sponsor has accepted Purchase Agreements, then Sponsor shall file an amendment with the Department of Law abandoning the Plan together with a Form RS-3. If Sponsor has accepted Purchase Agreements, all Deposits, together with any interest earned thereon, will be returned to Purchasers within 5 days after the Filing Date of the amendment abandoning the Plan. Upon the return of the Deposits, as aforesaid, the Purchase Agreement will be null and void and Sponsor will have no

further obligation or liability to Purchaser under the Plan or the Purchase Agreement. Once the Plan has been declared effective, it may not be abandoned for any reason other than (i) a defect in title (unknown to Sponsor on the Filing Date of the Plan) which cannot be cured without litigation or cannot be cured for less than 1/2 of 1% of the total offering amount to Tenant-Purchasers in the aggregate; or (ii) substantial damage to or destruction of the Building by fire or other casualty which cannot be repaired cured for less than 1/2 of 1% of the total offering amount to Tenant-Purchasers; or (iii) the taking of any material portion of the Property by condemnation, or eminent domain. There will be no obligation on the part of Sponsor to incur expenses (except to the extent of up to an aggregate of 1/2 of 1% of the total offering amount to Tenant-Purchasers case of defects in title, casualty losses and violations as aforesaid) or engage in litigation to cure the same. Excluded from the dollar amounts set forth in (i), (ii), or (iii) above are attorneys' fees or any such title defects, violations, work orders, or determinations of any authority or regulatory association which exist on the Filing Date and either are known to Sponsor or are a matter of public record.

Sponsor will on the 30th, 60th, 88th and 90th day after the Presentation Date of the Plan and at least once every 30 days until the Plan is declared effective or abandoned and on the 2nd day before the expiration date and on the expiration date of any Exclusive Purchase Period provided in an amendment to the Plan, (i) file with the Department of Law, Real Estate Finance Bureau, 23rd Floor, 120 Broadway, New York, New York 10271, a written statement, under oath, setting forth the percentage of Residential Units in the Building which are the subject of Purchase Agreements executed by Bona Fide Tenants in occupancy on the Filing Date or Bona Fide Purchasers who represent that they intend that they or one or more specified Family Members occupy the Residential Unit when it becomes vacant as of the date of such statement and as of a specified time and, (ii) before noon on the day such statement is filed, post a copy of such statement in a prominent place accessible to all tenants in the Building. The percentage shall be computed in the same manner as Sponsor shall compute the minimum percentage needed to declare the Plan effective. The statement which is posted in the Building and filed with the Department of Law shall include the following: the date and time of the statement, the Filing Date of the Plan, the Presentation Date of the Plan and of the current amendment, the last day of any Exclusive Purchase Period, the number of Bona Fide Tenants in occupancy and Bona Fide Purchasers who have executed Purchase Agreements, the number of Residential Units counted in the base and the percentage of Purchasers. Copies of all filed and posted written statements will be available for inspection at the office of Selling Agent and at the Department of Law. All filed and posted written statements shall remain posted until the next filed and written statement is posted.

After an amendment declaring the Plan effective has been accepted for filing, Sponsor will fix dates for the Closing of Title to all Residential Units as to which Purchase Agreements are outstanding, in accordance with the provisions of the respective Purchase Agreements. See the Section of the Plan entitled "Terms of Sale" for a discussion of the mechanics of Closing of Title to a Residential Unit.

TERMS OF SALE

The term "Closing" refers to the conveyance of title to a Residential 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 Residential Unit. The Closing to each Residential Unit shall be held at the office of Starr Associates LLP, 245 Fifth Avenue, Suite 1102, New York, New York or at such other place as Sponsor may designate.

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

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

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

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

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

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

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

Sponsor shall be entitled to deliver a 30 day closing notice once the Plan has been declared effective and prior to meeting the remaining Closing prerequisites set forth in this section.

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

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

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

(c) a notice to Managing Agent indicating whether a child under the age of eleven (11) will be living or residing (even temporarily) in the Residential Unit or if the Purchaser wants to have window guards

and/or legally compliant window stops installed on the windows of the Residential Unit even though no child under the age of eleven (11) will be living in the Residential Unit. In the event that legally compliant window guards and/or window stops are to be installed, replaced, or repaired in the Residential Unit, such installation shall be performed at the direction of Managing Agent and all costs associated therewith shall be charged to and borne solely by the Purchaser of the Residential Unit.

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

(e) a lease surrender agreement which terminates a Tenant-Purchaser's lease for the Residential Unit.

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

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

Ongoing construction in the Building or other Units shall not constitute a basis for Purchaser's failure or refusal to close. Purchasers should refer to the Tenant Protection Plan, which may be amended from time to time, a copy of which is set forth in Part II of the Plan.

In the event of the existence of any lien, encumbrance or title defect other than Permitted Encumbrances, which Sponsor fails or refuses to correct, the sole remedy of Purchaser under the Plan, provided Purchaser has not then committed an Event of Default, will be to either (i) take title subject to the title defect or (ii) terminate the Purchase Agreement, within 15 days after receipt of notice or an amendment disclosing such lien, encumbrance or title defect. A Purchaser electing to proceed with the purchase of the Unit will not be entitled to any credit against, or abatement of, the Purchase Price set forth in the Purchase Agreement and will have no claim or right of action against Sponsor for damages or otherwise by reason thereof. Sponsor has no obligation to institute any action or proceeding or to expend any sum of money in excess of ½ of 1% of the Purchase Price of the affected Unit to make title insurable or to eliminate any encumbrances or title defects. If Purchaser elects to terminate the Purchase Agreement, Sponsor shall all Deposits together with any interest earned thereon, to be returned to Purchaser, within 30 days after receipt of Purchaser's termination notice. Upon making such refund, Sponsor and Purchaser shall be relieved of all further obligations and liabilities under the Purchase Agreement and the Plan.

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

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

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

Pursuant to 13 NYCRR 23.3(t)(4), any personal property located within the Residential Unit on the date the Purchase Agreement is executed or located within the Common Elements on the date the Declaration is filed that is owned by Sponsor is included in the conveyance unless specifically excepted in the Plan. Any personal property owned or installed by or on behalf of Sponsor or Selling Agent in the Common Elements for purposes of selling, leasing, promoting, or managing the Units or other properties owned by Sponsor or principal thereof is hereby specifically excepted from the conveyance.

Residential Units purchased by Tenant-Purchasers with respect to the Residential Units such Tenant-Purchases occupied on the Filing Date are being sold to such Tenant-Purchasers "as is" in the condition in which such Residential Units exist on the Filing Date of the Plan, subject to ordinary wear and tear and to Sponsor's obligations to maintain the Building until the First Closing and to make repairs, improvements or decorations as may be otherwise set forth in the Plan, (and in accordance with the Rent Laws, if and to the extent applicable). Residential Units are being sold to Non-Tenant Purchasers "as is" in the condition in which they exist on the Closing Date of such Units. Sponsor will maintain the Building and the Common Elements until the First Closing, subject to ordinary wear and tear. Sponsor's obligation to make repairs in any Residential Unit shall cease upon the Closing of Title of such Residential Unit, except for repairs which Sponsor was obligated to make prior to the Closing of Title. Each Purchaser will be given a reasonable opportunity to inspect the Residential Unit prior to Closing, subject to the rights of any tenant or occupant of such Residential Unit.

At Closing, the Residential Unit will contain only those appliances, countertops, cabinets, sinks, air conditioning units (if any), hardware and other fixtures, equipment and appliances currently installed therein that are owned by Sponsor. The Residential Unit is being sold unfurnished regardless of whether the existing lease or rental arrangement for the Residential Unit provides that the Residential Unit is rented in a furnished condition. Any appliances, air conditioning units, furnishings, equipment, fixtures and other personal property owned by any tenant of the Residential Unit are not included in the sale.

If prior to the First Closing, Sponsor amends the terms and conditions of this offering to be more favorable to Tenant-Purchasers, a Tenant-Purchaser who executed and submitted a Purchase Agreement and delivered the Deposit for the Residential Unit which the Tenant-Purchaser occupied on the Filing Date, before the Plan was amended, shall benefit from the more favorable terms and conditions.

The risk of loss to the Unit by fire or other casualty until the Closing of Title is assumed by Sponsor unless and until Purchaser takes possession of the Unit, at which time such risk to the extent not covered by existing insurance shall be assumed by Purchaser. If Sponsor or (in the event the Declaration if filed) the Condominium Board does not elect to repair the damage, the Purchase Agreement will be canceled and be of no further force or effect, unless Purchaser agrees to accept such Residential Unit without such repair (in which case Purchaser shall not receive a credit toward, or an abatement in, the Purchase Price). Thereafter, all Deposits delivered by Purchaser to Sponsor will be refunded to Purchaser unless Purchaser has committed an Event of Default (beyond the applicable grace period, if any), in which event all Deposits delivered by Purchaser to Sponsor will be retained by Sponsor as and for liquidated damages, If Sponsor elects to repair the damage, the Purchase Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title to the Residential Unit or to receive a credit against, or abatement in, the Purchase Price, and Sponsor shall be entitled to a reasonable period of time to complete such repair. A Purchaser electing to proceed with the purchase of a Residential Unit (rather than rescind such Purchase

Agreement within 15 days of notice) will not be entitled to any credit against, or abatement of, the Purchase Price set forth in the Purchase Agreement and will have no claim or right of action against Sponsor by reason thereof.

The acceptance of a deed by a Purchaser shall be deemed an acknowledgement that Sponsor has performed and discharged every agreement and obligation on the part of Sponsor to be performed under the Plan except those (if any) which may be expressly stated in the Plan, in the Purchase Agreement, in the GBL or 13 NYCRR Part 23 (the regulations of the Attorney General governing the acceptance for filing of the Plan) to survive delivery of the deed.

From and after the Closing of Title to a Residential Unit, a Purchaser will thereupon become obligated for the payment of Common Charges, Special Assessments, taxes and other charges against the Residential Unit to the Condominium or the City of New York, as the case may be, and all other expenses (whether or not such Purchaser has taken possession of the Residential Unit or the Building has been completed and whether or not the tenant in possession, if there be one, pays the rent required to be paid by such tenant).

The existing lease of a Tenant-Purchaser who has purchased the Residential Unit such Tenant-Purchaser occupies will be terminated through execution of a lease surrender agreement as of the Closing of Title, and, as of the Closing, the Tenant-Purchaser will not have any rights afforded by nor be subject to, the Rent Laws or the GBL.

CLOSING COSTS AND ADJUSTMENTS

Closing Costs

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

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

(c) If Purchaser elects to simultaneously obtain both fee title insurance and mortgage title insurance, the premium for the fee title insurance will be calculated as described in paragraph (b) above. The premium for the mortgage title insurance that does not exceed the fee policy will be calculated at a discounted rate of 30% of standard mortgage policy rates. Title Company has provided Sponsor with the standard mortgage policy rates as set forth below:

(b) If Purchaser elects to obtain fee title insurance, Purchaser will pay the premium therefor, which will vary depending upon the amount requested. Purchasers are advised that because the Building will contain 10 or more Units the premium will be calculated at a discounted rate of 70% of the standard fee policy rates. Purchasers are free to use the title company of choosing without incurring a penalty. Kensington Vanguard National Land Service, having an office at 39 West 37th Street, 7th Floor, New York, New York 10018, telephone: 212-532-8686, ("Title Company"), has provided Sponsor with the standard fee policy rates as set forth below:

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

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

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

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

(c) If Purchaser elects to simultaneously obtain both fee title insurance and mortgage title insurance, the premium for the fee title insurance will be calculated as described in paragraph (b) above. The premium for the mortgage title insurance that does not exceed the fee policy will be calculated at a discounted rate of 21% of standard mortgage policy rates. Title Company has provided Sponsor with the standard mortgage policy rates as set forth below:

SIMULTANEOUS MORTGAGE RATE SCHEDULE

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(1) $2,500 for the preparation of closing documents, calculation of adjustments, attendance at Closing at the offices of Starr Associates LLP, or such other place as Sponsor may designate and supervision of execution of closing documents;

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

(3) If Sponsor, in its reasonable discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, or for the addition, deletion or substitution of names on the Purchase Agreement (which request in all instances must be received by Sponsor's attorney no later than 7 business days prior to the Scheduled Closing Date), a fee of $1,250, payable in advance, for preparation of an assignment agreement. Sponsor will only consider consenting to an assignment (i) to an entity of which Purchaser is a principal, (ii) to a trust of which Purchaser is trustee or (iii) to a member of the immediate family of Purchaser, all of which shall be without any monetary consideration payable to Purchaser for such assignment.

(4) If through no fault of Sponsor, Purchaser fails to close on the date scheduled for Closing, then Purchaser shall pay an additional fee of $750 for each rescheduled Closing granted at Purchaser's request to defray the cost of preparing and coordinating the Closing and recalculating the Closing apportionments.

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

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

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

(j) If Purchaser is a Foreign Government Purchaser, Purchaser will be required to deposit with the Condominium an amount equal to 2 years' Common Charges with respect to the Residential Unit, based on the Condominium budget in effect as of the Closing Date.

(k) If Purchaser is a purchaser of a Residential Unit occupied by a Non-Purchasing Tenant, Purchaser will be required to deposit with the Condominium an amount equal to the greater of 2 months' rent under such Non-Purchasing Tenant's lease or occupancy agreement and 2 months' Common Charges with respect to the Residential Unit, based on the Condominium budget in effect as of the Closing Date.

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

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

Example of Estimated Closing Costs for a Typical Residential Unit

A numerical example of estimated closing costs and expenses for Residential Unit 15E which currently has a Purchase Price of $1,500,000 (subject to amendment) is set forth below by way of illustration only. All tax rates, title insurance premiums and recording rates are subject to change:

ITEM	DESCRIPTION	AMOUNT
Fee Insurance Premium for $1,500,000 of owner's insurance	(70% first condo bulk sale rate)	$4,833.00
NYC RPT Tax	NOTE: transfer taxes are based upon bulked-up consideration of $1,685,204. The NYC RPT rate is 1.425%.	$24,014.15
NYS Mansion Tax	1% of bulked-up consideration	$16,852.04
NYS Transfer Tax	The tax rate is $2 for every $500 of consideration or fraction thereof.	$6,742.00
Departmental and Bankruptcy Searches	Title Searches	$565.00
Estimated Recording Fees	(one deed and one condo power of attorney)	$375.00
Estimated lender's Title Endorsements	Three endorsements at $25 each.	$75.00
Closing fees to Starr Associates LLP	Basic closing fee and ACRIS document preparation fee	$2,750.00
Working Capital Contribution	2 months' Common Charges	See Schedule A
Share of Resident Manager's Unit Purchase	Resident Manager's Purchase Price and closing cost payment	See Schedule A
Total Estimated Closing Costs	Excluding Working Capital Contribution and Share of Resident Manager's Unit Purchase	$56,234.19

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

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

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

In the event Sponsor has or will obtain a construction or acquisition loan which satisfies certain parameters and pays a mortgage recording tax thereon, it is specifically understood that, any mortgage tax credit shall inure to the benefit of Sponsor. Accordingly, at Closing, each Purchaser may pay all or a portion of the mortgage recording tax to Sponsor, to the extent of any mortgage tax credit allowed as set forth in sub-paragraph (i).

Closing Adjustments

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

(ii) Penalties. If Purchaser fails for any reason to close title to the Residential Unit on the Scheduled Closing Date, (a) the Closing adjustments described above will be made as of midnight of the day preceding the Scheduled Closing Date, regardless of when the Actual Closing Date occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's increased carrying costs by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Purchase Agreement and the Plan, an amount equal to 0.03% of the Purchase Price for each day starting from (and including) the Scheduled Closing Date to (and including) Actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally Scheduled Closing Date, these provisions shall apply to any new Scheduled Closing Date.

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

from the Finance Department of the Future Taxes. If at the time the Future Taxes are paid, the amount of the Future Taxes has been reduced by the Finance Department as a result of the implementation of real estate tax benefits, Escrow Agent shall make appropriate refunds to Sponsor and Sponsor shall in turn make such appropriate refunds to Purchasers on account of Unit Tax Payments.

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

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

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

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

Other Costs

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

RIGHTS AND OBLIGATIONS OF SPONSOR

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

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

(b) The offering by Sponsor under the Plan is contingent upon the Plan being declared effective and the First Closing shall not occur until the Plan has been declared effective. The Plan may be withdrawn or abandoned by Sponsor for any reason whatsoever at any time prior to its being declared effective (see the Section of the Plan entitled "Effective Date" for details).

(c) Sponsor has entered into mortgage loan(s) ("Mortgage Loan") with Post Collection Funding LLC ("Sponsor's Lender") which are secured by the Property. Pursuant to the terms of Mortgage Loans, Sponsor is (i) not required to enter into Purchase Agreements for more than the required 15% of Residential Units prior to declaring the Plan effective, but (ii) required to meet certain minimum release prices prior to Lender's release of the lien of the Mortgage Loans from the Residential Unit. Sponsor has also procured financing from Additional Lender for financing the Sponsor work. The financing provided by Additional Lender is not secured by a mortgage on the Building. Proceeds from the sale of the Units will first be applied to satisfy the loan held by Sponsor Lender and subsequent proceeds will be applied to satisfy the loan held by Additional Lender.

(d) In accordance with the provisions of 13 NYCRR 23.7(cc), Sponsor has engaged a qualified firm to perform such tests as are necessary to determine whether asbestos containing material ("ACM") is present in insulating or fireproofing material anywhere in the Building. Such firm has prepared a report on ACM in the Building ("Asbestos Report"). A copy of the Asbestos Report is set forth in Part II of the Plan and indicates that no ACM is present in the Building.

(e) Sponsor will cause to be performed and pay the cost of a program of physical improvement to the Common Elements in connection with the preparation of the Building for its new status as a condominium, including the following: renovation of the residential lobby, residential hallways and residential amenity areas. In addition, all vacant Residential Units will be completely renovated and certain Residential Units will be combined to create larger Residential Units. In connection therewith, Sponsor reserves the right to incorporate into any vacant Residential Units portions of hallways and service areas. Sponsor will also provide a person to be contacted 24/7 with respect to construction issues: Jose Gomez at (917) 532-0672 or e-mail at jgomez@magnumreg.com. Purchasers should refer to the Tenant Protection Plan, which may be amended from time to time, a copy of which is set forth in Part II of the Plan.

(f) The Building contains certain major mechanical equipment, including, but not limited to, elevator machine room, fans, pumps, cooling tower and compactor (collectively, "Equipment") located on the

roof, bulkhead level and in the cellar. As a result, Residential Units and Storage Locker Area(s) in close proximity may be affected.

(g) A Purchaser who closes title to a Residential Unit during the course of renovation of the Common Elements or other Units acknowledges that noise, vibration, fumes, odors, dust, debris, scaffolding and other temporary interruption of services may affect Purchaser's enjoyment of the Residential Unit during such period. With regard to the foregoing, in executing a Purchase Agreement, Purchaser acknowledges that Sponsor shall not be liable to Purchaser whatsoever or any third party in the event of non-completion of any item of renovation on any projected date, or any interruption of services in the Building. Furthermore, Sponsor does not make any representation or warranty (express or implied) that any noise, odors, fumes or vibrations, if any, emanating from mechanical equipment belonging to the Condominium or the Commercial Units will not disturb occupants of the Residential Units, and Sponsor shall have no liability whatsoever for any such disturbance to any Unit Owner or occupant.

(h) Each vacant renovated Residential Unit and the fixtures and personal property contained therein, are being sold and delivered as described in the Plan, at the time of transfer of title to such Unit unless Sponsor and the Purchaser otherwise agree in writing. With respect to such vacant renovated Residential Units, upon receipt of the Initial Closing Notice, Purchaser shall arrange an appointment with a representative of Sponsor to inspect the Residential Unit within 7 days prior to the Closing Date and shall execute at such time an Inspection Statement acknowledging the Purchaser's acceptance of the Residential Unit in good condition and in accordance with the terms of the Plan. If Purchaser believes that remaining items of work must be completed in the Unit, then Sponsor or its designated representative and Purchaser will at the time of the inspection agree upon and set forth in the Inspection Statement a list of the incomplete work to be completed by Sponsor following the Closing without provision for escrow. Sponsor's obligation under the Inspection Statement shall survive delivery of the deed to the Purchaser. The failure of Sponsor to complete the work under the Inspection Statement prior to Closing shall not be grounds for Purchaser to delay the Closing or to refuse to pay the full Balance of the Purchase Price at Closing. Purchaser shall be obligated to provide Sponsor and its contractors, subcontractors agents and employees, unfettered access to the Unit and any Residential Limited Common Elements appurtenant thereto after Closing in order to complete the work on the Inspection Statement, failing which Sponsor shall be relieved of its obligations to complete the work set forth on the Inspection Statement. Notwithstanding anything set forth in this paragraph (h), with respect to a combined unit, if a letter of completion or similar document is required to reflect the combination of the Unit, and such document is in effect, Purchaser shall be obligated to close title to the Unit and pay the Balance of the Purchase Price at Closing. Sponsor has been advised that the Building's Certificate of Occupancy does not need to be amended on account of any combination of Residential Units.

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

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

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

(iii) resulting from Purchaser's (i) failure to maintain such appliances, equipment, finishes, materials or fixtures in accordance with manufacturers' guidelines and specifications and

(ii) renovations and/or alterations to a Residential Unit or its appurtenant Residential Limited Common Elements; or

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

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

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

c. door or window sticking due to weather, door warpage (including warpage of the main entrance door or Terrace door to a Unit within reasonable tolerances of doors of similar size, weight and quality), adjustment of bi-fold doors, and air and water infiltration from windows or Terrace doors in excess of industry standards;

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

e. variations in wood floor stains and finishes;

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

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

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

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

However, Sponsor is obligated to renovate those Residential Units which Sponsor has elected to renovate in accordance with the terms of the Plan and all applicable Laws. Sponsor will be obligated to repair abnormal scratches in plastic laminate, vitreous china, natural stone, wood, porcelain and

metallic surfaces by filing or refinishing the same not caused by the use of the Units by Unit Owners, but Sponsor will not be obligated to replace any such surfaces.

(j) To the extent that Sponsor exercises its right to combine vacant Residential Units after the Filing Date of the Plan, resulting in fewer Residential Units in the Building, Sponsor reserves the right to modify the Schedule B to reflect any changes necessitated by such reduction, as determined by Sponsor. In such event, Sponsor shall amend the Plan, which amendment shall include an updated Schedule B and Certification of Budget Expert. Purchasers should note that such updated Schedule B will, in all likelihood, result in the reduction of Building staff and Purchasers who have entered into Purchase Agreements prior to the acceptance for filing of such amendment shall not be relieved of any of their obligations under the Purchase Agreement. Notwithstanding any reduction in the number of Residential Units the Building will be staffed appropriately and in compliance with Law.

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

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

(m) Sponsor's obligations, regardless of any limitations in any warranty or in the Plan, cannot go below the duty to construct the Building in accordance with all applicable Laws and the Plans and Specifications, and any conflict between any such disclaimers and Sponsor's obligation to construct the Building in accordance with all applicable Laws and the Plans and Specifications shall be resolved in favor of the latter.

Sales Center/Model Unit/FFE

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

Residential Units in the Building and may not correspond to the exact layout, size or dimensions of any particular Residential Unit.

In no event shall the presence of any FFE in any portion of the Building or Residential Units set forth in any marketing materials and/or advertisements, and/or websites used in connection with the sales and marketing of the Residential Units imply or represent that any such FFE will be located within any portion of the Building or Residential Units. The presence of FFE in such marketing materials is for illustrative purposes only. In addition, marketing materials may use designations, labels or nomenclature to describe certain areas or rooms within Residential Units that differ from the designations utilized on the floor plans of the Residential Units set forth in Part II of the Plan, including, without limitation, closets, hallways, dens/media rooms and powder rooms. The use of such designations, labels or nomenclature is for marketing purposes only and does not obligate Sponsor to deliver such areas or rooms designed or fitted out in the manner depicted or implied in the marketing materials.

Real Property Law Section 339-kk

RPL §339-kk provides, by its terms, among other things, that with respect to Residential Units of a Condominium owned by Sponsor or by any other non-occupant Residential Unit Owner and occupied by a tenant:

(a) If payment of Common Charges, assessments or late fees by any non-occupant Residential Unit Owner is more than 60 days late beyond the expiration of any grace period within which they are due, payments from a tenant of such Residential Unit may become payable directly to the Condominium upon written notice from the Condominium Board to the tenant and the non-occupant Residential Unit Owner. Where a majority of the Condominium Board has been elected by Residential Unit Owners who are in occupancy of their respective Residential Units, the Condominium Board may elect not to require that the rental payments be made payable to the Condominium. Once the Common Charges, assessments and late fees of the non-occupant Residential Unit Owner have been brought current, the Condominium Board must notify the non-occupant Residential Unit Owner and tenant within 3 business days and thereafter the payments from the tenant of such Residential Unit will be payable to the non-occupant Residential Unit Owner or a designated agent.

(b) Payment by a tenant of rent or the other amounts required pursuant to the tenant's lease or statutory tenancy to the Condominium pursuant to the RPL §339-kk, relieves the tenant from the obligation to pay rent to the non-occupying Residential Unit Owner.

(c) Any rights existing under any other laws are not limited by RPL §339-kk.

(d) A non-occupant Residential Unit Owner who disputes a Condominium's claim to rental payments is entitled to present facts supporting such Residential Unit Owner's position at the next scheduled meeting of the Condominium Board, which must be held within 30 days after receipt of notice that the Residential Unit Owner seeks to dispute the claim.

Sponsor makes no representation or guarantee that any Residential Unit Owner (other than Sponsor), any tenant, or the Condominium, will in fact comply with RPL §339-kk, and Sponsor shall have no liability for their failure to do so.

Prospective Purchasers should review RPL §339-kk, a copy of which is set forth in Part II of the Plan to determine its effect on their own situation.

General

Except for Sponsor's obligations to pay Common Charges and to perform other duties as a Residential Unit Owner with respect to any Unsold Residential Units (for so long as Sponsor owns same) and any other obligations set forth in the Plan to be performed on the part of Sponsor, the foregoing sets forth the entire extent of the obligations of Sponsor hereunder and no other obligations shall be implied, except that nothing contained herein shall be deemed to limit the rights of Purchasers under their respective Purchase Agreements. Sponsor agrees to pay all Common Charges, Special Assessments and real estate taxes with respect to the Unsold Residential Units. Sponsor represents that it has the financial resources to meet its obligations with respect to the Unsold Residential Units. Sponsor intends to meet its obligations to the Condominium through net proceeds from the sale of Residential Units, rental income from Non-Purchasing Tenants, and from additional funds which may be raised or provided by Sponsor. Sponsor makes no representations or warranties other than as set forth in the Plan. The obligations of Sponsor under the Plan and Article 23-A of the General Business Law shall survive the delivery of the deeds to the respective Residential Units. Sponsor shall not be liable for, or obligated to defend, any suits or claims with respect to any Residential Unit arising out of any occurrence taking place on or after the date of the Closing of Title to such Residential Unit or the leasing thereof to any Purchaser or, with respect to the Common Elements, arising out of any occurrence taking place on or after the date of the First Closing, except suits or claims arising out of the acts of Sponsor or the representations made by Sponsor in the Plan.

Sponsor has not furnished any bond or other security for the performance of its obligations under the Plan.

Sponsor will initially procure on behalf of the Condominium, the insurance relating to the Condominium which is required to be maintained by the Condominium Board in accordance with the provisions of the By-Laws (see the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board") the estimated cost of which insurance as of the Filing Date of the Plan has been reflected in Schedule B. For so long as Sponsor owns at least 1 Unsold Unit, unless Sponsor's prior written consent is obtained, the Condominium Board must maintain, at a minimum, the types and coverage amounts of insurance set forth in the First Year's Budget.

The risk of loss to the Unit by fire or other casualty until the Closing of Title is assumed by Sponsor unless and until Purchaser takes possession of the Unit, at which time such risk to the extent not covered by existing insurance shall be assumed by Purchaser. If Sponsor or (in the event the Declaration is filed) the Condominium Board does not elect to repair the damage, the Purchase Agreement will be canceled and be of no further force or effect, unless the Purchaser agrees to accept such Unit without such repair (in which case Purchaser shall not receive a credit toward, or an abatement in, the Purchase Price). Thereafter, all Deposits previously delivered will be refunded to Purchaser unless Purchaser has committed an Event of Default (beyond the applicable grace period, if any), in which event all Deposits previously delivered will be retained by Sponsor as and for liquidated damages. If Sponsor elects to repair the damage, the Purchase Agreement shall continue in full force and effect, the Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the Purchase Price, and Sponsor shall be entitled to a reasonable period of time to complete such repair. A Purchaser electing to proceed with the purchase of a Unit (rather than rescind such Purchase agreement within 15 days of notice) will not be entitled to any credit against, or abatement of, the Purchase Price set forth in the Purchase Agreement and will have no claim or right of action against Sponsor by reason thereof.

Sponsor shall have only such obligation to defend any suit or proceeding arising out of Sponsor's acts or omissions or to indemnify the Condominium, Condominium Board or Residential Unit Owner(s) in any such action or proceeding as is required by Law.

Sponsor may dissolve or liquidate at any time. In the event of such an occurrence or the transfer of 10 or more Residential Units or 20% of the Residential Units in the Condominium, whichever is less, the principal of Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of Sponsor for those Residential Units under the Plan, applicable Law or regulations and in the event of dissolution or liquidation, the principal of Sponsor shall guarantee the performance of such obligations.

Sponsor will cause the Condominium Board to maintain the Property in substantially the same condition and manner as on the date of presentation until Sponsor no longer controls the Condominium Board.

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 Residential Unit will survive delivery of the deed.

Sponsor's Rights with Respect to Leasing Rather than Selling Unsold Residential Units

(a) Sponsor reserves the right to rent or lease any vacant Residential Unit prior to Closing to the Purchaser thereof or any other party. Sponsor reserves the unconditional right to rent rather than to sell Residential Units as they become vacant. Sponsor's right to rent rather than sell Residential Units once they become vacant is unconditional and exercisable in Sponsor's sole discretion.

(b) Following the expiration of the Initial Exclusive Purchase Period, Sponsor shall have the right to: (i) sell occupied Units to one or more non-occupant Purchasers for investment or resale; (ii) lease occupied Residential Units to others; or (iii) retain vacant Residential Units for future sale or rental. Any such sales are subject to the rights, if any, of Bona Fide Tenants, to purchase their Units during a subsequent Exclusive Purchase Period provided in an amendment to the Plan prior to the Effective Date. The Plan may not be declared effective based on Purchase Agreements executed by Purchasers who have not represented that they intend to occupy the Unit when it becomes vacant. (See the Section of the Plan entitled "Effective Date" for details.)

(c) Residents of the Condominium may be comprised of both Unit Owners and tenants leasing from Sponsor or tenants leasing from 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 number of tenants may not be Unit Owners. Owner-occupants may never gain control and management of the Condominium since the By-Laws do not include a provision that after the expiration of the Sponsor Control Period a majority of the Condominium Board must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principal. 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., purchasing as a home as opposed to as an investment. (See the Section of the Plan entitled "Obligations of Purchasers of Units Occupied by Non-Purchasing Tenants" for details).

(d) Prospective Purchasers should be aware that potentially they may be living with non-purchasing occupants in many of the Units for an indefinite period, depending upon market conditions. In Sponsor's sole discretion, non-purchasing occupants (other than Non-Purchasing Tenants whose rights are governed by Law) may receive the same Building services and use the Building's amenities as owner-occupants, however, they have no investment in their Units and, therefore, may not share the same economic interests as owner-occupants in the maintenance and care of the Building's facilities and amenities.

(e) Sponsor reserves the right to sell 10% or more of the Unsold Units ("Bulk Sale") to a Person which assumes the rights and obligations of Sponsor with respect to such Units.

Sponsor's Easement Rights

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

Condominium Name

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

CONTROL BY SPONSOR

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

Sponsor will have voting control over the Condominium Board until the earlier to occur of (i) the Unsold Residential Units representing less than 50% of the aggregate Common Interest, or (ii) 5 years after the First Closing ("Sponsor Control Period"). Sponsor reserves the right to relinquish voting control of the Condominium Board prior to the expiration of the Sponsor Control Period.

At meetings of the Residential Unit Owners, Sponsor will have the right to vote all of the Common Interests attributable to the Unsold Residential Units as it sees fit. When voting for members of the Condominium Board, each Residential Unit Owner shall be entitled to cast 1 vote for each .0001% of Common Interest attributable to the Residential Unit per Residential Member to be elected. If there are non-Sponsor members of the Condominium Board and there is a vote on such board to pursue litigation against Sponsor, the Sponsor Members must recuse themselves from such vote.

A meeting of Residential Unit Owners will be held to elect certain new Residential Members unrelated to Sponsor (depending on the extent of Sponsor's ownership of Unsold Residential Units at such time) within 30 days of the expiration of the Sponsor Control Period. However, after the Sponsor Control Period, Sponsor, as an owner of Unsold Residential Units, shall continue to have the right to vote all of the Common Interests attributable to Residential Units owned by Sponsor and shall designate no more than 2 Residential Members, for so long as the Common Interests attributable to the Unsold Residential Units equal, in the aggregate, less than 50% but more than 15% of the Common Interests attributable to all Residential Units; and thereafter, 1 Residential Member, for so long as Sponsor owns at least one Unsold Residential Unit.

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

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

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

For so long as Sponsor continues to own at least 25% in number of all Residential Units, but in no event later than 5 years after the First Closing, the Condominium Board may not take any of the following actions without Sponsor's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit; or (b) assess any Common Charges or Special Assessments for the creation of, addition to, or replacement of all or part of a working capital, reserve, contingency or surplus fund; or (c) increase or decrease the number, or change the kind of employees from those described in the First Year's Budget; or (d) enter into any service or maintenance contracts for work or otherwise contract for work or otherwise provide services in excess of those described in the First Year's Budget, except as is

required to reflect normal annual increases in operating services incurred in the ordinary course of business; 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 (x) Sponsor may not diminish or eliminate services, facilities or any line items described in the First Year's Budget; and (y) Sponsor's written consent is not necessary to perform any function or take any action described in items (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary to enable the Condominium Board to (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer or (iv) to ensure the health and safety of the occupants of the Building.

CONDOMINIUM BOARD

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

As set forth in the Section of the Plan entitled "Sponsor Control", Sponsor presently anticipates that the initial members of the Condominium Board shall be Benjamin Shaoul, Joshua Krat and Zachary Tendle, who shall serve as President, Vice President and Secretary/Treasurer, respectively. Each of these individuals is a principal of, or is affiliated with, Sponsor. Sponsor reserves the right to designate different individuals to serve on the initial Condominium Board in lieu of the above mentioned individuals

The First Annual Meeting will be held approximately 30 days after the earlier to occur of (i) the fifth anniversary of the First Closing; or (ii) the Closing of Title with Purchasers under the Plan to Residential Units representing at least 51% in aggregate common interest of all Residential Units offered for sale. Sponsor reserves the right to call the First Annual Meeting at an earlier date.

Commencing with the First Annual Meeting, the Condominium Board shall consist of 6 individuals, 5 of whom shall be elected and/or designated in accordance with the terms of the By-Laws by the Residential Unit Owners (including Sponsor) (collectively, the "Residential Members"), and one (1) Commercial member who shall be designated by the Commercial Unit Owners collectively ("Commercial Member"). Except for members designated by Sponsor and/or the Commercial Unit Owners, all members of the Condominium Board shall be either: (i) individual Residential Unit Owners or adult Family Members of an individual Residential Unit Owner; or (ii) individual Permitted Mortgagees; or (iii) officers, directors, shareholders, partners, principals, employees, members or beneficiaries of corporations, partnerships, fiduciaries, limited liability companies or any other entities that are Residential Unit Owners or Permitted Mortgagees. The number or composition of Condominium Board members may not be changed except in accordance with the procedures described in the By-Laws.

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

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

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

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

The Condominium Board may not, without the consent of Sponsor, reduce, modify or eliminate any services provided to Non-Purchasing Tenants under their respective tenancies or as may be otherwise required by Law.

At all Annual or Special Meetings, each Unit Owner (or their proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Units) shall be entitled to cast one vote for each .0001% of Common Interest attributable to the Unit.

Generally, subject to certain exceptions concerning, among other things, Sponsor and the Commercial Unit Owners, and provided that required consents of the Mortgage Representatives, if any, are obtained (if applicable), any provision of the Declaration, By-Laws or Residential Rules and Regulations affecting the (i) General Common Elements or all Units 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, and (ii) the Residential Common Elements or all Residential Units may be amended, modified, added to or deleted by the affirmative vote of at least 66 2/3% in number and Residential Common Interest of all Residential Unit Owners; provided, however, that the Common Interest appurtenant to each Unit may not be altered without the written consent of all Unit Owners directly affected thereby.

No amendment, modification, addition or deletion of the terms of the Declaration, By-Laws or Residential Rules and Regulations, other than those required by Law, shall be effective (a) against Sponsor or any Unsold Unit unless Sponsor has given its written consent thereto, or (b) against the holder of any mortgage, pledge or other lien or security interest covering any Unsold Unit unless such holder has given its prior written consent thereto, or (c) against any Commercial Unit Owner and/or any Commercial Unit without the prior written consent of the affected Commercial Unit Owner.

Purchasers should refer to the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws" subsection "Amendments to Condominium Documents" for a discussion of the procedures to amend the Condominium Documents.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS

Sales and Leases of Residential Units

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

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

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

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

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

Any restrictions upon the sale and lease of Residential Units shall not apply to Commercial Unit Owners, Sponsor with respect to any Unsold Residential Units, or to Residential Unit Owners with respect to any Residential Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure, all of whom shall be free to sell or lease without first offering to sell or lease to the Condominium Board and without payment of any other fees.

Sales of Storage Locker Licenses

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

Upon the issuance of a Storage Locker License to a Residential Unit Owner (by assignment or otherwise), such Storage Locker License shall be assignable as set forth above without the consent of the Condominium Board provided written notification of such assignment is delivered to the Condominium Board. Neither Sponsor nor the Condominium Board shall have any obligations or liabilities with respect to private assignments between Unit Owners.

The Condominium will not be entitled to any of the proceeds from the sale of the Storage Locker Licenses, but will have the right to impose license fees and Special Assessments in connection with the Storage Locker Licenses.

Use of Units and Common Elements and Storage Lockers

Except as otherwise set forth herein, a Residential Unit shall be used for residential purposes only, including permitted "home occupation" as defined in the Zoning Resolution of the City of New York as may

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

A Storage Locker may be used only for the storage of personal effects of a Residential Unit Owner, and in no event shall any food or other perishable item, or any flammable or explosive item or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance, be stored therein.

The Condominium Board has the right to impose and/or regulate license fees payable to the Condominium in connection with the Storage Lockers. Any license fees imposed shall constitute "additional Common Charges" under the terms of the Condominium Documents.

The Storage Lockers and the Storage Locker Area(s) will not be serviced by an emergency generator. In the event of a power outage, any resulting loss or damage will be at the sole cost of the Storage Locker Licensee. The Condominium Board, its agents and employees, and Sponsor shall not be liable for any loss or damage caused by power outages, temperature fluctuations or other causes in the Storage Locker Area(s).

Notwithstanding anything to the contrary, Sponsor may, without the consent of either the Condominium or the Unit Owners, use any Unsold Storage Locker for any purpose permitted by Law or to change the permitted use of an Unsold Storage Locker, subject to the provisions of the By-Laws. Except for Sponsor and the Condominium Board, a Storage Locker may not be licensed independently of a Residential Unit. Purchasers should not purchase a Unit in reliance on the use or availability of any Storage Locker and Sponsor does not make any representation or guarantee of the availability of any particular Storage Locker.

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

All or any portion of the Commercial Units may be used for any purpose permitted by Law, subject however to the provisions of the By-Laws. Notwithstanding anything to the contrary contained in the Plan or elsewhere, the use of the Commercial Unit is subject to the following restrictions: the Commercial Unit may not be used for any of the following purposes at any time: (i) a massage parlor, an adult theater, a peep show establishment, or a topless or bottomless bar, (ii) a video arcade, a betting parlor, a gambling casino, or any other gambling related establishment, (iii) for any use that is primarily concerned with lewd or prurient sexual activity, (iv) an in-patient or out-patient center for drug, alcohol, or mental health treatment, or (v) a homeless shelter or any center offering food or other special services to the homeless.

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

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

No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition) may be kept in a Residential Unit without the consent of the Condominium Board. The prohibition set forth in the preceding sentence shall not apply to a Residential Unit Owner who can establish that he or she was housing a Pet in the Unit Owner's Residential Unit prior to purchasing such Residential Unit ("Grandfathered Pet"). However, upon the removal or death of a Grandfathered Pet, a Residential Unit Owner shall be required to seek permission to house any replacement Pet. Each Residential Unit Owner who keeps any type of pet will be required to: (a) indemnify and hold harmless the Condominium, the Condominium Board, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all Residential Rules and Regulations adopted by the Condominium Board with respect thereto, including without limitation, the number of such pets. Notwithstanding the foregoing, the Condominium Board shall have the right to adopt a no-pet policy for the Building or policies with respect to size or number of pets per Unit.

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

Mortgage of Residential Units by Residential Unit Owners

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

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

Common Charges: Determination and Assessment

Common Expenses, which are payable by Unit Owners and are included in their Common Charges, are allocated among Unit Owners either based on actual usage of services and facilities or in proportion to their respective Common Interest (in the case of the Commercial Units) and in proportion to their respective Residential Common Interest (in the case of Residential Units). Common Expenses include, among other things, (a) all costs and expenses (including the payment of wages) in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements, (b) water charges and sewer rents in connection with the Building; and (c) amounts for certain other items as the Condominium Board may deem proper, such as amounts for reserves for capital expenditures or in connection with the purchase or lease by the Condominium Board of any Unit. In

addition, the Condominium Board has the right to impose license fees and Special Assessments in connection with the Storage Locker Licenses.

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

During the Sponsor Control Period, the Condominium Board shall have the right, in its sole discretion, to waive Unit Owner obligations to pay Common Charges from and after the First Closing for a period to be determined by the Condominium Board, provided the basic operating costs of the Condominium (inclusive of insurance premiums and reserves required by lenders) are paid by Sponsor. If the Condominium Board elects to waive payment of Common Charges, Sponsor shall disclose such waiver of Common Charges and the expected period of time of such waiver of Common Charges ("Waiver Period") in the post-closing amendment to the Plan. In the event the Condominium Board elects to extend the Waiver Period, Upon commencement of collection of Common Charges from all Unit Owners, there will not be a Special Assessment for any expense set forth in the approved budget for which Common Charges were not collected during the Waiver Period. The Condominium Board shall remain obligated to update the budget in accordance with the terms of the Plan.

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

Common Charges: Collection and Lien for Non-Payment

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

No Unit Owner may become exempt from liability for Common Charges by waiving use of any of the Common Elements or by abandonment of the Unit. No Unit Owner, however, will be liable for the payment of any part of the Common Charges subsequent to a permissible sale, transfer or other conveyance of the Unit. In addition, as more specifically set forth in the By-Laws, a Unit Owner may, by conveying the Unit without consideration to the Condominium Board and complying with certain conditions in connection therewith, become exempt from Common Charges thereafter accruing. Such conditions include the payment

of all Common Charges and assessments then due and payable with respect to the Unit and such Unit being free and clear of all liens and encumbrances other than Permitted Mortgages. However, in no event shall Sponsor be permitted to convey any Unsold Residential Unit to the Condominium Board and thereby exempt itself from Common Charges attributable to such Unsold Residential Unit thereafter accruing, unless: (i) the aggregate Residential Common Interests appertaining to the Unsold Residential Units constitutes 15% or less of the total Residential Common Interests then appertaining to all Residential Units; (ii) at least 5 years have elapsed from the date of the First Closing; and (iii) at the time of conveyance, Sponsor shall pay the Condominium Board a sum equal to the product of the then current monthly Common Charges for the Unsold Residential Units being conveyed multiplied by 24.

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

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

Repairs to, and Maintenance of, Units and Common Elements

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

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

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

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

The interior and exterior glass surfaces of all windows located in Residential Units shall not be colored or painted. The glass surfaces of all windows located in any Residential Unit are to be washed and cleaned by the Residential Unit Owner at such Residential Unit Owner's sole cost and expense with the exception that the cleaning of the exterior portion of the glass surfaces shall be performed by a professional window washing company engaged by the Condominium Board, the cost and expense of which shall be borne by all Residential Unit Owners as a Residential Common Expense. Any replacement of any glass window located in a Residential Unit because of breakage or otherwise shall be made by the Residential Unit Owner thereof at the sole cost and expense of such Residential Unit Owner, including without limitation the expense of an exterior hoist if the replacement window does not fit into the service elevator (unless such breakage is caused by the Condominium Board or any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board or such other Unit Owner, as the case may be). Prior to the replacement of any glass window, the Residential Unit Owner must obtain the prior approval of the Condominium Board with respect to the type of replacement windows installed.

With respect to windows located in the Commercial Units, each Commercial Unit Owner shall be responsible, at its sole cost and expense, for washing, cleaning, repairing, and replacing of the interior and exterior glass surfaces of all windows located in such Commercial Unit (unless the breakage is caused by the Condominium Board or any other Unit Owner, in which event the replacement of glass windows will be at the sole cost and expense of the Condominium Board or such other Unit Owner, as the case may be).

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

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

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

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

Condominium Board, whichever is responsible for the maintenance thereof pursuant to the Condominium Documents.

Alterations, Additions and Improvements of Units and Common Elements

Except for Sponsor with respect to Unsold Residential Units, no Residential Unit Owner may make any structural alteration, addition, improvement or repair in or to the Residential Unit or its appurtenant Residential Limited Common Elements, if any, without the prior approval of the Condominium Board. Except as otherwise permitted in the By-Laws, no Residential Unit Owner (except Sponsor) may make any alteration, addition, improvement or repair in or to the Common Elements without the prior approval of the Condominium Board.

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

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

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

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

No application or other document shall be filed with any governmental authority for a permit covering an addition, alteration, improvement or repair to be made in a Unit, unless approved and executed, if necessary, by the Condominium Board. The Condominium Board will not unreasonably refuse to approve

and execute, if necessary, any application or other document required to be filed in connection with approved structural alterations, additions, improvements or repairs, provided that the Condominium Board and the Residential Unit Owners shall not be subject to any expense or liability by reason of such approval and execution or, by reason of such addition, alteration or improvement, including, without limitation, liability to any contractor, subcontractor, materialperson, architect or engineer, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this paragraph shall not apply to an Unsold Residential Unit, or the Commercial Units provided any alteration to such Unsold Residential Unit or Commercial Units shall be in accordance with, and only as permitted by, the Condominium Act and Law.

Insurance

The Condominium Board is required to obtain and maintain the forms of insurance described in the Insurance sub-section of the Plan in the following "Rights and Obligations of the Condominium Board/Summary of By-Laws" section. The treatment of proceeds of a casualty are described in the Repair or Reconstruction after Fire or Other Casualty sub-section of the same following Section.

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

Rights of Access

As more fully set forth in the By-Laws, the Condominium Board and any Managing Agent, manager, Resident Manager and other persons authorized by the Condominium Board, will have a right of access to any Unit and Storage Locker for the purposes of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in the Unit and Storage Locker or elsewhere in the Building, to remove violations, cure defaults by a Unit Owner, correct any condition originating in any Unit and Storage Locker and threatening another Unit or any Common Element or Storage Locker, and for any other purposes provided in the Plan, Declaration or as may be required by Law, provided that requests for entry (except in emergency situations) are made in advance and that any such entry (except in emergency situations) is at a time reasonably convenient to the Unit Owner and the occupants of any Unit. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. Provided reasonable care is exercised to safeguard the Unit Owner's property, any entry described herein shall not render the Condominium Board or its authorized agents liable for damage incurred in connection with the exercise of such right of entry. In addition, Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements (including Storage Lockers) for purposes of performing certain alterations and repairs in or about Unsold Residential Units or Commercial Units or Storage Lockers and in fulfilling Sponsor's obligations under the Plan, (including, without limitation, performance of improvements or replacements to the Common Elements, renovation and/or combination of Residential Units and Sponsor's Work). To the extent any such change involves entry into an occupied Residential Unit, Sponsor will repair any resulting damage to such Residential Unit. In addition, it is possible that Sponsor will install additional mechanical, electrical and/or plumbing systems or portions thereof through the concrete slabs vertically or horizontally separating Units and that such systems

or portions thereof may be run across the ceiling of some rooms in certain Units and enclosed in sheetrock enclosures. Sponsor reserves the right to perform such work before or after the closing of any Unit and such change shall not be deemed a material and adverse change with respect to any Purchaser nor give rise to any claim against Sponsor by any Unit Owner, provided that access to any Unit or Storage Locker may not be exercised in such a manner as will unreasonably interfere with the use of such Unit or Storage Locker for its permitted purposes.

Compliance with Condominium Documents

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

Examination of Books and Records

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

Self-Help

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

General

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

Purchasers should refer to the Section of the Plan entitled "Commercial Units" for a summary of additional rights and obligations of the Commercial Unit Owners.

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

Condominium Board

The Condominium Board shall initially consist of 3 persons designated from time to time by Sponsor (collectively, the "Members"). The Condominium Board will call the First Annual Meeting to elect a new Condominium Board approximately 30 days after the earlier to occur of (i) the 5th anniversary of the First Closing or (ii) the Unsold Residential Units representing less than 50% of the aggregate Common Interest. At such meeting, the incumbent Condominium Board shall resign and, subject to the rights of Sponsor and the Commercial Unit Owners to designate members of the Condominium Board, the Residential Unit Owners (including Sponsor) shall elect and/or or designate a new Condominium Board consisting of 6 members. (See the subsection below entitled "Meetings and Votes of Unit Owners" and the Section of the Plan entitled "Control by Sponsor" for details.) Thereafter, at each annual meeting, members of the Condominium Board shall be elected and/or designated and shall serve until the next annual meeting thereof and until a successor has been elected and/or designated.

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

Powers and Duties of and Determinations by the Condominium Board

The Condominium Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium. Generally, all determinations with respect to the administration of the affairs of the Condominium shall be made by the Condominium Board.

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

Notwithstanding anything to the contrary contained herein, so long as Sponsor continues to own at least 25% in number of all Residential Units, but in no event later than 5 years after the First Closing, the Condominium Board may not, without Sponsor's prior written consent: (a) make any addition, alteration, or improvement to the Common Elements or to any Unit; (b) assess any Common Charges or Special Assessment for the creation of, addition to, or replacement of, all or part of a working capital, reserve, contingency, or surplus fund; (c) increase or decrease the number, or change the kind of employees from that described in the First Year's Budget; (d) enter into any service or maintenance contract for work or otherwise contract for work or services in excess of those set forth in the First Year's Budget, except as is required to reflect normal annual increases in operating services; (e) borrow money on behalf of the Condominium; or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that (x) Sponsor may not diminish or eliminate services or facilities or any line items described in the First Year's Budget; and (y) Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such action is necessary, and no alternatives are available, to enable the Condominium Board to: (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer; or (iv) to ensure the health and safety of the occupants of the Building.

Meetings and Votes of Unit Owners

Annual meetings of Unit Owners shall be held within approximately 30 days of each anniversary of the First Annual Meeting. At such meetings, the Residential Unit Owners shall elect the 5 Residential Members to the Condominium Board, subject to any rights of Sponsor to designate Residential Members to the Condominium Board, and there shall also be transacted such other business as may properly come before such meetings. The Commercial Member of the Condominium Board shall be designated by the Commercial Unit Owners. In addition, the President may call a special meeting whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such meeting signed by Unit Owners having in aggregate not less than 40% of the total Common Interest. The Secretary of the Condominium Board shall mail a notice of each annual or special meeting to all Unit Owners of record. The notice, which will be given at least 10 days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the By-Laws or Declaration, at all meetings of Residential Unit Owners, the presence in person or by proxy of Residential Unit Owners owning more than 40% of the total Residential Common Interests shall constitute a quorum and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Residential Unit Owners.

At all meetings, each Unit Owner (or their proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Units) shall be entitled to cast one vote for each .0001% of Common Interest attributable to the Unit.

Officers

The principal officers of the Condominium shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Condominium Board. The Condominium Board may appoint additional officers. None of the officers of the Condominium need be Unit Owners or have any interest therein or be Condominium Board members until the first organizational meeting of the Condominium Board following the First Annual Meeting. Thereafter, the President and Vice President must be members of the Condominium Board. No officer shall receive any compensation for acting as such. The By-Laws provide that all instruments of the Condominium are to be executed by any officer thereof or by such other person or persons as may be designated by the Condominium Board.

Repair or Reconstruction after Fire or Other Casualty

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

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

If 75% or more of the Building is destroyed or substantially damaged by fire or other casualty and if 75% or more in Common Interest of all Unit Owners do not promptly resolve to proceed with the repair or restoration thereof, the Building will not be repaired and the Property shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of

sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of the Unit Owner's share of such funds such amounts as may be necessary to discharge all unpaid liens on the Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens. Any action to terminate the legal status of the Condominium after substantial destruction or a Taking shall require the written consent (which consent shall not be unreasonably withheld, conditioned, or delayed) of the Permitted Mortgagees representing at least fifty-one (51%) percent of the Common Interests of all Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any.

Notwithstanding anything contained herein to the contrary, the proceeds of all policies of physical damage insurance maintained by the Condominium Board shall be payable to the Condominium Board in the event of a loss amounting to $1,000,000 or less. In the event that such proceeds are in excess of $1,000,000, such proceeds shall be payable to a New York City bank or trust company designated by the Condominium Board as insurance trustee pursuant to the provisions of the By-Laws. The insurance trustee shall hold all such proceeds in accordance with Section 254-(4) of the New York Real Property Law.

Insurance

The Condominium Board is required to obtain and maintain, in accordance with the provisions of the By-Laws, to the extent obtainable and to the extent determined by the Condominium Board to be appropriate, the following insurance: (a) fire and casualty insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building (excluding the Units and any appliances, fixtures, improvements or any furniture, furnishings, decorations, belongings, or other personal property contained therein), together with all service machinery contained therein and covering the interests of the Condominium, and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings); (b) rent insurance in an amount equal to General Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any, determined by the Condominium Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering all the Condominium Board and all officers, directors and employees of the Condominium; (i) directors and officers liability coverage; and (j) such other insurance as the Condominium Board may determine.

The fire insurance policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions described in the By-Laws.

The amount of fire insurance and all risk extended coverage to be maintained until the first Condominium Board meeting following the First Annual Meeting shall be in at least the sum set forth in the First Year's Budget.

All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured or (iv) pro rata reduction of liability, and shall provide that such policies may not be cancelled or substantially modified without at least 30 days' prior written notice to the Condominium Board and to all of the insureds, including all Unit Owners and Permitted Mortgagees who have requested the same from the Condominium Board in writing. Duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees, who have requested the same from the Condominium Board in writing. Renewals shall be obtained at least 10 days prior to the expiration of the then current policies.

The Condominium Board shall also be required to obtain and maintain, to the extent obtainable, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as the Condominium Board may from time to time determine, covering (1) the Condominium Board, Managing Agent or agents thereof, each Condominium Board member and each officer and employee of the Condominium, and (2) each Unit Owner, except that such policy will not cover liability of a Unit Owner arising from occurrences within such Unit Owner's Unit or within the Common Elements, if any, exclusive to such Unit Owner's Unit. The Condominium Board shall review such limits not less than once each year. Until the first meeting of the Condominium Board following the First Annual Meeting, such liability insurance shall be in at least the sum set forth in Schedule B with respect to bodily injury and property damage, combined single limit. The insurance discussed above shall also include cross-liability claims of one insured against another.

Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Condominium Board may determine. The premiums for all insurance referred to above shall be a General Common Expense. For so long as Sponsor owns at least 1 Unsold Unit, unless Sponsor's prior written consent is obtained, the Condominium Board must maintain, at a minimum, the types and coverage amounts of insurance set forth in the First Year's Budget.

All Unit Owners are required to obtain casualty and liability insurance for their own benefit covering their Units, any Residential Limited Common Element appurtenant thereto and any Storage Locker. All such policies shall contain waivers of subrogation, if available, and the liability of the carriers issuing insurance obtained by the Condominium Board shall not be affected or diminished by reason of such additional insurance carried by any Unit Owner.

Liability of the Condominium Board and Unit Owners

Every contract made by the Condominium Board or by any Managing Agent or manager thereof shall state that (a) it is made only as agent for all Unit Owners and the members of the Condominium Board, Managing Agent or manager thereof shall have no personal liability thereon (except in their capacities as Unit Owners) and (b) the liability of any Unit Owner with respect to such contract shall be limited to such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interest of all Unit Owners. To the extent permitted by Law, the members of the Condominium Board shall have no liability to Unit Owners except that a member of the Condominium Board shall be liable for such members own bad faith or willful misconduct. All Unit Owners shall jointly and severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each member of the Condominium Board against any liability or claim except those arising out of such member's own bad faith or willful misconduct. The Condominium Board may contract or effect any transaction with any member of the Condominium Board, any Unit Owner, Sponsor, or any affiliate of any of them without incurring any liability for self-dealing except in cases of bad faith or willful misconduct.

Reports to Unit Owners

An annual report of the receipts and expenditures of the Condominium, certified by an independent certified public accountant, shall be submitted by the Condominium Board to all Unit Owners approximately 4 months after the end of each fiscal year.

Amendments to Condominium Documents

Generally, subject to certain exceptions concerning, among other things, Sponsor and the Commercial Unit Owners, and provided that required consents of the Mortgage Representatives, if any, are obtained (if applicable), any provision of the Declaration, By-Laws or Residential Rules and Regulations affecting the (i) General Common Elements or all Units 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, and (ii) the

Residential Common Elements or all Residential Units may be amended, modified, added to or deleted by the affirmative vote of at least 66 2/3% in number and Residential Common Interest of all Residential Unit Owners; provided, however, that the Common Interest appurtenant to each Unit may not be altered without the written consent of all Unit Owners directly affected thereby.

No amendment, modification, addition or deletion of the terms of the Declaration, By-Laws or Residential Rules and Regulations, other than those required by Law, shall be effective (a) against Sponsor or any Unsold Unit unless Sponsor has given its written consent thereto, or (b) against the holder of any mortgage, pledge or other lien or security interest covering any Unsold Unit unless such holder has given its prior written consent thereto, or (c) against any Commercial Unit Owner and/or any Commercial Unit without the prior written consent of the affected Commercial Unit Owner.

Termination of Condominium

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain as provided in the By-Laws) until such time as the Property shall be withdrawn from the provisions of the Condominium Act as a result of the vote to do so of each of the Commercial Unit Owners and at least 80% in number and in Residential Common Interest of all Residential Unit Owners. Such vote shall not be effective, however, without the written consent (which consent shall not be unreasonably withheld, conditioned, or delayed) of the Permitted Mortgagees representing at least fifty-one (51%) percent of the Common Interests of all Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any.

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

Residential Units Acquired by Condominium Board

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

The purchase of any Residential Unit by the Condominium Board on behalf of the Residential Unit Owners, may be made from the funds deposited in the working capital and/or expense accounts of the Condominium Board. If the funds in such account are insufficient to effectuate any such purchase, the Condominium Board may levy a Special Assessment against each Residential Unit Owner in proportion to the Common Interest, as a Common Charge and/or the Condominium Board may, in its discretion, finance the acquisition of such Residential Unit; provided, however, that financing may only be obtained when permitted by the By-Laws and that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its Common Interest.

Procedure to Review Real Estate Tax Assessments

The Condominium Board, on behalf of and as agent for all Residential Unit Owners, will be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units (other than Unsold Residential Units, as to which Sponsor reserves the right to pursue independent proceedings, at Sponsor's sole discretion). All Residential Unit Owners will share the costs in connection therewith and the benefits derived therefrom based on their respective Residential Common Interests. In the event any Residential Unit Owner individually seeks to have

the assessed valuation of the Residential Unit reduced by bringing a separate certiorari proceeding, the Condominium Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Residential Unit Owner in pursuing, such reduction, provided that such Residential Unit Owner indemnifies the Condominium Board from all claims, costs and expenses (including, without limitation, attorneys' fees, costs and disbursements) resulting from such proceedings.

Mechanics' Liens

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

Easements

In order to facilitate the operation and maintenance of the Building and the sale or leasing of Units therein, each of the Units will be subject to certain easements including easements in favor of Sponsor, other Unit Owners and the Condominium Board. These easements, which are more particularly set forth in the Declaration, include an easement of support and necessity in favor of all other Units and their appurtenant Residential Limited Common Elements and the Common Elements, and an easement in favor of each Unit Owner to use, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements provided that such easements shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. In addition, as set forth in Articles 10 and 11 of the Declaration, Sponsor and the Commercial Unit Owners have been granted certain easements with respect to the use and operation of their respective 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 (including Storage Lockers) for the purpose of exercising Sponsor's rights, fulfilling Sponsor's obligations under the Plan and performing Sponsor's Work and certain alterations and repairs in or about the Units and Common Elements. Sponsor will use commercially reasonable efforts in order to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit for its permitted purposes.

The Declaration and the By-Laws

A copy of the Declaration and a copy of the By-Laws are set forth in Part II of the Plan.

REAL ESTATE TAXES

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

The New York City real estate taxes for the First Year of Condominium Operation, which have been estimated by Sponsor's Real Estate Tax Counsel, Tuchman, Korngold, Weiss, Liebman & Gelles, LLP, to be as follows based upon their estimated assessed valuations and tax rates: Residential Units $2,086,445; Commercial Units: $139,171, assuming (a) a transitional assessed valuation for the Residential Units of $15,526,050 and a transitional assessed valuation for the Commercial Units of $1,223,920 for the 2016/2017 tax year, (b) a transitional assessed valuation for the Residential Units of $16,573,110 and a transitional assessed valuation for the Commercial Units of $1,306,460 for the 2017/2018 tax year based on the Opinion of Counsel Re: Real Estate Tax Projection prepared by Real Estate Tax Counsel dated June 18, 2015 in Part I of the Plan, and (b) a residential tax rate of 13.50 per $100 of assessed valuation and a commercial tax rate of 11.50 per $100 of assessed valuation for the 2016/2017 and 2017/2018 tax years.

No representation is made or assurance given as to what the actual tax rate or assessed valuation will be for such period. *The information set forth above for the 2016/2017 and 2017/2018 tax years is based upon an estimate of the tentative assessed valuations and estimated tax rates.

As more fully explained in the Opinion of Counsel re: Real Estate Tax Projection set forth in Part I of the Plan, New York provides that the aggregate of the assessment of the Units plus their Common Interests shall not exceed the total valuation of the Property were the Property assessed as one parcel.

The Property currently receives partial tax exemption benefits under Real Property Tax Law Section 421-a ("Section 421-a Benefits") pursuant to a Preliminary Certificate of Eligibility issued by the New York City Department of Housing Preservation and Development on July 22, 2003, a copy of which is attached to the Opinion of Counsel Re: Real Estate Tax Projection. The Section 421-a Benefits are scheduled to expire on June 30, 2015. Since the projected First Year of Condominium Operation is anticipated to commence on January 1, 2017, none of the Units will receive any Section 421-a Benefits after such date. Purchasers should refer to the Opinion of Counsel re: Real Estate Tax Projection prepared by the Real Estate Tax Counsel set forth for further discussion regarding the 421-a program and the applicability of such program to this project. Sponsor is in the process of ascertaining the status of the Final Certificate of Eligibility from HPD. The estimated real estate taxes set forth in Schedule A, are based on the assumption that the 421-a partial exemption will **not** be in effect for the First Year of Condominium Operation, and that there will not be any change in the taxable status of the Property. Notwithstanding the foregoing, no warranty or guarantee is made as to the amount of any tax exemption that will actually be received. In addition, no warranty or guarantee is made, that the real estate taxes will be allocated among Units in proportion to their Common Interests or Schedule A purchase prices.

In arriving at the assessed valuation for each Unit in the Condominium, the Building is first assessed as an entity. This overall assessment is then apportioned among the Units, each of which will be assigned a tax lot designation once the Declaration has been recorded and the Floor Plans are filed with the Register's office. For purposes of Schedule A, the projected real estate taxes for the Units were based on Common Interest percentages. It is possible that the apportionment will be based in part upon the proportion the offering price set forth in Schedule A for each Unit bears to the gross sellout price for all Units offered for sale in the Condominium and in part upon extrinsic indicia of value, including location, square footage,

amenities, income producing potential and existing leases on particular Units. There is no assurance that the City of New York tax assessor will allocate taxes among Units based upon Common Interest percentages. Although the estimate of New York City real estate taxes is a good faith estimate, it is not possible to estimate same with any degree of certainty. Assessed valuations, apportionment or taxes among the Units and tax rates, when actually established by the City of New York, may be lesser or greater. Accordingly, these estimates are to be considered opinions and are not intended, and should not be construed as, warranties as to future assessed valuations, tax rates or the actual real estate taxes to be assessed. In no event will Sponsor, its principal, Selling Agent, Real Estate Tax Counsel, Income Tax Counsel or any offeror be liable to any Purchaser, nor will any Purchaser have the right to rescind the Purchase Agreement if the assessed valuations, tax rates or taxes, when actually established, are lesser or greater than that projected herein or if the Administrative Code and the applicable rules and regulations of the City of New York are changed in the future.

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

SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY OR THE TAX RATE(S) WILL NOT BE CHANGED.

The By-Laws provide that the Condominium is entitled to execute and deliver documents necessary in connection with proceedings to obtain reduced real estate tax assessments with respect to Residential Unit Owners, for the benefit and on behalf of (i) all Residential Unit Owners (excepting Sponsor if Sponsor elects not to be included), or (ii) for individual Residential Unit Owners, provided that each such Residential Unit Owner indemnifies the Condominium from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

The Unit Power of Attorney which each Purchaser shall be required to sign at Closing, the form of which shall be substantially as set forth in Part II of the Plan, authorizes the Condominium Board to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to the Residential Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate in accordance with the By-Laws.

As of the Filing Date of the Plan, there are tax certiorari proceedings pending for the reduction of real estate taxes with respect to the Property for the 2014/2015 tax year. Any such pending proceedings are or shall be brought at Sponsor's sole cost and expense and any refunds received as a result of such proceedings shall inure solely to Sponsor's benefit.

REAL ESTATE TAX EXEMPTION BENEFITS (421-A)

As more fully explained in the Opinion of Counsel re: Real Estate Tax Projection set forth in Part I of the Plan, the Residential Units of the Property currently receive partial real estate tax exemption benefits under Section 421-a of the Real Property Tax Law of the State of New York ("421-a Benefits"). The New York City Department of Housing Preservation and Development ("HPD") issued a preliminary certificate of eligibility ("PCE") on July 22, 2003 and the 421-a Benefits have been fully implemented. Sponsor is in the process of ascertaining the status of the Final Certificate of Eligibility from HPD. The PCE was issued without any requirement for affordable rental units in the Building.

According to Sponsor's Real Estate Tax Counsel, the Property is currently in the final year of the benefit period and the 421-a Benefits expired on June 30, 2015. **Following the 421-a Benefits Expiration Date, Residential Units which become vacant will no longer be subject to the Rent Laws. Residential Units which are occupied on such date will be subject to the Rent Laws only until the expiration date of the respective lease for such Residential Unit.**

Neither Sponsor, Sponsor's Attorney, Sponsor's Real Estate Tax Counsel, Selling Agent, Managing Agent, nor any other person makes any warranty as to the amount of the real estate taxes which will be assessed against any Residential Unit or the amount of real estate taxes payable at any time by any Residential Unit Owner. Purchasers should refer to the Opinion of Counsel re: Real Estate Tax Projection and the Section of the Plan entitled "Real Estate Taxes" for further information.

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

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

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

OLSHAN FROME WOLOSKY LLP IS INCOME TAX COUNSEL TO SPONSOR AND NOT THE UNIT OWNERS. EACH UNIT OWNER, EACH POTENTIAL UNIT OWNER, AND THE CONDOMINIUM SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

Income Tax Deductions to Residential Unit Owners

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

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

Tax Status of the Condominium

If the Condominium meets the requirements for qualification as a "homeowners association," under Section 528 of the Internal Revenue Code, which requirements are discussed in the Attorney's Income Tax Opinion, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Residential Unit Owners. If such an election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources, such as income from assessments from Commercial 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. If the Condominium does not qualify as a homeowners association, or if it does but chooses not to make the election noted above, the present state of the law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. As discussed in the Attorney's Income Tax Opinion, the tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of such income (including the nonmembership, and possibly membership, income described above less expenses related to such income) is subject to Federal corporate income tax, New York State

Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners or otherwise treated. The tax treatment of the Condominium may be affected by certain United States Treasury Department regulations relating to entity classification. Schedule B, First Years Budget for Condominium Operation, does not contemplate any substantial income which might be taxable and accordingly does not budget any amounts for taxes for nonmembership or membership income.

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

No warranties are given that the Internal Revenue Service, the New York State Department of Taxation and Finance or the Finance Administration of the City of New York will allow the aforementioned deductions for mortgage interest and real estate taxes. There is also no assurance that the tax laws or the regulations or rulings issued thereunder, or any judicial interpretation thereof, upon which Income Tax Counsel bases its opinion, will not change. In no event will Sponsor, Income Tax Counsel, Selling Agent, Managing Agent or any other Person connected with this offering be liable if at any time it is held that the Residential Unit Owners, or any of them, are not entitled to such income tax deductions. In addition, none of the aforesaid give any warranties with respect to the tax consequences of this Plan or the tax consequences of ownership of any Units offered under the Plan, and no one has been authorized to give any warranties.

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

STARR ASSOCIATES LLP
ATTORNEYS AT LAW

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

September 2, 2015

MF 385 First Ave LLC
594 Broadway, Suite 1010
New York, New York 10012

Re: 385 First Avenue Condominium
385 First Avenue
New York, New York 10010 ("Property")

Ladies and Gentlemen:

You have requested our opinion regarding the allocation of Common Interests to the Units at the Property as required by NYCRR Section 23.3(aa)(5). Except where otherwise indicated, the terms used in this opinion shall have the same meaning as set forth in the Condominium Offering Plan ("Plan") for the Property.

In connection with the rendering of this opinion we have reviewed the determination of Common Interests as shown on Schedule A of the Plan and the Declaration establishing the Condominium. We have also considered the relevant sections of the New York State Condominium Act and such other materials as we deemed relevant. Our opinion is also based upon the factual determinations made by FirstService Residential New York, Inc. ("Real Estate Broker") set forth in its opinion contained in the Plan as required by NYCRR Section 23.3(i). We have made no independent investigation of the truth or accuracy of the factual determinations of Real Estate Broker. Accordingly, in the event that facts presented by the Real Estate Broker were or prove incorrect in no event will Starr Associates LLP be liable.

Based upon our review of the foregoing, we have determined that the method selected by the Real Estate Broker to calculate the percentage of Common Interests is permissible under Real Property Law ("RPL") Section 339-i(l) based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with subsection (iv).

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

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

Very truly yours,

STARR ASSOCIATES LLP

By: Samantha Sheeber
Name: Samantha Sheeber
Title: Partner

ATTORNEY'S INCOME TAX OPINION

O L S H A N

PARK AVENUE TOWER • 65 EAST 55TH STREET • NEW YORK, NEW YORK 10022
TELEPHONE: 212.451.2300 • FACSIMILE: 212.451.2222

EMAIL: WGLEICHER@OLSHANLAW.COM
DIRECT DIAL: 212.451.2231

August 11, 2015

MF 385 First Avenue LLC
594 Broadway, Suite 1010
New York, New York 10012

Re: 385 First Avenue Condominium

Gentlemen:

In connection with the offering of condominium units under a plan entitled Condominium Offering Plan for 385 First Avenue Condominium (the "Plan"), you have requested our opinion as special tax counsel to the Plan concerning certain tax matters. Specifically, you have requested our opinion as to the deductibility for federal and New York State income tax purposes of payments of mortgage interest and real estate taxes by individual Residential Unit Owners. You have also asked for our opinion as to the tax status of the condominium association.

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

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

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

Except as provided below, residential interest is deductible if paid or accrued during the taxable year on indebtedness which is secured by either the taxpayer's principal residence, as defined for purposes of exclusion of gain on sale under Internal Revenue Code ("Code") Section 121, or on certain designated second homes. However, a ceiling is placed on the amount of indebtedness which may be taken into account for purposes of this deduction. In general, with respect to indebtedness incurred in purchasing a Residential Unit, this ceiling is $1,000,000, or $500,000 in the case of a married individual filing a separate return. In addition, an individual

may deduct interest on an additional $100,000 of indebtedness in excess of the $1,000,000 limit mentioned above (or $50,000 of indebtedness in excess of the $500,000 limit in the case of a married individual filing a separate return) as interest on home equity indebtedness. However, special limitations may apply to the deductibility of points and prepaid interest if any.

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

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

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

We have reviewed various documents included as exhibits in the Plan relating to the organization of the Condominium Board of 385 First Avenue Condominium (the "Association"), including the Declaration of Condominium and By-Laws of the Condominium (which are the instruments which will create the Association).

Our opinion has been requested as to whether the Association will be eligible to qualify as a tax-exempt organization for federal income tax purposes. In order for the Association to qualify as an exempt organization for federal income tax purposes under Code Section 528, it must meet the following six conditions:

(1) The Association must be organized and operated to provide for the acquisition, construction, management, maintenance, and care of the Association's property.

(2) Sixty percent (60%) or more of the Association's gross income for the taxable year must consist solely of amounts received as membership dues, fees or assessments from owners of residential units.

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

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

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

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

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

You have advised us that more than 85% of the total square footage of the Premises will be used by individuals for residential purposes and that no person may rent his Unit for a period of less than thirty (30) days. Accordingly, the "substantially all" test should initially be met.

Our review of the documents referred to above indicates that the Association meets all the organizational tests described above for qualification for exemption. Assuming the Plan is consummated in accordance with its provisions and that the Association, in its actual operation, meets the other tests set forth above, it is our opinion that the Association will be eligible to elect tax-exempt status under Code Section 528. If such exempt status is properly elected, it is our opinion that the Association will not be subject to federal income tax for the taxable years in which such election is in effect, except as noted in the following paragraph.

An effective election will exempt from federal income taxation all amounts received by the Association as exempt function income. This consists of amounts received as membership dues, fees, or assessments from owners of Units. However, the Association will be subject to tax on income which is not exempt function income to the extent such income exceeds expenses properly allocable to such income. Examples of income which is not exempt function income are interest earned on reserve funds, amounts received from persons who are not members of the Association, amounts received for work done on privately owned property which is not Association property, and amounts received from members for special use of the Association's facilities, the use of which is not available to all members as a result of having paid the dues, fees, or assessments required to be paid by all members.

If the Association fails to qualify as a "homeowners association", or if it does but chooses not to make the necessary election, the present state of the law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. Tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of its income (including the nonmembership, and possibly membership, income described above less expenses related to such income) is subject to Federal corporate income tax, New

York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners. The tax treatment of the Condominium may be affected by certain United States Treasury Department regulations relating to entity classification.[1]

This opinion deals only with the specific tax matters discussed above, which do not necessarily comprise all tax matters which may be significant to purchasers of Units. We express no views as to any federal, New York State or New York City tax consequences other than as explicitly discussed in this opinion or as to the tax status or tax consequences of the Plan under the laws of any foreign jurisdiction. Accordingly, it is recommended that each prospective purchaser of a Unit consult with his own tax advisor concerning the federal, New York State, and New York City tax consequences of the purchase and ownership of a Unit.

This opinion is based solely on the facts and documents referred to above. No warranties are made that the tax laws upon which counsel bases this opinion will not change. In no event will the Sponsor, counsel to Sponsor, special tax counsel to the Sponsor, the Association, or any other person be liable if, by reason of future changes in fact or applicable law, regulations, decisional law, or Internal Revenue Service rulings, the tax consequences described previously should change.

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

Sincerely yours,

Olshan Frome Wolosky LLP

OLSHAN FROME WOLOSKY LLP

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

OPINION OF COUNSEL RE: REAL ESTATE TAX PROJECTION

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GRACE A. BETANCOURT

WALTER R. GELLES (RET.)

* ALSO ADMITTED IN CT & NJ

August 14, 2015

MF 385 First Ave LLC
594 Broadway, Suite 1010
New York, NY 10012

RE: 385 First Avenue
Block 928, Lot 31, Manhattan

Dear Sir or Madam:

This letter is in response to your request for an opinion and projection of the estimated real estate assessments and taxes upon the completion of construction and creation of a condominium. These opinions are presented for your assistance in preparation of your offering plan.

You have requested our opinion concerning the real property tax assessment to be levied upon the residential portion of the captioned premises as well as the taxes for the budget year for the first year of condominium operation which you have advised us will be the period January 1, 2017 through December 31, 2017 which will encompass six months from the 2016/2017 tax year and the six months from the 2017/2018 tax years. You have advised us that the project will consist of the conversion of the existing rental multiple dwelling to a condominium multiple dwelling which will contain approximately 139 residential apartment units plus commercial condominiums.

In order to prepare this letter and the opinion set forth herein, you have supplied us with certain information upon which we have relied. This information includes your purchase price and your estimated construction costs. You have also supplied us with the income and expenses of the property and a description of your square footage.

We have also considered the recent tax assessment history of the property, the potential income for the building (if operated as a rental), comparable properties in the Borough of Manhattan which have similar characteristics as well as market conditions in the general area.

In predicting the future assessed value, we have given consideration to the following factors:

1. The current claimed standard of assessment used by the Real Property Division of the New York City Department of Finance is to assess at 45% of value.

2. The potential capitalized net income of the property if operated as a rental.

3. Tax Assessments of comparable properties.

Tax Assessments in New York City are made on a fiscal year basis running from July 1 of any one year to the next succeeding June 30. The status of the building on January 5 of any one year is the basis of the assessment for the fiscal year beginning that July 1. The final assessment roll containing the final 2015/2016 assessed values was published on May 26, 2015. The final assessment roll prior to exemptions showed the following values for Block 928, Lot 31:

Tax Class	Actual Assessed Value	Transition Assessed Value
2	$19,058,850	$15,629.970

Real Property Tax Law Section 581 provides that cooperative and condominium apartments shall be assessed for tax purposes as if the building was a comparable rental property. Thus, the Department of Finance is prohibited from utilizing the sales prices of the individual condominium units in determining the assessed valuation. Therefore the prices that you set in your offering plan and any subsequent sales or resales are not relevant in determining the assessed value of the property or of the individual condominium units. Upon conversion to a condominium and after an application is submitted by you, the New York City Department of Finance shall assign individual tax lot numbers to each of the condominium units. The residential condominium units will be designated as tax class 2 property and will pay on the class 2 tax rate and the commercial condominium units will be designated as tax class 4 property and will pay on the class 4 tax rate. The current 2015/2016 class 2 residential tax rate has been set at $12.883 for each $100 of assessed valuation and the class 4 rate has been set at $10.656 for each $100 of assessed valuation.

Real Property Tax Law Section 1805 provides for the creation of a transition assessment system within the City of New York. Under the transition assessment system, the usual increase in the actual assessed value of a property between one year and the next is phased in over a five year period in equal installments. The five year phase in does not apply to new construction or other increases due to physical improvements to the property. Increases due to such physical improvements or new construction are added in full to the next year's assessment. Pursuant to Real Property Tax Law Section 1805, the taxable assessment is determined to be the lesser of the

actual assessed valuation or the transition assessed valuation.

On June 25, 2015 the New York State Legislature passed legislation extending property tax abatements for homeowners in New York City cooperatives and condominiums through June 30, 2019 at the rate of 17.5% with buildings with average assessments greater than $60,000 per unit and a greater percentage for buildings with a lesser average per unit. The law makes additional changes from the original abatement law which may eliminate such abatement benefits for units which are not the primary residence of the owner. The law further limits the benefits to a maximum of three units in the building, one of which must be the primary residence of the owner. It is unknown at this time if unit owners will have acquired their ownership interests at a point in time by which they will be eligible to apply for this abatement. Therefore, in predicting the taxes on this building we have not given any consideration to this tax benefit. Unit owners are advised to beware of various filing deadlines that may be included in the renewed law as well as possible changes in the level of abatement and eligibility.

We caution you that it is unlikely that there will be an official apportionment of the real estate tax assessment for the initial budget year and you should include in your offering plan a provision as to how you intend to apportion the tax liability among the units until such time as an official apportionment of the assessed value is made and becomes effective.

In the past we have been advised that in determining the assessed values for the individual residential units, the Department of Finance may possibly use (1) the common interest percentages or (2) utilize the ratio of the Schedule A sales prices of any individual unit to the total sales prices of all units to determine the percentage of the total assessed value to be attributed to each residential unit or (3) utilizes the ratio of square footage contained in each unit to the total square footage. We have now been advised in determining the assessed values for the individual units, the Department of Finance, now follows the common interest percentages set forth in the condominium declaration in determining the allocation of assessed valuation in a new condominium. You have advised me that 92.693% of the common interests are allocated to the residential units and the balance to the commercial units.

Predicated upon the foregoing, it is our opinion that for the initial budget year of January 1, 2017 through December 31, 2017 we estimate that the total actual assessed value of the property will be as follows:

Tax Year	Actual Assessed Value	Transition Assessed Value
2016/2017	$19,500,000	$16,749,970
2017/2018	$20,000,000	$17,879,570

Therefore assuming for 2016/2017 and 2017/2018 the tax class 2 tax rate increases to $13.00 for each $100 of assessed value and the tax class 4 tax rate increases to $11.00 for each $100 of assessed value, and the assessed valuation are apportioned based upon the common interest percentages you have given to us, we make the following estimates of the real estate taxes **prior to any tax exemptions or abatements** for the budget years January 1, 2017 through December 31, 2017:

Budget Year January 1, 2017 through December 31, 2017

January 1, 2017 through June 30, 2017 (6 Months of the 2016/2017 Tax Year)

Units	Transition Assessed Value	Tax Rate	Tax (6 Months)
Residential	$15,526,050	13%	$1,009,193
Commercial	$1,223,920	11%	$67,316

July 1, 2017 through December 31, 2017 (6 Months of the 2017/2018 Tax Year)

Units	Transition Assessed Value	Tax Rate	Tax (6 Months)
Residential	$16,573,110	13%	$1,077,252
Commercial	$1,306,460	11%	$71,855

Estimated January 1, 2017 - December 31, 2017 Residential Real Estate Tax	$2,086,445
Estimated January 1, 2017 - December 31, 2017 Commercial Real Estate Tax	$139,171

This property currently has a 421-a tax exemption which is scheduled to expire on June 30, 2015 which is prior to the onset of the initial budget year and thus no units will receive any 421-a tax benefits. A copy of the 421-a Preliminary Certificate of Eligibility and the New York City Department of Finance property web page is attached to this letter. A Freedom of Information Law request was submitted to the New York City Department of Housing Preservation and Development (HPD) on or about September 30, 2014 requesting a copy of the 421-a file. As of this date, HPD has been unable to find this file and no further information is available from the file.

The current requirement to pay a prevailing wage to building service employees a prevailing wage does not affect this building since construction was commenced well before the 2007 statutory commencement date which required the prevailing wage. Furthermore, 421-a benefits will have expired by the commencement of the initial budget year.

As a condition of the 421-a tax exemption currently in effect, all residential units are required to remain subject to rent stabilization through the expiration of 421-a tax benefits on June 30, 2015. After that date for any unit where the residential lease has the required 421-a notification language in the lease, such unit will no longer be subject to rent stabilization upon the expiration of such lease. New tenants who enter into leases after June 30, 2015 will not be required to be subject to rent stabilization under 421-a requirements.

We are setting forth below the history of the real estate taxes for the upcoming 2015/2016 tax year as well as the three previous tax years:

Tax Year	Transition AV	Taxable AV After 421-a Exemption (421-a exemption expires after 2014/2015)	Tax Rate	Tax
2012/2013	13,912,400	8,728,991	0.13181	$1,150,568.32
2013/2014	14,194,400	11,559,821	0.13145	$1,519,538.48
2014/2015	14,518,200	11,618,269	0.12855	$1,493,528.43
2015/2016	15,629,970	15,629,970	0.12883	$2,013,609.04

Our firm has an extensive practice in real estate tax review matters and in ICIP/ICAP, 421-a and J-51 tax exemption/ tax abatement applications, and we currently represent the owners of approximately 2,500 buildings in the City of New York, and file applications for correction of the tax assessments and tax exemptions/tax abatements on these properties. This firm and its predecessors have been engaged in such practice for a period of approximately 50 years. Additionally, the writer is the former chairman of the Law Committee of the Associated Builders and Owners of Greater New York, a former director of both the New York State Builders Association and the Associated Builders and Owners of Greater New York, a past member of the Tax Certiorari and Condemnation Committee of the Bar Association of the City of New York, and is a director and former President of the Real Estate Tax Review Bar Association, a specialized Bar dealing with real estate tax assessment matters.

Based upon our previous experience with such proceedings, we have issued the within letter which the specific understanding our opinion is not a guarantee of the amount of future real estate taxes. In no event will we, as Sponsor's real estate tax counsel, be liable if there are changes in the facts on which we have relied in issuing this opinion, or if there are changes in the applicable statutes, rules and regulations of the City of New York, decisional laws or administrative agency rulings, interpretations and policies on which we have relied which cause this opinion to be inaccurate.

Interested parties should be aware that the estimate of the real estate tax assessments and taxes covers a period into the future. Neither we nor any person can guarantee what the real estate taxes will be at any future date. As stated above changes in law or policies of government agencies may radically change the opinions expressed herein.

The opinion expressed herein is that of the undersigned, and does not purport to express the opinion of the New York City Department of Finance or any city or government agency. Those Department's opinions may result in substantially different total taxes than the taxes estimated herein. We consent to the inclusion of this letter in the offering plan.

Very truly yours,

TUCHMAN, KORNGOLD, WEISS, LIEBMAN & GELLES, LLP.

By: Paul J. Korngold

NYC Finance

Benefits

Exemptions [1]

Abatements [0]

Click here for information on applying for STAR and other personal exemptions

Alert for
BBL : 1-00928-0031
Benefit: - This benefit is ending soon. If you have any questions, please send us an email.

Property Tax Benefit Information Exemptions

Property Information - (BBL : 1-00928-0031)

421A Exemption - Click here to see details.

Benefit Name	421A-Newly constructed Multiple Dwelling Residential Property
Benefit Amount	$2,703,772 View Calculation Method
Benefit Year	Year 10 of 10
Benefit Type	Completion
Benefit Start Date	July 01, 2005
Benefit End Date	June 30, 2015
Ineligible Commercial %	00.0000%
Base Year	Year ending June 30, 2001
Base Year Assessed Value	$1,395,900

Description

Ver: 2.5.4_PROD

DEPARTMENT OF HOUSING PRESERVATION
AND DEVELOPMENT
JERILYN PERINE, Commissioner
421-a Partial Tax Exemption Program
Office of Development-Division of Housing Finance
100 GOLD STREET, NEW YORK, N.Y. 10038
(212) 863-5421

Preliminary Certificate of Eligibility

Docket #: TE03898

Owner: ROSE HILL ASSSOCIATES , LLC
Owner Address: 135 WEST 50TH STREET C/O THE CLARETT GROUP
NEW YORK, NY - 10020

Address	Borough	Block	Lot	Permit Date	Construction Start Date
385 First Avenue	Manhattan	00928	0031	07/16/2001	08/01/2001

Total Number of Units: 138
Preliminary Initial Adjusted Monthly Rent Per Room: $1,061.94

Comments: NONE

This Certificate is for construction benefits only. Upon issuance of a Final Certificate of Eligibility, this project will be entitled to: 10 Year Tax Exemption

Based upon the information contained in the Application for Preliminary Certificate of Eligibility for Partial Tax Exemption filed 05/22/2002 and a determination by the Commissioner, the applicant, pursuant to Section 421-a of the Real Property Tax law and the 421-a Rules of the Department of Housing Preservation and Development issued pursuant thereto, is hereby granted this Preliminary Certificate of Eligibility for Partial Tax Exemption for the above premises, except as to those portions of the new building, if any, which are non-residential and which exceed the allowable 12% of Commercial, Community Facility and Accessory Use Space.

This Certificate is conditioned upon the filing and approval of a Final Application to be submitted to the Department of Housing Preservation prior to initial occupancy (for multiple dwellings owned as a rental), and prior to the first taxable status date following the completion of construction (for multiple dwellings owned as a co-op or condo), and the submission of the temporary or permanent certificate of occupancy issued by the Department of Building as evidence of the fact that the structure was completed by December 31, 2003. It entitles the property to benefits while under construction for up to three years. It is the applicant's responsibility to complete the necessary filing in order to obtain a Final Certificate of Eligibility. This Certificate must be filed with the New York City Department of Finance, Real Property Assessment Bureau, in the borough where the property is located, as soon as possible.

JUL 22 2003

Date of Issuance: JUL 22 2003

Lisa S. J. Yee

LISA S. J. YEE
Director, Tax Incentive Programs

[Rep Id:466]

WORKING CAPITAL FUND AND APPORTIONMENTS

Each Purchaser of a Residential Unit shall be required to make a non-refundable contribution at the Closing to the working capital fund of the Condominium ("Working Capital Fund") in an amount equal to 2 months' Common Charges with respect to the Residential Unit based on the Condominium budget in effect at the time of Closing. The payment of the Working Capital Fund contribution shall be required of all Purchasers of Residential Units, whether purchased from Sponsor or purchased from a Residential Unit Owner on a resale. No payment to the Working Capital Fund will be made by the Condominium Board as Purchaser of the Resident Manager's Unit.

At or subsequent to the First Closing, Sponsor will apportion with the Condominium the following items as of midnight of the day preceding the First Closing, to the extent applicable:

(1) employees' wages, vacation and severance pay, pension and welfare benefits and accruals and all other payments or obligations relative to the employees of the Condominium.

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

(3) charges for electricity and other utilities for the Common Elements.

(4) cost of fuel on hand (plus sales tax), if any.

(5) charges and receipts in connection with service, maintenance and concession contracts.

(6) water charges and sewer rents on the basis of the fiscal or calendar year for which assessed (unless separately assessed to individual Units).

(7) cost of building supplies on hand at Sponsor's cost (including sales tax).

(8) premiums for transferable insurance policies, if any.

(9) janitorial service fees, if any.

(10) management fees.

(11) building supplies (including, but not limited, to uniforms, cleaning supplies, carts, luggage).

(12) other customary closing adjustments.

If any of the foregoing items to be apportioned cannot be adjusted at the First Closing because they are not fully ascertainable, they shall be apportioned and adjusted to the extent reasonably possible at the First Closing, and final adjustment will be made as soon thereafter as the undetermined amounts are ascertained. Except as set forth above, the customs in respect to title closings adopted by the Real Estate Board of New York, Inc., as amended, shall apply to apportionments and the other matters mentioned above.

If the result of Closing adjustments is a net credit in favor of the Condominium, Sponsor will contribute the amount of such net credit to the Working Capital Fund. If the result of Closing adjustments is a net credit in favor of Sponsor, the payment of any net credit shall be evidenced by an unsecured, negotiable promissory note, without interest, to be executed by the Condominium Board and delivered to Sponsor at the First Closing to be repaid on the first anniversary of the First Closing. The promissory note may be prepaid by the Condominium in full at any time, or in part from time to time, without penalty.

The Working Capital Fund will be used for working capital, a reserve for repairs or for such other appropriate purposes as will be determined by the Condominium Board and may be augmented by allocations from the monthly Common Charges. While Sponsor controls the Condominium Board, the Working Capital Fund will not be used to reduce Common Charges. (See the Section of the Plan entitled "Control By Sponsor" for details.)

The Condominium Board will be able to utilize the funds in the Working Capital Fund at any time and, accordingly, no representation or warranty can be made and no assurance can be given as to the exact amount of funds available at any specific time. However, in no event shall any portion of the Working Capital Fund be used to pay any Common Charges attributable to Unsold Residential Units. In addition, within 3 months following the end of the Sponsor Control Period, Sponsor shall deliver to the Condominium Board a statement from an officer of Sponsor, certifying in reasonable detail as to any changes in the amount of the Working Capital Fund which have occurred since the First Closing.

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

RESERVE FUND

The New York City Council enacted Local Law 70 which amended Chapter 51 of the Administrative Code of The City of New York ("Reserve Fund Law"), the full text of which is set forth in Part II of the Plan. The Reserve Fund Law requires the sponsor of an offering plan for the conversion of a building from rental to condominium status to establish a reserve fund ("Reserve Fund") to be used exclusively for making capital repairs, replacements and improvements necessary for the health and safety of the residents of such building. The Reserve Fund shall be provided by Sponsor and shall be in addition to (i) a Working Capital Fund established or (ii) applicable warranties or guaranties, if any, set forth in this Plan with respect to capital repairs, replacements and improvements.

Sponsor shall, within 30 days after the First Closing, establish and transfer to the Condominium Board, a Reserve Fund in an amount equal to either:

(i) 3% of the sum of the cost of all Residential Units offered for sale pursuant to the Plan at the last price which was offered to tenants in occupancy of the Building prior to the Effective Date of the Plan regardless of the number of sales made ("Total Price"), or

(ii) (A) 3% of the actual sales prices of all Residential Units offered for sale pursuant to the Plan which are sold by Sponsor at the Effective Date, provided, however, that if such amount is less than 1% of the Total Price, then the Reserve Fund shall be established as a minimum of 1% of the Total Price; plus

(B) supplemental contributions to be made by Sponsor at a rate of 3% of the actual sales price of Residential Units for each Residential Unit held by Sponsor and sold to Bona Fide Purchasers subsequent to the Effective Date of the Plan and within 5 years of the First Closing notwithstanding that the total amount contributed may exceed 3% of the Total Price; and provided, further, that if 5 years from 30 days after the First Closing, the total contributions by Sponsor to the Reserve Fund are less than 3% of the Total Price, Sponsor shall pay the difference between the amount contributed and 3% of the Total Price. The supplemental contributions made under this subparagraph (B) shall be made within 30 days of each sale of a Residential Unit under the Plan.

Based upon the Offering Price set forth in the Plan utilizing alternative (i) above, the Reserve Fund is estimated to be $5,447,625 and is subject to change.

The Reserve Fund may not be reduced by closing apportionments but Sponsor may receive credit against the mandatory initial contribution for the actual cost of capital replacements, if any, begun after the Plan is submitted for filing to the Department of Law and before the Plan is declared effective. Such credit may not exceed the lesser of the actual cost of the capital replacements or 1% of the Total Price. The Plan will be amended to disclose any items to be replaced and the actual or estimated cost thereof. See the Section of the Plan entitled "Rights and Obligations of Sponsor" under the subsection "Sponsor's Undertaking with Respect to Certain Improvements and Replacements to the Common Elements" for a description of the capital replacements for which Sponsor presently intends to receive credit against the mandatory initial contribution.

The exact amount of the Reserve Fund under the Reserve Fund Law cannot be determined until the First Closing since it depends on which option Sponsor chooses under the Reserve Fund Law. Under no circumstances will the Reserve Fund be less than 2% of the Total Price. No Purchaser will be entitled to rescind a Purchase Agreement solely because the actual amount of the Reserve Fund is less than the estimated amount.

The Reserve Fund Law also requires Sponsor not later than the 30th day following the Filing Date of the Plan and until the First Closing to post and maintain in a prominent place accessible to tenants in the

Building a list of all violations of record against the Building as determined by the Department of Buildings and the Department of Housing Preservation and Development. All newly issued violations must be posted within 48 hours of their issuance or will be made available by the Resident Manager at the Building for inspection by tenants.

The Condominium Board is required under the Reserve Fund Law to provide a semi-annual report with respect to all deposits into and withdrawals from the Reserve Fund.

Sponsor does not, to the best of Sponsor's knowledge, presently know of any capital items that are necessary or are likely to be necessary within 5 years from the commencement of the First Year of Condominium Operation.

The Description of Property and Building Condition does not disclose the present need for the repair or replacement of capital items.

Sponsor does not presently intend to use Reserve Funds during the Sponsor Control Period.

After the Sponsor Control Period has ended, the Condominium Board may use Reserve Funds in accordance with Law and subject to those certain limitations on the powers of the Condominium Board set forth in the Section of the Plan entitled "Control by Sponsor" and Section 2.5 (A) of the Condominium By-laws.

As set forth in the Description of Property and Building Condition, the Building does not contain a boiler and receives steam heat from Con Ed.

In the event that at any time prior to the First Closing, the Reserve Fund Law is repealed, Sponsor will not be obligated to comply with its requirements and may not provide a Reserve Fund. In such event, all Purchasers will be given 15 days after receipt of an amendment disclosing such repeal of the Reserve Fund Law to rescind their Purchase Agreements and be refunded all monies paid thereunder. In the event that on or after the First Closing, the Reserve Fund Law is repealed, Sponsor agrees to comply with its requirements as set forth in the Plan notwithstanding such repeal.

No assurance can be given that the Reserve Fund will be adequate to pay for the replacement of capital items, and if additional monies are required over and above the Reserve Fund, it may be necessary to increase Common Charges, levy a Special Assessment against the Unit Owners or seek financing from a lender. Sponsor may also elect to advance its contributions to the Reserve Fund and take a credit against future supplemental contributions for capital expenditures. The Reserve Fund may only be used for capital expenditures and replacements and may not be used to reduce Common Charges. The obligations under the Reserve Fund Law shall not be waived under any circumstances except as may permitted under Law.

THE PROPERTY IS BEING OFFERED IN ITS CURRENT CONDITION "AS IS," WITH NO REPRESENTATIONS OR UNDERSTANDINGS EXCEPT AS EXPRESSLY SET FORTH HEREIN. SPONSOR OR THE SELLING AGENT WILL HAVE NO OBLIGATION TO MAKE ANY REPAIRS OR IMPROVEMENTS EXCEPT AS MAY BE SPECIFICALLY SET FORTH IN THE PLAN OR REQUIRED BY LAW. NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENTAL AGENCY HAS PASSED UPON THE ADEQUACY OF THE RESERVE FUND OR UPON THE PHYSICAL CONDITION OF THE BUILDING.

MANAGEMENT AGREEMENT

At the First Closing, Sponsor will assign, and the Condominium Board will assume, the Management Agreement for the Condominium between Sponsor and FirstService Residential New York, Inc. ("Managing Agent"), having an office at 622 Third Avenue, 15th Floor, New York, New York 10017 ("Management Agreement"). Sponsor may, in the alternative, have the Condominium Board enter into the Management Agreement directly with Managing Agent.

The Management Agreement will provide for an initial term of one year commencing on the date of the First Closing ("Commencement Date"). Thereafter, the Management Agreement will continue for successive one-year terms at a 4% increase per annum, but may be cancelled by either party without cause, upon not less than 60 day's prior written notice after the initial term. The Management Agreement is not assignable by the Managing Agent.

Managing Agent will receive an annual fee, payable in equal monthly installments during the initial term of the Management Agreement as follows: $70,000 per annum. The management fee is comparable to the rate for similar services in comparable buildings. In addition, for services rendered to Residential Unit Owners (other than Sponsor), in connection with processing applications to (i) sell, lease or otherwise transfer Residential Units and obtaining necessary waivers of the right of first refusal by the Condominium Board, (ii) mortgage or refinance of an existing mortgage on a Residential Unit and (iii) alter or renovate a Residential Unit, Managing Agent shall receive a fee from the Residential Unit Owner in such amounts as shall be determined, time to time, by the Condominium Board.

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

(1) billing and collecting Common Charges.

(2) causing the Common Elements to be maintained, repaired and altered in the manner deemed advisable by the Condominium Board.

(3) contracting for necessary services and repairs and purchasing all supplies necessary to properly maintain and operate the Building and its Common Elements.

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

(5) supervising, hiring, discharging and paying employees necessary for the proper maintenance and operation of the Building.

(6) rendering monthly statements of receipts and disbursements to Sponsor or other designated entity, upon request.

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

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

(9) cooperating with the Condominium Board's accountants in preparing and submitting annually to the Condominium Board an operating budget of the anticipated income and expenses for the ensuing year.

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

(11) causing to be obtained and maintained insurance for the Condominium in amounts deemed advisable by the Condominium Board.

(12) processing applications of Unit Owners for permission to alter the Residential Units.

(13) processing applications for waivers of the right of first refusal.

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

Managing Agent, at the expense of the Condominium, will be insured during the term of the Management Agreement under a fidelity insurance policy in favor of the Condominium for any loss resulting from fraudulent or dishonest acts committed by Managing Agent, its directors, officers or employees.

The Management Agreement provides that the Condominium Board shall indemnify Managing Agent with respect to claims in connection with Managing Agent's carrying out the provisions of the Management Agreement or acting under the express or implied directions of the Condominium Board, unless arising from the gross negligence, bad faith or willful misconduct of Managing Agent in carrying out its duties.

Sponsor reserves the right during the Sponsor Control Period to designate any other reputable managing agent to perform all of the duties and services to be performed by Managing Agent under the Plan and if Sponsor does so, Sponsor will cause such other managing agent to accept employment on terms substantially similar to the terms specified above.

IDENTITY OF PARTIES

Sponsor

MF 385 First Ave LLC is a limited liability company organized under the laws of the State of Delaware, with an office at 594 Broadway, Suite 1010, New York, New York 10012 ("Sponsor").

The principal of Sponsor Benjamin Shaoul, having an office address c/o Sponsor at 594 Broadway, Suite 1010, New York, New York 10012. Mr. Shaoul has been involved in the real estate industry for many years.

Prior Offerings

Sponsor has not taken part in any public offerings which were initially offered during the past 5 years. Benjamin Shaoul has taken part in the following prior public offerings which were initially offered during the past 5 years: 482 Greenwich Street, New York, NY. AG File No. CD11-027; Filing Date: March 14, 2012. The sponsor of that offering is current in its financial obligations with respect to that project.

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 the Plan.

Sponsor has designated the Secretary of State for service of process.

Attorneys for Sponsor

Sponsor has retained the law firm of Starr Associates LLP, having an office at 245 Fifth Avenue, Suite 1102, New York, New York 10016 to represent it in connection with the Plan and to serve as Escrow Agent. Samantha Sheeber, Esq. participated in and supervised the preparation of the Plan. Starr Associates LLP will serve as Escrow Agent and will represent Sponsor in connection with matters relating to the sale and closing of Residential Units.

Sponsor has retained the law firm of Olshan Frome Wolosky LLP, having an office at 65 E 55th Street, New York, New York 10022 to prepare the Income Tax Opinion for the Condominium and Unit Owners under the direction of Warren Gleicher, Esq. Sponsor has retained the law firm of Tuchman, Korngold, Weiss, Liebman & Gelles, LLP, having an office at 6 East 45th Street, New York, New York 10017, to provide the Real Estate Tax Projection Opinion set forth in Part I of the Plan.

Selling Agent

Selling Agent for the Condominium will be Urban Compass, having an address at 19 Union Square West, 10th Floor, New York, New York 10003. Selling Agent is a licensed real estate broker whose principals have been engaged in the sale of real estate for many years.

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

Managing Agent

Managing Agent for the Condominium will be FirstService Residential New York, Inc., having an office at 622 Third Avenue, New York, New York 10017. Managing Agent is a licensed real estate brokerage and management firm, which has been engaged in the management of residential real estate for many years. It currently provides property management services for many residential cooperatives and condominiums, including, among numerous others, the following: The Plaza Condominium, New York, New York; One Morton Square, New York, New York; 150 Columbus Avenue, New York, New York, 111 Fulton Street, New York, New York and 515 East 72nd Street, New York, New York.

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

Construction Professionals

Sponsor has retained the following professionals in connection with this Plan:

a) Architect of Record

Gerner Kronick + Valcarcel, Architects, DPC, having an office at 443 Park Avenue South New York, New York 10016 is the architect of record for the Building ("Architect"). The Architect prepared the "Description of Property and Building Condition" and the Unit floor plans of the Units set forth in Part II of the Plan and will prepare the Floor Plans which will be filed with the Division of Land Records of the New York City Department of Finance required in order to create the Condominium. Architect has also examined the physical condition of the Building and has rendered its report thereof and a Certification which is set forth in Part II of the Plan. Architect has been providing architectural services for many years and has been the architect of many buildings in the New York City metropolitan area.

b) Mechanical Engineer

I.M. Robbins, P.C., having an office at 15 West 44th Street, New York, New York 10036, is the mechanical engineer for the Building. The Mechanical Engineer has been providing engineering services for many years and has been the mechanical engineer for numerous buildings

Condominium Budget Expert

Sponsor has engaged FirstService Residential New York, Inc., having an address at 622 Third Avenue, 15th Floor, New York, New York 10017, as Sponsor's Budget Expert. The Budget Expert estimated all amounts of income and expenses in "Schedule B - Estimated Budget for Projected First Year of Condominium Operation" in consultation with Sponsor. The Budget Expert has rendered a certification as to the adequacy of the First Year's Budget and a certification as to the adequacy of the Common Charges payable by the Commercial Unit Owners, which may be found in Part II of the Plan.

Related Parties

Sponsor and its principal have no affiliation with Selling Agent, Managing Agent, Sponsor's Attorneys, the Architect, Mechanical Engineer or the Budget Expert, the Construction Professionals, or any person or firm who will provide services to the Condominium subsequent to the First Closing. Neither the Condominium Budget Expert, the Construction Professionals nor the Attorneys have any financial interest in the Property, the Units, the Condominium, or this offering, except for their fees for services rendered.

No Pre-Sales

Neither Sponsor nor its principal have entered into contracts or agreements, written or oral, or accepted any Deposits or advances of funds for the purchase of Units as of the Filing Date of the Plan.

SPONSOR'S PROFIT

Sponsor acquired the Property on September 19, 2014 from Rose Hill Associates, LLC. The allocable purchase price (approximately $105,948,000) together with the estimated expenses of Sponsor in connection with this offering include without limitation, costs associated with the acquisition and ownership of the Property, including financing costs (aggregating approximately $5,059,943); attorneys' and engineers' fees, printing, governmental filing fees and transfer taxes, staff, sales commissions, and promotional costs in connection with the sale of Residential Units, capital expenditures, transfer taxes and the funding of the Reserve Fund (aggregating approximately $27,682,698), are estimated to aggregate approximately $138,690,640. Assuming the foregoing (which is subject to change), Sponsor may be expected to realize a profit of approximately $32,100,000 after deducting acquisition costs, financing costs and income taxes and the estimated expenses of Sponsor in connection with this offering, assuming that all of the Residential Units are sold to Tenant-Purchasers.

REPORTS TO UNIT OWNERS

It is the obligation of the Condominium Board to give all Unit Owners annually:

1. A financial statement of the Condominium prepared by a certified public accountant or public accountant, within approximately 120 days after the end of each fiscal year of the Condominium. Such statement shall be certified while Sponsor is in control of the Condominium Board.

2. At least 30 days' prior notice of the annual Unit Owners' meeting.

3. A copy of the proposed annual budget of the Condominium at least 30 days prior to the date set for adoption thereof by the Condominium Board. While Sponsor is in control of the Condominium Board, such budget shall be certified in compliance with the regulations of the Department of Law.

DOCUMENTS ON FILE

Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan, all documents referred to herein and all Exhibits submitted to the Department of Law in connection with the filing of the Plan shall be kept on file and available for inspection by Purchasers and their attorneys without charge, and for copying at a reasonable charge, at Sponsor's office for a period of 6 years after the First Closing. In addition, a set of Floor Plans showing the layout, locations and approximate dimensions of each Unit and its Unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the Register's Office following the recording of the Declaration, and an additional set will be furnished to the Condominium Board.

The Declaration and the By-Laws will be recorded in the Register's Office in advance of or concurrently with the First Closing. The recording of all deeds conveying individual Units will also be recorded in the Register's Office.

GENERAL

The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact. Sponsor believes that the Plan contains a fair summary of the material provisions of the documents referred to in the Plan, including those documents contained in Part II of the Plan. Copies are contained in Part II of the Plan of the forms of Declaration, By-Laws, Purchase Agreement, Unit Deed, Power of Attorney and other documents (which forms may be revised prior to their recordation or the First Closing, as applicable). Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to in the Plan, copies of which are on file with Sponsor, are not necessarily complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such document executed by or with the written consent of a Purchaser pursuant to the Plan, any rider or separate agreement changing or adding provisions to such document.

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 Purchasers shall have any right or benefit herein or herefrom, including without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of Sponsor's obligations hereunder and no such third party shall be deemed to have received any benefit as a result of any of the provisions of the Plan.

Sponsor reserves the right, from time to time prior to the First Closing, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Residential Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor and Purchasers. However, Sponsor may not unilaterally cancel a Purchase Agreement which is in effect, except as therein provided, as in the case of an uncured Event of Default, nor unilaterally change the Purchase Price or payment terms contained in such Purchase Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a substantial amendment to the Plan that materially and adversely affects Purchasers, except as otherwise provided herein, Purchasers will have a right of rescission which may only be exercised within 15 days from the Presentation Date of such amendment. Sponsor shall promptly return all Deposits, together with any interest earned to Purchasers who rescind, except that Sponsor shall retain all Deposits of any Purchaser who has committed an Event of Default under the Purchase Agreement beyond any applicable grace period.

In accordance with the provisions of the Laws of the State of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person in the sale of Units offered by the Plan or in the leasing of any such Residential Units because of such person's race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law.

Unless the context otherwise requires, words used in the singular in Part I of the Plan include the plural and vice versa, and a reference herein to any one gender, masculine, feminine or neuter, includes the other two.

No person has been authorized to make any statement or representation or furnish any information not expressly contained herein. Any information, data, or representations not contained herein or in the documents and exhibits referred to herein must not be relied upon. The Plan may not be changed or modified orally.

The Property has not been the subject of a prior public offering.

SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor has obtained a report on the condition of the Property as of a date approximately contemporary with the submission date of the preliminary Plan. Sponsor is not an architect or engineer, but hereby adopts such report and, believes and hereby represents that the "Description of Property and Building Condition" with additional information by Sponsor, if any, as indicated, set forth in Part II of the Plan, represent accurately the present Building condition. The firm preparing the "Description of Property and Building Condition" has no financial interest in the Property, Sponsor, the Condominium, Selling Agent, any affiliates thereof, or any other party interested in this transaction, except for the fee for services rendered.

Set forth in Part II of the Plan is a copy of the most recent Local Law 11 Report for the Property, copies of municipal violation searches, and a report concerning asbestos containing material ("ACM") in the Property ("Asbestos Report"). The Asbestos Report indicates that no ACM is present in the Building.

Sponsor represents that it has no knowledge of any material defects or need for major repairs to the Building except as hereinafter set forth in the "Description of Property and Building Condition" and the municipal violation search set forth in Part II of the Plan. The Buildings Department issued a Permanent Certificate of Occupancy No. 102299825F dated May 6, 2009 for the Building.

Following the submission date of the preliminary Plan, Sponsor intends to undertake a program of work ("Sponsor's Work") including without limitation, renovating and combining vacant Residential Units, upgrading the decoration or finishing of the Residential lobby and corridors and construction of additional Storage Lockers, installing light fixtures, painting, hanging wall coverings or laying carpeting. All of the foregoing work and conditions may create a noisy or otherwise disruptive condition in the Building. During the performance of Sponsor's Work, Sponsor reserves the right to access any common areas of the Building or the Property (subject to the rights of tenants thereof), temporarily interrupt utility service in connection with such work and temporarily relocate entrances and exits to the Building (provided legally required means of access and egress are provided). It is anticipated that for a significant period of time following the First Closing through, including and beyond the Closing of Title to any Residential Unit, Sponsor's Work should be expected to be undertaken and performed by or on behalf of Sponsor. Sponsor will comply with all applicable Department of Buildings ("DOB") filing requirements in connection with Sponsor's Work.

Following submission of the Plan, as a part of Sponsor's Work, Sponsor submitted Building Alteration Plans to DOB to, among other things, combine Residential Units at the Building. Based upon these combinations, the number of Residential Units offered for sale would be reduced from 138 units to approximately 103 units. The Alteration Plans covered combinations of Residential Units for (i) Vacant Units, (ii) occupied Units where the leases were expiring on or before June 30, 2015 and the Sponsor believed that the tenants would be vacating and (iii) occupied Units where the leases were expiring on or after July 1, 2015. Sponsor acknowledges and agrees that it will undertake no work under the Alteration Plans in any occupied Unit until such Unit is vacated. During the performance of Sponsor's Work, Sponsor will comply with all DOB requirements with respect to the Tenant Protection Plan (which may be amended from time to time), a copy of which is set forth in Part II of the Plan, and will adhere to the terms thereof. Sponsor will also provide a person to be contacted 24/7 with respect to construction issues: Jose Gomez at (917) 532-0672 or e-mail at jgomez@magnumreg.com.

The Residential Units and their appurtenant Common Elements are being sold "as is" to Tenant-Purchaser in the condition in which they exist on the Filing Date of the Plan and to all Purchasers of Vacant Residential Units "as is" in the condition in which they exist on the Closing Date of such Residential Unit, subject to ordinary wear and tear and further subject to Sponsor's obligation to maintain the Building until the First Closing and further subject to Sponsor's obligation to make repairs, improvements or decorations as may be otherwise set forth in the Plan.

Except as otherwise expressly provided in the Plan, Sponsor's obligation to make repairs in any Residential Unit shall cease upon the Closing of Title to such Residential Unit. Sponsor will, however, maintain and operate the Building until the First Closing in substantially the same manner and condition as on the Filing Date of the Plan (subject to ordinary wear and tear) except to the extent that Sponsor is precluded from so doing by acts of God, fire or other casualty, storm, strikes, lockouts, labor difficulties, acts of terrorism, riots, insurrection, inability to obtain materials, equipment or labor, governmental restrictions, inability to gain access after reasonable notice or any other acts over which Sponsor is reasonably unable to exercise control. If for any of the reasons set forth in the preceding sentence, other than fire or other casualty, Sponsor is prevented from so maintaining the Building and the Common Elements (or causing the same to be maintained), Sponsor shall make or cause to be made, within a reasonable period of time after such act ceases to exist, subject to Sponsor's ability to gain access for such repairs, after reasonable notice, any repairs subsequent to the First Closing that it was obligated to make prior to the First Closing.

PART II

CONDOMINIUM OFFERING PLAN

385 FIRST AVENUE CONDOMINIUM
385 FIRST AVENUE
NEW YORK, NEW YORK 10010

DESCRIPTION OF PROPERTY AND BUILDING CONDITION

September 2, 2015

Description of Property and Improvements

385 First Avenue

New York, NY 10010

Gerner Kronick + Valcarcel, Architects, DPC

443 Park Avenue South

New York, NY 10016

A conversion from existing rental apartments to condominium units is proposed in an existing fire-proof building at the southwest corner of 23rd Street and 1st Avenue in Manhattan New York. At 20 stories above grade, the building will maintain commercial uses and a residential lobby on the first floor, with residential condominium uses on floors two through twenty.

There is one existing cellar level that contains existing mechanical spaces, existing commercial storage, existing residential storage, existing trash compactor room and accessory spaces. A new gym and bicycle room are proposed in the existing cellar space.

A. Location and use of property.

(1)	Address:	385 First Avenue New York, NY 10010
(2)	Block number: Lot number:	928 31
(3)	Zoning:	C1-9A
(4)	Use:	Permissible uses: Use group 6, Retail. Use group 2, Residential. The building and its uses comply with current zoning and use requirements.

B. Status of construction.

(1) Year built; 2002

(2) Building constructed pursuant to New York City Building code, 1968 Edition.

(3) Class of construction; Existing class 1-B. Construction class will remain 1-B after Renovations are completed.

(4) Certificate of Occupancy: Temporary Number 102299825-T-5 for Retail, Residential and Accessory uses.

(5) Alteration permit numbers. There are three permit applications currently open:

(i) Permit number 103205185 dated 07/12/2002 to erect an illuminated accessory business sign on wall.
(ii) Permit number 103709578 dated 02/17/2004 for sprinkler modifications on first floor.
(iii) Permit number 140082782 dated 05/29/2013 for installation of sidewalk shed for remedial repairs.
(iv) Permit number 122233083 dated 03/17/15 for renovation of lobby, amenity space on second floor and renovation to existing apartments on the 11th and 12th floors.

(6) Building was designed and constructed pursuant to the Quality Housing Program per Chapter 8 of the New York City Zoning Resolution, and is in Compliance with required components to include:
(i) Neighborhood impact.
(ii) Building Interior.
(iii) Recreation Space and Planting.
(iv) Safety and Security.

Project continues to be in compliance.

C. Site.

(1) Lot Size 9,875 sf

(2) Number of buildings and use; One Residential Mixed Use Building

(3) Streets

(i) Paving: The adjacent streets are paved with asphalt and are in good condition.

(ii) Curbing: Existing steel curbs are in good condition.

(iii) Catch basins, drainage: Existing streets are pitched to drain into New York City Sewer.

(iv) Street lighting: Provided by City of New York

(4) Drives, sidewalks and ramps:

(i) Paving: Existing concrete sidewalks on 1st Avenue and on 23rd Street are in good Condition and free of tripping hazards and ponding. The existing sidewalks are sloped to drain water away from the building.

(ii) Curbing: Existing steel faced curbs on 1st Avenue and on 23rd Street are in good condition and are to remain.

(iii) The items above conform to New York Department of Transportation and New York City Department of Building Codes and are ADA in compliant.

(iv) The condominium will maintain sidewalks per DOT requirements.

D. Utilities.

(1) Electricity: Electricity is provided by Consolidated Edison Company ("Con Edison"), a regulated company. The total electricity consumed for the Residential section is separately metered by Con Edison with each Residential Unit (including the electricity required to power incremental room AC Units) separately metered, by Con Edison for each residential unit's charges. The electricity consumed in the Retail Units is separately metered by Con Edison and paid by the respective owners of such Units or their tenants. The electricity consumed in the Residential and General Common areas of the building (including the Fitness Center and all other residential amenity rooms) is metered by the Con Ed Master Meter on the Owner's Distribution Board, and the cost of the same Residential usage is borne by the Residential Unit Owners as Residential Common Expense and the cost of general usage is borne by all units owners as a general common expense.

(2) Gas: Gas is provided by Con Edison Company. Any gas consumed in the Retail Units are separately metered and paid for by the respective owner of such Unit or their tenants. The cost of the gas consumed in the balance of the building (including all gas used for cooking or heating purposes in the Residential Units) is borne by the Residential Unit Owners as a Common Expense. The cost of gas consumed in the General Common Elements is borne by all of the Unit Owners as a common expense.

(3) Water and Sewer: Water and Sewer service is provided by the City of New York. Any water consumed in the Retail Units is separately sub-metered, and the charges for such water and the corresponding sewer rent are paid for by the respective owners of such units or their tenants. The charges for water and sewer service provided to the Residential units and in the Residential Common Areas of the Building, is levied on the basis of Master City Meter and borne by the Residential Unit Owners as a Residential Common Expense. Water and sewer service provided to the General Common Areas is allocated and borne by all of the Unit Owners as a general common expense.

(4) Telephone: Telephone service is provided by Verizon and Time Warner Cable. Each Unit Owner is required to pay the telephone charges associated with his or her unit. Similarly, the charges with respect to the telephones in the Retail Units are separately paid for by the owners of such Units. The telephone charges with respect to the Residential Common Areas of the Building (such as the Concierge's Desk and Fitness Center) are borne by all Unit Owners as a Common Expense. The telephone charges with respect to General Common Areas (such as Maintenance Office, shops, etc.) are borne by all Unit Owners as Common Expense.

(5) Cable Television: Cable Television service is provided by a local cable television company. Each Residential Unit Owner has the option of obtaining cable television service from either television service provider who has been granted access to the

building. Each Residential Unit Owner who desires to obtain such service or services are required to pay the cable company or other television service for activating the wiring in his or her unit and for installing the appropriate receptacles. Thereafter, the Residential Unit Owner are required to pay a monthly service charge to the cable company or other television service provider, which will vary depending upon the services subscribed to by the Unit Owner.

(6) Data Transmission: All Residential Units throughout the building have been pre-wired for High speed internet Access. All charges with respect to providing this service are paid separately by owner of such units.

(7) Heating is generated from Con Ed Steam with two stage of pressure reducing valves located in the basement level. The Con Ed Steam is master meter from the building and all take off for retail will be sub meter by building. The electricity consumed in the Retail Units is separately metered by Con Edison and paid by the respective owners of such Units or their tenants. The electricity consumed in the Residential and General Common areas of the building (including the Fitness Center and all other residential amenity rooms) is metered by the Con Ed Master Meter on the Owner's Distribution Board, and the cost of the same Residential usage is borne by the Residential Unit Owners as Residential Common Expense and the cost of general usage is borne by all units owners as a general common expense.

E. Plumbing and Drainage.

(1) Water supply. Domestic cold water is supplied to the building via an incoming 6" water service from the City water main to a Duplex Water Booster System consisting of (2) 120 GPM pumps located in the Water Meter/Pump room in the cellar. The incoming service has a Main Shut-off Valve located within 2 feet of point of entry, along with a NYC approved water meter assembly and Double Check Valve backflow preventer assembly prior to connecting to pumping system. Domestic water is distributed from the Booster system to the water heaters in the cellar boiler room and the entire building. Domestic water has two (2) zones, one (1) up-feed zone from 2nd thru 11th floor and one (1) up-feed from 12th-21st floor. Water service piping is "Class 150" ductile iron and distribution piping is "Type L" copper. Minimum pressure at the top of each zone is 25 psi. A master pressure reducing valve is installed for the lower zone. All hot and cold water piping is insulated with 1" thick molded fiberglass.

Cast iron roof and area drains are provided for all roof areas which will discharge through internal cast iron leaders into building storm drains.

Leaders and drains are acceptable and in satisfactory conditions.

The piping system consists of Type L copper tubing with 95-5 tin-antimony soldered joints. All mains and risers are insulated.

Pumps are acceptable and in satisfactory conditions.

Domestic hot water is provided by steam domestic hot water storage heaters. There are four Aerco Heaters provided for each upper and lower zone for domestic hot water.

Domestic hot water heaters are acceptable and in satisfactory conditions

(2) Fire protection system.

i. Standpipes (material, size, location); (1) 6" fire standpipe risers located in the fire stairs, with valved outlets on floors 21. Building is provided with 500 GPM automatic fire pump supplied by one (1) 6" street main service. The Fire pump serves the fire standpipe system.

Stand pipes are acceptable and in satisfactory conditions.

ii. Hose racks, hoses and nozzles (location); Hose racks are located at Cellar, First and Second Floor levels. Locked fire hose cabinet is provided at the lobby level.

Hose Racks are acceptable and in satisfactory conditions.

iii. Sprinkler heads (type system, location): Sprinkler heads are provided throughout the building in Cellar, Compactor Room, Refuse Storage, Refuse Chute Vestibules, alternate floors in compactor chute and all residential apartment areas. Sprinklers are all supplied from 6" standpipe riser. Connections for future sprinkler piping in Retail areas are provided.

Sprinkler heads are acceptable and in satisfactory conditions.

iv. Siamese connection (type, location): Siamese connection: One (1) 3"x3"x6" Siamese FD connections at East 23rd Street is provided for standpipe and sprinkler.

Siamese connections are acceptable and in satisfactory conditions.

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

(4) Water pressure and how maintained: Water pressure for the upper & lower zones is provided by the duplex Water Pressure Booster System. Water Booster System manufactured by Syncroflo Model 2H. Minimum pressure on upper zone is 25 psi at top of zone. Water pressure for lower zone is maintained by master pressure reducing valves with minimum pressure, 25 psi at top of zone.

(5) Sanitary sewage system: All sanitary drainage is connected to public street sewers. Duplex sewage ejectors are provided for sanitary fixtures below house sewer level.

i. Sewage piping: No hub cast iron piping for all waste and vent ranging in sizes from 1½" up to 10". One (1) 10" sanitary house traps connected to city sewer at 1st avenue.

ii. Sewage Ejector pumps: One set of duplex Sewage ejector pumps manufactured by Peerless model VCSLMBC4A rated at 100 GPM at 30 foot head each. Sewage

Ejectors are acceptable and in satisfactory conditions. Sewage ejector drains are located at the Cellar level are required since the cellar level is below the grade of the house sewer line to the street.

iii. Sewage disposal. Via (1) 10" house sewers discharging into city sewers, 1st Avenue.

(6) Permit(s) required: Approval to be obtained from city for One (1) 10" combined sanitary/storm sewers; one (1) 6" domestic water and one (1) 6" fire pump water service.

(7) Storm drainage system: No-hub cast iron piping connected to house traps and discharging into city sewers on 23rd Street.

i. Catch basins: None

ii. Yard and roof drains (location): Yard Drains at Bulkhead and main roof at terraces connected to leaders and storm drainage system.

iii. Piping: No-hub cast iron.

iv. Sump Pumps: Storm Water & Area drainage receiving clear water waste below sewer level. One set of Duplex Sump pumps manufactured by Peerless Model LB2A rated at 75 gpm at 25 foot head each. Sump pumps are acceptable and in satisfactory conditions.

F. Heating.

(1) HVAC Heating Steam is generated from Coned steam with two stages of pressure reducing valves. The heating system is designed to meet the New York State Energy Code

(2) Number of boilers and description: None

(3) Radiators, piping, insulation, valves, and pumps: Steam and return piping is Schedule 40 steel both welded and screwed with 125 lb. fittings.

(4) Individual units. Air Conditioning units are manufactured by Ice-Air. There are four unit types "A - D". The unit type, model No. and capacity are as follows:
A – ICE CAP 5RSCT-09, 18,700 BTU/HR
B – ICE CAP 5RSCT-13, 18,700 BTU/HR
C – ICE CAP 5RSCT-16, 18,700 BTU/HR
D – ICE CAP 5RSCT-18, 20,000 BTU/HR

Induvidual units are acceptable and in satisfactory conditions

Retail Units are provided with steam (with metered condensate) to feed steam coils in the air conditioning units. Cooling and heating of corridor air is

provided by packaged, air cooled conditioning units located on the tower roof. Indoor units are equipped with steam coils and roof top units are gas fired. The unit type, model No. and capacity are as follows:

AC-3 - Trane TWE 090A300, 19,440 BTU/HR
AC-5 – Trane TWE 060D150, 12 KW

All units warranty has been expired

G. Gas Supply.

(1) Type: Natural gas provided by Local Utility Company (Con Edison) for cooking, heating and rooftop HVAC equipment.

(2) Meters: The gas for space heating is provided by the utility company. Common meter(s) are provided for the Residential Units' gas cooking ranges. Meter(s) when provided for commercial tenant(s) are provided for direct metering to the utility company.

(3) Piping: Black steel Schedule 40 pipe with malleable fittings for low pressure piping 4 inch and smaller and welded joints for low pressure piping over 4 inches.

H. Air Conditioning.

(1) Type of system: All individual residential units are air conditioned via individual incremental heating and air conditioning units. New York State Energy Code is basis of calculations. (Cooling: 78 degrees F DB/50% relative humidity inside and 89 degrees F DB/73 degrees F WB outside. Heating: Based 13 degrees outside and 70 degrees inside). Incremental units are acceptable and in satisfactory conditions.

(2) Central System: Separate heating and Air Conditioning units are air cooled, and provided for corridors, lobby and special areas. Corridor units are roof top air cooled. Central Units are acceptable and in satisfactory conditions.

All rooftop units are on installed on factory installed curbs and isolators to reduce vibration to the surroundings.

(3) Cooling towers, condensers: None

(4) Individual units. Air Conditioning units are manufactured by ICE-AIR Inc. There are four unit types "A - D". The unit type, model No. and capacity are as follows:

A – ICE CAP 5RSCT-09, 9,400 BTU/HR
B – ICE CAP 5RSCT-13, 12,000 BTU/HR
C – ICE CAP 5RSCT-16, 14,000 BTU/HR
D – ICE CAP 5RSCT-18, 16,000 BTU/HR

Retail Units are provided with steam (with metered condensate) to feed steam coils in the air conditioning units. Cooling and heating of corridor air is

provided by packaged, air cooled conditioning units located on the tower roof. Indoor units are equipped with steam coils and roof top units are gas fired.

AC-1 - Trane TWE 030C140B, 30,000 BTU/HR
CU-1 – Trane TTA 030C300A, 30,000 BTU/HR
AC-2 – Trane TWE 030C140B, 30,000 BTU/HR
CU-2 – Trane TTA 030C300A, 30,000 BTU/HR
AC-3 – Trane TWE 090A300, 94,400 BTU/HR
CU-3 – Trane TSC 060A3REA, 94,000BTU/HR
AC-5 – Trane TWE 060D150B, 63,100 BTU/HR
CU-5 – Trane TTA 0600300A, 63,100 BTU/HR

AC units are acceptable and in satisfactory conditions

All individual units are gravity drained to a 2" riser

All units warranty has been expired

(5) All exterior metal, including fasteners are corrosion resistant.

I. Ventilation.

Ventilation, via central systems, vertical risers with roof mounted fans for interior kitchens, and baths. Corridors are provided with pressurized cooling/heating utilizing 100% fresh air. Fresh air is provided thru incremental HVAC units in apartments and by open window ventilation. Interior residential kitchens are ventilated with an exhaust ventilation system exhausting 120 cubic feet of air per minute. Interior residential bathrooms are ventilated with an exhaust ventilation system exhausting 50 cubic feet of air per minute. Interior non-residential bathrooms are ventilated with an exhaust ventilation system exhausting 50 cubic feet of air per minute. Staff locker rooms are ventilated with exhaust ventilation capable of exhausting air at a rate of six air changes per hour. For interior corridors provided with heating and air conditioned supply air in accordance with code requirements.

Gas meter room is vented to the outside.

Exhaust Fans are in working condition but should be replaced in the next five years.

EXH-1 – Cook - 80 SQN-B- (500 CFM)
EXH-2 – Cook - 135 SQN-B- (1350 CFM)
EXH-3 – Cook – 180CPV- (2600 CFM)
EXH-4 – Cook - 270CPV - (5500 CFM)
EXH-5 – Cook - 165CPV - (2000 CFM)
EXH-6 – Cook - 210CPV - (3450 CFM)

EXH-7 – Cook - 210CPV - (3450 CFM)
EXH-8 – Cook - 150 SQN-B - (2000 CFM)
EXH-9 – Cook – GN-520- (250 CFM)

EXH-10 – Cook - GN-520- (250 CFM)
EXH-11 – Cook - 270CPV - (7500 CFM)

All Exhaust fan warranty has been expired

J. Electrical System.

(1) Service from main service switchgear (amperes, voltage, phases, wire, and protective equipment): Electric service is provided by Con Edison at 120/208 volts, 3 phase, 4 wire to an Electric Switchboard Room and distributed through various size service switches for the Retail Units and the Residential section of the building, the automatic fire pump and the balance of the building.

(2) Service to individual units (risers, etc.): Electric service is provided to the Residential Units from distribution closets located on every third floor of the building or as indicated on plans. Individual feeders, which will vary in sizes, are run to each apartment. Metering is provided by Con Edison to each Residential Unit. The Retail Units are each separately metered for the electric service. There is common metering for the General Common Areas of the building.

(3) Compartment switch gear (location and floor of sectional meter boards and transformers supplying power to the meter boards): Circuits are provided in each Residential Unit with the capacity to handle all typical anticipated loads within the unit.

(4) Unit service:

1. Adequacy:

i. Service - average number of circuits per apartment and capacity to handle modern appliances - specifically air conditioners, dishwashers and electric dryers; Unit services including switching and fusing is generally adequate for modern day appliances, lighting, convenience outlets, washers, dryers and incremental units.

ii. Lighting and fixtures - Each Unit has a 120/208 electric service panel with 60-150 amp service and 8-18 circuits.

iii. Convenience outlets, appliance outlets. Switched incandescent and fluorescent lighting fixtures are provided in all bathrooms, walk-in closets, foyers and kitchens. Switched receptacles are provided in living rooms and bedrooms. Ground fault receptacles are provided in powder rooms, bathrooms and kitchens. The incremental units in each Residential Unit are wired directly to the Unit's electric panel. Residential units with terraces are provided with an exterior light fixture(s) and GFI waterproofed electrical receptacles.

K. Intercommunication and/or door signal systems, security closed circuit TV.

(1) Telephone service will enter the building from 1st Ave, and be fed to a main Telephone Room located on the Cellar Level and then distributed through conduits to all areas of the building, including the communications closets servicing the Residential portion of the Building, which will generally be located on every third floor. Each Residential Unit will receive telephone service wires running between a closet in the unit and the communications closet servicing such unit. The Building is provided with a "telephone" type dial intercom system permitting the occupants of the Residential Units to communicate over their cellular phone to the concierge's desk. The building intercom system is controlled by the Concierge. Closed circuit television cameras are provided in selective locations at main building lobby, at selected entrance corridors to the elevators, at the service lobby with viewing monitors at the Concierge's Desk. Intercommunication systems are in good working order.

L. Public Area Lighting.

The building's public area's existing lighting is through fluorescent and incandescent fixtures.

Incandescent fixtures are re-lamped with CFL Bulbs.

Fixtures are in good working conditions.

Amenity Area, Bike room and Recreational area lighting are acceptable and in satisfactory conditions.

M. Sub-soil Conditions.

(1) There is no evidence of distress on structure caused by movement or settling.

(2) There is no evidence of moisture, seepage or ground water infiltration present in the cellar.

(3) Building is located in FEMA flood zone X, moderate to low risk area. There is no potential for mudslides or erosion on the site.

N. Landscaping and Enclosures.

(1) Grass cover: None

Plantings: There are existing plants and foliage located in planters at the roof terrace area that include Golden Mop False Cypress, Rose. Hinoki Cypress, Arborvitae, Weeping Japanese Maple, Upright Japanese Maple, Lavender, Purple Fountain Grass, Feather Reed Grass, Weeping Norway Spruce, Flowering Dogwood, Catmint, Variegated English Ivy and Assorted Annuals.

Existing plantings at the second floor amenity space include Weeping Cherry, English Ivy, Variegated English Ivy, Garden Juniper, Hinoki Cypress, Golden Mop False Cypress,

Flowering Hydrangea, Lavender, Fountain Grass, Reed Grass, Mondo Grass, Coral Bark, Japenese Maple, Weeping Japanese Maple, Assorted Iris, Mugo Pine, Black Pine, Arborvitae, Privet, Assorted Annuals. Existing planting is well maintained.

(1) Trees: None

(2) Fencing: Existing metal framed architectural panels, approximately 6'-0" high, separate the tenant roof terrace from mechanical areas and are in good condition.

(3) Gates: Hinged openings with locks provide access to mechanical areas.

(4) Garden walls: None

(5) Retaining walls: None

(6) Display pools and fountains: None

O. Building Size.

(1) Total Height: 198'-8" from datum 0'-0" to top of main roof slab.

(2) Crawl spaces: None

(3) Number of sub-cellars and cellars. One Cellar Level

(4) Number of floors: 20 stories above grade.

(5) Equipment rooms: Cellar level equipment rooms include a Con Edison Steam Room, Electric Switchgear Room, Water Meter Room, Gas Meter Room and a Telephone Room

(6) Parapet. 3'-6" high from finished roof paver to top of parapet.

The following table represents the floor designations used on construction drawings compared to actual use in the Building. For marketing purposes there is no named 13th floor. The Marketing Floor designation is used throughout this report to describe the floor level.

FLOOR DESIGNATION CHART	
CONSTRUCTION FLOOR LEVEL	**MARKETING FLOOR LEVEL**
CELLAR	CELLAR
GROUND	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8

9	9
10	10
11	11
12	12
13	14
14	15
15	16
16	17
17	18
18	19
19	20
20	21

P. Structural System.

The building is constructed of reinforced cast in place concrete founded on spread footings with lateral system of ordinary concrete shear walls. Floor slabs are flat plate, 7 ½" cast in place concrete.

Q. Exterior of Buildings

(1) Walls and Windows: The building's exterior wall is a exposed cast in place concrete columns and exposed concrete slab edge, with an aluminum and glass window-wall infill system. Glazing in the window wall system is a thermally insulated glass unit. The exposed columns are furred with gypsum board and insulated with a semi-rigid mineral fiber board. Local Law 10 is superseded by Local Law 11/98. Under this Local Law the facades of the building have to be inspected 5 years after the completion of the facades and at 5 year intervals thereafter. Last inspection was conducted on August 13, 2012. Filing was made and repair work was performed. See attached progress report by VIDARIS.

i. Windows: Architectural grade thermally broken fixed and casement aluminum windows, glazed with 1" dual sealed insulated glass units. Windows are equipped with stopping device limiting opening to 4 ½" maximum. Frames are caulked along the perimeter. Existing windows are maintained in good condition.

ii. Lot Line Windows: There are lot line windows on the south façade in the H and G apartment lines from the 6th to 12th and 14th to 21st floors.

iii. Landmark status: Building does not have Landmark Status.

(2) Parapets and copings: Parapets are 3'-6" high concrete cast integrally with building structure. There is no evidence of structural distress on the existing parapets.

(3) Chimneys and caps: There is one refuse chute located and extending above the main roof. There is one black iron restaurant flue located and extending above the bulkhead roof.

(4) Balconies and terraces: Exterior common residential recreation terrace on the 2nd floor, Private Residential terraces on the 15th and 19th floors and a common terrace on the main roof. There are no residential balconies.

i. Deck finish: 2' x 2' concrete pavers on the second floor and roof terraces. Roof pavers are maintained in good condition.

ii. Balustrade: 3'-6" high concrete parapet in good condition.

iii. Railings: None

iv. Copings: None

v. Soffits: None

vi. Doors to balconies and terraces: Doors to the residential terraces are part of the window-wall system and are aluminum and glass with thermal break. Window wall is maintained in good condition,

(5) Exterior entrances:

i. Exterior doors and frames: Exterior doors are aluminum and clear glass and are maintained in good condition.

ii. Vestibule doors and frames: Vestibule doors are aluminum and clear glass and are maintained in good condition.

iii. Exterior stairs: None

iv. Railings: None

v. Mail boxes: USPS standard lockboxes located off of the main lobby and are maintained in good condition.

vi. Lighting: Incandescent lighting in exterior canopy. Canopy is maintained in good condition, lighting is adequate for use.

(6) Service entrances. Describe:

i. Doors and frames: 3'-8" wide aluminum and stainless steel mesh out-swinging door in good condition.

ii. Gates: None

iii. Exterior stairs: None

iv. Railings: None

(7) Roof and roof structures: Cast in place concrete and Stucco on heavy gage steel stud and stair and elevator bulkheads. Roof structures are maintained in good condition without evidence of water infiltration.

i. Type roofs for all areas:

a) Material: Existing insulated inverted membrane roof system in good condition.

b) Insulation: 4" rigid insulation, R Value 20

c) Surface finish; 2' x 2' Concrete Pavers on pedestals at both private and common residential terraces, crushed stone ballast in mechanical areas and on bulkheads.

d) Bond or guarantee: Manufacturers warranty has since expired.

e) Flashing materials including counter flashing. Combinations of metal and membrane flashings all in good condition.

ii. Drains:

a) Existing cast iron Roof Drains located on main roof in sufficient number for adequate drainage. There is no visible evidence of water ponding.

b) Gutters and leaders. Painted Steel Scupper box on bulkhead roof, with leader to main roof. Scuppers and leaders are maintained in good condition.

iii. Skylights: None

iv. Bulkheads:

a) Stairs and mechanical equipment room: Cast in place concrete, and stucco over heavy gauge steel studs maintained in good condition.

b) Elevator machine room: Cast in place concrete, and stucco over heavy gauge steel studs maintained in good condition

v. Metal work at roof levels:

i. Exterior, metal stairs: None

ii. Vertical ladders, including gooseneck: There is a painted steel ladder leading from the elevator machine room level in stair no.1 to a roof hatch at the bulhead roof. Ladder is in good condition.

iii. Railings: None

iv. Hatches to roof (type, material); 30" x 36" roof hatch from stair no. 1 to bulkhead roof, accessed by a fixed interior ladder.

vi. Rooftop facilities: There is one open common residential terrace area on the main roof delineated from the roof mechanical areas by a metal and acrylic fence. Terrace is paved with 2x2 concrete pavers in good condition.

(8) Fire escapes. None

(9) Yard and courts. There are no front yards and two rear yard set backs providing legal light and air to the residential units. Intersection of rear yards form an inner court that is in compliance with zoning requirements.

i. Paving: Existing 2x2 concrete pavers on pedestals at yard and court in good condition.

ii. Drainage: Existing cast iron roof drains adequate to drain yards and courts. There is no evidence of water ponding.

iii. Railings: N/A

iv. Stairs: N/A

v. Fencing: Rear yard and court is screened along the parapets from adjacent property by existing painted metal screen. Screening is maintained in good condition.

vi. Walls: N/A

R. Interior of Buildings.

(1) Interior Stairs.

(i) Number of stairs of each type; Two hour rated scissor stairs serving cellar to roof level. There is one stair leading from main roof to elevator machine room above. Stairs are maintained in good condition.

(ii)Enclosure: Painted concrete and two hour rated gypsum board enclosure.

(iii) Stair construction: Concrete

(iv) Stringers: None

(v) Treads: Concrete

(vi) Risers: Concrete

(vii) Guard rails: Painted steel pipe rail maintained in good condition.

(viii) Balustrade: None.

(2) Interior doors and frames.

(i) Unit entrance and interior doors and frames; Unit entrance doors are painted 45 minute fire rated hollow metal doors and frames. Interior doors in residential units are solid core painted wood in hollow metal frames typical. Closet doors are hollow core wood. Doors are maintained in good condition.

(ii) Corridor doors and frames; Rubbish Room and Telephone Closet doors are 90 minute fire rated hollow metal doors and frames in good condition

(iii) Stair hall doors and frames painted 90 minute fire rated hollow metal doors and frames in good condition.

(iv) Roof doors, basement doors and frames painted 90 minute fire rated hollow metal doors and frames in good condition.

(v) Partitions at Public Corridors and between dwelling units provide minimum STC rating 45 per N.Y.C. Building Code

(vi) Structure borne INR of –O- is provided between Apartments and Public Corridors per N.Y.C. Building Code.

(3) Elevators.

(i) Number of passenger and service elevators; There are two passenger elevators serving the cellar level through 12th floor, 14th through 21st floor. There is no 13th floor for marketing purposes. One of the elevators is used for service when needed. Elevator equipment is by Fujitec-Serge and appear to be in good condition. Sponsor will maintain a maintenance contract for the Elevators.

(ii) Manufacturer: The existing elevator's capacity is 2000 lbs/ 350 FPM and are adequate for intended use.

(iii) Type of operation: Passenger elevators PE-1 and PE-2 are duplex selective collective.

(iv) Controls: Variable voltage, variable frequency AC

(v) Floors served; Cellar through 12th, 14th through 21st, there is no named 13th floor for marketing purposes.

(vi) Type: Gearless traction

(vii) Doors: Single speed side opening doors, stainless steel at 1st floor baked enamel finish all other locations. Doors and frames are in good condition.

(viii) Location of machine rooms; One machine Room at Roof Bulkhead. A machine room has a painted finish and is maintained in good condition.

(ix) DC motor : None.

(x) AC motor-generator set: Existing machine motors are 20 hp/1170 rpm, 208 v. and operate in fair condition.

(4) Elevator cabs. Existing elevator cabs for PE-1 and PE-2 are to be refurbished.

(i) Kind: Existing elevator cabs manufactured by Fujitec Serge elevator company.

(ii) Floor: Stone: Jet Mist honed.

(iii) Walls: Elevator cab walls will be of wood and perforated metal panel.

(iv) Ceiling: Brushed stainless.

(v) Lighting: There are four existing recessed down lights in each elevator cab with polished chrome finish. Existing fixtures provide adequate lighting.

(vi)Alarm, safety system: Each elevator cab is provided with an alarm bell that will ring when emergency alarm button is pressed. Each cab is equipped with an emergency access panel in ceiling.

(5) Storage Spaces.
Storage spaces located in cellar contains104 metal mesh storage bins in various sizes.

(6) Laundry Room.
There is no laundry room. Washers and dryers are provided in each residential unit.

S. Auxiliary Facility

1. Gym: The Gym has been relocated from the second floor level to the cellar level containing aerobic equipment and free weights. New Gym is noted on the attached plans and has a simultaneous occupancy of 16 persons.

2. Amenity Space: There is an indoor amenity space located on the second floor level noted as Tenant Recreational Area Indoor on the attached plans. Space includes a toilet room, pantry, pool table and seating with a simultaneous occupancy of 17 persons.

3. Refuse Disposal:
   i. Incinerator: None
   ii. Compactor: One single bag compactor located in the cellar.
   iii. Initial Storage Location: Residential refuse with access to refuse chute is provided on each residential floor. Bagged trash is stored in cellar trash room and transferred to street level for removal.

iv. Pick-up Schedule: Residential refuse and recyclable items will take place by NYC Department of Sanitation, currently scheduled on Mondays, Wednesdays and Fridays. Commercial Units arrange private trash removal.

4. There is no Laundry Room.

T. Garages and Parking Areas.

There is no off street parking or garages provided.

U. Swimming Pool(s).

There are no swimming pools provided.

V. Tennis courts, Playgrounds and Recreation Facilities.

There are no tennis courts, playgrounds or recreation facilities provided.

W. Permits and Certificates.

The building has a current certificate of Occupancy as a Residential mixed use building and the renovations being performed will not require an alteration of the Certificate of Occupancy.

X. Violations.

Violation Number	Type	File Date
V010314E9027/501998	DOB Violation-Elevator	01/03/2014
V033114EVCAT106026	DOB Violation-Elevator	3/31/2014
V020114E9027/501992	DOB Violation-Elevator	2/01/2014
V120913E9027/495750	DOB Violation-Elevator	12/09/2013
V100112EVCAT100818	DOB Violation-Elevator	10/01/2012
V080612E9028/428415	DOB Violation-Elevator	8/06/2012
V072611E9028/92247	DOB Violation-Elevator	7/26/2011

Y. Residential Unit Information.

There are 103 residential units in the building. The existing fixtures and finishes are described below.1. Apartment Unit Chart:

Floor	Unit	3BR 3 Bath	3BR 2.5 Bath	3BR 2 Bath	2BR 2.0 Bath	1BR 1.0 Bath
2nd	BBC				1	
	DC					1
	E				1	
	F					1
2nd	G					1
	H					1
3rd-to 6th	A					1
	BC				1	
	D					1
	E				1	
	F					1
	G					1
	H					1
7th to 13th	A					1
	BC				1	
	D					1
	E				1	
	FG				1	
	HG				1	
14th	AB				1	
	BCD		1			

	EF				1	
	GH					
15th-to 17th	AB				1	
	BC					1
	D				1	
	EF				1	
	GH	1				
18th	AB	1				
	CD		1			
19th	A				1	
	B				1	
	CD		1			
20th	A				1	
	B				1	
	CD			1		

2. Finish Schedule: Typical Residential Units:

Space	Floor	Walls	Base	Ceiling
Foyer	WD	P	WB/P	CONC/GYP/P
Living Room	WD	P	WB/P	CONC/P
Bedrooms	WD	P	WB/P	CONC/P
Kitchen	WD	P	WB/P	CONC/GYP/P
Bathrooms	ST	ST/P	ST	CONC/GYP/P
Closets	WD	P	WB/P	CONC/P
W/D Closet	WD	P	WB/P	CONC/P

3. Finish Schedule: Common Rooms and Spaces

Space	Floor	Walls	Base	Ceiling
Public Corridor	CPT	WC		CONC/GYP/P
Residential Lobby	ST	WD/ MT/PL		GYP/PL/~~P~~
Package Room	ST	P	ST	GYP/P
Mailroom	ST	WP		GYP/P/PL
Trashroom	VCT	P	V	CONC/P
Second Floor Amenity Space.	WD	WC/P	WB/P	CONC/GYP/P

4. Finish Schedule: Cellar Storage and Utility Rooms

Space	Floor	Walls	Base	Ceiling
Building Storage	CONC	CONC/MN	--	CONC/P
Maintenance Room	CONC	CONC/MN	--	CONC/P
Mechanical Rooms	CONC	CONC/MN		CONC/P
Meter Rooms	CONC	CONC/MN		CONC/P
Switchgear	CONC	CONC/MN		CONC/P
Compactor Room	CONC	CONC		CONC/P
GYM	R	P	--	CONC/P

5. Residential unit bathroom fixtures: The following is a summary of residential unit bathroom fixtures and fittings;

i. Water closets: Toto Eco Drake #CST744EL
ii. Lavatory: Ronbow # 200521-WH, Faucet: Waterworks Flyte # FLLS10 [master bathroom] Faucet: Waterworks Flyte # FLLS01 [secondary bathroom]
iii. Bathtub: DaVinci # Waterfall-AA

6. Residential Kitchen Appliances: The following is a summary of residential unit bathroom fixtures and fittings;

i. Kitchen Sink: Blanco #518171, Hansgrohe #Talis S
ii. Refrigerator at small kitchens: Sub-Zero Model # 700TCI
iii. Cooktop at small kitchens: Bosch Model # NGM8055UC
iv. Refrigerator at large kitchens:
Sub-Zero Model # 736TCI
v. Cooktop at large kitchens:
Bosch Model # NGM8655UC
vi. Dish Washer at all apartments: Bosch Model # SHV53TL3UC 300
vii.

7. Residential Washer and Dryers: The following is a summary of residential unit washer and dryers:

i. Washer/dryers in all apartments GE Model # WCVH4800K/4815K - 24"
GE Model # DCVH48O/485EK - 24"

8. Abbreviation of Finishes

ACT	Acoustical Tile
CPT	Carpet
CPT/T	Carpet Tile
CT	Ceramic Tile
CONC	Concrete
DP	Deck Paint
GYP	Gypsum Board
LVT	Wood Look Vinyl
P	Paint
PL	Plaster

PT	Porcelain Tile
R	Rubber
ST	Stone Tile
SL	Stone Slab
V	Vinyl
VCT	Vinyl Composite Tile
WB	Wood Base
WC	Wall Covering
WD	Wood
WP	Wall Panel
MN	Masonry
MT	Metal

Z. Safety and Warning Devices.

Residential smoke detectors are provided outside of bedrooms and are in compliance with code.

AA. Additional Information.

1. Residential Unit area measurement.

Each Unit is measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaft-ways, chases, chase-ways and conduits are not deducted from measurement of each Unit) to the corridor side of the wall separating one Unit from corridor or to the centerline of the partitions separating one Unit from another Unit, 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. Each Unit is measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling.

2. Approximate apartment heights:

Floors	Floor to Floor	Floor to Ceiling Under Slab
1st to 2nd :	14'-2"	13'-2"
2nd to 12th, and 12th to 14th :	9'-0"	8'-3 ½"
14th to 15th:	10'-6"	9'-10 ½"
15th to 18th:	9'-0"	8'-3 ½"
18th to 19th:	10'-6"	9'-10 ½"
19th to 21st:	9'-0"	8'-3 ½"

The above represents a complete Description of Property prepared by or firm for the sponsor.

Gerner Kronick + Valcarcel, Architects, DPC

Joseph M. Barbagallo, AIA

VIDARIS

360 Park Avenue South, 15th Floor, New York, NY 10010
T: 212.689.5389 F: 212.689.6449

PROGRESS REPORT

DATE OF REPORT:	May 15, 2014		**PAGES:** 6
DATE OF VISIT(S):	May 1, 2014		**WEATHER:** Cloudy, 65 degrees
TO:	George Kelly	Post Properties, Inc.	george.kelly@postproperties.com
CC:	Erik Loedding	Post Properties, Inc.	george.kelly@postproperties.com
	Stuart English	BKB Construction	estimateparagon@aol.com
	Conrado Gracia	Vidaris, Inc.	cgracia@vidaris.com
PROJECT:	**POST LUMINARIA – Facade Repairs**		
SUBJECT:	Project Progress Report		
PREPARED BY:	Jesse Rushworth		
REVIEWED BY:	Stanford Chan, RA		

SUMMARY:

The following is a synopsis and status of the project:

1. On May 1, 2014, Vidaris Inc. reviewed the completed work on the ground floor and penthouse terrace.

2. A representative of Sika Corp. was present for this inspection.

3. The repairs performed were in accordance with the documents and have thus removed any SWARMP conditions as noted in the FISP report dated 8/13/12.

4. BKB Construction has substantially completed the façade repairs per the contract documents dated 3/25/13 and they have demobilized from the building.

5. BEST squad performed their final inspection on 5/7/14 and authorized the sidewalk bridge to be removed on 5/15/14.

6. Upon removal of the sidewalk bridge, BKB will complete repairs at the newly exposed areas of the façade bringing the project to final completion.

7. Vidaris, Inc. will sign the TR-1 for permit close-out once this work is complete and a letter is received from BKB Construction stating that all open items noted in Summary Report #1 dated 5/2/14 have been

addressed. The contractor shall also provide their installer guarantee and the manufacturer's warranty for the concrete repair system prior to final close-out.

END OF WRITTEN PROGRESS REPORT

Photo #1: Overall View of the northeast corner

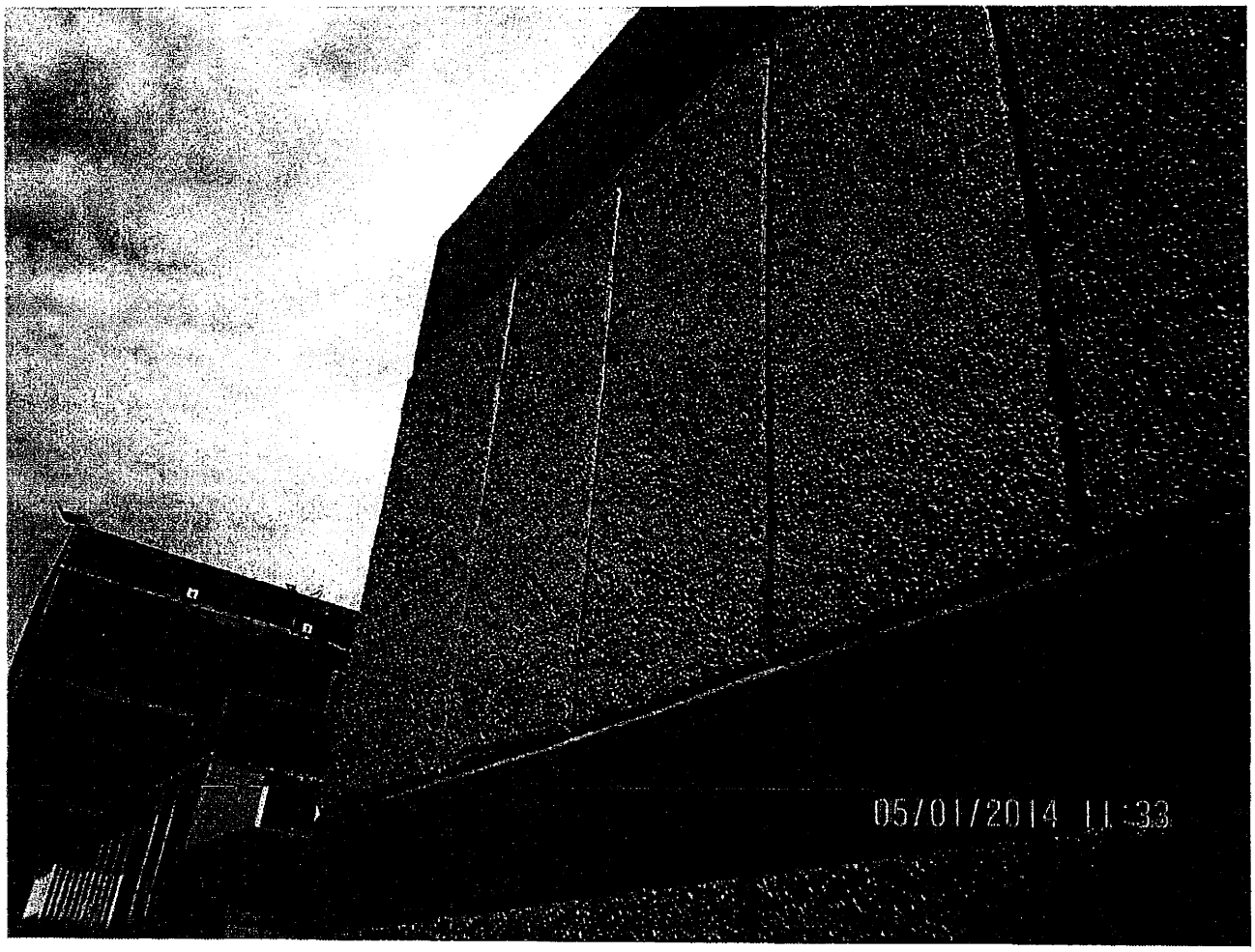

Photo #2: View of completed concrete coating at the bulkhead

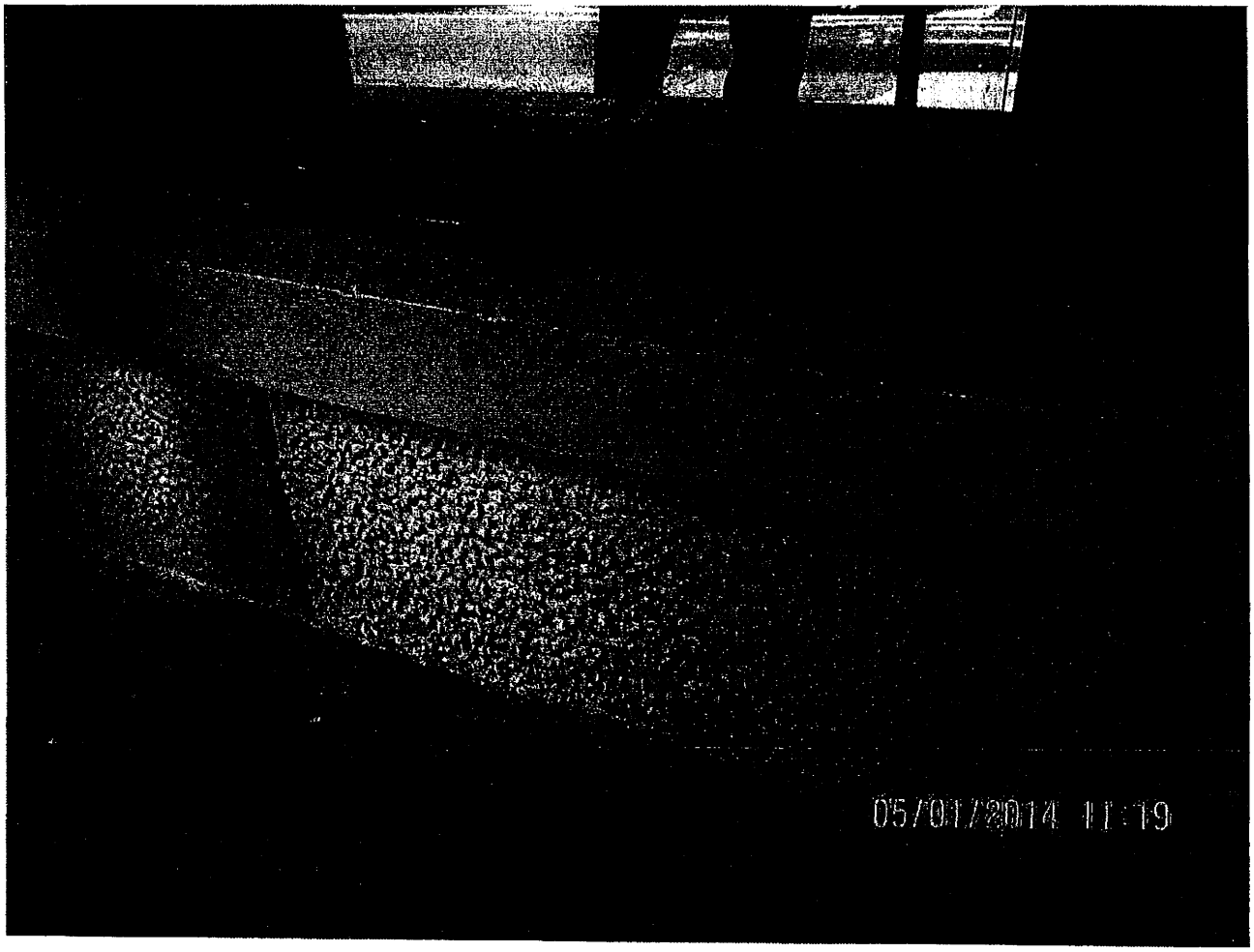

Photo #3: View of completed concrete coating at the ground floor

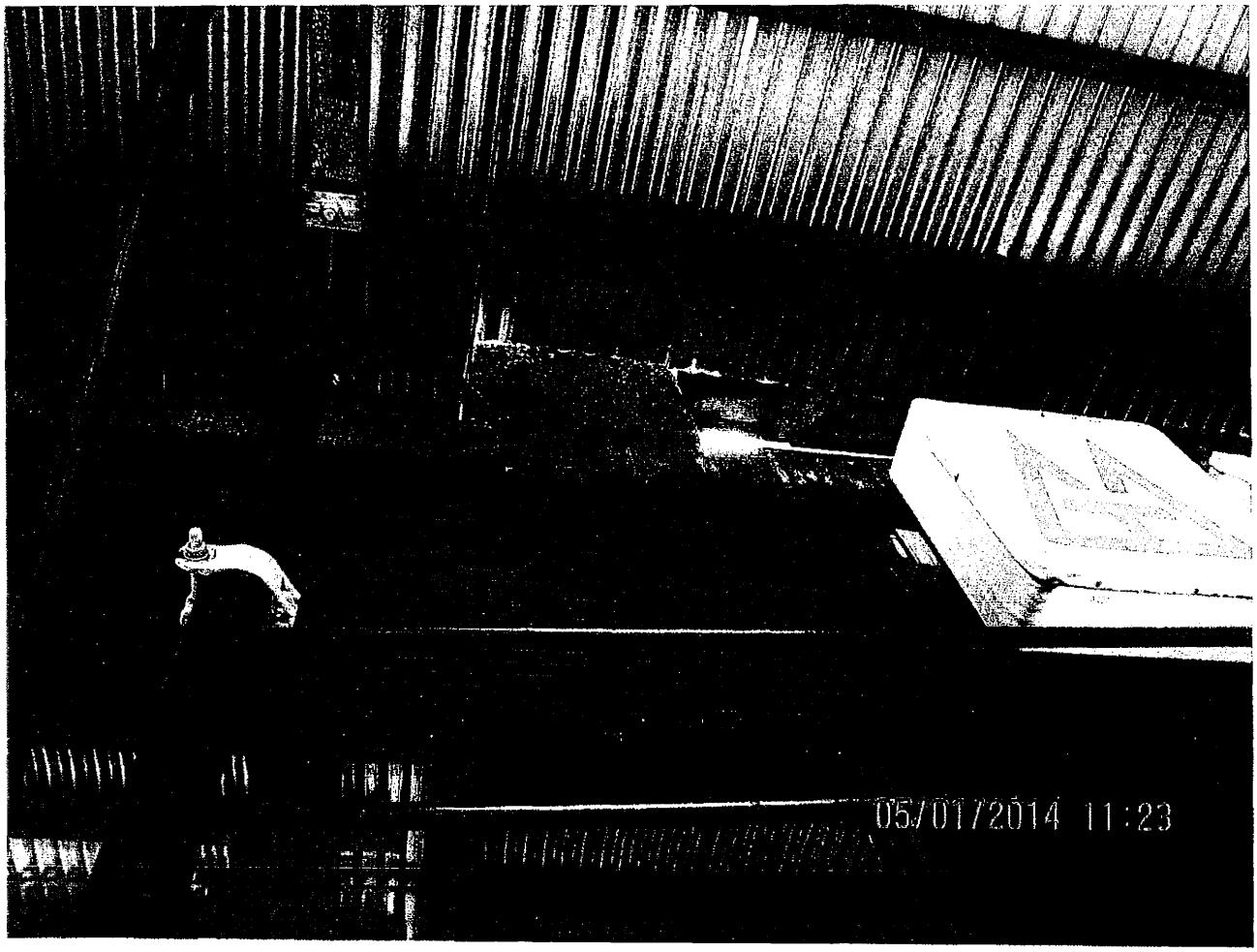

Photo #4: View of areas to be completed once sidewalk bridge is removed

ASBESTOS REPORT

AIRTEK ENVIRONMENTAL CORP.
39 – 37 29th Street, Long Island City, New York, 11101
Phone (718) 937-3720 Fax (718) 937-3721
www.airtekenv.com

ASBESTOS INSPECTION REPORT

Conducted at:

385 1ST AVE
MANHATTAN, NY 10010

Conducted for:

MR. JOSH KRAT
MAGNUM REAL ESTATE GROUP
594 BROADWAY, SUITE 1010
NEW YORK, NY 10012

Prepared By:

AIRTEK ENVIRONMENTAL CORP.
39-37 29TH STREET
LONG ISLAND CITY, NY 11101

AIRTEK PROJECT NUMBER
14-1403

OCTOBER 21ST, 2014

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4.0 CONCLUSIONS AND RECOMMENDATIONS 5

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APPENDICES

7.0 APPENDIX A: Asbestos Sample Results

8.0 APPENDIX B: Accreditations

1.0 BACKGROUND:

Airtek Environmental Corp. ("Airtek") has conducted an asbestos-containing material (ACM) inspection and documentation review for inclusion in a condominium-conversion offering plan by Magnum Real Estate Group at the following building:

Address: 385 1st Ave, Manhattan, NY

The Investigator(s) and Inspector(s) responsible for this project were:

Enayat Nassry	NYC DEP Asbestos Investigator	# 114891	Expires: 07/2015
David Poon	NYS DOL Asbestos Inspector	# 13-04740	Expires: 11/2014

Visual Inspection: 10/16/14 & 10/17/14

Bulk Sampling: 10/16/14 & 10/17/14

Report Date: 10/21/14

Field Procedures and Analysis Methodology:

The inspection was a non-destructive visual assessment targeting visible suspect ACM. Limited bulk sampling conducted at this Site by Airtek has been referenced and made part of this report. Bulk sampling and inspections referenced in this report were conducted according to the following protocols:

Guidelines used for inspections were established by the Environmental Protection Agency (EPA) in the Guidance for Controlling Asbestos Containing Materials in Buildings, Office of Pesticides and Toxic Substances, DOC #560/5-85-024 and 40 CFR Part 763.

Field information was organized as per Homogeneous Area (HA). A HA is defined as a suspect material of similar age, appearance, function and texture. Each material was grouped together as a specific HA, sampled and then assessed for condition.

Bulk samples of suspect ACM were analyzed by Polarized Light Microscopy (PLM) with dispersion staining, as described in 40 CFR Part 763 and the National Emissions Standard for Hazardous Air Pollutants (NESHAPS). The New York State Department of Health has recently revised the PLM Stratified Point Counting Method. The new method, "Polarized Light Microscopy Methods for Identifying and Quantitating Asbestos in Bulk Samples" can be found as item 198.1 in the ELAP Certification manual.

The State of New York ELAP has determined that analysis of Non-friable, Organically Bound Materials (NOB) are not reliably performed by PLM. Therefore, if PLM analysis of a NOB yields a negative result, it must be further confirmed by Transmission Electron Microscopy (TEM).

All samples were initially analyzed by PLM. Samples which produced a negative PLM result and which are classified as a NOB were then re-analyzed utilizing the TEM methodology.

2.0 SCOPE OF WORK:

An inspection of greater than 10% of all apartment units and, common spaces, and commercial spaces was conducted. No ACM was identified in the residential units and no ACM was identified in common areas.

The inspection was characterized by a close visual inspection of all accessible areas. Suspect materials were inventoried for quantity, condition and friability. Materials examined included all suspect ACM materials visible in the accessible residential units and common areas. Asbestos bulk sampling data generated by Airtek was reviewed in support of this report and has been included in this report.

3.0 SUMMARY OF AIRTEK ENVIRONMENTAL INSPECTION RESULTS:

The visual asbestos inspection and bulk sampling conducted on 10/16/14 & 10/17/14, involved a thorough visual examination of all common, service, and commercial spaces and greater than 10% of dwelling units. Inspected units were 3B, 4F, 6A, 7C, 8A, 9E, 10B, 12H, 14F, 15B, 17D, 18B, 20B, 21A, bank, diner, and clothing store

Bulk sampling performed on the dates noted in Section 1.0 above and laboratory analysis by Airtek and/or its sub-contract laboratories did not identify the presence of asbestos in the amount greater than 1% within any of the sampled materials. The sample results are attached.

Common/Service Spaces

Confirmed ACM

The following materials were confirmed to be ACM in common and service spaces for the purposes of this report:

1. None

Assumed ACM

The following materials are assumed to be ACM in common and service spaces for the purposes of this report:

1. None.

Residential Apartments

Confirmed ACM

The following materials have been tested and confirmed to be ACM in residential apartment units in the building.

1. None

Assumed ACM

The following materials are assumed to be ACM in residential apartment units for the purposes of this report:

1. None.

Non-Suspect ACM Materials:

"Non-suspect ACMs" are materials that have no history of having been manufactured with asbestos as an ingredient. They include, for example, metals, glass, rubber, modern plastics, etc. These materials do not require sampling. The determination of what is a "Non-suspect" material is made by the certified Asbestos Investigator/Inspector.

Suspect ACM:

Per NYC-DEP Title 15, Subchapter 1 all "Building Materials" are to be treated as "Suspect ACM," until tested negative. NYC DEP defines "Building Materials" to mean any and all materials listed as Presumed Asbestos Containing Materials (PACM) and Suspect Miscellaneous ACM in NYSDOL ICR 56, Subpart 5, including but not limited to interior and exterior finishes, equipment, plaster, roofing, flooring, caulking, sealants, tiles, insulation, and mortar and refractory bricks used in the construction of boilers.

Any "Suspect ACM" in any other part of the building that has neither been confirmed non-ACM via bulk sampling and analysis, nor via homogenous area material sampling and analysis must be assumed to be ACM and treated as such until tested.

4.0 CONCLUSIONS AND RECOMMENDATIONS:

Asbestos-containing materials were not identified in the areas inspected. As noted above, if renovations are conducted in other areas of the building, or within interstitial spaces, further ACM inspection will be required.

5.0 AREAS NOT ACCESSIBLE:

Airtek gained access to all areas that were made accessible and all materials that were observable and accessible to the survey personnel.

6.0 REPORT CERTIFICATIONS and LIMITATIONS:

Airtek certifies that the information contained herein is based on the physical and visual inspections conducted by Airtek and data collected during the inspections and from asbestos inspection reports prepared by Airtek at other times in support of other construction-related tasks.

Airtek conducted this inspection based on information provided by the client. This information, to the extent it was relied on by Airtek, is assumed to be correct and complete. Airtek is not responsible for the quality or content of information from the client. This inspection was conducted only for the specific purpose noted in Section 1.0 above. The information contained in this report should not be used for any other purpose except where the information is determined by a qualified professional to be applicable to that other purpose.

Airtek uses trained and certified inspectors in attempting to locate and quantify materials potentially containing asbestos. Airtek does not warrant that all ACM has been identified. It is possible that additional materials containing asbestos were not identified because they were not visible or accessible to the inspector at the time of the inspection.

Sincerely,

David Poon
Inspector

APPENDIX A

7.0 Asbestos Sample Results

LABORATORY TESTING SERVICES INC.
45-09 GREENPOINT AVE.
LIC, NY 11104
Ph.: (718) 389 3470, Fax: (718) 389 3471

BULK SAMPLE ANALYSIS BY POLARIZED LIGHT MICROSCOPY

CLIENT: Airtek Environmental / 39-37 29th Street, LIC, NY 11101	**PROJECT:** 385 1st Ave. **Project #:** 14-1403
DATE OF ANALYSIS: 10/17/14	**DATE OF REPORT:** 10/20/14

ANALYTICAL RESULTS

CLIENT ID # LABORATORY ID #	STEREO MICROSCOPY RESULTS		SAMPLE DESCRIPTION	FIBROUS MATERIAL	NON FIBROUS MATERIAL	% ASBESTOS AND TYPE
01 14-10-148-01	COLOR	Gray	Sheetrock, Apt. 3B	2%FBGL	98%	NAD
	# LAYERS	1				
	SCAN					
02 14-10-148-02	COLOR	Gray/Brown	Sheetrock, Apt. 3B	10%CELL 2%FBGL	88%	NAD
	# LAYERS	2				
	SCAN					
03 14-10-148-03	COLOR	Gray	Sheetrock, Apt. 4F	2%FBGL	98%	NAD
	# LAYERS	1				
	SCAN					
04 14-10-148-04	COLOR	Gray/Brown	Sheetrock, Apt. 4F	5%CELL 2%FBGL	93%	NAD
	# LAYERS	2				
	SCAN					
05 14-10-148-05	COLOR	Gray	Sheetrock, Apt. 6A	2%FBGL	98%	NAD
	# LAYERS	1				
	SCAN					
06 14-10-148-06	COLOR	Gray/Brown	Sheetrock, Apt. 6A	5%CELL 2%FBGL	93%	NAD
	# LAYERS	2				
	SCAN					

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CLIENT: Airtek Environmental / 39-37 29th Street, LIC, NY 11101	**PROJECT:** 385 1st Ave. **Project #:** 14-1403
DATE OF ANALYSIS: 10/17/14	**DATE OF REPORT:** 10/20/14

ANALYTICAL RESULTS

CLIENT ID # LABORATORY ID #	STEREO MICROSCOPY RESULTS		SAMPLE DESCRIPTION	FIBROUS MATERIAL	NON FIBROUS MATERIAL	% ASBESTOS AND TYPE
07 14-10-148-07	COLOR	Gray/Brown	Sheetrock, Apt. 7C	5%CELL 2%FBGL	93%	NAD
	# LAYERS	2				
	SCAN					
08 14-10-148-08	COLOR	Gray/Brown	Sheetrock, Apt. 7C	2%CELL 2%FBGL	96%	NAD
	# LAYERS	2				
	SCAN					
09 14-10-148-09	COLOR	Gray/Brown	Sheetrock, Apt. 8A	5%CELL 2%FBGL	93%	NAD
	# LAYERS	2				
	SCAN					
10 14-10-148-10	COLOR	Gray/Brown	Sheetrock, Apt. 8A	10%CELL 2%FBGL	88%	NAD
	# LAYERS	2				
	SCAN					
11 14-10-148-11	COLOR	Gray/Brown	Sheetrock, Apt. 9E	10%CELL 2%FBGL	88%	NAD
	# LAYERS	2				
	SCAN					
12 14-10-148-12	COLOR	Gray/Brown	Sheetrock, Apt. 9E	2%CELL 2%FBGL	96%	NAD
	# LAYERS	2				
	SCAN					

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BULK SAMPLE ANALYSIS BY POLARIZED LIGHT MICROSCOPY

CLIENT: Airtek Environmental / 39-37 29th Street, LIC, NY 11101	**PROJECT:** 385 1st Ave. **Project #:** 14-1403
DATE OF ANALYSIS: 10/17/14	**DATE OF REPORT:** 10/20/14

ANALYTICAL RESULTS

CLIENT ID # LABORATORY ID #	STEREO MICROSCOPY RESULTS		SAMPLE DESCRIPTION	FIBROUS MATERIAL	NON FIBROUS MATERIAL	% ASBESTOS AND TYPE
13 14-10-148-13	COLOR	Gray/Brown	Sheetrock, Apt. 10B	2%CELL 2%FBGL	96%	NAD
	# LAYERS	2				
	SCAN					
14 14-10-148-14	COLOR	Gray/Brown	Sheetrock, Apt. 10B	10%CELL 2%FBGL	88%	NAD
	# LAYERS	2				
	SCAN					
15 14-10-148-15	COLOR	Gray/Brown	Sheetrock, Apt. 12H	10%CELL 2%FBGL	88%	NAD
	# LAYERS	2				
	SCAN					
16 14-10-148-16	COLOR	Gray/Brown	Sheetrock, Apt. 12H	10%CELL 2%FBGL	88%	NAD
	# LAYERS	2				
	SCAN					
17 14-10-148-17	COLOR	Gray/Brown	Sheetrock, Apt. 14F	10%CELL 2%FBGL	88%	NAD
	# LAYERS	2				
	SCAN					
18 14-10-148-18	COLOR	Gray/Brown	Sheetrock, Apt. 14F	10%CELL 2%FBGL	88%	NAD
	# LAYERS	2				
	SCAN					

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BULK SAMPLE ANALYSIS BY POLARIZED LIGHT MICROSCOPY

CLIENT: Airtek Environmental / 39-37 29th Street, LIC, NY 11101	**PROJECT:** 385 1st Ave. **Project #:** 14-1403
DATE OF ANALYSIS: 10/17/14	**DATE OF REPORT:** 10/20/14

ANALYTICAL RESULTS

CLIENT ID # LABORATORY ID #	STEREO MICROSCOPY RESULTS		SAMPLE DESCRIPTION	FIBROUS MATERIAL	NON FIBROUS MATERIAL	% ASBESTOS AND TYPE
19 14-10-148-19	COLOR	Gray	Sheetrock, Apt. 15B	2%FBGL	98%	NAD
	# LAYERS	1				
	SCAN					
20 14-10-148-20	COLOR	Gray/Brown	Sheetrock, Apt. 15B	10%CELL 2%FBGL	88%	NAD
	# LAYERS	2				
	SCAN					
21 14-10-148-21	COLOR	Gray/Brown	Sheetrock, Apt. 17D	2%CELL 2%FBGL	96%	NAD
	# LAYERS	2				
	SCAN					
22 14-10-148-22	COLOR	Gray	Sheetrock, Apt. 17D	2%FBGL	98%	NAD
	# LAYERS	1				
	SCAN					
23 14-10-148-23	COLOR	Gray/Brown	Sheetrock, Apt. 18B	10%CELL 2%FBGL	88%	NAD
	# LAYERS	2				
	SCAN					
24 14-10-148-24	COLOR	Gray/Brown	Sheetrock, Apt. 18B	10%CELL 2%FBGL	88%	NAD
	# LAYERS	2				
	SCAN					

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CLIENT: Airtek Environmental / 39-37 29th Street, LIC, NY 11101	**PROJECT:** 385 1st Ave. **Project #:** 14-1403
DATE OF ANALYSIS: 10/17/14	**DATE OF REPORT:** 10/20/14

ANALYTICAL RESULTS

CLIENT ID # LABORATORY ID #	STEREO MICROSCOPY RESULTS		SAMPLE DESCRIPTION	FIBROUS MATERIAL	NON FIBROUS MATERIAL	% ASBESTOS AND TYPE
25 14-10-148-25	COLOR	Gray/Brown	Sheetrock, Apt. 20B	10%CELL 2%FBGL	88%	NAD
	# LAYERS	2				
	SCAN					
26 14-10-148-26	COLOR	Gray/Brown	Sheetrock, Apt. 20B	5%CELL 2%FBGL	93%	NAD
	# LAYERS	2				
	SCAN					
27 14-10-148-27	COLOR	Gray/Brown	Sheetrock, Apt. 21A	10%CELL 2%FBGL	88%	NAD
	# LAYERS	2				
	SCAN					
28 14-10-148-28	COLOR	Gray/Brown	Sheetrock, Apt. 21A	15%CELL 2%FBGL	83%	NAD
	# LAYERS	2				
	SCAN					
29 14-10-148-29	COLOR	Gray	Tile Grout, Apt. 3B	0%	100%	NAD
	# LAYERS	1				
	SCAN					
30 14-10-148-30	COLOR	Gray	Tile Grout, Apt. 3B	0%	100%	NAD
	# LAYERS	1				
	SCAN					

LABORATORY TESTING SERVICES INC.
45-09 GREENPOINT AVE.
LIC, NY 11104
Ph.: (718) 389 3470, Fax: (718) 389 3471

BULK SAMPLE ANALYSIS BY POLARIZED LIGHT MICROSCOPY

CLIENT: Airtek Environmental / 39-37 29th Street, LIC, NY 11101	**PROJECT:** 385 1st Ave. **Project #:** 14-1403
DATE OF ANALYSIS: 10/17/14	**DATE OF REPORT:** 10/20/14

ANALYTICAL RESULTS

CLIENT ID # LABORATORY ID #	STEREO MICROSCOPY RESULTS		SAMPLE DESCRIPTION	FIBROUS MATERIAL	NON FIBROUS MATERIAL	% ASBESTOS AND TYPE
31 14-10-148-31	COLOR	Gray	Tile Grout, Apt. 3B	0%	100%	NAD
	# LAYERS	1				
	SCAN					
32 14-10-148-32	COLOR	Gray	Tile Grout, Apt. 4F	0%	100%	NAD
	# LAYERS	1				
	SCAN					
33 14-10-148-33	COLOR	Gray	Tile Grout, Apt. 4F	0%	100%	NAD
	# LAYERS	1				
	SCAN					
34 14-10-148-34	COLOR	Gray	Tile Grout, Apt. 4F	0%	100%	NAD
	# LAYERS	1				
	SCAN					
35 14-10-148-35	COLOR	Gray	Tile Grout, Apt. 6A	0%	100%	NAD
	# LAYERS	1				
	SCAN					
36 14-10-148-36	COLOR	Gray	Tile Grout, Apt. 6A	0%	100%	NAD
	# LAYERS	1				
	SCAN					

LABORATORY TESTING SERVICES INC.
45-09 GREENPOINT AVE.
LIC, NY 11104
Ph.: (718) 389 3470, Fax: (718) 389 3471

BULK SAMPLE ANALYSIS BY POLARIZED LIGHT MICROSCOPY

CLIENT: Airtek Environmental / 39-37 29th Street, LIC, NY 11101	**PROJECT:** 385 1st Ave. **Project #:** 14-1403
DATE OF ANALYSIS: 10/17/14	**DATE OF REPORT:** 10/20/14

ANALYTICAL RESULTS

CLIENT ID # LABORATORY ID #	STEREO MICROSCOPY RESULTS		SAMPLE DESCRIPTION	FIBROUS MATERIAL	NON FIBROUS MATERIAL	% ASBESTOS AND TYPE
37 14-10-148-37	COLOR	Gray	Tile Grout, Apt. 6A	0%	100%	NAD
	# LAYERS	1				
	SCAN					
38 14-10-148-38	COLOR	Gray	Tile Grout, Apt. 7C	0%	100%	NAD
	# LAYERS	1				
	SCAN					
39 14-10-148-39	COLOR	Gray	Tile Grout, Apt. 7C	0%	100%	NAD
	# LAYERS	1				
	SCAN					
40 14-10-148-40	COLOR	Gray	Tile Grout, Apt. 7C	0%	100%	NAD
	# LAYERS	1				
	SCAN					
41 14-10-148-41	COLOR	Gray	Tile Grout, Apt. 8A	0%	100%	NAD
	# LAYERS	1				
	SCAN					
42 14-10-148-42	COLOR	Gray	Tile Grout, Apt. 8A	0%	100%	NAD
	# LAYERS	1				
	SCAN					

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BULK SAMPLE ANALYSIS BY POLARIZED LIGHT MICROSCOPY

CLIENT: Airtek Environmental / 39-37 29th Street, LIC, NY 11101	**PROJECT:** 385 1st Ave. **Project #:** 14-1403
DATE OF ANALYSIS: 10/17/14	**DATE OF REPORT:** 10/20/14

ANALYTICAL RESULTS

CLIENT ID # LABORATORY ID #	STEREO MICROSCOPY RESULTS		SAMPLE DESCRIPTION	FIBROUS MATERIAL	NON FIBROUS MATERIAL	% ASBESTOS AND TYPE
43 14-10-148-43	COLOR	Gray	Tile Grout, Apt. 8A	0%	100%	NAD
	# LAYERS	1				
	SCAN					
44 14-10-148-44	COLOR	Gray	Tile Grout, Apt. 9E	0%	100%	NAD
	# LAYERS	1				
	SCAN					
45 14-10-148-45	COLOR	Gray	Tile Grout, Apt. 9E	0%	100%	NAD
	# LAYERS	1				
	SCAN					
46 14-10-148-46	COLOR	Gray	Tile Grout, Apt. 9E	0%	100%	NAD
	# LAYERS	1				
	SCAN					
47 14-10-148-47	COLOR	Gray	Tile Grout, Apt. 10B	0%	100%	NAD
	# LAYERS	1				
	SCAN					
48 14-10-148-48	COLOR	Gray	Tile Grout, Apt. 10B	0%	100%	NAD
	# LAYERS	1				
	SCAN					

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BULK SAMPLE ANALYSIS BY POLARIZED LIGHT MICROSCOPY

CLIENT: Airtek Environmental / 39-37 29th Street, LIC, NY 11101	**PROJECT:** 385 1st Ave. **Project #:** 14-1403
DATE OF ANALYSIS: 10/17/14	**DATE OF REPORT:** 10/20/14

ANALYTICAL RESULTS

CLIENT ID # LABORATORY ID #	STEREO MICROSCOPY RESULTS		SAMPLE DESCRIPTION	FIBROUS MATERIAL	NON FIBROUS MATERIAL	% ASBESTOS AND TYPE
49 14-10-148-49	COLOR	Gray	Tile Grout, Apt. 10B	0%	100%	NAD
	# LAYERS	1				
	SCAN					
50 14-10-148-50	COLOR	Gray	Tile Grout, Apt. 12H	0%	100%	NAD
	# LAYERS	1				
	SCAN					
51 14-10-148-51	COLOR	Gray	Tile Grout, Apt. 12H	0%	100%	NAD
	# LAYERS	1				
	SCAN					
52 14-10-148-52	COLOR	Gray	Tile Grout, Apt. 12H	0%	100%	NAD
	# LAYERS	1				
	SCAN					
53 14-10-148-53	COLOR	Gray	Tile Grout, Apt. 14F	0%	100%	NAD
	# LAYERS	1				
	SCAN					
54 14-10-148-54	COLOR	Gray	Tile Grout, Apt. 14F	0%	100%	NAD
	# LAYERS	1				
	SCAN					

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BULK SAMPLE ANALYSIS BY POLARIZED LIGHT MICROSCOPY

CLIENT: Airtek Environmental / 39-37 29th Street, LIC, NY 11101	**PROJECT:** 385 1st Ave. **Project #:** 14-1403
DATE OF ANALYSIS: 10/17/14	**DATE OF REPORT:** 10/20/14

ANALYTICAL RESULTS

CLIENT ID # LABORATORY ID #	STEREO MICROSCOPY RESULTS		SAMPLE DESCRIPTION	FIBROUS MATERIAL	NON FIBROUS MATERIAL	% ASBESTOS AND TYPE
55 14-10-148-55	COLOR	Gray	Tile Grout, Apt. 14F	0%	100%	NAD
	# LAYERS	1				
	SCAN					
56 14-10-148-56	COLOR	Gray	Tile Grout, Apt. 15B	0%	100%	NAD
	# LAYERS	1				
	SCAN					
57 14-10-148-57	COLOR	Gray	Tile Grout, Apt. 15B	0%	100%	NAD
	# LAYERS	1				
	SCAN					
58 14-10-148-58	COLOR	Gray	Tile Grout, Apt. 15B	0%	100%	NAD
	# LAYERS	1				
	SCAN					
59 14-10-148-59	COLOR	Gray	Tile Grout, Apt. 17D	0%	100%	NAD
	# LAYERS	1				
	SCAN					
60 14-10-148-60	COLOR	Gray	Tile Grout, Apt. 17D	0%	100%	NAD
	# LAYERS	1				
	SCAN					

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BULK SAMPLE ANALYSIS BY POLARIZED LIGHT MICROSCOPY

CLIENT: Airtek Environmental / 39-37 29th Street, LIC, NY 11101	**PROJECT:** 385 1st Ave. **Project #:** 14-1403
DATE OF ANALYSIS: 10/17/14	**DATE OF REPORT:** 10/20/14

ANALYTICAL RESULTS

CLIENT ID # LABORATORY ID #	STEREO MICROSCOPY RESULTS		SAMPLE DESCRIPTION	FIBROUS MATERIAL	NON FIBROUS MATERIAL	% ASBESTOS AND TYPE
61 14-10-148-61	COLOR	Gray	Tile Grout, Apt. 17D	0%	100%	NAD
	# LAYERS	1				
	SCAN					
62 14-10-148-62	COLOR	Gray	Tile Grout, Apt. 18B	0%	100%	NAD
	# LAYERS	1				
	SCAN					
63 14-10-148-63	COLOR	Gray	Tile Grout, Apt. 18B	0%	100%	NAD
	# LAYERS	1				
	SCAN					
64 14-10-148-64	COLOR	Gray	Tile Grout, Apt. 18B	0%	100%	NAD
	# LAYERS	1				
	SCAN					
65 14-10-148-65	COLOR	Gray	Tile Grout, Apt. 20B	0%	100%	NAD
	# LAYERS	1				
	SCAN					
66 14-10-148-66	COLOR	Gray	Tile Grout, Apt. 20B	0%	100%	NAD
	# LAYERS	1				
	SCAN					

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BULK SAMPLE ANALYSIS BY POLARIZED LIGHT MICROSCOPY

CLIENT: Airtek Environmental / 39-37 29th Street, LIC, NY 11101	**PROJECT:** 385 1st Ave. **Project #:** 14-1403
DATE OF ANALYSIS: 10/17/14	**DATE OF REPORT:** 10/20/14

ANALYTICAL RESULTS

CLIENT ID # LABORATORY ID #	STEREO MICROSCOPY RESULTS		SAMPLE DESCRIPTION	FIBROUS MATERIAL	NON FIBROUS MATERIAL	% ASBESTOS AND TYPE
67 14-10-148-67	COLOR	Gray	Tile Grout, Apt. 20B	0%	100%	NAD
	# LAYERS	1				
	SCAN					
68 14-10-148-68	COLOR	Gray	Tile Grout, Apt. 21A	0%	100%	NAD
	# LAYERS	1				
	SCAN					
69 14-10-148-69	COLOR	Gray	Tile Grout, Apt. 21A	0%	100%	NAD
	# LAYERS	1				
	SCAN					
70 14-10-148-70	COLOR	Gray	Tile Grout, Apt. 21A	0%	100%	NAD
	# LAYERS	1				
	SCAN					

Analyst: K. Esnard

Laboratory Director: E. Dimitrakas

- NAD: No Asbestos Detected, CELL: Cellulose, FBGL: Fiberglass, H: Hair, SY: Synthetics, CH: Chrysotile, AMOS: Amosite, TRE: Tremolite, ANTH: Anthophyllite, ACT: Actinolite, CRO: Crocidolite, VERM: Vermiculite.
- Analytical Methodologies: EPA 600/M4-82-020 (Point Count only) and ELAP Method 198.1.
- Samples will be stored for sixty (60) days. LTS Inc. should be notified within this time frame for a true duplicate analysis.
- The report relates only to items tested. This report must not be used to claim product endorsement by NVLAP or any other agency of the U.S. Government. Test reports may not be reproduced except in full and with prior approval of LTS Inc.
- The liability of Laboratory Testing Services Inc., with respect to the services charged, shall in no event exceed the amount of the invoice.

NVLAP Lab Code 101958-0
ELAP 10955

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BULK (NOB) ASBESTOS ANALYSIS BY POLARIZED LIGHT MICROSCOPY AND TRANSMISSION ELECTRON MICROSCOPY

CLIENT / ADDRESS: Airtek Environmental / 39-37 29th St., L.I.C., NY 11101	**PROJECT:** 385 1st Ave. **Project #:** 14-1403
ANALYT. METHODOLOGIES: ELAP 198.6, ELAP 198.4	**LABORATORY ID #:** 14-10-152
DATES OF ANALYSIS: 10/18, 10/20/14	**DATE OF REPORT:** 10/21/14

LABORATORY RESULTS

CLIENT #	LAB. ID #	LOCATION	%ORG	%ASI	%AII	PLM RESULTS	TYPE OF ASBEST.	TEM RESULTS	TYPE OF ASBEST.	POSIT. / NEGAT.
71	14-10-152-01	12x12 Gray VFT, Apt 21A	17.43	31.48	51.09	**NAD**	NA	**NAD**	NA	**Negat.**
72	14-10-152-02	12x12 Gray VFT, Apt 21A	17.20	34.41	48.39	**NAD**	NA	**NAD**	NA	**Negat.**
73	14-10-152-03	12x12 Gray VFT, Apt 20B	17.45	31.06	51.49	**NAD**	NA	**NAD**	NA	**Negat.**
74	14-10-152-04	12x12 Gray VFT, Apt 20B	16.90	43.38	39.72	**NAD**	NA	**NAD**	NA	**Negat.**
75	14-10-152-05	12x12 Gray VFT, Apt18B	15.96	40.07	43.97	**NAD**	NA	**NAD**	NA	**Negat.**
76	14-10-152-06	12x12 Gray VFT, Apt 18B	18.46	44.87	36.67	**NAD**	NA	**NAD**	NA	**Negat.**

for AL

ANALYST
A. Limanov

LABORATORY DIRECTOR
E. Dimitrakas

LABORATORY ACCREDITATION NUMBERS: NVLAP Lab Code 101958-0, ELAP 10955

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- NAD: No Asbestos Detected
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LIC, NY 11104
Ph.: (718) 389 3470, Fax: (718) 389 3471

BULK (NOB) ASBESTOS ANALYSIS BY POLARIZED LIGHT MICROSCOPY AND TRANSMISSION ELECTRON MICROSCOPY

CLIENT / ADDRESS: Airtek Environmental / 39-37 29th St., L.I.C., NY 11101	**PROJECT:** 385 1st Ave. **Project #:** 14-1403
ANALYT. METHODOLOGIES: ELAP 198.6, ELAP 198.4	**LABORATORY ID #:** 14-10-152
DATES OF ANALYSIS: 10/18, 10/20/14	**DATE OF REPORT:** 10/21/14

LABORATORY RESULTS

CLIENT #	LAB. ID #	LOCATION	%ORG	%ASI	%AII	PLM RESULTS	TYPE OF ASBEST.	TEM RESULTS	TYPE OF ASBEST.	POSIT. / NEGAT.
77	14-10-152-07	12x12 Gray VFT, Apt 17D	16.35	42.78	40.87	**NAD**	NA	**NAD**	NA	**Negat.**
78	14-10-152-08	12x12 Gray VFT, Apt 17D	17.54	43.42	39.04	**NAD**	NA	**NAD**	NA	**Negat.**
79	14-10-152-09	12x12 Gray VFT, Apt15B	18.87	28.92	52.21	**NAD**	NA	**NAD**	NA	**Negat.**
80	14-10-152-10	12x12 Gray VFT, Apt 15B	17.92	35.84	46.23	**NAD**	NA	**NAD**	NA	**Negat.**
81	14-10-152-11	12x12 Gray VFT, Apt 14F	18.00	33.21	48.79	**NAD**	NA	**NAD**	NA	**Negat.**
82	14-10-152-12	12x12 Gray VFT, Apt 14F	20.57	33.63	45.80	**NAD**	NA	**NAD**	NA	**Negat.**

ANALYST
E. Loukianova

LABORATORY DIRECTOR
E. Dimitrakas

LABORATORY ACCREDITATION NUMBERS: NVLAP Lab Code 101958-0, ELAP 10955

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BULK (NOB) ASBESTOS ANALYSIS BY POLARIZED LIGHT MICROSCOPY AND TRANSMISSION ELECTRON MICROSCOPY

CLIENT / ADDRESS: Airtek Environmental / 39-37 29th St., L.I.C., NY 11101	**PROJECT:** 385 1st Ave. **Project #:** 14-1403
ANALYT. METHODOLOGIES: ELAP 198.6, ELAP 198.4	**LABORATORY ID #:** 14-10-152
DATES OF ANALYSIS: 10/18, 10/20/14	**DATE OF REPORT:** 10/21/14

LABORATORY RESULTS

CLIENT #	LAB. ID #	LOCATION	%ORG	%ASI	%AII	PLM RESULTS	TYPE OF ASBEST.	TEM RESULTS	TYPE OF ASBEST.	POSIT. / NEGAT.
83	14-10-152-13	12x12 Gray VFT, Apt 12H	17.88	37.28	44.84	**NAD**	NA	**NAD**	NA	**Negat.**
84	14-10-152-14	12x12 Gray VFT, Apt 12H	17.84	33.92	48.24	**NAD**	NA	**NAD**	NA	**Negat.**
85	14-10-152-15	12x12 Gray VFT, Apt 10B	21.07	29.46	49.46	**NAD**	NA	**NAD**	NA	**Negat.**
86	14-10-152-16	12x12 Gray VFT, Apt 10B	17.52	34.19	48.29	**NAD**	NA	**NAD**	NA	**Negat.**
87	14-10-152-17	12x12 Gray VFT, Apt 9E	17.77	38.68	43.55	**NAD**	NA	**NAD**	NA	**Negat.**
88	14-10-152-18	12x12 Gray VFT, Apt 9E	17.49	35.87	46.64	**NAD**	NA	**NAD**	NA	**Negat.**

ANALYST
E. Loukianova

LABORATORY DIRECTOR
E. Dimitrakas

LABORATORY ACCREDITATION NUMBERS: NVLAP Lab Code 101958-0, ELAP 10955

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BULK (NOB) ASBESTOS ANALYSIS BY POLARIZED LIGHT MICROSCOPY AND TRANSMISSION ELECTRON MICROSCOPY

CLIENT / ADDRESS: Airtek Environmental / 39-37 29th St., L.I.C., NY 11101	**PROJECT:** 385 1st Ave. **Project #:** 14-1403
ANALYT. METHODOLOGIES: ELAP 198.6, ELAP 198.4	**LABORATORY ID #:** 14-10-152
DATES OF ANALYSIS: 10/18, 10/20/14	**DATE OF REPORT:** 10/21/14

LABORATORY RESULTS

CLIENT #	LAB. ID #	LOCATION	%ORG	%ASI	%AII	PLM RESULTS	TYPE OF ASBEST.	TEM RESULTS	TYPE OF ASBEST.	POSIT. / NEGAT.
89	14-10-152-19	12x12 Gray VFT, Apt 8A	19.01	30.37	50.62	**NAD**	NA	**NAD**	NA	**Negat.**
90	14-10-152-20	12x12 Gray VFT, Apt 8A	17.53	44.67	37.80	**NAD**	NA	**NAD**	NA	**Negat.**
91	14-10-152-21	12x12 Gray VFT, Apt 7C	17.13	29.88	52.99	**NAD**	NA	**NAD**	NA	**Negat.**
92	14-10-152-22	12x12 Gray VFT, Apt 7C	20.63	29.58	49.79	**NAD**	NA	**NAD**	NA	**Negat.**
93	14-10-152-23	12x12 Gray VFT, Apt 6A	19.53	31.49	48.98	**NAD**	NA	**NAD**	NA	**Negat.**
94	14-10-152-24	12x12 Gray VFT, Apt 6A	18.88	31.12	50.00	**NAD**	NA	**NAD**	NA	**Negat.**

ANALYST
E. Loukianova

LABORATORY DIRECTOR
E. Dimitrakas

LABORATORY ACCREDITATION NUMBERS: NVLAP Lab Code 101958-0, ELAP 10955

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BULK (NOB) ASBESTOS ANALYSIS BY POLARIZED LIGHT MICROSCOPY AND TRANSMISSION ELECTRON MICROSCOPY

CLIENT / ADDRESS: Airtek Environmental / 39-37 29th St., L.I.C., NY 11101	**PROJECT:** 385 1st Ave. **Project #:** 14-1403
ANALYT. METHODOLOGIES: ELAP 198.6, ELAP 198.4	**LABORATORY ID #:** 14-10-152
DATES OF ANALYSIS: 10/18, 10/20/14	**DATE OF REPORT:** 10/21/14

LABORATORY RESULTS

CLIENT #	LAB. ID #	LOCATION	%ORG	%ASI	%AII	PLM RESULTS	TYPE OF ASBEST.	TEM RESULTS	TYPE OF ASBEST.	POSIT. / NEGAT.
95	14-10-152-25	12x12 Gray VFT, Apt 4F	18.78	36.88	44.34	**NAD**	NA	**NAD**	NA	**Negat.**
96	14-10-152-26	12x12 Gray VFT, Apt 4F	17.65	30.65	51.70	**NAD**	NA	**NAD**	NA	**Negat.**
97	14-10-152-27	12x12 Gray VFT, Apt 3B	18.21	29.97	51.82	**NAD**	NA	**NAD**	NA	**Negat.**
98	14-10-152-28	12x12 Gray VFT, Apt 3B	18.40	29.78	51.82	**NAD**	NA	**NAD**	NA	**Negat.**
99	14-10-152-29	Floor Mastic, Apt 3B	95.56	3.11	1.33	**NAD**	NA	**NAD**	NA	**Negat.**
100	14-10-152-30	Floor Mastic, Apt 3B	96.09	2.79	1.12	**NAD**	NA	**NAD**	NA	**Negat.**

ANALYST
E. Loukianova

LABORATORY DIRECTOR
E. Dimitrakas

LABORATORY ACCREDITATION NUMBERS: NVLAP Lab Code 101958-0, ELAP 10955

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BULK (NOB) ASBESTOS ANALYSIS BY POLARIZED LIGHT MICROSCOPY AND TRANSMISSION ELECTRON MICROSCOPY

CLIENT / ADDRESS: Airtek Environmental / 39-37 29th St., L.I.C., NY 11101	**PROJECT:** 385 1st Ave. **Project #:** 14-1403
ANALYT. METHODOLOGIES: ELAP 198.6, ELAP 198.4	**LABORATORY ID #:** 14-10-152
DATES OF ANALYSIS: 10/18, 10/20/14	**DATE OF REPORT:** 10/21/14

LABORATORY RESULTS

CLIENT #	LAB. ID #	LOCATION	%ORG	%ASI	%AII	PLM RESULTS	TYPE OF ASBEST.	TEM RESULTS	TYPE OF ASBEST.	POSIT. / NEGAT.
101	14-10-152-31	Floor Mastic, Apt 4F	96.37	2.07	1.55	**NAD**	NA	**NAD**	NA	**Negat.**
102	14-10-152-32	Floor Mastic, Apt 4F	96.06	2.46	1.48	**NAD**	NA	**NAD**	NA	**Negat.**
103	14-10-152-33	Floor Mastic, Apt 6A	95.95	2.70	1.35	**NAD**	NA	**NAD**	NA	**Negat.**
104	14-10-152-34	Floor Mastic, Apt 6A	97.13	1.44	1.44	**NAD**	NA	**NAD**	NA	**Negat.**
105	14-10-152-35	Floor Mastic, Apt 7C	96.41	2.56	1.03	**NAD**	NA	**NAD**	NA	**Negat.**
106	14-10-152-36	Floor Mastic, Apt 7C	95.87	2.75	1.38	**NAD**	NA	**NAD**	NA	**Negat.**

ANALYST
E. Loukianova

LABORATORY DIRECTOR
E. Dimitrakas

LABORATORY ACCREDITATION NUMBERS: NVLAP Lab Code 101958-0, ELAP 10955

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BULK (NOB) ASBESTOS ANALYSIS BY POLARIZED LIGHT MICROSCOPY AND TRANSMISSION ELECTRON MICROSCOPY

CLIENT / ADDRESS: Airtek Environmental / 39-37 29th St., L.I.C., NY 11101	**PROJECT:** 385 1st Ave. **Project #:** 14-1403
ANALYT. METHODOLOGIES: ELAP 198.6, ELAP 198.4	**LABORATORY ID #:** 14-10-152
DATES OF ANALYSIS: 10/18, 10/20/14	**DATE OF REPORT:** 10/21/14

LABORATORY RESULTS

CLIENT #	LAB. ID #	LOCATION	%ORG	%ASI	%AII	PLM RESULTS	TYPE OF ASBEST.	TEM RESULTS	TYPE OF ASBEST.	POSIT. / NEGAT.
107	14-10-152-37	Floor Mastic, Apt 8A	95.22	2.87	1.91	**NAD**	NA	**NAD**	NA	**Negat.**
108	14-10-152-38	Floor Mastic, Apt 8A	95.90	2.87	1.23	**NAD**	NA	**NAD**	NA	**Negat.**
109	14-10-152-39	Floor Mastic, Apt 9E	96.93	1.75	1.32	**NAD**	NA	**NAD**	NA	**Negat.**
110	14-10-152-40	Floor Mastic, Apt 9E	98.33	0.42	1.25	**NAD**	NA	**NAD**	NA	**Negat.**
111	14-10-152-41	Floor Mastic, Apt 10B	99.03	0.00	0.97	**NAD**	NA	**NAD**	NA	**Negat.**
112	14-10-152-42	Floor Mastic, Apt 10B	96.99	1.88	1.13	**NAD**	NA	**NAD**	NA	**Negat.**

ANALYST
E. Loukianova

LABORATORY DIRECTOR
E. Dimitrakas

LABORATORY ACCREDITATION NUMBERS: NVLAP Lab Code 101958-0, ELAP 10955

- Samples will be stored for sixty (60) days. LTS Inc. should be notified within this time frame for a true duplicate analysis.
- The report relates only to items tested. This report must not be used to claim product endorsement by NVLAP or any other agency of the U.S. Government. Test reports may not be reproduced except in full and with prior approval of LTS Inc.
- NAD: No Asbestos Detected
- The liability of LTS Inc., with respect to the services charged, shall in no event exceed the amount of the invoice.

LABORATORY TESTING SERVICES INC.
45-09 GREENPOINT AVE.
LIC, NY 11104
Ph.: (718) 389 3470, Fax: (718) 389 3471

BULK (NOB) ASBESTOS ANALYSIS BY POLARIZED LIGHT MICROSCOPY AND TRANSMISSION ELECTRON MICROSCOPY

CLIENT / ADDRESS: Airtek Environmental / 39-37 29th St:, L.I.C., NY 11101	**PROJECT:** 385 1st Ave. **Project #:** 14-1403
ANALYT. METHODOLOGIES: ELAP 198.6, ELAP 198.4	**LABORATORY ID #:** 14-10-152
DATES OF ANALYSIS: 10/18, 10/20/14	**DATE OF REPORT:** 10/21/14

LABORATORY RESULTS

CLIENT #	LAB. ID #	LOCATION	%ORG	%ASI	%AII	PLM RESULTS	TYPE OF ASBEST.	TEM RESULTS	TYPE OF ASBEST.	POSIT. / NEGAT.
113	14-10-152-43	Floor Mastic, Apt 12H	99.04	0.00	0.96	**NAD**	NA	**NAD**	NA	**Negat.**
114	14-10-152-44	Floor Mastic, Apt 12H	69.05	29.76	1.19	**NAD**	NA	**NAD**	NA	**Negat.**
115	14-10-152-45	Floor Mastic, Apt 14F	97.26	1.37	1.37	**NAD**	NA	**NAD**	NA	**Negat.**
116	14-10-152-46	Floor Mastic, Apt 14F	96.86	1.57	1.57	**NAD**	NA	**NAD**	NA	**Negat.**
117	14-10-152-47	Floor Mastic, Apt 15B	98.64	0.45	0.91	**NAD**	NA	**NAD**	NA	**Negat.**
118	14-10-152-48	Floor Mastic, Apt 15B	98.92	0.00	1.08	**NAD**	NA	**NAD**	NA	**Negat.**

ANALYST
E. Loukianova

LABORATORY DIRECTOR
E. Dimitrakas

LABORATORY ACCREDITATION NUMBERS: NVLAP Lab Code 101958-0, ELAP 10955

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BULK (NOB) ASBESTOS ANALYSIS BY POLARIZED LIGHT MICROSCOPY AND TRANSMISSION ELECTRON MICROSCOPY

CLIENT / ADDRESS: Airtek Environmental / 39-37 29th St., L.I.C., NY 11101	**PROJECT:** 385 1st Ave. **Project #:** 14-1403
ANALYT. METHODOLOGIES: ELAP 198.6, ELAP 198.4	**LABORATORY ID #:** 14-10-152
DATES OF ANALYSIS: 10/18, 10/20/14	**DATE OF REPORT:** 10/21/14

LABORATORY RESULTS

CLIENT #	LAB. ID #	LOCATION	%ORG	%ASI	%AII	PLM RESULTS	TYPE OF ASBEST.	TEM RESULTS	TYPE OF ASBEST.	POSIT. / NEGAT.
119	14-10-152-49	Floor Mastic, Apt 17D	97.87	1.70	0.43	**NAD**	NA	**NAD**	NA	**Negat.**
120	14-10-152-50	Floor Mastic, Apt 17D	98.38	0.54	1.08	**NAD**	NA	**NAD**	NA	**Negat.**
121	14-10-152-51	Floor Mastic, Apt 18B	98.18	0.45	1.36	**NAD**	NA	**NAD**	NA	**Negat.**
122	14-10-152-52	Floor Mastic, Apt 18B	98.62	0.00	1.38	**NAD**	NA	**NAD**	NA	**Negat.**
123	14-10-152-53	Floor Mastic, Apt 20B	97.03	1.98	0.99	**NAD**	NA	**NAD**	NA	**Negat.**
124	14-10-152-54	Floor Mastic, Apt 20B	96.79	2.14	1.07	**NAD**	NA	**NAD**	NA	**Negat.**

ANALYST
E. Loukianova

LABORATORY DIRECTOR
E. Dimitrakas

LABORATORY ACCREDITATION NUMBERS: NVLAP Lab Code 101958-0, ELAP 10955

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LIC, NY 11104
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BULK (NOB) ASBESTOS ANALYSIS BY POLARIZED LIGHT MICROSCOPY AND TRANSMISSION ELECTRON MICROSCOPY

CLIENT / ADDRESS: Airtek Environmental / 39-37 29th St., L.I.C., NY 11101	**PROJECT:** 385 1st Ave. **Project #:** 14-1403
ANALYT. METHODOLOGIES: ELAP 198.6, ELAP 198.4	**LABORATORY ID #:** 14-10-152
DATES OF ANALYSIS: 10/18, 10/20/14	**DATE OF REPORT:** 10/21/14

LABORATORY RESULTS

CLIENT #	LAB. ID #	LOCATION	%ORG	%ASI	%AII	PLM RESULTS	TYPE OF ASBEST.	TEM RESULTS	TYPE OF ASBEST.	POSIT. / NEGAT.
125	14-10-152-55	Floor Mastic, Apt 21A	96.07	2.25	1.69	**NAD**	NA	**NAD**	NA	**Negat.**
126	14-10-152-56	Floor Mastic, Apt 21A	97.08	1.67	1.25	**NAD**	NA	**NAD**	NA	**Negat.**
134	14-10-152-64	Floor Mastic, 21st Floor Hallway	98.44	0.00	1.56	**NAD**	NA	**NAD**	NA	**Negat.**
135	14-10-152-65	Floor Mastic, 20th Floor Hallway	97.46	1.02	1.52	**NAD**	NA	**NAD**	NA	**Negat.**
136	14-10-152-66	Floor Mastic, 18th Floor Hallway	98.04	0.39	1.57	**NAD**	NA	**NAD**	NA	**Negat.**
137	14-10-152-67	Floor Mastic, 17th Floor Hallway	98.16	0.46	1.38	**NAD**	NA	**NAD**	NA	**Negat.**

ANALYST
E. Loukianova

LABORATORY DIRECTOR
E. Dimitrakas

LABORATORY ACCREDITATION NUMBERS: NVLAP Lab Code 101958-0, ELAP 10955

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LIC, NY 11104
Ph.: (718) 389 3470, Fax: (718) 389 3471

BULK (NOB) ASBESTOS ANALYSIS BY POLARIZED LIGHT MICROSCOPY AND TRANSMISSION ELECTRON MICROSCOPY

CLIENT / ADDRESS: Airtek Environmental / 39-37 29th St., L.I.C., NY 11101	**PROJECT:** 385 1st Ave. **Project #:** 14-1403
ANALYT. METHODOLOGIES: ELAP 198.6, ELAP 198.4	**LABORATORY ID #:** 14-10-152
DATES OF ANALYSIS: 10/18, 10/20/14	**DATE OF REPORT:** 10/21/14

LABORATORY RESULTS

CLIENT #	LAB. ID #	LOCATION	%ORG	%ASI	%AII	PLM RESULTS	TYPE OF ASBEST.	TEM RESULTS	TYPE OF ASBEST.	POSIT. / NEGAT.
138	14-10-152-68	Floor Mastic, 15th Floor Hallway	93.07	4.46	2.48	**NAD**	NA	**NAD**	NA	**Negat.**
139	14-10-152-69	Floor Mastic, 14th Floor Hallway	98.38	0.32	1.30	**NAD**	NA	**NAD**	NA	**Negat.**
140	14-10-152-70	Floor Mastic, 12th Floor Hallway	99.12	0.44	0.44	**NAD**	NA	**NAD**	NA	**Negat.**

ANALYST
E. Loukianova

LABORATORY DIRECTOR
E. Dimitrakas

LABORATORY ACCREDITATION NUMBERS: NVLAP Lab Code 101958-0, ELAP 10955

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LIC, NY 11104
Ph.: (718) 389 3470, Fax: (718) 389 3471

BULK SAMPLE ANALYSIS BY POLARIZED LIGHT MICROSCOPY

CLIENT: Airtek Environmental / 39-37 29th Street, LIC, NY 11101	**PROJECT:** 385 1st Ave. **Project #:** 14-1403
DATE OF ANALYSIS: 10/18/14	**DATE OF REPORT:** 10/21/14

ANALYTICAL RESULTS

CLIENT ID # LABORATORY ID #	STEREO MICROSCOPY RESULTS		SAMPLE DESCRIPTION	FIBROUS MATERIAL	NON FIBROUS MATERIAL	% ASBESTOS AND TYPE
127 14-10-152-127	COLOR	Gray	Sheetrock w/compound, 21st Floor Hallway	1%FBGL	99%	NAD
	# LAYERS	1				
	SCAN					
128 14-10-152-128	COLOR	Gray/Brown	Sheetrock w/compound, 20th Floor Hallway	10%CELL 1%FBGL	89%	NAD
	# LAYERS	2				
	SCAN					
129 14-10-152-129	COLOR	Gray/Brown	Sheetrock w/compound, 18th Floor Hallway	20%CELL 1%FBGL	79%	NAD
	# LAYERS	2				
	SCAN					
130 14-10-152-130	COLOR	Gray/Brown	Sheetrock w/compound, 17th Floor Hallway	5%CELL 1%FBGL	94%	NAD
	# LAYERS	2				
	SCAN					
131 14-10-152-131	COLOR	Gray/Brown	Sheetrock w/compound, 15th Floor Hallway	5%CELL 1%FBGL	94%	NAD
	# LAYERS	2				
	SCAN					
132 14-10-152-132	COLOR	Gray/Brown	Sheetrock w/compound, 14th Floor Hallway	30%CELL 1%FBGL	68%	NAD
	# LAYERS	2				
	SCAN					

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BULK SAMPLE ANALYSIS BY POLARIZED LIGHT MICROSCOPY

CLIENT: Airtek Environmental / 39-37 29th Street, LIC, NY 11101	**PROJECT:** 385 1st Ave. **Project #:** 14-1403
DATE OF ANALYSIS: 10/18/14	**DATE OF REPORT:** 10/21/14

ANALYTICAL RESULTS

CLIENT ID # LABORATORY ID #	STEREO MICROSCOPY RESULTS		SAMPLE DESCRIPTION	FIBROUS MATERIAL	NON FIBROUS MATERIAL	% ASBESTOS AND TYPE
133 14-10-152-133	COLOR	Gray/Brown	Sheetrock w/compound, 12th Floor Hallway	10%CELL 1%FBGL	89%	NAD
	# LAYERS	2				
	SCAN					
141 14-10-152-141	COLOR	Gray	CMU Mortar, Basement	0%	100%	NAD
	# LAYERS	1				
	SCAN					
142 14-10-152-142	COLOR	Gray	CMU Mortar, Basement	0%	100%	NAD
	# LAYERS	1				
	SCAN					
143 14-10-152-143	COLOR	Gray	CMU Mortar, Basement	0%	100%	NAD
	# LAYERS	1				
	SCAN					

Analyst: _____
R. Hutsell

Laboratory Director: _____
E. Dimitrakas

- NAD: No Asbestos Detected, CELL: Cellulose, FBGL: Fiberglass, H: Hair, SY: Synthetics, CH: Chrysotile, AMOS: Amosite, TRE: Tremolite, ANTH: Anthophyllite, ACT: Actinolite, CRO: Crocidolite, VERM: Vermiculite.
- Analytical Methodologies: EPA 600/M4-82-020 (Point Count only) and ELAP Method 198.1.
- Samples will be stored for sixty (60) days. LTS Inc. should be notified within this time frame for a true duplicate analysis.
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NVLAP Lab Code 101958-0
ELAP 10955

EMAIL RESULTS TO
PJPAREDES@AIRTEKENV.COM

14-10-1498

TURN AROUND TIME: ☒ RUSH ☐ 6 HRS ☐ 24 HRS ☐ OTHER

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

PAGE 1 OF 8

PROJECT NO.: 14-1403
CLIENT: MAGNUM REAL ESTATE
PROJECT SITE: 385 1ST AVE
INVESTIGATOR:

LOCATION(S) SURVEYED: ENTIRE BLDG
SCOPE OF WORK:
INSPECTOR: DAVID POON DATE(S) OF INSPECTION: 10/16/14

HA	Sample #	Lab #	Material Description	Sample Location	QUANTITY (LF/SF)	ASSESSMENT COND	ASSESSMENT FRIAB	Asbestos %	Vermiculite* %
	01		SHEETROCK	Apt 3B		1, 2, 3, 4, 5, 6, 7 G MD P	Y (N)	(-)NAD	
	02		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y (N)		
	03			4F		1, 2, 3, 4, 5, 6, 7 G MD P	Y (N)		
	04			↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y (N)		
	05			6A		1, 2, 3, 4, 5, 6, 7 G MD P	Y (N)		
	06			↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y (N)		
	07			7C		1, 2, 3, 4, 5, 6, 7 G MD P	Y (N)		
	08			↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y (N)		
	09		↓	8A		1, 2, 3, 4, 5, 6, 7 G MD P	Y (N)	↓	

PHYSICAL CONDITION ASSESSMENT
1 Damaged or Significantly Damaged Friable TSI
2 Damaged Friable Surfacing ACM
3 Significantly Damaged Friable Surfacing ACM
4 Damaged or Significantly Damaged Friable Misc. ACM
5 ACBM with potential for Damage
6 ACBM with potential for Significant Damage
7 Remaining Friable or Suspect ACBM
G – Good / MD – Minor Damage / P -Poor

FRIABLE: Yes (Y) No (N)

PLM - POLARIZED LIGHT MICROSCOPY TEM - TRANSMISSION ELECTRON MICROSCOPY

RELINQUISHED BY: DAVID POON DATE: 10/17/14 TIME: 09:30
RECEIVED BY: [signature] DATE: 10-17-14 TIME:
ANALYZED BY: K. Esnard DATE: 10/17/14 TIME:
CHECKED BY: DATE: TIME:

NYSDOL INSPECTOR:
CERTIFICATE NO.:
TELEPHONE NO. : (718)937-3720
ADDRESS: Airtek Environmental Corp.
39-37 29th Street, L.I.C., NY 11101

1. A visual determination of accessible suspect materials and condition.
2. Collect bulk samples of suspect building materials.
3. A physical "Hand Pressure" test for determining friability and condition.
4. Assessment of suspect friable and non-friable materials and locations.
5. Quantify the amount of suspect materials in their respective locations.
6. Submit bulk samples for analysis by PLM and/or TEM Method.
7. Bulk Sample locations and suspect materials were identified on the appropriate building floor plan diagram with the sample number.
8. A Chain of Custody record accompanied the samples to the laboratory.
9. Any inconclusive result for a NOB must be confirmed by TEM or assumed ACM.

FIELD NOTES:

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

* Materials containing 10% or more vermiculite are reported as Asbestos Containing Material (ACM)

14-10-148

TURN AROUND TIME:
☒ RUSH ☐ 6 HRS ☐ 24 HRS ☐ OTHER

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

PAGE 2 OF 8

PROJECT NO.: 14-1403
CLIENT: MAGNUM REAL ESTATE
PROJECT SITE: 385 1ST AVE
INVESTIGATOR:

LOCATION(S) SURVEYED: ENTIRE BLDG
SCOPE OF WORK:
INSPECTOR: DAVID POON DATE(S) OF INSPECTION: 10/16/14

HA	Sample #	Lab #	Material Description	Sample Location	QUANTITY (LF/SF)	ASSESSMENT COND	ASSESSMENT FRIAB	Asbestos %	Vermiculite* %
	10		SHEETROCK	Apt 8A		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(-) NAD	
	11		↓	9E		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	12		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	13		↓	10B		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	14		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	15		↓	12H		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	16		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	17		↓	14F		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	18		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	

PHYSICAL CONDITION ASSESSMENT
1 Damaged or Significantly Damaged Friable TSI
2 Damaged Friable Surfacing ACM
3 Significantly Damaged Friable Surfacing ACM
4 Damaged or Significantly Damaged Friable Misc. ACM
5 ACBM with potential for Damage
6 ACBM with potential for Significant Damage
7 Remaining Friable or Suspect ACBM
G – Good / MD – Minor Damage / P -Poor

FRIABLE
Yes (Y)
No (N)

PLM - POLARIZED LIGHT MICROSCOPY
TEM - TRANSMISSION ELECTRON MICROSCOPY

RELINQUISHED BY: DAVID POON DATE: 10/ TIME:
RECEIVED BY: [signature] DATE: 10-17-14 TIME:
ANALYZED BY: K. Esnard DATE: 10/17/14 TIME:
CHECKED BY: DATE: TIME:

NYSDOL INSPECTOR:
CERTIFICATE NO.:
TELEPHONE NO. : (718)937-3720
ADDRESS: Airtek Environmental Corp.
39-37 29th Street, L.I.C., NY 11101

1. A visual determination of accessible suspect materials and condition.
2. Collect bulk samples of suspect building materials.
3. A physical "Hand Pressure" test for determining friability and condition.
4. Assessment of suspect friable and non-friable materials and locations.
5. Quantify the amount of suspect materials in their respective locations.
6. Submit bulk samples for analysis by PLM and/or TEM Method.
7. Bulk Sample locations and suspect materials were identified on the appropriate building floor plan diagram with the sample number.
8. A Chain of Custody record accompanied the samples to the laboratory.
9. Any inconclusive result for a NOB must be confirmed by TEM or assumed ACM.

FIELD NOTES:

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

* Materials containing 10% or more vermiculite are reported as Asbestos Containing Material (ACM)

14-10-198

TURN AROUND TIME:
☒ RUSH ☐ 6 HRS ☐ 24 HRS ☐ OTHER

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

PROJECT NO.: 14-1403
CLIENT: MAGNUM REAL ESTATE
PROJECT SITE: 385 1ST AVE
INVESTIGATOR:

LOCATION(S) SURVEYED: ENTIRE BLDG
SCOPE OF WORK:
INSPECTOR: DAVID POON DATE(S) OF INSPECTION: 10/16/14

HA	Sample #	Lab #	Material Description	Sample Location	QUANTITY (LF/SF)	ASSESSMENT COND	ASSESSMENT FRIAB	Asbestos %	Vermiculite* %
	19		SHEET ROCK	Apt 15B		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(-) NAD	
	20		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	21		↓	17D		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	22		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	23		↓	18B		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	24		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	25		↓	20B		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	26		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	27		↓	21A		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	

PHYSICAL CONDITION ASSESSMENT
1 Damaged or Significantly Damaged Friable TSI
2 Damaged Friable Surfacing ACM
3 Significantly Damaged Friable Surfacing ACM
4 Damaged or Significantly Damaged Friable Misc. ACM
5 ACBM with potential for Damage
6 ACBM with potential for Significant Damage
7 Remaining Friable or Suspect ACBM
G – Good / MD – Minor Damage / P -Poor

FRIABLE
Yes (Y)
No (N)

PLM - POLARIZED LIGHT MICROSCOPY
TEM - TRANSMISSION ELECTRON MICROSCOPY

RELINQUISHED BY: _____ DATE: _____ TIME: _____
RECEIVED BY: _____ DATE: 10-17-14 TIME: _____
ANALYZED BY: K. Esnard DATE: 10/17/14 TIME: _____
CHECKED BY: _____ DATE: _____ TIME: _____

FIELD NOTES:

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

NYSDOL INSPECTOR:
CERTIFICATE NO.:

TELEPHONE NO. : (718)937-3720
ADDRESS: Airtek Environmental Corp.
39-37 29th Street, L.I.C., NY 11101

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7. Bulk Sample locations and suspect materials were identified on the appropriate building floor plan diagram with the sample number.
8. A Chain of Custody record accompanied the samples to the laboratory.
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* Materials containing 10% or more vermiculite are reported as Asbestos Containing Material (ACM)

14-10-148

TURN AROUND TIME: ☒ RUSH ☐ 6 HRS ☐ 24 HRS ☐ OTHER

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

PAGE 4 OF 8

PROJECT NO.: 14-1403
CLIENT: MAGNUM REAL ESTATE
PROJECT SITE: 385 1ST AVE
INVESTIGATOR:

LOCATION(S) SURVEYED: ENTIRE BLDG
SCOPE OF WORK:
INSPECTOR: DAVID POON DATE(S) OF INSPECTION: 10/16/14

HA	Sample #	Lab #	Material Description	Sample Location	QUANTITY (LF/SF)	ASSESSMENT COND	ASSESSMENT FRIAB	Asbestos %	Vermiculite* %
	28		SHEETROCK	Apt 21A		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(-) NAD	
	29		TILE GROUT	3B		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(-) NAD	
	30		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	31		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	32		↓	4F		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	33		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	34		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	35		↓	6A		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	36		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	

PHYSICAL CONDITION ASSESSMENT
1 Damaged or Significantly Damaged Friable TSI
2 Damaged Friable Surfacing ACM
3 Significantly Damaged Friable Surfacing ACM
4 Damaged or Significantly Damaged Friable Misc. ACM
5 ACBM with potential for Damage
6 ACBM with potential for Significant Damage
7 Remaining Friable or Suspect ACBM
G – Good / MD – Minor Damage / P -Poor

FRIABLE: Yes (Y) / No (N)

PLM - POLARIZED LIGHT MICROSCOPY
TEM - TRANSMISSION ELECTRON MICROSCOPY

RELINQUISHED BY: _____ DATE: _____ TIME: _____
RECEIVED BY: _____ DATE: 10-17-14 TIME: _____
ANALYZED BY: K. Esnard DATE: 10/17/14 TIME: _____
CHECKED BY: _____ DATE: _____ TIME: _____

NYSDOL INSPECTOR CERTIFICATE NO.:

TELEPHONE NO. : (718)937-3720
ADDRESS: Airtek Environmental Corp.
39-37 29th Street, L.I.C., NY 11101

1. A visual determination of accessible suspect materials and condition.
2. Collect bulk samples of suspect building materials.
3. A physical "Hand Pressure" test for determining friability and condition.
4. Assessment of suspect friable and non-friable materials and locations.
5. Quantify the amount of suspect materials in their respective locations.
6. Submit bulk samples for analysis by PLM and/or TEM Method.
7. Bulk Sample locations and suspect materials were identified on the appropriate building floor plan diagram with the sample number.
8. A Chain of Custody record accompanied the samples to the laboratory.
9. Any Inconclusive result for a NOB must be confirmed by TEM or assumed ACM.

FIELD NOTES:

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

* Materials containing 10% or more vermiculite are reported as Asbestos Containing Material (ACM)

14-10-148

TURN AROUND TIME:
☒ RUSH ☐ 6 HRS ☐ 24 HRS ☐ OTHER

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

PAGE 5 OF 8

PROJECT NO.: 14-1403
CLIENT: MAGNUM REAL ESTATE
PROJECT SITE: 385 1ST AVE
INVESTIGATOR:

LOCATION(S) SURVEYED: ENTIRE BLDG
SCOPE OF WORK:
INSPECTOR: DAVID POON DATE(S) OF INSPECTION: 10/16/14

HA	Sample #	Lab #	Material Description	Sample Location	QUANTITY (LF/SF)	ASSESSMENT COND	ASSESSMENT FRIAB	Asbestos %	Vermiculite* %
	37		TILE GROUT	Apt 6A		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(-)NAD	
	38			7C		1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	39			↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	40			↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	41			8A		1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	42			↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	43			↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	44			9E		1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	45			↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	

PHYSICAL CONDITION ASSESSMENT
1 Damaged or Significantly Damaged Friable TSI
2 Damaged Friable Surfacing ACM
3 Significantly Damaged Friable Surfacing ACM
4 Damaged or Significantly Damaged Friable Misc. ACM
5 ACBM with potential for Damage
6 ACBM with potential for Significant Damage
7 Remaining Friable or Suspect ACBM
G – Good / MD – Minor Damage / P -Poor

FRIABLE
Yes (Y)
No (N)

PLM - POLARIZED LIGHT MICROSCOPY
TEM - TRANSMISSION ELECTRON MICROSCOPY

RELINQUISHED BY: _____ DATE: _____ TIME: _____
RECEIVED BY: [signature] DATE: 10-17-14 TIME: _____
ANALYZED BY: K. Esnard DATE: 10/17/14 TIME: _____
CHECKED BY: _____ DATE: _____ TIME: _____

FIELD NOTES:

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

NYSDOL INSPECTOR:
CERTIFICATE NO.:
TELEPHONE NO.: (718)937-3720
ADDRESS: Airtek Environmental Corp.
39-37 29th Street, L.I.C., NY 11101

1. A visual determination of accessible suspect materials and condition.
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14-10-148

TURN AROUND TIME:
☒ RUSH ☐ 6 HRS ☐ 24 HRS ☐ OTHER

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

PAGE 6 OF 8

PROJECT NO.: 14-1403
CLIENT: MAGNUM REAL ESTATE
PROJECT SITE: 385 1ST AVE
INVESTIGATOR:

LOCATION(S) SURVEYED: ENTIRE BLDG
SCOPE OF WORK:
INSPECTOR: DAVID POON DATE(S) OF INSPECTION: 10/16/14

HA	Sample #	Lab #	Material Description	Sample Location	QUANTITY (LF/SF)	ASSESSMENT COND	ASSESSMENT FRIAB	Asbestos %	Vermiculite* %
	46		TILE GROUT	Apt 9E		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(-) NAD	
	47		↓	10B		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	48			↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	49			↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	50			12H		1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	51			↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	52			↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	53			14F		1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	54		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	

PHYSICAL CONDITION ASSESSMENT
1 Damaged or Significantly Damaged Friable TSI
2 Damaged Friable Surfacing ACM
3 Significantly Damaged Friable Surfacing ACM
4 Damaged or Significantly Damaged Friable Misc. ACM
5 ACBM with potential for Damage
6 ACBM with potential for Significant Damage
7 Remaining Friable or Suspect ACBM
G – Good / MD – Minor Damage / P -Poor

FRIABLE
Yes (Y)
No (N)

PLM - POLARIZED LIGHT MICROSCOPY
TEM - TRANSMISSION ELECTRON MICROSCOPY

RELINQUISHED BY: _____ DATE: _____ TIME: _____
RECEIVED BY: [signature] DATE: 10-17-14 TIME: _____
ANALYZED BY: K. Esnard DATE: 10/17/14 TIME: _____
CHECKED BY: _____ DATE: _____ TIME: _____

NYSDOL INSPECTOR:
CERTIFICATE NO.:
TELEPHONE NO.: (718)937-3720
ADDRESS: Airtek Environmental Corp.
39-37 29th Street, L.I.C., NY 11101

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FIELD NOTES:

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

* Materials containing 10% or more vermiculite are reported as Asbestos Containing Material (ACM)

14-10-148

TURN AROUND TIME:
☒ RUSH ☐ 6 HRS ☐ 24 HRS ☐ OTHER

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

PAGE 7 OF 8

PROJECT NO.: 14-1403
CLIENT: MAGNUM REAL ESTATE
PROJECT SITE: 385 1ST AVE
INVESTIGATOR:

LOCATION(S) SURVEYED :
SCOPE OF WORK:
INSPECTOR: DATE(S) OF INSPECTION:

HA	Sample #	Lab #	Material Description	Sample Location	QUANTITY (LF/SF)	ASSESSMENT COND	ASSESSMENT FRIAB	Asbestos %	Vermiculite* %
	55		TILE GROUT	Apt 14F		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(-) NAD	
	56			15B		1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	57					1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	58					1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	59			17D		1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	60					1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	61					1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	62			18B		1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	63					1, 2, 3, 4, 5, 6, 7 G MD P	Y N		

PHYSICAL CONDITION ASSESSMENT
1 Damaged or Significantly Damaged Friable TSI
2 Damaged Friable Surfacing ACM
3 Significantly Damaged Friable Surfacing ACM
4 Damaged or Significantly Damaged Friable Misc. ACM
5 ACBM with potential for Damage
6 ACBM with potential for Significant Damage
7 Remaining Friable or Suspect ACBM
G – Good / MD – Minor Damage / P -Poor

FRIABLE
Yes (Y)
No (N)

PLM - POLARIZED LIGHT MICROSCOPY
TEM - TRANSMISSION ELECTRON MICROSCOPY

RELINQUISHED BY: DATE: TIME:
RECEIVED BY: DATE: 10-17-14 TIME:
ANALYZED BY: K. Esnard DATE: 10/17/14 TIME:
CHECKED BY: DATE: TIME:

NYSDOL INSPECTOR:
CERTIFICATE NO.:
TELEPHONE NO. : (718)937-3720
ADDRESS: Airtek Environmental Corp.
39-37 29th Street, L.I.C., NY 11101

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FIELD NOTES:

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

* Materials containing 10% or more vermiculite are reported as Asbestos Containing Material (ACM)

14-10-148

TURN AROUND TIME:
☒ RUSH ☐ 6 HRS ☐ 24 HRS ☐ OTHER

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

PAGE 8 OF 8

PROJECT NO.: 14-1403
CLIENT: MAGNUM REAL ESTATE
PROJECT SITE:
INVESTIGATOR:

LOCATION(S) SURVEYED :
SCOPE OF WORK:
INSPECTOR: DATE(S) OF INSPECTION:

HA	Sample #	Lab #	Material Description	Sample Location	QUANTITY (LF/SF)	ASSESSMENT COND	ASSESSMENT FRIAB	Asbestos %	Vermiculite* %
	64		TILE GROUT	Apt 18B		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(-) NAD	
	65		↓	20B		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	66		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	67		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	68		↓	21A		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	69		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	70		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	~~71~~					1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	~~72~~					1, 2, 3, 4, 5, 6, 7 G MD P	Y N		

PHYSICAL CONDITION ASSESSMENT

1 Damaged or Significantly Damaged Friable TSI
2 Damaged Friable Surfacing ACM
3 Significantly Damaged Friable Surfacing ACM
4 Damaged or Significantly Damaged Friable Misc. ACM
5 ACBM with potential for Damage
6 ACBM with potential for Significant Damage
7 Remaining Friable or Suspect ACBM
G – Good / MD – Minor Damage / P -Poor

FRIABLE: Yes (Y) / No (N)

PLM - POLARIZED LIGHT MICROSCOPY
TEM - TRANSMISSION ELECTRON MICROSCOPY

RELINQUISHED BY: DATE: TIME:
RECEIVED BY: DATE: 10-17-14 TIME:
ANALYZED BY: K-Esnard DATE: 10/17/14 TIME:
CHECKED BY: DATE: TIME:

NYSDOL INSPECTOR:
CERTIFICATE NO.:

TELEPHONE NO. : (718)937-3720
ADDRESS: Airtek Environmental Corp.
39-37 29th Street, L.I.C., NY 11101

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FIELD NOTES:

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

* Materials containing 10% or more vermiculite are reported as Asbestos Containing Material (ACM)

Airtek

TURN AROUND TIME:
☐ RUSH ☐ 6 HRS ☐ 24 HRS ☐ OTHER

14-10-152

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

PAGE 1 OF 9

PROJECT NO.: 14-1403
CLIENT: MAGNUM REAL ESTATE
PROJECT SITE: 385 1ST AVE
INVESTIGATOR:

LOCATION(S) SURVEYED: ENTIRE BLDG
SCOPE OF WORK:
INSPECTOR: DAVID POON DATE(S) OF INSPECTION: 10/17/14

HA	Sample #	Lab #	Material Description	Sample Location	QUANTITY (LF/SF)	ASSESSMENT COND	ASSESSMENT FRIAB	Asbestos % (PLM)	Vermiculite* % (NOB TEM)
	71	1	12x12 GRAY VFT	Apt 21A		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(–) NAD	(–) NAD
	72	2	↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	73	3	↓	20B		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	74	4	↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	75	5	↓	18B		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	76	6	↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	77	7	↓	17D		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	78	8	↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	79	9	↓	15B		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓

PHYSICAL CONDITION ASSESSMENT
1 Damaged or Significantly Damaged Friable TSI
2 Damaged Friable Surfacing ACM
3 Significantly Damaged Friable Surfacing ACM
4 Damaged or Significantly Damaged Friable Misc. ACM
5 ACBM with potential for Damage
6 ACBM with potential for Significant Damage
7 Remaining Friable or Suspect ACBM
G – Good / MD – Minor Damage / P -Poor

FRIABLE: Yes (Y) No (N)

PLM - POLARIZED LIGHT MICROSCOPY MICROSCOPY
TEM - TRANSMISSION ELECTRON

RELINQUISHED BY: [signature] DATE: 10/17/14 TIME: 1900
RECEIVED BY: J. AYIKARA DATE: 10.17.14 TIME:
ANALYZED BY: E. Loukjanov DATE: 10.20.14 TIME:
CHECKED BY: [signature] DATE: TIME:

NYSDOL INSPECTOR:
CERTIFICATE NO.:

TELEPHONE NO.: (718)937-3720
ADDRESS: Airtek Environmental Corp.
39-37 29th Street, L.I.C., NY 11101

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8. A Chain of Custody record accompanied the samples to the laboratory.
9. Any inconclusive result for a NOB must be confirmed by TEM or assumed ACM.

FIELD NOTES: 62

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

* Materials containing 10% or more vermiculite are reported as Asbestos Containing Material (ACM)

TURN AROUND TIME:
☐ RUSH ☐ 6 HRS ☐ 24 HRS ☐ OTHER

14-10-152

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

PAGE 2 OF 9

PROJECT NO.: 14-1403
CLIENT: MAGNUM REAL ESTATE
PROJECT SITE:
INVESTIGATOR:

LOCATION(S) SURVEYED :
SCOPE OF WORK:
INSPECTOR: DMD RDN DATE(S) OF INSPECTION: 10/17/14 PLM 10/21 TEM

HA	Sample #	Lab #	Material Description	Sample Location	QUANTITY (LF/SF)	ASSESSMENT COND	ASSESSMENT FRIAB	Asbestos %	Vermiculite* %
	80	10	12x12 GRAY VFT	Apt 15B		1, 2, 3, 4, 5, 6, 7 G M D P	Y N	(-) NAD	(-) NAD
	81	11		14F		1, 2, 3, 4, 5, 6, 7 G M D P	Y N		
	82	12		↓		1, 2, 3, 4, 5, 6, 7 G M D P	Y N		
	83	13		12H		1, 2, 3, 4, 5, 6, 7 G M D P	Y N		
	84	14		↓		1, 2, 3, 4, 5, 6, 7 G M D P	Y N		
	85	15		10B		1, 2, 3, 4, 5, 6, 7 G M D P	Y N		
	86	16		↓		1, 2, 3, 4, 5, 6, 7 G M D P	Y N		
	87	17		9E		1, 2, 3, 4, 5, 6, 7 G M D P	Y N		
	88	18	↓	↓		1, 2, 3, 4, 5, 6, 7 G M D P	Y N	↓	↓

PHYSICAL CONDITION ASSESSMENT
1 Damaged or Significantly Damaged Friable TSI
2 Damaged Friable Surfacing ACM
3 Significantly Damaged Friable Surfacing ACM
4 Damaged or Significantly Damaged Friable Misc. ACM
5 ACBM with potential for Damage
6 ACBM with potential for Significant Damage
7 Remaining Friable or Suspect ACBM
G – Good / MD – Minor Damage / P -Poor

FRIABLE
Yes (Y)
No (N)

PLM - POLARIZED LIGHT MICROSCOPY
TEM - TRANSMISSION ELECTRON MICROSCOPY

RELINQUISHED BY: [signature] DATE: 10/17/14 TIME:
RECEIVED BY: I. KYRARA DATE: 10.17.14 TIME:
ANALYZED BY: E. Cocchiaruzzo DATE: 10.20.14 TIME:
CHECKED BY: [signature] DATE: TIME:

NYSDOL INSPECTOR:
CERTIFICATE NO.:
TELEPHONE NO. : (718)937-3720
ADDRESS: Airtek Environmental Corp.
39-37 29th Street, L.I.C., NY 11101

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FIELD NOTES:

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

* Materials containing 10% or more vermiculite are reported as Asbestos Containing Material (ACM)

277

Airtek

TURN AROUND TIME:
☐ RUSH ☐ 6 HRS ☐ 24 HRS ☐ OTHER

14-10-152

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

PAGE 3 OF 9

PROJECT NO.: 14-1403
CLIENT: MAGNUM REAL ESTATE
PROJECT SITE:
INVESTIGATOR:

LOCATION(S) SURVEYED :
SCOPE OF WORK:
INSPECTOR: DATE(S) OF INSPECTION:

HA	Sample #	Lab #	Material Description	Sample Location	QUANTITY (LF/SF)	ASSESSMENT COND	ASSESSMENT FRIAB	Asbestos % (PLM NOB TEM)	Vermiculite* %
	89	19	12x12 GRAY VFT	Apt 8A		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(–) NAD	(–) NAD
	90	20	↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	91	21	↓	7C		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	92	22	↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	93	23	↓	6A		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	94	24	↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	95	25	↓	4F		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	96	26	↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	97	27	↓	↓ 3B		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓

PHYSICAL CONDITION ASSESSMENT	FRIABLE	PLM - POLARIZED LIGHT MICROSCOPY MICROSCOPY	TEM - TRANSMISSION ELECTRON
1 Damaged or Significantly Damaged Friable TSI 2 Damaged Friable Surfacing ACM 3 Significantly Damaged Friable Surfacing ACM 4 Damaged or Significantly Damaged Friable Misc. ACM 5 ACBM with potential for Damage 6 ACBM with potential for Significant Damage 7 Remaining Friable or Suspect ACBM G – Good / MD – Minor Damage / P -Poor	Yes (Y) No (N)	RELINQUISHED BY: [signature] DATE: TIME: RECEIVED BY: J. A YIKARA DATE: 10·17·14 TIME: ANALYZED BY: E. Lonkianova DATE: 10.20.14 TIME: CHECKED BY: [signature] DATE: TIME:	

NYSDOL INSPECTOR:
CERTIFICATE NO.:

TELEPHONE NO. : (718)937-3720
ADDRESS: Airtek Environmental Corp.
39-37 29th Street, L.I.C., NY 11101

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FIELD NOTES:

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

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Airtek

TURN AROUND TIME:
☐ RUSH ☐ 6 HRS ☐ 24 HRS ☐ OTHER

14-10-152

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

PAGE 4 OF 9

PROJECT NO.: 14-1403
CLIENT: MAGNUM REAL ESTATE
PROJECT SITE: 385 1ST AVE
INVESTIGATOR:

LOCATION(S) SURVEYED:
SCOPE OF WORK:
INSPECTOR: DAVID POON DATE(S) OF INSPECTION: 10/17/14

HA	Sample #	Lab #	Material Description	Sample Location	QUANTITY (LF/SF)	ASSESSMENT COND	ASSESSMENT FRIAB	Asbestos % (PLM)	Vermiculite* % (NOB TEM)
	98	28	12x12 GRAY VFT FLOOR	Apt 3B		1,2,3,4,5,6,7 G MD P	Y N	(–) NAD	(–) NAD
	99	29	MASTIC			1,2,3,4,5,6,7 G MD P	Y N		
	100	30				1,2,3,4,5,6,7 G MD P	Y N		
	101	31		4F		1,2,3,4,5,6,7 G MD P	Y N		
	102	32				1,2,3,4,5,6,7 G MD P	Y N		
	103	33		6A		1,2,3,4,5,6,7 G MD P	Y N		
	104	34				1,2,3,4,5,6,7 G MD P	Y N		
	105	35		7C		1,2,3,4,5,6,7 G MD P	Y N		
	106	36				1,2,3,4,5,6,7 G MD P	Y N		

PHYSICAL CONDITION ASSESSMENT	FRIABLE	PLM - POLARIZED LIGHT MICROSCOPY / TEM - TRANSMISSION ELECTRON MICROSCOPY	NYSDOL INSPECTOR: CERTIFICATE NO.:
1 Damaged or Significantly Damaged Friable TSI 2 Damaged Friable Surfacing ACM 3 Significantly Damaged Friable Surfacing ACM 4 Damaged or Significantly Damaged Friable Misc. ACM 5 ACBM with potential for Damage 6 ACBM with potential for Significant Damage 7 Remaining Friable or Suspect ACBM G – Good / MD – Minor Damage / P -Poor	Yes (Y) No (N)	RELINQUISHED BY: [signature] DATE: 10/17/14 TIME: RECEIVED BY: J.A. YIKARA DATE: 10.17.14 TIME: ANALYZED BY: E. Tomkiewicz DATE: 10.20.14 TIME: CHECKED BY: [signature] DATE: TIME:	TELEPHONE NO.: (718)937-3720 ADDRESS: Airtek Environmental Corp. 39-37 29th Street, L.I.C., NY 11101

1. A visual determination of accessible suspect materials and condition.
2. Collect bulk samples of suspect building materials.
3. A physical "Hand Pressure" test for determining friability and condition.
4. Assessment of suspect friable and non-friable materials and locations.
5. Quantify the amount of suspect materials in their respective locations.
6. Submit bulk samples for analysis by PLM and/or TEM Method.
7. Bulk Sample locations and suspect materials were identified on the appropriate building floor plan diagram with the sample number.
8. A Chain of Custody record accompanied the samples to the laboratory.
9. Any inconclusive result for a NOB must be confirmed by TEM or assumed ACM.

FIELD NOTES:

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

* Materials containing 10% or more vermiculite are reported as Asbestos Containing Material (ACM)

TURN AROUND TIME:
☐ RUSH ☐ 6 HRS ☐ 24 HRS ☐ OTHER

14-10-152

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

PAGE 5 OF 9

PROJECT NO.: 14-1403
CLIENT: MAGNUM REAL ESTATE
PROJECT SITE: 385 1ST AVE
INVESTIGATOR:

LOCATION(S) SURVEYED:
SCOPE OF WORK:
INSPECTOR: DAVID POON DATE(S) OF INSPECTION: 10/17/14 PLM NOB TEM

HA	Sample #	Lab #	Material Description	Sample Location	QUANTITY (LF/SF)	ASSESSMENT COND	ASSESSMENT FRIAB	Asbestos %	Vermiculite* %
	107	37	FLOOR ~~[illegible]~~ MASTIC	Apt 8A		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(–) NAD	(–) NAD
	108	36	↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	109	39	↓	↓ 9E		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	110	40	↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	111	41	↓	↓ 10B		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	112	42	↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	113	43	↓	↓ 12H		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	114	44	↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	115	45	↓	↓ 14F		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓

PHYSICAL CONDITION ASSESSMENT	FRIABLE	PLM - POLARIZED LIGHT MICROSCOPY MICROSCOPY	TEM - TRANSMISSION ELECTRON
1 Damaged or Significantly Damaged Friable TSI 2 Damaged Friable Surfacing ACM 3 Significantly Damaged Friable Surfacing ACM 4 Damaged or Significantly Damaged Friable Misc. ACM 5 ACBM with potential for Damage 6 ACBM with potential for Significant Damage 7 Remaining Friable or Suspect ACBM G – Good / MD – Minor Damage / P -Poor	Yes (Y) No (N)	RELINQUISHED BY: [signature] DATE: 10/17/14 TIME: RECEIVED BY: J. AYIKARA DATE: 10.17.14 TIME: ANALYZED BY: E Loukianova DATE: 10-20-14 TIME: CHECKED BY: [signature] DATE: TIME:	

NYSDOL INSPECTOR:
CERTIFICATE NO.:
TELEPHONE NO.: (718)937-3720
ADDRESS: Airtek Environmental Corp.
39-37 29th Street, L.I.C., NY 11101

1. A visual determination of accessible suspect materials and condition.
2. Collect bulk samples of suspect building materials.
3. A physical "Hand Pressure" test for determining friability and condition.
4. Assessment of suspect friable and non-friable materials and locations.
5. Quantify the amount of suspect materials in their respective locations.
6. Submit bulk samples for analysis by PLM and/or TEM Method.
7. Bulk Sample locations and suspect materials were identified on the appropriate building floor plan diagram with the sample number.
8. A Chain of Custody record accompanied the samples to the laboratory.
9. Any inconclusive result for a NOB must be confirmed by TEM or assumed ACM.

FIELD NOTES:

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

* Materials containing 10% or more vermiculite are reported as Asbestos Containing Material (ACM)

Airtek

TURN AROUND TIME:
☐ RUSH ☐ 6 HRS ☐ 24 HRS ☐ OTHER

14-10-152

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

PAGE 6 OF 9

PROJECT NO.: 14-1403
CLIENT: MAGNUM REAL ESTATE
PROJECT SITE:
INVESTIGATOR:

LOCATION(S) SURVEYED :
SCOPE OF WORK:
INSPECTOR: DAVID POON DATE(S) OF INSPECTION: 6/17/14

HA	Sample #	Lab #	Material Description	Sample Location	QUANTITY (LF/SF)	ASSESSMENT COND	ASSESSMENT FRIAB	Asbestos % (PLM NOD TEM)	Vermiculite* %
	116	46	FLOOR ~~[illegible]~~ MASTIC	Apt 14F		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(–) NAD	(–) NAD
	117	47	↓	↓ 15B		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	118	48	↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	119	49	↓	↓ 17D		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	120	50	↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	121	51	↓	↓ 18B		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	122	52	↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	123	53	↓	↓ 20B		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	124	54	↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓

PHYSICAL CONDITION ASSESSMENT	FRIABLE	PLM - POLARIZED LIGHT MICROSCOPY MICROSCOPY	TEM - TRANSMISSION ELECTRON	NYSDOL INSPECTOR: CERTIFICATE NO.:
1 Damaged or Significantly Damaged Friable TSI 2 Damaged Friable Surfacing ACM 3 Significantly Damaged Friable Surfacing ACM 4 Damaged or Significantly Damaged Friable Misc. ACM 5 ACBM with potential for Damage 6 ACBM with potential for Significant Damage 7 Remaining Friable or Suspect ACBM G – Good / MD – Minor Damage / P -Poor	Yes (Y) No (N)	RELINQUISHED BY: [signature] DATE: 10/17/14 TIME: RECEIVED BY: J. A. YIKARA DATE: 10·17·14 TIME: ANALYZED BY: F. Lucchignone DATE: 10·20·14 TIME: CHECKED BY: [signature] DATE: TIME:		TELEPHONE NO. : (718)937-3720 ADDRESS: Airtek Environmental Corp. 39-37 29th Street, L.I.C., NY 11101

1. A visual determination of accessible suspect materials and condition.
2. Collect bulk samples of suspect building materials.
3. A physical "Hand Pressure" test for determining friability and condition.
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5. Quantify the amount of suspect materials in their respective locations.
6. Submit bulk samples for analysis by PLM and/or TEM Method.
7. Bulk Sample locations and suspect materials were identified on the appropriate building floor plan diagram with the sample number.
8. A Chain of Custody record accompanied the samples to the laboratory.
9. Any inconclusive result for a NOB must be confirmed by TEM or assumed ACM.

FIELD NOTES:

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

* Materials containing 10% or more vermiculite are reported as Asbestos Containing Material (ACM)

Airtek

TURN AROUND TIME:
☐ RUSH ☐ 6 HRS ☐ 24 HRS ☐ OTHER

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

PAGE 7 OF 9 14-10-152

PROJECT NO.: 14-1403
CLIENT: MAGNUM REAL ESTATE
PROJECT SITE:
INVESTIGATOR:

LOCATION(S) SURVEYED :
SCOPE OF WORK:
INSPECTOR: DATE(S) OF INSPECTION:

HA	Sample #	Lab #	Material Description	Sample Location	QUANTITY (LF/SF)	ASSESSMENT COND	ASSESSMENT FRIAB	PLM Asbestos %	PLM Vermiculite* %
	125	55	FLOOR ~~[illegible]~~ MASTIC	Apt 21A		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(–) NAD	(–) NAD
	126	56	↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	127	57	SHEETROCK w/COMPOUND	21ST FL HALLWAY		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(–) NAD	
	128	58	↓	20TH FL ↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
	129	59		18TH FL		1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	130	60		17TH FL		1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	131	61		15TH FL		1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	132	62		14TH FL		1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	133	63		12TH FL		1, 2, 3, 4, 5, 6, 7 G MD P	Y N		

PHYSICAL CONDITION ASSESSMENT	FRIABLE	PLM - POLARIZED LIGHT MICROSCOPY MICROSCOPY	TEM - TRANSMISSION ELECTRON
1 Damaged or Significantly Damaged Friable TSI 2 Damaged Friable Surfacing ACM 3 Significantly Damaged Friable Surfacing ACM 4 Damaged or Significantly Damaged Friable Misc. ACM 5 ACBM with potential for Damage 6 ACBM with potential for Significant Damage 7 Remaining Friable or Suspect ACBM G – Good / MD – Minor Damage / P -Poor	Yes (Y) No (N)	RELINQUISHED BY: [signature] DATE: 10/17/14 TIME: RECEIVED BY: J. AYIKARA DATE: 10-17-14 TIME: ANALYZED BY: E. Lodkianova DATE: 10-20-14 TIME: CHECKED BY: [signature] DATE: TIME:	

NYSDOL INSPECTOR:
CERTIFICATE NO.:
TELEPHONE NO. : (718)937-3720
ADDRESS: Airtek Environmental Corp.
39-37 29th Street, L.I.C., NY 11101

1. A visual determination of accessible suspect materials and condition.
2. Collect bulk samples of suspect building materials.
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8. A Chain of Custody record accompanied the samples to the laboratory.
9. Any inconclusive result for a NOB must be confirmed by TEM or assumed ACM.

FIELD NOTES:

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

* Materials containing 10% or more vermiculite are reported as Asbestos Containing Material (ACM)

TURN AROUND TIME:
☐ RUSH ☐ 6 HRS ☐ 24 HRS ☐ OTHER

14-10-152

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

PAGE 8 OF 9

PROJECT NO.: 14-1403
CLIENT: MAGNUM REAL ESTATE
PROJECT SITE:
INVESTIGATOR:

LOCATION(S) SURVEYED :
SCOPE OF WORK:
INSPECTOR: DATE(S) OF INSPECTION:

PCM PLM NOB/TEM

HA	Sample #	Lab #	Material Description	Sample Location	QUANTITY (LF/SF)	ASSESSMENT COND	ASSESSMENT FRIAB	Asbestos %	Vermiculite* %
	134	64	FLOOR MASTIC	21ST FL HALLWAY		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(-) NAD	(-) NAD
	135	65	↓	20TH FL ↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	136	66		18TH FL		1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	137	67		17TH FL		1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	138	68		15TH FL		1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	139	69		14TH FL		1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
	140	70	↓	12TH FL ↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
	141	71	CMU MORTAR	BSMT		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(-) NAD	
	142	72	↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	

PHYSICAL CONDITION ASSESSMENT
1 Damaged or Significantly Damaged Friable TSI
2 Damaged Friable Surfacing ACM
3 Significantly Damaged Friable Surfacing ACM
4 Damaged or Significantly Damaged Friable Misc. ACM
5 ACBM with potential for Damage
6 ACBM with potential for Significant Damage
7 Remaining Friable or Suspect ACBM
G - Good / MD - Minor Damage / P -Poor

FRIABLE
Yes (Y)
No (N)

PLM - POLARIZED LIGHT MICROSCOPY
TEM - TRANSMISSION ELECTRON MICROSCOPY

RELINQUISHED BY: _____ DATE: _____ TIME: _____
RECEIVED BY: J. I-YIKARA DATE: 10.17.14 TIME: _____
ANALYZED BY: E. Loukianova DATE: 10.20.14 TIME: _____
CHECKED BY: _____ DATE: _____ TIME: _____

NYSDOL INSPECTOR:
CERTIFICATE NO.:
TELEPHONE NO. : (718)937-3720
ADDRESS: Alrtek Environmental Corp.
39-37 29th Street, L.I.C., NY 11101

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FIELD NOTES:

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

* Materials containing 10% or more vermiculite are reported as Asbestos Containing Material (ACM)

TURN AROUND TIME:
☐ RUSH ☐ 6 HRS ☐ 24 HRS ☐ OTHER

14-10-152

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

PROJECT NO.: 14-1403
CLIENT: MAGNUM REAL ESTATE
PROJECT SITE:
INVESTIGATOR:

LOCATION(S) SURVEYED :
SCOPE OF WORK:
INSPECTOR: DATE(S) OF INSPECTION:

HA	Sample #	Lab #	Material Description	Sample Location	QUANTITY (LF/SF)	ASSESSMENT COND	ASSESSMENT FRIAB	Asbestos %	Vermiculite* %
	143	73	CMU MORTAR	BSMT		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(-) NAD	
						1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
						1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
						1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
						1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
						1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
						1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
						1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
						1, 2, 3, 4, 5, 6, 7 G MD P	Y N		

PHYSICAL CONDITION ASSESSMENT
1 Damaged or Significantly Damaged Friable TSI
2 Damaged Friable Surfacing ACM
3 Significantly Damaged Friable Surfacing ACM
4 Damaged or Significantly Damaged Friable Misc. ACM
5 ACBM with potential for Damage
6 ACBM with potential for Significant Damage
7 Remaining Friable or Suspect ACBM
G – Good / MD – Minor Damage / P -Poor

FRIABLE
Yes (Y)
No (N)

PLM - POLARIZED LIGHT MICROSCOPY
TEM - TRANSMISSION ELECTRON MICROSCOPY

RELINQUISHED BY: DATE: 10/17/14 TIME:
RECEIVED BY: J. I-IKARA DATE: 10.17.14 TIME:
ANALYZED BY: DATE: TIME:
CHECKED BY: E. Lolekiamoa DATE: 10.20.14 TIME:

NYSDOL INSPECTOR:
CERTIFICATE NO.:
TELEPHONE NO. : (718)937-3720
ADDRESS: Airtek Environmental Corp.
39-37 29th Street, L.I.C., NY 11101

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FIELD NOTES:

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

* Materials containing 10% or more vermiculite are reported as Asbestos Containing Material (ACM)

14-10-188

~~TURN~~ AROUND TIME: ☒ RUSH ☐ 6 HRS ☐ 24 HRS ☐ OTHER

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

PAGE 1 OF 4

PROJECT NO.: 14-1403

CLIENT: MAGNUM REAL ESTATE

PROJECT SITE: 385 1ST AVE

INVESTIGATOR:

LOCATION(S) SURVEYED: COMMERCIAL SPACES

SCOPE OF WORK:

INSPECTOR: DAVID POON DATE(S) OF INSPECTION: 10/17/14

HA	Sample #	Lab #	Material Description	Sample Location	QUANTITY (LF/SF)	ASSESSMENT COND	ASSESSMENT FRIAB	PLM Asbestos %	PLM NOB TEM Vermiculite* %
1	144		SHEETROCK W/COMPOUND	BANK		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(-) NAD	
2	145		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
3	146		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
4	147		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
5	148		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
6	149		Carpet Mastic	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(-) NAD	(-) NAD
7	150		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
8	151		Ceiling Tile	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(-) NAD	(-) NAD
9	152		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓

PHYSICAL CONDITION ASSESSMENT	FRIABLE	PLM - POLARIZED LIGHT MICROSCOPY MICROSCOPY	TEM - TRANSMISSION ELECTRON
1 Damaged or Significantly Damaged Friable TSI 2 Damaged Friable Surfacing ACM 3 Significantly Damaged Friable Surfacing ACM 4 Damaged or Significantly Damaged Friable Misc. ACM 5 ACBM with potential for Damage 6 ACBM with potential for Significant Damage 7 Remaining Friable or Suspect ACBM G – Good / MD – Minor Damage / P -Poor	Yes (Y) No (N)	RELINQUISHED BY: [signature] DATE: 10/19/14 TIME: RECEIVED BY: R. Pielsaint DATE: 10/19/14 TIME: ANALYZED BY: E. Loukianova DATE: 10/20/14 TIME: CHECKED BY: [signature] DATE: TIME:	

NYSDOL INSPECTOR:
CERTIFICATE NO.:

TELEPHONE NO. : (718)937-3720
ADDRESS: Airtek Environmental Corp.
39-37 29th Street, L.I.C., NY 11101

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FIELD NOTES:

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

* Materials containing 10% or more vermiculite are reported as Asbestos Containing Material (ACM)

14-10-188

TURN AROUND TIME:
☐ RUSH ☐ 6 HRS ☐ 24 HRS ☐ OTHER

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

PROJECT NO.: 14-1403
CLIENT: MAGNUM REAL ESTATE
PROJECT SITE:
INVESTIGATOR:

LOCATION(S) SURVEYED :
SCOPE OF WORK:
INSPECTOR: DATE(S) OF INSPECTION:

HA	Sample #	Lab #	Material Description	Sample Location	QUANTITY (LF/SF)	ASSESSMENT COND	ASSESSMENT FRIAB	Asbestos %	Vermiculite* %
10	153		FLOOR GROUT	BANK		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(-) NAD	
11	154		"	"		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	"	
12	155		"	"		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	"	
13	156		"	"		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	"	
14	157		"	"		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	"	
15	158		SHEETROCK W/COMPOUND	DINGR		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(-) NAD	
16	159		"	"		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	"	
17	160		"	"		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	"	
18	161		"	"		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	"	

PHYSICAL CONDITION ASSESSMENT
1 Damaged or Significantly Damaged Friable TSI
2 Damaged Friable Surfacing ACM
3 Significantly Damaged Friable Surfacing ACM
4 Damaged or Significantly Damaged Friable Misc. ACM
5 ACBM with potential for Damage
6 ACBM with potential for Significant Damage
7 Remaining Friable or Suspect ACBM
G – Good / MD – Minor Damage / P -Poor

FRIABLE: Yes (Y) No (N)

PLM - POLARIZED LIGHT MICROSCOPY TEM - TRANSMISSION ELECTRON MICROSCOPY

RELINQUISHED BY: 10/19/14 DATE: 10/19/14 TIME:
RECEIVED BY: DATE: 10/19/14 TIME:
ANALYZED BY: E. Lachiancora DATE: 10/20/14 TIME:
CHECKED BY: DATE: TIME:

NYSDOL INSPECTOR:
CERTIFICATE NO.:
TELEPHONE NO. : (718)937-3720
ADDRESS: Airtek Environmental Corp.
39-37 29th Street, L.I.C., NY 11101

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FIELD NOTES:

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

* Materials containing 10% or more vermiculite are reported as Asbestos Containing Material (ACM)

14-10-188

TURN AROUND TIME:
☐ RUSH ☐ 6 HRS ☐ 24 HRS ☐ OTHER

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

PAGE 3 OF 4

PROJECT NO.: 14-1403
CLIENT: MAGNUM REAL ESTATE
PROJECT SITE:
INVESTIGATOR:

LOCATION(S) SURVEYED:
SCOPE OF WORK:
INSPECTOR: DATE(S) OF INSPECTION:

HA	Sample #	Lab #	Material Description	Sample Location	QUANTITY (LF/SF)	ASSESSMENT COND	ASSESSMENT FRIAB	Asbestos % (PLM)	Vermiculite* % (PLM NOB TEM)
19	162		SHEETROCK W/COMPOUND	DINER		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(-) NAD	
20	163		FLOOR GROUT	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
21	164		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
22	165		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
23	166		CEILING TILE	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(-) NAD	(-) NAD
24	167		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
25	168		SHEETROCK W/COMPOUND	CLOTHING STORE		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(-) NAD	
26	169		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
27	170		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	

PHYSICAL CONDITION ASSESSMENT	FRIABLE	PLM - POLARIZED LIGHT MICROSCOPY MICROSCOPY	TEM - TRANSMISSION ELECTRON
1 Damaged or Significantly Damaged Friable TSI 2 Damaged Friable Surfacing ACM 3 Significantly Damaged Friable Surfacing ACM 4 Damaged or Significantly Damaged Friable Misc. ACM 5 ACBM with potential for Damage 6 ACBM with potential for Significant Damage 7 Remaining Friable or Suspect ACBM G – Good / MD – Minor Damage / P -Poor	Yes (Y) No (N)	RELINQUISHED BY: [signature] DATE: 10/18/14 TIME: RECEIVED BY: R. Pierson DATE: 10/19/14 TIME: ANALYZED BY: E. Vaughan DATE: 10/20/14 TIME: CHECKED BY: [signature] DATE: TIME:	

NYSDOL INSPECTOR:
CERTIFICATE NO.:

TELEPHONE NO.: (718)937-3720
ADDRESS: Airtek Environmental Corp.
39-37 29th Street, L.I.C., NY 11101

1. A visual determination of accessible suspect materials and condition.
2. Collect bulk samples of suspect building materials.
3. A physical "Hand Pressure" test for determining friability and condition.
4. Assessment of suspect friable and non-friable materials and locations.
5. Quantify the amount of suspect materials in their respective locations.
6. Submit bulk samples for analysis by PLM and/or TEM Method.
7. Bulk Sample locations and suspect materials were identified on the appropriate building floor plan diagram with the sample number.
8. A Chain of Custody record accompanied the samples to the laboratory.
9. Any inconclusive result for a NOB must be confirmed by TEM or assumed ACM.

FIELD NOTES:

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

* Materials containing 10% or more vermiculite are reported as Asbestos Containing Material (ACM)

Airtek ENVIRONMENTAL

14-10-188

TURN AROUND TIME:
☐ RUSH ☐ 6 HRS ☐ 24 HRS ☐ OTHER

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

PAGE 4 OF 4

PROJECT NO.: 14-1403
CLIENT: MAGNUM REAL ESTATE
PROJECT SITE:
INVESTIGATOR:

LOCATION(S) SURVEYED :
SCOPE OF WORK:
INSPECTOR: DATE(S) OF INSPECTION:

HA	Sample #	Lab #	Material Description	Sample Location	QUANTITY (LF/SF)	ASSESSMENT COND	ASSESSMENT FRIAB	PLM Asbestos %	PLM Vermiculite* %
28	171		SHEETROCK w/compound	CLOTHING STORE		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(-) NAD	
29	172		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	
30	173		WOOD FL TILE MASTIC	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(-) NAD	(-) NAD
31	174		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
32	175		CEILING TILE	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	(-) NAD	(-) NAD
33	176		↓	↓		1, 2, 3, 4, 5, 6, 7 G MD P	Y N	↓	↓
						1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
						1, 2, 3, 4, 5, 6, 7 G MD P	Y N		
						1, 2, 3, 4, 5, 6, 7 G MD P	Y N		

PHYSICAL CONDITION ASSESSMENT	FRIABLE	PLM - POLARIZED LIGHT MICROSCOPY MICROSCOPY	TEM - TRANSMISSION ELECTRON
1 Damaged or Significantly Damaged Friable TSI 2 Damaged Friable Surfacing ACM 3 Significantly Damaged Friable Surfacing ACM 4 Damaged or Significantly Damaged Friable Misc. ACM 5 ACBM with potential for Damage 6 ACBM with potential for Significant Damage 7 Remaining Friable or Suspect ACBM G – Good / MD – Minor Damage / P -Poor	Yes (Y) No (N)	RELINQUISHED BY: [signature] DATE: 10/19/14 TIME: RECEIVED BY: R. Pierson DATE: 10/19/14 TIME: ANALYZED BY: E. Kuhiquove DATE: 10/20/14 TIME: CHECKED BY: [signature] DATE: TIME:	

NYSDOL INSPECTOR:
CERTIFICATE NO.:

TELEPHONE NO. : (718)937-3720
ADDRESS: Airtek Environmental Corp.
39-37 29th Street, L.I.C., NY 11101

1. A visual determination of accessible suspect materials and condition.
2. Collect bulk samples of suspect building materials.
3. A physical "Hand Pressure" test for determining friability and condition.
4. Assessment of suspect friable and non-friable materials and locations.
5. Quantify the amount of suspect materials in their respective locations.
6. Submit bulk samples for analysis by PLM and/or TEM Method.
7. Bulk Sample locations and suspect materials were identified on the appropriate building floor plan diagram with the sample number.
8. A Chain of Custody record accompanied the samples to the laboratory.
9. Any inconclusive result for a NOB must be confirmed by TEM or assumed ACM.

FIELD NOTES:

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

* Materials containing 10% or more vermiculite are reported as Asbestos Containing Material (ACM)

APPENDIX B

8.0 Accreditations

NVLAP® National Voluntary Laboratory Accreditation Program

SCOPE OF ACCREDITATION TO ISO/IEC 17025:2005

Laboratory Testing Services Inc.
45-09 Greenpoint Avenue
Long Island City, NY 11104
Mr. Emanuel Dimitrakos
Phone: 718-389-3470 Fax: 718-389-3471
E-Mail: edimitrakas@labtestingservices.com

BULK ASBESTOS FIBER ANALYSIS (PLM) **NVLAP LAB CODE 101958-0**

NVLAP Code	*Designation / Description*
18/A01	EPA 600/M4-82-020: Interim Method for the Determination of Asbestos in Bulk Insulation Samples

2014-07-01 through 2015-06-30
Effective dates

For the National Institute of Standards and Technology

United States Department of Commerce
National Institute of Standards and Technology

NVLAP®

Certificate of Accreditation to ISO/IEC 17025:2005

NVLAP LAB CODE: 101958-0

Laboratory Testing Services Inc.

Long Island City, NY

is accredited by the National Voluntary Laboratory Accreditation Program for specific services, listed on the Scope of Accreditation, for:

BULK ASBESTOS FIBER ANALYSIS

This laboratory is accredited in accordance with the recognized International Standard ISO/IEC 17025:2005. This accreditation demonstrates technical competence for a defined scope and the operation of a laboratory quality management system (refer to joint ISO-ILAC-IAF Communique dated January 2009).

2014-07-01 through 2015-06-30

Effective dates

DEPARTMENT OF COMMERCE ★ UNITED STATES OF AMERICA ★

For the National Institute of Standards and Technology

NVLAP-01C (REV. 2009-01-28)

COPY

NEW YORK STATE DEPARTMENT OF HEALTH
WADSWORTH CENTER

Expires 12:01 AM April 01, 2015
Issued April 01, 2014

CERTIFICATE OF APPROVAL FOR LABORATORY SERVICE

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

NY Lab Id No: 10955

MR. EMANUEL DIMITRAKAS
LABORATORY TESTING SERVICES INC
45-09 GREENPOINT AVENUE
LONG ISLAND CITY, NY 11104

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

Miscellaneous	
Asbestos in Friable Material	Item 198.1 of Manual
	EPA 600/M4/82/020
Asbestos in Non-Friable Material-PLM	Item 198.6 of Manual (NOB by PLM)
Asbestos in Non-Friable Material-TEM	Item 198.4 of Manual
Lead in Dust Wipes	EPA 7000B
Lead in Paint	ASTM D3335-85A
Sample Preparation Methods	
	APP. 14.2, HUD JUNE 1995

Serial No.: 51040

Property of the New York State Department of Health. Certificates are valid only at the address shown, must be conspicuously posted, and are printed on secure paper. Continued accreditation depends on successful ongoing participation in the Program. Consumers are urged to call (518) 485-5570 to verify the laboratory's accreditation status.

LOCAL LAW 11 REPORT

Israel Berger & Associates

March 27, 2013

POST PROPERTIES
4401 Northside Parkway NW
Atlanta, GA 30327
404.846.5002

ATTN: Mr. George Kelly

Re: **385 FIRST AVENUE – POST LUMINARIA**

NYC Department of Buildings filings for Local Law 11/98 Report, 7th Cycle

Dear Mr. Kelly,

Enclosed please find a copy of the approved, date-stamped Local Law 11/98 7th Cycle for Post Luminaria that was filed with the New York City Department of Buildings.

This building was filed as "SWARMP" (Safe with repair and maintenance program).

If you have any questions, please call.

Sincerely,

Anoush Hovhannessian

NYC Buildings

Technical Report (TR6)

Periodic Inspection of Exterior Walls and Appurtenances

Sub-Cycle 7A – February 21, 2010 — February 21, 2012
Sub-Cycle 7B – February 21, 2011 — August 21, 2012
Sub-Cycle 7C – February 21, 2012 — February 21, 2013

Must be typewritten.

Place stamp here

CoG

For SWARMP or Safe status reports, submit *one (1) microfilm, one (1) original report, and one (1) copy.*
For Unsafe status or Amended reports, submit *one (1) microfilm, one (1) original report, and two (2) copies.*

Control #: 713466

1 Filing Information *(Indicate if combined cycles)*

☒ Initial Filing ☐ Amended Filing ☐ Subsequent Filing

Report cycle: 7B Report cycle: _____ Initial filing date: _____

Last cycle filing date: N/A Initial unsafe filing date: _____

2 Location Information

House No(s) 385 Street Name FIRST AVENUE Zip 10010 CB No 106 BIN 1086124

Borough MAN AKA Block 928 Lot 31

3 Inspection Report Status Information

Current Cycle: Last Inspection Date 08-10-12 SWARMP Recommended Date 08-10-14

☐ Safe ☒ Safe with repair and maintenance program (SWARMP) ☐ Unsafe

Prior Filing Cycle _____

☐ Safe ☐ SWARMP ☐ Unsafe

4 Building Characteristics

Landmark Building: ☐ Yes ☒ No Landmark District: ☐ Yes ☒ No

Number of stories: 21 Exterior wall type: CONCRETE/GLASS/ALUMINUM

Wall(s) Subject to Inspection

☒ All ☐ Partial _____

5 Qualified Exterior Wall Inspector (QEWI) Information

Last Name CHAN First Name STANFORD MI

Bus. Name VIDARIS, INC. Bus. Address 360 PARK AVENUE SOUTH, 15TH FL Bus. Tel. (212) 689-5389

City NEW YORK State NY Zip 10010 Bus. Fax (212) 689-6449

NYS Lic. # 027495 ☐ P.E. ☒ R.A. Mobile Phone

E-Mail SCHAN@IBANY.COM

6 Owner of Record Information *(Not a Representative or Business Manager or Agent)*

Last Name KELLY First Name GEORGE MI

Bus. Name ROSE HILL ASSOCIATES LLC Bus. Address 4401 NORTHSIDE PARKWAY NW Bus. Tel. (404) 846-5002

City ATLANTA State GA Zip 30327 Bus. Fax

E-Mail Mobile Phone

7 Statements and Signatures

Owner / Owner Representative

(A) I hereby state that I am the owner/owner's representative of the premises referenced in the attached report. Furthermore, I have received and read a copy of the attached report and I am aware of the required repairs and/or maintenance, if any and the recommended time frame for same.

(B) I certify that all items noted as SWARMP conditions in the previous cycle's report have been corrected/repaired; or this report must be rated as Unsafe as per Administrative Code section §28-302.1, if applicable.

Name GEORGE KELLY Signature _____

Relationship to owner AGENT Phone (404) 846-5002

Email GEORGE.KELLY@ROSEPROPERTIES.COM Date 8/16/12

Qualified Exterior Wall Inspector (QEWI)

Name (please print) STANFORD CHAN

Signature _____ Date 8/14/12

I hereby state that I, the Owner/Owner's Representative has authorized me to submit this report. Furthermore, I hereby state that all statements are correct and complete to the best of my knowledge. A copy of this report has been given to the owner.

P.E. / R.A. Seal *(apply seal then sign and date)*

REGISTERED ARCHITECT STANFORD CHAN 027495 STATE OF NEW YORK

Falsification of any statement is a misdemeanor and is punishable by a fine or imprisonment, or both. It is unlawful to give to a city employee, or for a city employee to accept, any benefit, monetary or otherwise, either as a gratuity for properly performing the job or in exchange for special consideration. Violation is punishable by imprisonment or fine or both.

02/11

Israel Berger & Associates

360 Park Avenue South, 15th Floor, New York, NY 10010
T: 212.689.5389 F: 212.689.6449

FAÇADE INSPECTION AND SAFETY PROGRAM REPORT (FISP)

In Accordance With The Administrative Code Of The City of New York Section 103-04 Periodic Inspection of Exterior Walls and Appurtenances of Buildings

Property: **POST LUMINARIA**
385 FIRST AVE
NEW YORK, NY 10010

Prepared For: Post Properties, Inc.
4401 Northside Parkway NW
Atlanta, Georgia 30327

Prepared By: VIDARIS, INC.
360 Park Avenue South
15th Floor
New York, NY 10010
Tel: 212.689.5389
Fax: 212.689.6449

Michael Greene
Jesse Rushworth
Stanford Chan, RA

Date of Report: August 13, 2012

Submitted Report Date: _____

Israel Berger & Associates
A Veritas Company

360 Park Avenue South, 15th Floor, New York, NY 10010
T: 212.689.5389 F: 212.689.6449

TABLE OF CONTENTS

Property Information	**[Items A, B]**
Detailed Description of Inspected Building	**[Items C, D]**
Methods Used to Conduct Inspection	**[Items E, F]**
Report of Findings and Recommendations	**[Items G, H, I, J, K, L, M]**
Summary of Findings	**[Item N]**
Professional Seal and Signature with Date	**[Item O]**

IBA Israel Berger & Associates
A Adams Company
360 Park Avenue South, 15th Floor, New York, NY 10010
T: 212.689.5389 F: 212.689.6449

Property Information [Items A, B]		
A	· Address · A.K.A. Addresses · Cross Streets · Block · Lot · BIN · Landmark Status · Property Profile Overview	385 First Avenue, New York, NY 10010 385-397 First Ave and 348-354 East 23rd Street First Avenue and East 23rd Street 928 31 1086124 No There are no DOB or ECB façade related violations for the building.
B	Owner Information: · Name · Company · Address · Telephone number Agent Information:	 ROSE HILL ASSOCIATES, LLC 4401 Northside Parkway NW Atlanta, Georgia 30327 (404) 846-5002 George Kelly Post Properties, Inc. 4401 Northside Parkway NW Atlanta, Georgia 30327 (404) 846-5002

Description of the Inspected Building [Items C,D]		
C	Description of Building: 1. Type of construction	Completed in 2002 and designed by Gerner Kronick + Valcarce, Post Luminaria (385 First Ave) is approximately 138,000 square feet. Bordered by First Avenue and East 23rd Street in lower Manhattan, the building structure is reinforced concrete. Its exterior walls are a combination of textured concrete and glass and aluminum window walls with set-backs on the 14th and 18th Floors. The concrete slab edge is exposed.
	2. Age	2002 / 10-years-old
	3. # of stories/ height	20 floors/approx. 200 ft.
	4. Plan dimensions	Irregularly configured: 72' X 70'
	5. Appurtenances:	
	· light fixtures	Yes Safe
	· signs	Yes Safe
	· canopies	Yes Safe
	· cameras	Yes Safe
	· louvers	Yes Safe
	6. C of O #	N/A
	7. Usage (if available)	Commercial and residential lobby at 1st floor, Residential rentals from 2nd to 20th floors.

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D	A detailed description of any settlements, repairs, revisions to exterior enclosures	No significant signs of building settlement, repairs, or revisions to the exterior enclosures were noted during our observations.
Methods Used to Conduct Inspection [Items E, F]		
E	Critical examination procedure	Visual examinations of building facades were conducted from street level, the main roof and roof setbacks with the aid of high powered binoculars. Close-up inspections were performed from the main roof to the street level along the 23rd Street and 1st Ave building elevations on 7/12/11 and 10/28/12 (by Jesse Rushworth with Vidaris, Inc.) and on 10/21/12, 10/25/12, 10/26/12, and 10/28/12 (by Michael Greene with Vidaris, Inc.). See Photo #2 and Location Diagram in Section F-3 for scaffold drop locations.
F	1. QEWI performed "physical examination" on:	**8/10/12**
	2. Contractor Info: · Name · Company · Address · Telephone number · Rigger's license #	 Raul Ochotorena Rally Restoration Corp. 187 Miller Street Newark, NJ. 07114 973-242-0515 5865

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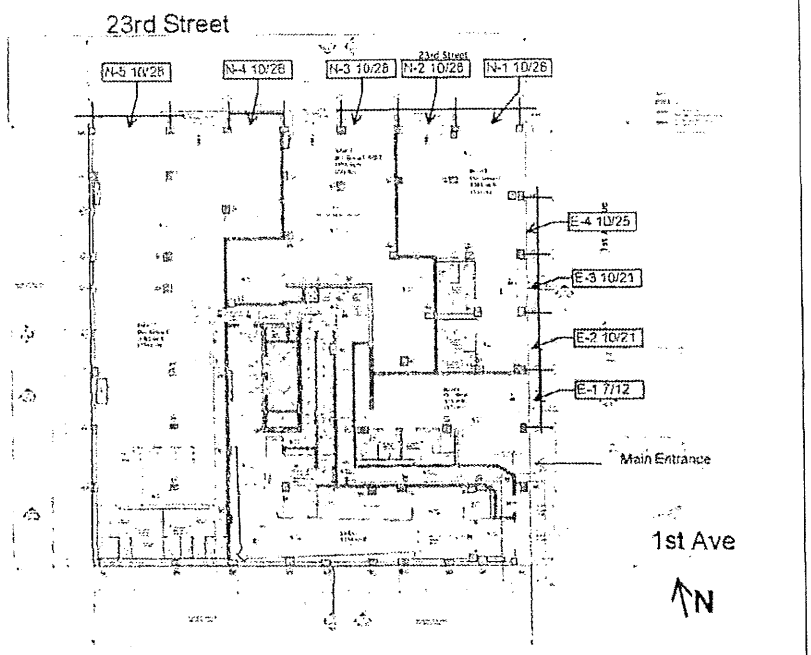
	3. Location Diagram	

Report of Findings and Recommendations [G,H,I,J,K,L,M]

G	Exterior Wall Observations	The following is a report of the existing conditions that have been observed during our examination. **A. CONCRETE SILLS:** There are exposed reinforced concrete sills at each floor-slab. These sills are in fair condition. IBA observed isolated concrete spalling at the sills at various locations. These conditions fall within the guidelines of "SWARMP" and should be addressed within 24 months. **B. CONCRETE PIERS:** The concrete piers appear to be in good condition, with the exception of some minor cracking and spalling at the face of the concrete. The piers fall within the guidelines of "SWARMP" and should be addressed within 24 months. **C. WINDOW WALL UNITS:** The window wall units, which make up a majority the facade, appear to be in good condition, with the exception of loose snap-trim and gaskets in isolated areas. A portion of the window wall unit contains an operable sliding glass window. The window wall units fall within the guidelines of "SAFE."

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	Ext. Wall Observations (Cont.)	**D. BULKHEAD:** The bulkhead is of the same reinforced concrete construction as the rest of the building and is in good condition. The bulkhead falls within the guidelines of "SAFE." **E. PARAPETS:** The parapets at the 14th floor, 18th floor, and roof are of the same reinforced concrete construction as the rest of the building and are in good condition. The parapets fall within the guidelines of "SAFE."
	2. Apparent water-tightness of exterior surfaces	At the time of the inspection there were no reported façade or roof related leaks observed at the building.
	3. Appurtenances	
	· Light Fixtures	**1st Floor (canopy level):** There are light fixtures installed at various locations at the 1st floor. Surface mounted light fixtures were observed to be in good condition. The light fixtures fall within the definition of "SAFE."
	· Signs	**23rd Street and 1st Ave:** Signs were observed to be in good condition. The signs fall within the definition of "SAFE."
	· Canopies	**At front entrance (First Ave):** Canopies were observed to be in good condition. The canopies fall within the definition of "SAFE."
	· Cameras	**1st Floor:** Cameras were observed to be in good condition. The cameras fall within the definition of "SAFE."
	· Louvers	**1st Floor and at each window wall unit:** Louvers were observed to be in good condition. The louvers fall within the definition of "SAFE."
H	Causes of reported conditions	The conditions observed are common for building of this age and construction type.
I	Status of Exterior Maintenance	The building owner monitors and maintains the building by performing limited exterior restoration work. Where conditions are identified which are beyond the normal scope of the

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		maintenance department, the Owner refers these conditions to an outside consultant.
J	Comparison to previous examinations. Status of repairs performed with respect to prior conditions	No previous report, this is the building's first filing.

K Recommendations for repairs or maintenance (to be addressed by: August 21, 2014).

No.	Description	Elev.	Floor	Wind. #, from left	Status	Photo #
A	Spalling Concrete Eyebrows	Various	Various	3	SWARMP	3
B	Spalling Concrete Piers	Various	Various	4	SWARMP	4

L Work permits required to accomplish the necessary work:
Yes, **concrete repairs** require a work permit.

M Photograph of building address, entire street elevation, and photographs/sketches documenting locations of conditions either unsafe or SWARMP.

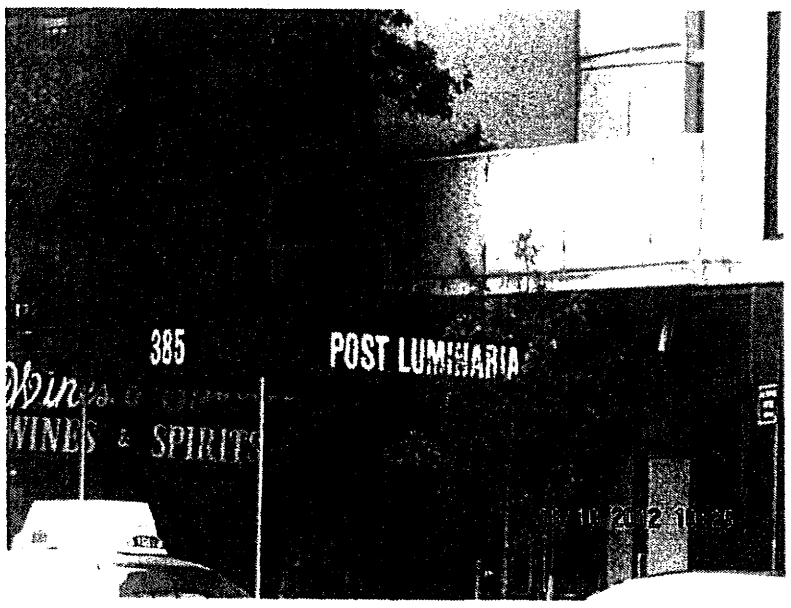

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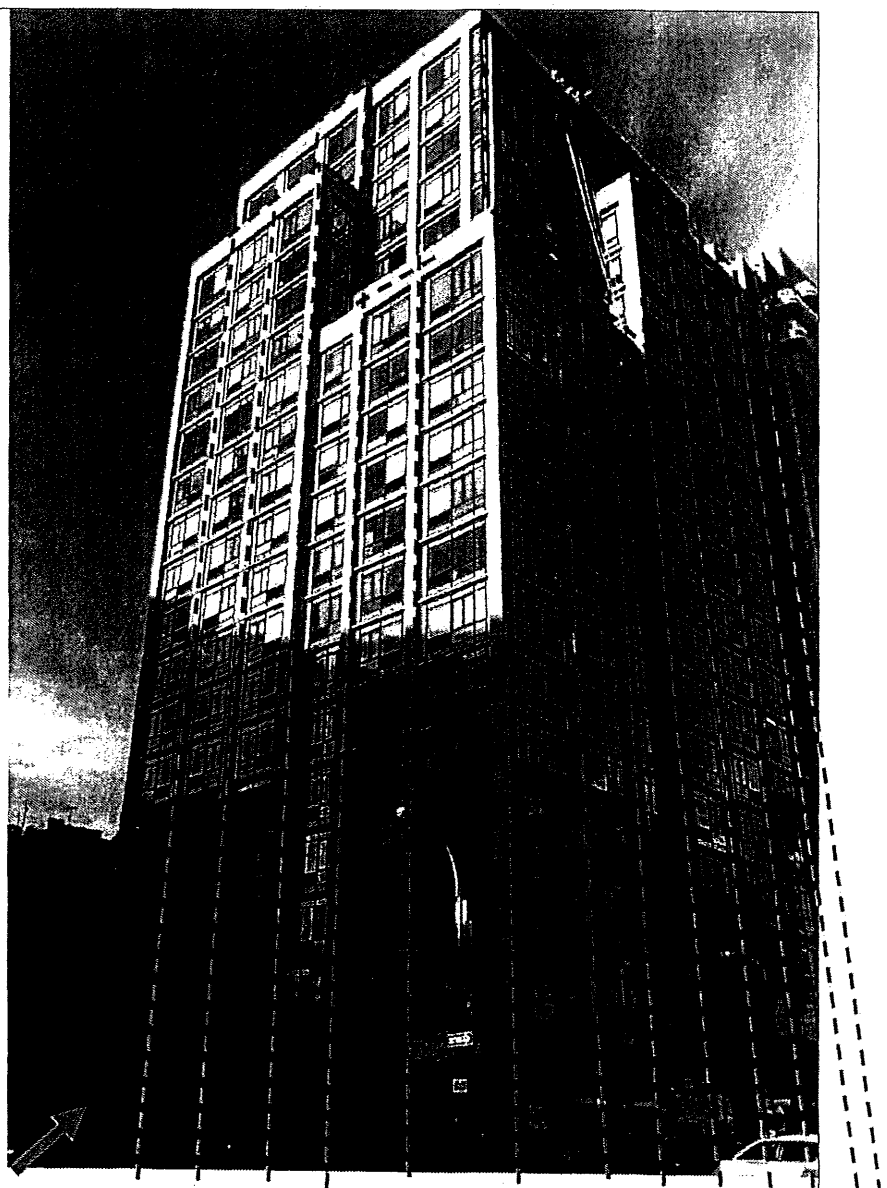
	Photo #2: General view of building showing location of scaffold drops	 MAIN ENTRANCE

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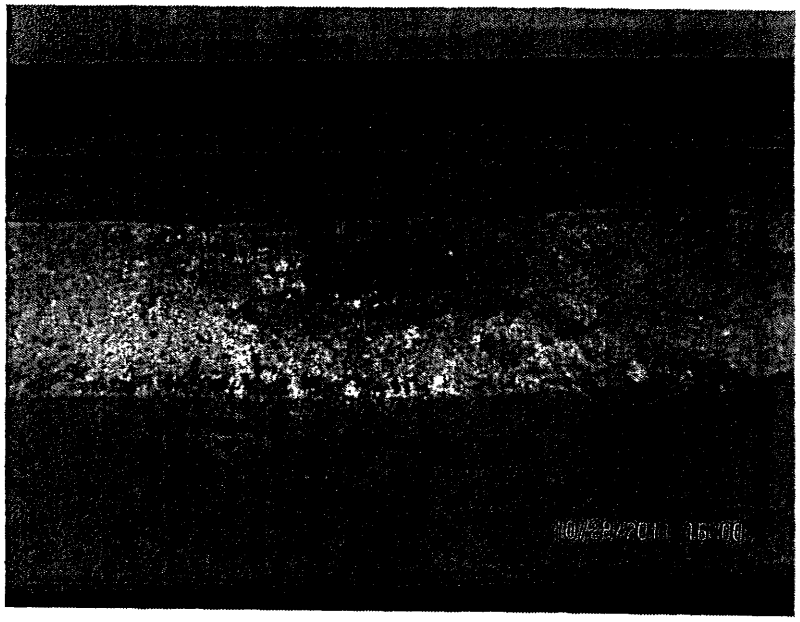
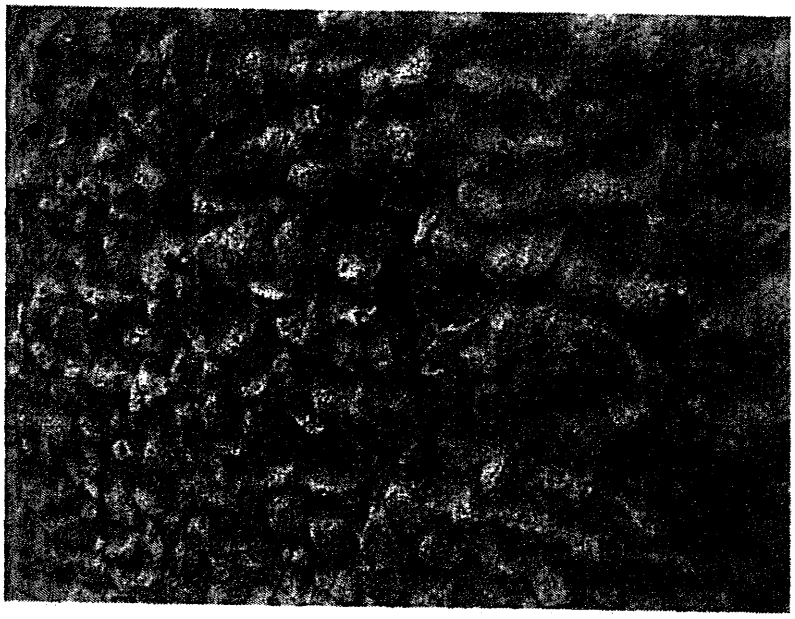
	Photo #3: **Spalling Concrete Sill:** 8th Floor, East Elevation	
	Photo #4: **Spalling Concrete Piers:** 4th Floor, East Elevation	

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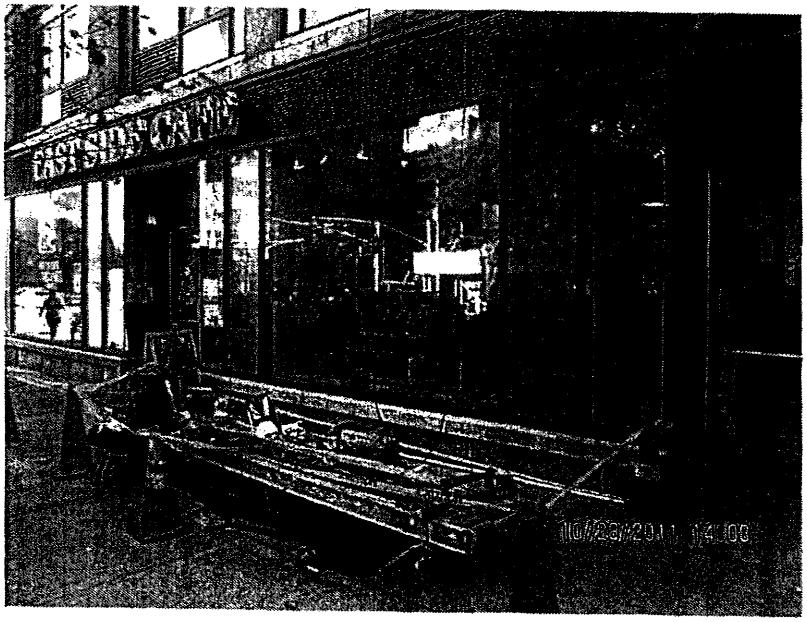
	Photo #5: **Light Fixtures, Signs and Louvers:** ground floor	
	Photo #5: **Signs and Louvers:** ground floor:	

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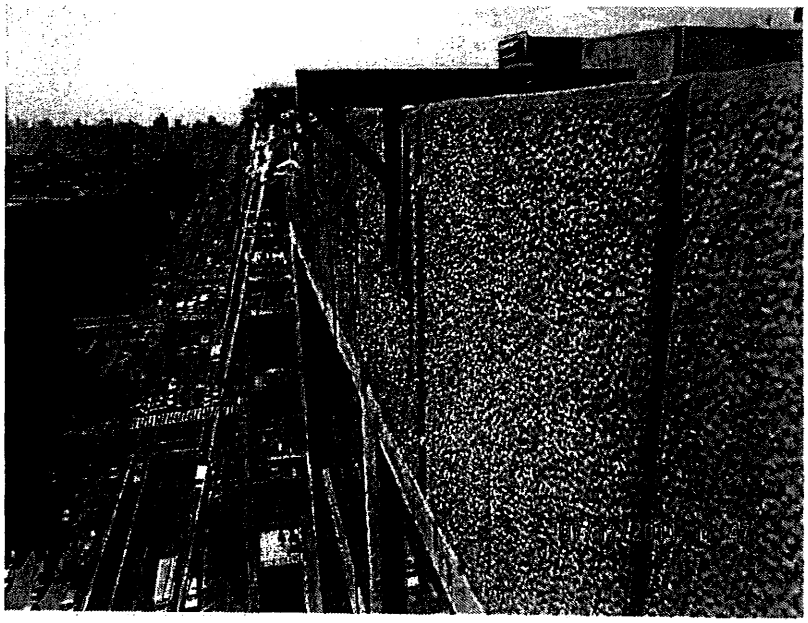
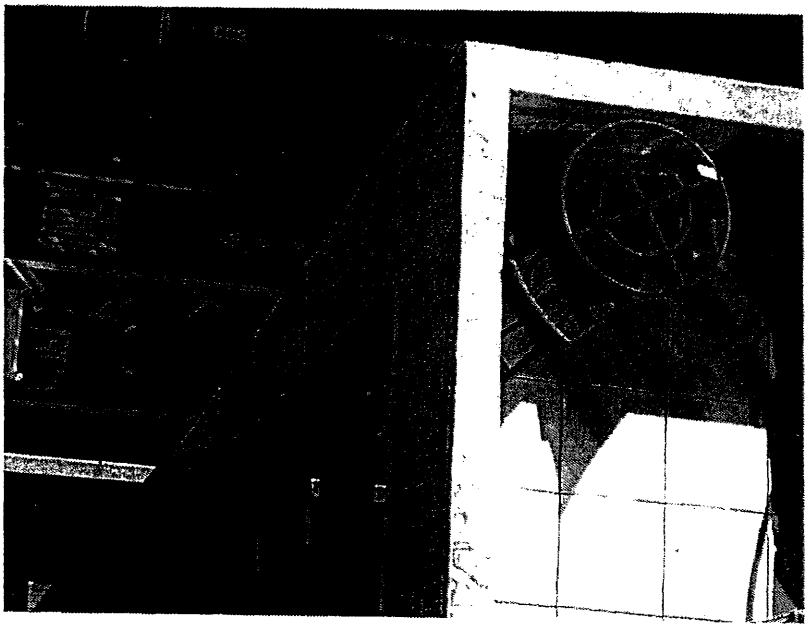
	Photo #6: **Parapet:** 18th Floor, East Elevation- Parapet Exterior	
	Photo #7: **Parapet:** 14th Floor, North Elevation- Parapet Exterior/Interior	

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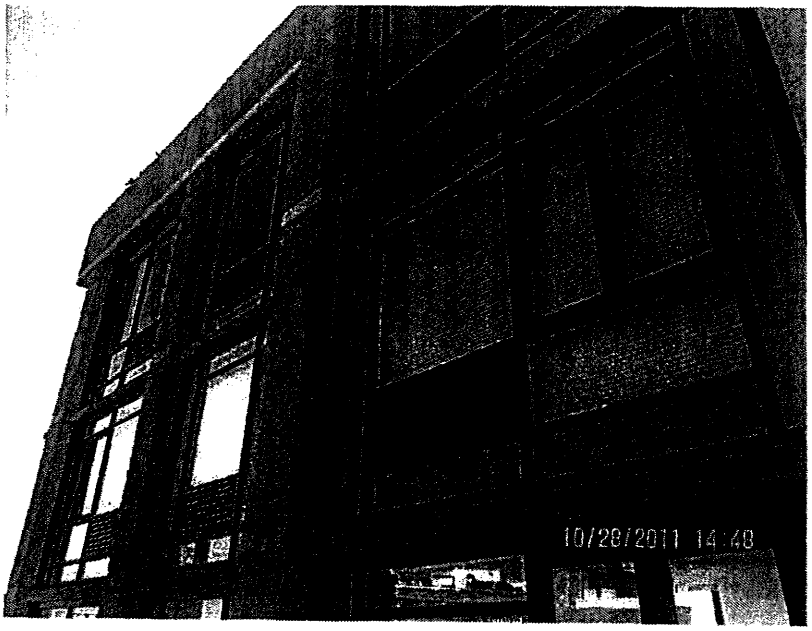
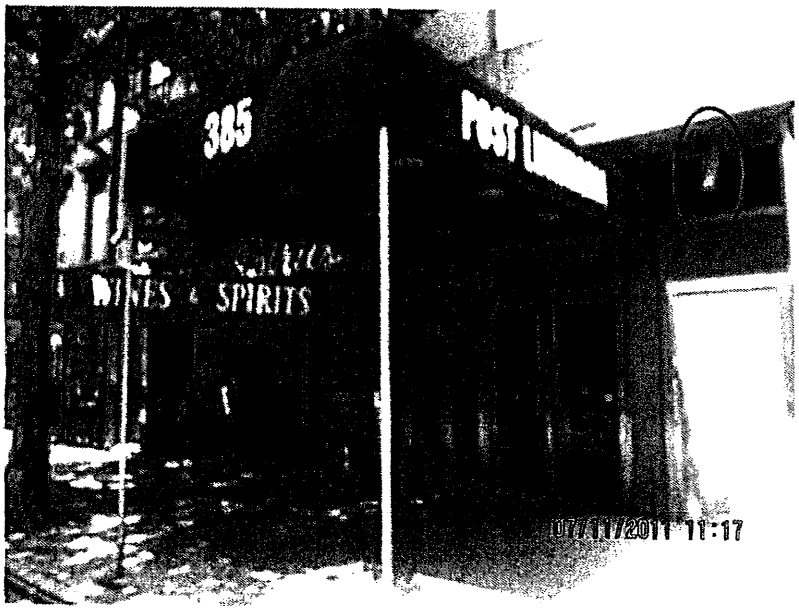
	Photo #8: **Window Wall Units:** 18th Floor, East Elevation	
	Photo #8: **Canopy and Camera:** Ground Floor, East Elevation	

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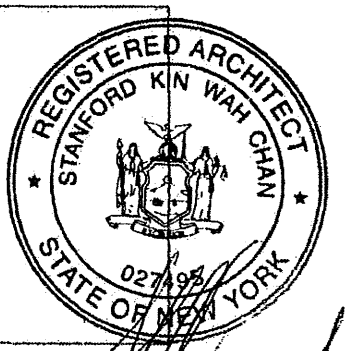
Summary of Findings [Item N]		
N	*"SWARMP"*	Vidaris, Inc. performed the Cycle 7 FISP inspection of **385 First Ave.** The inspection was performed in accordance with Section 103-04 of the Administrative Code of the City of New York. Note: There was no Cycle 6 report for this project. This is the building's first filing. After our inspection of the above-mentioned property, the owner was informed that the current inspection would be filed as *"SWARMP"*, and that the repairs are to be addressed within **24** months from the date of the QEWI visit.
	Professional shall not file a report of the same condition that is *"SWARMP"* for two consecutive filing periods.	
Professional Seal and Signature with Date [Item O]		

Israel Berger & Associates
360 Park Avenue South, 15th Floor, New York, NY 10010
T: 212.689.5389 F: 212.689.6449

O **DISCLAIMER**

This report and findings constitute the assessment performed under the direct supervision by the undersigned QEWI in compliance with the requirements of The Administrative Code of the City of New York Section 103-04 and is based solely on a visual examination of the exterior façades at the time of the inspection. Such assessments and conclusions unless expressly stated are not to be interpreted as certification of the safety of the building, nor do they imply any guarantee or liability on the part of the undersigned. This report is intended to identify conditions that are "Unsafe" or could become "Unsafe" if not addressed. Where appropriate, more specific time frames for addressing noted conditions have been given. This report is not intended to identify items that should be routinely maintained for the purpose of extending the serviceability of building components.



8/14/12

VIDARIS, INC.
STANFORD CHAN, RA

NYS LICENSE # 027495

Received, reviewed and acknowledged by Owner/Owner Representative

_____ Signature

GEORGE KOLF Print

8/16/12 Date

END OF 7TH CYCLE FISP REPORT

NYC Buildings

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NYC Department of Buildings

Property Profile Overview

385 FIRST AVENUE MANHATTAN 10010 BIN# 1086124

1 AVENUE	385 - 397			Tax Block	: 928
EAST 23 STREET	348 - 354	Census Tract	: 64	Tax Lot	: 31
		Community Board	: 106	Condo	: NO
		Buildings on Lot	: 1	Vacant	: NO

View DCP Addresses... Browse Block

View Zoning Documents | View Challenge Results | View Certificates of Occupancy

Cross Street(s):	EAST 22 STREET, EAST 23 STREET		
DOB Special Place Name:			
DOB Building Remarks:			
Landmark Status:		**Special Status:**	N/A
Local Law:	NO	**Loft Law:**	NO
SRO Restricted:	NO	**TA Restricted:**	NO
UB Restricted:	NO		
Little 'E' Restricted:	NOISE	**Grandfathered Sign:**	NO
Legal Adult Use:	NO	**City Owned:**	NO
Additional BINs for Building:	1800048		

Special District: UNKNOWN

This property is not located in an area that may be affected by Tidal Wetlands, Freshwater Wetlands, or Coastal Erosion Hazard Area. Click here for more information

Department of Finance Building Classification: D9-ELEVATOR APT

Please Note: The Department of Finance's building classification information shows a building's tax status, which may not be the same as the legal use of the structure. To determine the legal use of a structure, research the records of the Department of Buildings.

	Total	Open
Complaints	13	1
Violations-DOB	37	3
Violations-ECB (DOB)	11	1
Jobs/Filings	56	
ARA / LAA Jobs	0	
Total Jobs	56	
Actions	102	

OR Enter Action Type:
OR Select from List: Select...
AND Show Actions

Elevator Records
Electrical Applications
Permits In-Process / Issued
Illuminated Signs Annual Permits
Plumbing Inspections
Open Plumbing Jobs / Work Types
Facades
Marquee Annual Permits
Boiler Records
DEP Boiler Information- *Temporarily unavailable*
Crane Information
After Hours Variance Permits

If you have any questions please review these Frequently Asked Questions, the Glossary, or call the 311 Citizen Service Center by dialing 311 or (212) NEW YORK outside of New York City.

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NYC Department of Buildings

Facades on Block / Lot

Premises: 385 1 AVENUE MANHATTAN **BIN: 1086124 Block: 928 Lot: 31**

Filter by cycle: Show All Cycles GO

CYCLE	SUB-CYCLE	CONTROL NUMBER	HOUSE NUMBER	STREET NAME	BBL SEQNO	CURRENT STATUS	BIN	NUM STORIES	INIT FILE DATE
07	B	713466	385	FIRST AVENUE	01	NR	1086124	21	

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NYC Department of Buildings

Facade Status Information

Premises: 385 1 AVENUE MANHATTAN **Cycle: 7B**

BIN: 1086124 Block: 928 Lot: 31 **Control Number: 713466**

Filed At:	385 FIRST AVENUE
Current Status * :	NR - NO REPORT FILED
NYS License Number:	PE 062545
Applicant Name:	THOMAS M CAPOBIANCO
Applicant Business:	J.K.BLUM CO.LLP 6 EAST 39TH STREET NEW YORK NY 10016
Owner Name:	JOSEPH PUNIA
Owner Business:	NEW AMSTERDAM APARTMENTS P.O.BOX 6817 BRIDGEWATER
Exterior Wall Types:	

Late Filing?	NO	**Late Filing Amount Due:**	0
Initial Filing Date:		**Initial Filing Status:**	NR - NO REPORT FILED
Amended Filing Date:		**Amended Filing Status:**	
Subsequent Filing Date:		**Subsequent Filing Status:**	
Prior Cycle Filing Date:		**Prior Status:**	SW - SAFE W/REPAIR & MAINTENANCE
Field Inspection Completed Date:		**QEWI‡ Signed Date:**	

(*) Current Status of SW, UN or OK indicates an accepted report.

(‡) QEWI - Qualified Exterior Work Inspector

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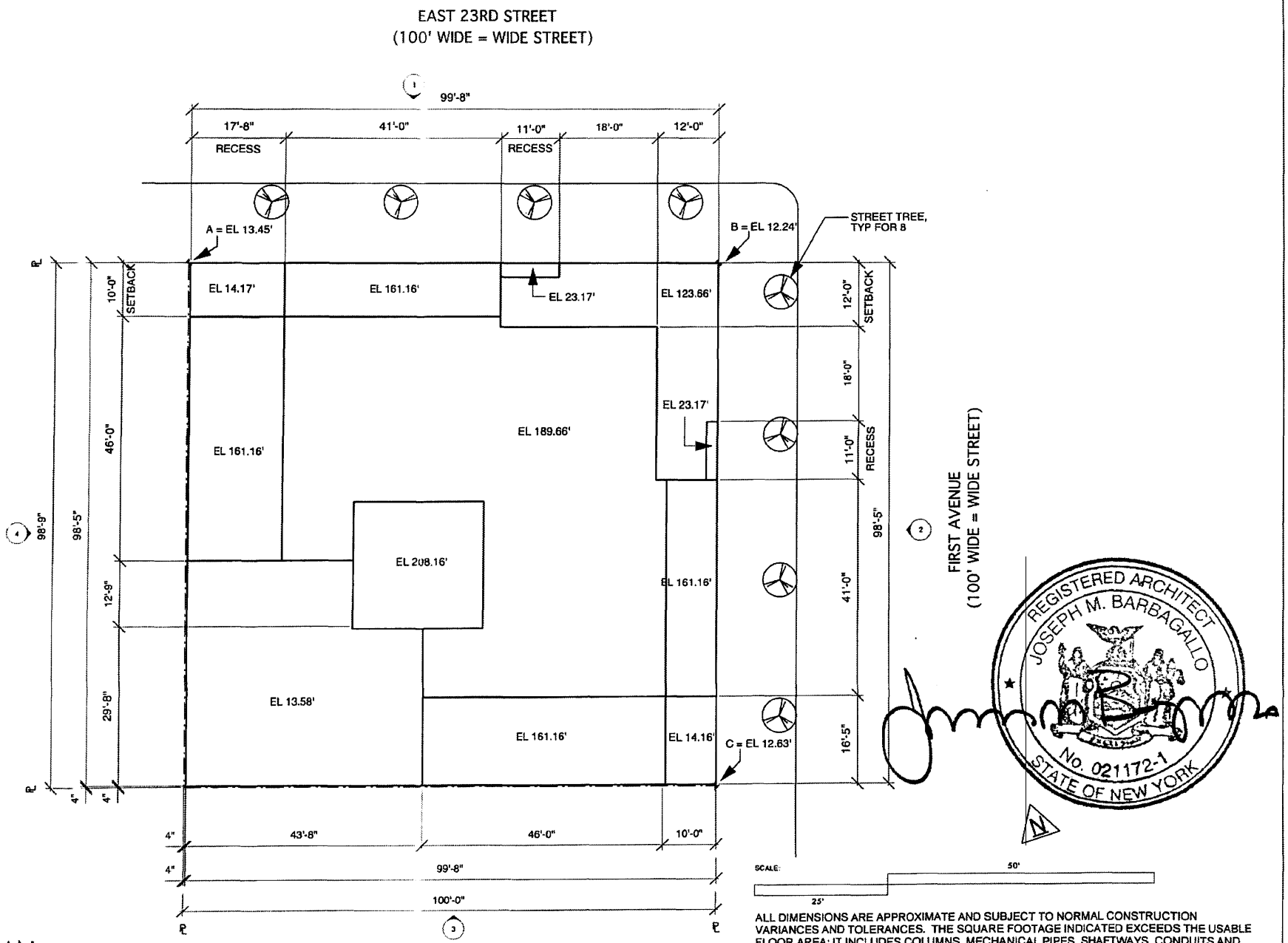
FLOOR PLANS



ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. THE SQUARE FOOTAGE INDICATED EXCEEDS THE USABLE FLOOR AREA; IT INCLUDES COLUMNS, MECHANICAL PIPES, SHAFTWAYS, CONDUITS AND OTHER COMMON ELEMENTS. SQUARE FOOTAGES DETERMINED IN ACCORDANCE WITH THE OFFERING PLAN. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FLOOR TO FLOOR.

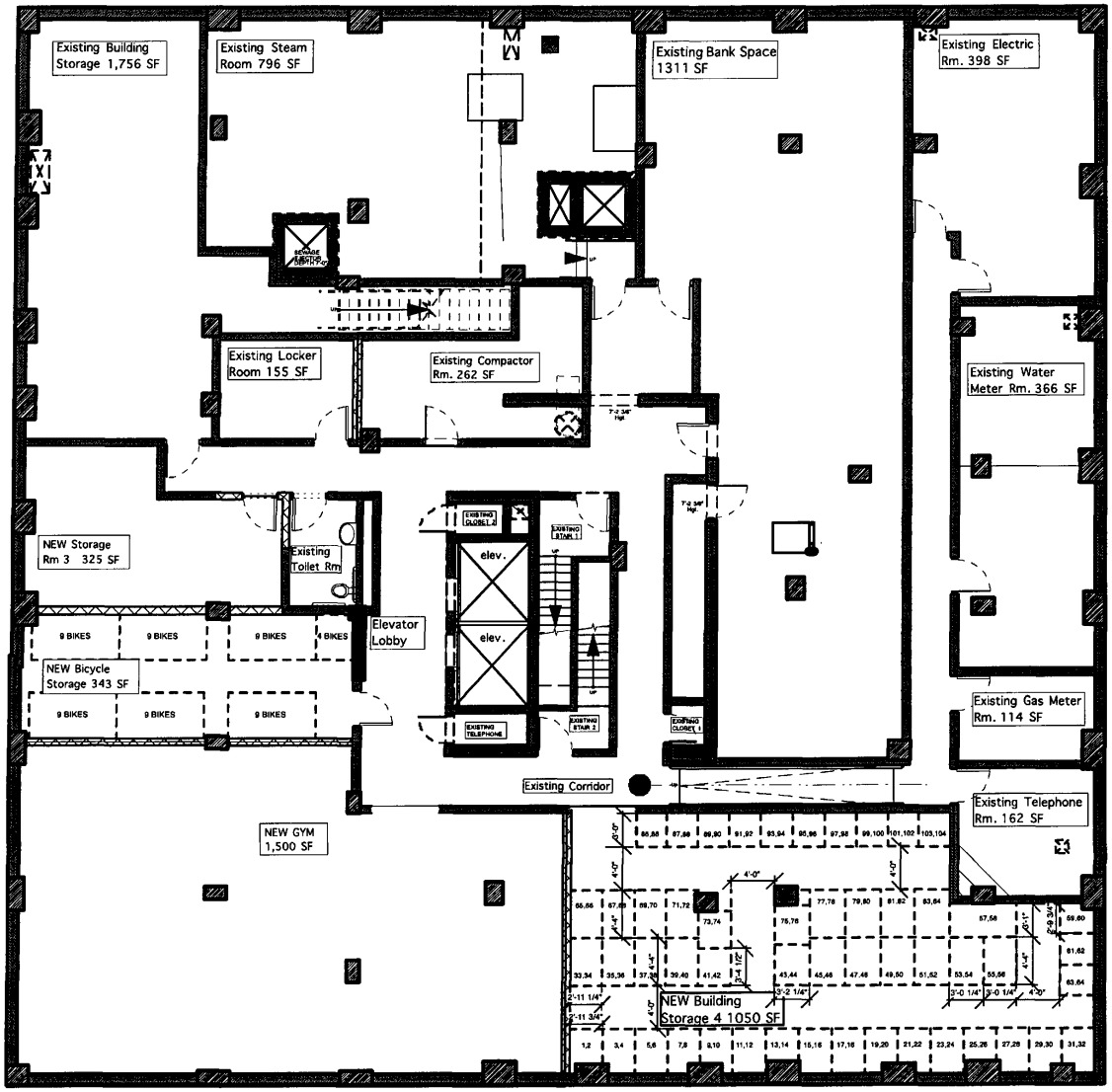
REGISTERED ARCHITECT
JOSEPH M. BARBAGALLO
No. 021172-1
STATE OF NEW YORK

Gerner Kronick + Valcarcel, Architects, DPC

SITE PLAN

385 First Avenue
09.02.15

23rd Street



1st Avenue

Cellar Floor Plan

385 First Avenue
09.02.15

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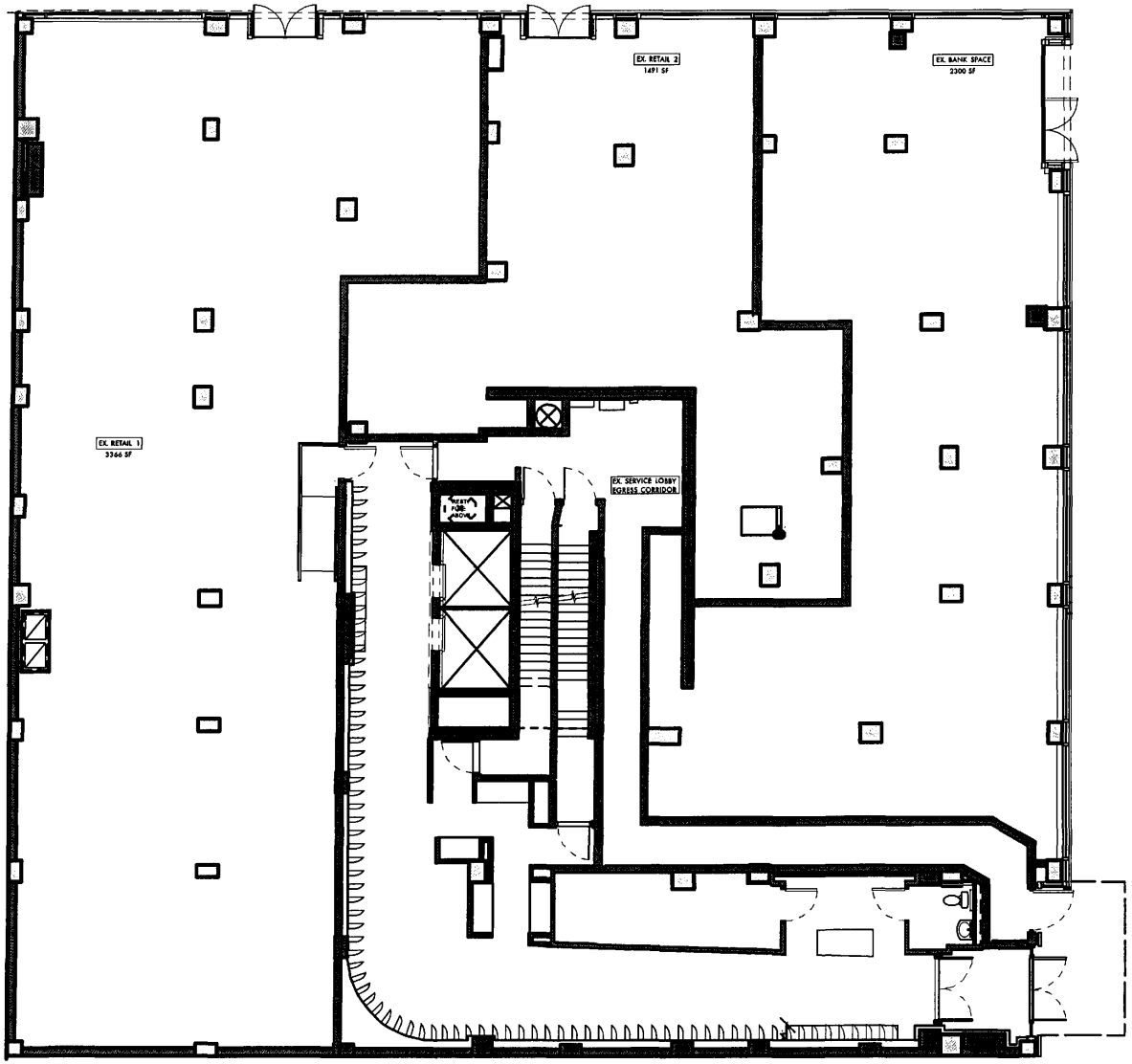
Gerner Kronick + Valcarcel, Architects, DPC

23rd Street



1st Floor Plan

385 First Avenue
09.02.15

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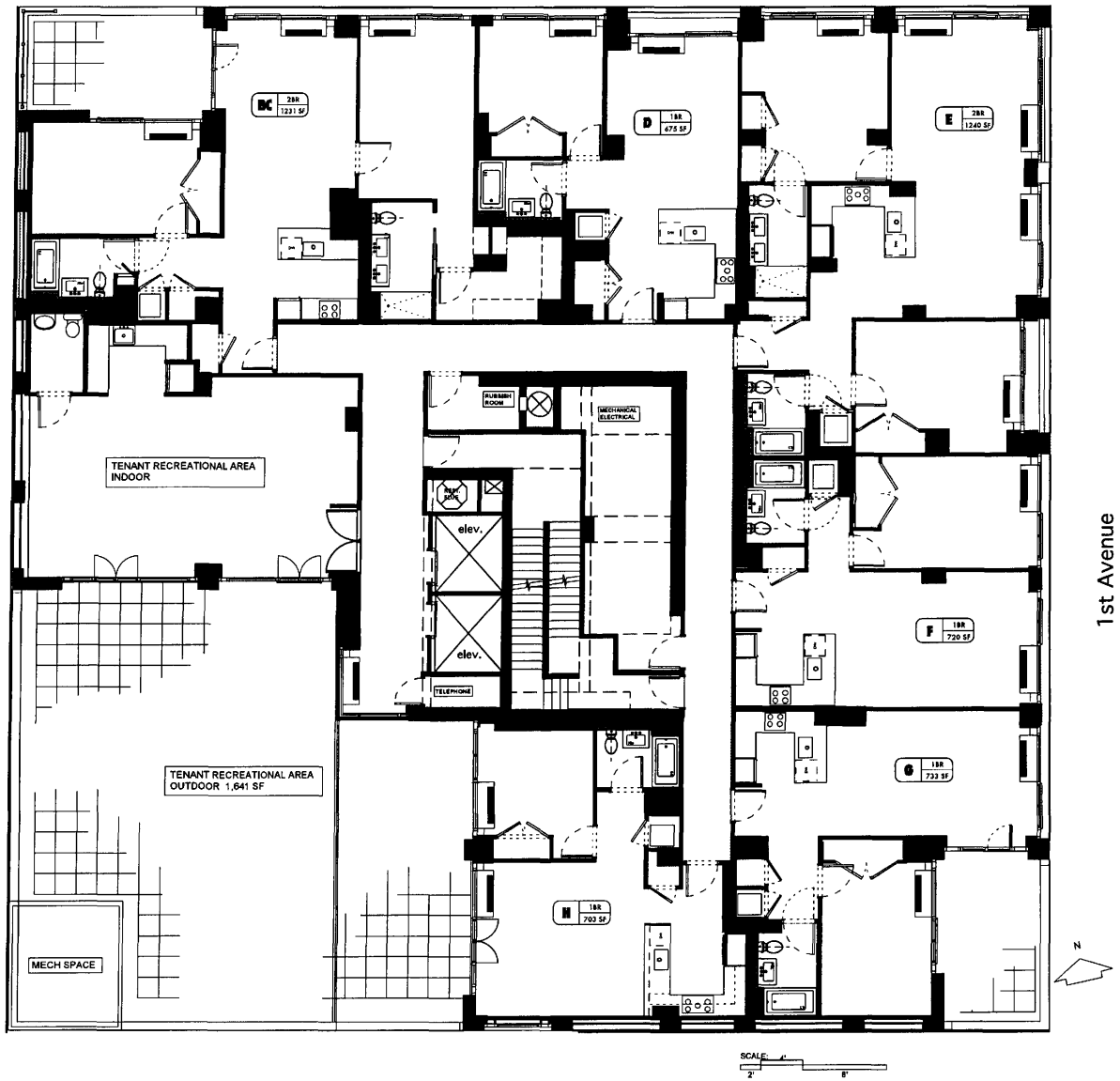

2nd Floor Plan

385 First Avenue
09.02.15

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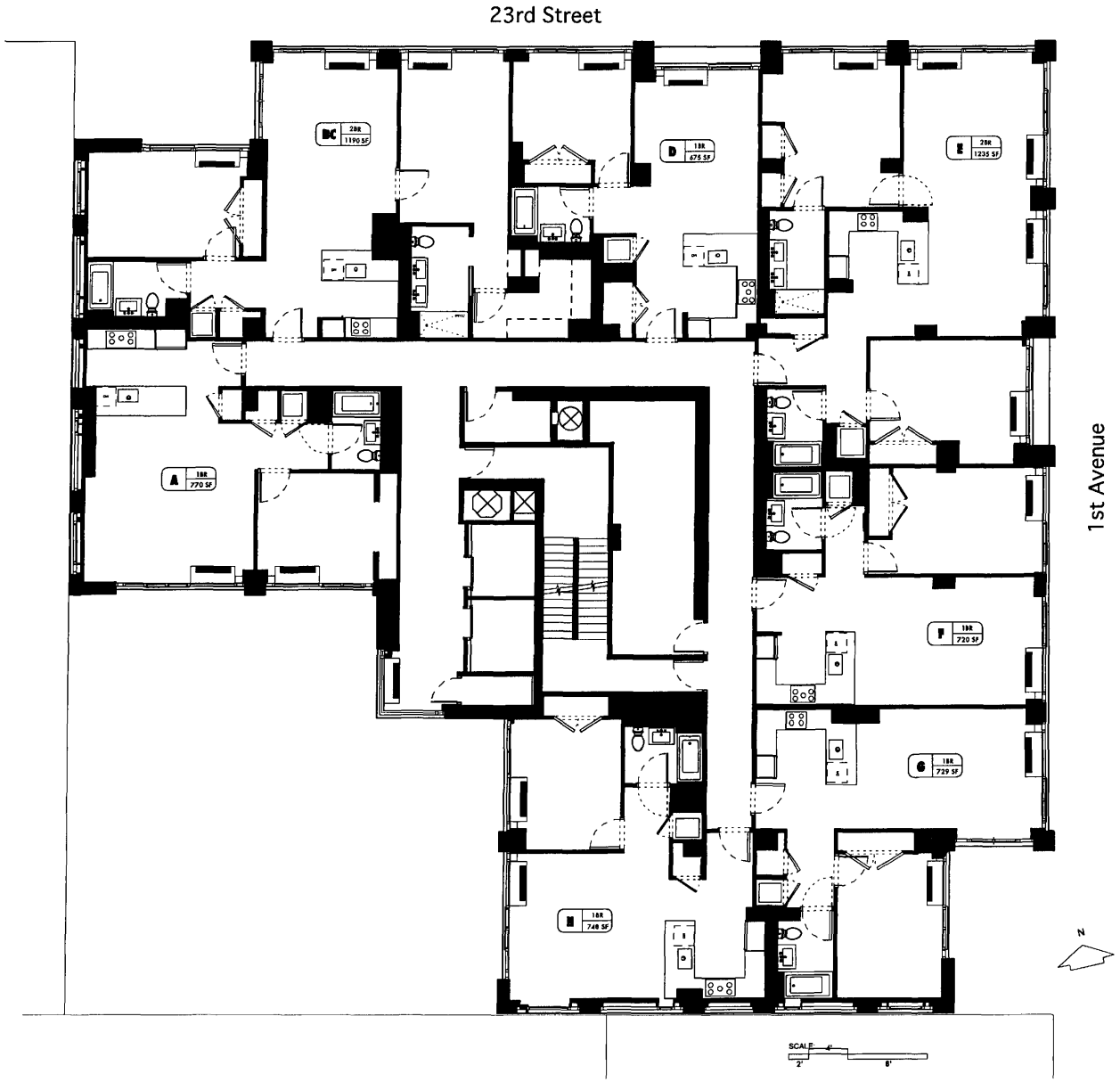

3rd-6th Floor Plan

385 First Avenue
09.02.15

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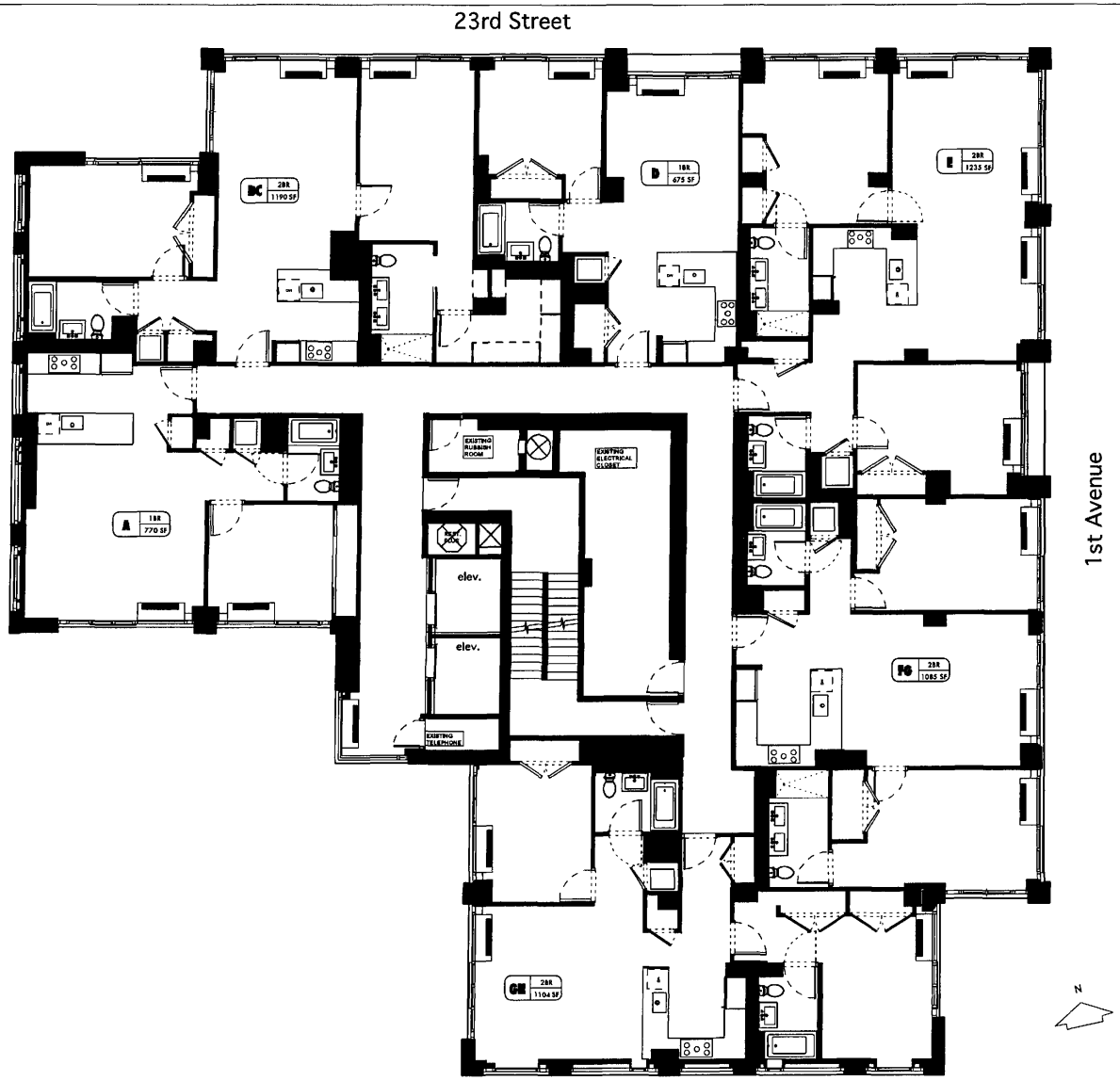

7th-12th & 14th Floor Plan

385 First Avenue
09.02.15

SCALE: 4' 2' 8'

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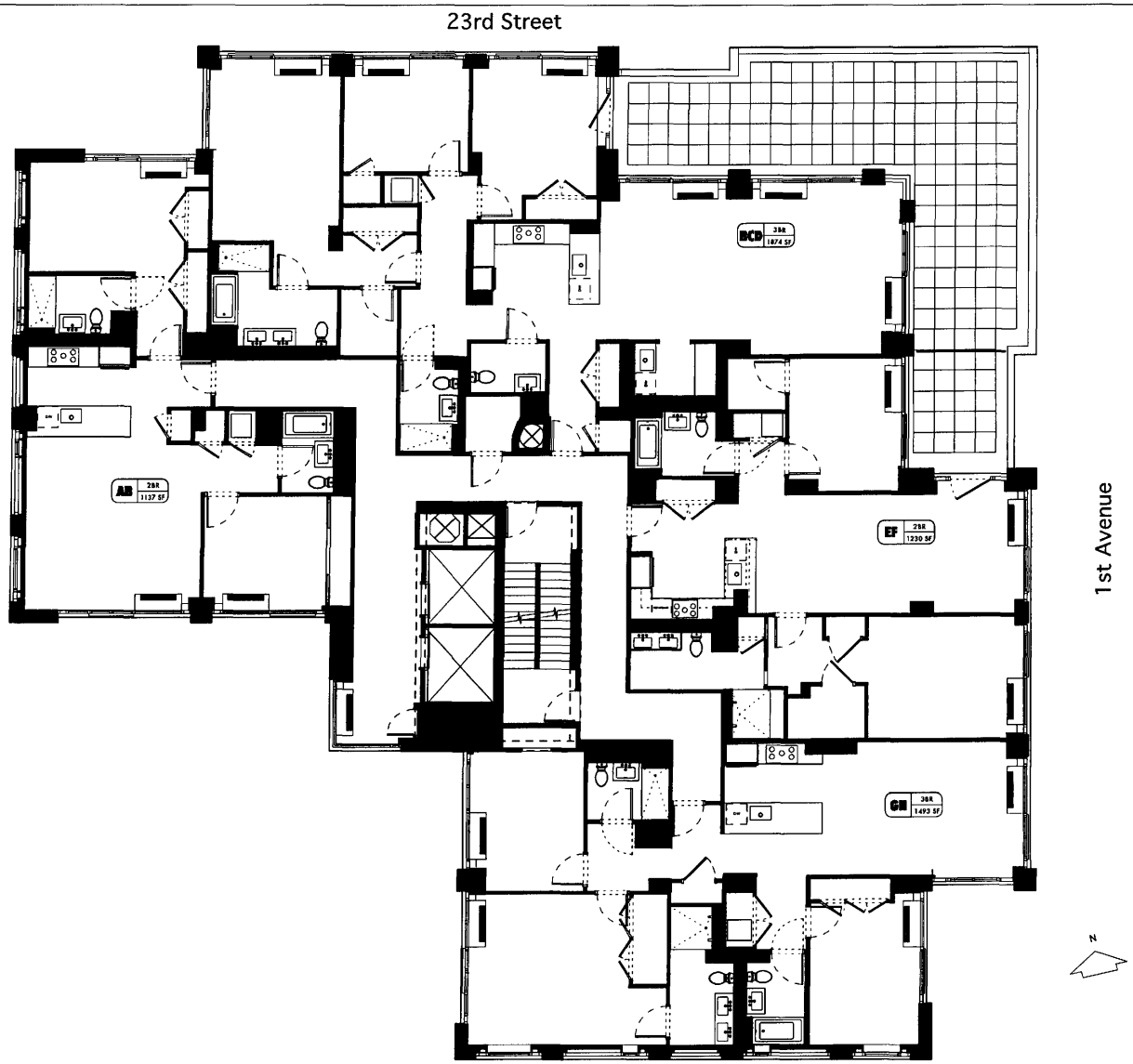

SCALE: 4' 2' 8'

15th Floor Plan

385 First Avenue
09.02.15

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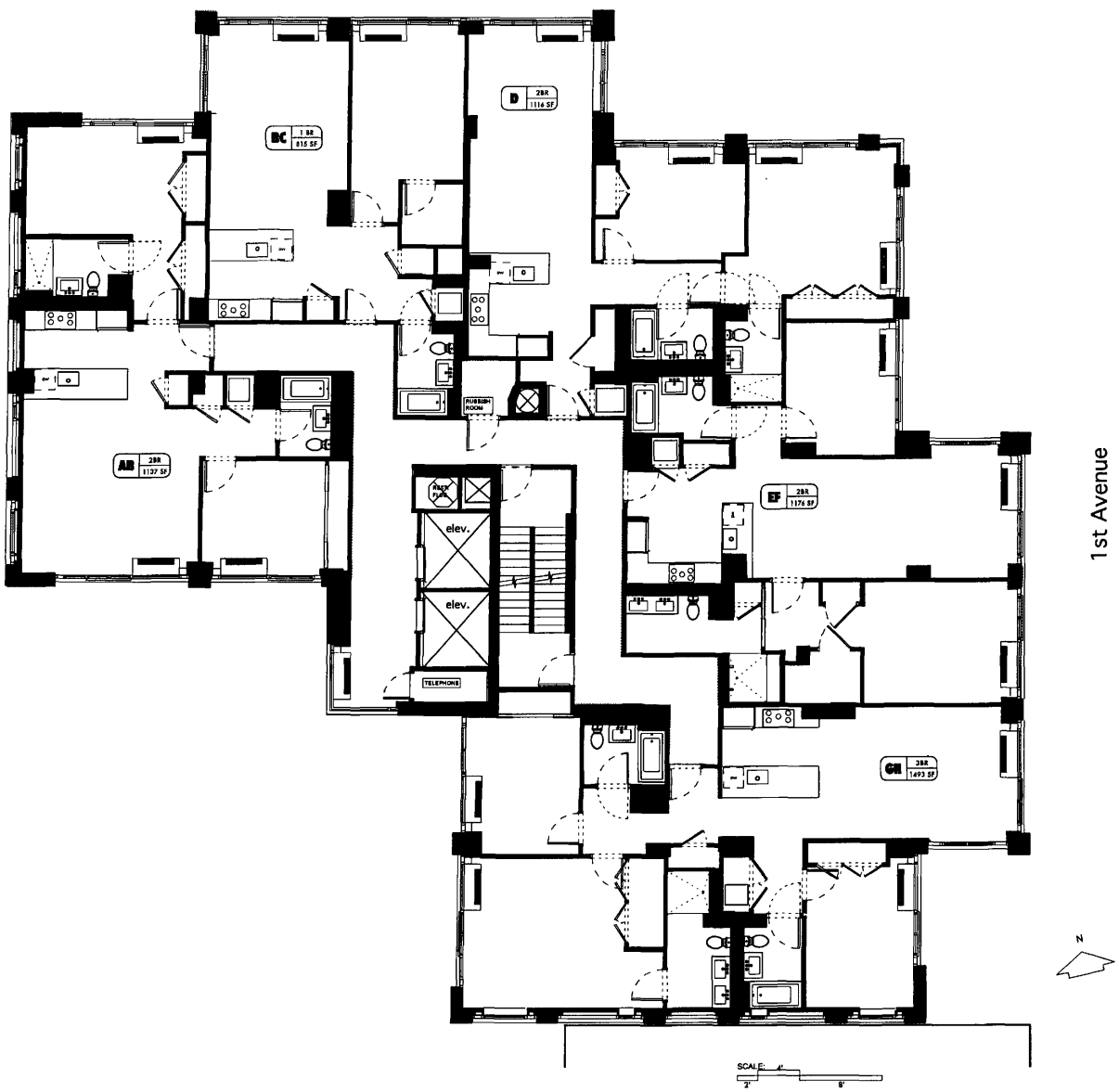

16th-18th Floor Plan

385 First Avenue
09.02.15

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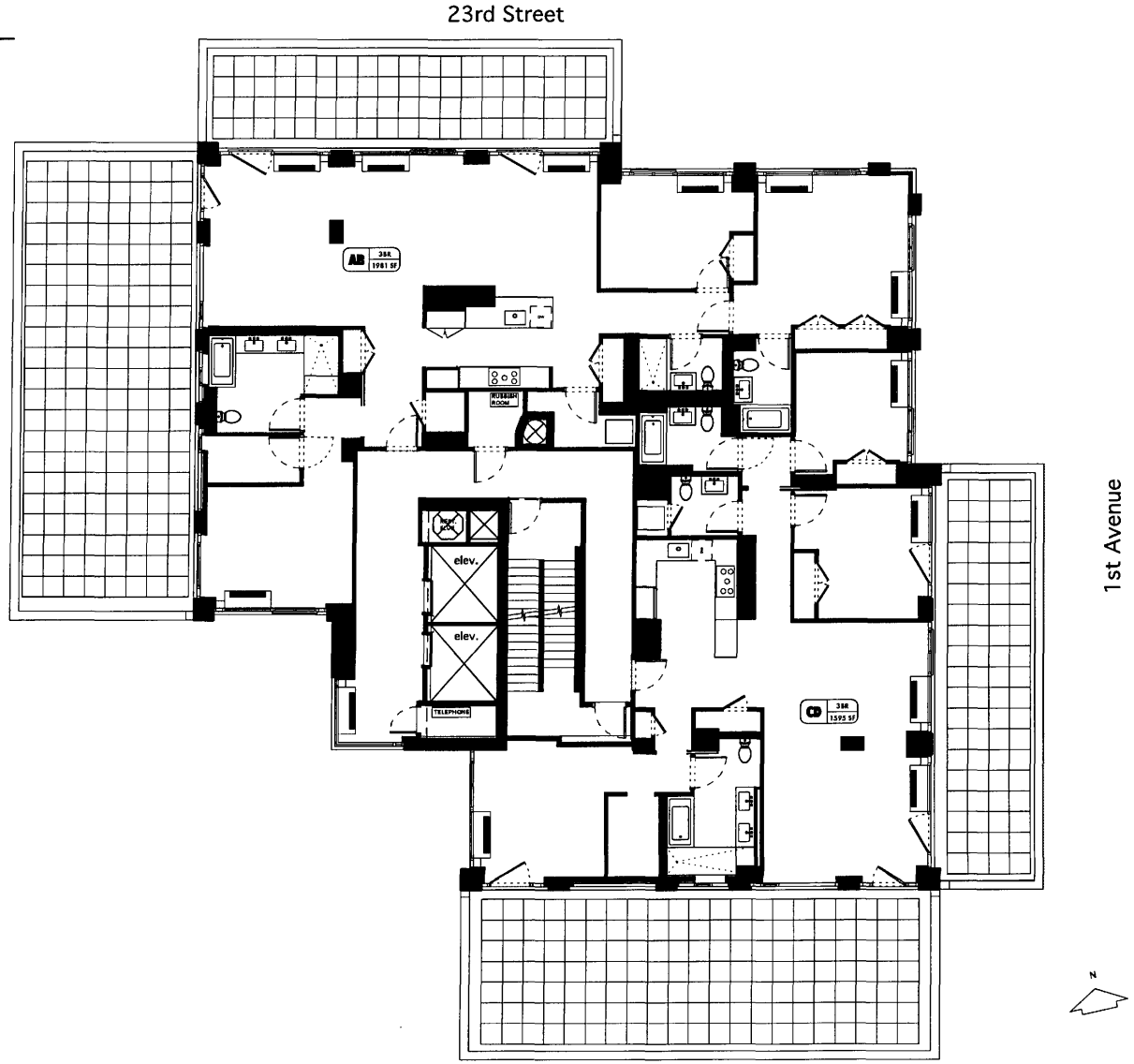

SCALE: 1/2" = 1'-0"

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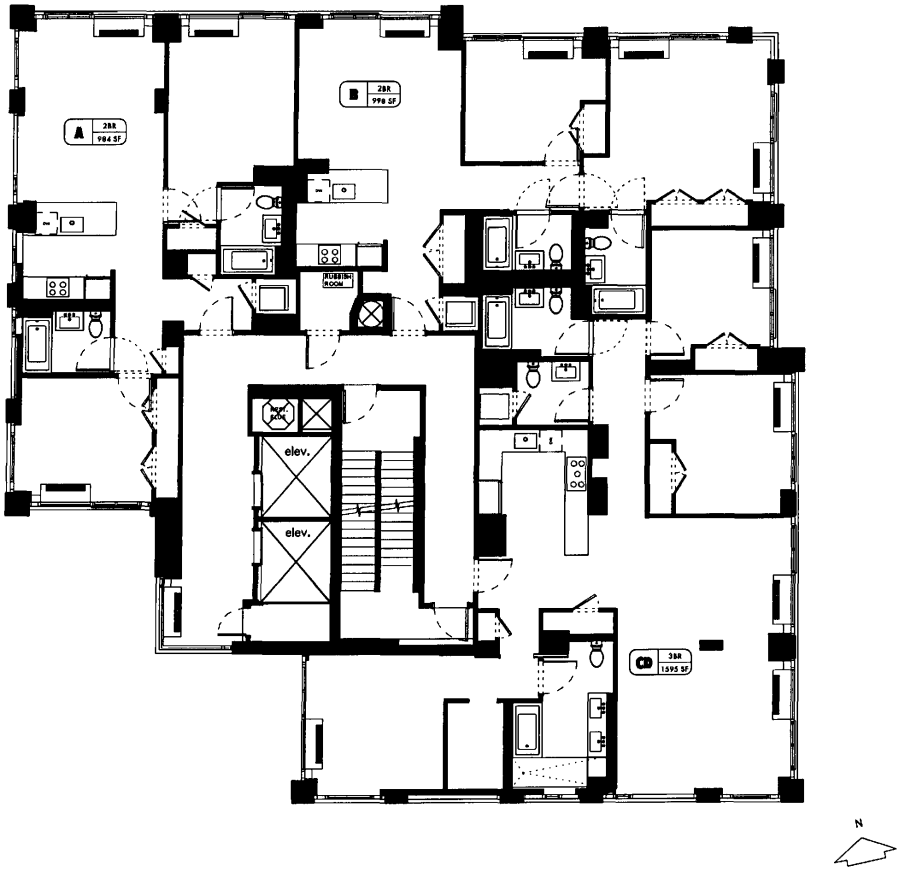
Gerner Kronick + Valcarcel, Architects, DPC

19th Floor Plan

385 First Avenue
09.02.15



SCALE: 4' 2' 8'

20th-21st Floor Plan

385 First Avenue
09.02.15

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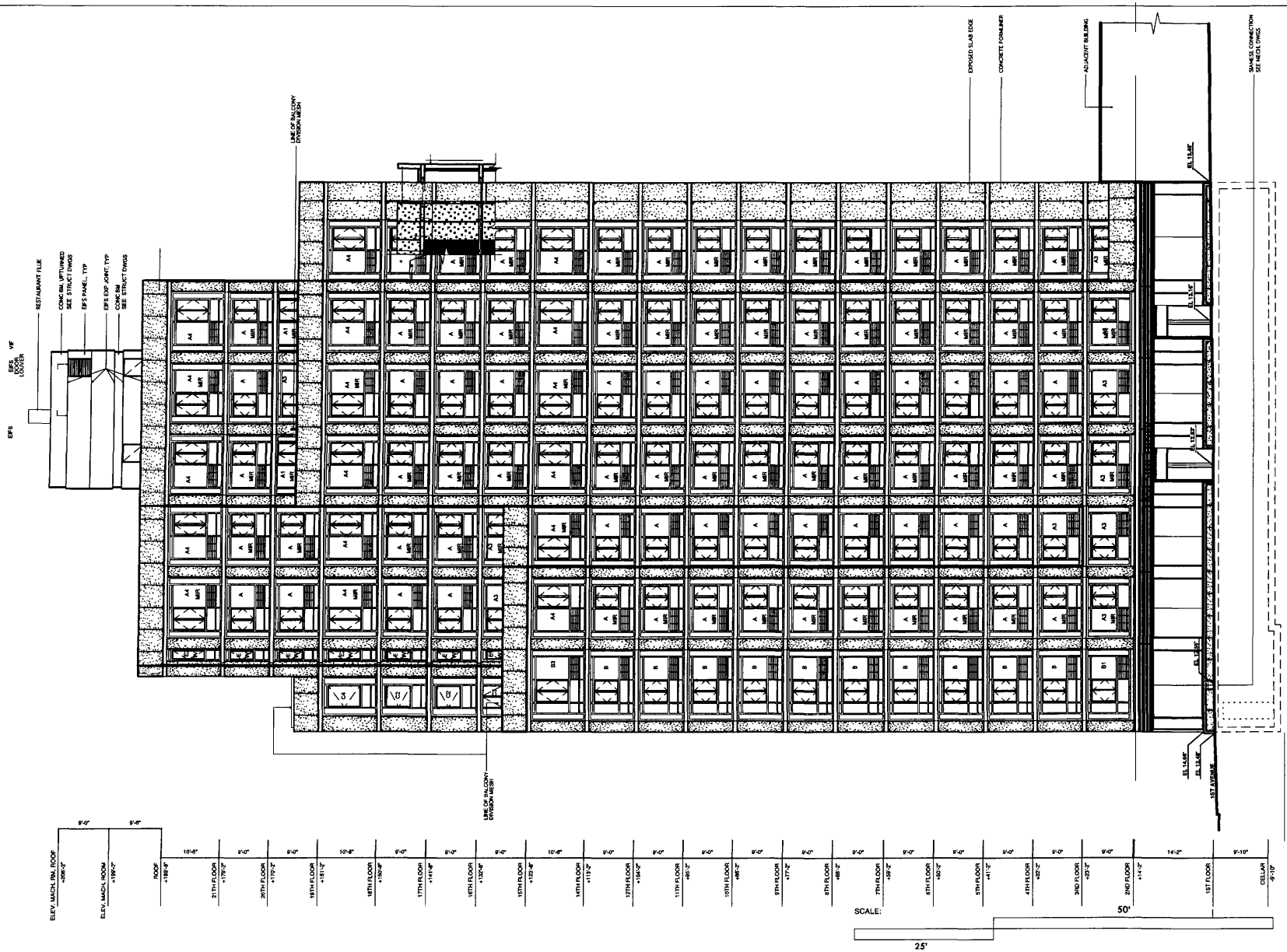

1- NORTH ELEVATION

385 First Avenue
09.02.15

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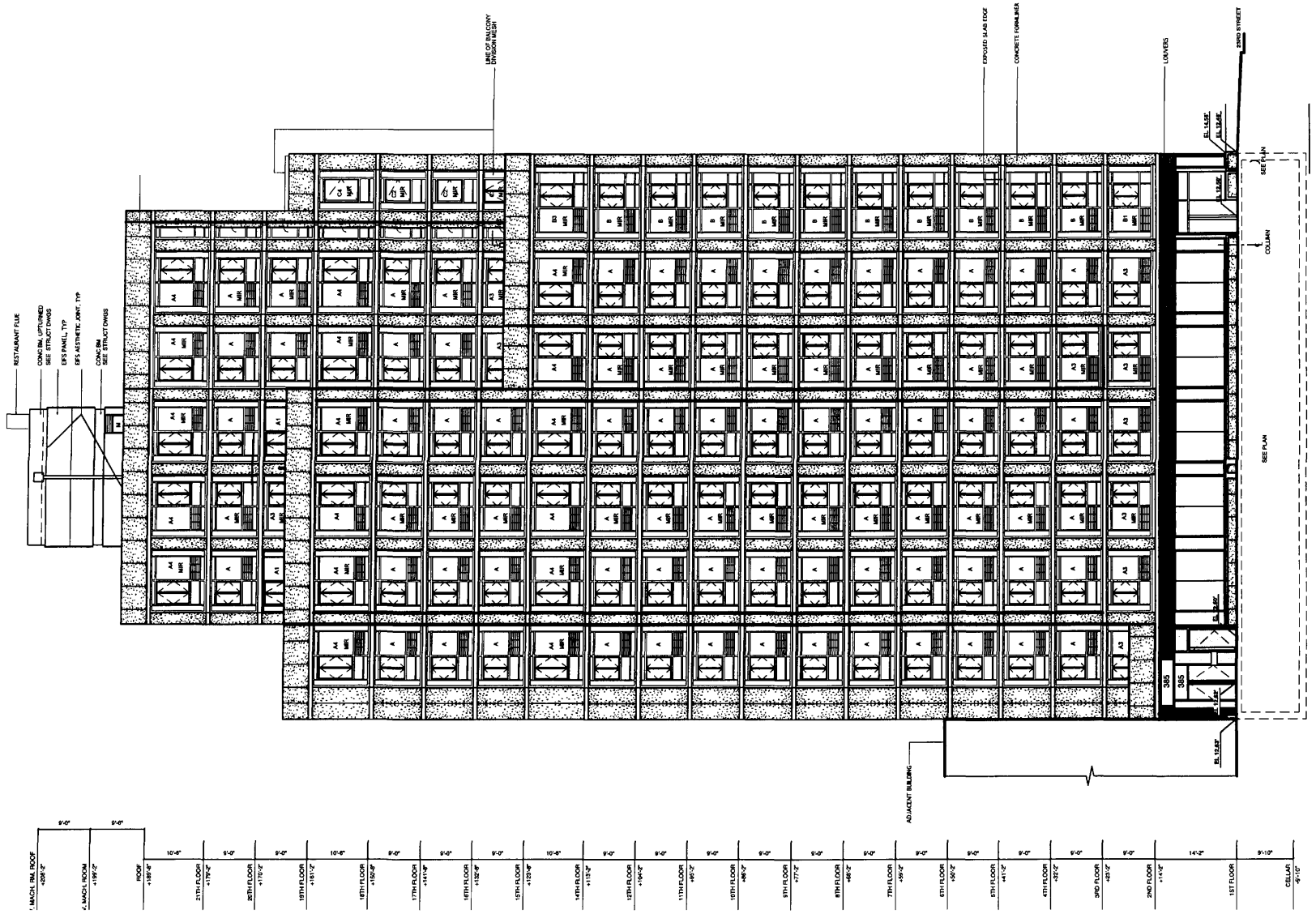


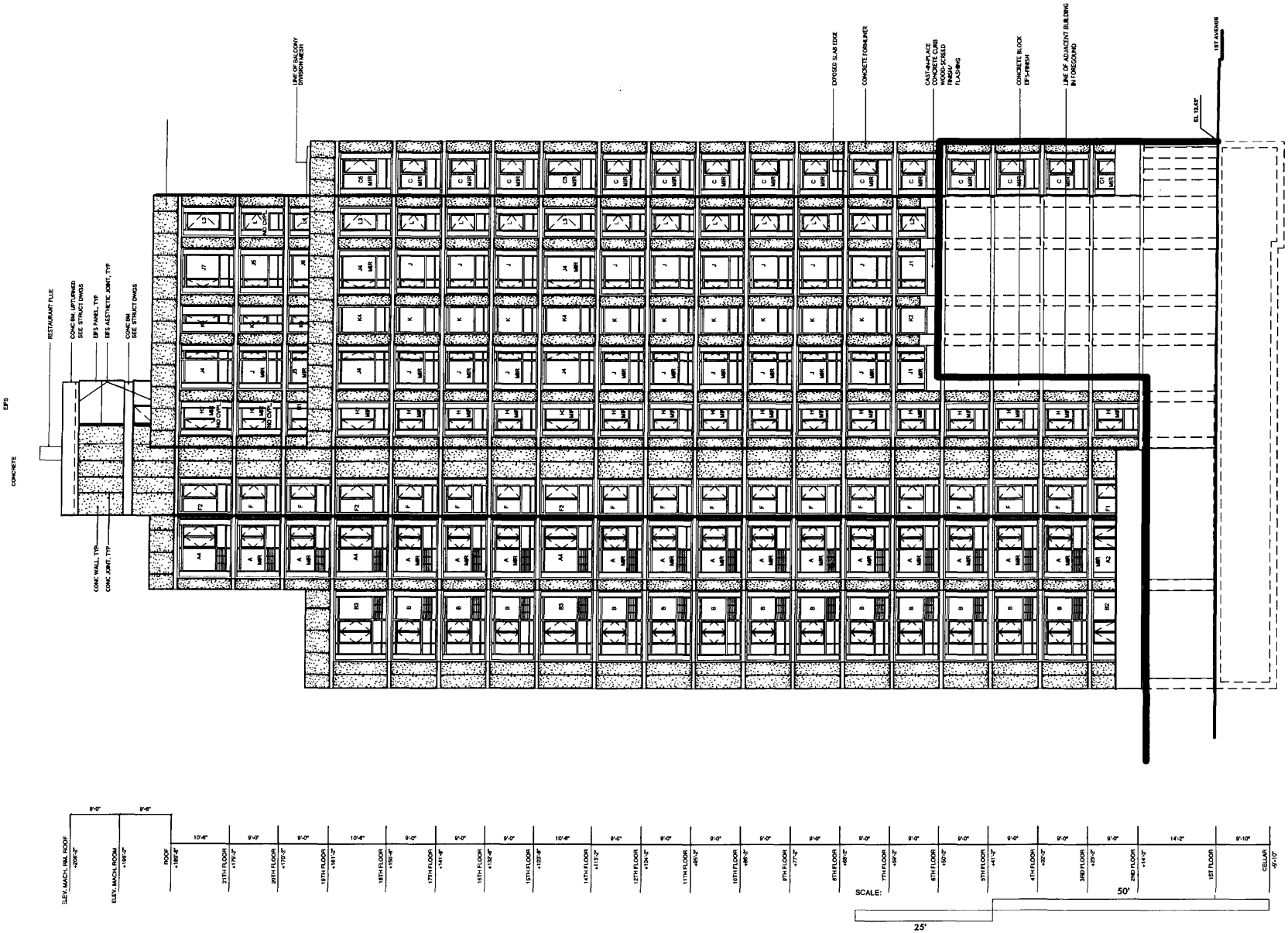
SCALE: 50'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. THE SQUARE FOOTAGE INDICATED EXCEEDS THE USABLE FLOOR AREA; IT INCLUDES COLUMNS, MECHANICAL PIPES, SHAFTWAYS, CONDUITS AND OTHER COMMON ELEMENTS. SQUARE FOOTAGES DETERMINED IN ACCORDANCE WITH THE OFFERING PLAN. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FLOOR TO FLOOR.

Gerner Kronick + Valcarcel, Architects, DPC

2- EAST ELEVATION

385 First Avenue
09.02.15



3- SOUTH ELEVATION

385 First Avenue
09.02.15

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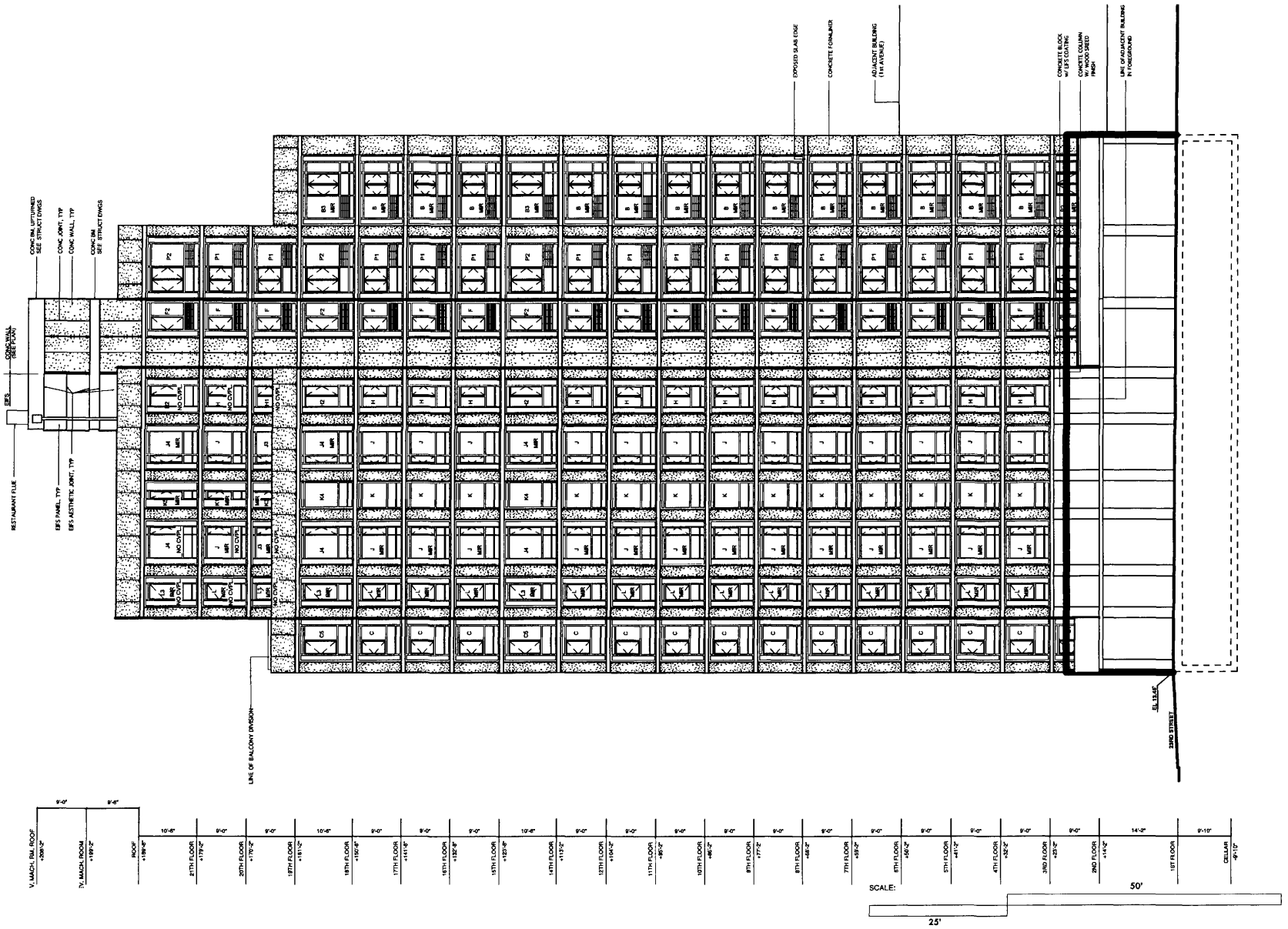

4- WEST ELEVATION

385 First Avenue
09.02.15

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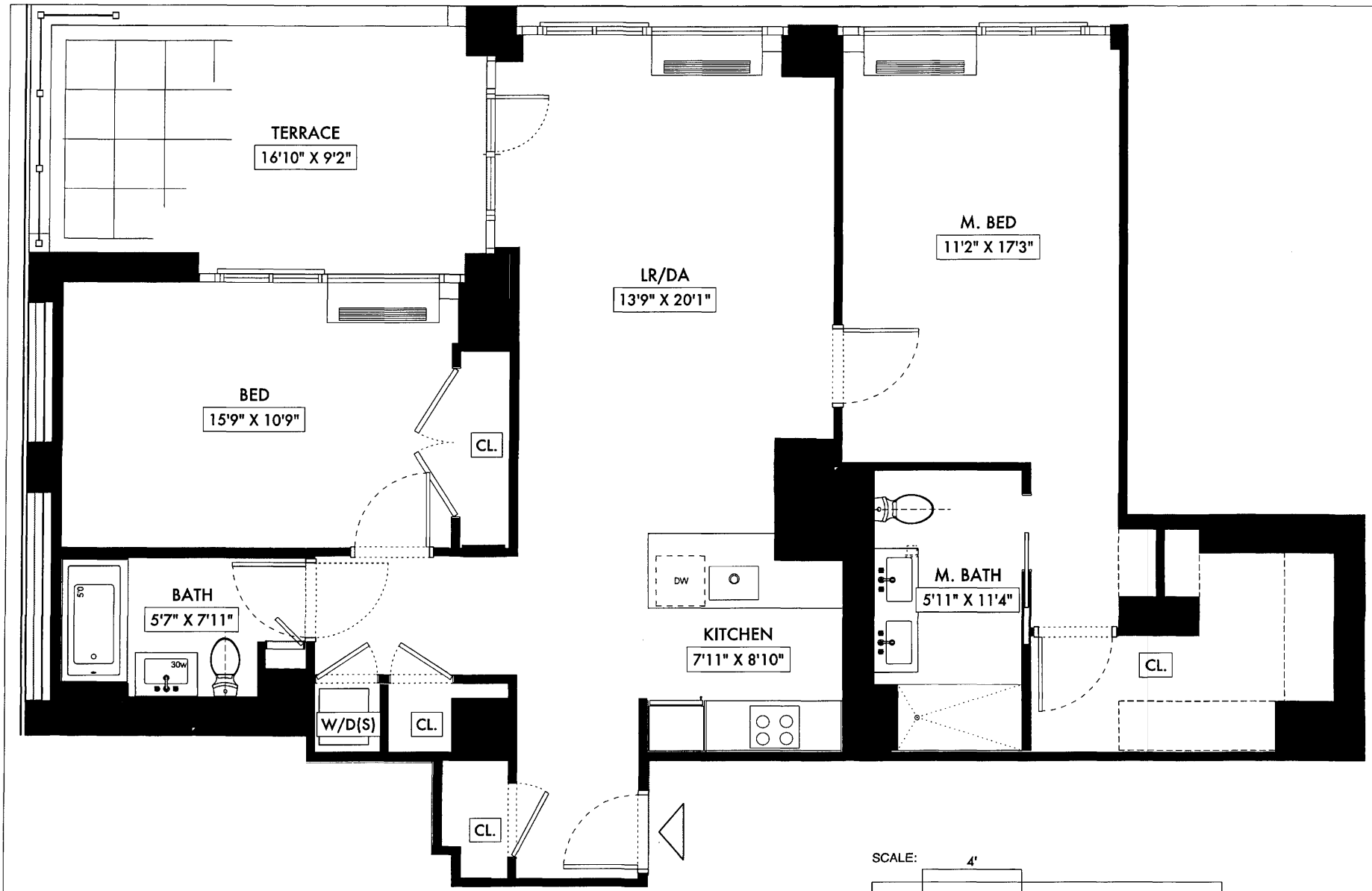
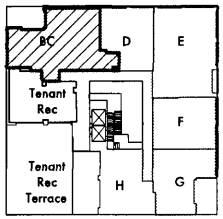
Gerner Kronick + Valcarcel, Architects, DPC





SCALE: 4' 2' 8'

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Gerner Kronick + Valcarcel, Architects, DPC

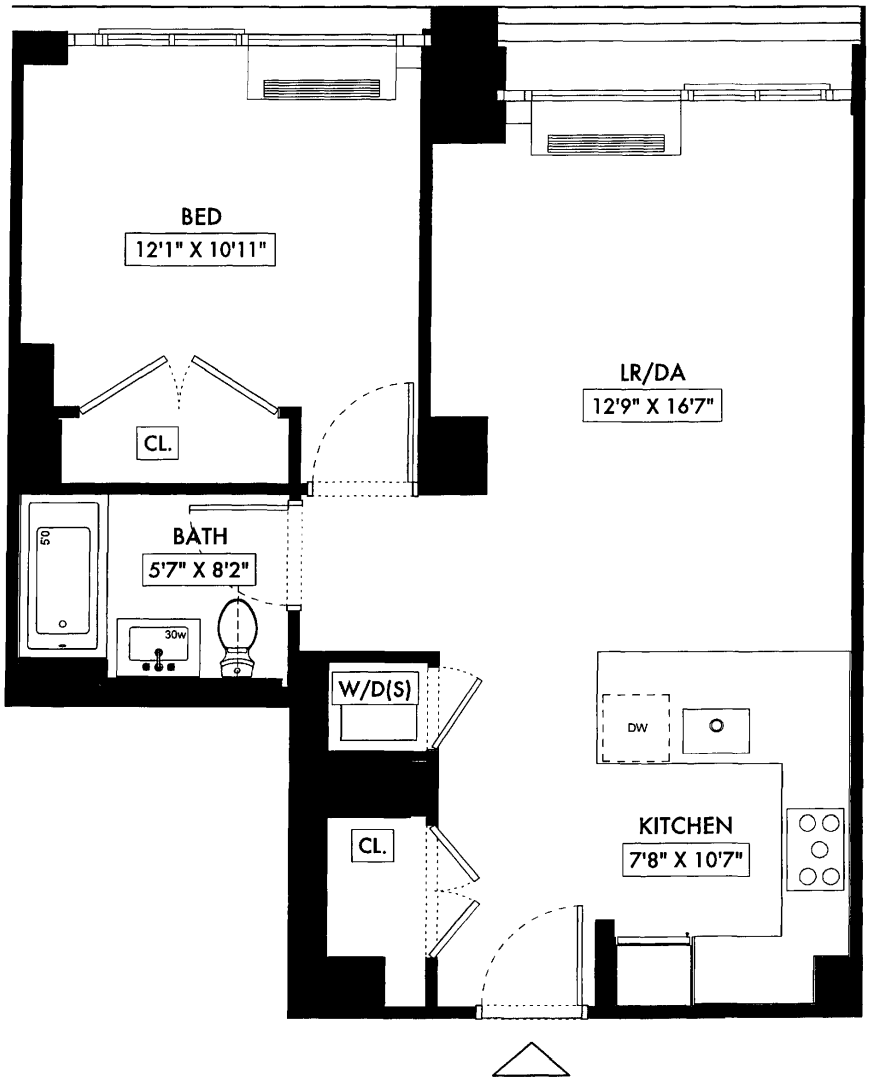
UNIT

2BC

385 First Avenue
09.02.15

FLOOR 2
2 BEDROOM
2 BATH

1,231 SQ.FT.
192 SQ.FT. TERRACE
(2ND FLOOR ONLY)



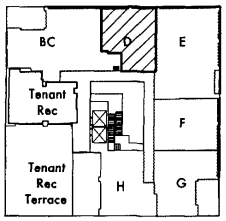
UNIT

2D

385 First Avenue
09.02.15

FLOOR 2
1 BEDROOM
1 BATH

675 SQ.FT.



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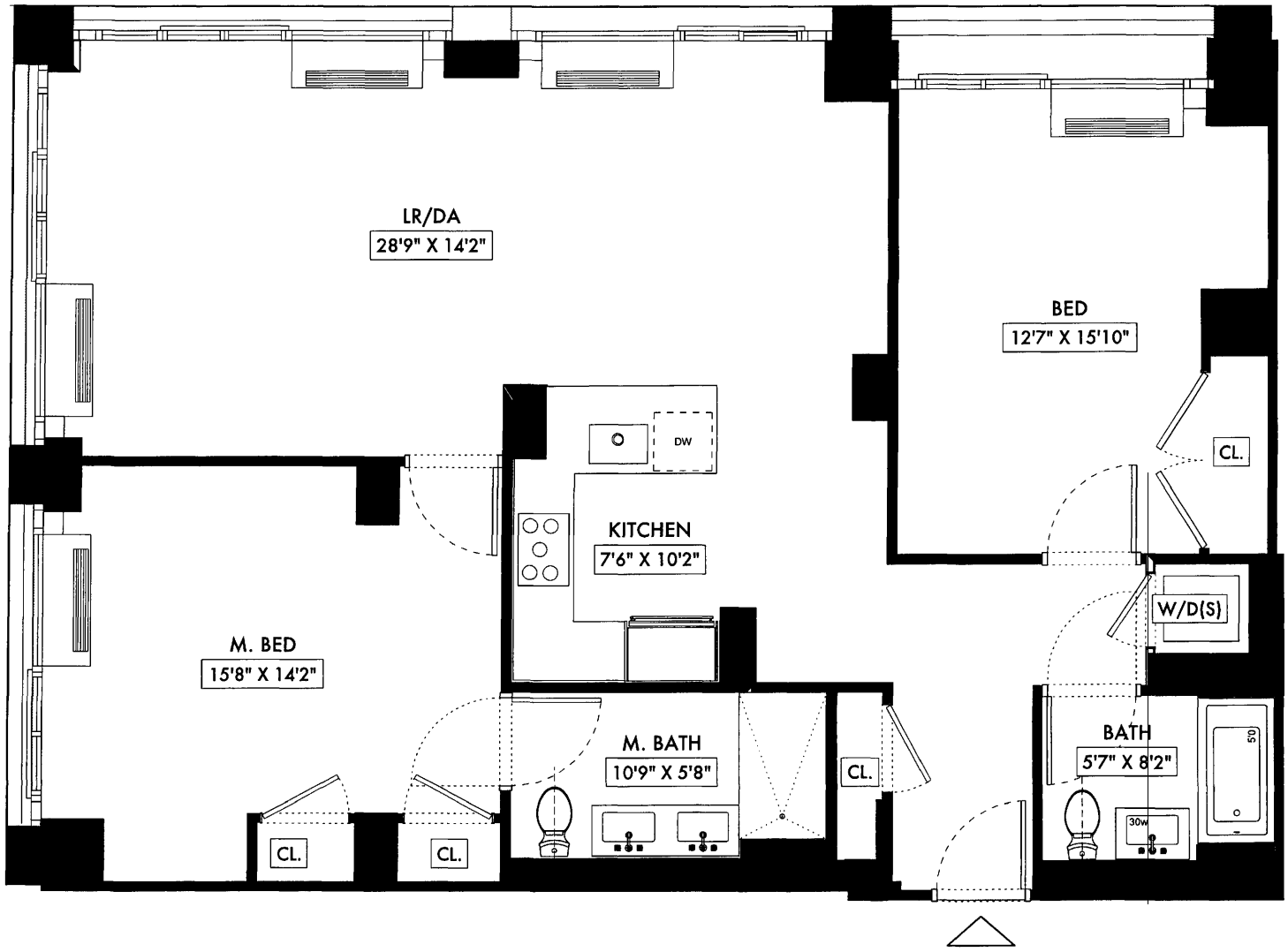


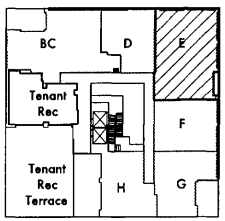
UNIT

2E

385 First Avenue
09.02.15

FLOOR 2
2 BEDROOM
2 BATH

1,240 SQ.FT.



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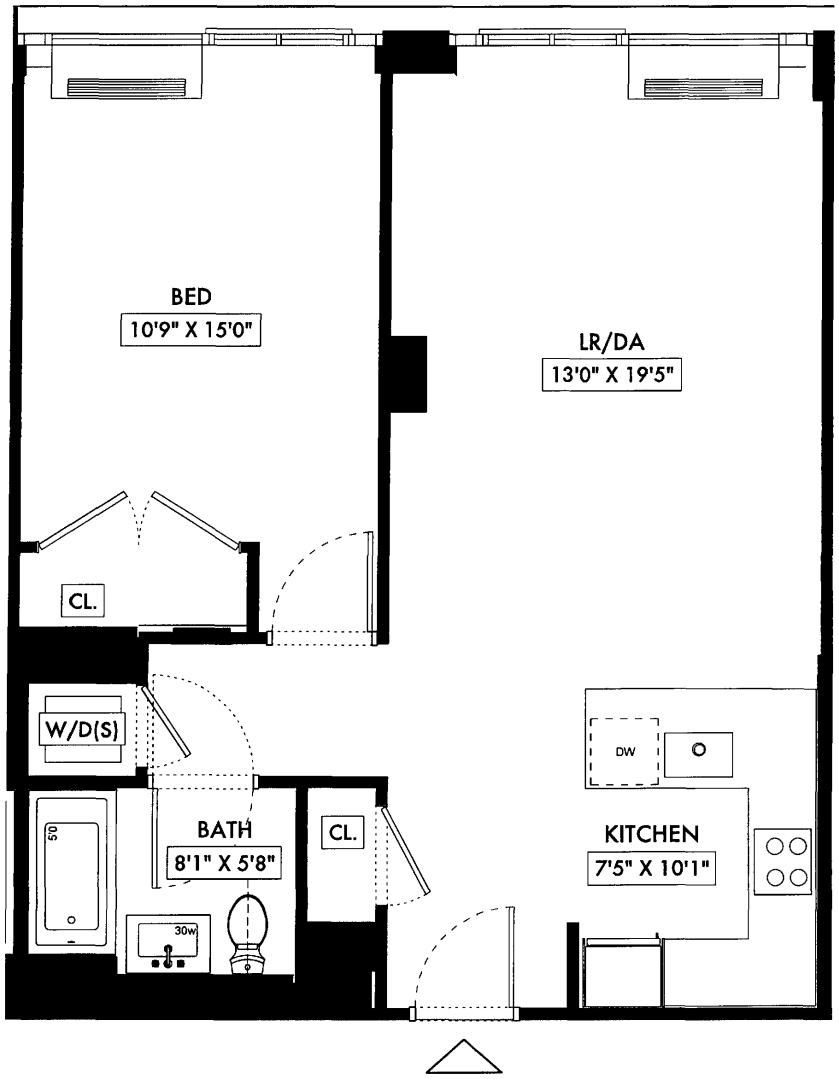
Gerner Kronick + Valcarcel, Architects, DPC



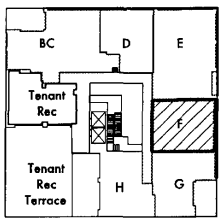
UNIT

2F

385 First Avenue
09.02.15

FLOOR 2
1 BEDROOM
1 BATH

720 SQ.FT.



SCALE: 4' 2' 8'

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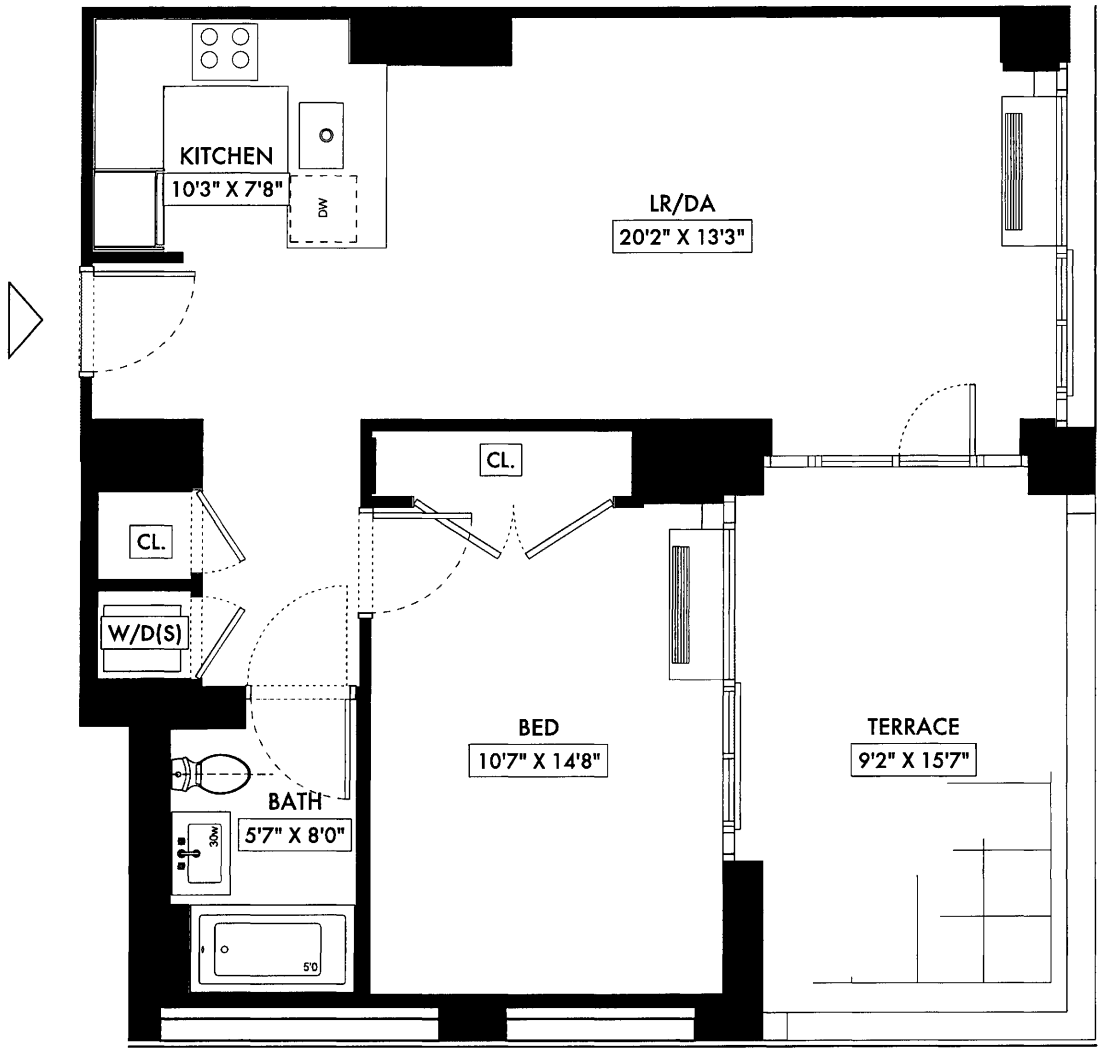
Gerner Kronick + Valcarcel, Architects, DPC



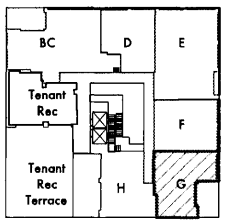
UNIT

2G

385 First Avenue
09.02.15

FLOOR 2
1 BEDROOM
1 BATH

733 SQ.FT.
180 SQ. FT. TERRACE
(2ND FLOOR ONLY)



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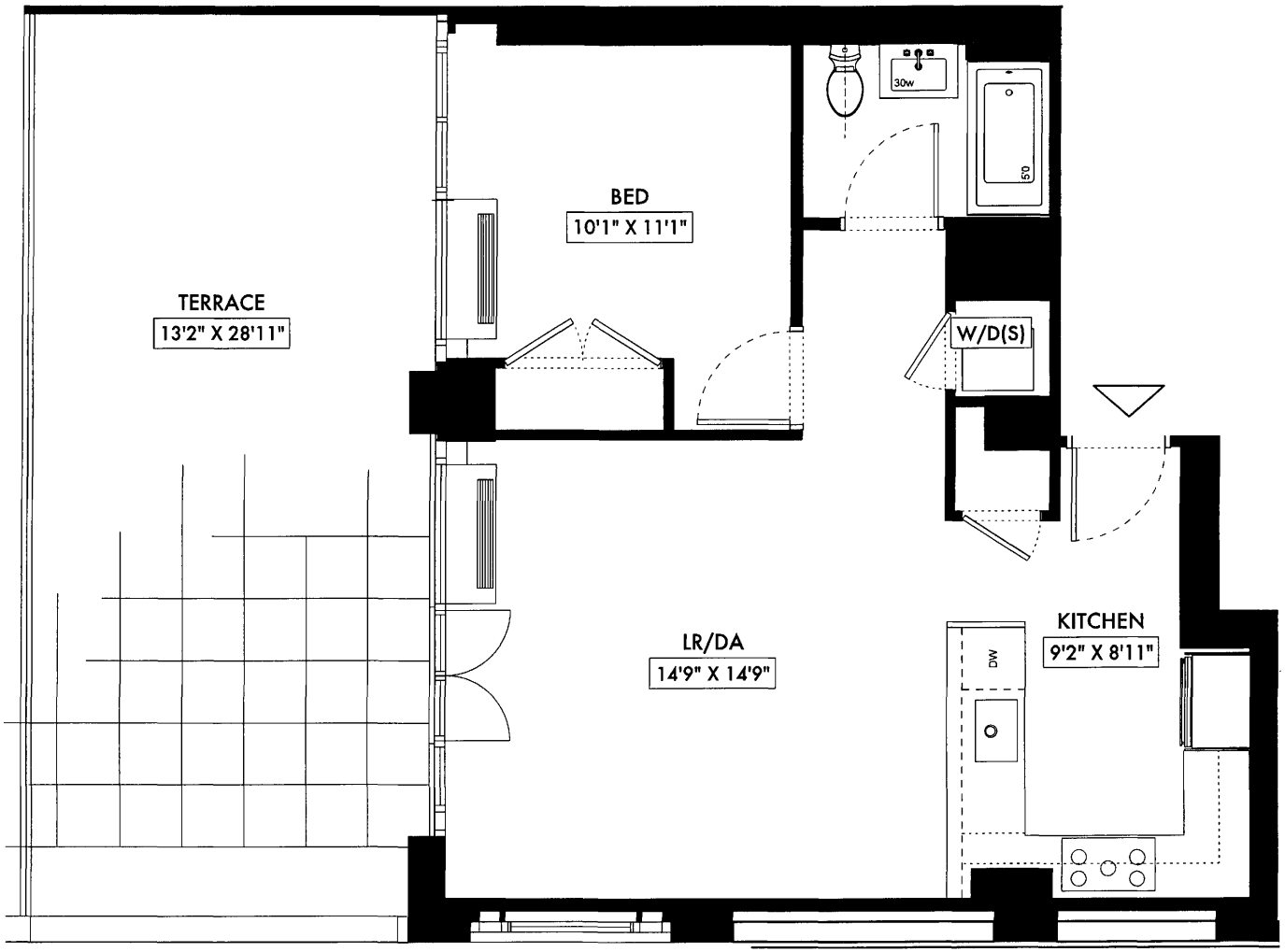
Gerner Kronick + Valcarcel, Architects, DPC



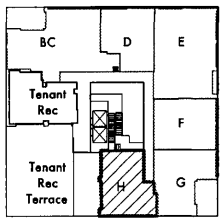
UNIT

2H

385 First Avenue
09.02.15

FLOOR 2
1 BEDROOM
1 BATH

703 SQ.FT.
380 SQ. FT. TERRACE
(2ND FLOOR ONLY)



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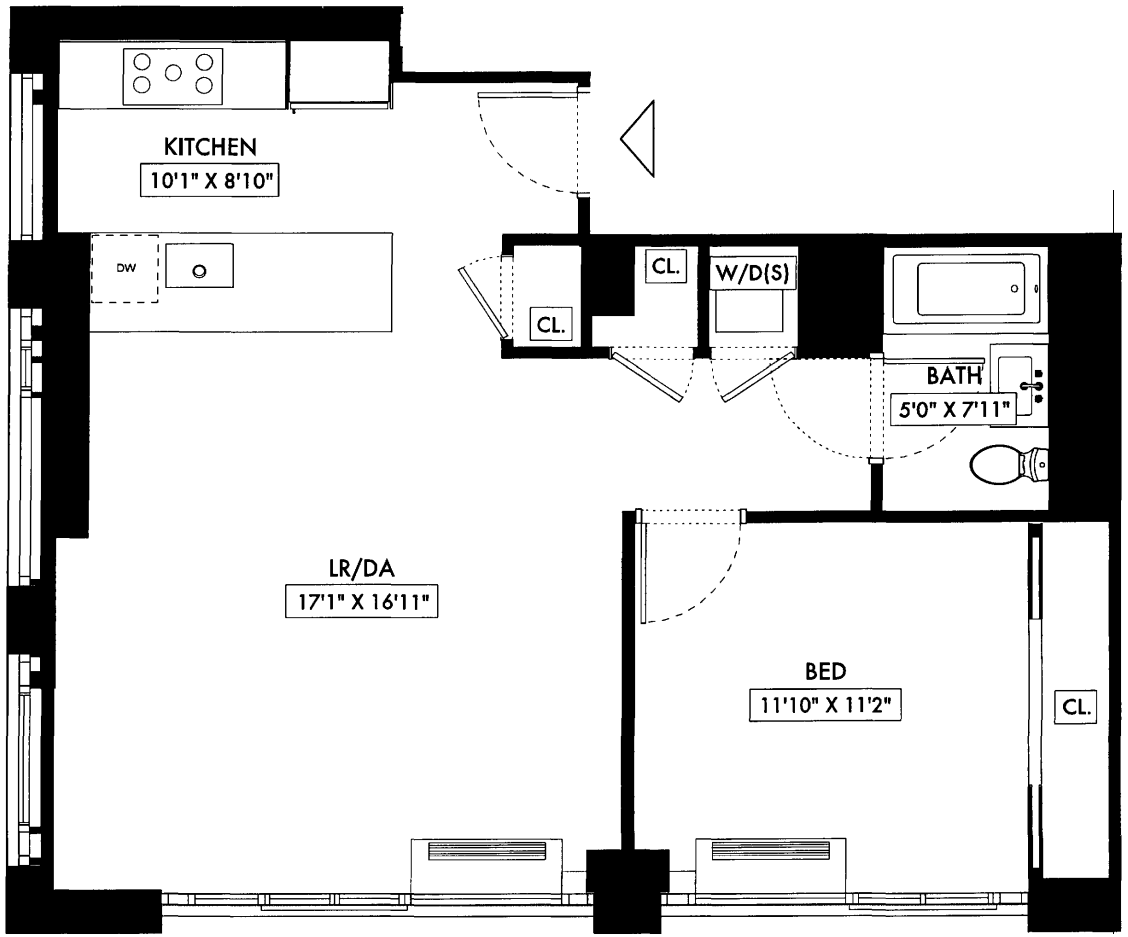
Gerner Kronick + Valcarcel, Architects, DPC

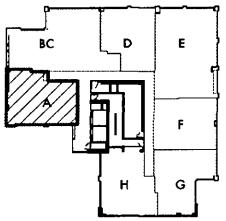


Unit 3A-6A

385 First Avenue
09.02.15

FLOOR 3-6
1 BEDROOM
1 BATH

770 SQ.FT.



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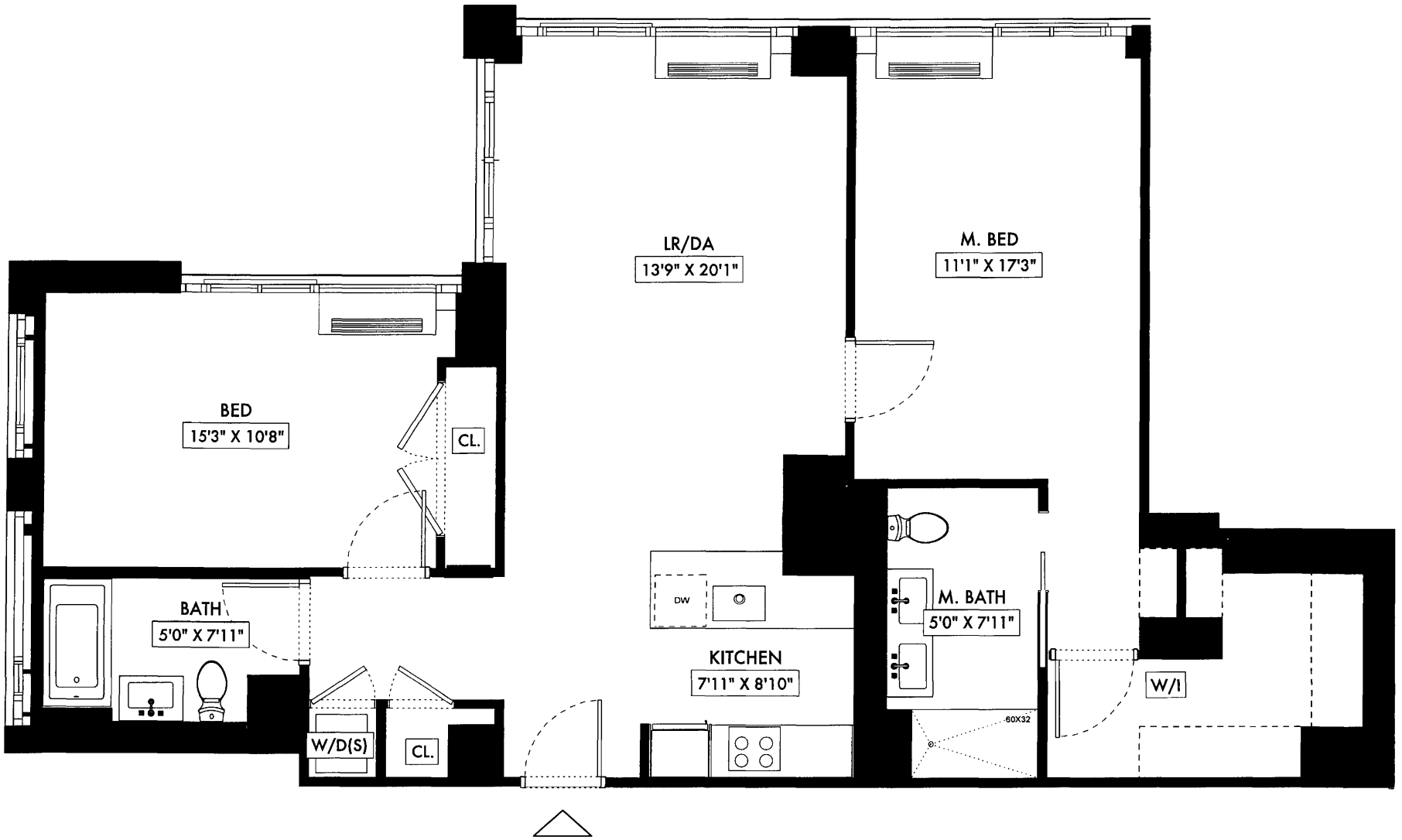
Gerner Kronick + Valcarcel, Architects, DPC

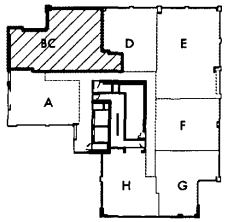


Unit 3BC-6BC

385 First Avenue
09.02.15

FLOOR 3-6
2 BEDROOM
2 BATH

1,191 SQ.FT.



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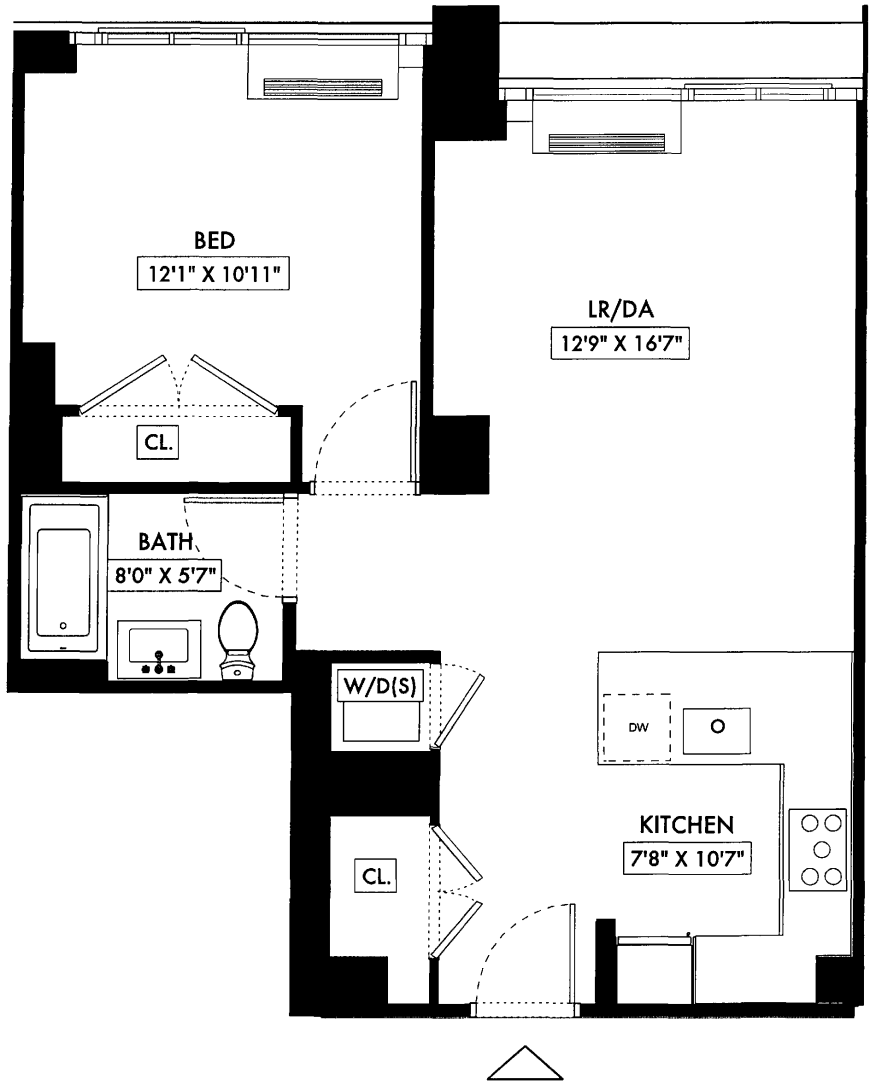
Gerner Kronick + Valcarcel, Architects, DPC

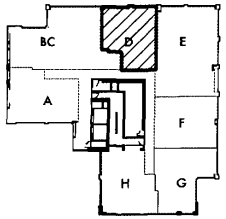


Unit 3D-6D

385 First Avenue
09.02.15

FLOOR 3-6
1 BEDROOM
1 BATH

675 SQ.FT.



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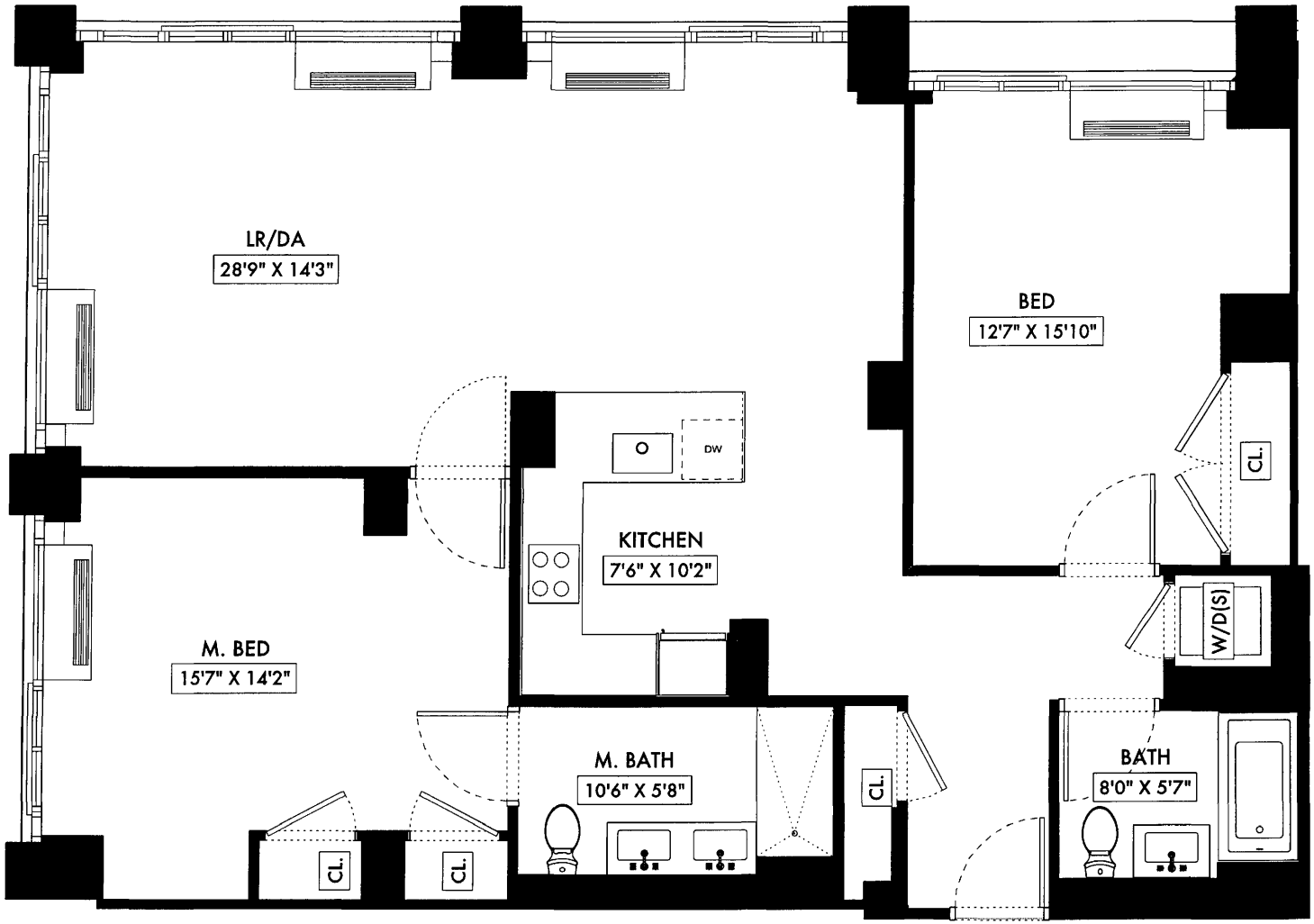
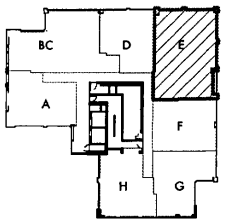


SCALE: 4' 2' 8'



Unit 3E-6E

385 First Avenue
09.02.15

FLOOR 3-6
2 BEDROOM
2 BATH

1,235 SQ.FT.

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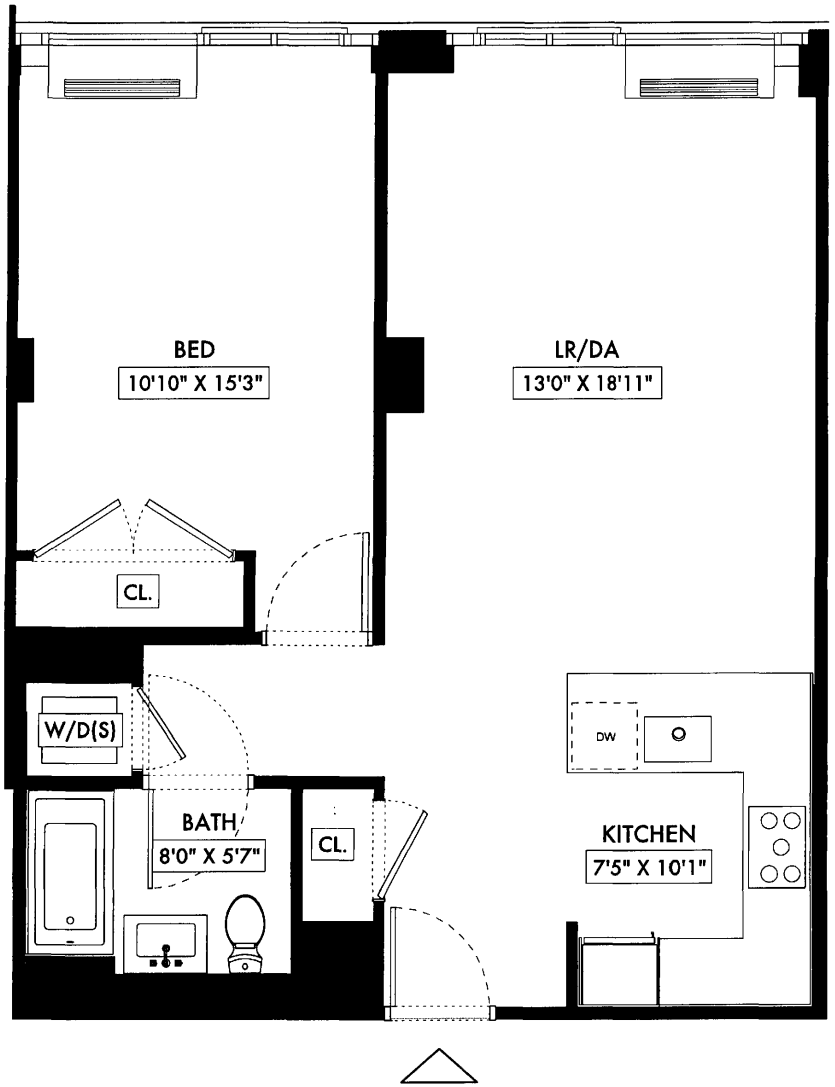

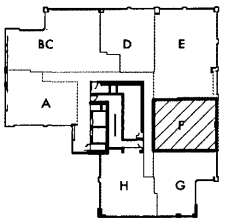

SCALE: 4' 2' 8'

Unit 3F-6F

385 First Avenue
09.02.15

FLOOR 3-6
1 BEDROOM
1 BATH

720 SQ.FT.

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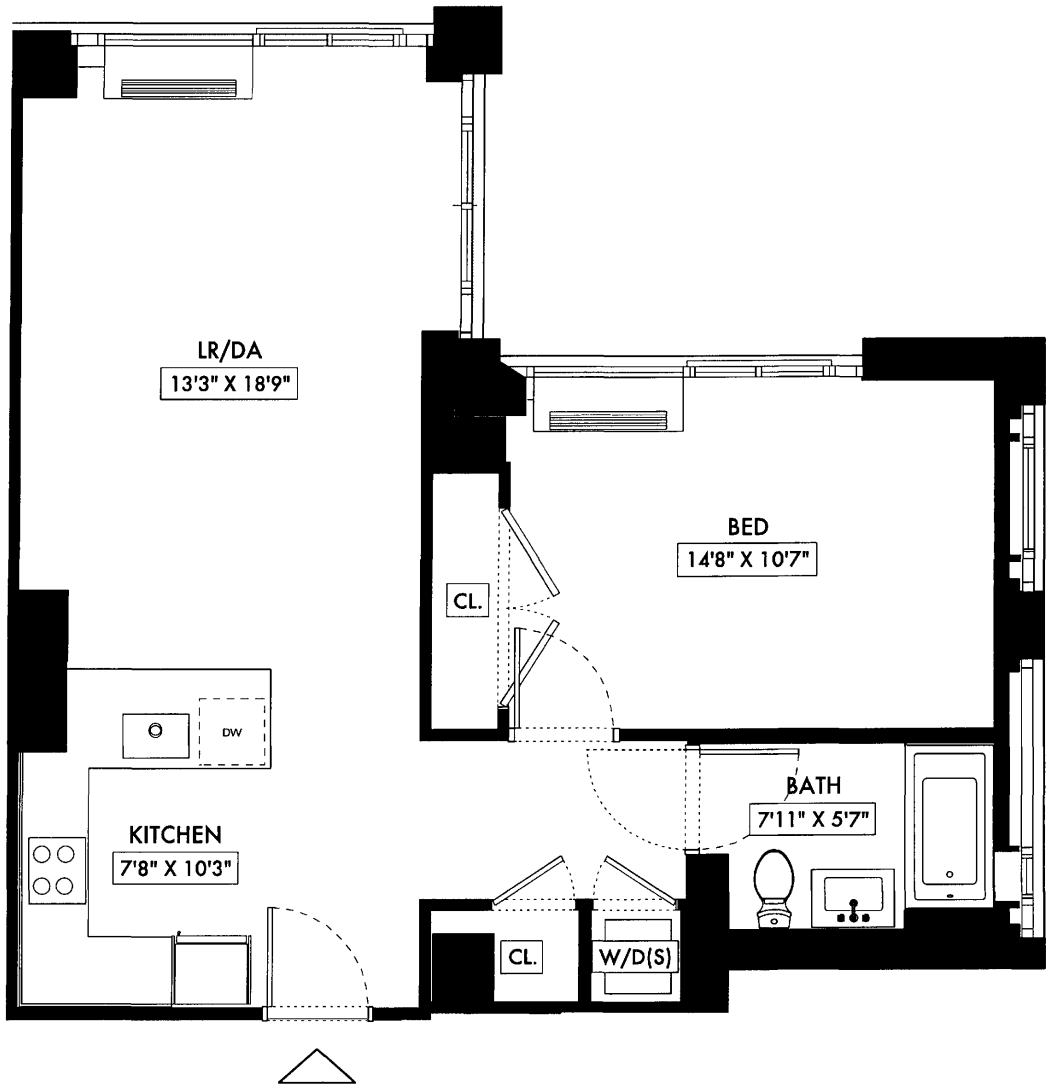
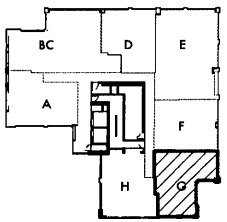


Unit 3G-6G

385 First Avenue
09.02.15

FLOOR 3-6
1 BEDROOM
1 BATH

729 SQ.FT.



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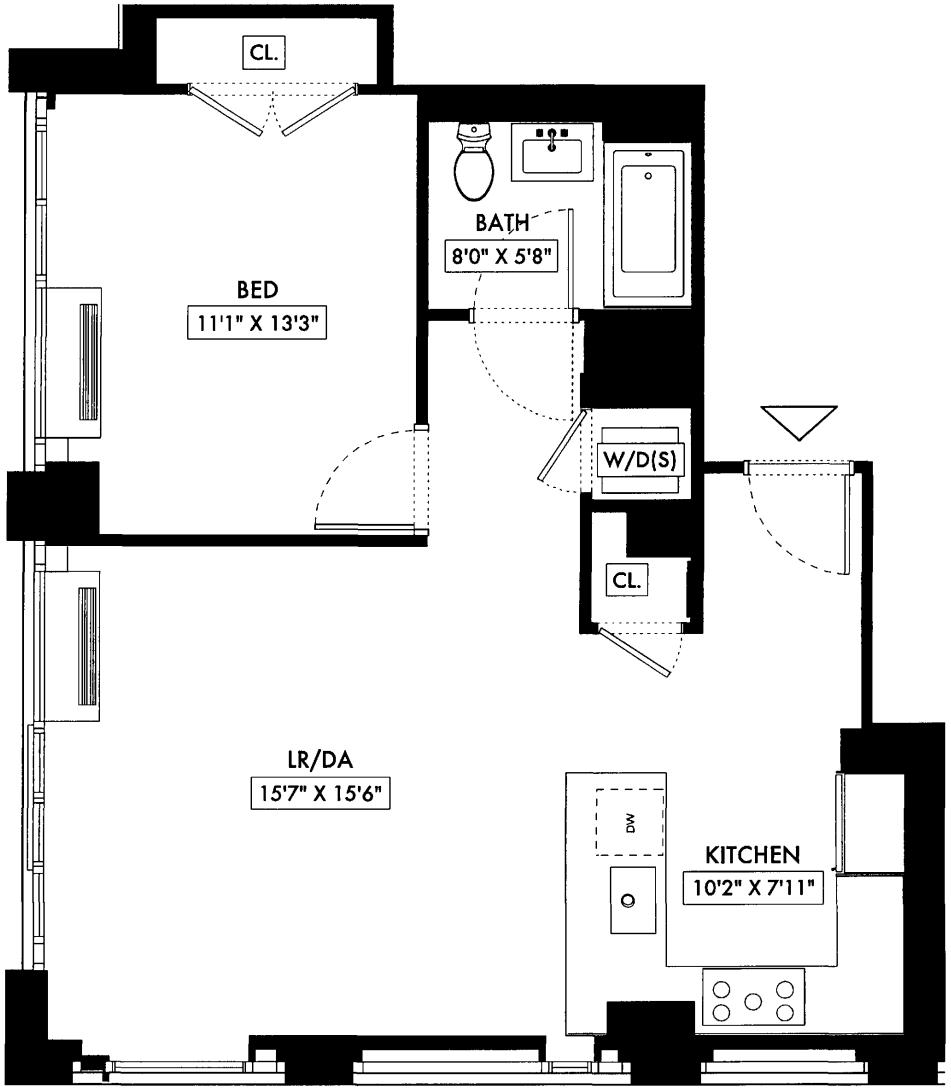
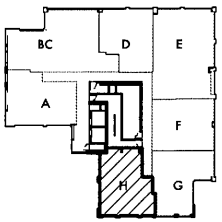


Unit 3H-6H

385 First Avenue
09.02.15

FLOOR 3-6
1 BEDROOM
1 BATH

748 SQ.FT.



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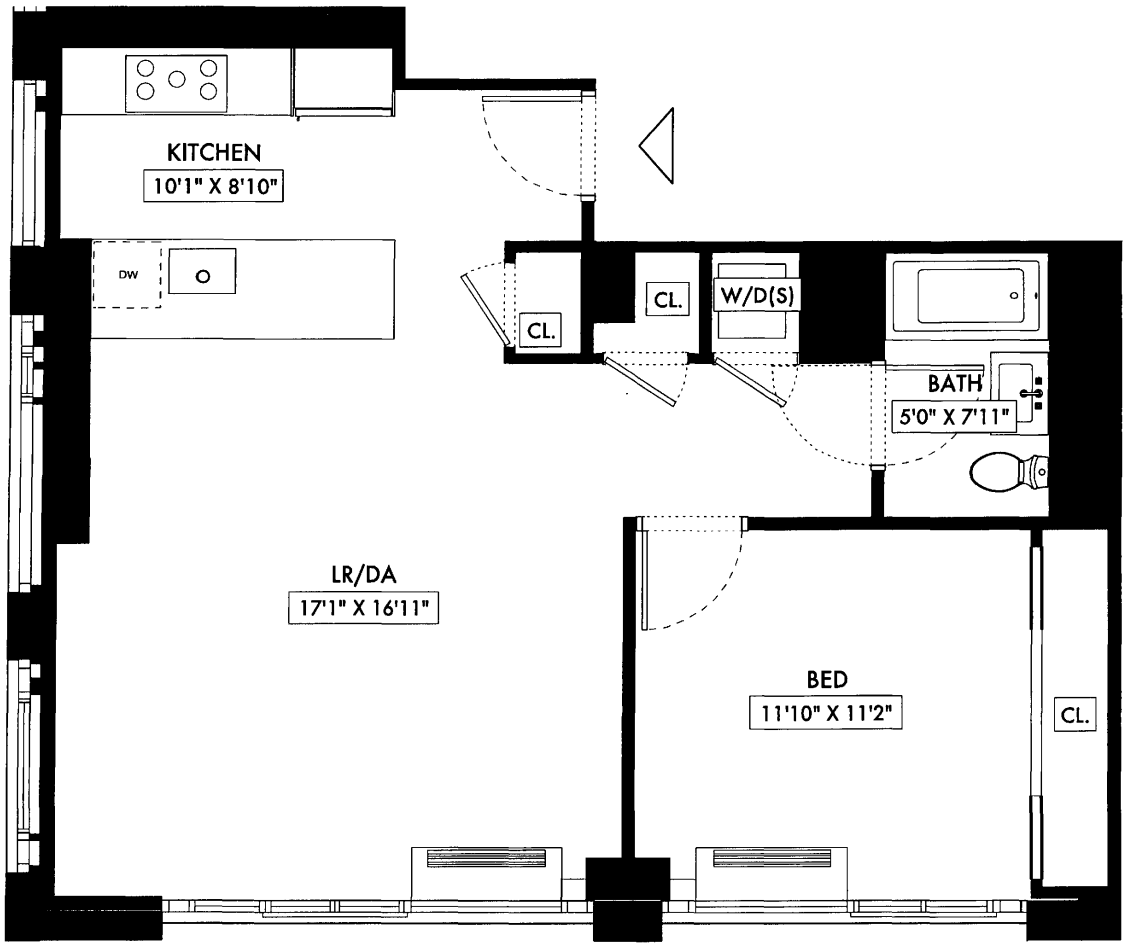
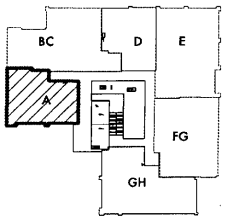


Unit 7A-12A & 14A

385 First Avenue
09.02.15

FLOOR 7-12 & 14
1 BEDROOM
1 BATH

770 SQ.FT.



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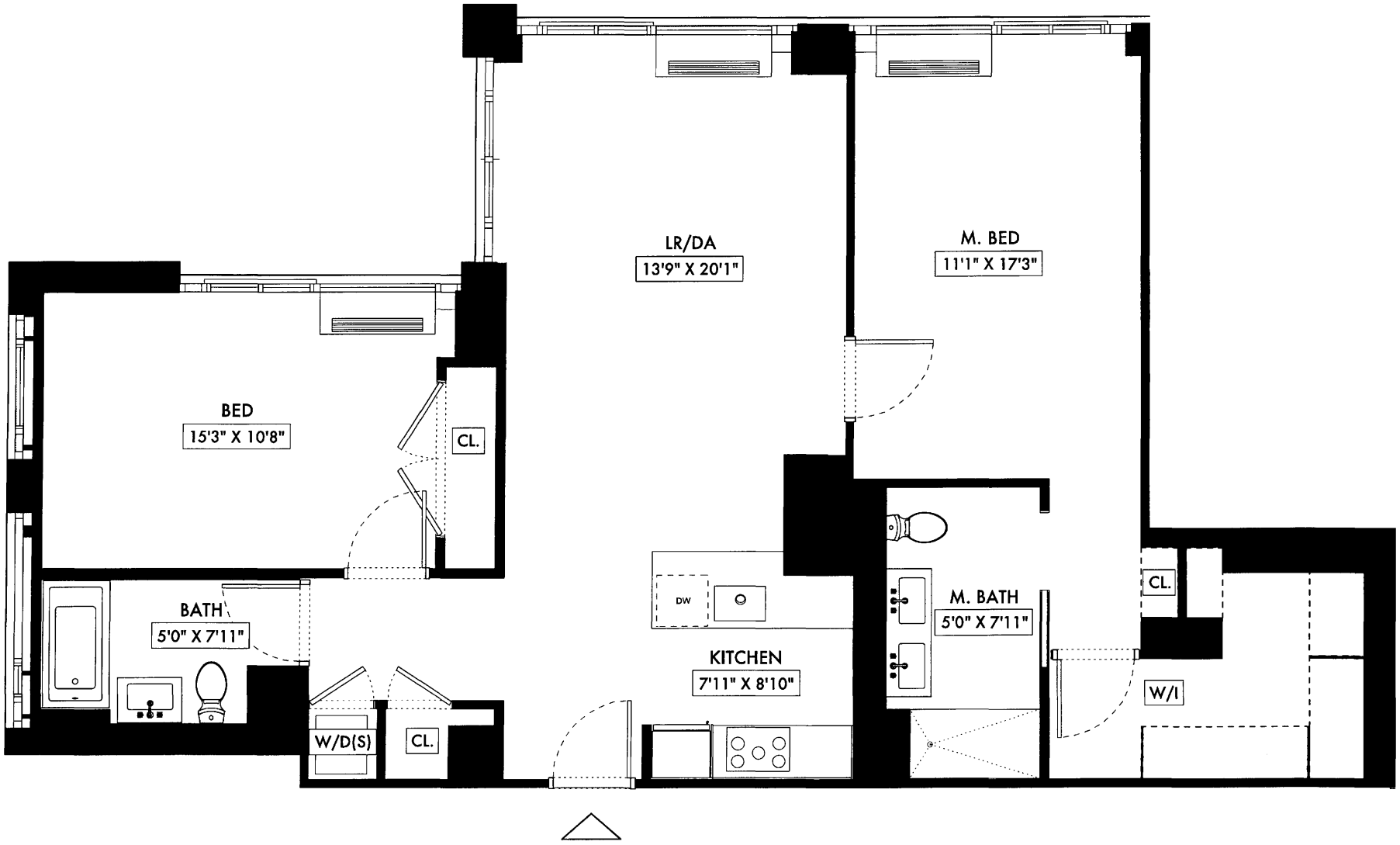
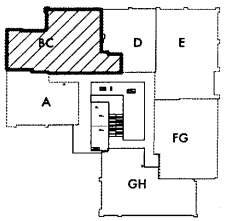


Unit 7BC-12BC & 14BC

385 First Avenue
09.02.15

FLOOR 7-12 & 14
2 BEDROOM
2 BATH

1,190 SQ.FT.



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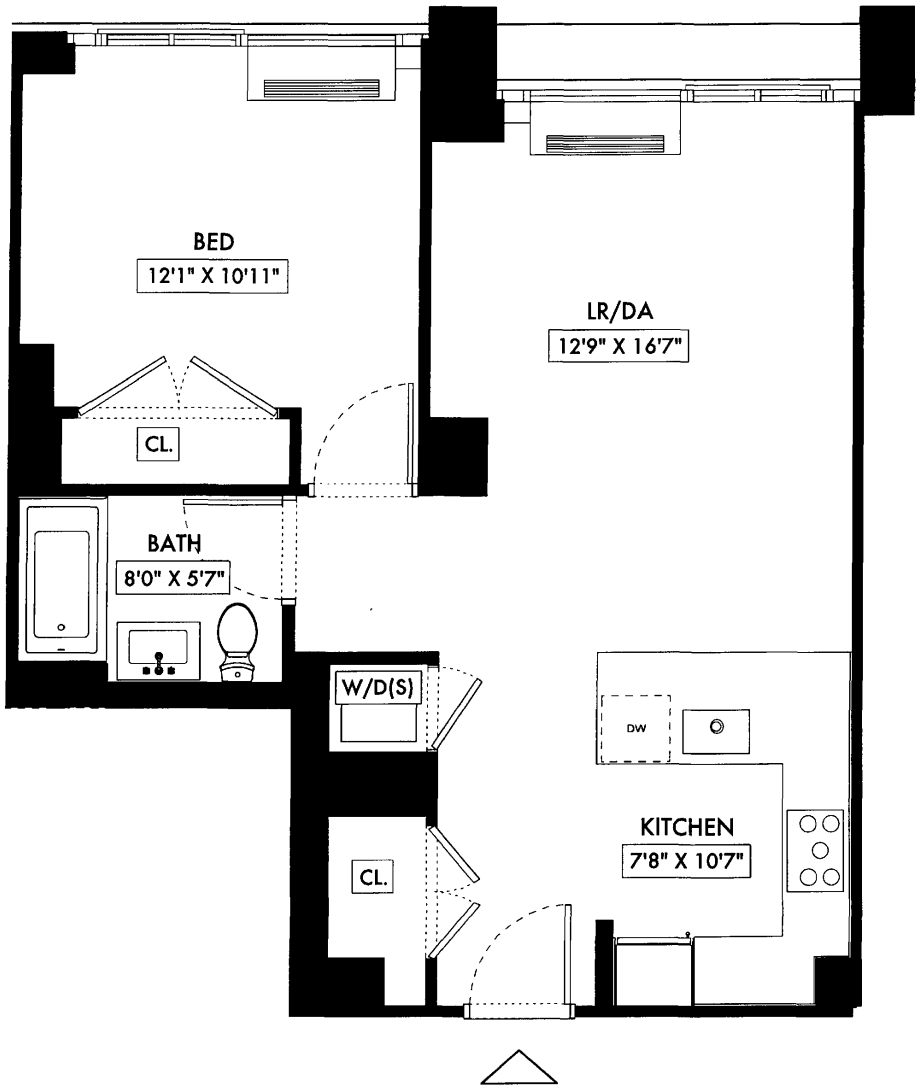
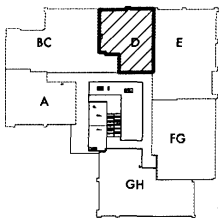


Unit 7D-12D & 14D

385 First Avenue
09.02.15

FLOOR 7-12 & 14
1 BEDROOM
1 BATH

675 SQ.FT.



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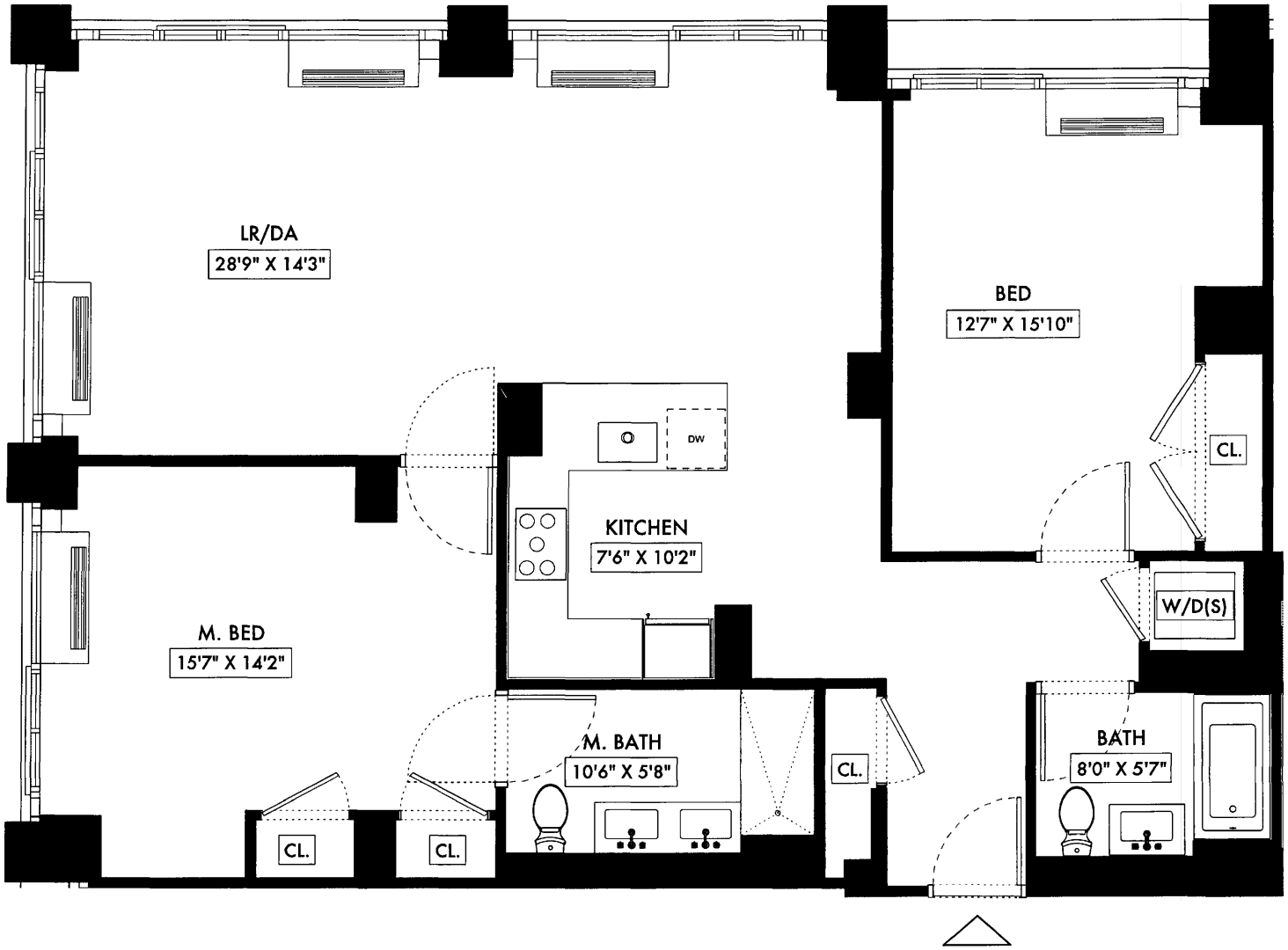
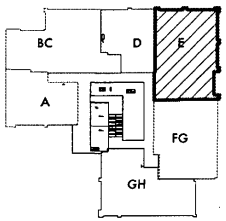


Unit 7E-12E & 14E

385 First Avenue
09.02.15

FLOOR 7-12 & 14
2 BEDROOM
2 BATH

1,235 SQ.FT.



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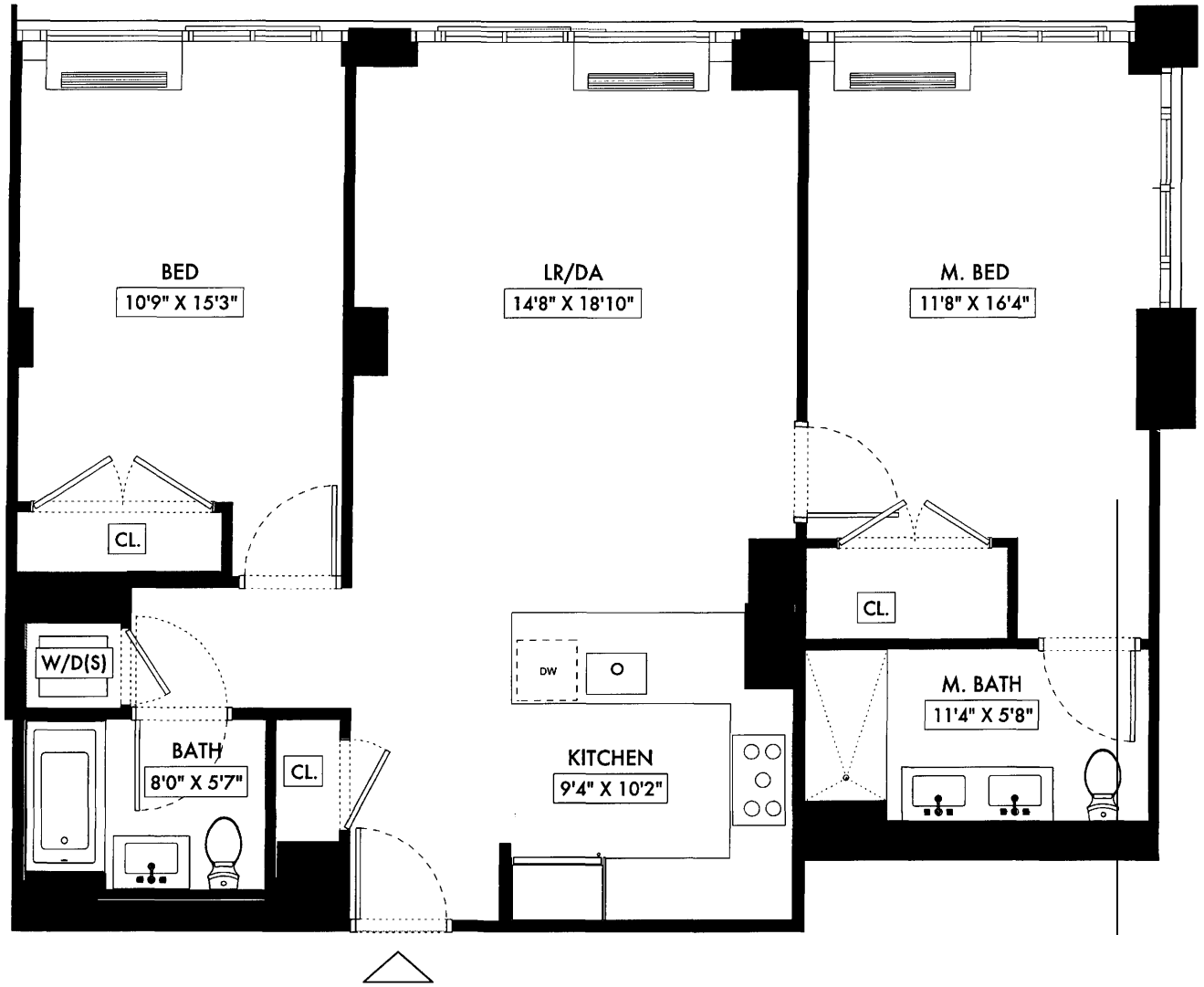
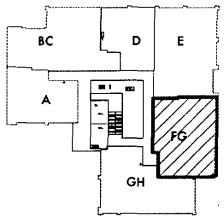


Unit 7FG-12FG & 14FG

385 First Avenue
09.02.15

FLOOR 7-12 & 14
2 BEDROOM
2 BATH

1,085 SQ.FT.



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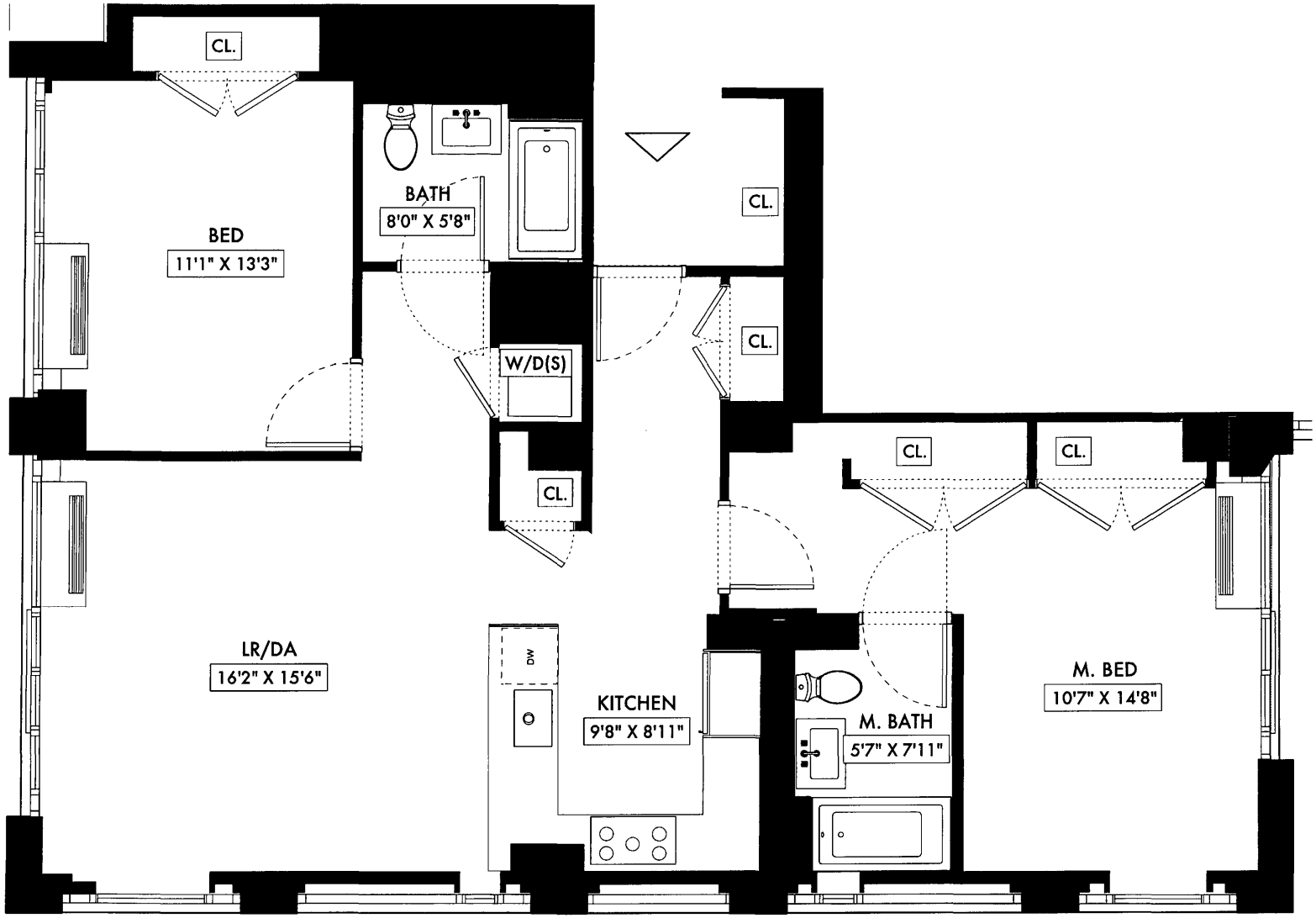
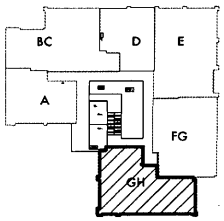


Unit 7GH-12GH & 14GH

385 First Avenue
09.02.15

FLOOR 7-12 & 14
2 BEDROOM
2 BATH

1,104 SQ.FT.



SCALE: 4' 2' 8'

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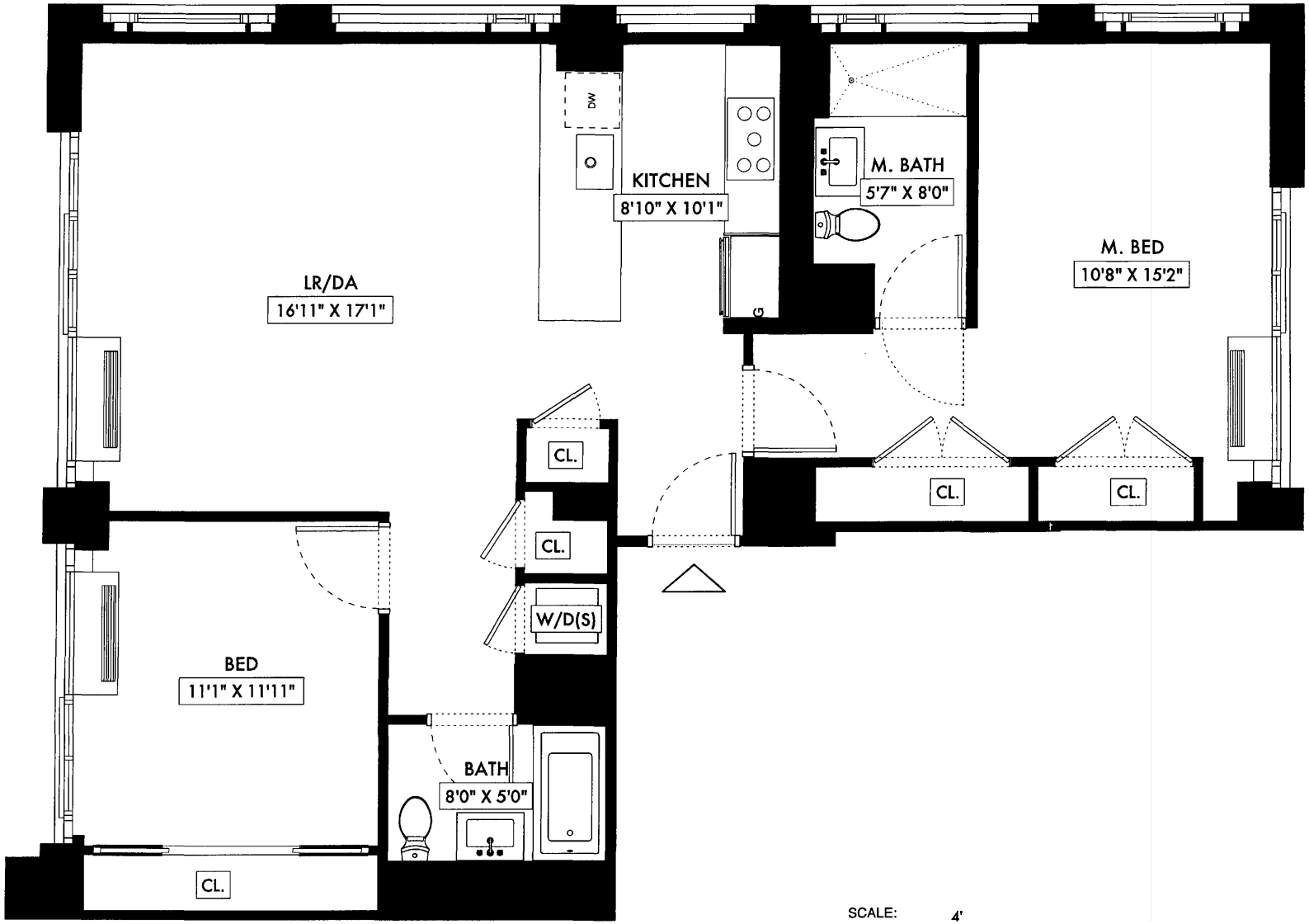
Gerner Kronick + Valcarcel, Architects, DPC

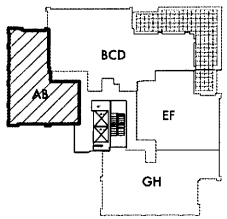


Unit 15AB

385 First Avenue
09.02.15

FLOOR 15
2 BEDROOM
2 BATH

1,138 SQ.FT.



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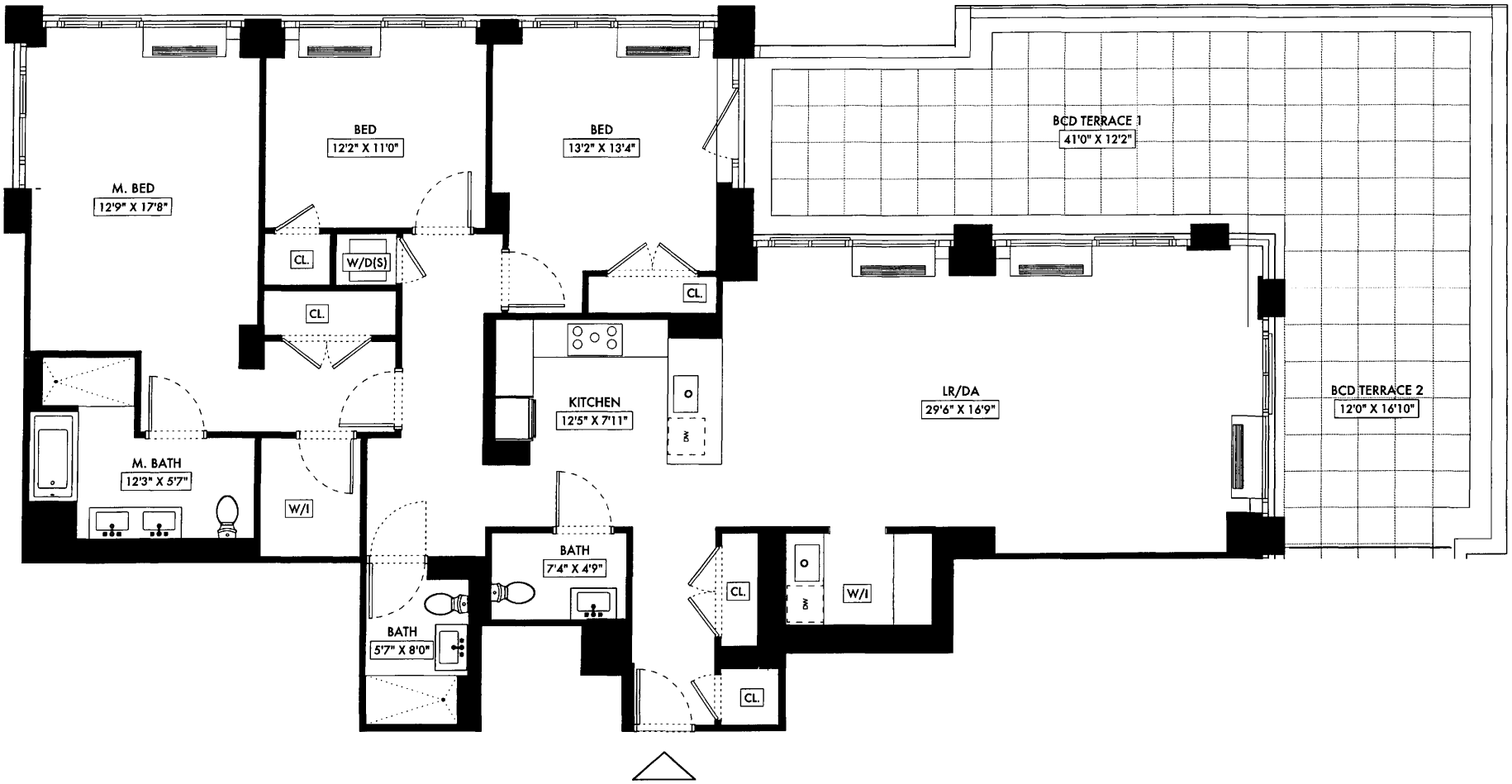
Gerner Kronick + Valcarcel, Architects, DPC

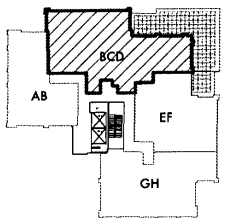


Unit 15BCD

385 First Avenue
09.02.15

FLOOR 15
3 BEDROOM
2 1/2 BATH

1,874 SQ.FT.
718 SQ. FT. TERRACE
(15TH FLOOR ONLY)



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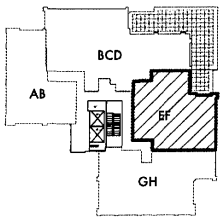
Gerner Kronick + Valcarcel, Architects, DPC

Unit 15EF

385 First Avenue
09.02.15

FLOOR 15
2 BEDROOM
2 BATH

1,230 SQ.FT.
128 SQ. FT. TERRACE
(15TH FLOOR ONLY)



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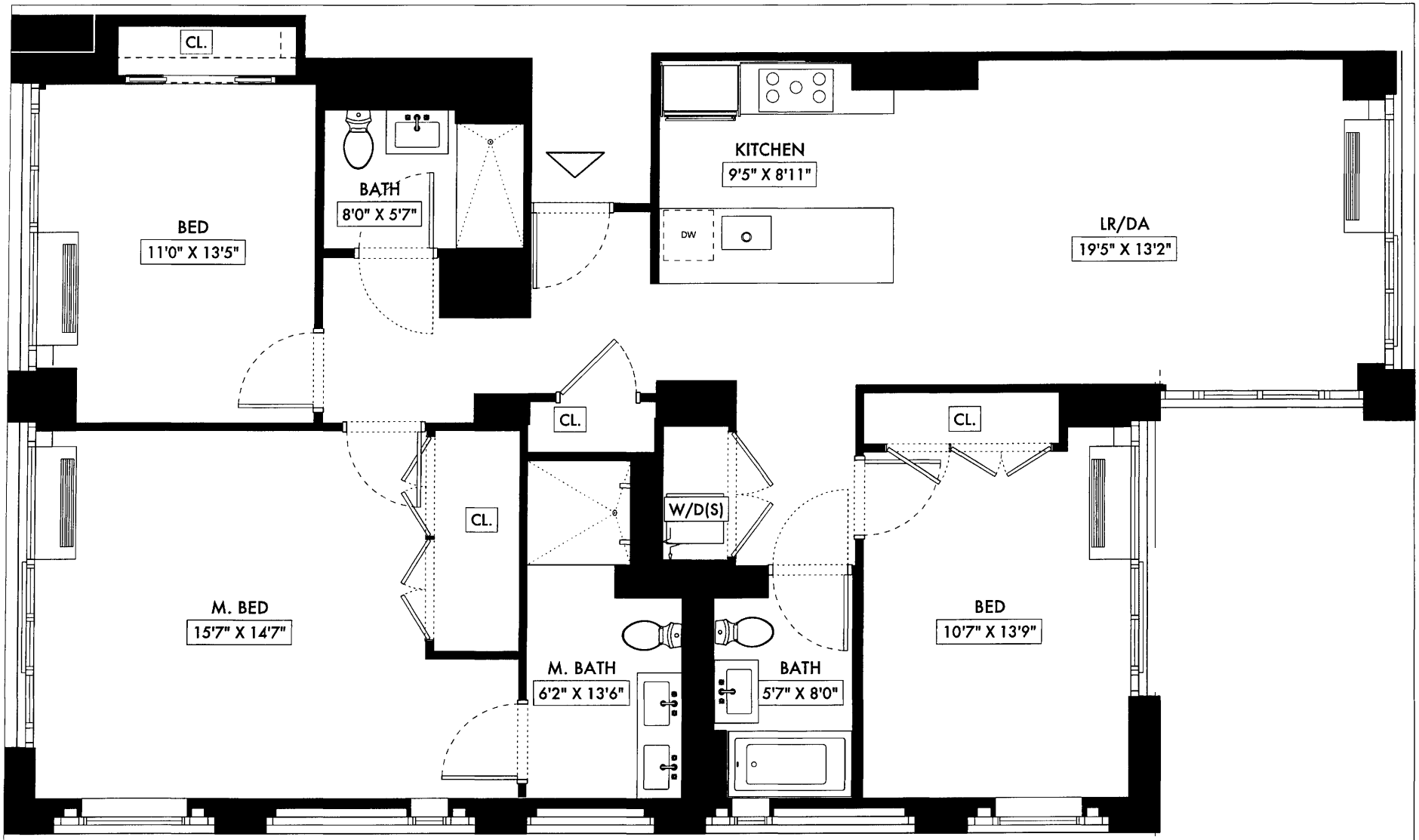
Gerner Kronick + Valcarcel, Architects, DPC

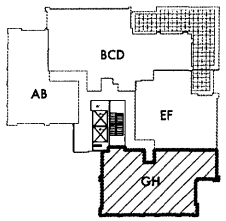


Unit 15GH

385 First Avenue
09.02.15

FLOOR 15
3 BEDROOM
3 BATH

1,494 SQ.FT.



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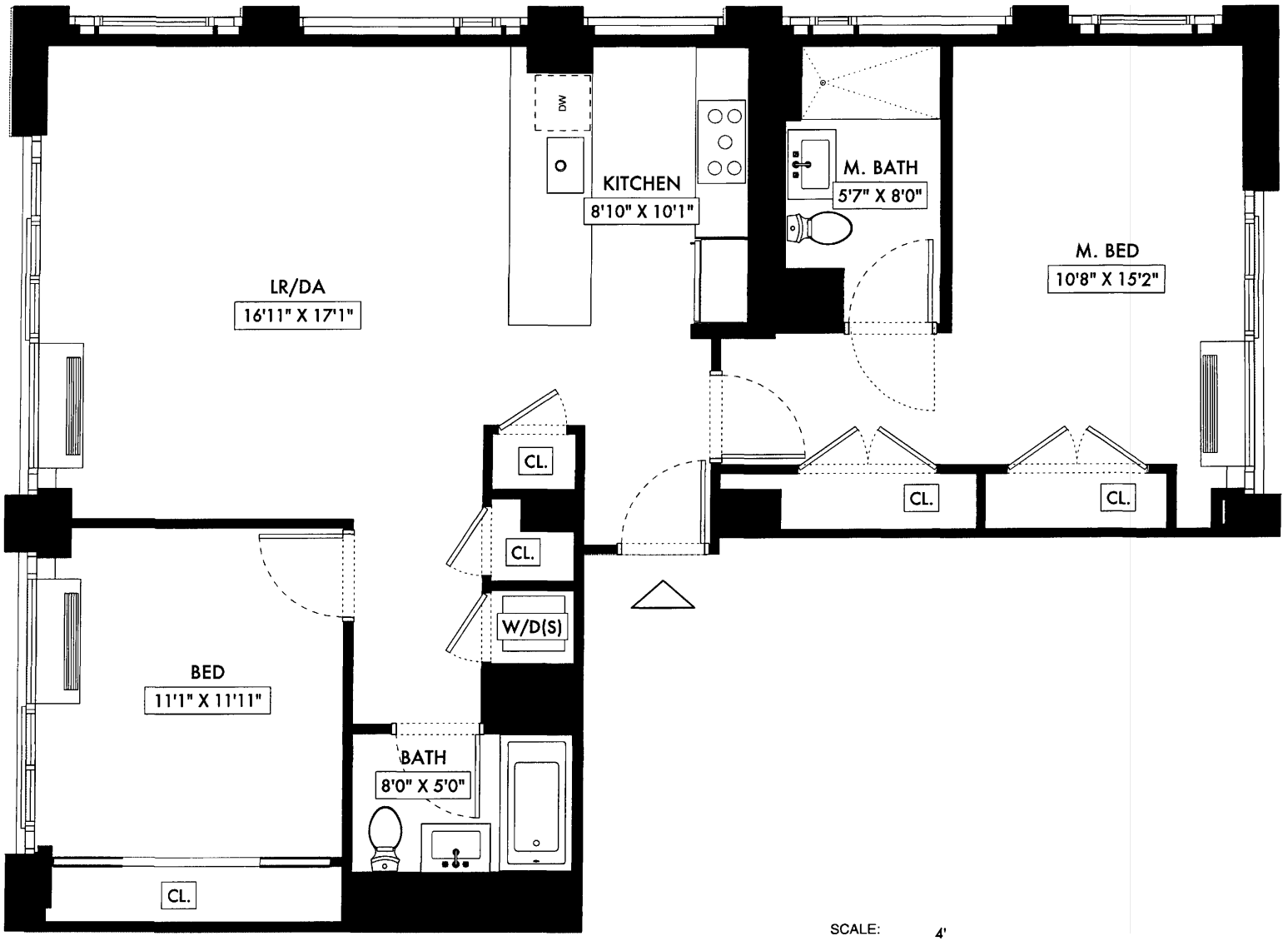
Gerner Kronick + Valcarcel, Architects, DPC

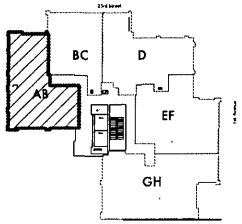


Unit 16AB-18AB

385 First Avenue
09.02.15

FLOOR 16-18
2 BEDROOM
2 BATH

1,137 SQ.FT.



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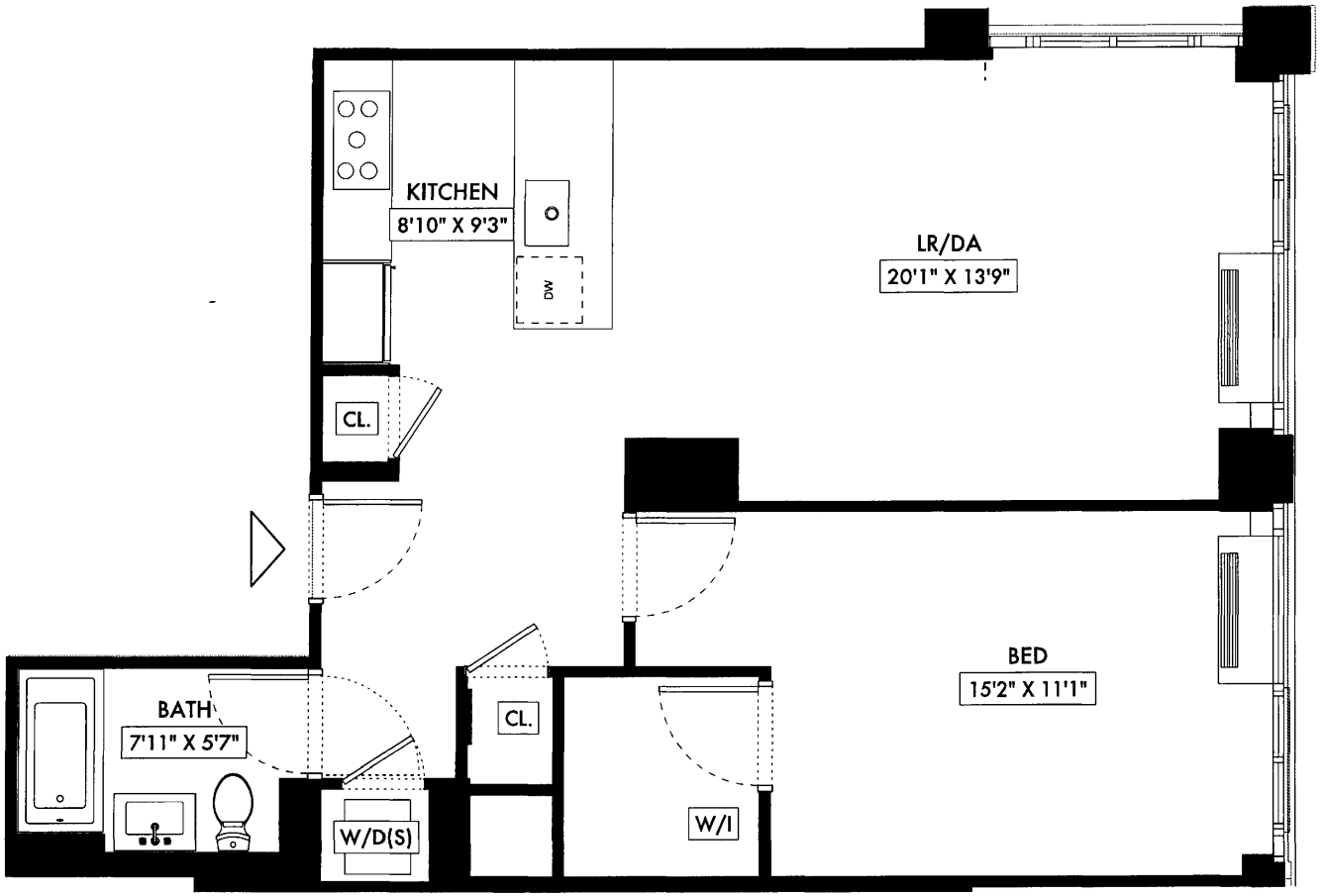
Gerner Kronick + Valcarcel, Architects, DPC

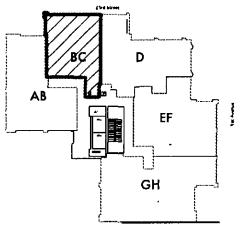


Unit 16BC-18BC

385 First Avenue
09.02.15

FLOOR 16-18
1 BEDROOM
1 BATH

815 SQ.FT.



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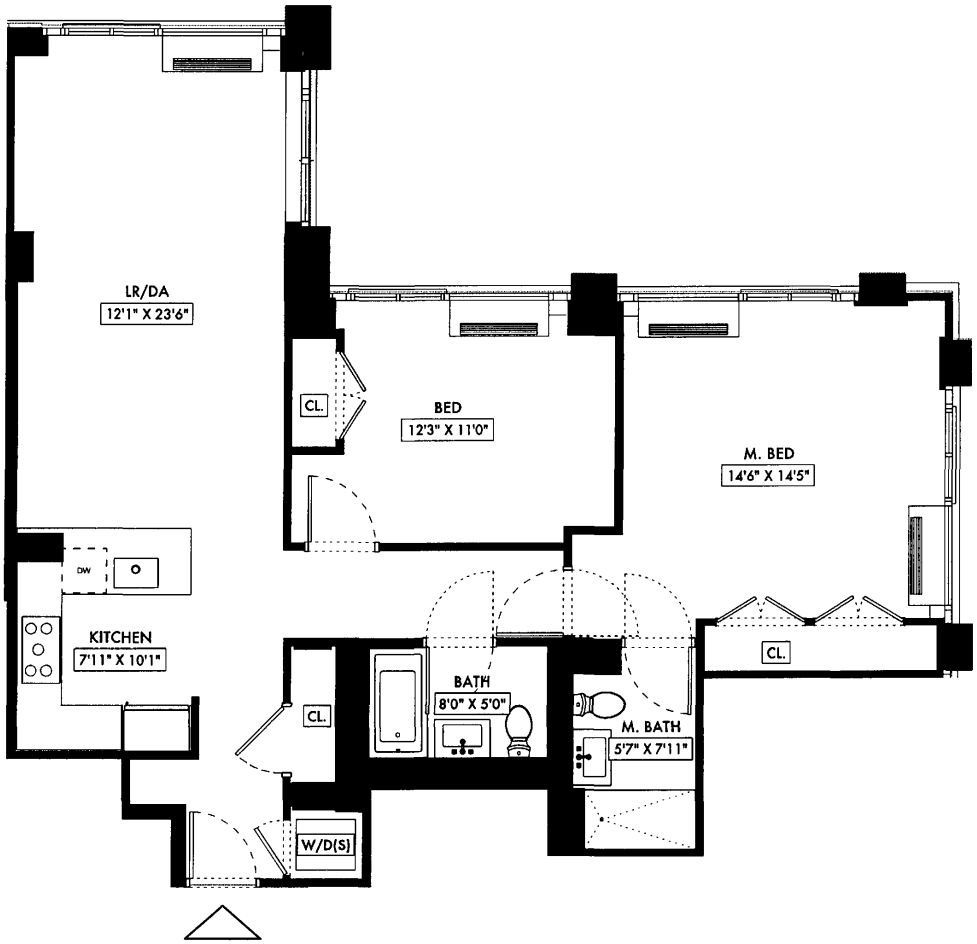
Gerner Kronick + Valcarcel, Architects, DPC

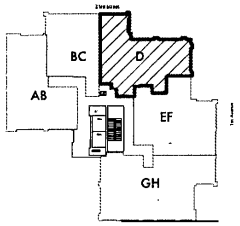


Unit 16D-18D

385 First Avenue
09.02.15

FLOOR 16-18
2 BEDROOM
2 BATH

1,116 SQ.FT.



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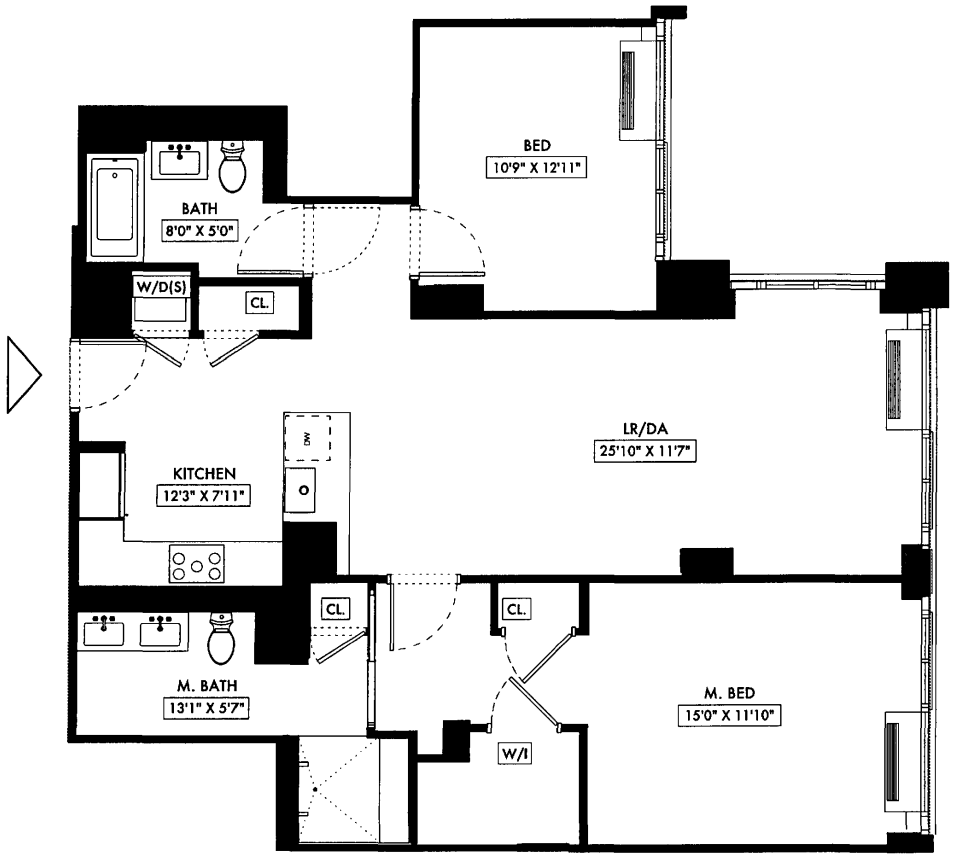
Gerner Kronick + Valcarcel, Architects, DPC

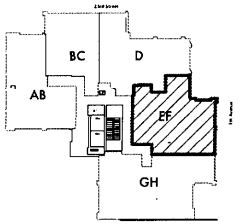


Unit 16EF-18EF

385 First Avenue
09.02.15

FLOOR 16-18
2 BEDROOM
2 BATH

1,176 SQ.FT.



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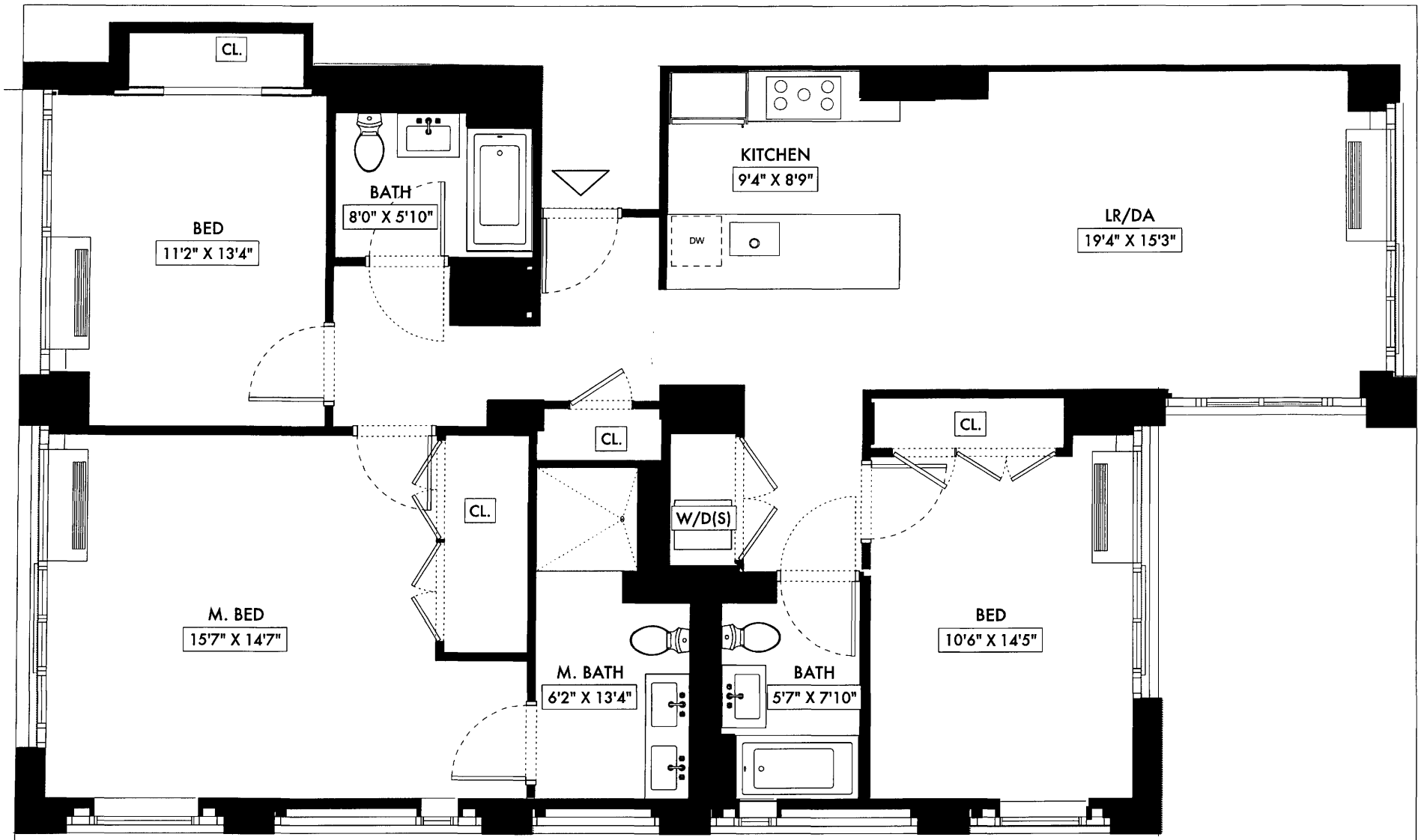
Gerner Kronick + Valcarcel, Architects, DPC

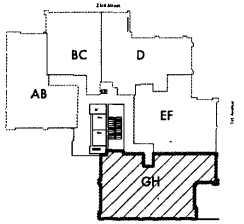


Unit 16GH-18GH

385 First Avenue
09.02.15

FLOOR 16-18
3 BEDROOM
3 BATH

1,493 SQ.FT.



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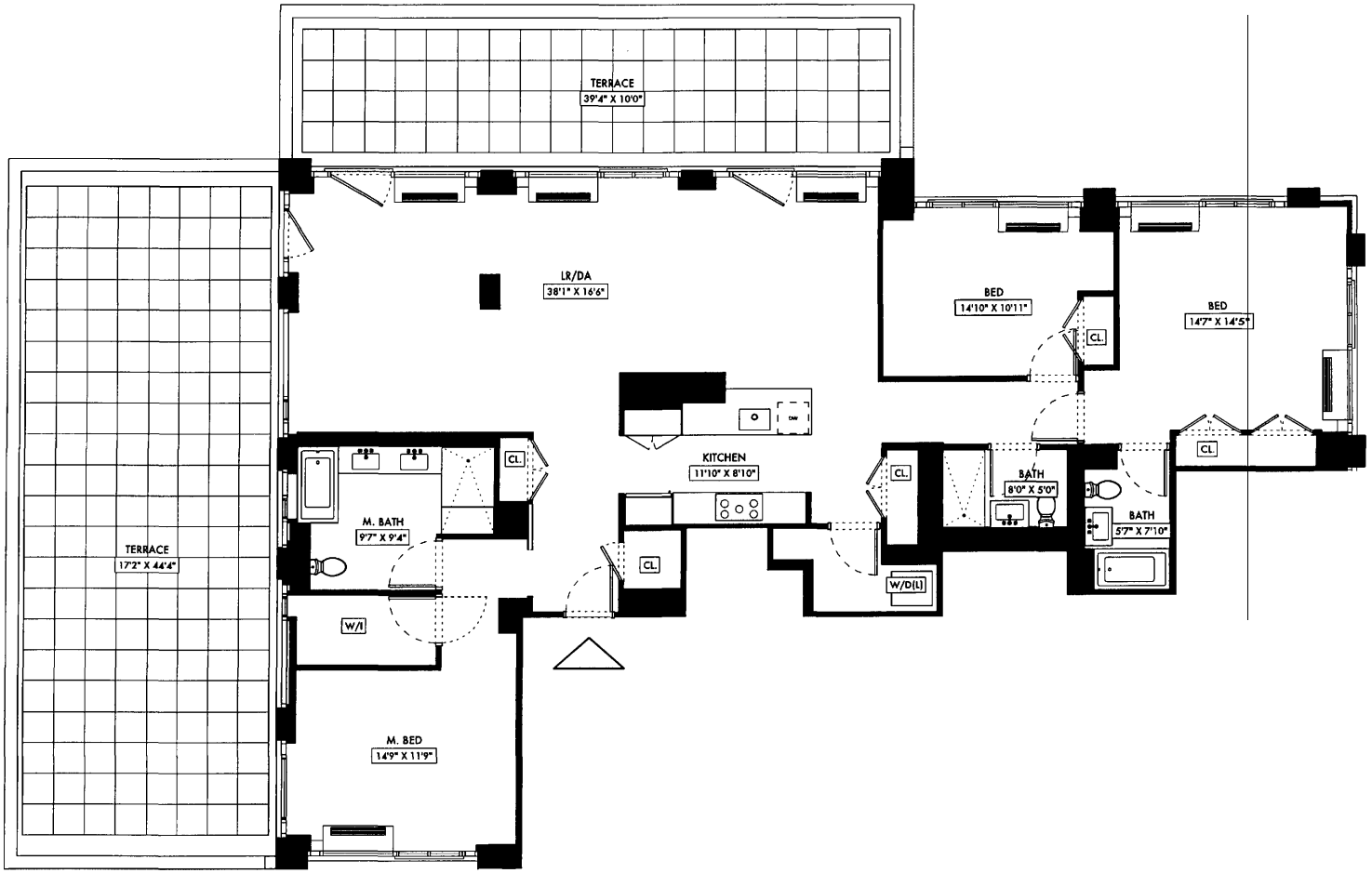
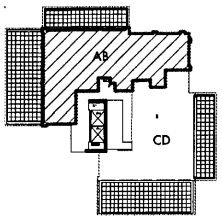


Unit 19AB

385 First Avenue
09.02.15

FLOOR 19
3 BEDROOM
3 BATH

1,982 SQ.FT.
1,265 SQ.FT. TERRACE
(19TH FLOOR ONLY)



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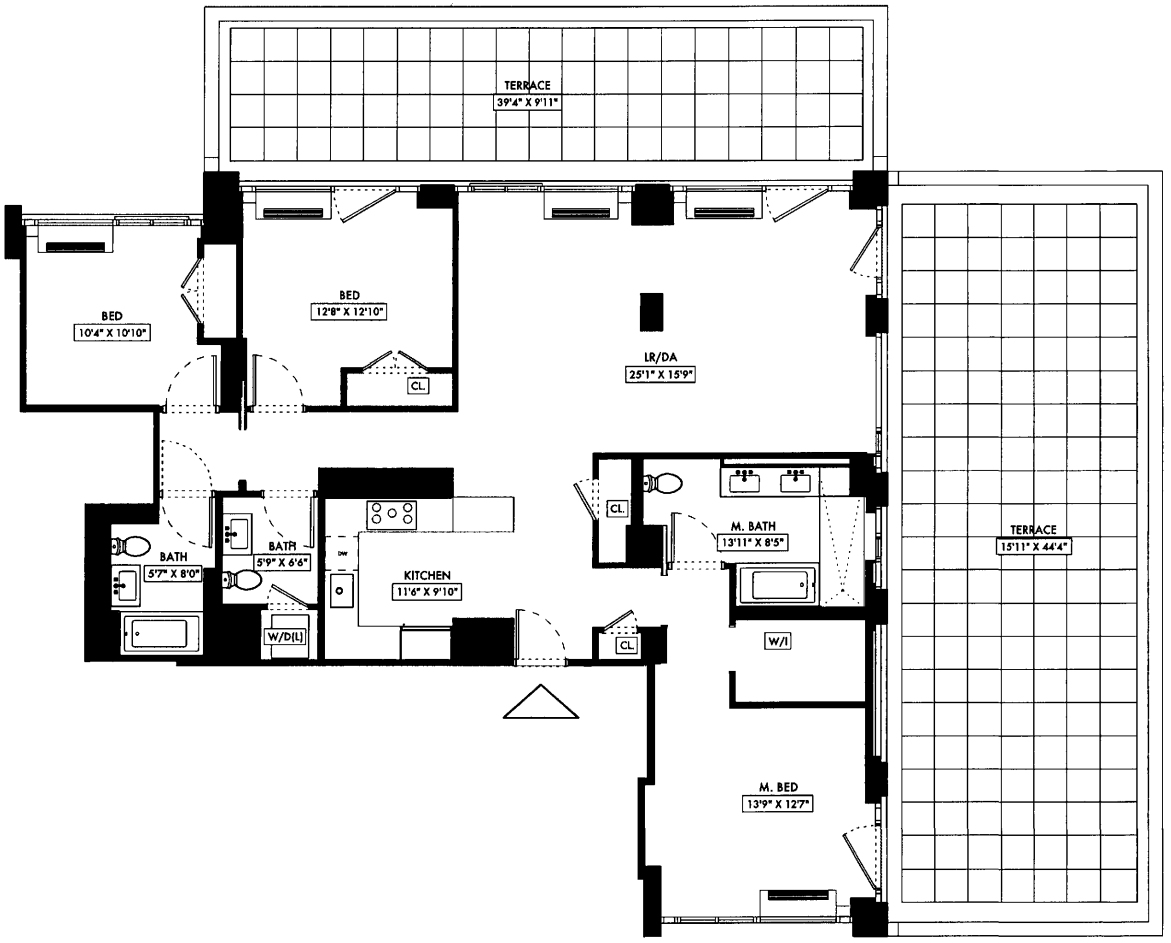
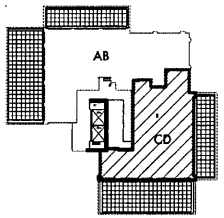


Unit 19CD

385 First Avenue
09.02.15

FLOOR 19
3 BEDROOM
3 BATH

1,595 SQ.FT.
1,207 SQ.FT. TERRACE
(19TH FLOOR ONLY)



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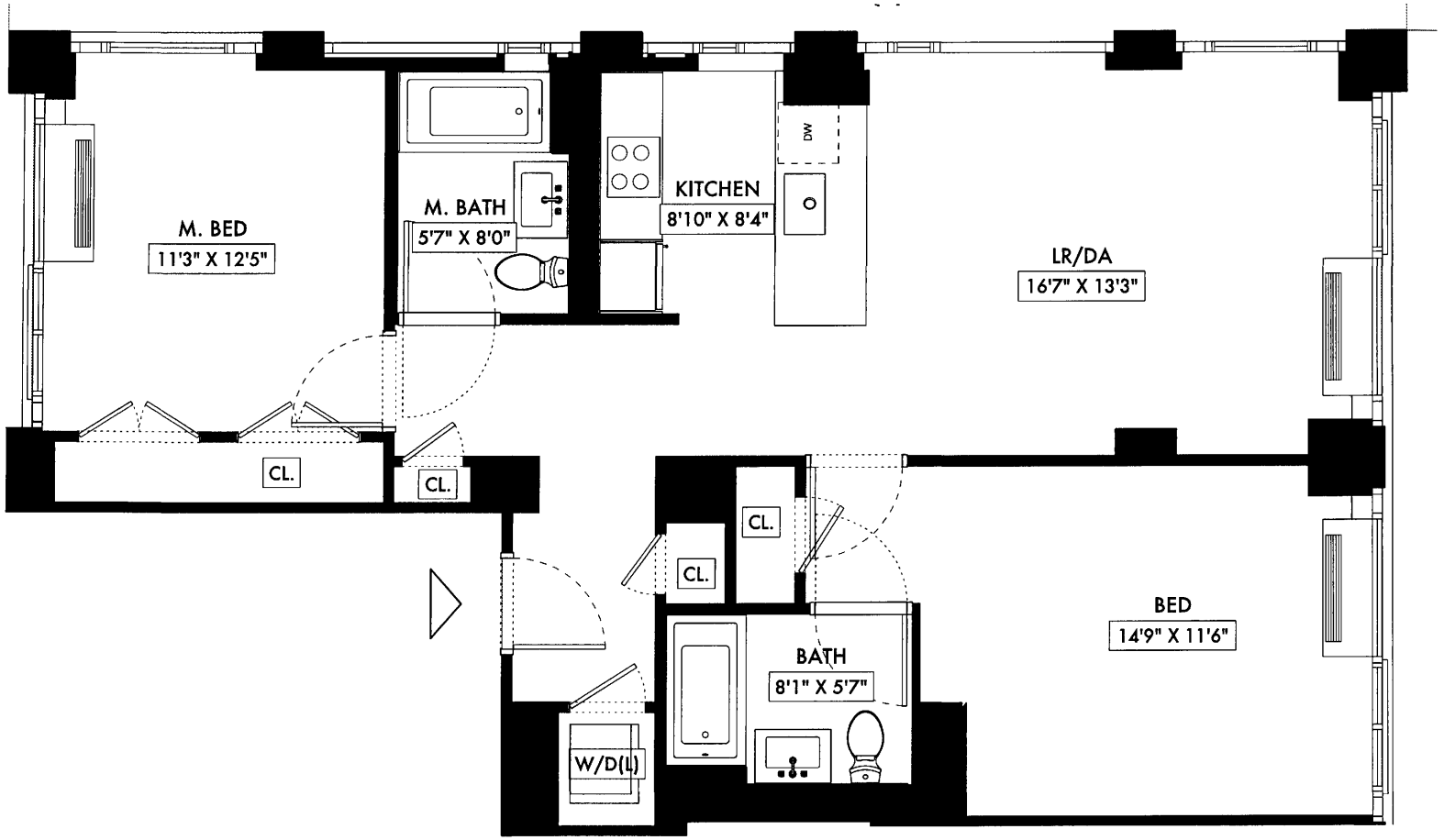


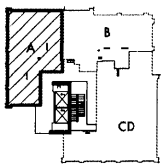
SCALE: 4' 2' 8'

Unit 20A-21A

385 First Avenue
09.02.15

FLOOR 20-21
2 BEDROOM
2 BATH

984 SQ.FT.



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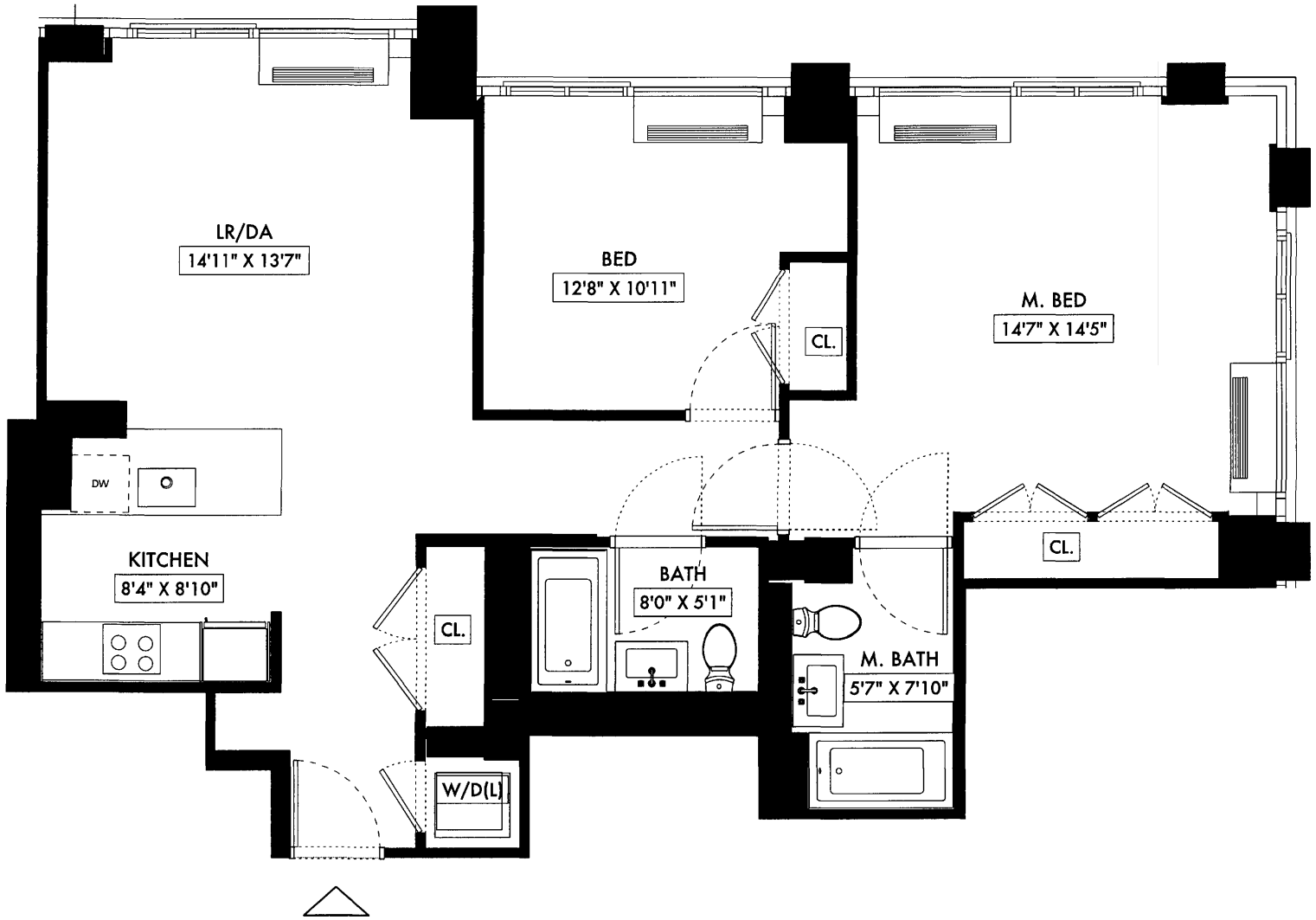
Gerner Kronick + Valcarcel, Architects, DPC



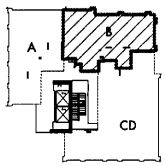
SCALE: 4' 2' 8'

Unit 20B-21B

385 First Avenue
09.02.15

FLOOR 20-21
2 BEDROOM
2 BATH

998 SQ.FT.



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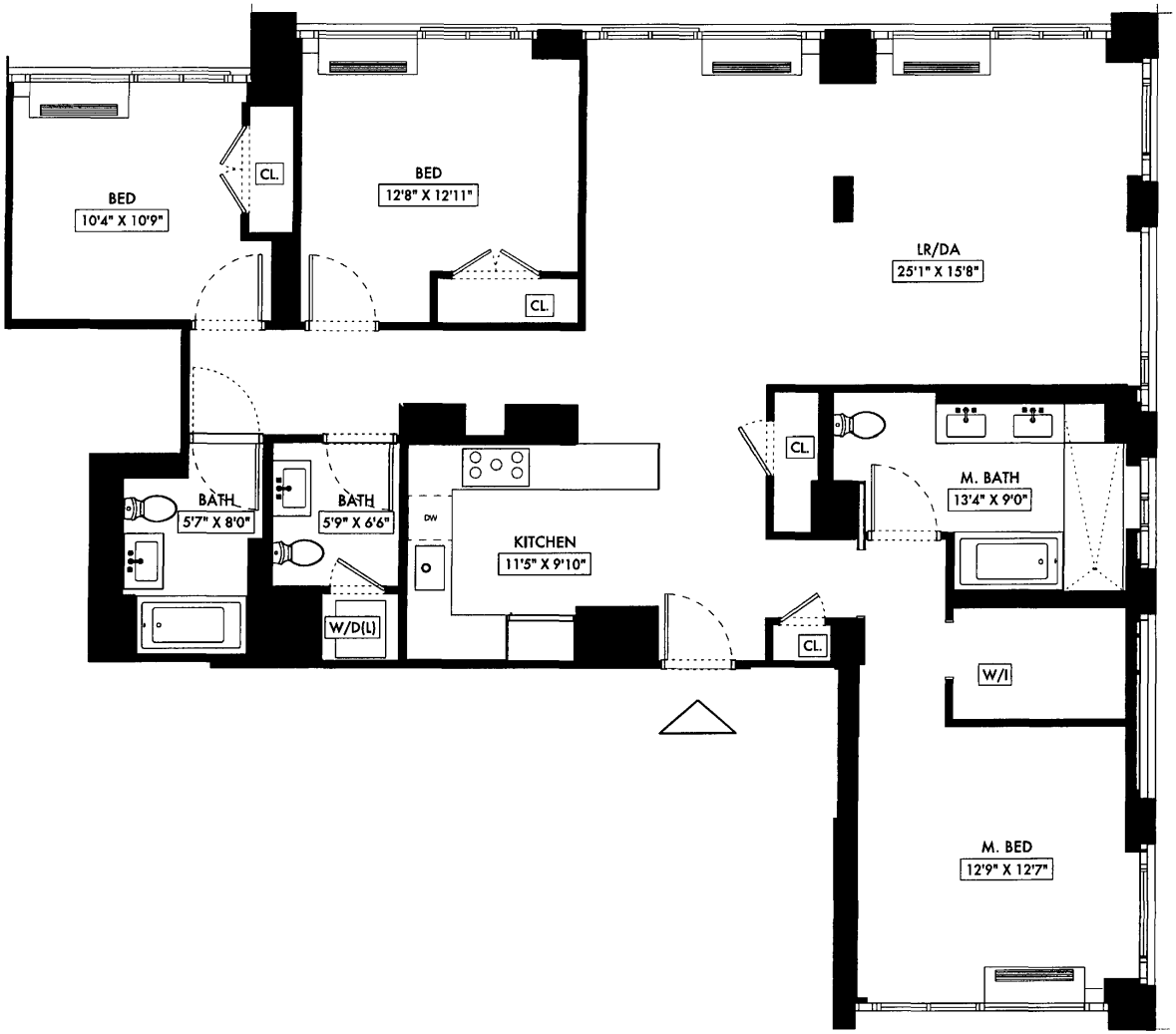


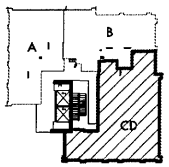
SCALE: 4' 2' 8'

Unit 20CD

385 First Avenue
09.02.15

FLOOR 20
3 BEDROOM
3 BATH

1,595 SQ.FT.



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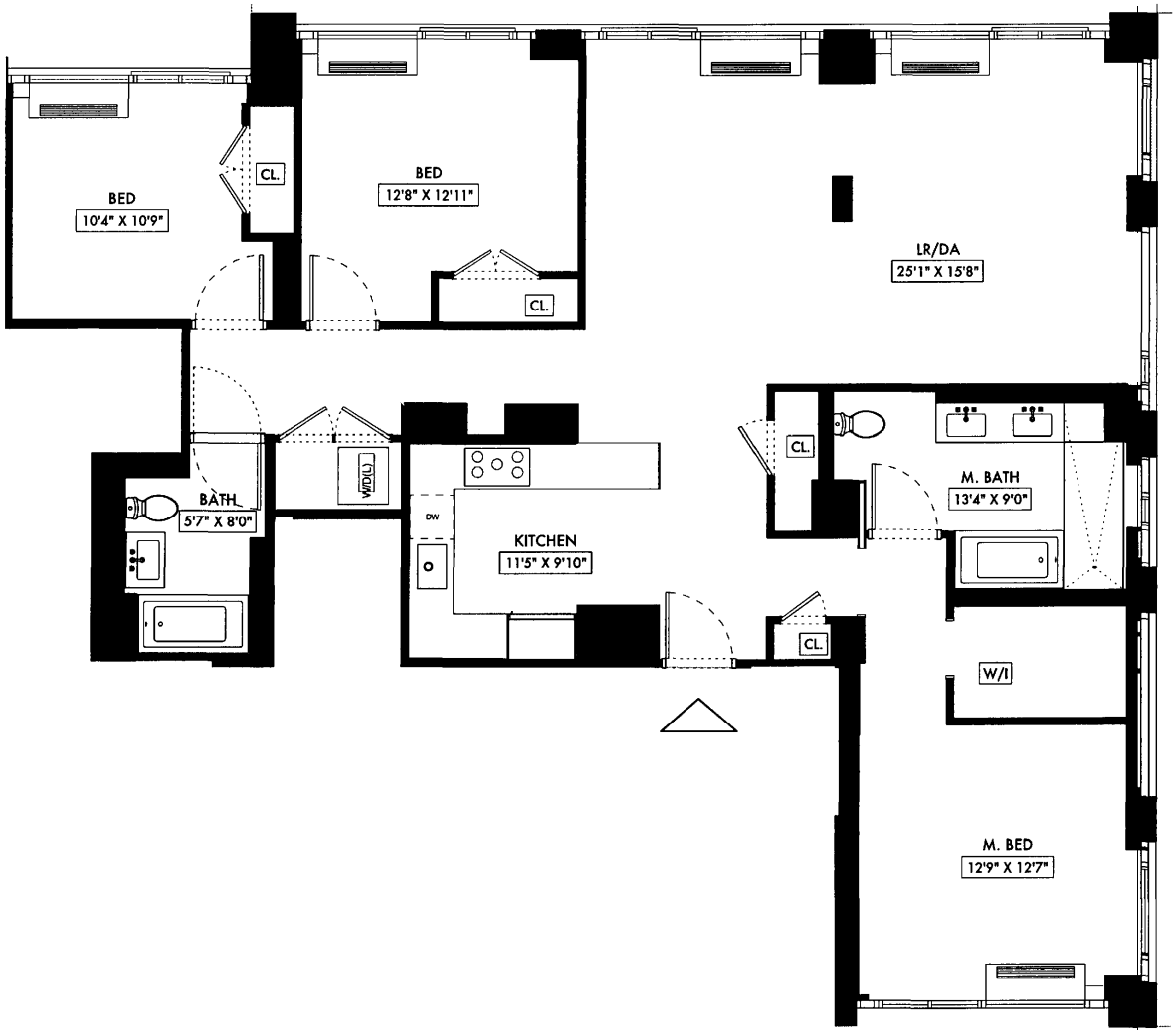


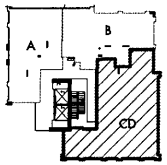
SCALE: 4' 2' 8'

Unit 21CD

385 First Avenue
09.02.15

FLOOR 21
3 BEDROOM
2 BATH

1,555 SQ.FT.



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Gerner Kronick + Valcarcel, Architects, DPC

PURCHASE AGREEMENT

PURCHASE AGREEMENT

MF 385 FIRST AVE LLC

Sponsor

With

_____

Purchaser

Residential Unit Number _____

385 FIRST AVENUE CONDOMINIUM
385 FIRST AVENUE
NEW YORK, NEW YORK 10010

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PURCHASE AGREEMENT

RESIDENTIAL UNIT NUMBER ____

385 FIRST AVENUE CONDOMINIUM
385 FIRST AVENUE
NEW YORK, NEW YORK 10010

AGREEMENT, made as of _____, _____, between Sponsor and Purchaser (defined below).

W I T N E S S E T H :

1. THE PLAN

Purchaser acknowledges having received and read a copy of the Offering Plan for 385 First Avenue Condominium and all amendments thereto, if any, filed prior to the date hereof with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") at least 3 business days prior to Purchaser's signing this Agreement. If Purchaser is not a Tenant, Purchaser understands that if Purchaser has not received and read the Plan and all amendments thereto at least 3 business days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement, by sending written notice of such rescission to Sponsor by certified or registered mail, return receipt requested, or by personal delivery, in either case within 7 days from the date Purchaser delivers an executed Purchase Agreement together with the required Initial Deposit to Selling Agent. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding except for specifically negotiated terms. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the Declaration, By-Laws and Residential Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Sponsor.

2. DEFINITIONS

Terms used herein which are also used in the Plan shall have the same meanings as they do in the Plan, unless the context requires otherwise.

2.1 "Sponsor" means MF 385 First Ave LLC, having an address at 594 Broadway, Suite 1010, New York, New York 10012. Sponsor's taxpayer identification number is [SPONSOR TAX ID].

2.2. "Purchaser" means _____ having an address at _____, _____, _____. Purchaser's social security number / EIN is: _____.

2.3 "Attorney for Sponsor" means Starr Associates LLP, having an address at 245 Fifth Avenue, Suite 1102, New York, New York 10016; Attention: Samantha Sheeber, Esq. Telephone number: 212-620-2680. Fax number: (212) 696-5013. E-mail address: jrosenberg@starr-lawfirm.com

2.4 "Attorney for Purchaser" means _____, having an address at _____, _____, _____. Attention: _____, Esq. Telephone number: (____) _____. Fax number: (____) _____. E-mail address: _____.

2.5 "Selling Agent" means Urban Compass, having an address at 19 Union Square West, 10th Floor, New York, New York 10003. Telephone number: (212) 913-9058.

2.6 "Co-Broker" means _____.

2.7 "Escrow Agent" means Attorney for Sponsor.

2.8 "Title Company" means Kensington Vanguard National Land Service, having an address at 39 West 37th Street, 7th Floor, New York, New York 10018. Telephone number: 212-532-8686.

3. THE UNIT

Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the Unit designated as Unit _____ in the Declaration, ("Unit"), together with its undivided _____% interest in the Common Elements appurtenant to such Unit.

4. PURCHASE PRICE

4.1 The Purchase Price of the Residential Unit ("Purchase Price") is $_____.

The Purchase Price is payable as follows:

(a) $_____ ("Initial Deposit") due upon Purchaser's signing and delivering this Agreement;

(b) $_____ ("Additional Deposit") due upon the earlier to occur of (i) 6 months after the execution date of this Agreement, or (ii) 15 days after the Presentation Date of an amendment declaring the Plan effective; and

(c) $_____ ("Balance of the Purchase Price") due upon the delivery of the deed to the Unit.

(d) If Purchaser is signing this Agreement after the Plan is declared effective, the Initial Deposit and Additional Deposit shall be due upon Purchaser's signing this Agreement.

4.2 Purchaser must deliver the payment of any Deposit or the Balance of the Purchase Price by official bank check unless Sponsor offers, in Sponsor's sole discretion, to accept a wire transfer. All instruments (a) in payment of any Deposit shall be made payable directly to the order of "Starr Associates LLP, as Escrow Agent" or wired directly to the escrow account maintained by Escrow Agent pursuant to the Plan, as applicable, or (b) in payment of the Balance of the Purchase Price shall be made payable directly to the order of MF 385 First Ave LLC or wired to one or more accounts as directed by Sponsor. All instruments shall be accepted subject to collection. All checks must be drawn on or issued by a bank or trust company which is a member of the New York Clearinghouse Association. A return of any check delivered in payment of the Initial Deposit, for insufficient funds or for any other reason, shall constitute a non-curable Event of Default under this Agreement, rendering this Agreement void *ab initio* and of no further force or effect, in which event Purchaser and Sponsor shall each be released and discharged of all further liability and obligations under this Agreement and the Unit may be sold to another as though this Agreement had never been made. A return of any check delivered in payment of the Additional Deposit or the Balance of the Purchase Price, for insufficient funds or for any other reason, shall constitute an Event of Default under this Agreement, entitling Sponsor, at its option, to exercise the remedies set forth in Article 13 hereof. With respect to wire transferred funds, any wiring fees charged by the initiating and/or receiving bank shall be paid by Purchaser. FUNDS DRAWN ON OUT-OF-STATE OR FOREIGN BANKS WILL NOT BE ACCEPTED.

5. DEPOSITS TO BE HELD IN TRUST

All Deposits made pursuant to this Agreement are subject to the requirements of Sections 352-e(2) (b) and 352-h of the New York General Business Law and the Attorney General's regulations promulgated pursuant thereto. All monies received from Purchaser towards a Deposit shall be delivered to Escrow Agent and shall be held in accordance with the Section of the Plan entitled "Escrow and Trust Fund Requirements" a copy of which is annexed hereto as Schedule D and made a part hereof. By signing this Agreement, Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of all Deposits to Sponsor in the event Sponsor and Purchaser close title under this Agreement.

6. CLOSING DATE AND PLACE

6.1 The Closing of Title shall be held at the offices of Starr Associates LLP, 245 Fifth Avenue, Suite 1102, New York, New York (or such other place in the City and State of New York as Sponsor may designate to Purchaser) and on such date and hour as Sponsor may designate to Purchaser on not less than 30 days' prior notice ("Initial Closing Notice"). After the Initial Closing Notice, Sponsor may, from time to time, adjourn and reschedule the date and hour for Closing at any time on notice to Purchaser, which new Closing notice shall fix a new date, hour and place for the Closing. The rescheduled Closing shall not be earlier than: (a) the date set forth in the Initial Closing Notice or, (b) 5 days from the date of Sponsor's Closing adjournment notice. These notice provisions may be modified or waived by an agreement signed by Sponsor and Purchaser. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Attorney for Sponsor at Closing, an extra fee as set forth in the Plan.

6.2 The term "Closing Date" "Closing" "Closing of Title" or words of similar import, whenever used herein, shall mean the conveyance of title to the Unit from Sponsor to Purchaser.

6.3 The Closing of Title shall only occur with or after compliance with the prerequisites to Closing and the Section of the Plan entitled "Terms of Sale."

7. CLOSING DOCUMENTS

7.1 At the Closing of Title, Sponsor shall deliver to Purchaser a Unit Deed with covenant against grantor's acts conveying fee simple title to the Unit to Purchaser. The deed shall be prepared by Sponsor substantially in the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes, and Sponsor and Purchaser shall duly complete and execute before a notary public the New York City and New York State Transfer Tax Return Forms and any other forms then required by Law, all of which shall be prepared by Sponsor.

7.2 At the Closing of Title, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board and Sponsor prepared by Sponsor substantially in the form set forth in Part II of the Plan.

7.3 At the Closing of Title, Sponsor shall deliver to Purchaser a certification stating that Sponsor is not a foreign person in compliance with IRS Section 6045(e) as amended, or any successor provision or regulation promulgated thereunder.

7.4 At the Closing of Title, Sponsor and Purchaser shall execute and acknowledge in form for recording such other documents that are reasonably necessary or customary in connection with the conveyance of a condominium unit, including, but not limited to, title affidavits, transfer tax forms, reporting information in respect of real estate transactions, smoke detector affidavit and window guard notices.

7.5 The executed deed, transfer tax forms and power of attorney shall be delivered at the Closing to the representative of the Title Company insuring Purchaser's title (or, if no such representative is present, then to the Attorney for Sponsor) for recording in the Office of the City Register, which recording shall be at Purchaser's expense. After being recorded the deed shall be returned to Purchaser and the power of attorney shall be returned to the Condominium Board.

7.6 If Purchaser is a tenant or occupant of the Unit or another Unit in the Building pursuant to a lease, Purchaser shall execute and deliver to Sponsor a surrender of such lease.

7.7 Purchaser shall provide to Sponsor, at least 5 business days prior to Closing, an indemnity agreement substantially in the form annexed hereto as Schedule H or in such other form as may be acceptable to Sponsor ("Title Agreement"), in its sole discretion, wherein Purchaser's title underwriter agrees to (i) timely submit the deed, all transfer tax forms and checks for payment of such transfer taxes required to be submitted to the appropriate governmental authorities for recording and payment in connection with the conveyance of the Unit to Purchaser in connection herewith; and (ii) indemnify Sponsor, Attorney for Sponsor, Sponsor's agents and others for loss, damages, penalties, fines and the like (including attorneys' fees and costs) in the event Purchaser's title underwriter (or such title underwriter's abstract company) fails to file such deed and transfer tax forms and remit the payment of the required transfer taxes in connection therewith in a time manner in accordance with law and the requirements of any governmental or quasi-governmental agency. In the event the Title Agreement is not delivered as set forth above, (x) Purchaser hereby indemnifies Sponsor, Attorney for Sponsor, Sponsor's agents and others for loss, damages, penalties, fines and the like (including attorneys' fees and costs) in the event Purchaser's title underwriter (or such title underwriter's affiliated abstract company) fails to file such deed and transfer tax forms and remit payment of the required transfer taxes in connection therewith in a timely manner and in accordance with Law and the requirements of any governmental or quasi-governmental agency. The provisions of this Section 7.7 shall survive the Closing of Title to the Unit

7.8 Purchaser's payment of the Balance of the Purchase Price and acceptance of a deed to the Unit shall constitute Purchaser's recognition that Sponsor has satisfactorily performed those obligations stated in the Plan and this Agreement to be performed by Sponsor prior to closing. However, nothing herein contained shall excuse Sponsor from performing those obligations (if any) expressly stated herein or in the Plan to be performed subsequent to the Closing, and nothing herein shall be in derogation of the rights of purchasers under Article 23-A of the General Business Law, the Plan, and Part 23 of the Regulations issued by the Department of Law.

8. STATUS OF TITLE

8.1 At the Closing of Title, Sponsor shall convey to Purchaser and Purchaser shall accept such fee simple title to the Unit as the Title Company will insure without additional premium to Purchaser, provided that the only liens and encumbrances affecting title shall be those set forth in Schedule A annexed hereto and made a part hereof and those expressly agreed to by Purchaser. Any lien and encumbrance or condition which is not set forth in Schedule A annexed hereto shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to Closing to the Title Company, together with the attendant recording or filing fee, if any, or (b) the Title Company (or such other title insurance company Purchaser may utilize), is or would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien. Sponsor shall not be obligated to cause Purchaser's title company to omit any exceptions if the Title Company is willing to insure, without additional premium, Purchaser's title with such exception.

8.2 Sponsor shall be entitled to adjourn the Closing to remove or correct any defect in title which is not set forth in Schedule A. However, if such defect existed at least 10 days prior to the Closing and Purchaser, or Purchaser's attorney, failed to send Sponsor's attorney written notice of such defect in title at

least 10 days prior to the Closing of Title, then, for purposes of Article 13 below, Purchaser shall be deemed at fault for not having sent timely notice, and the Closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as being at the request of Purchaser. Notwithstanding the foregoing, delivery of a title report to Attorney for Sponsor at least ten (10) days prior to the Closing shall be deemed written notice of any title defects.

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

9. CLOSING ADJUSTMENTS

9.1 The following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Unit:

(a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed;

(b) Common Charges (if Common Charges have been assessed by the Condominium Board) and assessments for the month in which title closes; and

(c) if Purchaser is a tenant or occupant or is allowed to occupy the Unit or another Unit in the Building prior to Closing, accrued rent and any other charges pursuant to a lease, if any, covering such Unit.

9.2 If the Unit has been separately assessed for real estate taxes but the Closing of Title occurs before the tax rate is fixed, adjustment of real estate taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for real estate tax assessments due after the Closing, if any, shall be paid by Purchaser and shall not be considered a defect in title. If the Unit has not been separately assessed for real estate taxes as of the Closing Date for the then current tax period, the adjustment under subsection 9.1(a) hereof shall be based upon the assessment for the Property and the percentage interest in the Common Elements appurtenant to the Unit. In addition, Purchaser shall pay the Unit's proportionate share of real estate taxes for the next ensuing tax period and Sponsor or the Condominium will pay such real estate taxes directly to the City of New York. Sponsor shall not be obligated to reimburse Purchaser after the Closing on account of any difference between the amount of real estate taxes for the then current tax period paid by Purchaser at Closing calculated according to the above formula and the amount of real estate taxes subsequently billed by The City of New York to such Purchaser (as Unit Owner).

9.3 Purchaser agrees that, if Sponsor obtains a refund for real estate taxes paid (or a credit for such real estate taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this subsection shall survive the Closing of Title.

9.4 Provided Sponsor is ready, willing and able to close title in accordance with this Agreement, if Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing Date subject to Sponsor's rights under Section 13.2 of this Agreement, (a) the Closing apportionments described in

Section 9.1 of this Agreement will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing of Title occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's increased carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under this Agreement and the Plan, an amount equal to 0.03% of the Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing Date.

9.5 Adjustments and apportionments shall be calculated on the basis of the actual number of days in the period for which payments were made or are due, as the case may be. The "Customs in Respect of Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned except as otherwise provided herein in the Plan.

9.6 Any errors or omissions calculating apportionments at Closing shall be corrected and, any payment shall be made to the proper party promptly after discovery. This provision shall survive the Closing of Title.

10. MORTGAGE TAX CREDIT

In the event a mortgage recording tax credit becomes available pursuant to Section 339- ee(2) of the New York Condominium Act, it is specifically understood that such credit shall enure to the benefit of Sponsor. Accordingly, at Closing, a Purchaser who elects mortgage financing will be responsible to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. At the Closing of Title, Sponsor will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed.

11. CLOSING COSTS

In addition to those costs and adjustments described in Articles 9 and 10 herein, Purchaser shall be required to pay the other Closing costs which are Purchaser's responsibility as more particularly described in the Section of the Plan entitled "Closing Costs and Adjustments." All such Closing costs shall be paid by Purchaser, at Closing, by Purchaser's unendorsed personal certified check or by official bank check, in either event drawn upon a bank that is a member of the New York Clearing House Association.

12. AGREEMENT NOT A LIEN OR ENCUMBRANCE

No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any monies deposited hereunder, except as hereinafter set forth. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage heretofore or hereafter made, including, but not limited to, any construction or Building loan mortgage, and any advances heretofore or hereafter made thereon and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof, without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser's other obligations hereunder or be

the basis of any claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

13. DEFAULT BY PURCHASER

13.1 The following shall constitute "Events of Default" hereunder:

(i) Purchaser's failure to close title to the Unit on the scheduled Closing Date; or

(ii) Purchaser's failure to pay when due, or the dishonor of any check delivered by Purchaser to Sponsor in payment of the Additional Deposit, the Balance of the Purchase Price, or any Closing adjustment, Closing cost or fee, including, without limitation, attorneys' fees and costs required to be paid by Purchaser as set forth in the Plan or in this Agreement; or

(iii) Purchaser's failure to pay, perform or observe any of Purchaser's other obligations under this Agreement or the Plan; or

(iv) if Purchaser is permitted to become the tenant or occupant of the Unit, Purchaser's failure to pay rent or to otherwise comply with some other lease or occupancy obligation; or

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

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

(vii) if a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the judgment or lien; or

(viii) Purchaser's assignment or transfer of this Agreement without the prior written consent of Sponsor; or

(ix) Purchaser's listing the Unit for sale or rental with any broker, placing or authorizing any listing in any broker's listing system or any other listing service or advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or rental without Sponsor's prior written consent, which consent may be withheld, conditioned, or delayed in Sponsor's sole and absolute discretion; or

(x) an Event of Default by Purchaser beyond any applicable grace period under a Purchase Agreement between Purchaser and Sponsor for another Unit at the Property or any other agreement between Purchaser and Sponsor for any amenity or other space in the Condominium; or

(xi) Purchaser's failure to (i) execute and return to the Department of Law the Purchaser Affidavit (or re-execution thereof) as and when required; (ii) deliver any and all additional information the Department of Law may require; and (iii) otherwise cooperate in any inquiry the Department of Law may initiate into the intended occupancy of the Unit, as set forth in Paragraph 27.3 of this Agreement.

13.2 **TIME IS OF THE ESSENCE** with respect to Purchaser's obligations to fulfill any of Purchaser's obligations under this Agreement. Upon the occurrence of an Event of Default, Sponsor, in its sole discretion, may elect by notice to Purchaser to either: (i) cancel this Agreement or (ii) seek specific performance. If Sponsor elects to cancel, Purchaser shall have 30 days from the giving of notice of cancellation to cure the specified Event of Default. If the Event of Default is not cured within such 30 days,

TIME BEING OF THE ESSENCE, then this Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages all Deposits and any interest earned thereon.

Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale.

If Sponsor elects to seek specific performance, then Purchaser shall have 30 days from the giving of notice of Sponsor's election to close title to the Unit in accordance with this Agreement, without prejudice to Sponsor's right to recover from Purchaser all damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled under the Purchase Agreement (including, but not limited to, attorneys' fees, disbursements and costs of collection).

14. AGREEMENT SUBJECT TO PLAN BEING EFFECTIVE

The performance by Sponsor of its obligations under this Agreement is contingent upon the Plan having been declared effective in accordance with the terms and provisions of the Plan. The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in the Plan. If the Plan is abandoned or if, after being declared effective, the Plan is not consummated for any reason and Purchaser has not committed an Event of Default under this Agreement beyond any applicable grace period, this Agreement shall be deemed cancelled and all Deposits, together with any interest earned thereon, shall be returned to Purchaser within 30 days from the filing date of the amendment abandoning the Plan. Upon such return, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan.

15. SPONSOR'S INABILITY TO CONVEY THE UNIT

If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan by reason of a defect in title, substantial damage or destruction of the Building by fire or other casualty, or the taking of any material portion of the Property by condemnation or eminent domain, Sponsor shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability. If Sponsor is not so obligated under the Plan and notifies Purchaser of its election or inability to cure such title defect, and if Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such title defect (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within 30 days after receipt of notice of termination from Purchaser, return to Purchaser all Deposits and all other sums deposited by Purchaser hereunder, together with interest earned thereon, if any. Upon making such payment, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan. The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within 15 days after the giving of Sponsor's notice of election not to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the remedy described in clause (a) above (i.e., to acquire title subject to such inability).

16. FIXTURES, APPLIANCES AND PERSONAL PROPERTY

Only those fixtures, appliances and items of personal property which are described in the Plan as being included in the Unit are included in this sale. No portion of the Purchase Price shall be attributable to such items.

17. CONDITION OF PROPERTY

The signing of this Agreement by Purchaser signifies Purchaser's acceptance of the condition of the Property (as represented by Sponsor in the Plan) including the Building, the Common Elements, the Unit and all fixtures, machinery, equipment, furnishings, appliances, installations and other personal property contained therein (hereinafter collectively called "Installations"), in their respective existing conditions, ordinary wear and tear excepted between the date Purchaser signs this Agreement (with respect to Non-Tenant Purchasers), or the Filing Date of the Plan (with respect to Tenant-Purchasers), and delivery of the deed to Purchaser. Purchaser acknowledges having read the Description of Property, which sets forth a description of the physical condition of the Building set forth in Part II of the Plan and having been given the opportunity to review the Section of the Plan entitled "Sponsor's Statement of Building Condition." Purchaser understands that Sponsor has no obligation to make any repairs, improvements or decorations in or to the Property, the Building, the Unit or the Installations, except as may otherwise be set forth in the Plan. Sponsor has agreed in the Plan to maintain the Building and the Common Elements in substantially the same condition they were in on the Filing Date, until the First Closing (subject to ordinary wear and tear between the Filing Date and the First Closing), unless prevented from doing by reason of acts or events beyond Sponsor's control, as more particularly set forth in the Plan. Subject to rights of existing tenants and occupants, Non-Tenant-Purchasers shall be given a reasonable opportunity to examine the Unit prior to Closing and it is recommended that Purchasers make a careful examination at such time.

18. RENOVATION [FOR VACANT UNITS]

18.1 The renovation of the Unit, if applicable, including the materials, equipment and fixtures to be installed therein, shall be substantially in accordance with the Plan, subject to the right of Sponsor to substitute materials, equipment or fixtures of equal or better quality, provided that the approval of any governmental authorities having jurisdiction is first obtained (if required). With respect to a combined unit, the issuance of a letter of completion or similar document issued by the Buildings Department reflecting the combined Unit, if required, shall be deemed presumptive evidence that the Unit has been fully completed in accordance with the Plan.

18.2 The renovation of the Unit and the correction of any defects in the renovation thereof to the extent required under the Plan are the sole responsibility of Sponsor. Purchaser acknowledges and agrees that Sponsor will not be liable for, and will have no obligation to correct, certain variations from the Plan, as indicated in the Section of the Plan entitled "Rights and Obligations of Sponsor," and will only be responsible to correct any defects in the Unit to the extent, and on the terms and conditions, set forth in such Section.

18.3 The Closing of Title shall occur only after, or concurrently with, compliance with the prerequisites set forth under "Terms of Sale" in Part I of the Plan. As a result, if all such prerequisites are met, Purchaser shall be obligated to close and complete payment of the full Purchase Price (without provision for escrow), notwithstanding any construction items noted on Purchaser's Inspection Statement (as herein defined) remaining for Sponsor to complete and/or correct in accordance with its obligation under the Plan, and notwithstanding the incomplete construction and/or decoration of any other portions of the Building or the Unit.

18.4 The actual date for the First Closing is not guaranteed or warranted, and may be earlier or later depending on the progress of construction and compliance with the other prerequisites recited in the Section of the Plan entitled "Closing of Title to Residential Units." Purchaser acknowledges that renovation of the Unit may be delayed by late delivery of material or equipment, labor difficulties, unavailability of Building trades, casualty, inclement weather and other events beyond Sponsor's reasonable control. Purchaser further acknowledges that the Units in the Building to be renovated by Sponsor will be completed at varying times over a period that could extend well beyond the First Closing. The order in which these Units will be completed is in the discretion of Sponsor. Purchaser acknowledges that except as otherwise

provided in the Plan, Purchaser shall not be excused from paying the full Purchase Price, without credit or set-off, and shall have no claim against Sponsor for damages or losses, in the event that the First Closing occurs substantially later than the projected date or the time to complete or to close title to the Unit is delayed or is postponed by Sponsor.

19. INSPECTION OF THE UNIT [FOR VACANT UNITS]

19.1 Upon receipt of the Closing Notice, Purchaser shall arrange an appointment with a representative of Sponsor to inspect the interior of the Unit within the 7 days prior to the Closing Date fixed by the Closing Notice. Purchaser or Purchaser's duly authorized agent shall attend such inspection and shall complete, date and sign the Inspection Statement (in the form set forth as Schedule C to this Agreement) and deliver same to Sponsor's representative at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the interior of the Unit within 7 days prior to the Closing Date fixed by the Closing Notice or to so sign and deliver the completed Inspection Statement shall not excuse Purchaser from appearing at the Closing, paying the Balance of the Purchase Price when due and shall constitute Purchaser's full acceptance of the Unit as is. However, nothing herein shall relieve Sponsor of its obligations as set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor."

19.2 Any work set forth on the Inspection Statement shall be completed by Sponsor as agreed in writing and shall not be grounds for delaying the Closing. Purchaser will be obligated to provide Sponsor and its contractors, subcontractors, agents and employees, unfettered access to the Unit and any Residential Limited Common Elements appurtenant thereto after Closing in order to complete the work on the Inspection Statement, failing which Sponsor shall be relieved of its obligations to complete the work set forth on the Inspection Statement. Sponsor has no obligation under the Plan to deposit any monies in escrow at Closing as a result of any work set forth on the Inspection Statement.

20. DAMAGE TO THE UNIT

If between the date of this Agreement and the Closing of Title the Unit is damaged by fire or other casualty, the following shall apply:

20.1 The risk of loss to the Unit by fire or other casualty until the Closing of Title is assumed by Sponsor (unless and until Purchaser takes possession of the Unit, at which time such risk to the extent not covered by existing insurance shall be assumed by Purchaser) but without any obligation or liability by Sponsor to repair or restore the Unit. However, until Closing Sponsor will remain responsible to make those repairs required of it as landlord under any existing lease and, after Closing, the Condominium Board will be responsible to make those repairs required of it under the Condominium Declaration and By-Laws. If Purchaser is not the existing tenant or occupant of the Unit, the risk of loss to the Unit by fire or other casualty until the earlier of Closing of Title or possession of the Unit by Purchaser is assumed by Sponsor; provided that Sponsor shall have no obligation or liability to repair or restore the Unit. If Sponsor elects to repair or restore the Unit (which election shall be made within 60 days of the damage to the Unit), this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and, if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the Closing of Title.

20.2 In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit (which election shall be made within 60 days of the damage to the Unit), or, if the Declaration has been

recorded prior thereto, the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, this Agreement shall be deemed cancelled and of no further force and effect and Sponsor shall return to Purchaser all Deposits delivered pursuant to this Agreement, together with interest earned thereon, if any, and neither party hereto shall have any further rights, obligations or liability to or against the other hereunder or under the Plan, except that if Purchaser has committed an Event of Default hereunder (beyond any applicable grace period), Sponsor shall retain all Deposits and other such sums deposited by Purchaser hereunder, together with any interest earned thereon, as and for liquidated damages.

21. NO REPRESENTATIONS

Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the purchase of the Unit, or any other data, except as herein or in the Plan specifically represented. Purchaser has relied solely on Purchaser's own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor except as herein or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. Sponsor does not make any representation or warranty as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements or any other part of the Property other than as set forth herein or in the Plan. Except as otherwise set forth in the Plan, Purchaser agrees (a) to purchase the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans is accurate or correct, and (b) that Purchaser shall not be relieved of any Purchaser's obligations hereunder by reason of any immaterial or insubstantial inaccuracy or error. The provisions of this Article shall survive the Closing of Title.

22. PROHIBITION AGAINST ADVERTISING

Purchaser is prohibited under this Agreement from taking any of the following actions until the Closing of Title pursuant to this Agreement, without Sponsor's prior written consent, which consent may be withheld, conditioned, or delayed, in Sponsor's sole and absolute discretion: (i) listing the Unit for sale or rental with any broker, (ii) placing or authorizing any listing in any broker's listing system or other listing service, or (iii) advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or rental. Any such action by Purchaser shall be an Event of Default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement. The provisions of this Article shall survive the Closing of Title or earlier termination of the Agreement.

23. BROKER

Purchaser represents to Sponsor that Purchaser has not dealt with any broker in connection with this transaction other than the Selling Agent and the Co-Broker, if any, named in this Agreement, whose commissions shall be paid by Sponsor. Purchaser shall pay the commission of any broker with whom Purchaser may have dealt, other than the Selling Agent and the Co-Broker. Purchaser agrees that, should any claim be made against Sponsor for commissions by any broker, other than the Selling Agent or the Co-Broker, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith,

including legal fees. The provisions of this Article shall survive the Closing of Title or earlier termination of the Agreement.

24. AGREEMENT MAY NOT BE ASSIGNED

Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor, which shall only be granted in Sponsor's reasonable discretion to an assignment (i) to an entity of which Purchaser is a principal, (ii) to a trust of which Purchaser is trustee or (iii) to a member of the immediate family of Purchaser, all of which shall be without any monetary consideration payable to Purchaser for such assignment. Any purported assignment by Purchaser in violation of this Agreement will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement, then Purchaser shall have such right, provided that (i) Purchaser designates such assignee at least 10 business days prior to the Closing Date; (ii) Purchaser delivers to Attorney for Sponsor the fee set forth in the Plan for its services required in connection with the preparation of the assignment and assumption agreement; (iii) the Closing is not delayed as a result of such assignment, (iv) the assignee of this Agreement assumes in writing, by an instrument prepared by Attorney for Sponsor, the obligations of Purchaser under this Agreement and (v) the assignment is made without consideration. Any purported assignment by Purchaser in violation of this Agreement shall be an Event of Default by Purchaser, entitling Sponsor to the Event of Default remedies set forth in this Agreement, and shall be voidable at the option of Sponsor.

25. SALE SUBJECT TO EXISTING TENANCY

25.1 The following is applicable to Purchaser of Units occupied by others:

Complete the following only if Purchaser is <u>not</u> the tenant of the Unit:

Unit is Vacant: Yes ( ) No ( )

If Unit is Occupied:

Monthly Rent: $_____

Current Lease Term Expires: _____
or month-to-month ( )

Rent Security: $_____

Unit is Occupied by a Non-Purchasing Tenant: Yes ( ) No ( )

25.2 Purchaser acknowledges that the Unit being sold hereunder is subject to the lease or tenancy of the present tenant and Section 352-eeee of the New York State General Business Law ("GBL") as explained more fully in the Plan under the Section entitled "Rights of Existing Tenants" and Purchaser and Purchaser's successors and assigns shall continue to be bound by such laws and regulations so long as such occupancy continues.

25.3 Purchaser further acknowledges as set forth in the Plan, that if a Non-Purchasing Tenant is in possession of the Unit on the Closing Date hereunder, Purchaser will assume the rights and obligations of Sponsor as the landlord of such tenant, including the right to collect rent (whether the same be greater or less than the Common Charges established from time to time by the Condominium Board) and the obligation to repair and maintain the Unit (including its equipment and appliances) for the benefit of the existing tenant. From and after delivery of the deed, Purchaser alone will bear the entire costs and expenses of owning the

Unit (including, but not limited to, any legal fees and litigation expenses incurred in enforcing the lease and obtaining possession of the Unit).

25.4 Purchaser acknowledges that if the tenant of the Unit exercises any right granted under the Plan (or any amendment thereto) or under the Rent Laws or GBL or other applicable law, which may or may not exist as of the date of this Agreement, or any administrative or judicial interpretation thereof, to purchase the Unit, then upon the Closing of such purchase, this Agreement shall be deemed canceled and, within thirty (30) days after the occurrence of such event, all monies paid by Purchaser hereunder shall be refunded. Upon such repayment, Purchaser, Sponsor, Selling Agent, and any other party hereto shall be (and hereby are) released and discharged of all liability or obligations hereunder and under the Plan.

25.5 Purchaser hereby irrevocably appoints the Managing Agent of the Condominium (which managing agent may be replaced from time to time by the Condominium Board) as Purchaser's agent, coupled with an interest, to provide for the account and at the expense of Purchaser, all services and facilities required by Law on a non-discriminatory basis, to the Non-Purchasing Tenant who has the right to occupy the Unit Purchaser is purchasing until such time as such right of occupancy terminates. Purchaser agrees to deposit with the managing agent at the Closing hereunder a sum of not less than an amount equal to two months Common Charges to be used as working capital to furnish service and facilities required under the Non-Purchasing Tenant's lease and those required by the GBL. Purchaser agrees that upon written notice by the then managing agent that such deposit has been diminished, that Purchaser shall replenish such fund within 30 days thereafter. Purchaser further understands that Sponsor will guarantee the obligation of the then managing agent to provide all such services and facilities until such time as Sponsor relinquishes control of the Condominium Board and Purchaser will indemnify Sponsor for all costs expended by Sponsor on Purchaser's behalf. The provisions of this paragraph shall survive the Closing.

26. TENANT-PURCHASER'S RIGHT TO BENEFIT FROM IMPROVED TERMS

If prior to the First Closing, Sponsor amends the terms and conditions of the Plan to be more favorable to Tenant-Purchasers, then if Purchaser is a Tenant-Purchaser who executed and delivered this Agreement and the Initial Deposit for the Unit which the Tenant-Purchaser occupied on the Filing Date before Sponsor amended the terms of the Plan, such Tenant-Purchaser shall benefit from the more favorable terms and conditions.

27. PURCHASER'S REPRESENTATIONS

27.1 If Purchaser was a tenant in occupancy of a Unit in the Building on the Filing Date of the Plan, Purchaser hereby represents that this Agreement was executed and delivered by Purchaser pursuant to an offering made without a discriminatory repurchase agreement or other discriminatory inducement.

27.2 If the Unit to which this Agreement relates is not occupied by Purchaser, Purchaser shall duly complete and sign before a notary public the Bona Fide Purchaser Statement of Purchase set forth as Schedule B hereto and deliver a completed, signed and notarized original of same to Selling Agent together with this Agreement.

27.3 (a) To declare the Plan effective, 15% of Purchasers must be "bona fide," which is defined as: (i) a tenant in occupancy on the date the Plan is declared effective or (ii) a Purchaser who represents that they or one or more members of their immediate family intend to occupy the Unit when it becomes vacant. For purposes of effectiveness, the purchase of contiguous Units (i.e. Unit combinations) shall be treated as one Unit. Notwithstanding the foregoing, the purchase of non-contiguous Units by one Purchaser for more than one Bona Fide Tenant or Bona Fide Purchaser (e.g. one Unit for parents and one for adult child) shall be treated as individual Units for effectiveness purposes.

(b) In connection with the Plan being declared effective, the New York State Department of Law ("Department of Law") requires an affirmative representation from each Bona Fide Tenant Purchaser and each Bona Fide Non-Tenant Purchaser as a part of the Department of Law's investigative process. Each Bona Fide Tenant Purchaser and each Bona Fide Non-Tenant Purchaser will be required to execute either an affidavit entitled "Affidavit of Bona Fide Tenant Purchaser For Purposes of Declaring Offering Plan Effective" or "Affidavit of Bona Fide Non-Tenant Purchaser For Purposes of Declaring Offering Plan Effective", as applicable (each a "Purchaser Affidavit"). A copy of each Purchaser Affidavit is annexed to the Purchase Agreement set forth in Part II of the Plan. The Purchaser Affidavit must be executed and returned by Purchaser together with the executed Purchase Agreement. To the extent the Department of Law or Sponsor requires that the Purchaser affidavit be re-executed thereafter, Purchaser shall have five (5) days to re-execute and return an original copy to Sponsor. A Bona Fide Tenant-Purchaser and a Bona Fide Non-Tenant-Purchaser may also be required to submit to the Department of Law additional information concerning the intended occupancy of the Residential Unit which is the subject of the Purchase Agreement and otherwise cooperate with the Department of Law's inquiry into the intended occupancy of the Residential Unit. Any Bona Fide Tenant-Purchaser or Bona Fide Non-Tenant-Purchaser who fails to (i) execute and return the Purchaser Affidavit (or re-execution thereof) to Sponsor, as and when required; (ii) deliver any and all additional information the Department of Law may require; and (iii) otherwise cooperate in any inquiry the Department of Law may initiate, will be deemed to have committed an Event of Default under the Purchase Agreement. Bona Fide Tenant-Purchasers and Bona Fide Non-Tenant-Purchasers are advised that a default of these obligations shall entitle Sponsor to all rights and remedies, including, without limitation, the right to retain, as and for liquidated damages, the Deposit and any interest earned on the Deposit, as set forth below, or, in the alternative, the right to commence an action for specific performance, in which case the Bona Fide Tenant-Purchaser or Bona Fide Non-Tenant-Purchaser may be compelled by a court of law to fulfill all obligations concerning the Purchaser Affidavit.

(c) Purchasers are advised to seek the advice of an attorney before executing the Purchaser Affidavit. The submission of any misinformation to the Department of Law, including a false instrument, shall be deemed a violation of the Martin Act, and may also subject both the Sponsor and the Purchaser to both civil and criminal liability.

(e) The Department of Law reserves the right to request additional information from Sponsor and any and all Purchasers used for purposes of declaring the Plan effective. Failure to provide such information to the Department of Law within the timeframe requested may result in the rejection of Sponsor's effectiveness amendment. Furthermore, the submission of any misinformation to the Department of Law, including a false instrument, shall be deemed a violation of the Martin Act, and may also subject both the Sponsor and the Purchaser to both civil and criminal liability.

27.4 (a) Purchaser is not now, nor shall at any time prior to or at the Closing of Title, be 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") or otherwise. Neither Purchaser nor any Person who owns an interest in Purchaser, is now nor shall be at any time prior to or at the Closing of Title, be 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, (i) is prohibited from transacting business; or (ii) with whom U.S. Persons may only, subject to the imposition of significant fines and/or penalties, transact business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by OFAC or otherwise.

(b) Purchaser has taken, and until the Closing of Title shall continue to take, 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, and 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 at Closing will 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. Section 5311 et. seq., the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et. seq.; and the International Emergency Economic Powers Acts, 50 U.S.C. Section 1701 et. seq., and the sanctions and regulations promulgated pursuant thereto by OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957, as amended from time to time.

(c) The provisions of this Section 27 shall survive the Closing of Title to the Unit or the earlier termination of this Agreement.

28. BINDING EFFECT

28.1 The submission of this Agreement to Purchaser does not create a binding obligation on the part of Sponsor. This Agreement shall not be binding on Sponsor until a fully executed counterpart hereof has been delivered to Purchaser or the Attorney for Purchaser. If this Agreement is not accepted within 30 days from the delivery to Sponsor of this Agreement executed by Purchaser together with the Initial Deposit by the delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed to have been rejected and cancelled and the all Deposits shall be returned to Purchaser within 30 days thereafter. Upon such refund being made, neither party shall have any further rights, obligations liability to or against the other hereunder or under the Plan. Prior to Sponsor's countersigning and returning this Agreement to Purchaser, and at any time thereafter, Purchaser agrees upon request to provide Sponsor with written information about Purchaser's employment, financial and rental/ownership history. Such information obtained prior to countersignature may be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law.

28.2 Notwithstanding the above, this Agreement shall be binding on Sponsor provided (i) Purchaser is a bona fide Tenant-Purchaser in good standing under the lease for the Unit; (ii) the Unit is the Unit occupied by the Tenant-Purchaser on the Filing Date of the Plan; (iii) the Agreement has not been altered, is complete and has been executed by all Tenant-Purchasers whose names are listed as tenants on the lease for the Unit or by one or more such tenants provided any other tenants whose names are listed as tenants on the lease for the Unit have waived their right to purchase the Unit in writing; (iv) the executed Agreement is accompanied by the Initial Deposit; and (v) the executed Agreement is delivered to Sponsor or Selling Agent during the time within which the Tenant-Purchaser has the exclusive right to purchase the Unit.

29. NOTICES

29.1 Any notice, election, demand, request, letter, consent or other communication hereunder or under the Plan shall be in writing and either delivered in person, via electronic transmission (e-mail) or sent, postage prepaid, by registered or certified mail return receipt requested or by Federal Express or other reputable overnight courier, with receipt confirmed to the Attorney for Purchaser at the address given at the beginning of this Agreement with a copy by regular mail delivered to Purchaser at the address given at the beginning of this Agreement and to the Attorney for Sponsor at the address given at the beginning of this Agreement, with a copy by regular mail delivered to Sponsor at the address given at the beginning of this Agreement. Either party may hereafter designate to the other in writing a change in the address to which

notices are to be sent. Except as otherwise expressly provided herein, a notice shall be deemed given on the date when personally delivered, when sent via electronic transmission (e-mail), when delivered to the overnight courier, or in the case of mailing, on the date mailed in a prepaid sealed wrapper, 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.

29.2 Sponsor hereby designates and empowers both the Selling Agent and Attorney for Sponsor, as Sponsor's agents to give any notice to Purchaser under this Agreement (including, without limitation, a notice of an Event of Default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself.

29.3 Purchaser hereby designates and empowers the Attorney for Purchaser, as Purchaser's agent to give any notice to Sponsor under this Agreement in Purchaser's name, which notice so given shall have the same force and effect as if given by Purchaser.

30. JOINT PURCHASERS

The term "Purchaser" shall be read as "Purchasers" if more than one person are Purchasers, in which case their obligations shall be joint and several.

31. LIABILITY OF SPONSOR

Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, weather, fire, flood, explosion, war, riot, sabotage, epidemics, quarantine, acts of terrorism, freight embargos, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, governmental restrictions, preemptions or approvals, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the control of Sponsor. Sponsor's time to perform such obligations or undertaking shall be tolled for the length of the period during which such performance was excused.

32. 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.

33. AGREEMENT NOT CONTINGENT UPON FINANCING

The terms and provisions of this Agreement and Purchaser's obligations hereunder are not contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof), and Purchaser understands and agrees that Purchaser's failure to obtain such financing will not relieve Purchaser of Purchaser's obligations hereunder. Purchaser further understands and agrees that if Purchaser chooses to finance the purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, the imposition by the lender of any additional fees or charges, nor any change in Purchaser's financial status or condition shall release or relieve Purchaser of Purchaser's obligations pursuant to this Agreement and Sponsor shall have no liability as a result of any scheduling or adjournment of the Closing beyond the expiration of the loan commitment.

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. The provisions of this Article shall survive Closing of Title or earlier termination of the Agreement.

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 either party to insist upon the strict performance by the other of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and each party, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the other party of any and all of the provisions of this Agreement to be performed by such party.

37. WAIVER OF JURY

Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, or connected with, or relating to, this Agreement or the relationship created hereby or in the Plan. The provisions of this Article shall survive Closing of Title or earlier termination of the Agreement.

38. ENTIRE AGREEMENT

This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them with respect to the subject matter hereof.

39. 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.

40. 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.

41. SUCCESSORS AND ASSIGNS

The provisions of this Agreement shall bind and enure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and enure to the benefit of Sponsor and its successors and assigns.

42. CONFIDENTIALITY

Sponsor and Purchaser hereby acknowledge and agree to keep all of the terms and conditions of this Agreement confidential, except that Sponsor shall be permitted to disclose that a Purchase Agreement has been executed for the Unit and the purchase price thereunder, but not the identity of Purchaser or its principal. Sponsor and Purchaser agree that any information which is required to be disclosed to the parties' respective lawyers, brokers, architects/engineers, accountants, Escrow Bank and individuals who "need to know" or governmental agencies shall not be deemed to be a breach by Sponsor or Purchaser of the parties undertaking of confidentiality contained in this Agreement. Any failure by Purchaser to keep the terms and conditions of this Agreement confidential shall be an Event of Default by Purchaser, entitling Sponsor to the Event of Default remedies set forth in this Agreement.

43. 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.

44. PERFORMANCE

Where this Agreement by its terms requires the payment of money or the performance of a condition on a Saturday, Sunday or public holiday, such payment may be made or condition performed on the next business day succeeding such Saturday, Sunday or such public holiday, with the same force and effect as if made or performed in accordance with the terms of this Agreement.

45. COUNTERPARTS

Except for the "Bona Fide Statement of Purchase" set forth in Schedule B, an original of which is required to be executed and delivered to Sponsor, this Agreement may be executed in any number of original, email, pdf or facsimile counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same Agreement.

46. GOVERNING LAW/JURISDICTION AND VENUE/AGENT FOR SERVICE OF PROCESS

46.1 This Agreement was negotiated in the State of New York and the Unit to be conveyed pursuant hereto is located in the State of New York, which State the parties agree has a substantial relationship to the parties and to the underlying transaction embodied hereby, and in all respects, including matters of construction, validity and performance, this Agreement and the obligations arising hereunder shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts made and performed in such State and any applicable law of the United States of America. Purchaser hereby unconditionally and irrevocably waives any claim to assert that the law of any other jurisdiction governs this Agreement and this Agreement shall be governed by and construed in accordance with the laws of the State of New York.

46.2 Any legal suit, action or proceeding against Sponsor or Purchaser arising out of or relating to this Agreement shall be instituted in any federal or state court in New York County, New York and Purchaser waives any objection which it may now or hereafter have to the laying of venue of any such suit, action or proceeding, and Purchaser hereby irrevocably submits to the jurisdiction of any such court in any suit, action or proceeding. Purchaser does hereby designate and appoint Attorney for Purchaser as its authorized agent to accept and acknowledge on its behalf service of any and all process which may be served in any such suit, action or proceeding in any federal or state court in New York, New York, and agrees that service of process upon said agent at said address and written notice of said service of Purchaser mailed or delivered to Purchaser in the manner provided herein shall be deemed in every respect effective service of process upon Purchaser (unless local law requires another method of service), in any such suit, action or proceeding in the State of New York. Purchaser (i) shall give prompt notice to Seller of any changed address of its authorized agent hereunder, (ii) may at any time and from time to time designate a substitute authorized agent with an office in New York, New York (which office shall be designated as the address for service of process), and (iii) shall promptly designate such a substitute if its authorized agent ceases to have an office in New York, New York or is dissolved without leaving a successor.

47. WAIVER OF DIPLOMATIC OR SOVEREIGN IMMUNITY.

47.1 The provisions of this Article shall survive the Closing of Title or the earlier termination of this Agreement for the purpose of any suit, action, or proceeding arising directly or indirectly, out of or relating to this Agreement or the Condominium Documents.

47.2 If Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to diplomatic or sovereign immunity, Purchaser expressly and voluntarily waives such immunity and consents to any suit, action or proceeding arising out of or relating to this Agreement or the Condominium Documents being brought in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement or the Condominium Documents, and hereby designates and authorizes a lawful agent to receive process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement or the Condominium Documents.

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

48. CERTIFICATION OF SPONSOR AND PRINCIPAL

Consistent with a recent First Department decision, the principal of Sponsor expressly disclaims the existence of any private right of action for contract claims by individual unit owners (or a board on their behalf) in connection with or arising solely from his execution of the Certification of Sponsor and Principal, absent liability under another statute or under an alter-ego or other veil-piercing theory. See Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC, et al. 106 A.D. 3rd 542 (1st Dept. May 16, 2013). The provisions of this Article shall survive Closing of Title or earlier termination of the Agreement.

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

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

MF 385 FIRST AVE LLC

By: _____
Name: Benjamin Shaoul
Title: President

SCHEDULE A

PERMITTED ENCUMBRANCES

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

2. Any state of facts which an accurate survey or personal inspection of the Property would show, provided such state of facts would not render title uninsurable without additional premium to Purchaser and would not prevent the use of the Unit for dwelling purposes.

3. The terms, burdens, covenants, restrictions, conditions, easements and Residential Rules and Regulations, all as set forth in the Declaration, the By-Laws (and the Residential Rules and Regulations made thereunder), the Power of Attorney from the Purchaser to the Condominium Board, and the Floor Plans as all of the same may be amended from time to time.

4. Consents by Sponsor or any former owner of the Land for the erection of any structure or structures on, under or above any street or streets on which the Property may abut.

5. Any easement or right of use in favor of any utility company for construction, use, maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

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

7. Any easement or right of use required by Sponsor or its designee to obtain a temporary, permanent or amended Certificate of Occupancy for the Building or any part of same.

8. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings and similar projections, if any, on, over, or under the Property or the streets or sidewalks abutting the Property, and the rights of governmental authorities to require the removal of any such projections and variations.

9. Leases and service, maintenance, employment, concessionaire and Storage Locker Licenses, if any, of other Units or portions of the Common Elements.

10. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, or vault charge, provided the same are adjusted at the Closing of Title.

11. The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board), except that Sponsor shall pay all such assessments due prior to the Closing Date (with the then current installment to be apportioned as of the Closing Date) and the Purchaser shall pay all assessments due from and after the Closing Date.

12. Any declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building.

13. Any encumbrance as to which the Title Company (or such other New York State Land Title Association member title insurance company which insures the Purchaser's title to the Unit) would

be willing, in a fee policy issued by it to the Purchaser, to insure the Purchaser that such encumbrance (a) will not be collected out of the Unit if it is a lien or (b) will not be enforced against the Unit if it is not a lien.

14. Any other encumbrance, covenant, easement, agreement, or restriction against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for dwelling purposes.

15. Any lease covering the Unit(s) made from Sponsor to the Purchaser.

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

17. Standard printed exceptions contained in the form of fee title insurance policy then issued by the Title Company.

18. Any Certificate of Occupancy for the Building, so long as the same permits, or does not prohibit, use of the Unit for its stated purposes.

19. Party Wall Agreement recorded in Liber 1690 Page 114.

20. Easement recorded in Liber 2294 Page 1881.

21. Lot Line Window Declaration recorded in Liber 3358 Page 269

22. Any encumbrance, covenant, easement, agreement, or restriction against the Property set forth in the form of Unit Owner's Specimen Title Policy prepared by the Title Company set forth in Part II of the Plan, as the same may be updated from time to time prior to the Closing.

SCHEDULE B

BONA FIDE PURCHASER STATEMENT OF PURCHASE

ORIGINAL DOCUMENT MUST BE EXECUTED AND DELIVERED WITH PURCHASE AGREEMENT

STATE OF NEW YORK)
) ss.:
COUNTY OF New York)

Re: Unit _____ ("Unit")
385 First Avenue Condominium
385 First Avenue
New York, New York 10010

The undersigned Purchaser(s) represent that Purchaser(s) intend that Purchaser(s) or one or more specified members of Purchaser(s) immediate family intend to occupy the Unit when it becomes vacant.

PURCHASER(S):

_____
(signature)

_____
(signature)

Sworn to before me
this _____ day of _____, _____

_____
Notary Public

INTENDED OCCUPANT(S):

_____
Print Name

_____
Print Name

SCHEDULE C

INSPECTION STATEMENT

Date: _____

MF 385 First Ave LLC
594 Broadway, Suite 1010
New York, New York 10012

Re: Residential Unit No: _____ ("Unit")
385 First Avenue Condominium
385 First Avenue
New York, New York 10010 ("Condominium")

Ladies and Gentlemen:

1. On the date hereof, the undersigned purchaser(s) ("Purchaser") inspected the Unit which Purchaser is acquiring from Sponsor and have found the Unit to be in good condition, except as otherwise noted below:

_____

_____

_____

2. Purchaser acknowledges that to prevent pilferage, certain items such as medicine cabinet doors, shower heads, toilet seats, kitchen cabinets, vanity knobs and mechanical chimes will be installed just prior to the date Purchaser moves into the Building. Purchaser agrees to sign-off each item requiring adjustment, or repairs, if any, as they are completed.

3. In the event Purchaser performs work in the Unit of any kind affecting any of the areas or items listed above after the Closing, Sponsor will be relieved of any and all obligations related to the items listed herein.

PURCHASER(S):

_____
(signature)

_____
(signature)

_____
Sponsor's Representative

SCHEDULE D

RIDER TO PURCHASE AGREEMENT RE: ESCROW PROVISIONS

This Rider is made as of _____, _____ between Sponsor, Purchaser and Escrow Agent.

Re: Residential Unit No: _____ ("Unit")
385 First Avenue Condominium
385 First Avenue
New York, New York 10010 ("Condominium")

1. ESCROW AND TRUST FUND REQUIREMENTS

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

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

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

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

Escrow Agent has established an escrow account entitled "Starr Associates LLP, Escrow Account" ("Escrow Account") at Signature Bank located at 261 Madison Avenue, New York NY 10016 ("Escrow Bank"). Escrow Bank is authorized to do business in the State of New York.

All instruments to be deposited into the Escrow Account shall be made payable directly to the order of "Starr Associates LLP, as Escrow Agent" or wired directly to the Escrow Account, as applicable, and shall be accepted subject to collection. Endorsed instruments will not be accepted. All checks must be drawn on or issued by a bank or trust company which is a member of the New York Clearinghouse

Association. A return of any check delivered in payment of the Initial Deposit, for insufficient funds or for any other reason, shall constitute a non-curable Event of Default under the Purchase Agreement, rendering the Purchase Agreement void *ab initio* and of no further force or effect, in which event Purchaser and Sponsor shall each be released and discharged of all further liability and obligations under the Purchase Agreement and the Plan and the Unit may be sold to another as though the Purchase Agreement had never been made. A return of any check delivered in payment of the Additional Deposit, for insufficient funds or for any other reason, shall constitute a default under the Purchase Agreement, entitling Sponsor, at its option, to exercise the remedies provided therefor under the Purchase Agreement. With respect to wire transferred funds, any wiring fees charged by the initiating and/or receiving bank shall be paid by Purchaser.

Deposits properly delivered to Escrow Agent will be placed in the Escrow Account within 5 business days after delivery by Purchaser to Sponsor or Selling Agent.

All Deposits will be placed initially in the non-interest bearing portion of the Escrow Account. Each Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) or a Form W-8 (Certificate of Foreign Status) in the forms set forth in Part II to the Plan, to Sponsor or Selling Agent at the time Purchaser delivers the Initial Deposit and the Purchase Agreement. If a Deposit is accompanied by a completed and signed Form W-9 or Form W-8, the Deposit will thereafter be promptly transferred to an individual interest bearing sub-escrow account in the name of Purchaser. If a Purchaser does not deliver the Form W-9 or Form W-8, the Deposit will remain in the non-interest bearing portion of the Escrow Account. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow account to the non-interest bearing portion of the Escrow Account so that checks may be drawn thereon. The Escrow Account is not an IOLA account.

All Deposits are and shall continue to be the Purchaser's money, and may not be commingled with any other money or pledged or hypothecated by Sponsor, until such time as Sponsor is entitled to such Deposits as per GBL § 352-h.

The sub-escrow account number and the initial interest rate, if any, will be disclosed to each Purchaser, as appropriate, in a letter from Escrow Agent to each Purchaser sent within 10 business days after the delivery of the Initial Deposit. If Purchaser does not receive notice that the Initial Deposit has been placed in the Escrow Account within 15 business days after delivery of the Initial Deposit, Purchaser may cancel the Purchase and rescind the Purchase Agreement so long as the right to rescind is exercised within 90 days after delivery or crediting of the Initial Deposit by notice delivered to Sponsor and to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, New York 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Initial Deposit was timely deposited and requisite notice was timely mailed to Purchaser in conformity with the Attorney General's regulations. However, Escrow Agent will not be required to send the aforementioned letter to Purchaser in connection with any subsequent Deposits delivered by Purchaser after the Initial Deposit, including, without limitation, the Additional Deposit or any funds in connection with any changes in the interest rate.

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

Under current Law, the sub-accounts at the Escrow Bank are insured by the Federal Deposit Insurance Corporation ("FDIC") to a maximum of $250,000 per individual Deposit. The following are SPECIAL RISKS of this offer: (i) if a Purchaser makes a Deposit in excess of $250,000 such Deposit will not be FDIC insured in excess of $250,000; and (ii) while the Deposit is in the non-interest bearing

portion of the Escrow Account, the Deposit may not be fully FDIC insured even if the Deposit does not exceed $250,000. No representation is made with respect to any further changes in Law which may increase or decrease such limit.

All Deposit delivered subsequent to the Initial Deposit, including, without limitation, the Additional Deposit, may be delivered 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. A Deposit shall be deemed delivered by Purchaser on the date it is actually received by Sponsor or Selling Agent.

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

If a Purchaser delivers a Deposit without an executed Purchase Agreement, Sponsor shall have the right to reject the Deposit and return it to Purchaser: (i) within 5 business days after delivery, if the Deposit has not been deposited into escrow, and (ii) within 10 business days, if the Deposit has been deposited into escrow and the Purchase Agreement has not yet been delivered by Purchaser.

The checking account portion of the Escrow Account will not be interest-bearing. The sub-escrow account portion of the Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement, or (ii) Purchaser is entitled to a return all Deposits. All interest will be credited to Sponsor only in the event there is a consummation of the Plan (as such term is defined in the Attorney General's regulations) and Purchaser has committed an Event of Default. The interest rate to be earned will be the prevailing rate for these accounts. As of November 1, 2014, the interest rate for the Escrow Bank is .30%. The interest rate is subject to change by the Escrow Bank. Sponsor makes no guarantee of, and shall have no liability to Purchaser for changes to, the interest rate. Interest will begin to accrue within: (x) 3 business days, if the Deposit is cash or cash equivalent, or (y) 5 business days, if the Deposit is other than cash or cash equivalent, of the transfer of the Deposit from the checking account portion of the Escrow Account into the sub-escrow account portion of the Escrow Account, as determined by whether and when the Deposit clears.

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

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

Escrow Agent shall release the Deposits if so directed:

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

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

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

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

Sponsor will not object to the release of the Deposits to:

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

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

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

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

Escrow Agent is acting merely as a stakeholder. Upon the release of any Deposits pursuant to the Plan, Escrow Agent shall be fully released from all liability and obligation with respect to such Deposits.

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

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

Escrow Agent may rely upon any document which may be submitted to it in connection with its duties under this Section and which is believed by Escrow Agent to be genuine and to have been signed or presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

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

disbursements incurred by Escrow Agent in connection with a bankruptcy case filed by Sponsor for protection under the United States Bankruptcy Code, the enforcement of any rights, or defense of any claims against Escrow Agent in any bankruptcy proceeding, or any other matter arising in or in connection with Sponsor's bankruptcy case.

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

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

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

2. DEFINITIONS

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

3. CONFLICTS

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

4. FULL FORCE AND EFFECT

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

5. COUNTERPARTS

This Rider may be executed in any number of original, e-mail, pdf or facsimile counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same Rider.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

MF 385 FIRST AVE LLC

By: _____
Name: Benjamin Shaoul
Title: President

ESCROW AGENT:

Executed solely in connection with the provisions set forth in this Escrow Rider.

STARR ASSOCIATES LLP

By: _____
Name:
Title:

SCHEDULE F1

AFFIDAVIT OF BONA FIDE TENANT PURCHASER FOR PURPOSES OF DECLARING OFFERING PLAN EFFECTIVE

AFFIDAVIT OF BONA FIDE TENANT PURCHASER FOR PURPOSES OF DECLARING OFFERING PLAN EFFECTIVE

[insert name of tenant purchaser(s)]

385 First Avenue Condominium
385 First Avenue
New York, New York 10010

File No. CD14-0383

Unit No. [insert unit number(s)]
Purchase Price: [insert purchase price]
Deposit: [insert down payment]

STATE OF NEW YORK)
: SS.:
COUNTY OF _____)

I/We, a purchaser[s] under the Offering Plan for the above-referenced Condominium hereby affirm, under the penalty of perjury, the following information:

1. I/We [am/are] [a] bona fide purchaser[s] as defined by the New York General Business Law § 352-eeee (the "Martin Act") because I/we am/are: [a] tenant[s] in occupancy at the above-referenced property.

2. I/we represent that I/we am/are not purchasing the Unit as an accommodation to, or for the account or benefit of the Sponsor or principals of Sponsor.

3. I/we have duly executed a Purchase Agreement and have paid the deposit as required in the Plan and any amendment thereto.

4. The Purchase Agreement I/we have executed for the above-referenced Unit does not contain any right of rescission that has not yet expired or been waived.

5. The Purchase Agreement I/we have executed for the above-referenced Unit does not permit the assignment or transfer of the rights afforded therein.

   [If a tenant in occupancy has assigned the Purchase Agreement, include the following, and distinguish between an assignment that is for purposes of transferring the rights to an ownership entity such as an LLC or trust on behalf of the Purchaser, if applicable:

   (a) The Purchase Agreement has been signed by Purchaser as a Bona Fide Tenant in occupancy in the above-referenced property; and

   (b) The assignment was not procured by the Sponsor, Selling Agent, or the managing agent of the property, and I/we represent that I/we or a specified member of his or her immediate family will personally occupy the dwelling Unit; and

   (c) I/we have obtained an assignee affidavit.]

6. I/We signed the Purchase Agreement for the above-referenced Unit in good faith, without fraud and with no discriminatory repurchase agreements or other discriminatory inducements.

7. I/we am/are not the Sponsor, Selling Agent, or a principal of the Sponsor, the Selling Agent or the managing agent nor am/are I/we related to the Sponsor, Selling Agent or the managing agent or any principal of the Sponsor, the Selling Agent or the managing agent by blood, marriage or adoption, or as a business associate, an employee, a shareholder or a limited partner, or member thereof.

_____
[Tenant Purchaser]

Sworn to before me this _____
day of _____, 20_____

_____
NOTARY PUBLIC

SCHEDULE F2

AFFIDAVIT OF BONA FIDE NON-TENANT PURCHASER FOR PURPOSES OF DECLARING OFFERING PLAN EFFECTIVE

AFFIDAVIT OF BONA FIDE NON-TENANT PURCHASER
FOR PURPOSES OF DECLARING OFFERING PLAN EFFECTIVE

[insert name of non-tenant purchaser(s)]

385 First Avenue Condominium
385 First Avenue
New York, New York 10010

File No. CD14-0383

Unit No. [insert unit number(s)]
Purchase Price: [insert purchase price]
Deposit: [insert down payment]

STATE OF NEW YORK)
: SS.:
COUNTY OF _____)

I/We, a purchaser[s] under the Offering Plan for the above-referenced condominium hereby affirm, under the penalty of perjury, the following information:

1. I/We [am/are] [a] Bona Fide Purchaser[s] as defined by the New York General Business Law § 352-eeee (the "Martin Act") because I/we am/are [a] Purchaser[s] who intends that I/we or one or more members of my immediate family members intends to occupy the Unit when it becomes vacant;

2. I/we represent that I/we are not purchasing the unit as an accommodation to, or for the account or benefit of the Sponsor or principals of Sponsor;

3. I/we have duly executed a Purchase Agreement and have paid the deposit as required in the Plan and any amendment thereto;

4. The Purchase Agreement I/we have executed for the above-referenced Unit does not contain any right of rescission that has not yet expired or been waived;

5. The Purchase Agreement I/we have executed for the above-referenced Unit does not permit the assignment or transfer of the rights afforded therein,

   [unless the assignment is for purposes of transferring the rights to an ownership entity such as an LLC or trust on behalf of the purchaser. In such cases, state so];

6. I/We signed the Purchase Agreement for the above-referenced unit in good faith, without fraud and with no discriminatory repurchase agreements or other discriminatory inducements;

7. I/we am/are not the Sponsor, Selling Agent, or a principal of the Sponsor, the Selling Agent or the managing agent nor am/are I/we related to the Sponsor, Selling Agent or the managing agent or any principal of the Sponsor, the Selling Agent or the managing agent by blood, marriage or adoption, or as a business associate, an employee, a shareholder or a limited partner, or member thereof.

_____
[Non-Tenant Purchaser or Authorized Signatory]

Sworn to before me this _____
day of _____, 20____

_____
NOTARY PUBLIC

SCHEDULE F

RIDER TO PURCHASE AGREEMENT
RE: STORAGE LOCKER

This Rider is made as of _____, _____ between Sponsor and Purchaser.

Re: Residential Unit No: _____ ("Unit")
385 First Avenue Condominium
385 First Avenue
New York, New York 10010 ("Condominium")

1. STORAGE LOCKER LICENSE

1.1 Sponsor agrees to sell and Purchaser agrees to purchase Storage Locker #_____ for a Purchase Price of $_____. At Closing, Purchaser shall enter into a Storage Locker License to use the specific Storage Locker designated by Sponsor, the form of which is set forth in Part II of the Plan.

1.2 The Purchase Price is payable as follows:

(a) $_____, ("Initial Deposit"), due upon Purchaser's signing and delivering this Agreement;

(b) $_____, ("Additional Deposit"), due upon the earlier to occur of (i) 6 months after the execution date of this Agreement or (ii) 15 days after the Presentation Date of an amendment declaring the Plan effective;

(c) $_____, ("Balance of the Purchase Price"), due upon the delivery of the deed to the Unit; and

(d) If Purchaser is signing this Agreement after the Plan is declared effective, the Initial Deposit and Additional Deposit shall be due upon Purchaser's signing this Agreement.

2. RE-DESIGNATION OF STORAGE LOCKER

Sponsor reserves the right at or prior to Closing to designate a different Storage Locker in lieu of the Storage Locker set forth above, provided the new Storage Locker is equal to or greater in size and has the same Purchase Price.

3. ACCESS

Purchaser will be required to consummate the purchase of the Unit and the Storage Locker simultaneously at Closing, even though access may not be available for the Storage Locke Area of the Building. In such event, the proceeds from the sale of the Storage Locker License will be held in escrow ("Storage Locker Escrow") by Escrow Agent until such time as access is available to the Storage Locker Area in which the Storage Locker is located. The Storage Locker Escrow will not be held in an interest bearing escrow account, and, therefore, Purchaser will earn no interest on the Storage Locker Escrow.

4. DAMAGE TO THE STORAGE LOCKER AREA

If there is a fire or other casualty to the Storage Locker Area and Sponsor does not elect to repair or restore such area following such fire or casualty, then the Purchase Agreement shall be deemed

modified to provide for the Closing of Title with respect to the Unit only. In such event, the Balance of the Purchase Price of the Unit shall be reduced by the amount of the Deposit paid pursuant to the terms of this Rider.

5. WITHDRAWAL OF STORAGE LOCKERS

As set forth in the Plan, Sponsor reserves the right to withdraw the offering of the Storage Lockers. The withdrawal of the offering of the Storage Lockers will be disclosed by Sponsor in an amendment to the Plan and Purchaser shall only be relieved of Purchaser's obligation to purchase the Storage Locker, but shall remain obligated to purchase the Unit. At Closing, Purchaser will receive a credit against the Balance of the Purchase Price equal to the amount allocated to the withdrawn Storage Locker, to the extent any such money has been delivered to Sponsor.

6. DEFINITIONS

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

7. CONFLICTS

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

8. FULL FORCE AND EFFECT

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

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

MF 385 FIRST AVE LLC

By: _____
Name: Benjamin Shaoul
Title: President

SCHEDULE H

TITLE AGREEMENT

[TITLE COMPANY LETTERHEAD]

Dated: _____

MF 385 First Ave LLC
594 Broadway, Suite 1010
New York, NY 10012

Re: Residential Unit No: _____ ("Unit")
385 First Avenue Condominium
385 First Avenue
New York, NY 10012 ("Condominium")

Ladies and Gentlemen:

In connection with the sale of the above-referenced unit ("Unit") at the referenced Premises, you have asked for certain assurances regarding the recordation by _____ ("Title Company") or an affiliated abstract company or other person or entity selected by Title Company (any of the foregoing a "Title Closer") of the deed for the Unit and related documentation, including, without limitation, mortgage related documents ("Closing Documents"), the payment of New York City and New York State transfer taxes due in connection with such conveyance and mortgage recording taxes or other fees, if applicable (collectively, the "Tax Payments"), for which Title Company is insuring title.

As of the date hereof, Title Company agrees to hold harmless and indemnify MF 385 First Ave LLC and Starr Associates LLP and their respective agents, representatives, members, affiliates and the like (each an "Indemnified Party") from and against all losses, liabilities, judgments, damages, costs and expenses that an Indemnified Party may incur or suffer from the failure of Title Company or a Title Closer to (a) record the Closing Documents for the Unit and submit the Tax Payments for the Unit in a timely manner from the date of conveyance for the Unit, and (b) do such other act as a reasonably prudent Title Closer of Title Company would perform.

[TITLE COMPANY NAME]

By: _____
Name:
Title:

UNIT DEED

UNIT DEED

THIS INDENTURE, made the ____ day of _____, ____, between MF 385 First Ave LLC, having an office at 594 Broadway, Suite 1010, New York, New York 10012 ("Grantor") and _____ having an address at _____ ("Grantee").

W I T N E S S E T H :

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit ("Unit") known as Residential Unit No. ____ in the building ("Building") known as 385 First Avenue Condominium ("Condominium") and by the street number 385 First Avenue, Borough of Manhattan, County of New York, City and State of New York, said Unit being designated and described by the above Unit number in a certain declaration dated [DECLARATION DATE], made by Grantor pursuant to Article 9-B of the Real Property Law of the State of New York ("Condominium Act") establishing a plan for condominium ownership of the Building and the land ("Land") upon which the Building is situate (which Land is more particularly described in Exhibit A annexed hereto and by this reference made a part hereof), which declaration was recorded in the Office of the Register of The City of New York of the County of New York ("Register's Office") on [DEC RECORDING DATE], as CRFN# [DEC CRFN #] ("Declaration"). The Unit is also designated as Tax Lot 31 in Block 928 of the Borough of Manhattan on the Tax Map of the Division of Land Records of The City of New York and on the Floor Plans of the Building, certified by Gerner Kronick + Valcarcel, Architects, DPC on [ARCHITECT CERT DATE], and filed with the Division of Land Records of The City of New York on [FP FILING DATE], as Condominium Plan No. [CONDO PLAN #] and also filed in the Register's Office on [FP RECORDING DATE], as Condominium Map No. [FP MAP #];

TOGETHER with an undivided _____% interest in the Common Elements (as such term is defined in the Declaration);

TOGETHER with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

TOGETHER with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws of the Condominium ("By Laws"), as the same may be amended from time to time, all of which constitute covenants running with the Land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein.

SUBJECT also to such other liens, agreements, covenants, easements, restrictions, consents and other matters of record as pertain to the Unit, to the Land and/or to the Building (which Land and Building are collectively referred to as the "Property").

TO HAVE AND TO HOLD the same unto the Grantee and the heirs or successors and assigns of the Grantee forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration shall control.

Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration or the By-Laws, the Unit is intended for residential use only.

Grantor represents that the Grantor is the same party as the Grantee of the Property under deed dated September 19, 2014 and recorded in the Register's office on October 9, 2014 as CRFN 2014000336917.

Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, except as set forth in the Declaration and the By-Laws (and any Residential Rules and Regulations adopted under the By-Laws).

Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Residential Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

This conveyance is made in the regular course of business actually conducted by the Grantor.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

All capitalized terms used herein which are not separately defined herein shall have the meanings given to those terms in the Plan, the Declaration or the By-Laws of the Condominium.

* * * * *

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this Indenture as of the day and year first above written.

GRANTOR:

MF 385 FIRST AVE LLC

By: _____
Name: Benjamin Shaoul
Title: President

GRANTEE:

_____
(signature)

_____
(signature)

(ACKNOWLEDGEMENTS)

STATE OF NEW YORK)
) ss.:
COUNTY OF New York)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

STATE OF NEW YORK)
) ss.:
COUNTY OF New York)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

STATE OF NEW YORK)
) ss.:
COUNTY OF New York)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

EXHIBIT A
TO RESIDENTIAL UNIT DEED

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the southerly side of East 23rd Street, with the westerly side of First Avenue;

RUNNING THENCE westerly along the southerly side of East 22nd Street, 100 feet;

THENCE southerly parallel with the westerly side of First Avenue, and part of the distance through a party wall, 98 feet 9 inches to the center line of the block;

THENCE easterly along said center line of the block and parallel with the southerly side of East 23rd Street, 100 feet to the westerly side of First Avenue;

THENCE northerly along the westerly side of First Avenue, 98 feet 9 inches to the point or place of BEGINNING.

STORAGE LOCKER LICENSE

STORAGE LOCKER LICENSE

AGREEMENT made this _____ day of _____, _____ ("Storage Locker License") by and between MF 385 First Ave LLC, having an office at 594 Broadway, Suite 1010, New York, New York 10012 ("Sponsor"), and the Condominium Board of 385 First Avenue Condominium on behalf of all Unit Owners, having an address at 385 First Avenue, New York, New York 10010 ("Condominium Board") (Sponsor and the Condominium Board are sometimes collectively referred to as "Licensor") and _____ having an address at _____ ("Licensee");

W I T N E S S E T H :

WHEREAS, 385 First Avenue Condominium ("Condominium") is governed by a certain Declaration of Condominium recorded in the Office of the Register of the City of New York, County of New York as the same has been or may be amended from time to time ("Declaration"), the by-laws of the Condominium, as the same has been or may be amended from time to time ("By-Laws") and the Rules and Regulations of the Condominium, as the same has been or may be amended from time to time ("Rules and Regulations") ("Declaration," the "By-Laws" and the "Rules and Regulations" are collectively, referred to as the "Condominium Documents"); and

WHEREAS, the Condominium is located at 385 First Avenue, New York, New York 10010 ("Property"); and

WHEREAS, Storage Lockers have been installed in a Portion of the Property ("storage locker Area"); and

WHEREAS, Licensee owns or simultaneously herewith is acquiring Residential Unit No. _____ in the Condominium; and

WHEREAS, the Condominium Board granted Sponsor the exclusive right to sell, without charge, the Storage Locker pursuant to a Storage Locker License and the Condominium will not be entitled to any of the proceeds from such sale; and

WHEREAS, Licensee desires the right to the exclusive use of a Storage Locker ("Storage Locker") 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 Storage Locker License for the exclusive use of Storage Locker #____ ("Storage Locker License") and Licensee hereby accepts such Storage Locker License from Licensor for a term commencing on the date hereof.

2. The Condominium Board has the right to impose fees on Licensee in accordance with the By-Laws. Any fee and/or Special Assessment due hereunder or imposed by the Condominium Board in the future, shall constitute "additional Common Charges" under the terms of the Condominium Documents. Licensee's failure to pay the fee and/or Special Assessment due hereunder or imposed by the Condominium Board in the future shall constitute a material default under the terms of the Condominium Documents.

3. The Storage Locker may be used only for the storage of personal effects of a Residential Unit Owner and in no event shall any food or perishable items or any flammable or explosive item or any

item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance be stored in the Storage Locker.

4. Except for Sponsor and the Condominium Board, a Residential Unit Owner may not own the Storage Locker without also owning a Residential Unit.

5. Licensee shall not (a) store any property outside of the Storage Locker; or (b) allow any other Person to use the Storage Locker except in accordance with the terms hereof.

6. This Storage Locker License may be assigned by Licensee at any time provided that (i) the assignee is a Residential Unit Owner at the Condominium, (ii) the assignee assumes the obligations hereunder in the form annexed hereto, (iii) the assignee delivers notification of the assignment is delivered in writing to the Condominium Board in compliance with its requirements as the same may be modified from time to time, and (iv) the assignee and the Licensee do not owe any outstanding monies to the Condominium. This Storage Locker License shall automatically terminate at such time as Licensee no longer owns a Residential Unit in the Condominium unless this Storage Locker License is assigned to and assumed by another Residential Unit Owner.

7. Licensee represents that Licensee has made a thorough inspection of the Storage Locker and the Storage Locker Area and agrees to take same in its "as is" condition as of the date of this Storage Locker License.

8. Licensee represents that Licensee shall, throughout the term of this Storage Locker License, maintain the Storage Locker with a proper manner of care.

9. Neither Licensor nor Licensor's agents or employees shall be liable for any theft or damage to any property stored in the Storage Locker Area. Licensee acknowledges that the Storage Lockers and the Storage Locker Area(s) will not be serviced by an emergency generator. In the event of a power outage, any resulting loss or damage will be at the sole cost of the Storage Locker Licensee. Licensor, Licensor's agents or employees, and Sponsor shall not be liable for any loss or damage caused by power outages, temperature fluctuations or other causes in the Storage Locker Area(s).

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

11. If Licensee defaults in Licensee's obligations under this Storage Locker License or under the Condominium Documents, the Condominium Board may, in its sole discretion, elect by notice to Licensee to cancel this License, in addition to the other rights and remedies that the Condominium Board has under the Condominium Documents. If the Condominium Board so elects, Licensee shall have thirty (30) day period, from the giving of notice of cancellation to cure the specified default. If the default is not cured within such thirty (30) days, TIME BEING OF THE ESSENCE, then this License shall be deemed terminated. Upon the termination of this License, the Condominium Board will be released and discharged of all further liability and obligations under this License, and the Storage Locker may be licensed to another as though this License had never been made, and without any obligation to account to Licensee for any of the proceeds.

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

13. The Condominium Board or its agents shall have the right, but not the obligation, to open the Storage Locker in an emergency at any time, and, at other reasonable times upon prior notice to Licensee,

to inspect and examine the Storage Locker Area and to make such repairs, replacements and improvements as the Condominium Board shall deem necessary.

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

15. Licensee shall indemnify and hold Licensor and their respective officers, directors, shareholders, unit owners, members, agents and employees, harmless from and against any and all liabilities, claims, penalties and judgments, together with any related costs and expenses, including legal fees and expenses, asserted against or sustained by any of them in connection with any act, omission, or negligence of Licensee or Licensee's Family Members, servants, employees, agents, guests and invitees in connection with this Storage Locker License.

16. Licensee shall be obligated at its sole cost and expense to obtain and maintain insurance covering the Storage Locker in amounts sufficient to cover the property located therein.

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

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

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

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

21. Either party shall execute, acknowledge and deliver to the other party such instruments and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Storage Locker License or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

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

23. Licensee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Residential Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

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

Agreed to and Acknowledged by:

LICENSOR:

385 First Avenue Condominium

By: _____
Name:
Title:

LICENSEE:

_____

_____

SPONSOR:

MF 385 FIRST AVE LLC

By: _____
Name: Benjamin Shaoul
Title: President

ASSIGNMENT AND ASSUMPTION OF STORAGE LOCKER LICENSE

ASSIGNMENT AND ASSUMPTION OF STORAGE LOCKER LICENSE

THIS ASSIGNMENT AND ASSUMPTION OF STORAGE LOCKER LICENSE made as of the _____ day of _____, _____ by and between _____ ("Assignor"), having an address at _____, and _____ ("Assignee"), having an address at _____.

W I T N E S S E T H :

WHEREAS, Assignor executed a certain Storage Locker License dated _____, _____ ("Storage Locker License") to have the exclusive right to use Storage Locker # ___ ("Storage Locker") located in the Building known as 385 First Avenue Condominium, located at 385 First Avenue, New York, New York 10010, in accordance with the terms of the Condominium Offering Plan for the Building ("Plan"), as amended; and

WHEREAS, Assignor desires to assign to Assignee all of Assignor's right, title and interest in and to the Storage Locker License; and

WHEREAS, Assignee desires to assume all of the obligations and responsibilities of Assignor in and to the Storage Locker License; and

WHEREAS, the parties hereto wish to set forth their agreements with respect to this Assignment and Assumption of this Storage Locker License.

NOW, THEREFORE, in consideration of the mutual promises herein contained, and other good and valuable consideration, the parties hereto agree as follows:

1. ASSIGNMENT: Assignor hereby assigns to Assignee, from and after the date hereof, all of Assignor's right, title and interest in and to the Storage Locker License, a copy of which is attached hereto and made a part hereof, for a Purchase Price of $_____.

2. ASSUMPTION: Assignee hereby assumes all of the obligations, promises, covenants and responsibilities of Assignor in and to the Storage Locker License as if Assignee had signed the Storage Locker License originally as "Licensee."

3. AUTHORIZATION AND DIRECTION: Assignor and Assignee hereby authorize and direct the Condominium to have the books and records of the Condominium reflect that Assignee has the exclusive right to use the Storage Locker.

4. EFFECTIVE DATE: This Assignment shall not be deemed effective unless and until signed by each of the parties hereto.

5. DEFINED TERMS: All terms not defined herein shall have the meanings ascribed to them in the Plan.

IN WITNESS WHEREOF, Assignor and Assignee have duly executed this Assignment and Assumption of Storage Locker License on the day and year first above written.

ASSIGNOR:

_____
(signature)

ASSIGNEE:

_____
(signature)

APPROVED BY:

385 First Avenue Condominium

By: _____
Name:
Title:

DECLARATION OF CONDOMINIUM

DECLARATION

Establishing a Plan for Condominium Ownership of the Premises Known as

385 FIRST AVENUE CONDOMINIUM

and having a street address of

385 FIRST AVENUE
NEW YORK, NEW YORK 10010

Pursuant to Article 9-B of the Real Property Law of the State of New York

Name:	**385 First Avenue Condominium**
Sponsor:	**MF 385 First Ave LLC** **594 Broadway, Suite 1010** **New York, New York 10012**
Date of Declaration:	

_____, _____

Prepared by:

STARR ASSOCIATES LLP
Attorneys At Law
245 Fifth Avenue
New York, New York 10016
(212) 620-2680

The land affected by the within instrument lies in Block 928 F/K/A Lot 31, N/K/A Lots _____ - _____ on the Tax Map of the Borough of Manhattan, County of New York, City and State of New York

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Exhibits

A – DESCRIPTION OF THE LAND

B – DESCRIPTION OF THE UNITS

C – DEFINITIONS

D – BY-LAWS OF THE CONDOMINIUM

E – UNIT POWER OF ATTORNEY

DECLARATION

OF

385 FIRST AVENUE CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

MF 385 First Ave LLC, a limited liability company organized under the laws of the State of Delaware, having an office at 594 Broadway, Suite 1010, New York, New York 10012 ("Sponsor"), does hereby declare as follows:

ARTICLE 1

DEFINITIONS

All capitalized terms used in this Declaration that are not otherwise defined in the Articles hereof shall have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used shall otherwise require. All capitalized terms used in this Declaration that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the said capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

ARTICLE 2

SUBMISSION OF THE PROPERTY

2.1 Sponsor hereby submits the Property to the provisions of the Condominium Act and pursuant thereto, does hereby establish a regime for the condominium ownership of the Property as more particularly set forth herein and in the By-Laws.

ARTICLE 3

NAME OF THE CONDOMINIUM

The Condominium shall be known as 385 First Avenue Condominium.

ARTICLE 4

THE LAND

Included in the Property is the Land which is more particularly described in Exhibit A annexed hereto.

ARTICLE 5

THE PROPERTY AND THE BUILDING

5.1 Included in the Property are: 138 Residential Units (including 1 Resident Manager's Unit), 47 Storage Lockers, and 3 Commercial Units contained in a structure comprising twenty (20) above-grade stories, 1 below-grade level, and one (1) roof level. There is no floor 13 designation.

5.1.1 The Residential Units will be located on Floors 2 through 21.

5.1.2 The Storage Lockers will be located on the cellar floors.

5.1.3 The Commercial Units will be located on the cellar and first floor.

5.2 The Building is classified as being of fire proof construction. The Building structural system consists of reinforced cast in place concrete founded on spread footings with lateral system of ordinary concrete shear walls. Floor slabs are flat plate cast in place concrete. The roof consists of an insulated inverted membrane roof system.

ARTICLE 6

THE UNITS

6.1 Exhibit B annexed hereto sets forth the following data with respect to each Unit necessary for the proper identification thereof: Unit designation; tax lot number; approximate location in the Building; approximate square footage; number of rooms; the portions of the Common Elements to which such Unit has immediate access; and the Common Interest appurtenant to such Unit. The precise location of each Unit is shown on the Floor Plans.

6.2 Each Unit is measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits are not deducted from measurement of each Unit) to the corridor side of the wall separating one Unit from corridors or to the centerline of the partitions separating one Unit from another Unit, 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. Each Unit is measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the Unit.

6.3 Each Unit includes, and each Unit Owner shall be responsible for, the front entrance door and any other entrance doors to the Unit including Terrace doors (including, without limitation, all locks, peepholes, doorknobs and hardware), hallway exclusively serving such Unit (if any), the interior walls, partitions, floors and floor coverings and ceilings affixed, attached or appurtenant to the Unit, smoke/carbon monoxide detectors, window panes, fireplace, firebox, dampers, mantel and flue, all mechanical systems located in the Unit, heating and cooling systems (including HVAC filters and parts), all plumbing, gas and heating fixtures and equipment, including but not limited to, refrigerators, dishwashers, washers and dryers, heating, ventilating and air conditioning Units (including the fans inside the Units), heating equipment, ranges and other appliances, sinks, bathtubs, waterclosets and all other Facilities as may be affixed, attached or appurtenant to the Unit and serving the Unit. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, water spigots located on Terraces, and any special pipes or equipment which a Unit Owner may install within the walls, ceilings, or floors, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors, unless such installations were made by the Unit Owner after the Unit Owner acquired title to the Unit, in which event Unit Owner shall be responsible for such installations. Each Unit shall also include all lighting and electrical fixtures and appliances within the Unit, including those located on Terraces and any special equipment, fixtures or Facilities affixed, attached or appurtenant to the Unit, to the extent located within a Residential Unit from the electrical panel (including electrical branch wiring but excluding electrical service riders) and serving or benefiting only that Unit.

6.4 Each Commercial Unit also includes, in addition to the items listed in Section 6.3 above, to the extent located in such Commercial Unit, and each Commercial Unit Owner shall be responsible for, any elevator, escalator, staircase, freight or service entrance, driveway, ramp, canopy and all related Facilities

servicing such Commercial Unit exclusively including, outdoor signage for such Commercial Unit, the exterior side of all windows in or opening from such Commercial Unit and any loading docks exclusively servicing such Commercial Unit.

6.5 Any Common Elements located within a Unit shall not be considered a part of such Unit.

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

6.7 As of the date of the filing of this Declaration with the Register's Office, fee simple absolute title shall automatically vest in Sponsor in all Units and Sponsor shall be deemed a licensee with respect to all Storage Lockers, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

ARTICLE 7

THE COMMON ELEMENTS

7.1 The Common Elements consist of the entire Property, including the Land and all parts of the Building and improvements thereon other than the Units. The Common Elements are comprised of the General Common Elements, the Residential Common Elements and the Residential Limited Common Elements.

7.2 The General Common Elements consist of the Land and those rooms, areas, corridors and other portions of the Building (other than the Units), as well as those Facilities therein, either currently or hereafter existing for the common use of the Units or of the Unit Owners or necessary for, or convenient to, the existence, maintenance, management, operation, or safety of the Property. Without intending to limit the generality of the foregoing in any respect, the General Common Elements include:

(i) the Land (including the landscaping appurtenant thereto) and any improvements thereon, together with all easements, rights and privileges appurtenant thereto.

(ii) all foundations, columns, beams, joists, supports, piles, footings, pillars, girders, exterior walls, interior walls, partitions, floor slabs and ceilings, window casements and frames, roofs and ceilings in, on, or under the Building, separating a Unit from a General Common Element, and that portion of all such interior walls, partitions, floors and ceilings separating a General Common Element or a Commercial Unit from a Residential Unit and/or Residential Common Element and/or a Residential Limited Common Element, from the midpoint of any such wall, partition, floor or ceiling to the boundary line of such General Common Element or such Commercial Unit, as the case may be, to the extent that the same are not expressly included as part of the Residential Common Elements pursuant to the terms of Paragraph 7.3 below or the Residential Limited Common Elements pursuant to the terms of Paragraph 7.4 below or a Unit pursuant to the terms of Article 6 hereof.

(iii) all central and appurtenant installations and Facilities for services such as power, light, telephone, intercom, gas, sewer, plumbing, drainage, hot and cold water distribution, heat, garbage disposal, master and cable television and other mechanical and electrical systems, which

service both the Residential Units and the Commercial Units and/or both the General Common Elements, the Residential Common Elements and the Residential Limited Common Elements, to the extent that the same are not expressly included as a part of the Residential Common Elements pursuant to the terms of Paragraph 7.3 below or the Residential Limited Common Elements pursuant to the terms of Paragraph 7.4 below or a Unit pursuant to the terms of Article 6 hereof.

(iv) the domestic water room, telephone room, gas meter room, steam meter room and electrical room, each of which are located on the cellar floor of the Building, and the mechanical rooms located on the roof.

(v) all other parts of the Property, and all apparatus and installations now existing or hereafter constructed in the Building or on the Property, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property.

7.3 The Residential Common Elements consist of those portions of the Building, as well as those Facilities therein, either currently or hereafter existing for the exclusive common use of the Residential Units or of the Residential Unit Owners only. Without intending to limit the generality of the foregoing in any respect, the Residential Common Elements include:

(i) all stairways, passenger elevators and their respective bulkheads, shafts, pits and equipment rooms and the residential hallways.

(ii) compactor room located on the cellar floor and its shafts and equipment.

(iii) super's office and workshop and staff lockers room, each of which are located on the cellar floor.

(iv) residential lobby, service entrance, exit corridors, concierge station, package storage room, cart room, mail room, each of which are located on the ground (first) floor.

(v) fitness center and all equipment, finishings and furniture contained therein.

(vi) Recreational Terrace and multi-purpose recreation room located on Floor 2.

(vii) Sundeck located on the roof.

(viii) Storage rooms located in the cellar.

(ix) cooling towers and water tanks, located on the roof.

(x) the Storage Locker Area, together with all the Storage Lockers therein, located on the cellar floor.

(xi) all masonry walls, partitions, floors and ceilings in, on or under the Building, separating a Residential Unit from another Residential Unit or a Residential Common Element and that portion of all such masonry walls, partitions, floors and ceilings separating a Residential Common Element from a General Common Element or a Commercial Unit, from the midpoint of any such wall, partition, floor or ceiling to the boundary line of such Residential Common Element.

(xii) all central and appurtenant installations and Facilities for services such as power, light, telephone, intercom, gas, sewer, plumbing, hot and cold water distribution, heat, garbage disposal, master and cable television and other mechanical and electrical systems which serve the

Residential Units and/or the Residential Common Elements and/or the Residential Limited Common Elements only.

(xiii) all interior portions of the Building and all apparatus and installations now existing or hereafter constructed in the Building or on the Property, either existing for the common use of the Residential Units or the Residential Unit Owners or necessary for, or convenient to the existence, maintenance or safety of the Property, to the extent that the same are not expressly included as part of the General Common Elements pursuant to the terms of Paragraph 7.2 above or the Residential Limited Common Elements pursuant to the terms of Paragraph 7.4 below or a Unit pursuant to the terms of Article 6 hereof.

7.4 The Residential Limited Common Elements consist of all portions of the Land and Building (other than the Units) that are for the use of one or more specified Residential Units to the exclusion of all other Units. Without intending to limit the generality of the foregoing in any respect, the Residential Limited Common Elements include: the Terraces adjoining certain Residential Units more particularly set forth on Exhibit "B" to this Declaration entitled "Description of Units."

7.5 The Common Elements shall remain undivided, and no Unit Owner or any other Person shall bring, or shall have the right to bring, any action for partition or division thereof, except as is expressly permitted pursuant to the terms of Article 15 hereof and Section 5.5 of the By-Laws.

ARTICLE 8

DETERMINATION OF COMMON INTEREST AND RESIDENTIAL COMMON INTEREST

8.1 The undivided percentage interest of each Unit in the Common Elements is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with subsection (iv).

8.2 The percentage interest of all Residential Units in the Residential Common Elements is apportioned in the same proportion that the Residential Units at the date of this Declaration bear to the then aggregate Common Interest of all of the Residential Units in the Condominium.

ARTICLE 9

USE OF UNITS AND STORAGE LOCKERS

9.1 As more particularly set forth in, and subject to the provisions of, the By-Laws, the Residential Units shall be used for residential purposes only (excluding "dormitory," "bed and breakfast" or other transient hotel-type use). A Residential Unit owned or leased by an individual, corporation, partnership, fiduciary, limited liability company or any other entity, including, but not limited to, the federal or state government and any instrumentality thereof and foreign governments and any embassy, consulate, or other instrumentality thereof, may only be occupied (unless the Condominium Board otherwise consents in writing) by such individual, or by an individual officer, director, stockholder, member or employee of such corporation or limited liability company, or by an individual partner or employee of such partnership, or by such individual fiduciary (including directors, officers, stockholders or employees of corporate fiduciaries and partners or employees of partnership fiduciaries) or by an individual beneficiary of said fiduciary, or an individual principal or employee of such other entity, respectively, or by Family Members or guests of any of the foregoing; however, the foregoing restrictions shall not apply to Unsold Residential Units.

Upon the prior written consent of Sponsor (1) (with respect to Unsold Residential Units) or the Condominium Board (with respect to sold Residential Units), any Residential Unit may be used for any

other lawful purposes, subject, however, to (2) the terms and conditions of the then existing TCO or PCO for the Building and the By-Laws, and (3) applicable Law.

9.2 The Commercial Units may be used for any purpose permitted by Law. Notwithstanding anything to the contrary contained in the Plan or elsewhere, the use of the Commercial Unit is subject to the following restrictions: the Commercial Unit may not be used for any of the following purposes at any time: (i) a massage parlor, an adult theater, a peep show establishment, or a topless or bottomless bar, (ii) a video arcade, a betting parlor, a gambling casino, or any other gambling related establishment, (iii) for any use that is primarily concerned with lewd or prurient sexual activity, (iv) an in-patient or out-patient center for drug, alcohol, or mental health treatment, or (v) a homeless shelter or any center offering food or other special services to the homeless.

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

9.4 The Storage Lockers or Storage Locker Area(s) described under this Article 9 will not be serviced by an emergency generator. In the event of a power outage, any resulting loss or damage will be at the sole cost of the Storage Locker Licensee. The Condominium Board, its agents and employees, and Sponsor shall not be liable for any loss or damage caused by power outages, temperature fluctuations or other causes in the Storage Locker Area(s).

9.5 Notwithstanding the foregoing or anything contained in the By-Laws or the Residential Rules and Regulations to the contrary, Sponsor may, without the permission of the Condominium Board, (1) use or grant permission for the use of any Unsold Residential Unit as a professional office or for any other purpose, provided such use is permitted by Law, and does not violate the then existing certificate of occupancy for the Building or any other governmental regulations, (2) use any Unsold Residential Units as model Units and offices for the selling, leasing, management, operation and promotion of the Unsold Residential Units or for any other purpose, subject only to compliance with Law, (3) use any Storage Locker for any purpose permitted by Law, and (4) lease any Unsold Residential Unit to third parties for either long term or short term stays.

ARTICLE 10

EASEMENTS FOR THE ENJOYMENT OF THE COMMON ELEMENTS

10.1 Subject to the terms of this Declaration, the By-Laws and the Residential Rules and Regulations, if applicable, Sponsor, the Unit Owners, the Managing Agent, the Condominium Board and all Permitted Users of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the General Common Elements, and the General Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no Person shall use or enjoy the General Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other Persons to do so.

10.2 Subject to the terms of the By-Laws and the Residential Rules and Regulations, if applicable, Sponsor, the Residential Unit Owners, Selling Agent, the Managing Agent, the Condominium Board and all Permitted Users of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the Residential Common Elements,

and the Residential Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no person shall use or enjoy the Residential Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other persons to do so.

10.3 Each Commercial Unit Owner and its Permitted Users shall have an easement in, over, under, through or upon the Common Elements or elsewhere on the Property (i) for the purpose of accessing such Commercial Unit or any portion of the Building servicing such Commercial Unit, (ii) for the purpose of exiting the Building in the event of an emergency, and (iii) to install, operate, maintain, repair, alter, rebuild, restore and replace any pipes, wires, ducts, vents, cables, conduits or other lines, equipment or Facilities forming a part of or servicing such Commercial Unit. In addition to the foregoing, each Commercial Unit Owner and its Permitted Users shall have the right and an easement, as applicable, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any, subject only to Sponsor's prior written consent in each instance for so long as Sponsor continues to own an Unsold Unit, to (i) alter, modify, and/or restore the exterior façade and/or the windows of the Commercial Unit, including without limitation any storefronts, (ii) create additional means of egress and ingress to such Commercial Unit, (iii) erect, maintain, repair and replace one or more signs and lighting, of such size and content as such Commercial Unit Owner shall determine in the windows of the Commercial Unit, including without limitation any storefronts of such Commercial Unit, for the purposes of advertising (a) the sale or rental of all or any portion of the Commercial Unit or (b) the operation of any business for which such Commercial Unit is used, and (iv) use the sidewalk adjacent to such Commercial Unit for any purposes permitted by Law, including without limitation food and beverage services and the placement of outdoor seating, tables, lighting and signage on such sidewalk, provided that the entrances to the Building are not impeded by such use. In the event a Commercial Unit Owner utilizes a sidewalk adjacent to their Commercial Unit, the maintenance, replacement, and repair of the sidewalk during the period of use, together with all costs and expenses associated therewith, shall be the responsibility of the Commercial Unit Owner.

10.4 Each Residential Unit Owner whose Residential Unit has one or more appurtenant Residential Limited Common Elements shall have an exclusive easement for the use thereof. The Residential Units having the same are indicated on Exhibit B.

10.5 Sponsor and its Permitted Users shall have an easement in, over, under, through and upon the General Common Elements and Residential Common Elements (including but not limited to, residential lobbies, hallways and corridors), to use the same, without being subject to any fee or charge, for all purposes and activities in connection with the alteration, renovation, construction, combination, reconfiguration, sale or renting of Unsold Residential Units including, without limitation, the right to erect, maintain, replace and/or repair any sign and/or lighting permitted by Law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit or the operation of any business of a tenant or occupant of any Unit.

ARTICLE 11

OTHER EASEMENTS

11.1 Subject to the terms of the By-Laws and to the Residential Rules and Regulations, if applicable, each Unit Owner shall have an easement in common with all other Unit Owners to use, maintain, repair, alter and replace all Common Elements located in any of the other Units or elsewhere on the Property which serve such Unit Owner's Unit, including an easement to connect to existing utilities, including without limitation, utilities for gas, electricity, steam and ventilation. Each Unit (including any Common Elements located therein) shall be subject to an easement in favor of all Unit Owners to use, maintain, repair, alter and replace all Common Elements located in such Unit or elsewhere on the Property which serve other Units. All easements and rights of access described in this Section shall be exercised by the Condominium Board on behalf of all Unit Owners. The Condominium Board shall have an easement and a right of access to each

Unit and to the Common Elements contained therein and appurtenant thereto (including Storage Lockers) to inspect the same, to remove violations therefrom and to install, operate, maintain, repair, alter, rebuild, restore and replace any of the Common Elements located in, over, under, through, adjacent to, or upon the same, and each Unit and the Common Elements shall be subject to such easement and right of access. Such easements and rights of access shall be exercised by the Condominium Board and/or Sponsor, and each of their Permitted Users, as the case may be, to the extent practicable, in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted on reasonable prior notice based on the nature of the repair or replacement but in no event on less than two days' notice, except that no notice will be necessary in the case of an "emergency" (i.e., a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building). Plans and specifications with respect to any such proposed work shall be submitted by the Unit Owner who has requested that the Condominium Board exercise any such easement or right of access, to the Unit Owner whose Unit is to be accessed and all work is to be prosecuted diligently to completion. Notwithstanding any other provision of this Declaration, the By-Laws or the Residential Rules and Regulations, if applicable, any alterations carried out in connection with the easements granted hereinabove shall be such that neither the configuration nor the usable area of the affected Unit shall be materially adversely affected.

11.2 Sponsor for so long as it shall own any Unsold Residential Unit, any Commercial Unit Owner with respect to a Commercial Unit and the Condominium Board, on behalf of all Unit Owners, shall have the right to grant such additional electric, gas, steam, cable television, telephone, water, storm drainage, sewer and other utility easements in, or to relocate any existing utility easements to, any portion of the Property as Sponsor, the Commercial Unit Owner or the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or for the general health or welfare of the Unit Owners and their Permitted Users, provided that the granting of such additional utility easements or the relocation of existing utilities will not prevent or unreasonably interfere with the normal conduct of business carried on within the Commercial Unit or with the use of the Residential Units for their permitted purposes, and shall not result in the imposition of any mechanic's lien against any of the Units. Any utility company and its employees and agents shall have the right of access to each Unit or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the normal conduct of business or with the use of the Units for their permitted purposes. Notwithstanding any other provision of this Declaration, the By-Laws or the Residential Rules and Regulations, any alterations carried out in connection with the easements granted hereinabove shall be such that neither the configuration nor the usable area of the affected Unit shall be materially adversely affected. In addition, Sponsor reserves the right to install additional fireplace flues and mechanical equipment on the roof of the Building.

11.3 Sponsor and its Permitted Users for so long as Sponsor shall own any Unsold Residential Unit, shall have an easement for ingress and egress through all of the Common Elements and Unsold Units in order to make alterations, additions, or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon the Unsold Residential Units and the Common Elements.

11.4 Each Unit and the Common Elements shall have easements of subjacent support and necessity, and the same shall be subject to such easements in favor of all of the other Units and the Common Elements.

11.5 Sponsor, and its Permitted Users shall have an exclusive easement for so long as Sponsor owns an Unsold Unit to erect, use, lease, maintain, repair, replace and operate (a) antennae, satellite dishes and other communications equipment, and (b) any pipes, risers, ducts, flues and equipment necessary or desirable to provide heat, air-conditioning, exhaust, or ventilation as required or, as permitted by Law, on any part of the roof and/or façade of the Building and elsewhere on the Common Elements (excluding Terraces

and Storage Lockers) and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith. The exercise of the easement and these rights do not require the consent of the Condominium Board or the Unit Owners and shall be without charge to Sponsor. Any obligations of Sponsor under any lease, license or other right of use granted by Sponsor with respect to the roof and/or the façade of the Building shall be the obligation of Sponsor and not of the Condominium, and any rights of Sponsor, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, shall be the right of Sponsor, and not of the Condominium or any other Unit Owner. In connection with such easement and related rights, Sponsor and its Permitted Users shall each have, to the extent necessary or advisable for such erection, use, lease, maintenance, repair, replacement and operation, an easement in common with all Unit Owners for ingress, egress and the use of any Common Elements. The Units shall each be subject to such easement.

11.6 Intentionally omitted.

11.7 Subject to the terms of the By-Laws, each Commercial Unit Owner shall have an easement to install, operate, maintain, repair, alter, rebuild, restore and replace any pipes, wires, ducts, vents, cables, conduits or other lines, equipment or facilities forming a part of or relating to the Commercial Unit in, over, under, through or upon the Common Elements or elsewhere on the Property; provided that access to the Common Elements or other portions of the Property in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the use of the Common Elements and such other portions of the Property for their permitted purposes.

11.8 The Condominium and Building shall be designated and known as 385 First Avenue Condominium. Sponsor shall own and control all rights and interest, appurtenant to the name of the Condominium and/or the Building and any intellectual property relating thereto, including without limitation, any logos, marks, websites, trademarks, copyrights or names relating to or referring to the name of the Condominium or the Building, unless otherwise prohibited by Law. Only Sponsor shall have the right to change or assign the name of the Condominium. In addition, Sponsor shall have the right to utilize other names for the Building or portions thereof for marketing and promotional purposes without the consent of the Condominium Board or the Unit Owners. Sponsor shall have an exclusive easement for so long as the Condominium shall remain in existence to erect, maintain, repair and replace, from time to time, a plaque and/or sign ("Plaque"), without charge, on the exterior portion of the Building setting forth the name and address of Sponsor, or such other information as Sponsor desires in its sole discretion. Only Sponsor shall have the right to remove the Plaque, unless mandated by Law.

11.9 If (a) any portion of the Common Elements encroaches upon any Unit or upon any other portion of the Common Elements, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements or (c) any such encroachment shall hereafter occur as a result of (i) the settling or shifting of the Building, (ii) any alteration, repair or restoration of the Common Elements made by or with the consent (when required by the By-Laws) of the Condominium Board, or made by Sponsor in accordance with this Declaration or the By-Laws or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand.

11.10 In addition to the specific easements set forth in this Article 11 and in Article 10 hereof, the Property and every portion thereof shall be subject to all easements made with The City of New York or with any utility companies or other Persons in effect prior to the recording of this Declaration.

ARTICLE 12

ALTERATIONS, ADDITIONS, IMPROVEMENTS AND CHANGES TO UNSOLD RESIDENTIAL UNITS AND COMMERCIAL UNITS

12.1 Except to the extent prohibited by Law, Sponsor shall have the right, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any:

(a) to make alterations, additions, improvements and/or repairs in or to the interior portions of Unsold Residential Units and their appurtenant Residential Limited Common Elements, whether structural or non-structural, ordinary or extraordinary, including without limitation any alterations with respect to the type, number, or layout of rooms in each Unsold Residential Unit.

(b) to amend the Certificate of Occupancy of the Building with respect to the use or number of the Unsold Residential Units.

(c) without amendment to the Plan, to (i) subdivide and/or combine any Unsold Residential Unit and/or (ii) change any Unsold Residential Units in size by relocating a boundary wall between Unsold Residential Units and/or or (iii) otherwise change the size and/or number of Unsold Residential Units, including incorporating Residential Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Residential Unit) which exclusively benefit an Unsold Residential Unit into such Unsold Residential Unit without changing the percentage of Common Interest of such Unit. In the event of a subdivision, combination, and/or change in size of any Unsold Residential Unit, Sponsor shall additionally have the right to reapportion among the affected Unsold Residential Units their respective Common Interests and to create new Residential Common Elements and/or Residential Limited Common Elements from space previously designated as a Residential Unit, Residential Common Elements or Residential Limited Common Elements.

provided, however, that, with respect to any such alteration, addition, improvement, or change in, to, of, or upon any Unsold Residential Unit:

(d) no physical modifications shall be made to any other Unit and the Common Interest and Residential Common Interest (other than Unsold Residential Units), as the case may be, or interior dimensions of any other Units (other than Unsold Residential Units) shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto.

(e) Sponsor shall comply with Law and the terms of this Declaration and the By-Laws.

(f) Sponsor shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom.

(g) such alteration, addition, improvement, repair or change shall not jeopardize the soundness, mechanical systems or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property.

Notwithstanding the foregoing, however, the aggregate amounts of both the Common Interests of all the Units and the Residential Common Interests of all Residential Units shall always remain at 100%, and no reapportionment of the Common Interest or Residential Common Interest appurtenant to any Unit, as the case may be, shall be made unless there is first delivered to the Condominium Board a written certification stating

that the new Common Interest and, if applicable, Residential Common Interest of the affected Unit has been based upon the factors set forth in Article 8 hereof. The certification referred to in the preceding sentence shall be delivered by Sponsor or any other Person reasonably acceptable to the Condominium Board. By written permission of the Condominium Board, which permission shall not be unreasonably withheld, conditioned, or delayed, any other Residential Unit Owner may be given with respect to such Residential Unit the same rights and be subject to the same limitations and conditions as are set forth in this Article with respect to Unsold Residential Units. Notwithstanding the other provisions of this Article, no reapportionment of the Common Interests appurtenant to any Residential Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest of the affected Residential Unit has been based upon the factors set forth in Article 8 hereof. The certification referred to in the preceding sentence shall be delivered by the Residential Unit Owner or any other Person reasonably acceptable to the Condominium Board. The provisions of this Article may not be added to, amended, modified, or deleted without the prior written consent of Sponsor.

12.2 Except to the extent prohibited by Law, each Commercial Unit Owner and its Permitted Users shall have the right, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any:

(a) to make alterations, additions, improvements, or repairs in or to the interior portions of a Commercial Unit, whether structural or non-structural, ordinary or extraordinary, including without limitation any alterations with respect to the type, number, or layout of rooms in each Commercial Unit.

(b) to amend the Certificate of Occupancy of the Building with respect to the use or number of the Commercial Units.

(c) without amendment to the Plan, to (i) subdivide and/or combine any Commercial Unit and/or (ii) change any Commercial Unit in size by relocating a boundary wall between any Commercial Unit. In the event of a subdivision, combination, and/or change in size of any Commercial Unit, the Commercial Unit Owner shall additionally have the right to reapportion among the affected Commercial Units their respective Common Interests and to create new Commercial Common Elements and/or Commercial Limited Common Elements from space previously designated as Commercial Unit, Commercial Common Elements or Commercial Limited Common Elements.

(d) subject only to Sponsor's prior written consent in each instance for so long as Sponsor continues to own an Unsold Unit, to (i) alter, modify, and/or restore the exterior façade and/or the windows of the Commercial Unit, including without limitation any storefronts, and (ii) create additional means of egress and ingress to such Commercial Unit.

provided, however, that, with respect to any such alteration, addition, improvement, or change in, to, of, or upon the Unit:

(i) no physical modification shall be made to any other Unit, and the Common Interest and Residential Common Interest, as the case may be, or interior dimensions of any other Unit shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto;

(ii) the Commercial Unit Owner shall comply with Law and the terms of this Declaration and the By-Laws;

(iii) the Commercial Unit Owner shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and

(iv) such alteration, addition, improvement, repair or change shall not jeopardize the soundness, mechanical systems or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property.

Any additional condominium units created as a result of a subdivision of a Commercial Unit will retain the same rights, privileges, and benefits afforded the original Commercial Unit Owner and will be subject to the same obligations imposed on the original Commercial Unit Owner, as set forth in this Declaration and the By-Laws. Notwithstanding the foregoing, in the event of a subdivision of any Commercial Unit, the Commercial Unit Owners, collectively, shall have the right to designate only one (1) member to the Condominium Board.

Notwithstanding the foregoing, however, the aggregate amounts of the Common Interest of all the Units and the Residential Common Interests of all Residential Units shall always remain at 100%, and no reapportionment of the Common Interest appurtenant to the Commercial Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest has been based upon the factors set forth in Article 8 hereof. The certification referred to in the preceding sentence shall be delivered, at the Commercial Unit Owner's election, by the Commercial Unit Owner, Selling Agent, the Managing Agent, or any other Person reasonably acceptable to the Condominium Board. The provisions of this Article may not be added to, amended, modified, or deleted without the prior written consent of the Commercial Unit Owner.

ARTICLE 13

ACQUISITION OF UNIT BY THE CONDOMINIUM BOARD

If (a) any Residential Unit Owner surrenders the Residential Unit, together with its Appurtenant Interests to the Condominium Board pursuant to the terms of the By-Laws or Section 339-x of the Condominium Act, or (b) the Condominium Board, pursuant to the By-Laws or otherwise, either acquires or leases a Unit, together with its Appurtenant Interests, purchases, a Unit, together with its Appurtenant Interests, at a foreclosure or other similar sale, then, in any such event, title to any such Unit and such Appurtenant Interests shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests. Any lease or sublease of any Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests.

ARTICLE 14

POWER OF ATTORNEY TO SPONSOR AND THE CONDOMINIUM BOARD

14.1 Each Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owner's attorney in-fact, coupled with an interest and with power of substitution, Sponsor, to:

(a) amend the Condominium Documents pursuant to the terms thereof, and to effectuate the rights of Sponsor under the Condominium Documents;

(b) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of any portion of the Property or (2) any consent, covenant, restriction, easement, or declaration, or any amendment

thereto, affecting the Property which Sponsor deems necessary or appropriate or (3) any protest and tax certiorari proceeding documentation affecting Unsold Residential Units.

14.2 In addition to the foregoing Section 14.1, Each Residential Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Residential Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owner's attorney in-fact, coupled with an interest and with power of substitution, the Persons who shall from time to time constitute the Condominium Board, jointly, to:

(a) employ counsel for purposes of protesting the New York City real property tax assessments with the Tax Commission and commencing, pursuing, appealing, settling and/or terminating administration and tax certiorari proceedings on behalf of the Residential Unit Owners for the reduction of the assessed valuation of their Residential Units, such Residential Unit Owners agreeing not to protest said assessments and bring such tax certiorari proceedings at their own initiative and on their own behalf;

(b) acquire, lease or license any Residential Unit (including, but not limited to, the Resident Managers Unit), together with its Appurtenant Interests whose owner desires to sell, convey, transfer, assign, lease, sublease or surrender the same or acquire any Residential Unit, together with its Appurtenant Interests that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners;

(c) acquire, mortgage, lease, sublease, license, convey or otherwise deal with (but not to vote the Common Interest, appurtenant to) any Residential Unit so acquired or to sublease any Residential Unit so leased; and

(d) acquire, mortgage, lease, sublease, license, convey or otherwise deal with the Resident Manager's Unit, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners; and

(e) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Property or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Property which the Condominium Board deems necessary or appropriate or (3) any protest and tax certiorari proceeding documentation affecting Residential Units.

14.3 In confirmation of the foregoing power of attorney, each Unit Owner, upon the request of either Sponsor or the Condominium Board, shall duly execute, acknowledge and deliver to the requesting party, for recording in the Register's Office, a Unit Power of Attorney, substantially in the form set forth as Exhibit E to this Declaration.

ARTICLE 15

TERMINATION OF CONDOMINIUM

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws) until such time as the Property is withdrawn from the provisions of the Condominium Act is authorized by a vote of the Commercial Unit Owners and 80% in number and in Residential Common Interest of all Residential Unit Owners. No such vote shall be effective, however, without the written consent (which consent shall not be unreasonably withheld, conditioned or delayed) of the Permitted Mortgagees representing at least fifty-one (51%) percent of the Common Interests of all Units which are subject to

Permitted Mortgages or by a majority of the Mortgage Representatives, if any. In the event the withdrawal is authorized as aforesaid, but only in such event, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of such Unit Owner's share of such net proceeds all liens on the Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

ARTICLE 16

COVENANT OF FURTHER ASSURANCES

16.1 Any Person who is subject to the terms of this Declaration, whether such Person is a Unit Owner, a Member or officer of the Condominium Board or a Permitted User of either or otherwise, shall, upon prior reasonable written request at the expense of any such other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

16.2 If any Unit Owner, the Condominium Board or any other Person who is subject to the terms of this Declaration fails or refuses, within 10 days (or 60 days, with respect to a Permitted Mortgagee) after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which the Condominium Board, Unit Owner or other Person is required to execute, acknowledge and deliver or to take pursuant to this Declaration, or (ii) to deliver a written notice to the Person requesting such execution, acknowledgement or delivery, and to the Condominium Board stating the reasons why such Unit Owner, Condominium Board or other Person refuses to execute, acknowledge or deliver such instrument or take such action, then the Condominium Board or other Person is hereby authorized as attorney-in-fact for such Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, Condominium Board or other Person and such document or action shall be binding on such Unit Owner, Condominium Board or other Person.

16.3 If any Unit Owner, the Condominium Board or other Person that is subject to the terms of this Declaration fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days (or 60 days, with respect to a Permitted Mortgagee) after request therefor, to execute, acknowledge or deliver any instrument which such Unit Owner, Condominium Board or other Person is required to execute, acknowledge or deliver pursuant to this Declaration at the request of Sponsor or any Commercial Unit Owner, as the case may be, then Sponsor, or any Commercial Unit Owner, as the case may be, is hereby authorized, as attorney-in-fact for the Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, in the name of the Unit Owner, Condominium Board or other Person, and such instrument shall be binding on the Unit Owner, Condominium Board or other Person. The Condominium Board shall not unreasonably withhold or delay its consent or approval with respect to any matter contained in this Declaration which requires the consent or approval of the Condominium Board.

ARTICLE 17

COVENANTS RUNNING WITH THE LAND

17.1 All provisions of this Declaration, the By-Laws and the Residential Rules and Regulations which are annexed hereto and made a part hereof, including, without limitation, the provisions of this Article, shall to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be

perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and owner's heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public. All present and future owners, tenants, subtenants, licensees, and other occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Residential 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 Residential Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

17.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

17.3 Subject to Section 17.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 18

INTENTIONALLY OMITTED

ARTICLE 19

AMENDMENTS TO THIS DECLARATION

19.1 Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Sponsor or any Commercial Unit Owner, any provision of this Declaration affecting the (i) General Common Elements or all Unit Owners may be added to, amended, modified or deleted by the affirmative vote of at least 66-2/3% in number and in Common Interest of all Unit

Owners and (ii) Residential Common Elements or all Residential Unit Owners may be added to, amended, modified or deleted by affirmative vote of at least 66-2/3% in number and Residential Common Interest of all Residential Unit Owners, taken in accordance with the provisions of the By-Laws; provided, however, that the Common Interest appurtenant to each Unit as expressed in this Declaration shall not be altered without the written consent of all Unit Owners directly affected. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Sponsor or any Commercial Unit Owner, no amendment, modification, addition or deletion shall be effective without the written consent (which consent shall not be unreasonably withheld, conditioned or delayed) of the Mortgage Representatives (as defined in the By-Laws), if any. No such amendment, modification, addition or deletion shall be effective until recorded in the Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Sponsor or any Commercial Unit Owner, any such amendment, modification, addition or deletion shall be executed by either the Condominium Board as attorney-in-fact for the Unit Owners, coupled with an interest, and the Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact. Subject to the rights of Sponsor set forth herein, this Section 19.1 of the Declaration may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, if any, as set forth above) 80% in number and in Common Interest of all Unit Owners affected thereby, approve such amendment, modification, addition or deletion in the manner set forth above.

19.2 Sponsor shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute, acknowledge and record (or, at Sponsor's sole option, to require the Condominium Board or any other Unit Owners to execute, acknowledge and record) in the Register's Office and elsewhere, if required by Law, one or more amendments to this Declaration, the By-Laws, the Residential Rules and Regulations and the Floor Plans of the Condominium as Sponsor deems appropriate to effectuate the same:

(i) to reflect any changes in Unsold Residential Units and/or the reapportionment of the Common Interest of the affected Unsold Residential Units resulting therefrom made by Sponsor in accordance with the terms of Article 12 hereof; or

(ii) required by (x) an Institutional Lender designated by Sponsor to make a loan secured by a mortgage on any Unsold Residential Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Sponsor to insure title to any Unsold Residential Unit; or

(iii) to correct any inconsistencies or scrivener's errors in the Declaration, the By-Laws and/or Floor Plans; or

(iv) to relinquish any rights granted to Sponsor hereunder.

Provided, however, that any amendment made pursuant to the terms of subparagraph (i) or (ii) of this Section shall not (1) change the Common Interest of any Unit other than a Unit owned by Sponsor, or (2) require a material, physical modification of any Unit other than a Unit owned by Sponsor, or (3) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender unless the owner of such affected Unit (in the event described in (1) or (2) of this Section) or the holder of such mortgage (in the event described in (3) of this Section) shall consent thereto by joining in the execution of such amendment.

19.3 The Commercial Unit Owner shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute, acknowledge and record in the Register's Office or elsewhere, if required by Law, one or more amendments to this Declaration (including, without limitation, to Exhibit B hereto), together with such documents, plans and maps as the Commercial Unit Owner deems appropriate to effectuate the same:

(i) to reflect any changes in the Commercial Unit and/or the reapportionment of the Common Interest of the affected Commercial Unit resulting therefrom made by the Commercial Unit Owner in accordance with the terms of Article 12 hereof; or

(ii) required by (x) an Institutional Lender designated by the Commercial Unit Owner to make a loan secured by a mortgage on the Commercial Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by the Commercial Unit Owner to insure title to any Commercial Unit, as such requirements relate solely to the Commercial Unit; or

(iii) to correct any inconsistencies or scrivener's errors in the Declaration, By-Laws and/or Floor Plans.

(iv) to reflect any changes that solely affect the Commercial Unit and do not materially and adversely affect the Residential Units and/or the Residential Unit Owners; provided, however, that any such amendment shall not (1) change the Common Interest or Residential Common Interest of any other Unit, or (2) require a physical modification of any other Unit, or (3) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender unless the owner of such affected Unit (in the event described in subparagraph (1) or (2) of this Section) or the holder of such mortgage (in the event described in subparagraph (3) of this Section) shall consent thereto by joining in the execution of such amendment.

19.4 Any amendment to this Declaration may be executed; (i) if on behalf of Sponsor pursuant to the terms of Section 19.2 hereof, by Sponsor, (ii) if on behalf of a Commercial Unit Owner pursuant to the terms of Section 19.3 hereof, by the Commercial Unit Owner, or (iii) if on behalf of the Unit Owners or by the Condominium Board, by any officer of the Condominium. If the amendment requires the approval of a specific percentage of Unit Owners pursuant to the terms of this Declaration or the By-Laws, then there shall be attached to such amendment an original executed Secretary's Certificate, certifying that the requisite number and percentage of Unit Owners approved the amendment at a duly constituted meeting or (when permitted in this Declaration or the By-Laws) in writing without a meeting, in which Certificate shall be described the number and percentage of Unit Owners so consenting and (if voted upon at a meeting) the date and time of the meeting.

19.5 Notwithstanding anything contained in the Condominium Documents to the contrary, if any Residential Unit Owner, with the prior approval of the Condominium Board changes the size and/or number of Residential Units owned by such Residential Unit Owner by either (w) subdividing a Residential Unit(s) into two or more separate Residential Units, (x) combining a Residential Unit into one or more Residential Units, (y) altering the boundary walls between any adjacent Residential Units owned by such Residential Unit Owner, or (z) otherwise, including incorporating Residential Common Elements (such as a portion of a hallway used exclusively by the owner of such Residential Unit) which exclusively benefit a Residential Unit into such Residential Unit, then the Condominium Board on behalf of such Residential Unit Owner and at the Residential Unit Owner's sole cost and expense, shall have the right to execute, and record in the City Register's Office and elsewhere, if required by Law, any amendment to this Declaration and other documents which are necessary or appropriate to reflect the changes made by the Residential Unit Owner, all without the approval of the other Unit Owners, provided, however, that any such amendment shall not (1) change the Common Interest or Residential Common Interest of any other Unit, or (2) require a physical modification of any other Unit, or (3) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender, unless the owner of such affected Unit (in the event described in (1) or (2)) or the holder of such mortgage (in the event described in (3)) shall consent thereto by joining in the execution of such amendment.

19.6 Notwithstanding anything contained in the Condominium Documents to the contrary, but subject to any limitation imposed by the Condominium Act, no amendment to the Condominium Documents shall be effective in any respect against Sponsor or any Commercial Unit Owner, if the same would (i) unreasonably interfere with the sale, lease, or other disposition of any Unit owned by Sponsor or the Commercial Unit Owner, as the case may be, (ii) abridge, modify, suspend, eliminate, or otherwise affect any right, power, easement, privilege, or benefit granted to Sponsor or the Commercial Unit Owner, as the case may be, unless such amendment is consented to in writing by Sponsor or the Commercial Unit Owner, as the case may be, or (iii) impose any discriminatory charge or fee against Sponsor or the Commercial Unit Owner, unless Sponsor or the Commercial Unit Owner shall consent to such amendment in writing.

19.7 The provisions of this Article may not be modified, amended, added to or deleted, in whole or in part, without the consent of Sponsor or the Commercial Unit Owner if the same relate to Sponsor or the Commercial Unit Owner.

19.8 No amendment to the Condominium Documents which would materially and adversely affect the holder of any Permitted Mortgage shall be effective without the prior written consent of 51% of the Permitted Mortgagees or a majority of the Mortgage Representatives, if any. If the Permitted Mortgagees or Mortgage Representatives fail to respond within 60 days after written receipt of the proposed amendment, delivered by either certified or registered mail, "return receipt" requested, the implied approval of such Permitted Mortgagees or Mortgage Representative shall be assumed.

ARTICLE 20

CONSENTS BY SPONSOR

When the consent, approval, satisfaction, or permission of Sponsor is required under this Declaration or the By-Laws, such consent, approval, satisfaction, or permission shall not be required when (i) Sponsor no longer owns any Units; and (ii) Sponsor has completed all of its obligations under the terms of the Offering Plan.

ARTICLE 21

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York is hereby designated to receive service of process in any action which may be brought against the Condominium.

ARTICLE 22

INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the table of definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Unit Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans are, by this reference, each incorporated herein and made a part of this Declaration as if set forth at length in the text hereof.

ARTICLE 23

WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 24

SEVERABILITY

Subject to the provisions of Section 17.2 and 17.3 of Article 17 hereof, if any provision of the Condominium Documents is invalid or unenforceable as against any Person or under certain circumstances, the remainder of the Condominium Documents and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of the Condominium Documents shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law. Any conflict between any provisions of the Condominium Documents and the Condominium Act, or any questions regarding the interpretation of any of the Condominium Documents, shall be governed by the Condominium Act.

ARTICLE 25

SUCCESSORS AND ASSIGNS

The rights and/or obligations of Sponsor and each Commercial Unit Owner as set forth in this Declaration and the By-Laws shall inure to the benefit of and be binding upon any successor or assignee or designee of Sponsor and each Commercial Unit Owner. Sponsor and each Commercial Unit Owner shall have the right, at any time, in their sole discretion, to assign or otherwise transfer their interest therein, whether by merger, consolidation, lease, assignment, or otherwise.

ARTICLE 26

CAPTIONS

The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

ARTICLE 27

CERTAIN REFERENCES

26.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural and vice versa, unless the context otherwise requires.

26.2 The terms "herein," "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used, unless the context otherwise requires.

26.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

ARTICLE 28

GENERAL

Except as required by Law, neither Sponsor nor any of its principal shall be subject to any of the restrictions and/or prohibitions with regard to the Units and/or Storage Lockers set forth in this Declaration or the By-Laws annexed hereto.

IN WITNESS WHEREOF, Sponsor has caused this Declaration to be executed as of the ___ day of _____, _____.

SPONSOR:

MF 385 FIRST AVE LLC

By: _____
Name: Benjamin Shaoul
Title: President

(ACKNOWLEDGEMENT)

STATE OF NEW YORK)
) ss.:
COUNTY OF New York)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

EXHIBIT A TO THE DECLARATION

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the southerly side of East 23rd Street, with the westerly side of First Avenue;

RUNNING THENCE westerly along the southerly side of East 22nd Street, 100 feet;

THENCE southerly parallel with the westerly side of First Avenue, and part of the distance through a party wall, 98 feet 9 inches to the center line of the block;

THENCE easterly along said center line of the block and parallel with the southerly side of East 23rd Street, 100 feet to the westerly side of First Avenue;

THENCE northerly along the westerly side of First Avenue, 98 feet 9 inches to the point or place of BEGINNING.

EXHIBIT B TO THE DECLARATION

DESCRIPTION OF THE UNITS

385 First Avenue Condominium
385 First Avenue
New York, New York 10010

BLOCK 928, f/k/A Lot_____, n/k/a Lots_____through_____

UNIT	NUMBER OF BEDROOMS/ BATHS	APPROXIMATE TOTAL SQ. FT. UNIT	TERRACE	BLOCK 928 TAX LOT NO.	PERCENTAGE OF COMMON INTEREST	LOCATION IN PORTION OF BUILDING FACING DIRECTION SET FORTH BELOW	COMMON ELEMENTS TO WHICH UNIT HAS IMMEDIATE ACCESS

459

To be completed prior to Recording of the Declaration.

EXHIBIT C

DEFINITIONS

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

"Additional Deposit" shall mean the deposit in an amount as applicable, (i) in the case of a Tenant-Purchaser, equal to 5% of the Purchase Price; or (ii) in the case of a Non-Tenant Purchaser, equal to 5% of the Purchase Price required to be delivered by Purchaser before the earlier to occur of (i) 6 months after the date the Purchase Agreement is executed; or (ii) 15 days after the Presentation Date of an amendment declaring the Plan effective.

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

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

"Bona Fide Tenant" shall mean (a) a bona fide tenant in occupancy on the Filing Date; (b) a bona fide tenant with the right to renew a lease on the Filing Date; (c) a bona fide tenant who has the right to continued occupancy on the Filing Date; (d) a bona fide tenant of record with an unexpired lease on the Filing Date even though the tenant has sublet the Residential Unit or the Residential Unit is not the tenant's primary residence; and (e) a bona fide sublessee in occupancy on the Filing Date, if such sublessee subleases from a non-bona fide tenant, or has obtained written permission to purchase the Residential Unit from the bona fide tenant of record.

"Bona Fide Purchaser" shall mean a Purchaser (other than a Bona Fide Tenant) who represents that Purchaser or members of Purchaser's immediate family intend to occupy the Residential Unit when it becomes vacant.

"Building" shall mean the building located at 385 First Avenue, New York, New York 10010.

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

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

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

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

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

"Commercial Common Elements" shall mean those portions of the Common Elements either existing for the common use of the Commercial Units or the Commercial Unit Owners or necessary for, or convenient to, the existence, maintenance or safety of the Commercial Units, as more particularly described in the Declaration and the Floor Plans.

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

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

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

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

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

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

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

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

"Condominium" shall mean 385 First Avenue Condominium which will be established pursuant to the terms of the Declaration and which is governed pursuant to the terms of the By-Laws.

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

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

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

"Declarant" shall mean 385 First Ave LLC and its successors and assigns.

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

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

"Deposits" shall mean, collectively, all deposits, advances and payments delivered by a Purchaser prior to the Closing of a Unit, including, without limitation, the Initial Deposit and Additional Deposit.

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

"Exclusive Purchase Period" shall mean the exclusive 90 day period from the Presentation Date of the Plan within which a Bona Fide Tenant shall have the exclusive right to purchase the Residential Unit such Bona Fide Tenant occupies on the Filing Date at the Purchase Price set forth on Schedule A and any subsequent exclusive purchase period which may be granted by Sponsor pursuant to an amendment to the Plan.

"Facilities" shall mean all personal property and fixtures now or hereafter existing in, on, or under the Land or the Building and either existing for the common use of one or more of the Units or the Unit Owners or necessary or convenient for the existence, maintenance, or safety of the Property. For purposes of illustrating the broad scope of such term and without intention to limit the generality of the foregoing in any respect, the term "Facilities" shall include all systems, equipment, apparatus, convectors, radiators, heaters, converters, heat exchangers, mechanisms, devices, machinery, induction units, fan coil units, motors, pumps, controls, tanks, tank assemblies, installations, condensers, compressors, fans, dampers, blowers, thermostats, thermometers, coils, vents, sensors, shut off valves, other valves, gongs, panels, receptacles, outlets, relays, alarms, sprinkler heads, electric distribution facilities, wiring, wireways, switches, switchboards, circuit breakers, transformers, fittings, siamese connections, hoses, plumbing fixtures, lighting fixtures, other fixtures, bulbs, signs, antennae, telephones, intercom equipment, playground equipment, meters, meter assemblies, scaffolding, piping, lines, ducts, conduits, cables, risers, mains, shafts, pits, flues, locks, hardware, racks, screens, strainers, traps, drainage systems, sewers and/or storm pipes, drywalls, or detention tanks, drains, catch basins, leaders, filters, incinerators, canopies, closets, cabinets, doors, railings, copings, steps, furniture, mirrors, furnishings, appurtenances, urns, baskets, mail chutes, mail boxes, carpeting, tiles, floor coverings, sheetrock, interior walls, draperies, shades, window coverings, wallpaper, wallcoverings, trees, shrubbery, flowers, plants, horticultural tubs and horticultural boxes, sockets, davits and rigs for window cleaning.

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

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

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

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

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

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

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

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

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

"General Common Elements" shall mean those certain portions of the Property (other than the Units), as well as those Facilities therein, either existing for the common use of all of the Units or all the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property, as more particularly described in the Declaration and the Floor Plans.

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

"Initial Deposit" shall mean a deposit required to be delivered by Purchaser at the time Purchaser executes a Purchase Agreement in an amount, as applicable, (i) in the case of a Tenant-Purchaser, equal to 15% of the Purchase Price; or (ii) in the case of a Non-Tenant-Purchaser, equal to 15% of the Purchase Price.

"Initial Purchase Period" shall mean the exclusive 90 day period from the Presentation Date of the Plan within which a Bona Fide Tenant shall have the exclusive right to purchase the Residential Unit such Bona Fide Tenant occupies on the Filing Date, at the Purchase Price set forth on Schedule A

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

servicing mortgage loans, including, without limitation, a so-called "conduit lender," or (z) any group of lenders which shall include one or more of the foregoing.

"Institutional Mortgage" shall mean any Permitted Mortgage where the initial holder is either Sponsor or an Institutional Lender.

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

"Land" shall mean the land located in the Borough of Manhattan on the Tax Map of the Division of Land Records of The City of New York as Block 928, Lot 31 and more particularly described in Exhibit A to the Declaration.

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

"Licensee" shall mean a Purchaser who enters into a Storage Locker License.

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

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

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

"Mortgage Representative" shall mean not more than 3 representatives designated by the holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages, which Mortgage Representatives shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgagees under the Declaration or the By-Laws.

"Non-Purchasing Tenant" shall mean a person who has not purchased a Residential Unit under the Plan and who was a tenant entitled to possession at the time the Plan was declared effective. A person who sublets a Residential Unit from a Purchaser under the Plan is not deemed a Non-Purchasing Tenant.

"Offeree" shall mean (a) a Purchaser who has executed and delivered a Purchase Agreement for a Residential Unit and who is not in default thereunder, (b) a Residential Unit Owner, and (c) any other Person who, pursuant to Law, is an offeree of the Plan.

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

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

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

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

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

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

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

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

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

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

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

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

"Rent Laws" shall mean, collectively, (i) the Emergency Tenant Protection Act of 1974, as amended, (ii) the New York City Rent Stabilization Law of 1969, as amended, (iii) the Rent Stabilization Code, as amended, and (iv) any policies and procedures promulgated thereunder and any administration and/or judicial determinations and/or interpretations thereof, to the extent that any or all of the same shall apply to the Property.

"Resident Manager's Unit" shall mean the Residential Unit designated as the Resident Manager's Unit in the Declaration.

"Residential Common Charges" shall mean the Common Charges allocated and assessed by the Condominium Board to the Residential Unit Owners, pro-rata, in accordance with their respective Residential Common Interests to meet the Residential Common Expenses.

"Residential Common Elements" shall mean those portions of the Common Elements either existing for the common use of the Residential Units or the Residential Unit Owners or necessary for, or convenient to, the existence, maintenance or safety of the Residential Units, as more particularly described in the Declaration and the Floor Plans, except with respect to the Storage Lockers, which are only available for use by the licensee of the particular Storage Locker.

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

"Residential Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, of each Residential Unit Owner in the Residential Common Elements. The total of all Residential Common Interest percentages appurtenant to all Residential Units equals 100%. The Residential Common Interests are the basis for determining a Residential Unit Owner's liability for such Unit Owner's share of the Residential Common Expenses.

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

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

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

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

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

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

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

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

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

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

"Sponsor" shall mean MF 385 First Ave LLC and its successors and assigns as well as any Person(s) designated by Sponsor, in a writing to the Condominium Board or by amendment to the Plan, to retain Sponsor's rights under the Plan and the Condominium Documents.

"Sponsor Control Period" shall mean the period ending on the earlier to occur of: (i) the Unsold Residential Units representing less than 50% of the aggregate Common Interest, or (ii) 5 years after the First Closing, or (iii) the date on which Sponsor otherwise exercises its right to relinquish voting control of the Condominium Board.

"Sponsor's Lender" shall mean a Person, together with its successors, assigns and servicers, from whom Sponsor has procured, or will have procured, an agreement for financing the acquisition and/ or renovation or improvement of the Building or portions thereof.

"Sponsor's Work" shall mean the work performed by Sponsor at the Property as described in the Plan, as amended, including, without limitation, combining Units, making certain capital repairs, replacements and cosmetic improvements and adding and improving amenity areas.

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

"Storage Locker License" shall mean the agreement pursuant to which a Storage Locker is licensed to a Residential Unit Owner.

"Storage Locker Licensee" shall mean any Residential Unit Owner who licenses a Storage Locker at the time in question. All such Residential Unit Owners are, collectively, referred to as "Storage Locker Licensees."

"Storage Locker Area" shall mean an area located in the cellar of the Building containing the Storage Lockers. The Storage Locker Area is a Residential Common Element.

"Tenant-Purchaser" shall mean a Bona Fide Tenant who purchases the Residential Unit which such Bona Fide Tenant occupied on the Filing Date of the Plan.

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

"Title Company" shall mean Kensington Vanguard National Land Service, having an office at 39 West 37th Street, 7th Floor, New York, New York 10018, telephone: 212-532-8686, or any successor Title Company at the time in question.

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

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

"Unsold Storage Locker" shall mean a Storage Locker owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained by Sponsor or a principal

of Sponsor at the time in question. All such Unsold Storage Lockers are, collectively, referred to as the "Unsold Storage Lockers."

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

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

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

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

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

BY-LAWS OF THE CONDOMINIUM

EXHIBIT D

TO THE DECLARATION

BY-LAWS

OF

385 FIRST AVENUE CONDOMINIUM

Prepared by:

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BY-LAWS

ARTICLE 1

GENERAL

Section 1.1 *Purpose.* The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium. The Condominium covers the Property, which consists of: (i) the Land, which is more particularly described in Exhibit A to the Declaration; (ii) the Building, which includes, without limitation, the Units, the Common Elements and all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith; and (iii) all other property, real, personal, or mixed, intended for use in connection therewith. The Property has been submitted to the provisions of the Condominium Act by the recording of the Declaration in the Register's Office, of which Declaration these By-Laws form a part. The purpose of the Condominium is to carry on the acquisition, construction, management, maintenance and care of the Common Elements and to perform related functions with respect to the other portions of the Property.

Section 1.2 *Definitions.* All capitalized terms used in these By-Laws that are not otherwise defined in any of the Articles hereof shall have the meanings set forth in Exhibit C to the Declaration, unless the context in which the same are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the aforedescribed capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

Section 1.3 *Applicability of By-Laws.* These By-Laws are applicable to the Property and to the use and occupancy thereof.

Section 1.4 *Application of By-Laws.* All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units, and employees and guests of Unit Owners, as well as all other Persons who may use the Property, are and shall be subject to the Declaration, these By-Laws and the Residential Rules and Regulations, as each of the same may be amended from time to time. The acceptance of a deed or other instrument of conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of the Declaration, these By-Laws and the Residential Rules and Regulations, as each of the same may be amended from time to time, are accepted and ratified and will be complied with.

Section 1.5 *Principal Office of the Condominium.* The principal office of the Condominium shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

ARTICLE 2

CONDOMINIUM BOARD

Section 2.1 *General.* As more particularly set forth in Sections 2.4, 2.5 and 2.6 hereof, the affairs of the Condominium shall be governed by the Condominium Board. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Condominium Board shall act as, and shall be, the Agent of the Unit Owners, subject to, and in accordance with, the terms of the Declaration and these By-Laws.

Section 2.2 *Status of the Condominium Board.* Unless and until the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon unincorporated associations under, or pursuant to, the terms of the General Association Law of the State of New York. If the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon it under, or pursuant to, the terms of the applicable statutes of the State of New York. In either event, however, the Condominium Board shall also have the status conferred upon it under, or pursuant to, the terms of the Condominium Act.

Section 2.3 *Principal Office of the Condominium Board.* The principal office of the Condominium Board shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

Section 2.4 *Powers and Duties of the Condominium Board.*

(A) The Condominium Board shall have all of the powers and duties necessary for, or incidental to, the administration of the affairs of the Condominium, provided, however, that the Condominium Board shall not have such powers and duties that by Law, or pursuant to the terms of the Declaration and these By-Laws, may not be delegated to the Condominium Board by the Unit Owners. Without intention to limit the generality of the foregoing in any respect, the Condominium Board shall have the following specific powers and duties:

(i) to operate, maintain, repair, restore, add to, improve, alter and replace the Common Elements, including, without limitation, as the Condominium Board shall deem necessary or proper in connection therewith, (a) the purchase and leasing of supplies, equipment and material and (b) the employment, compensation and dismissal of personnel.

(ii) to acquire, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of the Unit Owners, all rights, titles and interests in real and personal property deemed necessary or proper by the Condominium Board for use in connection with the ownership and operation of the Property as a condominium.

(iii) to maintain complete and accurate books and records with respect to the finances and the operation of the Condominium, including without limitation: (a) detailed accounts, in chronological order, of receipts and expenditures affecting the Property; (b) detailed books of account of the Condominium Board; (c) other financial records, as well as other books of account of the Condominium, as may be required to be kept pursuant to the terms of these By-Laws; and (d) minutes and other records of all meetings held pursuant to the terms of these By-Laws.

(iv) to adopt a budget for the Condominium for each fiscal year thereof, setting forth, without limitation: (a) a detailed accounting of the anticipated Common Expenses for the ensuing fiscal year and (b) a detailed projection of all sources and amounts of income necessary to discharge the same.

(v) to approve the amount and the means and methods of payment of, and collection of, the Common Charges and Special Assessments from the Unit Owners; provided, however, that in no event shall Common Charges or Special Assessments or other funds received by the Condominium Board in connection with the General Common Elements be utilized to defray any Residential Common Expenses and in no event shall Common Charges or Special Assessments or other funds received by the Condominium Board in connection with the Residential Common Elements be utilized to defray any General Common Expenses.

(vi) to borrow money on behalf of the Condominium in accordance with Section 339-jj of the Real Property Law when required in connection with the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Common Elements, provided, however, that: (a) the affirmative consent of at least 66 2/3% of the Members of the Condominium Board shall be required for the borrowing of any sum in excess of $500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (b) with respect to the operation, maintenance, repair, restoration, improvement, alteration and replacement of the General Common Elements, the affirmative consent of at least 66 2/3%, in aggregate Common Interest, of all Unit Owners shall be required for the borrowing of any sum in excess of $500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (c) with respect to the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Residential Common Elements and/or the Residential Limited Common Elements, the affirmative consent of at least 66 2/3%, in aggregate Residential Common Interest, of all Residential Unit Owners shall be required for the borrowing of any sum in excess of $500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years) and the Commercial Unit Owners will not be liable for the repayment of any portion of such loan; (d) no lien to secure repayment of any sum borrowed may be created on any Unit or its Appurtenant Interests without the consent of the owner of such Unit; and (e) the documentation executed in connection with any such borrowing shall provide that, if any sum borrowed by the Condominium Board pursuant to this subparagraph (vi) shall not be repaid by the Condominium Board, any Unit Owner who pays to the creditor thereunder such proportion of the then outstanding indebtedness represented or secured thereby as such Unit Owner's Common Interest or Residential Common Interest, as applicable, bears to the aggregate Common Interest of all Unit Owners or Residential Common Interests of all Residential Unit Owners, as applicable, shall be entitled to obtain from the creditor a release of any judgment or other lien that the said creditor shall have filed, or shall have the right to file against such Unit Owner's Unit.

(vii) to open and maintain bank accounts on behalf of the Condominium and to designate the signatories required therefor which shall at no time be less than two and that each check drawn on such account shall need at least two signatures.

(viii) to use the Common Charges and Special Assessments collected from Unit Owners, as well as all other funds held by the Condominium Board or received in connection with the operation of the Property, for the administration of the Condominium, including, without limitation: (a) the payment of Common Expenses and (b) the making of restorations, additions, alterations and improvements to the Common Elements.

(ix) to obtain insurance for the Property pursuant to the terms of Section 5.4 hereof.

(x) to settle claims under insurance policies obtained pursuant to the terms of Section 5.4 hereof, and to execute and deliver releases upon such settlement on behalf of: (a) all Unit Owners (except as otherwise provided herein); (b) all holders of mortgages and other liens on Units; and (c) all holders of any other interest in the Property.

(xi) to make, or to contract with others for the making of, repairs, maintenance, additions and improvements to, and alterations, restorations and replacements of, the Property after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these By-Laws.

(xii) to obtain and keep in force fidelity bonds, in amounts deemed appropriate by the Condominium Board, but in no event less than $100,000, for: (a) all Members of the Condominium Board; (b) all officers and employees of the Condominium; and (c) the Managing Agent, and the premiums on all such fidelity bonds shall constitute a part of the Common Expenses.

(xiii) to accept the surrender of any Residential Unit pursuant to the terms of paragraph (C) of Section 6.2 hereof, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Residential Unit Owners.

(xiv) to purchase, lease, or otherwise acquire Residential Units offered for sale, lease or assignment by their owners, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Residential Unit Owners but only with the consent of a Majority of Residential Unit Owners.

(xv) to purchase Units at foreclosure or other judicial sales, in the name of the Condominium Board or its designee, corporate or otherwise and on behalf of all Unit Owners but only with the consent of a Majority of Unit Owners.

(xvi) to sell, lease, license, mortgage and otherwise deal with Residential Units and Storage Lockers acquired by, and to sublease Residential Units leased by, the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, provided, however, that the Condominium Board or its designees shall in no event be entitled to vote the interest appurtenant to any such Residential Unit.

(xvii) to adopt and amend the Residential Rules and Regulations and to levy and authorize collection of fines against Unit Owners for violations of the Residential Rules and Regulations and these By-Laws(any such fines and fees shall be deemed to constitute Common Charges payable by Unit Owners of the Unit against which they are levied).

(xviii) to enforce by legal means the terms, covenants and conditions contained in the Condominium Documents and to bring or defend against any proceedings that may be instituted on behalf of, or against, the Unit Owners.

(xix) to incorporate, to the extent and in the manner provided in the Condominium Act, provided, however, that: (a) the certificate of incorporation and the By-Laws of any such resulting corporation shall conform as closely as practicable to the terms of the Declaration and these By-Laws and (b) the terms of the Declaration and these By-Laws shall prevail in the event of any inconsistency or conflict between the terms thereof and the terms of such certificate of incorporation and the By-Laws.

(xx) to organize corporations and other legal entities to act as the designees of the Condominium Board in acquiring title to, or leasing of, Units and in acquiring rights, titles and interests in real and personal property for use in connection with the ownership and operation of the Property as a condominium.

(xxi) to execute, acknowledge and deliver: (a) any and all declarations (including a declaration of single zoning lot) or other instrument affecting the Property that the Condominium Board deems necessary or appropriate to comply with any law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Building, and (b) any consent, covenant, restriction, easement, or declaration affecting the Property that the Condominium Board deems necessary or appropriate.

(xxii) to prepare, execute, acknowledge and record on behalf of all Unit Owners, as their attorney in fact, coupled with an interest, a restatement of the Declaration or these By-Laws, whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modification, additions and deletions theretofore made to the same.

(xxiii) to prepare, execute, acknowledge and institute on behalf of all Residential Unit Owners, as their attorney-in-fact, coupled with an interest, protests of real property tax assessments and tax certiorari proceedings with respect to all Units and to assess any costs incurred thereby as a Common Expense.

(xxiv) to commence summary eviction proceedings in the name of or on behalf of the Condominium Board and/or a Unit Owner or Unit Owners, as the case may be, against an authorized guest and/or a Tenant of a Unit Owner if such authorized Guest and/or Tenant does not conform to the Residential Rules and Regulations of the Condominium, annexed hereto as Schedule A, as said Residential Rules and Regulations may at any time and from time to time, be modified, amended or added to in accordance with the terms of these By-Laws. All costs in connection with the removal of the authorized guest and/or tenant, including attorneys' fees, costs and disbursements, shall be borne by the Unit Owner.

(xxv) to establish policies and procedures and impose fees in connection with the sale, lease or alteration of a Residential Unit or Commercial Unit.

(xxvi) to establish policies and procedures with respect to the services and facilities of the Condominium, including, without limitation, the right to impose usage fees and restrictions on hours of access and use.

(xxvii) to acquire, finance the acquisition of, lease, sublease, license and maintain the Resident Manager's Unit and otherwise deal in any way with respect to such Resident Manager's Unit in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, including without limitation the execution, replacement or refinance of the purchase money mortgage(s) and note(s) with respect to the acquisition of such Resident Manager's Unit from Sponsor including, without limitation, the right to (i) assign to Sponsor and/or the Institutional Lender as additional collateral for the loan, the Condominium's rights in and to receive future income of all types, including the Common Charges; (ii) create a security interest in, assign, pledge, mortgage or otherwise encumber funds or other real or personal property that it holds; (iii) agree to increase Common Charges to the extent necessary to pay the amounts due under the loans; and (iv) agree that Common Charges be treated as trust funds to the extent necessary to make required payments to either Sponsor or the Institutional Lexpiresssender.

(xxviii) to prepare, execute and administer Storage Locker Licenses and assignments thereof and to impose license fees and/or Special Assessments in connection therewith, which shall constitute Additional Common Charges.

(xxvix) to carry out any other duties imposed upon the Condominium Board pursuant to the Declaration and these By-Laws.

(xxx) to acquire in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Residential Unit Owners, Storage Locker Licenses terminated or surrendered to the Condominium.

(xxxi) to adjust the First Year's Budget to reduce the Common Charges if some or all of the services or facilities are not available at the First Closing.

(B) The Condominium Board shall be responsible for carrying out the duties imposed upon it under the Condominium Documents regardless of whether a Unit is vacant or occupied by the owner thereof or by a permitted lessee or other permitted occupant.

Section 2.5 *Certain Limitations on the Powers of the Condominium Board.*

(A) Notwithstanding anything to the contrary contained in these By-Laws, so long as Sponsor shall continue to own at least 25% in number of all Residential Units, but in no event later than 5 years after the First Closing, the Condominium Board may not, without Sponsor's prior written consent:

(i) make any addition, alteration, or improvement to the Common Elements or to any Unit, unless the same shall be required by Law;

(ii) assess any Common Charges or Special Assessments for the creation or replacement of, or the addition to, all or any part of a working capital, reserve, contingency, or surplus fund;

(iii) increase or decrease the number of, or change the kind of employees from those described in the First Years Budget;

(iv) enter into any service or maintenance contracts for work or otherwise contract for work or otherwise provide services in excess of those described in the First Year's Budget set forth in the Plan, except as is required to reflect normal annual increases in operating services incurred in the ordinary course of business;

(v) borrow money on behalf of the Condominium; or

(vi) exercise a right of first refusal to lease or purchase a Unit.

However, Sponsor may not diminish or eliminate services, facilities or any line items described in the First Year's Budget and Sponsor's written consent shall not be necessary to perform any function or take any action described in clauses (i) through (vi) above, if, and only if, the performance of such function or the carrying out of such action is necessary to: (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer or (iv) to ensure the health and safety of the occupants of the Building.

(B) Notwithstanding anything to the contrary contained in these By-Laws, all determinations of the Condominium Board which affect only the:

(i) Residential Units and do not materially and adversely affect the use and operation of the Commercial Units shall be made by the Member(s) of the Condominium Board elected or designated by the Residential Unit Owners; and

(ii) Commercial Units and do not materially and adversely affect the use and operation of the Residential Units shall be made by the Member(s) of the Condominium Board designated by such Commercial Unit Owner.

Any dispute as to whether or not a determination materially and adversely affects any Units shall be settled by arbitration in accordance with the provisions of these By-Laws. No dispute with respect to whether a determination materially and adversely affects a Unit shall be deemed to exist unless the objecting party specifies the grounds for its objection in writing to the Condominium Board within 10 business days of receipt by it of notice of such determination.

Section 2.6 *Exercise and Delegation of Powers and Duties.*

(A) Any act within the power of the Condominium Board to perform, and deemed necessary or desirable to be performed by the Condominium Board, shall be performed by the Condominium Board or shall be performed on its behalf and at its direction by the agents, employees, or designees of the Condominium Board.

(B) The Condominium Board may appoint an Executive Committee by duly adopted resolution, which Executive Committee shall have, and may exercise, all of the powers of the Condominium Board, subject to both the exceptions and limitations as the Condominium Board may from time to time deem appropriate, during the intervals between the meetings of the Condominium Board. In addition, the Condominium Board may from time to time appoint, by duly adopted resolutions, such other committees as the Condominium Board may deem appropriate to perform such duties and services as the Condominium Board shall direct, each of which committees shall have, and may exercise, all of the powers delegated to it in its enabling resolution, subject, however, to the exceptions and limitations contained in paragraph (D) of this Section 2.6. The Executive Committee and each other committee shall consist of 3 Members of the Condominium Board.

(C) The Condominium Board may employ a Managing Agent to serve at a compensation approved by the Condominium Board and to perform such duties and services as the Condominium Board shall direct. Subject to the exceptions and limitations contained in paragraph (D) of this Section 2.6, the Condominium Board may delegate to the Managing Agent any of the powers granted to the Condominium Board in these By-Laws.

(D) Notwithstanding anything to the contrary contained in this Section 2.6, the Executive Committee and the Managing Agent shall neither have nor be entitled to exercise, and the Condominium Board shall not delegate to either of them or to any other committee, the powers or duties described in subparagraphs (ii), (iv), (v), (vi), (xiii), (xiv), (xv), (xvi) and (xvii) of paragraph (A) of Section 2.4 hereof. In addition, neither the Managing Agent nor any of the committees described in paragraph (B) of this Section 2.6 shall have, or be entitled to exercise, any of the powers of the Condominium Board, except to the extent permitted by Law.

Section 2.7 *Number, Election and Qualification of Members.* Until the First Annual Meeting held pursuant to the terms of Section 4.1 hereof, the Condominium Board shall consist of 3 individuals, all of whom are to be designated from time to time by Sponsor. From and after the First Annual Meeting and for so long as Sponsor continues to own at least 1 Unsold Residential Unit, the Condominium Board shall consist of 6 individuals, 5 of whom shall be elected and/or designated in accordance with the terms of these By-Laws by the Residential Unit Owners (including Sponsor) (collectively, the "Residential Members"), and 1 Commercial member who shall be designated by the Commercial Unit Owners collectively ("Commercial Member"). Except for Members designated by Sponsor and/or the Commercial Unit Owners pursuant to the terms of this Section 2.7 or of Section 2.10 or 4.9 hereof, all Members of the Condominium Board shall be either: (i) individual Residential Unit Owners or adult Family Members of an individual Residential Unit Owner; or (ii) individual Permitted Mortgagees; or (iii) officers, directors, shareholders, partners, principals, employees, members or beneficiaries of corporations, partnerships, limited liability companies, fiduciaries, or any other entities that are Residential Unit Owners or Permitted Mortgagees. In addition, no individual may be elected to serve on the Condominium Board, (nor may continue to serve on the Condominium Board) if the Condominium Board has perfected a lien against such Unit and the amount necessary to release such lien has not been paid at the time of such election, or so long as such lien remains unpaid. In no event may more than one individual of a designated Unit serve on the Condominium Board or as an officer of the Condominium Board at the same time during the term of office.

Section 2.8 Term of Office of Members. The term of office of the 3 Members of the Condominium Board designated by Sponsor prior to the First Annual Meeting shall expire when the 6 individuals to be elected and/or designated at such meeting are so elected and qualified or designated, as the case may be. The term of office of each of the 6 individuals elected and qualified or designated, as the case may be, at the First Annual Meeting pursuant to the terms of Section 4.9 hereof, shall be fixed at 1 year. Notwithstanding anything to the contrary contained in this Section 2.8, however, each Member of the Condominium Board shall serve until a successor shall be elected and qualified or designated, as the case may be.

Section 2.9 *Removal and Resignation of Members.*

(A) Any Member of the Condominium Board who was elected thereto either by the Residential Unit Owners, pursuant to the terms of Section 4.9 hereof, or by the Condominium Board, pursuant to the terms of Section 2.10 hereof, may be removed from office, with or without cause, by a vote of a Majority of Residential Unit Owners. Any Member of the Condominium Board who was designated as such by Sponsor pursuant to the terms of Section 2.7, 2.10, or 4.9 hereof, may be removed, with or without cause, only by Sponsor. If any Member of the Condominium Board who was designated by Sponsor is removed, the successor shall also be designated by Sponsor. Any Member of the Condominium Board who was designated by a Commercial Unit Owner may be removed, with or without cause, only by such Commercial Unit Owner. If any Member of the Condominium Board who was designated by a Commercial Unit Owner, is removed, the successor shall also be designated by such Commercial Unit Owner. Any Residential Member of the Condominium Board whose proposed removal is to be acted upon at a meeting of the Residential Unit Owners shall be given prior written notice thereof and an opportunity to be present and heard thereat.

(B) Any Member of the Condominium Board may resign such Member's membership at any time by giving written notice thereof to the Condominium Board. In addition, any Member of the Condominium Board who shall cease to be qualified for membership pursuant to the terms of Section 2.7 hereof shall be deemed to have resigned such Member's membership effective as of the date upon which such qualification shall cease.

Section 2.10 *Vacancies.*

(A) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a Member who was elected thereto by the Residential Unit Owners shall be filled by an individual who is qualified to be a Member pursuant to the terms of Section 2.7 hereof and who is elected by a vote of the majority of the Members of the Condominium Board elected or designated by the Residential Unit Owners then in office. A special meeting of the Condominium Board shall be held for the purpose of filling any such vacancy promptly after the occurrence thereof, and the election held thereat shall be effective to fill such vacancy even if the number of Members present at such meeting shall not constitute a quorum.

(B) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a Member who was designated as such or elected by Sponsor shall be filled by an individual designated by Sponsor. Any vacancy on the Condominium Board that is caused by the removal, resignation or death of a Member who was designated by a Commercial Unit Owner shall be filled by an individual designated by such Commercial Unit Owner.

(C) Each Member of the Condominium Board who is elected thereto or designated as such to fill a vacancy pursuant to the terms of paragraph (A) or (B), respectively, of this Section 2.10 shall serve as a Member of the Condominium Board for the remainder of the term of the Member replaced and until a successor shall be selected and qualified at the appropriate annual meeting of the Residential Unit Owners pursuant to the terms of Section 4.9 hereof.

Section 2.11 *Organizational Meeting of the Condominium Board.* The first meeting of the Condominium Board following each annual meeting of the Residential Unit Owners shall be held within 10 days of such annual meeting, at such time and place as shall be both fixed informally by a majority of the Members of the Condominium Board and designated by the Secretary in a written notice given to all Members thereof by personal delivery, mail, or telegram not later than five business days prior to such date. At such meeting, the officers of the Condominium Board shall be elected.

Section 2.12 *Regular Meetings of the Condominium Board.* Regular meetings of the Condominium Board may be held at such time and place as shall be determined from time to time by a majority of the Members thereof, provided that at least 4 such meetings shall be held during each fiscal year. Written notice of all regular meetings of the Condominium Board shall be given by the Secretary to each Member thereof by personal delivery, mail, overnight courier, facsimile or e-mail, at least 5 business days prior to the day named for such meeting.

Section 2.13 *Special Meetings of the Condominium Board.* The President may call a special meeting of the Condominium Board whenever the President deems the same to be necessary or desirable. However, the President shall call such a meeting upon the written request of 3 or more Members of the Condominium Board. Written notice of all special meetings shall be given by the Secretary to each Member thereof by personal delivery, mail, overnight courier, facsimile, or e-mail at least 3 business days prior to the day named for such meeting, which notice shall state the time, place and purpose of the meeting.

Section 2.14 *Waiver of Notice of Meetings.* Any Member of the Condominium Board may, at any time, waive notice of any meeting thereof in writing, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Member of the Condominium Board at any meeting thereof shall constitute a waiver by the Member of notice of the time and place thereof. If all of the Members of the Condominium Board are present at any meeting thereof, no notice of such meeting shall be required and any business may be transacted at such meeting.

Section 2.15 *Quorum of the Condominium Board.* A quorum of the Condominium Board is required to be present at a Condominium Board meeting in order to make any determination or to transact any business. To constitute a quorum of the Condominium Board, the following majority of the Members of the Condominium Board shall be present at the Condominium Board meeting:

(A) Attendance of a majority of all of the Members of the Condominium Board will be required for any business relating to the General Common Elements, the General Common Expenses, or, all or a portion of both the Residential Units and the Commercial Units.

(B) Attendance of a majority of the Residential Members of the Condominium Board will be required for any business relating solely to the Residential Common Expenses, the Residential Common Elements, or, all or a portion of the Residential Units.

In connection therewith, one or more Members of the Condominium Board may participate in any meeting thereof by means of a conference telephone or similar communications equipment permitting all individuals participating in the meeting to hear each other at the same time, and such participation shall constitute presence at such a meeting for all purposes. If, at any meeting of the Condominium Board, there shall be less than a quorum present, a majority of the Members of the Condominium Board in attendance may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business that might have been transacted at the meeting originally called but for the lack of a quorum may be transacted without further notice.

Section 2.16 *Conduct of Meetings.* The President shall preside at all meetings of the Condominium Board, and the Secretary shall faithfully record the minutes thereof, which minutes shall

include the full text of all resolutions duly adopted by the Condominium Board and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure from time to time acceptable to a majority of the Condominium Board, shall govern the conduct of the meetings of the Condominium Board unless the same shall be in conflict with the terms of the Declaration, these By-Laws, or the Condominium Act.

Section 2.17 *Decisions by the Condominium Board.* Except as otherwise provided in the Declaration or these By-Laws:

(A) The vote of a majority of the Members attending a duly constituted meeting of the Condominium Board at which a quorum is present shall decide all matters on behalf of the Condominium Board relating solely to the General Common Elements; the General Common Expenses, or, all or a portion of both the Residential Units and the Commercial Units.

(B) The vote of a majority of those Residential Members attending a duly constituted meeting of the Residential Members at which a quorum is present shall decide all matters on behalf of the Condominium Board relating solely to the Residential Common Expenses; the Residential Common Elements; or, all or a portion of the Residential Units.

Alternatively, any decision that is required or permitted to be made by the Condominium Board may be made without a meeting thereof if all of the Members of the Condominium Board shall individually or collectively consent in writing to such decision, and all such written consents shall be duly filed by the Secretary of the Condominium in the minutes of the Condominium Board.

Section 2.18 *Compensation of Members.* No Member of the Condominium Board shall receive any compensation from the Condominium for acting as such.

Section 2.19 *Common or Interested Members of the Condominium Board.* Each Member of the Condominium Board shall perform duties, and shall exercise powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by Law, no contract or other transaction between the Condominium Board and either (i) any of its Members or (ii) any corporation, partnership, fiduciary, limited liability company, association, or other entity in which any of the Members of the Condominium Board are officers, directors, employees, partners, fiduciaries, beneficiaries, or principals, or are otherwise interested, pecuniarily or otherwise, shall be deemed either void or voidable because either (a) any such Member of the Condominium Board was present at the meeting or meetings of the Condominium Board during which such contract or transaction was discussed, authorized, approved, or ratified, or (b) the vote of any such Member was counted for such purpose, provided, however, that either: (x) the fact thereof is disclosed to, or known by, the Condominium Board or a majority of the Members thereof and noted in the minutes thereof, and the Condominium Board shall authorize, approve, or ratify such contract or transaction in good faith by a vote of a majority of the entire Condominium Board, less the number of such Members; or (y) the fact thereof is disclosed to, or known by, a Majority of Unit Owners, and a Majority of Unit Owners shall authorize, approve, or ratify such contract or transaction. If there are non-Sponsor members of the Condominium Board and there is a vote on such board to pursue litigation against Sponsor, the Sponsor Members must recuse themselves from such vote.

Any such Member of the Condominium Board may be counted in determining the presence of a quorum of any meeting of the Condominium Board that authorizes, approves, or ratifies any such contract or transaction, but no such Member shall be entitled to vote thereat to authorize, approve, or ratify such contract or transaction.

Section 2.20 *Indemnification.*

2.20-1 Indemnification of Board Members and Officers.

2.20-1.1 To the extent permitted by Law, the Members of the Condominium Board shall have no personal liability with respect to any contract, act or omission of the Condominium Board or of any Managing Agent or manager in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as set forth in Section 4.13 hereof. Every contract made by the Condominium Board or by the Managing Agent shall state that it is made by the Condominium Board or the Managing Agent, only as agent for all Unit Owners and that the Members of the Condominium Board or the Managing Agent shall have no personal liability thereon (except in their capacities as Unit Owners). Any such contract may also provide that it covers the assets, if any, of the Condominium Board. To the extent permitted by Law, the Members of the Condominium Board shall have no liability to Unit Owners except that a Member of the Condominium Board shall be liable for such Member's own bad faith or willful misconduct. All Unit Owners shall jointly and severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Member of the Condominium Board against any liability or claim except those arising out of such Member's own bad faith or willful misconduct. The Condominium Board may contract or effect any other transaction with any Member of the Condominium Board, any Unit Owner, Sponsor or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct.

2.20-1.2 Neither the Condominium Board nor any Member thereof shall be liable for either:

(i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, the Condominium Board or to be paid for as a Common Expense except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of the Condominium Board or any Member thereof; or

(ii) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or the Common Elements and either: (a) caused by the elements, by any Unit Owner, or by any other Person; (b) resulting from electricity, water, snow, or ice that may leak or flow from a Unit or any portion of the Common Elements; or (c) arising out of theft or otherwise.

ARTICLE 3

OFFICERS

Section 3.1 *General.* The principal officers of the Condominium shall be the President, the Vice President, the Secretary and the Treasurer. The Condominium Board may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its discretion may be necessary or desirable. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed, upon the direction of the Condominium Board, by any two officers of the Condominium or by such lesser number of officers or by such other Person or Persons as may be designated from time to time by the Condominium Board.

Section 3.2 *President.* The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Unit Owners and of the Condominium Board. The President shall have all of the general powers and duties that are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York (hereinafter referred to as the "BCL"), including, but not limited to, the power to appoint the members of all committees created by the Condominium Board from amongst the Unit Owners from time to time as the President may decide, in the President's discretion, are appropriate to assist in the conduct of the affairs of the Condominium.

Section 3.3 *Vice President.* The Vice President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act. If both the President and the Vice President are unable to act, the Condominium Board shall appoint some other Member of the Condominium Board to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall be imposed upon the Vice President from time to time by the Condominium Board or by the President.

Section 3.4 *Secretary.* The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Condominium Board shall direct and, in general, shall perform all of the duties that are incident to the office of secretary of a stock corporation organized under the BCL.

Section 3.5 *Treasurer.* The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof, showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Condominium Board or in the name of the Managing Agent in such depositories as may from time to time be designated by the Condominium Board and, in general, shall perform all of the duties incident to the office of treasurer of a stock corporation organized under the BCL.

Section 3.6 *Election, Term of Office and Qualification of Officers.* Each of the officers of the Condominium shall be elected annually by a majority vote of all Members of the Condominium Board taken at the organizational meeting of each new Condominium Board, and shall serve at the pleasure of the Condominium Board. The President, Vice President, and the Treasurer shall be elected from amongst the Members of the Condominium Board. Such officers need not be Unit Owners and need not have any interest in the Condominium if they are designated by Sponsor. Such officers must be Unit Owners if they are elected by the other Unit Owners. The other officers of the Condominium Board need not be Unit Owners and need not have any interest in the Condominium.

Section 3.7 *Removal and Resignation of Officers.* Any officer of the Condominium Board may be removed from office, with or without cause, by an affirmative vote of a majority of the Members of the Condominium Board. In addition, any officer may resign at any time by giving written notice to the Condominium Board. Finally, if the President, Vice President, or the Treasurer of the Condominium shall cease to be or shall be suspended as a Member of the Condominium Board during their term of office, such officer shall be deemed to have resigned office effective upon the date upon which the membership shall cease.

Section 3.8 *Vacancies.* Any vacancy in an office shall be filled by a majority vote of the Condominium Board at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose.

Section 3.9 *Compensation of Officers.* No officer of the Condominium shall receive any compensation from the Condominium for acting as such.

Section 3.10 *Indemnification of Officers.* Each officer shall be indemnified as set forth in Paragraph 2.20.

ARTICLE 4

UNIT OWNERS

Section 4.1 *Annual Meetings of the Unit Owners.* The First Annual Meeting shall be held approximately 30 days after the earlier to occur of (i) the 5th anniversary of the First Closing; or (ii) the Closing of Title with Purchasers under the Plan of Residential Units representing at least 51% in Common Interest of all Residential Units offered for sale. At such meeting, a 6 Member Condominium Board shall be elected and/or designated, as provided in this Article 4 and in Article 2 hereof. Thereafter, annual meetings of the Unit Owners shall be held on or about the anniversary date of the First Annual Meeting. At each such subsequent meeting, the Unit Owners (including Sponsor) shall elect successors to the Members of the Condominium Board whose term of office expires on the day of such meeting and shall transact such other business as may properly come before such meeting.

Section 4.2 *Special Meetings of the Unit Owners.* The President shall call a special meeting of the Unit Owners whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such a meeting signed by Unit Owners having, in the aggregate, not less than 40% of the Common Interests of all Residential Unit Owners (excluding the Common Interests appurtenant to the Commercial Units). Each such resolution or petition shall set forth, in reasonable detail, the purposes for calling such a meeting, and no business shall be transacted at such special meeting except business reasonably related to such stated purposes.

Section 4.3 *Place of Meetings.* Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place in the Borough in which the Property is located as may be designated by the Condominium Board.

Section 4.4 *Notice of Meetings.*

(A) The Secretary of the Condominium shall give notice of each annual or special meeting of the Unit Owners to all Unit Owners then of record entitled to vote at such meeting, which notice shall set forth the purpose, time and place of such meeting. Such notice may be given to any Unit Owner by personal delivery, mail, or telegram addressed to the Unit Owner's address at the Property, not less than 10 nor more than 40 days prior to the day fixed for the meeting. Any Unit Owner may designate an address for the giving of notice other than such Unit Owner's address at the Property by giving written notice thereof to the Secretary of the Condominium not less than 10 days prior to the giving of notice of the applicable meeting.

(B) If the business to be conducted at any meeting of the Unit Owners shall include the consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be mailed to all Unit Owners at least 30 days prior to the day fixed for such meeting and shall be accompanied by a copy of the text of such proposed amendment.

Section 4.5 *Quorum of the Unit Owners.* Except as otherwise provided in these By-Laws, the presence, in person or by proxy, of Unit Owners owning Units to which 40% or more of the aggregate Common Interest appertain (excluding the Common Interests appurtenant to the Commercial Units) shall constitute a quorum at all meetings of the Unit Owners. If, at any meeting of the Unit Owners, there shall be less than a quorum present, a majority of the Unit Owners present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

Section 4.6 *Conduct of Meetings.* The President shall preside at all meetings of the Unit Owners, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Unit Owners and a record of all transactions and proceedings occurring

thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure acceptable to a majority of the Unit Owners present at any meeting, in person or by proxy, shall govern the conduct of the meetings of the Unit Owners, unless the same shall be in conflict with the terms of the Declaration, these By-Laws, or the Condominium Act. All votes of the Unit Owners shall be tallied by the persons appointed by the presiding officer of the meeting.

Section 4.7 *Order of Business*. The order of business at all meetings of the Unit Owners shall be as follows:

(A) Roll call;

(B) Proof of notice of meeting;

(C) Reading of the minutes of the preceding meeting (unless waived);

(D) Reports of officers of the Condominium;

(E) Reports of Members of the Condominium Board;

(F) Reports of committees;

(G) Election of inspectors of election (when so required);

(H) Election of Members of the Condominium Board (when so required);

(I) Unfinished business; and

(J) New business.

The order of business at meetings of Unit Owners can be adjusted in the sole discretion of the Condominium Board.

Section 4.8 *Voting*.

(A) Subject to the terms of Section 4.9 hereof, each Unit Owner (including Sponsor for so long as Sponsor shall own any Unsold Residential Unit) shall be entitled to cast 1 vote at all meetings of the Unit Owners for each percentage of Common Interest attributable to such Unit Owner's Unit(s).

(B) Notwithstanding the terms contained in paragraph (A) hereof, no Unit Owner may vote at any meeting of the Unit Owners if the Condominium Board has perfected a lien against such Unit Owner's Unit and the amount necessary to release such lien has not been paid at the time of such meeting. In addition, neither the Condominium Board nor any designee thereof shall be entitled to vote the Common Interest appurtenant to any Unit owned by the Condominium Board or such designee. The Common Interests of all Units whose owners are precluded from voting pursuant to the terms of this paragraph (B) will be excluded when computing the aggregate Common Interest of all Unit Owners for voting purposes.

(C) A fiduciary shall be the voting Member with respect to a Unit owned in a fiduciary capacity. In addition, if 2 or more Persons own a Unit, they shall designate 1 Person amongst them to vote the Common Interest appurtenant to their Unit in a writing given to the Secretary of the Condominium, and the vote of such designee shall be binding upon all of such Persons. Failing such a designation, all of such Persons shall mutually vote such Common Interest under 1 ballot without division, and the concurrence of all such Persons shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the Common Interest appurtenant to such Unit shall be counted solely for the purpose of determining whether a quorum is present for such voting.

(D) The owner of any Unit may designate any Person to act as a proxy on such Unit Owner's behalf. The designation of any such proxy shall be made in a written notice both signed and dated by the designator and delivered to the Secretary of the Condominium at or before the appointed time for the meeting(s) during which the same is to be effective. Any such designation shall be revocable at any time upon written notice given to the Secretary of the Condominium; however, no revocation of such designation shall be effective with respect to any votes cast by such proxy prior to the receipt of such revocation notice by the Secretary of the Condominium or, if such revocation is made at a meeting of the Unit Owners during which the Secretary of the Condominium is not in attendance, by the individual acting as the secretary of such meeting, except with respect to the designation of a Permitted Mortgagee to act as the proxy of its mortgagor(s), no designation to act as a proxy shall be effective for a period in excess of 6 months after the date thereof.

Section 4.9 *Election of Members to the Condominium Board.*

(A) When voting for Members of the Condominium Board, each Unit Owner (including Sponsor for so long as Sponsor shall own any Unsold Residential Units) shall be entitled to cast 1 vote for each .0001% of Common Interest attributable to the Unit(s) per Member to be elected. However, nothing contained herein shall be deemed to permit any Unit Owner to cumulate the votes attributable to the ownership of a Unit in favor of any 1 or more Members to be elected. In addition, the terms of paragraphs (B), (C) and (D) of Section 4.8 hereof shall apply to all elections of Members of the Condominium Board.

(B) All elections of Members of the Condominium Board shall be by written ballot, and each ballot cast shall state: (i) the name of the voting Residential Unit Owner and, if such ballot is cast by proxy, the name of the proxy; (ii) the designation number(s) of the Residential Unit(s) owned by the voting Unit Owner; (iii) the percentage(s) of the Common Interest appurtenant to such Unit(s); and (iv) the names of the candidates for whom such ballot is cast (the number of which names shall not exceed the number of Members to be elected). Any ballot that is not cast in conformity with this paragraph (B) shall not be counted. All election ballots shall be retained in the records of the Condominium, appropriately segregated by election for a period of 2 years.

(C) Subject to the terms of paragraph (D) of this Section 4.9, all elections of Members of the Condominium Board shall be determined by plurality vote of Unit Owners present, in person or by proxy, at a duly convened meeting.

(D) At meetings of the Unit Owners, Sponsor will have the right to vote all of the Common Interests attributable to the Unsold Residential Units as it sees fit. However, at elections of Members to the Condominium Board held during the Sponsor Control Period, Sponsor shall have the right to designate all of the Residential Members to the Condominium Board. Sponsor reserves the right to relinquish voting control of the Condominium Board prior to the expiration of the Sponsor Control Period.

Subsequent to the Sponsor Control Period, Sponsor, as an owner of Unsold Residential Units, shall continue to have the right to vote all of the Common Interests attributable to the Residential Units owned by Sponsor and shall designate no more than 2 Residential Members, for so long as the Common Interests attributable to the Unsold Residential Units equal, in the aggregate, less than 50% but not more than 15% of the Common Interests attributable to all Residential Units; and thereafter, 1 Residential member, for so long as Sponsor owns at least one Unsold Residential Units. There is no restriction on the right of Sponsor to vote for Residential Members of the Condominium Board who are not related to or affiliated with Sponsor.

(E) Within 30 days after the Sponsor Control Period, 1 of the 3 Residential Members of the Condominium Board who were designated by Sponsor shall resign and their replacement shall be filled by a vote of the Residential Unit Owners (including Sponsor for so long as Sponsor shall own any Unsold Residential Unit) at a special meeting called for such purpose.

Section 4.10 *Designation of Commercial Member to the Condominium Board.* The Commercial Unit Owners (including Sponsor for so long as Sponsor shall own a Commercial Unit) shall be entitled to collectively designate one (1) Commercial Member to the Condominium Board.

Section 4.11 *Action Without a Meeting.* Any action required or permitted to be taken by the Unit Owners at a duly constituted meeting may be taken without such a meeting if the number of Unit Owners sufficient (both in absolute number and aggregate Common Interest whenever applicable) to approve such an action at a duly constituted meeting of the Unit Owners pursuant to the Declaration or to these By-Laws consent in writing to the adoption of a resolution approving such action. All written consents given by Unit Owners pursuant to this Section 4.11 shall be retained in the records of the Condominium together with a true copy of the resolutions to which they relate.

Section 4.12 *Title to Residential Units.* Title to any Residential Unit may be taken by any Person or by any two or more Persons as joint tenants, tenants in common, or tenants by the entirety, as may be appropriate. The sale of a Residential Unit to a corporation, partnership, limited partnership, trust, limited liability company or any other entity (including any entity or person entitled to diplomatic or sovereign immunity) shall require the delivery to the Condominium Board or its managing agent at Closing (i) any and all documents as are reasonably requested by the Condominium Board, including without limitation, a personal guaranty, a subjection to jurisdiction, occupancy agreement and escrow agreement; and (ii) an amount equal to the current Common Charges for such Residential Unit for a period of 2 years, to be held in escrow by the Condominium Board, as security for the faithful observance by such Residential Unit Owner of the terms, provisions and conditions contained in these By-Laws. The foregoing provisions shall not be applicable to initial sales of Residential Units pursuant to the Plan unless required by Sponsor, in its sole discretion.

Section 4.13 *Contractual Liability of Unit Owners.* Every contract made by the Condominium Board, by any officer of the Condominium, or by any superintendent or Managing Agent of the Building shall state (if obtainable and in addition to the limitation of liability of the Members of the Condominium Board and the officers of the Condominium pursuant to the terms of Sections 2.20 and 3.10 hereof, respectively) that the liability of any Unit Owner with respect thereto shall be limited to: (i) such proportionate share of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interest of all Unit Owners in the case of a contract relating to the General Common Elements, (ii) such proportionate share of the total liability thereunder as the Residential Common Interest of such Residential Unit Owner in a case relating to the Residential Common Elements, and (iii) such Unit Owner's interest in the Unit and its Appurtenant Interests, unless otherwise provided by Law.

ARTICLE 5

OPERATION OF THE PROPERTY

Section 5.1 *Maintenance and Repairs.*

(A) Except as otherwise provided in the Declaration or in these By-Laws, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary:

(i) in or to any Unit and all portions thereof, including, but not limited to, the interior walls, partitions, ceilings and floors in the Unit, kitchen and bathroom fixtures and appliances, mechanical systems located in the Unit (including HVAC filters and parts), window panes, fireplace, firebox, dampers, mantel and flue, all entrance doors and Terrace doors and their frames and saddles, exposed plumbing, gas and heating fixtures and equipment, heating and

cooling systems, air conditioning units, lighting and electrical fixtures and any Common Elements incorporated therein pursuant to paragraph (B) of Section 5.8 hereof, but excluding any other Common Elements contained therein, shall be performed by such Residential Unit Owner at its sole cost and expense;

(ii) in or to the General Common Elements (other than any General Common Elements incorporated into one or more Units pursuant to the terms of paragraph (B) of Section 5.8 hereof) shall be performed by the Condominium Board and the cost and expense thereof shall be charged to all Unit Owners as a General Common Expense;

(iii) in or to the Residential Common Elements (with the exception of the Storage Lockers and Residential Common Elements incorporated into one or more Units pursuant to the terms of paragraph (B) of Section 5.8 hereof) shall be performed by the Condominium Board and the cost and expense thereof shall be charged to all Residential Unit Owners as a Residential Common Expense; and

(iv) in or to the Residential Limited Common Elements shall be performed (a) by the Condominium Board as a Residential Common Expense, if involving structural or extraordinary maintenance, repairs, or replacements (including, but not limited to, the repair of any leaks that are not caused by the acts or omissions of the Residential Unit Owner having direct and exclusive access thereto), or (b) by the Residential Unit Owner having direct and exclusive access thereto at such Residential Unit Owner's sole cost and expense, if involving painting, decorating and non-structural ordinary maintenance, repairs or replacements, (including without limitation, the removal of snow, ice and accumulation of water on any Terrace).

Promptly upon obtaining knowledge thereof, each Unit Owner shall report to the Condominium Board or to the Managing Agent any defect or need for repairs for which the Condominium Board is responsible pursuant to the terms hereof. All painting, decorating, maintenance, repairs and replacements performed hereunder or otherwise, whether by or at the behest of a Unit Owner or the Condominium Board, shall be performed in such a manner as shall not unreasonably disturb or interfere with any Unit Owners or the tenants and occupants of any Units.

(B) Notwithstanding anything to the contrary provided in paragraph (A) of this Section 5.1, if any painting, decorating, maintenance, repairs, or replacements to the Property or any part thereof, whether structural or non-structural, ordinary or extraordinary, are necessitated by the negligence, misuse, or abuse of (i) any Unit Owner, the entire cost and expense thereof shall be borne by such Unit Owner, or (ii) the Condominium Board, the entire cost and expense thereof shall be borne by the Condominium as a General Common Expense attributable to all Unit Owners if relating to the General Common Elements, and as a Residential Common Expense attributable to all Residential Unit Owners if relating to the Residential Common Elements and/or the Residential Limited Common Elements except, in all events, to the extent that such cost and expense is covered by the proceeds of any insurance maintained pursuant to the terms of these By-Laws. Similarly, each Unit Owner shall be responsible for any and all damage to any Unit or to the Common Elements resulting from such Unit Owner's failure to maintain, repair, or replace the Unit or any portion thereof as required herein.

(C) Each Unit and all portions of the Common Elements shall be kept in first-class condition, order and repair (and free of snow, ice and accumulation of water with respect to any roof, Terrace, or other part of the Property exposed to the elements) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Condominium Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work, including, without limitation, painting, repairs and replacements that is necessary in connection therewith. The Condominium Board shall be responsible for the maintenance and repair of all sidewalks

surrounding the Building (including, cleaning and snow and ice removal) as if the sidewalks were General Common Elements, except that the cost of such maintenance and repair shall be borne by the Commercial Unit Owners if the Commercial Unit Owners are utilizing such sidewalks in connection with the operation of the Commercial Units.

The interior and exterior glass surfaces of all windows located in Residential Units shall not be colored or painted. The glass surfaces of all windows located in any Residential Unit are to be washed and cleaned by the Residential Unit Owner at such Residential Unit Owner's sole cost and expense with the exception that the cleaning of the exterior portion of the glass surfaces shall be performed by a professional window washing company engaged by the Condominium Board, the cost and expense of which shall be borne by all Residential Unit Owners as a Residential Common Expense. Any replacement of any glass window appurtenant to a Residential Unit because of breakage or otherwise shall be made by the Residential Unit Owner thereof at the sole cost and expense of such Residential Unit Owner, including without limitation the expense of an exterior hoist if the replacement window does not fit into the service elevator (unless such breakage is caused by the Condominium Board or any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board or such other Unit Owner, as the case may be). Prior to the replacement of any glass window, the Residential Unit Owner must obtain the prior approval of the Condominium Board with respect to the type of replacement windows installed. With respect to windows located in the Commercial Units, each Commercial Unit Owner shall be responsible, at its sole cost and expense, for washing, cleaning, repairing, and replacing of the interior and exterior glass surfaces of all windows located in such Commercial Unit (unless the breakage is caused by the Condominium Board or any other Unit Owner, in which event the replacement of glass windows will be at the sole cost and expense of the Condominium Board or such other Unit Owner, as the case may be).

The public areas of the Building as well as the private areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, as determined by the Condominium Board in its sole discretion, by (i) the Condominium Board, with respect to such parts of the Building required to be maintained by it, and (ii) each Unit Owner, with respect to the interior surfaces of windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to such Unit Owner's Unit. To promote a consistent appearance of the Building from the outside, (x) no Residential Unit Owner shall be permitted to enclose, erect a greenhouse and/or alter a Terrace appurtenant to a Unit, in such a way that will alter the conformity of the Building, without the prior approval of the Condominium Board; and (y) all window treatments in a Residential Unit must contain white backing on the side facing the outside of the Building so that when the shades are down or curtains drawn, the effect from the outdoors is a visually harmonious white appearance. Additionally, the type, size, weight and quantity of plantings and other installations to be placed on Terraces shall be subject to the prior approval of the Condominium Board and shall be in compliance with Law.

(D) In the event that any Unit Owner, after receipt of written notice from the Condominium Board, fails or neglects in any way to perform any of its obligations with respect to the painting, decorating, maintenance, repair or replacement of its Unit as provided in this Section 5.1 (or of any Common Elements for which such Unit Owner is responsible under the Declaration or these By-Laws), the Condominium Board may perform or cause to be performed such painting, decorating, maintenance, repair or replacement unless such Unit Owner, within 5 days after receiving notice of such default by the Condominium Board, cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such painting, decorating, maintenance, repair or replacement in such Unit Owner's Unit or to any such Common Element for which such Unit Owner is responsible, together with interest thereon at the rate of 2% per month (but in no event in excess of the maximum rate permitted by Law), shall be immediately payable by such Unit Owner to the Condominium Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

Section 5.2 *Alterations, Additions, Improvements, or Repairs in and to Units.*

(A) Subject to the terms of paragraph (B) of this Section 5.2, no Residential Unit Owner may make any structural alteration, addition, improvement or repair, in or to the Residential Unit or its appurtenant Residential Limited Common Elements without the prior approval of the Condominium Board. Prior to, and as a condition of, the granting of any such approval, the Condominium Board may, at its sole option, require the Residential Unit Owner to: (i) procure and agree to maintain during the course of such work such insurance as the Condominium Board may reasonably prescribe; and (ii) execute an alteration agreement, in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions under which such alteration, addition, improvement or repair, may be made, including, without limitation, the indemnity referred to in paragraph (D) hereof and the days and hours during which any such work may be done. The Condominium Board shall have the right to approve Unit Owner's contractors and materialmen. In connection with such alterations, additions, improvements and/or repairs, each Residential Unit Owner shall employ only such laborers and other workers as shall not conflict with any other worker employed in the Building or otherwise cause disharmony with any Building service union. Residential Unit Owners shall not be permitted to engage any Building staff or any contractors or sub-contractors engaged by either the Condominium Board or Sponsor in connection with a Residential Unit Owner's alterations, additions, improvements or repairs to such Residential Unit. The Condominium may impose charges upon the Residential Unit Owner to reimburse the Condominium for architectural, engineering, legal and other fees incurred in reviewing the Residential Unit Owner's request for approval and in monitoring the work performed until completion and a fee payable to the Managing Agent for processing the alteration application.

(B) Notwithstanding anything to the contrary contained in paragraph (A) of this Section 5.2, however, Sponsor shall have the right, pursuant to the terms of Article 12 of the Declaration, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any, and without amendment to the Plan or payment of any fee to the Managing Agent, to (i) make alterations, additions, improvements, or repairs in or to the interior portions of Unsold Residential Units and their appurtenant Residential Limited Common Elements, whether structural or non-structural, ordinary or extraordinary, including without limitation any alterations with respect to the type, number, or layout of rooms in each Unsold Residential Unit, and (ii) without amendment to the Plan, subdivide and/or combine any Unsold Residential Unit and/or change any Unsold Residential Units in size by relocating a boundary wall between Unsold Residential Units and/or or otherwise change the size and/or number of Unsold Residential Units. In addition, each Commercial Unit Owner and its Permitted Users shall have the right, pursuant to the terms of Article 12 of the Declaration, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any, and without amendment to the Plan, to (i) make alterations, additions, improvements, or repairs in or to the interior portions of a Commercial Unit, whether structural or non-structural, ordinary or extraordinary, including without limitation any alterations with respect to the type, number, or layout of rooms in each Commercial Unit, and (ii) subdivide and/or combine any Commercial Unit and/or change any Commercial Units in size by relocating a boundary wall between Commercial Units. Notwithstanding the foregoing, all Unit Owners, including Sponsor and the Commercial Unit Owners, prior to the making of any alteration, addition, improvement or repair in or to their respective Unit and its appurtenant Residential Limited Common Elements, if any, must (i) procure and maintain such insurance as the Condominium Board may reasonably require, (ii) indemnify the Condominium Board and the Managing Agent against any liability arising from the work and (iii) comply with Law.

(C) All alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with Law. In connection therewith, the Condominium Board shall execute applications to any departments of the City of New York, or to any other governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements, or repairs in or to a Unit provided that, with respect to all such work of a structural nature to a Residential Unit or its

appurtenant Residential Limited Common Elements (but other than that of the nature described in paragraph (B) hereof), the same was approved by the Condominium Board pursuant to the terms of paragraph (A) hereof.

(D) Neither the Condominium Board nor any Unit Owner (other than the Unit Owner making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to the Unit and appurtenant Residential Limited Common Elements) shall incur any liability, cost, or expense either (i) in connection with the preparation, execution, or submission of the applications referred to in paragraph (C) hereof; (ii) to any contractor, subcontractor, materialperson, architect, or engineer on account of any alterations, improvements, additions, or repairs made or caused to be made by any Unit Owner; or (iii) to any Person asserting any claim for personal injury or property damage arising therefrom. Any Unit Owner making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to the Unit and appurtenant Residential Limited Common Elements, if any, shall agree (in a writing executed and delivered to the Condominium Board, if the Condominium Board shall so request), and shall be deemed to agree (in the absence of such writing), to indemnify and hold the Condominium Board, the Members of the Condominium Board, the officers of the Condominium, the Managing Agent and all other Unit Owners harmless from and against any such liability, cost and expense.

(E) In addition to the requirements set forth above in this Section 5.2, no Residential Unit Owner shall make any alterations in or to the Residential Unit or its appurtenant Common Elements without first notifying Sponsor in writing and complying with Sponsor's requirements with respect to the alterations. Such requirements may include, but need not be limited to, the requirements that:

(i) such work not include any change that would result in a delay in obtaining any amendment to, or extension of, the Certificate of Occupancy if theretofore issued;

(ii) the Residential Unit Owner post a bond or other similar security that is reasonably acceptable to Sponsor in any amount sufficient (in Sponsor's reasonable judgment) to insure the diligent completion of the work and the filing of any required notices or certificates with all governmental authorities having jurisdiction with respect to such work and the completion of the work;

(iii) such work not be commenced until the Residential Unit Owner causes all required plans, specifications, notices and/or certifications to be filed with all governmental authorities having jurisdiction, procures all required permits and licenses with respect to the same, and delivers copies of all such plans, specifications, notices, certifications, permits and licenses to Sponsor;

(iv) such work be diligently prosecuted to completion in compliance with all plans, specifications, notices and/or certifications and in conformity with all permits and licenses;

(v) Sponsor and its representatives shall be given reasonable opportunity, from time to time, to inspect such work as it progresses;

(vi) promptly after the completion of such work, all necessary inspections and approvals of the work shall be obtained, all necessary notices and/or certifications shall be filed with the appropriate governmental authorities and Sponsor shall be given a copy of all such inspections, approvals, notices and certifications;

(vii) the Residential Unit Owner shall indemnify and hold Sponsor harmless from any cost, expense, claim, or liability arising, directly or indirectly, from such work, including, without limitation, any cost, expense, claim, or liability incurred or suffered by Sponsor due to any violation of Law or due to any delay in obtaining any amendment to, or

extension of, the Certificate of Occupancy for the Building (if theretofore issued) as a result of such work or the failure to make all appropriate governmental filings in connection with same; and

(viii) all contractors shall be duly licensed to the extent required by applicable Law and, if required under any contract with any union whose members are performing services at the Building (including, without limitation, services directly or indirectly at the behest, for the benefit, or for the account of Sponsor, any other Unit Owner, or the Condominium Board), such work shall be performed solely by union members.

If any Residential Unit Owner commences any such alterations in violation of the foregoing terms and conditions, or fails to comply with the reasonable requirements of Sponsor in connection with the alterations, Sponsor shall be entitled to cause such work by the Residential Unit Owner to be halted, including, without limitation, to cause the Managing Agent to deny access to the Building to the Residential Unit Owner's workers and suppliers, until the Residential Unit Owner complies with the same. During the period until the Residential Unit Owner is permitted hereunder to resume its work, Sponsor shall have the right to perform any and all work in and to the Residential Unit as shall be necessary, in Sponsor's sole judgment, in order to avoid any delay in obtaining any amendment to, or extension of, the Certificate of Occupancy for the Building, whether or not such work shall be in compliance with the plans and specifications for the work theretofore performed by, or on behalf of, such Residential Unit Owner. The cost and expense of any such work performed by Sponsor shall be borne by such Residential Unit Owner and shall be paid to Sponsor within 15 days of Sponsor's written demand therefor.

Section 5.3 *Alterations, Additions, or Improvements to the Common Elements.* Except as otherwise provided in the Declaration or in these By-Laws, all necessary or desirable alterations, additions, or improvements in or to any of the Common Elements shall be made by the Condominium Board, and the cost and expense thereof shall constitute a General Common Expense attributable to all Unit Owners, if relating to the General Common Elements, or a Residential Common Expense attributable to all Residential Unit Owners, if relating to the Residential Common Elements and/or Residential Limited Common Elements. Notwithstanding the foregoing, however, whenever the cost and expense of such alterations, additions, or improvements would, in the judgment of the Condominium Board, exceed $500,000 with respect to the General Common Elements or the Residential Common Elements and/or the Residential Limited Common Elements, at any one time, in any fiscal year, such proposed alterations, additions or improvements shall not be made unless first approved by the Unit Owners if relating to the General Common Elements, or the Residential Unit Owners, if relating to the Residential Common Elements and/or the Residential Limited Common Elements (including Sponsor if Sponsor then owns any Unsold Residential Unit) owning 66 2/3% of the aggregate Common Interest or Residential Common Interests, as applicable, at a duly constituted meeting of the Unit Owners or the Residential Unit Owners, as applicable, and by the Mortgage Representatives, if any. Except as otherwise provided in the Declaration and in these By-Laws, all such alterations, additions, or improvements costing $500,000 or less, in any fiscal year may be made as aforesaid without the approval of either the Unit Owners or any Mortgage Representatives. Notwithstanding the foregoing, no additions, alterations, or improvements shall be made to any of the Common Elements, regardless of the cost thereof, unless the prior written consent of Sponsor is first obtained, provided, however, that Sponsor's written consent is not necessary if such additions, alterations, or improvements to the Common Elements is required to (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer. In no event will the limitations imposed in the preceding sentence continue beyond the earlier to occur of (i) 5 years from the First Closing or (ii) until such time as Sponsor no longer owns 25% in number of all Residential Units.

Section 5.4 *Insurance.*

(A) If the same shall be obtainable, the Condominium Board, at or prior to the First Closing, shall obtain, and shall maintain in full force and effect, special multi-peril insurance policies including fire with extended "all risk" coverage, replacement cost coverage and agreed valuation, vandalism and malicious mischief endorsements, insuring the entire Building excluding the Units and any appliances, fixtures, improvements or any furniture, furnishings, decorations, belongings, or other personal property contained therein, together with all service machinery contained therein and covering the interests of the Condominium, the Condominium Board, all of the Unit Owners and all Permitted Mortgagees, as their respective interest may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings). Each of the said policies shall contain:

(i) waivers of (a) subrogation, (b) any defense based upon co-insurance or other insurance, (c) invalidity arising out of any acts of the insured, and (d) pro-rata reduction of liability;

(ii) a provision that any adjustment of loss will be made by the Condominium Board and that all proceeds thereof shall be paid to either the Condominium Board or the Insurance Trustee, as provided in Section 5.5 hereof.

(iii) a New York standard mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the proceeds thereof shall be paid to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Condominium Board and the Insurance Trustee set forth in subparagraph (ii) above and in Section 5.5 hereof; and

(iv) a provision that such policy may not be either canceled or substantially modified except upon at least 30 days prior written notice to the Condominium Board and all insureds who may have requested such notice, including Permitted Mortgagees.

Duplicate originals or certificates of insurance of all such policies and of all renewals thereof, together with proof of payment of premiums, shall be on file at the office of the Managing Agent. Copies thereof shall be delivered to any Unit Owner or Permitted Mortgagee on written request thereof.

(B) The Condominium Board, at or prior to the First Closing, shall also obtain and maintain, to the extent it deems practicable:

(i) commercial general liability insurance, covering all claims for personal injury or property damage arising out of any occurrence on the Property and listing as co-insureds (a) the Condominium Board and each Member thereof, (b) the Managing Agent or manager (if any), (c) each officer and employee of the Condominium and (d) each Unit Owner (except, however, that such insurance shall not cover any liability of a Unit Owner arising from occurrences within the own Unit or its Residential Limited Common Elements or Storage Locker, if any);

(ii) rent insurance;

(iii) worker's compensation and New York State disability benefits insurance;

(iv) boiler and machinery insurance;

(v) water damage insurance;

(vi) officers and directors liability insurance;

(vii) fidelity insurance and bonds covering all officers, directors and employees of the Condominium and Managing Agent;

(viii) plate glass insurance;

(ix) elevator liability and collision insurance;

(x) commercial umbrella insurance; and

(xi) such other insurance as the Condominium Board shall from time to time determine.

Each of the aforementioned policies of insurance shall also cover cross-liability claims of one insured against another.

(C) All policies of insurance to be maintained by the Condominium Board shall contain such limits as the Condominium Board shall from time to time determine, provided, however, that:

(i) with respect to insurance policies maintained by the Condominium Board pursuant to paragraph (A) hereof, the coverage shall be in an amount equal to not less than 80% of the full replacement cost of the Building, exclusive of footings and foundations, without deduction for depreciation, as approved by a fire insurance company, a qualified insurance broker, or another qualified source;

(ii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (i) of paragraph (B) hereof, such policies shall contain single limits of not less than $1,000,000 in the aggregate; and

(iii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (ii) of paragraph (B) hereof, the coverage shall be in an amount equal to the aggregate of all of the Unit Owners' Common Charges for one year.

Any insurance policies maintained by the Condominium Board may also provide for such deductible amounts as the Condominium Board shall determine. The Condominium Board shall review the limits of each insurance policy, as well as the amount of any deductible sum thereunder, at least once each year.

(D) The cost of all insurance maintained by the Condominium Board pursuant to this Section 5.4, together with the fees and disbursements of any Insurance Trustee appointed by the Condominium Board pursuant to the terms of these By-Laws, shall be borne by the Unit Owners as a General Common Expense or the Residential Unit Owner's as a Residential Common Expense, depending on the item to which the coverage relates.

(E) For so long as Sponsor owns at least 1 Unsold Residential Unit, unless Sponsor's prior written consent is obtained, the Condominium Board must maintain, at a minimum, the types and coverage amounts of insurance set forth in the First Year's Budget.

(F) Residential Unit Owners are required to carry other insurance, at their expense, in amounts determined by the Condominium Board in its sole discretion, insuring the contents of their Units, the Residential Limited Common Elements appurtenant thereto, and any Storage Lockers as well as liability insurance with respect to acts occurring therein. All such policies shall contain waivers of subrogation and provide that the liability of the carriers issuing the insurance maintained by the Condominium Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. All such certificates of insurance shall name the Condominium Board, the Condominium and Sponsor as additional

insureds. For so long as Sponsor owns at least 1 Unsold Residential Unit, any change or elimination of such requirement may only be made upon Sponsor's prior written consent.

Section 5.5 *Casualty or Condemnation.*

(A) In the event that either (i) the Building or any part thereof is damaged or destroyed by fire or other casualty ("Casualty Loss") or (ii) the General Common Elements and/or Residential Common Elements and/or Residential Limited Common Elements, or any part thereof is taken in condemnation or by eminent domain ("Taking"), the net insurance proceeds payable under the insurance policies maintained by the Condominium Board pursuant to the terms of Section 5.4 hereof by reason of such Casualty Loss or the net condemnation awards receivable by reason of such Taking, as the case may be, shall be payable either to the Condominium Board, if the same shall be $1,000,000 or less in the aggregate, or to the Insurance Trustee, if the same shall exceed $1,000,000 in the aggregate. In either instance, all such monies actually received ("Trust Funds") shall be held in trust for the benefit of all Unit Owners, with respect to the portion thereof allocated to a Casualty Loss to or Taking of the General Common Elements and the Units, and for the benefit of all Residential Unit Owners with respect to the portion thereof allocated to a Casualty Loss to or Taking of the Residential Common Elements, the Residential Limited Common Elements and the Residential Units, and their Permitted Mortgagees and shall be disbursed pursuant to the terms of this Section 5.5. Notwithstanding anything to the contrary contained either in this paragraph (A) or elsewhere in this Section 5.5, however, no Unit Owner whose Unit, its appurtenant Residential Limited Common Elements, if any, or any portion thereof are taken in condemnation or by eminent domain (whether or not all or a part of the Common Elements are contemporaneously taken) shall be deemed to have waived whatever rights that the Unit Owner may have to pursue a separate claim against the condemning authority by reason thereof.

(B) Subject to the terms of paragraph (D) hereof, the Condominium Board shall arrange for the prompt repair or restoration ("Work") of: (i) in the event of a Casualty Loss, the portion(s) of the Building (including all Units and the bathroom and kitchen fixtures installed therein on the date of recording the Declaration and all service machinery contained therein, but not including appliances, fixtures, improvements made therein by a Unit Owner, or any furniture, furnishings, decorations, belongings, or other personal property supplied or installed by either Unit Owners or the tenants of Unit Owners) affected by such Casualty Loss, or (ii) in the event of a Taking, the portion(s) of the Common Elements or the Units affected by such Taking. If, pursuant to the immediately preceding sentence, Work is to be performed in or to Units, Common Elements that service or enclose Units and other Common Elements, or any combination of the foregoing, the Work shall be performed to the extent practicable, first in or to the Units, next in or to the Common Elements that service or enclose Units and then in or to the balance of the Common Elements. Each Unit Owner whose Unit, its appurtenant Residential Limited Common Elements, if any, or any portion thereof, shall be the subject of all or part of any Work shall have the right subject to the terms of Section 5.2 hereof, to supervise any redecorating of the Unit or of such Residential Limited Common Element, if any.

(C) In the event that Work shall be performed pursuant to the terms of paragraphs (B) and (D) of this Section 5.5, the Condominium Board or the Insurance Trustee, as the case may be, shall disburse the Trust Funds to the contractors engaged in the Work in appropriate progress payments. If the Trust Funds shall be less than sufficient to discharge the cost and expense of performing the Work, the Condominium Board shall levy a Special Assessment against all Unit Owners for the amount of such deficiency in proportion to their respective Common Interests, for Work to the General Common Elements and against all Residential Unit Owners, and all proceeds of such Special Assessment shall become part of the Trust Funds. If, conversely, the Trust Funds shall prove to be more than sufficient to discharge the cost and expense of performing the Work, such excess shall be paid to all Unit Owners in proportion to their respective Common Interests, with respect to Work to the Common Elements, except that no payment shall be made to a Unit Owner until there has first been paid, out of such Unit Owner's share of such excess, such amounts as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens. Notwithstanding the foregoing, however, in

the event that the Unit Owners are assessed pursuant to the terms of the second sentence of this paragraph (C) for any projected deficiency in the amount of the Trust Funds available to the Condominium Board and, after the payment of all costs and expenses incurred in connection with the Work, any portion of the Trust Funds remaining unspent, such excess Trust Funds shall, to the extent of such Special Assessment, be deemed to be, and shall constitute, an unspent Special Assessment and shall be paid to the Unit Owners so assessed in proportion to their respective Common Interests, with respect to Work to the Common Elements, free of any claim of any lienor (including without limitation, any Permitted Mortgagee).

(D) If either 75% or more of the Building is destroyed or substantially damaged by fire or other casualty or 75% or more of the Common Elements are taken in a Taking, the Work shall not be performed unless 75% or more of all Unit Owners (including Sponsor if Sponsor shall then own any Units), in aggregate Common Interest, shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the Work shall be performed pursuant to the terms of paragraphs (B) and (C) hereof. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the Work shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, shall be paid to all Unit Owners in proportion to their respective Common Interest, to the extent allocated to destroyed or damaged portions of the General Common Elements and to all Residential Unit Owners in proportion to their respective Residential Common Interest, to the extent allocated to destroyed or damaged portions of the Residential Units or the Residential Common Elements or the Residential Limited Common Elements, and to the Commercial Unit Owners, to the extent allocated to destroyed or damaged portions of the Commercial Unit or the Commercial Limited Common Elements, except that no payment shall be made to a Unit Owner until there first has been paid, out of such Unit Owner's share of such funds, such amounts as may be necessary to pay off any Permitted Mortgage and other unpaid liens on the Unit Owner's Unit in the order of priority of such liens. Notwithstanding anything to the contrary set forth herein, any action to terminate the legal status of the Condominium after substantial destruction or a Taking shall require the written consent (which consent shall not be unreasonably withheld, conditioned, or delayed) of the Permitted Mortgagees representing at least fifty-one (51%) percent of the Common Interests of all Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any. The Condominium Board shall not be required to take any action to obtain the consent of the Permitted Mortgagees or Mortgage Representatives as set forth in this Section 5.5(D) other than the requirements set forth in Section 8.7 of these By-Laws. The provisions of this Section 5.5(D) may not be amended, modified or deleted without the prior written consent of Sponsor for so long as Sponsor continues to own at least 1 Unsold Residential Unit.

(E) In the event that the damage resulting from a Casualty Loss shall (i) render one or more Units wholly or partially unusable for the purposes permitted and in the Declaration or (ii) destroy the means of access to one or more Units, the installments of Common Charges otherwise payable by the owner of any Unit so affected thereby shall proportionately abate until such Unit shall again be rendered usable for such purposes and/or until the means of access thereto shall be restored, as the case may be. Notwithstanding the foregoing, however, if such Casualty Loss shall be caused by the act, the omission to act, or the negligence of the owner of a Unit so affected thereby, by a Family Member of such Unit Owner, or by a tenant or other occupant of such Unit, such installments of Common Charges shall abate only to the extent of any proceeds of rent insurance actually collected by the Condominium Board with respect to such Unit.

(F) If (i) a portion of any Unit shall be taken in condemnation or by eminent domain and (ii) the Condominium shall not be terminated by reason of a simultaneous Taking pursuant to the terms of paragraph (D) hereof, the Common Interest and Residential Common Interest, where applicable, appurtenant to such Residential Unit shall be adjusted in the proportion that the total floor area of such Residential Unit and its appurtenant Residential Limited Common Elements, if any, after such Taking bears to the total floor area of such Residential Unit and its appurtenant Residential Limited Common Elements, if any, prior to such Taking. The Condominium Board shall promptly prepare and record an amendment to the

Declaration reflecting the new Common Interest and new Residential Common Interest, where applicable, appurtenant to such Unit, which amendment shall be executed by the owner of such Unit together with the holders of record of any liens thereon (or, in lieu of execution by such Unit Owner and lienors, the same may execute a consent to such amendment in recordable form). Following the Taking of a portion of a Unit and the recording of the aforementioned amendment to the Declaration, the votes appurtenant to such Unit shall be based upon the new Common Interest and new Residential Common Interest, where applicable, of such Unit, and, in the event of a Taking of an entire Unit, the right to vote appurtenant to such Unit shall wholly terminate. In either event, the Common Interests and Residential Common Interest, where applicable, of the other remaining Units shall be adjusted accordingly and reflected in a duly filed amendment to the Declaration duly executed and acknowledged by the Condominium Board and the owners of all of the other or remaining Units together with the holders of the Permitted Mortgages.

(G) As used in this Section 5.5, the terms:

(i) "Prompt repair or restoration" shall mean that the Work is to be commenced not more than either: (a) 60 days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds sufficient to discharge the estimated cost and expense of the Work, or (b) 90 days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds insufficient to discharge the estimated cost and expense of the Work, or (c) in the event that the Trust Funds are payable to the Condominium Board pursuant to the terms of paragraph (A) of this Section 5.5, 60 days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work;. In the event there are insufficient Trust Funds to discharge the estimated cost and expense of the Work, the Condominium Board shall levy a Special Assessment for the amount of such deficiency in accordance with paragraph (C) of this Section 5.5; and

(ii) "Promptly resolve" shall mean that a resolution shall be duly made not more than 60 days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds and that the same are or are not sufficient to discharge the estimated cost and expense of the Work, as the case may be.

(H) Any dispute that may arise under this Section 5.5 between Unit Owners or between any Unit Owner(s) and the Condominium Board shall be resolved by arbitration pursuant to the terms of Article 10 hereof.

Section 5.6 *Use of the Property.*

(A) No immoral, improper, offensive, or unlawful use shall be made of the Property or any portion thereof, and all valid Laws relating to any portion of the Property shall be complied with at the sole cost and expense of the respective Unit Owners or the Condominium, whoever shall have the obligation to maintain or repair such part of the Property.

(B) Nothing shall be done or kept in any Unit or in any of the Common Elements that would increase the rate of insurance for the Property, except upon the prior approval of the Condominium Board. In the event that the rate of insurance for the Property is increased as a direct result of a particular or unique use being made of the Commercial Units, and not as a result of the typical uses for which the Commercial Units may be occupied or for which commercial spaces in similar Building is normally occupied, the Commercial Unit Owners shall be obligated to pay the amount of such increase in the rate of insurance. No Unit Owner shall permit anything to be done or kept in a Unit or in the Common Elements that will result in the cancellation of insurance on the Property or the contents thereof, or that would be in violation of any Law. No waste shall be committed in the Common Elements.

(C) Nothing shall be done in any Unit or in, on, or to the Common Elements that will impair the structural integrity of the Property or will structurally change the Building, except as is otherwise provided in the Declaration or in these By-Laws. In no event shall interior partitions contributing to the support of any Unit or the Common Elements be altered or removed.

Section 5.7 *Use of the Units.*

(A) In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of Units shall be restricted to, and shall be in accordance with, the terms contained in the balance of this Section 5.7.

(B) Subject to the terms of paragraphs (C) and (D) of this Section 5.7, each Residential Unit shall be used for residential purposes only, including permitted "home occupation" as defined in the Zoning Resolution of the City of New York, as may be amended from time to time, and not more than one family may occupy a Residential Unit at any one time; and each Commercial Unit may be used for any purpose permitted by Law. A Residential Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary, or any other entity (including, but not limited to, any federal or state agency, any foreign government and any embassy, consulate or other official representative thereof) may only be occupied (unless the Condominium Board otherwise consents in writing) by such individual, or by an individual officer, director, stockholder or employee of such corporation, or by an individual partner or employee of such partnership, or a member or employee of such limited liability company, or by such individual fiduciary (including directors, officers, stockholders, or employees of corporate fiduciaries and partners or employees of partnership fiduciaries), or by an individual beneficiary of said fiduciary, or by an individual principal or employee of such other entity, respectively, or by Family Members and guests of any of the foregoing (and nothing herein contained shall be deemed to prohibit the exclusive occupancy of any such Residential Unit by such Family Members). Notwithstanding the foregoing, Sponsor (with respect to the Unsold Residential Units) or the Condominium (with respect to sold Residential Units) may, in their sole discretion, permit Persons other than those set forth above to occupy a Residential Unit. In no event, however, shall a portion of a Residential Unit (as opposed to the entire Residential Unit) be sold, conveyed, leased, or subleased.

(C) The Condominium Board may, in its sole discretion, consent to the use of a Residential Unit as a professional or business office or for any purpose other than that set forth in paragraph (B) hereof, provided that the nature and manner of such use is permitted by, and complies with Law and does not violate the Certificate of Occupancy covering the Building. Any such consent shall be in writing and shall be personal to such Residential Unit Owner. Any lessee of, or successor in title to, such Residential Unit Owner shall be required to obtain the prior approval consent of the Condominium Board before using such Residential Unit for any purpose other than that set forth in paragraph (B) hereof.

(D) Notwithstanding anything to the contrary contained in this Section 5.7, Sponsor may, without the consent of either the Condominium Board or the Unit Owners:

(i) grant permission for the use of any Unsold Residential Unit as a professional or business office or for any other purpose, provided that the nature and manner of such use complies with Law and the user thereof complies with all applicable governmental regulations; and

(ii) use any one or more Unsold Residential Units as model Units and offices for the sales promotion, rental, management and operation of the Unsold Residential Units or for any other purpose, subject only to compliance with Law.

(E) Notwithstanding anything to the contrary contained in the Plan or elsewhere, the use of the Commercial Unit is subject to the following restrictions: the Commercial Unit may not be used for any

of the following purposes at any time: (i) a massage parlor, an adult theater, a peep show establishment, or a topless or bottomless bar, (ii) a video arcade, a betting parlor, a gambling casino, or any other gambling related establishment, (iii) for any use that is primarily concerned with lewd or prurient sexual activity, (iv) an in-patient or out-patient center for drug, alcohol, or mental health treatment, or (v) a homeless shelter or any center offering food or other special services to the homeless.

Section 5.8 *Use of the Common Elements.*

(A) Subject to the terms of paragraphs (B) and (C) of this Section 5.8, the Common Elements (including, without limitation, the electrical, heating, gas, plumbing and other mechanical systems and equipment of the Building and the Facilities) may be used only for the furnishing of the services and facilities, and for the other uses, for which they are reasonably suited and capable. In addition, no furniture, packages, or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators, or any other part of the Common Elements (except for those areas designated as Storage Locker Areas) without the prior approval of the Condominium Board. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them. Accordingly, all Unit Owners shall require their tradesperson to utilize exclusively the elevator and entrance designated by the Condominium Board for transporting packages, merchandise, or other objects.

(B) The owner or owners of any 2 or more Residential Units, which Residential Units are the only Units serviced or benefited by any Residential Common Element adjacent or appurtenant to such Residential Units (for example, that portion at the end of any residential hallway that is directly adjacent to any such Residential Units located on opposite sides of such hallway) shall, with the consent of the Condominium Board (which consent shall not be unreasonably withheld, conditioned, or delayed), have the right to use such Residential Common Elements exclusively, as if it were a part of such Residential Units (including the right, in the above example of a portion of a hallway, to enclose such portion), and no amendment to the Declaration or reallocation of Common Interests shall be made by reason thereof. In such event, however, such owner or owners shall, at such owner's or their sole cost and expense, both (i) operate, maintain and repair such Residential Common Element for so long as such owner or owners exercise such exclusive right of use and (ii) restore such Residential Common Element to its original condition, reasonable wear and tear excepted, after such owner or owners cease to exercise such exclusive right of use.

(C) The terms of paragraph (A) of this Section 5.8 shall not apply to Sponsor for so long as there are any Unsold Residential Units. Sponsor shall have the right, without charge or limitation, to: (i) erect and maintain signs, of any size or content determined by Sponsor on or about any portion of the Property chosen by Sponsor; (ii) have its employees, contractors, subcontractors and sales agents present on the Property; and (iii) do all things necessary or appropriate, including the use of the Common Elements (such as lobbies, corridors and the like), to improve, alter, sell, lease, manage, or operate Unsold Residential Units, to complete any work or repairs to the Building expressly undertaken by Sponsor and to exercise Sponsor's rights and comply with Sponsor's obligations under the Plan and the Condominium Documents. In no event, however, shall Sponsor be entitled to use any Common Elements in such a manner as will unreasonably interfere with the use of any Unit for its permitted purposes.

(D) Sponsor, for so long as Sponsor continues to own any Unsold Unit, and the Condominium Board shall have the right, and the lease, sublease, license, sell or otherwise convey to a Unit Owner any portion of the Common Elements which either Sponsor or the Condominium Board determines is no longer needed for the furnishing of the services and facilities (including reasonable access) for which such Common Elements are reasonably intended. Any revenue received for the sale, leasing, subleasing, licensing or other conveyance of such Common Elements shall be retained solely by Sponsor or the Condominium Board, as applicable.

Section 5.9 *Use of the Storage Lockers.*

(A) A Storage Locker may be used only for the storage of personal effects of a Residential Unit Owner, and in no event shall any food or other perishable item, or any flammable or explosive item, or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance, be stored therein.

(B) The Condominium Board has the authority to promulgate additional rules regarding the use of, insurance coverage for, and access to the Storage Lockers and Storage Locker Areas and the procedures for assigning such Storage Lockers including restrictions on the hours of access and use. A Residential Unit Owner may transfer or surrender a Storage Locker License to the Condominium Board which shall be authorized to reissue such Storage Locker License to another Residential Unit Owner for such consideration as the Condominium Board shall deem appropriate.

(C) Sponsor may, without the consent of either the Condominium or the Unit Owners, use any Unsold Storage Locker for any purpose, permitted by Law or to change the permitted use of an Unsold Storage Locker, subject to the provisions of the By-Laws. Except for Sponsor and the Condominium Board, a Storage Locker may not be licensed independently of a Residential Unit.

(D) The Storage Lockers and the Storage Locker Arear(s) will not be serviced by an emergency generator. In the event of a power outage, any resulting loss or damage will be at the sole cost of the Storage Locker Licensee. The Condominium Board, its agents and employees, and Sponsor shall not be liable for any loss or damage caused by power outages, temperature fluctuations or other causes in the Storage Locker Area(s).

Section 5.10 *Rights of Access.*

(A) Each Unit Owner shall grant to the Condominium Board, to the Managing Agent or manager (if any), to the Resident Manager or to any other Person authorized by any of the foregoing a right of access (including the right of forced entry if required in the discretion of the party seeking such entry) to the Unit and its appurtenant Residential Limited Common Elements, if any, and any Storage Locker and Storage Locker Area for the purposes of:

(i) making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property;

(ii) curing defaults hereunder or under the Declaration or violations of the Residential Rules and Regulations committed by such Unit Owner or correcting any conditions originating in the Unit and threatening another Unit or all or a portion of the Common Elements;

(iii) performing maintenance, installations, alterations, repairs, or replacements to the structural elements, mechanical or electrical services, or other portions of the Common Elements located within the Unit, Storage Locker or elsewhere in the Building;

(iv) reading, maintaining, or replacing utility meters relating to the Common Elements, to the Unit, or to any other Unit; or

(v) correcting any condition that violates the provisions of any Permitted Mortgage encumbering another Unit.

Except in cases of emergency (that is, a condition requiring repairs or replacement immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals, or required to avoid the suspension of any necessary service in the Building),

the foregoing rights of access shall be exercised only upon not less than 1 day's advance notice and only in such a manner as will not unreasonably interfere with the normal conduct of business of the Commercial Unit Owners or other occupants of the Commercial Units or with the use of the Residential Units and their appurtenant Residential Limited Common Elements for their permitted purposes. In cases of emergency, however, such rights of access may be exercised immediately, without advance notice and whether or not the Unit Owner is present.

(B) Each Unit Owner shall grant a right of access to the Unit and its appurtenant Residential Limited Common Elements, if any, and the Condominium Board shall grant rights of access to the Common Elements, to Sponsor and its contractors, subcontractors, agents and employees for the purpose of exercising Sponsor's rights and fulfilling Sponsor's obligations as set forth in the Plan or in any amendment thereto, provided that access thereto shall not be exercised, with respect to any Unit and its appurtenant Residential Limited Common Elements, if any, in such a manner as will unreasonably interfere with the use of such Unit and its appurtenant Residential Limited Common Elements, if any, for their permitted purposes.

(C) Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements (including Storage Lockers) for the purpose of exercising Sponsor's rights and fulfilling Sponsor's obligations under the Plan and performing certain alterations and repairs in or about the Units and the Common Elements. Sponsor will use commercially reasonable efforts in order to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit for its permitted purposes. If reasonable care under the circumstances is exercised to safeguard the Unit Owner's property, such entry shall not render Sponsor or its authorized agents liable for any damage to the Unit or to the personal property or fixtures contained therein.

Section 5.11 *Modification of the Residential Rules and Regulations.* The Condominium Board shall have the right to amend, modify, add to, or delete any of the Residential Rules and Regulations from time to time, provided, however, that any such amendment, modification, addition, or deletion may be overruled by a vote of at least 66 2/3% of all Residential Unit Owners, in number and Common Interest. Copies of the text of any amendments, modifications, additions, or deletions to the Residential Rules and Regulations shall be furnished to all Unit Owners not less than 30 days prior to the effective date thereof. Notwithstanding the foregoing, the Condominium Board shall not have the right to amend, modify, add to, or delete any of the Residential Rules and Regulations if the same would materially and adversely affect Sponsor and/or a Commercial Unit Owner, without the prior written consent of Sponsor or the affected Commercial Unit Owner. Notwithstanding the foregoing, the Condominium Board shall not have the right to amend, modify, add to, or delete any of the Residential Rules and Regulations if the same would adversely affect a Commercial Unit and the use thereof, without the prior written consent of the affected Commercial Unit Owner.

Section 5.12 *Real Estate Taxes.* Unless and until real estate taxes are billed directly to Unit Owners by the City Collector, the Condominium Board shall promptly pay such taxes as a Common Expense. In the event of a proposed sale of any Unit, the Condominium Board (for so long as the Condominium Board is still paying such real estate taxes) shall, upon the written request of the selling Unit Owner, execute and deliver to the purchaser of such Unit, or to such purchaser's title company, a letter agreeing to promptly pay all such real estate taxes affecting such Owner's Unit to the date of the Closing of Title to such Unit.

Section 5.13 *Fuel.* Unless and until fuel is billed directly to Unit Owners by the supply company, in accordance with and subject to the provisions of the Plan, the cost and expense of fuel (for heating and cooling) serving or benefiting any Unit and/or Common Element shall be: (i) considered part of the expense of maintaining such Unit and/or Common Element, (ii) determined by the Condominium Board, (iii) paid by

the Condominium Board, and (iv) charged to: (a) the Unit Owners as a General Common Expense for such portion attributable to the General Common Elements, (b) the Commercial Unit Owners as a General Common Expense for such portion attributable to the Commercial Units, and (c) the Residential Unit Owners as a Residential Common Expense for such portion attributable to the Residential Units and/or the Residential Common Elements and/or the Residential Limited Common Elements. In the event there is a particular or unique use being made of a Unit and/or Common Element, the Condominium Board shall cause a new survey to be made the cost of which shall be borne by the Unit Owners as a General Common Expense.

Section 5.14 *Water Charges and Sewer Rents.* Unless and until water is separately metered in a Unit and water charges and sewer rents are billed directly to a Unit Owner by the City Collector, in accordance with and subject to the provisions of the Plan, the cost and expense of water serving or benefiting a Unit and/or Common Element shall be: (i) considered part of the expense of maintaining such Unit and/or Common Element, (ii) determined by the Condominium Board, (iii) paid by the Condominium Board, and (iv) charged to: (a) the Residential Unit Owners as a Residential Common Expense for such portion attributable to the Residential Units and/or Residential Common Elements and/or Residential Limited Common Elements, and (b) the Unit Owners as a General Common Expense for such portion attributable to the General Common Elements. In addition, the cost of submetering shall be a Residential Common Expense if pertaining to Residential Units and a General Common Expense if pertaining to all Units.

Section 5.15 *Electricity.*

(A) Electricity for each Residential Unit and the Commercial Units (including tenants occupying portions of the Commercial Units) shall be either individually direct metered or submetered for each Unit (or portion thereof).

(B) If individually direct metered, each Unit Owner shall be required to pay the billing utility directly for electricity consumed in such Unit Owner's Unit (or portion thereof) and in the Residential Limited Common Elements to which such Residential Unit has exclusive access.

(C) If the Residential Units or the Commercial Units are submetered, each Unit Owner shall be required to pay bills for electricity consumed in such Unit Owner's Unit either to the Condominium Board or to the utility company or to the servicing company engaged by the Condominium Board to perform such services all at the direction of the Condominium Board. The Common Expenses shall include fees for administering and servicing the submeters. In the event that a Unit Owner fails to pay for its submetered electricity, the Condominium Board shall be responsible to pay such expense on the Unit Owner's behalf and such electricity charges shall be deemed Common Charges allocable to the defaulting Unit Owner and the Condominium Board shall have a lien for non-payment of the expense as provided in Article 6.5 of these By-Laws.

(D) Electricity for the Residential Common Elements shall be supplied through one or more separate meters therefor and the cost thereof will be paid by the Condominium Board and will be borne by the Residential Unit Owners as Common Charges.

(E) In addition, the cost of submetering shall be a Residential Common Expense if pertaining to Residential Units and a General Common Expense if pertaining to all Units.

(F) Any disputes with respect to submetering rates and billing must be submitted to Arbitration pursuant to Article 10 of these By-Laws.

Section 5.16 *Record and Audits.*

(A) The Treasurer of the Condominium, or the Managing Agent under the supervision of such Treasurer, shall keep full, detailed and accurate records and books of account with respect to the

financial affairs of the Condominium, which records and books of account shall include, without limitation, (i) a listing of all receipts of and expenditures by the Condominium Board and the Managing Agent and (ii) a separate listing for each Unit, setting forth, among other things, the amount of each assessment of Common Charges and Special Assessments levied against such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid, as well as all Permitted Mortgagees having an interest in such Unit.

(B) Within 4 months after the end of each fiscal year of the Condominium, the Condominium Board shall submit to each Unit Owner, and, if so requested, to any Permitted Mortgagee, an annual report of the receipts and expenditures of the Condominium prepared and certified by an independent certified public accountant. The cost of preparing and distributing each such report shall be borne by the Condominium Board as a General Common Expense. The fiscal year of the Condominium shall be a calendar year.

ARTICLE 6

COMMON CHARGES

Section 6.1 *Determination of Common Expenses and Fixing of Common Charges.*

(A) From time to time, but not less frequently than once a year, the Condominium Board shall: (i) prepare and adopt a budget for the Condominium, subject, in all respects, to the strictures set forth in Section 2.5 hereof; (ii) determine the aggregate amount of Common Charges necessary to be charged to the Unit Owners in order to meet the Common Expenses; and (iii) allocate and assess such Common Charges amongst the Unit Owners in accordance with allocations set forth in the First Year's Budget. The Condominium Board shall advise all Unit Owners promptly thereafter in writing of the amount of Common Charges payable by each of them, not later than 10 days prior to the date upon which the first installment of newly-determined Common Charges is due, shall furnish copies of the budget (in a reasonably itemized form) upon which such Common Charges are based to all Unit Owners and to their respective Permitted Mortgagees whenever requested in writing by such Permitted Mortgagees. The Condominium Board may, subject to paragraph (E) of this Section 6.1, at its sole discretion, from time to time increase or decrease the amount of Common Charges allocated to the Units and payable by the Unit Owners and may modify its prior determination of the Common Expenses for any fiscal year so as to increase or decrease the amount of Common Charges payable for such fiscal year or portion thereof; however, no such revised determination of Common Expenses shall have a retroactive effect on the amount of Common Charges payable by Unit Owners for any period prior to the date of such new determination. Notwithstanding the foregoing, however, the Condominium Board shall not reduce the Common Charges payable during any fiscal year occurring within the Sponsor Control Period solely as a result of either reducing the number of employees of the Condominium below the number employed (or anticipated in the First Year's Budget) for the Property on the date of recording the Declaration except with Sponsor's prior written consent, or eliminate or reduce the insurance coverage below that provided for the Property on such date, except with the concurrence of a majority of the Members of the Condominium Board elected by Unit Owners other than Sponsor. All Unit Owners will be given a copy of the proposed annual budget of the Condominium at least 10 days prior to the date set for adoption thereof by the Condominium Board.

(B) The failure or delay of the Condominium Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the Common Charges payable by the Unit Owners until a new determination of the Common Expenses shall be made.

(C) In addition to the foregoing duty to determine the amount of and assess Common Charges, the Condominium Board shall have the right, subject, in all respects, to the strictures contained in Section 2.5 hereof, to levy Special Assessments to meet the Common Expenses. All Special Assessments relative to the General Common Elements shall be levied against all Unit Owners in proportion to their respective Common Interests and all Special Assessments relative to the Residential Common Elements and/or the Residential Limited Common Elements shall be levied against all Residential Unit Owners in proportion to their Residential Common Interests, except Special Assessments relating to the Storage Lockers, which shall be levied solely against all Unit Owners owning such Storage Lockers. Special Assessments may be payable either in one lump sum or in installments, as the Condominium Board shall determine, provided, however, that the Condominium Board shall give each Unit Owner not less than 15 days' written notice prior to the date upon which such Special Assessment, or the first installment thereof, shall be due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. The Condominium Board shall have all rights and remedies for the collection of Special Assessments as are provided herein for the collection of Common Charges (including, without limitation, the provisions of Section 6.5 hereof).

(D) The excess of all rents, profits and revenues derived from the rental or use of any space forming a part of, or included in, any, General Common Element, or Residential Common Element remaining after deduction of all expenses incurred in connection with generating the same shall constitute income of the Unit Owners or the Residential Unit Owners, as applicable and shall be collected on behalf of the Unit Owners or Residential Unit Owners, as applicable by the Condominium Board and applied against the General Common Expenses attributable to the General Common Elements, or the Residential Common Expenses attributable to the Residential Common Elements, or the Residential Limited Common Elements, as appropriate for the fiscal year in which collected. In the event that such net rents, profits and revenues, together with the Common Charges and any Special Assessments collected from the Unit Owners, for any year of operation shall exceed the Common Expenses for such year, then such excess shall be applied by the Condominium Board against the General Common Expenses attributable to the General Common Elements, or the Residential Common Expense attributable to the Residential Common Elements or the Residential Limited Common Elements depending on whether the excess relates to the General Common Elements or the Residential Common Elements or the Residential Limited Common Elements for the next succeeding year(s) of operation. No Unit Owner shall be entitled to a distribution of any portion of such excess unless the Condominium Board shall determine to distribute all or part of such excess to all Unit Owners pro-rata, in proportion to their respective Common Interests, or Residential Common Interests, as appropriate and any such distributions must be made out of the Common Charges collected from Unit Owners.

(E) Common Expenses have been allocated between the Residential Units (in the aggregate) and the Commercial Units, on the basis of usage rather than Common Interest. The First Year's Budget sets forth the percentage for each line item, if any, to be paid for by the Residential Units and the Commercial Units, which percentages are deemed presumptive evidence of reasonableness. The Condominium Board may not modify these allocations without the unanimous consent of the Commercial Unit Owners. Any new line items which may be added to the budget by the Condominium Board in the future shall be paid for on the same basis.

Section 6.2 *Payment of Common Charges.*

(A) All Unit Owners (including Sponsor with respect to Unsold Residential Units for so long as the same are owned thereby) shall be obligated to pay Common Charges and Special Assessments assessed by the Condominium Board pursuant to the terms of Section 6.1 hereof at such time or times (but not less than annually) as the Condominium Board shall determine. Unless otherwise determined by the Condominium Board, Common Charges shall be payable in installments on the first day of every month in advance. To the extent permitted by Law, the Condominium Board shall have a lien on each Unit, on behalf

of all Unit Owners, for unpaid Common Charges and Special Assessments assessed against such Unit. Such lien, however, shall be subordinate, to the extent required by Law, to any liens for real estate taxes assessed against such Unit and any sums unpaid on a Permitted Mortgage recorded against the Unit.

(B) Notwithstanding anything to the contrary contained in paragraph (A) above, during the Sponsor Control Period, the Condominium Board, in its sole discretion, shall have the right to waive all Unit Owners' obligations to pay Common Charges from and after the First Closing for a period to be determined by the Condominium Board, provided during such period, the basic operating costs of the Condominium (exclusive of reserves) are paid by Sponsor. Upon commencement of the collection of Common Charges from all Unit Owners, no assessment will be imposed for any item set forth in the approved budget for the Condominium. The Condominium Board shall remain obligated to update the budget in accordance with Law.

(C) No Unit Owner shall be liable for the payment of any part of the Common Charges and any Special Assessments assessed against the Unit subsequent to a sale, transfer, or other conveyance by Unit Owner of such Unit, together with its Appurtenant Interests, made in compliance with the terms of Article 7 hereof. A purchaser or other successor-in-title to the owner of a Unit shall be liable for the payment of all Common Charges and any Special Assessments accrued and unpaid against such Unit prior to such purchaser's acquisition thereof, except that, to the extent permitted by Law, a Permitted Mortgagee acquiring title to a mortgaged Unit or a purchaser at a mortgage foreclosure sale held with respect to a Permitted Mortgage shall not be liable, and such mortgaged Unit shall not be subject to a lien, for the payment of any Common Charges and Special Assessments assessed subsequent to the recording of such Permitted Mortgage and prior to the acquisition of title to such Unit by the Permitted Mortgagee or by such purchaser. However, in the event of a foreclosure of a Permitted Mortgage (whether by sale, deed in lieu of foreclosure, or otherwise), the defaulting Unit Owner shall remain fully liable for the payment of all unpaid Common Charges and Special Assessments that accrued prior to such foreclosure or sale. Any excess proceeds from such foreclosure or sale shall be paid directly to the Condominium Board in payment of all unpaid Common Charges and Special Assessments. In the case of a Residential Unit, any remaining unpaid Common Charges and Special Assessments that are not collected from such foreclosure sale or from the defaulting Residential Unit Owner shall be deemed a Residential Common Expense, collectible from all those who are Residential Unit Owners at the time the same is levied. In the case of the Commercial Units, any remaining unpaid Common Charges and Special Assessments that are not collected from such foreclosure or sale or from the defaulting Commercial Unit Owners shall be deemed a Common Expense, collectible from all those who are Unit Owners at the time that the same is levied.

(D) Subject to the terms and conditions contained in these By-Laws, any Unit Owner may convey the Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, without being compensated therefor, and, in such event, be exempt from the payment of Common Charges and Special Assessments thereafter accruing, provided, however, that: (i) all Common Charges and any Special Assessments then due and payable with respect to such Residential Unit have been paid; (ii) such Residential Unit is free and clear of all liens and encumbrances other than a Permitted Mortgage and the statutory lien for unpaid Common Charges and Special Assessments; and (iii) no violation of any provision of the Condominium Documents then exists with respect to such Residential Unit. However, in no event shall Sponsor be permitted to convey any Unsold Residential Unit to the Condominium Board and thereby exempt itself from Common Charges and any Special Assessments attributable to such Residential Unit thereafter accruing unless the aggregate Residential Common Interests then appertaining to the Unsold Residential Units constitute 15% or less of the total Residential Common Interests then appertaining to all Residential Units, at least five years shall have elapsed from the date of the First Closing and, at the time of conveyance, Sponsor shall pay to the Condominium Board an amount equal to the product of the then current monthly Common Charges for the Unsold Residential Unit(s) being conveyed multiplied by 24.

(E) No Unit Owner shall be exempted from liability for the payment of Common Charges or Special Assessments by waiving the use or enjoyment of any or all of the Common Elements or by abandoning the Unit (except with respect to a conveyance of the same to the Condominium Board, without compensation, pursuant to the terms of paragraph (C) hereof). Except as expressly provided to the contrary in paragraph (E) of Section 5.5 hereof, no Unit Owner shall be entitled to a diminution or abatement in the Common Charges or Special Assessments payable thereby for any inconvenience or discomfort arising from: (i) the failure or interruption of any utility or other services; (ii) the making of repairs or improvements to the Common Elements or any Unit (including, without limitation, such Unit) pursuant to the terms of Section 5.1, 5.2, or 5.3 hereof; or (iii) any action taken by the Condominium Board or the officers of the Condominium to comply with Law.

Section 6.3 *Statement of Common Charges.* The Condominium Board shall promptly provide a written statement of unpaid Common Charges due from any Unit Owner upon its receipt of a written request therefor from such Unit Owner.

Section 6.4 *Common Charge Deposit for Foreign Owners.* Any Unit Owner that is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) shall deposit with the Condominium Board an amount equal to two (2) times the then current annual Common Charges for such Unit, subject to increase from time to time as such Common Charges increase, together with the full amount of any Special Assessment levied against, or allocable to, such Unit, as security for the faithful observance by such Unit owner of the terms, provisions and conditions of these By-Laws. In the event that such Unit Owner defaults in respect of the terms, provisions and conditions of these By-Laws, the Condominium Board may use, apply or retain the whole or any part of the security so deposited, to the extent required for the payment of any Common Charges or any other sum to which such Unit Owner is in default. If the Condominium Board applies or retains any part of said security, the Unit Owner in question, within ten (10) days after notice from the Condominium Board, shall deposit with the Condominium Board the amount so applied or retained so that such Condominium Board has the full amount of said security on hand at all times.

Section 6.5 *Default in Payment of Common Charges.*

(A) The Condominium Board shall take prompt action to collect any Common Charges due to the Condominium Board that remain unpaid for more than 10 days after the due date for the payment thereof, including, but not limited to the imposition of late charges, notice fees and the institution of such actions for the recovery of interest and expenses as provided in this Article 6. All costs and expenses incurred by the Condominium Board (including attorneys' fees, costs and disbursements) as a result of its attempt to collect unpaid Common Charges and/or Special Assessments shall be borne by the Unit Owner and shall constitute Common Charges payable by such Unit Owner. In connection therewith, the Condominium Board shall have the right and obligation to cause liens for all sums due and owing to the Condominium Board to be filed in the Register's Office pursuant to the terms of Section 339-z of the Condominium Act, to cause such liens to be foreclosed in the manner provided in Section 339-aa of the Condominium Act and/or to institute all other proceedings deemed necessary or desirable by the Condominium Board to recover all such unpaid Common Charges, together with all additional sums of money collectible by the Condominium Board by reason of such nonpayment pursuant to the terms of paragraph (B) hereof. A suit to recover a money judgment for unpaid Common Charges, however, shall be maintainable without foreclosing or waiving the lien securing such charges.

(B) In the event that any Unit Owner shall fail to make prompt payment of Common Charges, such Unit Owner shall be obligated to pay: (i) interest thereon at the rate of 1.5% per month of such unpaid amounts (less any late "charges" theretofore collected), to be computed from the due date thereof until

paid in full, together with all costs and expenses paid or incurred by the Condominium Board, the Managing Agent, or the manager (if any) in connection with collecting such unpaid Common Charges with interest as aforesaid and/or in foreclosing the aforementioned lien, including, without limitation, attorneys' fees and disbursements and court costs; (ii) a late charge of $150 per month for Common Charges which remain unpaid for more than 10 days after the date when due, plus all expenses of collection including but not limited to attorneys' fees, costs and disbursements, in such amount as may be determined by the Condominium Board from time to time, to be computed from the due date thereof until paid in full. In addition, if the Condominium Board shall bring an action to foreclose the aforementioned lien, the defaulting Unit Owner will be required to pay a reasonable rental for the use of the Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. All such late charges, interest, costs and expenses and rentals shall be added to and shall constitute Common Charges payable by such Unit Owner.

(C) In any action brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges, the Condominium Board shall have, on behalf of all Unit Owners, the power to purchase such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Unit (but not to vote the votes appurtenant to the same). In the event that the net proceeds received on such foreclosure (after deduction of all legal fees and disbursements, advertising costs, brokerage commissions, court costs and other costs and expenses paid or incurred in connection therewith) shall be insufficient to satisfy the defaulting Unit Owner's obligations to the Condominium, such Unit Owner shall remain liable for the deficit. Any surplus on such foreclosure shall be paid to the defaulting Unit Owner after first paying all liens on such Unit Owner's Unit in the order of priority of such liens.

(D) If the Unit Owner shall at any time lease the Unit and shall default in the payment of any Common Charges or additional Common Charges, the Condominium Board may, at its option, so long as such default shall continue, demand and receive from the tenant the rent due or becoming due from such tenant to the Unit Owner, and apply the amount to pay sums due and to become due from the Unit Owner to the Condominium. Any payment by a tenant to the Condominium shall constitute a discharge of the obligation of such tenant to the Unit Owner, to the extent of the amount so paid. The acceptance of rent from any tenant shall not be deemed a consent to or approval of any leasing by the Unit Owner, or a release or discharge of any of the obligations of the Unit Owner hereunder. In the event the tenant fails to pay the rent to the Condominium after demand by the Condominium Board, the Condominium Board shall have the right to commence summary eviction proceedings in the name of or on behalf of the Unit Owner, against the tenant. All costs and expenses incurred by the Condominium Board (including attorneys' fees, costs and disbursements) in connection therewith, shall be borne by the Unit Owner and shall constitute Common Charges payable by such Unit Owner.

ARTICLE 7

SELLING AND LEASING OF UNITS AND ASSIGNMENT OF STORAGE LOCKER LICENSES

Section 7.1 *General.* Subject to the terms of Section 7.5 hereof, each Residential Unit Owner may (i) sell the Residential Unit and (ii) lease the Residential Unit for periods of not less nor more than 1 year, provided however, no Residential Unit Owner may sell or lease the Residential Unit except in compliance with the applicable provisions of this Article 7 and the policies and procedures established by the Condominium Board. Any purported sale or rental consummated in default in the applicable terms hereof shall be voidable at the sole election of the Condominium Board, and, if the Condominium Board shall so elect, the selling or renting Residential Unit Owner shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to eject the purported purchaser (in the event of an unauthorized sale) or to evict the purported tenant (in the event of an unauthorized lease) in the name of such Residential Unit Owner. Such Residential Unit Owner shall reimburse the Condominium Board for all costs

and expenses paid or incurred in connection with such proceedings, including, without limitation, attorneys' fees and disbursements and court costs.

Section 7.2 *Right of First Refusal.*

(A) Subject to the terms of Sections 7.5 and 7.9 hereof, any contract to sell a Residential Unit together with its Appurtenant Interests and any lease of a Residential Unit ("Sale Agreement" or "Lease Agreement") shall contain the following language: "THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE HEREBY MADE EXPRESSLY SUBJECT TO THE RIGHTS IF ANY, OF THE CONDOMINIUM BOARD OF THE CONDOMINIUM WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN PURSUANT TO THE TERMS OF SECTIONS 7.2 AND 7.3 OF THE BY-LAWS OF THE CONDOMINIUM, AS THE SAME MAY HAVE BEEN AMENDED." Promptly after any such bona fide Sale Agreement or Lease Agreement shall be fully executed, the Residential Unit Owner executing the same ("Offeree Unit Owner") shall send written notice thereof to the Condominium Board by certified or registered mail, return receipt requested, which notice shall be accompanied by a fully executed, original counterpart of the Sale Agreement or Lease Agreement, as the case may be, containing all of the terms offered in good faith by the prospective purchaser or tenant ("Outside Offeror").

(B) The sending of the notice referred to in paragraph (A) of this Section 7.2 shall constitute an offer by the Offeree Unit Owner to sell the Residential Unit, together with its Appurtenant Interests, or to lease the Residential Unit, as the case may be, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Residential Unit Owners, subject, however, to any variance therefrom provided in Section 7.3 hereof. The giving of such notice shall further constitute a representation and warranty by the Offeree Unit Owner to the Condominium Board, on behalf of all Unit Owners, that such Offeree Unit Owner believes the Sale Agreement or Lease Agreement to be bona fide in all respects. Thereafter, upon the written demand of the Condominium Board, the Offeree Unit Owner shall submit to the Condominium Board, in writing, such further information with respect to the Outside Offeror and the Sale Agreement or Lease Agreement as the Condominium Board may reasonably request.

(C) The Condominium Board may elect, by sending written notice thereof to the Offeree Unit Owner by certified or registered mail not later than 30 days (in the event of a proposed sale) and 30 days (in the event of a proposed lease) after receipt of the notice referred to in paragraph (A) hereof together with such further information as may have been requested pursuant to the terms of paragraph (B) hereof, to purchase such Residential Unit together with its Appurtenant Interests or to lease such Residential Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise) on behalf of all Residential Unit Owners upon the same terms and conditions as were contained in the Sale Agreement or Lease Agreement and stated in the response(s) by the Offeree Unit Owner to any requests for additional information pursuant to the terms of paragraph (B) hereof. Notwithstanding anything to the contrary contained herein, however, the Condominium Board shall not exercise any option set forth in this Section 7.2 to purchase or lease any Residential Unit without the prior approval of a Majority of all Unit Owners.

(D) The Condominium Board may not discriminate against any person on the basis of race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law in connection with its exercise of its right of first refusal with respect to the sale or rental of a Unit.

Section 7.3 *Acceptance of Offer*

(A) In the event that the Condominium Board shall elect, within the time and in the manner provided in Section 7.2 hereof, to purchase a Residential Unit together with its Appurtenant Interests,

to lease such Residential Unit, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed, in either event in accordance with the terms of the Sale Agreement or Lease Agreement, at the office of the attorneys for the Condominium Board within 45 days after the day upon which the Condominium Board shall give notice of its election to accept such offer.

(B) If such Residential Unit and its Appurtenant Interests are to be purchased by the Condominium Board or its designee on behalf of all Residential Unit Owners, such purchase may be made from the funds deposited in the capital and/or expense accounts of the Condominium. If the funds in such accounts are insufficient to effectuate such purchase, the Condominium Board may levy a Special Assessment against each Residential Unit Owner (other than the Offeree Unit Owner) in accordance with the terms of paragraph (C) of Section 6.1 hereof and/or the Condominium Board may, in its discretion, finance the acquisition of such Residential Unit; provided, however, that no such financing may be secured by an encumbrance on or a hypothecation of any portion of the Property other than the Residential Unit to be purchased together with its Appurtenant Interests. In addition, if the Outside Offeror was to assume or to take title to the Residential Unit subject to the Offeree Unit Owner's existing mortgage or mortgages pursuant to the Sale Agreement, the Condominium Board may purchase the Residential Unit and assume or take title thereto subject to such mortgage or mortgages as the case may be. At the Closing of Title, the Offeree Unit Owner shall convey the Residential Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, on behalf of all Residential Unit Owners, by deed in the form required by Section 399-o of the Condominium Act with all tax and/or documentary stamps affixed at the expense of the Offeree Unit Owner, who shall also pay all other transfer taxes arising out of such sale (including, if applicable, all New York State and New York City Transfer Taxes) notwithstanding any terms of the Sale Agreement to the contrary. Real estate taxes, mortgage interest (if applicable) and Common Charges shall be apportioned between the Offeree Unit Owner and the Condominium Board or its designee as of the Closing date, notwithstanding any terms of the Sale Agreement to the contrary. Thereafter, such Residential Unit shall be held, so long as the same is owned by the Condominium Board or its designee, on behalf of all Residential Unit Owners, as tenants-in-common, and all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Residential Unit and the entire Property, as herein provided.

(C) In the event that such Residential Unit is to be leased by the Condominium Board or its designee on behalf of all Residential Unit Owners, the Offeree Unit Owner shall execute and deliver to the Condominium Board or such designee a lease covering such Residential Unit by and between the Offeree Unit Owner, as landlord, and the Condominium Board or such designee, as tenant. Such lease shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., and shall contain all of the terms and conditions of the Lease Agreement not in conflict with such form of lease, including, without limitation, the rental and term provided for therein. Notwithstanding anything to the contrary set forth hereinabove or in the Lease Agreement, however, such lease shall expressly provide that the Condominium Board or such designee may enter into a sublease of the premises demised thereunder without consent of the landlord.

Section 7.4 *Failure to Accept Offer.*

(A) In the event that the Condominium Board shall fail to accept an offer made pursuant to the terms of Section 7.2 hereof within the respective times set forth in paragraph (C) thereof, the Offeree Unit Owner shall be free to consummate the transaction embodied in the Sale Agreement or Lease Agreement within 60 days after (i) notice of refusal is sent to the Offeree Unit Owner by the Condominium Board or (ii) the expiration of the period within which the Condominium Board or its designee might have accepted such offer, as the case may be. If the Offeree Unit Owner shall fail to consummate the transaction embodied in the Sale Agreement or Lease Agreement within such 60 day period, then, should the Offeree Unit Owner thereafter elect to sell such Residential Unit together with its Appurtenant Interests or to lease such Unit, the Offeree Unit Owner shall be required again to comply with all of the terms and provisions of

Section 7.2, 7.3 and 7.4 hereof, but not more often than once in any 12 month period, except the Condominium Board shall have the right to waive this for good cause shown, in its sole discretion.

(B) Any deed of a Residential Unit and its Appurtenant Interests to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee shall constitute an assumption of all of the terms of the Condominium Documents, and, in the absence of such express language, the same shall be conclusively deemed to have been included herein.

(C) Each lease of a Residential Unit to an Outside Offeror shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., subject to such modifications as may be approved in writing by the Condominium Board or such other form approved in writing by the Condominium Board. Notwithstanding the foregoing, however, each such lease shall be consistent with the Condominium Documents and shall expressly provide that:

(i) such lease may not be amended, modified, or extended without the prior approval of the Condominium Board in each instance;

(ii) the tenant thereunder shall not assign the tenant's interest in such lease or sublet the premises demised thereunder or any part thereof without the prior approval of the Condominium Board in each instance; and

(iii) the Condominium Board shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of (a) a default by the tenant in the performance of its obligations under such lease or (b) a foreclosure of the lien granted by Section 339-z of the Condominium Act.

Section 7.5 *Termination of, and Exceptions to, the Right of First Refusal.*

(A) A certificate executed and acknowledged by the Secretary of the Condominium or the Managing Agent, stating that the provisions of Section 7.2 hereof have been met by a Residential Unit Owner or that the right of first refusal provided for therein has been duly released or waived by the Condominium Board and that, as a result thereof, the rights of the Condominium Board thereunder have terminated, shall be conclusive upon the Condominium Board and all Unit Owners in favor of all persons who rely upon such certificate in good faith. After the due issuance of such a certificate, the Residential Unit to which the same shall relate, together with its Appurtenant Interests, may be sold, conveyed, or leased free and clear of the terms and conditions contained in Section 7.2 hereof. The Condominium Board shall furnish or cause the Managing Agent to furnish without charge, such certificate upon written request to any Residential Unit Owner in respect to whom the provisions of Sections 7.2 hereof have, in fact, been terminated. In no event, however, shall the right of first refusal described in Section 7.2 hereof be deemed released or waived by the Condominium Board (as opposed to satisfied pursuant to the express terms of Sections 7.2, 7.3 and 7.4 hereof) in the absence of the certificate that has been duly executed, acknowledged and issued by the Secretary of the Condominium or the Managing Agent as aforesaid.

(B) The terms and conditions contained in Section 7.2, 7.3 and 7.4 hereof shall not apply with respect to any sale, lease or conveyance of a Residential Unit, together with its Appurtenant Interests, by:

(i) the Residential Unit Owner thereof to any adult Family Members, to any combination of the same, or to a trust for the benefit of any of them (in which case the Condominium Board shall have the right to review the trust documents and provide for such terms and restrictions on such transfer as the Condominium Board deems advisable), provided, however, that if the succeeding Residential Unit Owner is an infant or a person judicially declared incompetent of managing such person's affairs, then such Residential Unit shall be held by the

personal representative of such infant or incompetent, or in the case of a Residential Unit Owner that is not an individual, to any entity or individual that owns more than 50% of the legal and beneficial interests of such Residential Unit Owner or to any entity with respect to which such Residential Unit Owner (individual or otherwise) owns more than 50% of the legal and beneficial interest thereof:

(ii) Sponsor;

(iii) the Condominium Board;

(iv) any proper officer conducting the sale of a Residential Unit in connection with the foreclosure of a mortgage or other lien covering such Residential Unit or delivering a deed in lieu of such foreclosure; or

(v) any Permitted Mortgagee or its nominee, who has acquired title to any Residential Unit at any foreclosure sale of its Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction;

(vi) any Commercial Unit Owner;

(C) provided, however, that each succeeding Residential Unit Owner shall be bound by, and the Residential Unit shall be subject to, all of the terms and conditions of this Article 7.

(D) The terms and conditions contained in Section 7.2, 7.3, 7.4 and 7.7 hereof shall not apply with respect to any sale, lease or conveyance of a Commercial Unit, together with its Appurtenant Interests.

Section 7.6 *No Severance of Ownership.* No Unit Owner shall execute any deed or other instrument conveying title to the Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, conveyed, or otherwise disposed of, except as part of a sale, conveyance, or other disposition of the Unit to which such interests are appurtenant or as part of a sale, conveyance, or other disposition of such part of the Appurtenant Interests of all Units. Nothing contained in this Section 7.6, however, shall prohibit the lease of any Unit without the simultaneous lease of its Appurtenant Interests.

Section 7.7 *Payment of Common Charges and Fees.* No Unit Owner shall be permitted to convey or lease the Unit unless the Unit Owner shall have (i) paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Unit and (ii) paid in full all fees charged by the Condominium Board and/or the Managing Agent in connection with the sale or rental of Residential Units, including, without limitation, any working capital fund contribution imposed by the Condominium Board. However, where the payment of such unpaid Common Charges and/or Special Assessments is made by the grantee or provided for out of the proceeds of the sale of a Unit, a sale may take place notwithstanding the foregoing. Notwithstanding the foregoing, the imposition of any fees by the Condominium Board and/or the Managing Agent in connection with the sale or rental of Residential Units shall not apply to the sale lease, sublease, license or conveyance of a Residential Unit by the reasons set forth in subsections 7.5(B) (ii), (iii), (iv), (v) and (vi) of this Article 7.

Section 7.8 *Power of Attorney.* At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and deliver to the representative of the title insurance company (or, if no such representative is present, to the Condominium Board) for recording in the

Register's Office (at such Unit Owner's sole cost and expense), the Unit Owner's Power of Attorney required in Article 14 of the Declaration, substantially in the form set forth as Exhibit E to the Declaration.

Section 7.9 *Gifts and Devises, Etc.*. Any Unit Owner shall be free to convey or transfer the Unit, together with its Appurtenant Interests, by gift, or to devise the same by will or to have the same pass by intestacy, without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and the Unit shall be subject to, the provisions of this Article 7.

Section 7.10 *Commencement of Time.* The period of time set forth in Section 7.2 for which the Condominium Board has to waive its right of first refusal shall not commence until such time as the Condominium Board or its managing agent has received a completed sales or lease package, including all fees set forth therein, as the case may be, from a Residential Unit Owner. If the information provided by the Unit Owner or prospective purchaser or tenant, as the case may be, is incomplete, the Condominium Board shall have the right to request additional information and the 30 day period will commence on receipt by the Condominium Board of the additional information.

Section 7.11 *Costs and Expenses.* All costs and expenses incurred by the Condominium Board, including, without limitation, attorneys' fees, costs and disbursements paid or incurred by the Condominium Board or by its Managing Agent in connection with any action taken by the Condominium Board with regard a violation of this Article 7, shall be borne by the defaulting Unit Owner as an Additional Common Charge.

Section 7.12 *Sale or Lease of Commercial Units.*

(A) The Commercial Unit Owners may sell, lease or convey their respective Units without the consent of the Condominium Board, the Managing Agent, the other Unit Owners or any other Person.

(B) Any proper officer conducting the sale of a Commercial 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 any Permitted Mortgagee or its nominee, who has acquired title to any Unit at any foreclosure sale of its Permitted Mortgage or by deed in lieu thereof in a bona fide transaction shall have the same rights as the Commercial Unit Owners to sell or lease such Unit as provided in paragraph (A) above.

(C) Upon the written request of a Commercial Unit Owner, the Condominium Board shall deliver to such Commercial Unit Owner or any designee, a statement ("Estoppel Certificate") indicating that such Commercial Unit Owner is current in its payment of all amounts due under the Declaration and the By-Laws, that no written notice of default has been sent to such requesting party and to the knowledge of the Condominium Board, no such default exists. Any such statement may be relied upon by any mortgagee or purchaser of the Commercial Unit. In addition, upon the written request of a Commercial Unit Owner accompanied by such documentation as is reasonably sufficient to allow the Condominium Board to proceed as hereinafter described, the Condominium Board will enter into a non-disturbance and attornment agreement ("Non-Disturbance Agreement") in a form reasonably satisfactory to such requesting Unit Owner with any tenant ("Tenant") of the Commercial Unit Owner which provides that: (i) the Tenant shall be entitled to continued undisturbed possession of such Unit or portion thereof leased by such Tenant, (ii) the Tenant's rights and privileges under the lease for such Unit or portion thereof ("Lease") shall not be diminished or interfered with by the Condominium Board for any reason whatsoever during the term of the Lease or any extensions or renewals thereof, and (iii) except as provided in the last paragraph of this paragraph (C), the Condominium Board will not join the Tenant as a party defendant in any action or proceeding to foreclose upon the Unit or to enforce any rights or remedies of the Condominium Board under the Declaration and the By-Laws which would cut-off, destroy, terminate or extinguish the Lease, provided that (a) the Tenant is not in default (beyond any applicable grace periods) in the payment of rent or additional rent or in the

performance or observance of any of the other terms, covenants, provisions or conditions of the Lease, (b) the Tenant is not in default of any of the provisions of the Declaration and By-Laws, both at the time of the request and at the time of execution of the Non-Disturbance Agreement, (c) the Lease is in full force and effect, (d) the Tenant attorns to the Condominium Board and pays to the Condominium Board, all rentals and other monies due and to become due to the Commercial Unit Owner, under the terms of the Lease but only to the extent of a percentage of the unpaid Common Charges due from the Commercial Unit Owner, equal to the percentage of the total square footage of the Commercial Unit leased by such Tenant, it being understood that without affecting the Tenant's rights and protection afforded by the Non-Disturbance Agreement, the Tenant shall not be required to pay any rentals or other monies otherwise due or to become due to the Commercial Unit Owner to the Condominium Board if such payment is prohibited by the terms of any non-disturbance agreement granted to such Tenant by the mortgagee of any such Commercial Unit holding a first mortgage on such Commercial Unit. The Non-Disturbance Agreement shall be executed by the Tenant and the Condominium Board and prepared by the Condominium Board at the expense of the Unit Owner requesting the Non-Disturbance Agreement, which expense shall be limited to reasonable actual out-of-pocket expenses incurred by the Condominium Board, including attorneys' fees, costs and disbursements.

Notwithstanding the foregoing, if it would be procedurally disadvantageous for the Condominium Board not to name or join the Tenant in a foreclosure proceeding with respect to the Commercial Unit, the Condominium Board may name or join the Tenant without in any way diminishing or otherwise affecting the rights and privileges granted to, or inuring to the benefit of, the Tenant under this Article.

Section 7.13 *Assignment of Storage Locker Licenses.*

(A) Except for Sponsor, no Residential Unit Owner shall be permitted to assign, convey or lease any Storage Locker to anyone other than a Residential Unit Owner or its Permitted User. A Storage Locker License may be assigned by a Residential Unit Owner at any time (and not subject to any right of first refusal by the Condominium Board) provided (i) the assignee is another Residential Unit Owner at the Condominium; (ii) the assignee assumes the obligations under the Storage Locker License; (iii) notification of the assignment is promptly delivered to the Condominium Board in compliance with its requirements; and (iv) all unpaid Common Charges and Special Assessments and other obligations due to the Condominium have been paid in full.

(B) If the Condominium Board terminates a Storage Locker License or a Residential Unit Owner surrenders a Storage Locker License without assigning the Storage Locker License to another Residential Unit Owner, the Condominium Board shall have the right to issue a new Storage Locker License for the Storage Locker to another Residential Unit Owner, in its sole discretion and the surrendering Unit Owner shall not be entitled to any compensation.

Section 7.14 *Working Capital Fund.* At the time of acquiring title to a Residential Unit and as a condition thereof, the new Residential Unit Owner shall be required to make a contribution to the Working Capital Fund of the Condominium in an amount equal to 2 months' Common Charges assessed against the Residential Unit. This provision shall not apply to purchases of Residential Units by Sponsor. In addition, except for Sponsor, Residential Unit Owners of Residential Units occupied by Non-Purchasing Tenants (as such term is defined in General Business Law Section 352-eeee) shall be required to deposit with Managing Agent at the closing of such Residential Unit Owner's acquisition of the Residential Unit, a sum not less than the greater of 2 months' rent under such Non-Purchasing Tenant's lease or occupancy agreement and 2 months' Common Charges, to be used as working capital to furnish such services and facilities to the tenant of the Residential Unit as may be required by Law until such time as such tenant's right to occupy terminates. Upon written notice from the Managing Agent or the Condominium Board that such deposit has been diminished, the Residential Unit Owner shall replenish the fund within 30 days thereafter. Such Residential Unit Owner shall irrevocably appoint the Managing Agent as the Residential Unit Owner's

agent, coupled with an interest to provide such services and facilities to the tenant at the Residential Unit owner's expense.

ARTICLE 8

MORTGAGING OF UNITS

Section 8.1 *General.* Each Unit Owner shall have the right to mortgage the Unit, subject only to the terms and conditions contained in Section 8.2 hereof. Any Unit Owner who mortgages the Unit, or the holder of such mortgage, shall supply the Condominium Board with the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Condominium Board. Any Unit Owner who satisfies a mortgage covering the Unit shall so notify the Condominium Board and shall file a conformed copy of the satisfaction of mortgage with the Condominium Board. The Secretary of the Condominium shall maintain such information in a book entitled "Mortgages of Units." The terms and conditions contained in this Section 8.1, however, shall not apply to Sponsor or the Commercial Unit Owners.

Section 8.2 *Restrictions on Mortgaging*

(A) No Unit Owner shall be permitted to mortgage, pledge, or hypothecate the Unit unless and until such Unit Owner shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, except the liens of Permitted Mortgages levied against such Unit.

(B) No Unit Owner shall execute any mortgage or other document mortgaging, pledging, or hypothecating title to the Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein.

(C) Any mortgage covering a Unit shall be substantially in the form used by any Institutional Lender.

(D) Any mortgage covering a Unit shall be held by an Institutional Lender, Sponsor, or by a Unit Owner providing purchase money financing in connection with the sale of the Unit.

Section 8.3 *Notice of Unpaid Common Charges and Default.* The Condominium Board shall promptly report to Permitted Mortgagee any default by the Permitted Mortgagee's mortgagor in the payment of Common Charges or Special Assessments for more than 60 days or whenever requested in writing by a Permitted Mortgagee any default by the Permitted Mortgagee's mortgagor in the observance or performance of any of the provisions of the Condominium Documents as to which the Condominium Board has knowledge then exists. The Condominium Board shall, when giving notice to a Unit Owner of any such default, also send a copy of such notice to the Permitted Mortgagee, if so requested. However, the Condominium Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of any default by the mortgagor under the Condominium Documents, provided that (i) the Condominium Board shall advise such Permitted Mortgagee of the default promptly after discovering such failure and (ii) if the Condominium Board shall foreclose a lien on such mortgagor's Unit pursuant to the terms of Section 6.5 hereof by reason of such default, the Condominium Board shall pay to such Permitted Mortgagee any net proceeds of any foreclosure sale of such Unit (after retaining all sums due and owing to the Condominium Board pursuant to the Condominium Documents) or such lesser sum as shall be due and owing to such Permitted Mortgagee.

Section 8.4 *Performance by Permitted Mortgagees.* Any sum of money to be paid or any act to be performed by a Unit Owner pursuant to the terms of the Condominium Documents may be paid or performed by such Unit Owner's Permitted Mortgagee, and the Condominium Board shall accept such Permitted Mortgagee's payment or performance with the same force and effect as if the same were paid or performed by such Unit Owner.

Section 8.5 *Examination of Books.* Each Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 8.6 *Consent of Mortgagees; Designation of Mortgage Representatives.*

(A) Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Condominium Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against a Unit Owner's mortgage. In the event that any such consent or approval shall be expressly required pursuant to the terms of the Declaration or these By-Laws, the decision of a majority of the Mortgage Representatives, if any are designated pursuant to the terms of paragraph (B) of this Section 8.6, shall be deemed binding upon the holders of all mortgages encumbering Units.

(B) The holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages may, if they so elect, designate not more than 3 Mortgage Representatives by giving written notice thereof to the Condominium Board, which Mortgage Representatives shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgagees under the Declaration or these By-Laws. Any designation of a Mortgage Representative pursuant to the terms of this paragraph (B) shall be effective until any successor Mortgage Representative is designated pursuant to the terms hereof and written notice thereof is given to the Condominium Board. Unless otherwise required by Law, no holders of mortgages (which are not Institutional Mortgages) shall be entitled to participate in the designation of Mortgage Representatives, but all holders of mortgages encumbering Units shall be subject to all determinations made by the Mortgage Representatives pursuant to the terms of the Declaration or these By-Laws.

Section 8.7 *Notice to Permitted Mortgagees* .

(A) Whenever requested by a Permitted Mortgagee, the Condominium Board shall provide timely written notice to such Permitted Mortgagee of (i) any condemnation or casualty loss that affects either (x) a material portion of the Condominium or (y) a material portion of a Unit, (ii) a lapse, cancellation or material modification of any insurance policy maintained by the Condominium, and (iii) any proposed action by the Condominium Board that requires the consent of a specified percentage of Permitted Mortgagees or the approval of the majority of the Mortgage Representatives.

(B) In no event, however, shall the Condominium Board (including its members, officers, agents, attorneys and employees) and Unit Owners be liable for any claims or liabilities and expenses for any failure, through oversight or negligence, in giving a Permitted Mortgagee any notice required under (A) above. Nonetheless, the Condominium Board shall give such missed notice with reasonable promptness after discovering such failure.

(C) Where the consent of the Permitted Mortgagees or Mortgage Representatives is required pursuant to the terms of the Declaration or By-Laws, if the Permitted Mortgagees or Mortgage Representatives fail to respond within 60 days after written receipt of the required consent, delivered by either certified or registered mail, "return receipt" requested, the implied approval of such Permitted Mortgagees or Mortgage Representative shall be assumed.

ARTICLE 9

CERTAIN REMEDIES

Section 9.1 *Self Help.* If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on Unit Owner's part to be observed or performed, including, without limitation, any breach of Unit Owner's obligation to paint, decorate, maintain, repair, or replace the Unit or its appurtenant Residential Limited Common Elements, if any, pursuant to the terms of Article 5 hereof, and shall fail to cure such violation or breach within 5 days after receipt of written notice of the same from the Condominium Board, the Managing Agent, or any manager (or, with respect to any violation or breach of the same not reasonably susceptible to cure within such period, to commence such cure within such 5 day period and, thereafter, to prosecute such cure with due diligence to completion), the Condominium Board shall have the right to enter such Unit Owner's Unit and/or its appurtenant Residential Limited Common Elements, if any, and summarily to abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. In addition, in the event that the Condominium Board shall determine that the abatement, removal, or cure of any such violation or breach is immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals or is required to avoid the suspension of any necessary service in the Building, the Condominium Board may take such action immediately, without prior notice and without allowing the said Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

Section 9.2 *Abatement and Enjoinment.*

(A) In the event that any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on Unit Owner's part to be observed or performed, the Condominium Board shall have the right (i) to enter any Unit or Common Elements in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Condominium Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity, provided that the Condominium Board gives the Unit Owner notice (which may be by telephone or in writing) that such violation exists, that repairs or replacements are necessary and that the Condominium Board will complete such repairs or replacements in the event the Unit Owner does not promptly act or complete the repairs or replacements, and/or (iii) to levy such fines and penalties as the Condominium Board may deem appropriate, and the Condominium Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

(B) The violation or breach of any of the terms of the Condominium Documents with respect to any rights, easements, privileges, or licenses granted to Sponsor or the Commercial Unit Owners shall give to Sponsor or the Commercial Unit Owners the right to enjoin, abate, or remedy the continuation or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity.

Section 9.3 *Remedies Cumulative.* The remedies specifically granted to the Condominium Board or to Sponsor or the Commercial Unit Owners in this Article 9 or elsewhere in the Condominium Documents shall be cumulative, shall be in addition to all other remedies obtainable at law or in equity and may be exercised at one time or at different times, concurrently or in any order, in the sole discretion of the Condominium Board or Sponsor or the Commercial Unit Owners, as the case may be. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

Section 9.4 *Costs and Expenses.* All sums of money expended, and all costs and expenses incurred, by (i) the Condominium Board in connection with the abatement, enjoinment, removal, or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of Section 9.1 or

paragraph (A) of Section 9.2 hereof or (ii) Sponsor or the Commercial Unit Owners in connection with any abatement, enjoinment, or remedy of any violation or breach of the Condominium Documents pursuant to the terms of paragraph (B) of Section 9.2 hereof, shall be immediately payable by (a) in the event set forth in subparagraph (i) hereof, such Unit Owner to the Condominium Board or (b) in the event set forth in subparagraph (ii) hereof, the offending party (i.e., the Condominium Board or the Unit Owner) to Sponsor or the Commercial Unit Owners, as the case may be, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of 2% per month (but in no event in excess of the maximum rate chargeable to such Unit Owner pursuant to Law). All sums payable by a Unit Owner to the Condominium Board pursuant to the terms of this Section 9.3 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

ARTICLE 10

ARBITRATION

Section 10.1 *Procedure.* Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in The City of New York in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in The City of New York before 1 arbitrator appointed, upon the application of any party, by any Justice of the highest court of appellate jurisdiction then located in the City of New York. The decision of the arbitrator so chosen shall be given within 10 days after such arbitrator's selection or appointment. Any arbitrator appointed or selected in connection with any arbitration to be conducted hereunder shall be a member of a law firm having at least 5 members whose principal office is located in the City of New York.

Section 10.2 *Variation by Agreement.* The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of Section 10.1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes."

Section 10.3 *Binding Effect.* The decision in any arbitration conducted pursuant to the terms of Section 10.1 and 10.2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

Section 10.4 *Costs and Expenses.*

(A) The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of disputant's counsel and expert witnesses.

(B) All costs and expenses paid or incurred by the Condominium Board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, shall constitute General Common Expenses, to be borne by all Unit Owners, if such arbitration relates to the Units, generally, or to the General Common Elements, and shall constitute Residential Common Expenses, to be borne by all Residential Unit Owners if such arbitration relates solely to the Residential Units or the Residential Common Elements or the Residential Limited Common Elements.

ARTICLE 11

NOTICES

Section 11.1 *General.* All notices required or desired to be given hereunder (except for notices of regular annual or special meetings of the Residential Unit Owners and except all meetings of the Condominium Board) shall be sent by registered or certified mail, return receipt requested, postage prepaid addressed:

(i) if to the Condominium Board, to the Condominium Board at its principal office as set forth in Section 1.5 hereof, with a copy sent by regular first class mail to the Managing Agent (if any) at its principal office address as aforesaid;

(ii) if to a Unit Owner other than Sponsor, to such Unit Owner at Unit Owner's address at the Property;

(iii) if to Sponsor, to Sponsor at its principal office as set forth in the Plan;

(iv) if to a Permitted Mortgagee, to such Permitted Mortgagee at its latest address designated in writing to the Condominium Board.

Any of the foregoing parties may change the address to which notices are to be sent, or may designate additional addresses for the giving of notice, by sending written notice to the other parties as aforesaid. All notices sent pursuant to the terms of this Section 11.1 shall be deemed given when mailed in the State of New York, provided, however, that notices of change of address, notices designating additional addresses and notices deposited in a United States Postal Service depository located outside of the State of New York shall be deemed to have been given when received.

Section 11.2 *Waiver of Service of Notice.* Whenever any notice is required to be given by Law or pursuant to the terms of the Condominium Documents, a waiver thereof in writing, signed by the Persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 12

AMENDMENTS TO BY-LAWS

Section 12.1 *General.*

(A) Subject to the terms of paragraph (B) hereof and subject, further, to any provisions contained in the Declaration or these By-Laws with respect to any amendments ("Special Amendments") affecting or in favor of Sponsor, the Commercial Unit Owners, the Commercial Units and/or any Permitted Mortgagee, any provision of these By-Laws affecting the (i) General Common Elements or all Units may be added to, amended, modified or deleted by the affirmative vote of at least 66 2/3% in number and Common Interest of all Unit Owners; and (ii) Residential Common Elements or all Residential Units may be added to, amended, modified or deleted by affirmative vote of at least 66 2/3% in number and Residential Common Interest of all Residential Unit Owners, either taken at a duly constituted meeting thereof or given in writing without a meeting as provided in Section 4.10 hereof. Each duly adopted amendment, modification, addition, or deletion hereof or hereto shall be effectuated in an instrument executed and recorded in the Register's Office by or on behalf of the Condominium Board as attorney-in-fact of all Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Secretary's Certification, certifying that the requisite number and percentage (where applicable) of Residential Unit Owners approved the amendment, modification, addition,

or deletion set forth therein either at a duly constituted meeting of Residential Unit Owners or in writing without a meeting pursuant to the terms of Section 4.10 hereof, in which Secretary's Certification there shall be described the number and percentage (where applicable) of Residential Unit Owners approving the same and, if voted at a meeting, the date, time and place of such meeting. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) Notwithstanding anything to the contrary contained in paragraph (A) hereof, but still subject to any provision contained in the Declaration or these By-Laws with respect to Special Amendments:

(i) the Common Interest and Residential Common Interest, if any, appurtenant to any Unit, as set forth in the Declaration, shall not be altered without the consent of the Unit Owner thereof, except as otherwise provided in paragraph (F) of Section 5.5 hereof; and

(ii) the terms of Section 5.7 hereof may not be amended, modified, added to, or deleted unless not less than 80% in number and aggregate Common Interest of all Unit Owners affected thereby shall approve such amendment, modification, addition or deletion in writing.

Section 12.2 *Special Amendments.*

(A) Any amendment, modification, addition, or deletion of or to any of the provisions of these By-Laws that, pursuant to the terms of the Declaration or these By-Laws, may be effected by Sponsor or the Commercial Unit Owners, without the consent of the Condominium Board or the Unit Owners, shall be embodied in an instrument executed and recorded in the Register's Office by Sponsor or the Commercial Unit Owners, as the case may be, as attorney-in-fact of both the Condominium Board and all Unit Owners, which power-of-attorney shall be deemed to be irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Certification by Sponsor or the Commercial Unit Owners certifying that the amendment, modification, addition, or deletion set forth therein was effectuated by Sponsor or the Commercial Unit Owners pursuant to the terms of the Declaration and/or these By-Laws, in which Certification there shall be set forth the Article and/or Section of the Declaration or these By-Laws pursuant to which the same was effectuated. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition, or deletion of or to these By-Laws shall be effective in any respect against Sponsor or the Commercial Unit Owners, unless and until Sponsor or the Commercial Unit Owners shall consent to the same in writing.

(C) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition, or deletion of or to Section 5.4 or 5.5, paragraph (B) or paragraph (C) of Section 6.2, subparagraph (iv) or (v) of paragraph (B) of Section 7.5 or Article 8 hereof shall be effective with respect to the holder of any Permitted Mortgage theretofore made unless and until such Permitted Mortgagee shall have given its written consent thereto. In addition, no amendment to the Condominium Documents which would materially and adversely affect the holder of any Permitted Mortgage shall be effective without the prior written consent of 51% of the Permitted Mortgagees or a majority of the Mortgage Representatives, if any. If the Permitted Mortgagees or Mortgage Representatives fail to respond within 60 days after written receipt of the proposed amendment, delivered by either certified or registered mail, "return receipt" requested, the implied approval of such Permitted Mortgagees or Mortgage Representative shall be assumed.

(D) Amendments, modifications, additions or deletions of or to the Declaration, these By-Laws and the Residential Rules and Regulations may be necessary, appropriate or desirable in connection with the operation of a Commercial Unit or the subdivision of or combination of, or altering of, or improvement to a Commercial Unit and it is contemplated that in connection therewith a Commercial Unit

Owner will cause the Declaration, these By-Laws and the Residential Rules and Regulations to be so amended, modified, added to or deleted from and that the resulting provisions thereof may be similar or dissimilar to those affecting the Residential Units and the Residential Unit Owners. In the case of any such amendment, modification, addition or deletion which does not materially and adversely affect the Residential Units or the Residential Unit Owners, a Commercial Unit Owner shall be the attorney-in-fact for the Residential Unit Owners (including Sponsor so long as Sponsor owns any Unsold Residential Units), coupled with an interest, for the purpose of approving, executing and recording any instrument effecting such amendment, modification, addition or deletion.

ARTICLE 13

FURTHER ASSURANCES

Section 13.1 *General.* Any Person that is subject to the terms of these By-Laws, whether such Person is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a Member of the Condominium Board, an officer of the Condominium, or otherwise, shall, at the expense of any other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request in order either to effectuate the provisions of these By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

Section 13.2 *Failure to Deliver or Act.*

(A) If any Unit Owner or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days (or 60 days, with respect to a Permitted Mortgagee) after request therefor, to take any action that such Unit Owner or Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, then the Condominium Board is hereby authorized, as attorney-in-fact for such Unit Owner or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person.

(B) If any Unit Owner, the Condominium Board or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days (or 60 days, with respect to a Permitted Mortgagee) after request therefor, to execute, acknowledge or deliver any instrument which such Unit Owner, Condominium Board or other Person is required to execute, acknowledge or deliver pursuant to these By-Laws at the request of Sponsor or any Commercial Unit Owner, as the case may be, then Sponsor, or the Commercial Unit Owner, as the case may be, is hereby authorized, as attorney-in-fact for the Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, in the name of the Unit Owner, Condominium Board or other Person, and such instrument shall be binding on the Unit Owner, Condominium Board or other Person. The Condominium Board shall not unreasonably withhold or delay its consent or approval with respect to any matter contained in these By-Laws which requires the consent or approval of the Condominium Board.

ARTICLE 14

MISCELLANEOUS

Section 14.1 *Inspection of Documents.* Copies of the Declaration, these By-Laws, the Residential Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners

and their authorized agents during reasonable business hours. Each Unit Owner shall be permitted to examine the books of account of the Condominium during reasonable business hours, but not more frequently than once a month.

Section 14.2 *Waiver.* No provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches that may occur.

Section 14.3 *Conflict.* In the event that any provision of these By-Laws or of the Residential Rules and Regulations shall be construed to be inconsistent with any provision of the Declaration or of the Condominium Act, the provision contained in the Declaration or in the Condominium Act shall control.

Section 14.4 *Severability.* If any provision of these By-Laws is invalid or unenforceable as against any Person or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise provided herein, be valid and enforced to the fullest extent provided by Law.

Section 14.5 *Successors and Assigns.* The rights and/or obligations of Sponsor as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignee of Sponsor. The rights and/or obligations of the Commercial Unit Owners as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignee of the Commercial Unit Owners.

Section 14.6 *Gender.* A reference in these By-Laws to any one gender, masculine or feminine, includes the other one, and the singular includes the plural, and vice-versa, unless the context otherwise requires.

Section 14.7 *Captions.* The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of these By-Laws or the intent of any provision hereof.

ARTICLE 15

TAX STATUS AS A HOMEOWNERS ASSOCIATION

Section 15.1 *General.* The Condominium Board intends to act in a manner consistent with enabling the Condominium to be eligible to elect to be treated as a "homeowners association" under Section 528 of the Internal Revenue Code of 1986, as amended.

Section 15.2 *Organization.* The Condominium is and will be organized and operated to provide for the acquisition, construction, management, maintenance and care of the Property.

Section 15.3 *Inurement.* No part of the Condominium's net earnings shall inure, and the Condominium Board will act in a manner such that no part of such earnings will inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or providing management, maintenance, and care of the Property, and other than by rebate of excess membership dues, fees, or assessments).

Section 15.4 *Residential Use.* Substantially all of the Units are and will be used by individuals for residences.

* * * * *

ADDENDUM TO THE BY-LAWS

RESIDENTIAL RULES AND REGULATIONS

1. The sidewalks, entrance passages, public halls, elevators, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Residential Units.

2. No bicycles, rollerblades, scooters, skateboards or similar vehicle shall be taken into or from the Building through the main entrance or shall be allowed in any of the elevators of the Building other than the elevator designated by the Condominium Board or the Managing Agent for such purpose or ridden in the Building or the courtyard. No baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the public halls, passageways, or other public areas of the Building.

3. All service and delivery persons will be required to use the service entrances or such other entrances of the Building designated by the Condominium Board or the Managing Agent. In addition, all domestic employees, messengers and tradespeople visiting the Building shall use the elevator designated by the Condominium Board or the Managing Agent for the purposes of ingress and egress, and shall not use any of the other elevators for any purpose, provided, however, that care-givers in the employ of Residential Unit Owners or their Family Members, guests, tenants, subtenants, licensees, or invitees may use any of the other elevators when accompanying said Unit Owners, Family Members, guests, subtenants, licensees, or invitees.

4. Trunks and heavy baggage shall be taken in or out of the Building only by the elevator designated by the Condominium Board or the Managing Agent for the purpose and only through the service entrances.

5. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the halls or on any of the staircases or fire tower landings of the Building, nor shall any fire exit thereof be obstructed in any manner.

6. No Residential Unit may be used for the storage of any flammable materials or any other materials the storage of which may constitute a building code violation or which will increase the insurance requirements for the Building.

7. No refuse from the Residential Units shall be sent to the service area of the Building, except at such times and in such manner as the Condominium Board or the Managing Agent may direct. Nothing shall be hung or shaken from any doors, windows, Terrace or placed upon the window sills, of the Building, and no Residential Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom.

8. There shall be no playing or lounging in the entrances, passages, public halls, elevators, vestibules, corridors, stairways, or fire towers of the Building.

9. The Condominium Board or the Managing Agent may, from time to time, curtail or relocate any portion of the Common Elements devoted to storage or service purposes in the Building.

10. Nothing shall be done or kept in any Residential Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof. No Residential Unit Owner shall permit anything to be done or kept in the Residential Unit or in the Common Elements that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. No Residential Unit Owner or any Family Members, agents, servants, employees, licensees, or visitors shall, at any time, bring into or keep in the Residential Unit any inflammable,

combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of the Residential Unit.

11. There shall be no barbecuing in the Residential Units, in their appurtenant Residential Limited Common Elements, if any, or in the Common Elements.

12. No Residential Unit Owner shall make, cause, or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from the Residential Unit or its appurtenant Residential Limited Common Elements, if any, or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of the other Residential Unit Owners. No Residential Unit Owner shall play upon or suffer to be played upon any musical instrument, or shall operate or permit to be operated a phonograph, radio, television set, or other loudspeaker in such Unit Owner's Unit or its appurtenant Residential Limited Common Elements, if any, between 11:00 P.M. and the following 9:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall any Residential Unit Owner practice of suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M. No construction, repair work, or other installation involving noise shall be conducted in any Residential Unit except on weekdays (not including legal holidays) and only between the hours of 9:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency.

13. No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition) may be kept in a Residential Unit without the consent of the Condominium Board. The prohibition set forth in the preceding sentence shall not apply to a Residential Unit Owner who can establish that he or she was housing a Pet in the Unit Owner's Residential Unit prior to purchasing such Residential Unit ("Grandfathered Pet"). However, upon the removal or death of a Grandfathered Pet, a Residential Unit Owner shall be required to seek permission to house any replacement Pet. Each Residential Unit Owner who keeps any type of pet will be required to: (a) indemnify and hold harmless the Condominium, the Condominium Board, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all Residential Rules and Regulations adopted by the Condominium Board with respect thereto, including without limitation, the number of such pets. Notwithstanding the foregoing, the Condominium Board shall have the right to adopt a no-pet policy for the Building or policies with respect to size or number of pets per Unit. In no event shall any pet be permitted in any public elevator of the Building, other than the elevator designated by the Condominium Board or the Managing Agent for that purpose, or in any of the public portions of the Building, unless carried or on leash. No pigeons or other birds or animals shall be fed from the window sills, or other public portions of the Building, or on the sidewalk or street adjacent to the Building.

14. No group tour, open house or exhibition of any Residential Unit or its contents shall be conducted, nor shall any auction sale be held in any Residential Unit, without the consent of the Condominium Board or the Managing Agent in each instance. In the event that any Residential Unit shall be used for home occupation purposes in conformance with the Declaration and the By-Laws, no patients, clients, or other invitees shall be permitted to wait in any lobby, public hallway, or vestibule.

15. Unless expressly authorized by the Condominium Board in each instance, not less than 80% of the total floor area of each room of each Residential Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting, or equally effective noise reducing material.

16. No window decorations shall be used in or about any Residential Unit, except such as shall have been approved in writing by the Condominium Board or the Managing Agent, which approval

shall not be unreasonably withheld, conditioned, or delayed. In no event, however, shall any windows of any Residential Unit be colored or painted.

17. Any installations, replacements, and/or repairs in connection with legally-compliant window guards and/or window stops in any Residential Unit shall be performed at the direction of the Managing Agent and all costs associated therewith shall be charged to and borne solely by the Residential Unit Owner. It is the responsibility of each Residential Unit Owner to (i) notify the Managing Agent in writing if any child under the age of eleven (11) years resides (even temporarily) in the Residential Unit, (ii) to make the necessary arrangements with respect to the installation, repair, replacement, operation, and/or maintenance of legally-compliant window guards and/or window stops in the Residential Unit and/or any additional equipment as required by Law, and (iii) to otherwise ensure that all operable windows located in the Residential Unit comply with Law.

18. No ventilator or air conditioning device shall be installed in any Residential Unit or its appurtenant Residential Limited Common Elements, if any, without the prior approval of the Condominium Board, which approval may be granted or refused in the sole discretion of the Condominium Board.

19. No radio or television aerial shall be attached to or hung from the exterior of the Building, and no sign, notice, advertisement, or illumination (including, without limitation, "For Sale," "For Lease," or "For Rent" signs) shall be inscribed or exposed on or at any window or other part of the Building, except such as are permitted pursuant to the terms of Declaration and/or the By-Laws or shall have been approved in writing by the Condominium Board or the Managing Agent. Nothing shall be projected from any window of a Residential Unit without similar approval.

20. 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.

21. Water-closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit shall be repaired and paid for by the owner of the Residential Unit.

22. Each Residential Unit Owner shall keep the Residential Unit and its appurtenant Residential Limited Common Elements, if any, in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

23. The agents of the Condominium Board or the Managing Agent, and any contractor or workperson authorized by the Condominium Board or the Managing Agent, may enter any room or Unit at any reasonable hour of the day, on at least 1 day's prior notice to the Residential Unit Owner, for the purpose of inspecting such Residential Unit for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Residential Unit for its permitted purposes.

24. The Condominium Board or the Managing Agent may retain a pass-key to each Residential Unit. If any lock is altered or a new lock is installed, the Condominium Board or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Residential Unit Owner is not personally present to open and permit an entry to the Residential Unit at any time when an entry therein is necessary or permissible under these Residential Rules and Regulations

or under the By-Laws, and has not furnished a key to the Condominium Board or the Managing Agent, then the Condominium Board or Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Condominium or an officer of the Managing Agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Residential Unit Owner's property).

25. If any key or keys are entrusted by a Unit Owner, by any Family Member thereof, or by an agent, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for the Residential Unit or an automobile, trunk, or other item of personal property, the acceptance of the key shall be at the sole risk of such Residential Unit Owner, and neither the Condominium Board nor the Managing Agent shall (except as provided in Rule 22 above) be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

26. Residential Unit Owners and their respective Family Members, guests, servants, employees, agents, visitors, or licensees shall not at any time or for any reason whatsoever, enter upon, or attempt to enter upon, the roof of the Building unless such roof is part of a lawful Terrace.

27. No occupant of the Building shall send any employee of the Condominium or of the Managing Agent out of the Building on any private business.

28. Any consent or approval given under these Residential Rules and Regulations may be amended, modified, added to, or repealed at any time by resolution of the Condominium Board. Further, any such consent or approval may, in the discretion of the Condominium Board or the Managing Agent, be conditional in nature.

29. No Residential Unit Owner shall install any plantings on any Terrace or roof without the prior approval of the Condominium Board. Plantings shall be placed in containers impervious to dampness and standing on supports at least two inches from the Terrace or roof surface, and if adjoining a wall, at least three inches from such wall. Suitable weep holes shall be provided in the containers to draw off water. In special locations, such as a corner abutting a parapet wall, plantings may be contained in containers which shall be at least three inches from the parapet and flashing, with the floor of drainage tiles and suitable weep holes at the sides to draw off water. Such masonry planting beds shall not, however, rest directly upon the surface of such Terrace or roof but shall stand on supports at least two inches above such surface. No planting shall be permanently affixed to a Terrace or roof surface but shall be able to be easily moved. It shall be the responsibility of the Residential Unit Owner to maintain the containers in good condition, and the drainage tiles and weep holes in operating condition. Such Residential Unit Owner shall pay the cost of any repairs rendered necessary by or damage caused by such plantings. The Condominium Board shall have an easement and a right of access to the Terrace appurtenant to the a Unit to inspect the same and to remove violations therefrom and to install, operate, maintain, repair, alter, build, restore, and replace any of the Common Elements located in, over, under through, adjacent to, or upon the same.

30. No Residential Unit Owner shall enclose, erect a greenhouse and/or alter the Terrace appurtenant to a Residential Unit in any way, without the prior approval of the Condominium Board.

31. No Residential Unit Owner may install or place speakers on a Terrace appurtenant to a Residential Unit.

32. Complaints regarding the service of the Condominium shall be made in writing to the Condominium Board and the Managing Agent.

33. When leaving the Residential Unit for extended periods of time, Residential Unit Owners and their respective Family Members, guests, domestic employees, agents, visitors, or licensees shall keep the Residential Unit at a maximum of 80 degrees Fahrenheit from May 15 to October 15 and shall keep the Residential Unit at a minimum of 60 degrees Fahrenheit from October 15 to May 15. Any damage resulting from a Residential Unit Owner's or their respective Family Member, guests, domestic employees, agents, visitors or licensees failure to abide by the provisions of this paragraph shall be borne solely by the owner of such Residential Unit causing the damage.

34. Residential Unit Owners and their respective Family Members, guests, domestic employees, employees, agents, visitors, or licensees shall abide by any additional rules and regulations adopted by the Condominium Board.

EXHIBIT E

TO THE DECLARATION

UNIT POWER OF ATTORNEY

UNIT POWER OF ATTORNEY

Terms used in this Unit Power of Attorney which are used (a) in the declaration ("Declaration") establishing a plan for condominium ownership of the premises known as 385 First Avenue Condominium ("Condominium") and by the street number 385 First Avenue, New York, New York 10010 under Article 9-B of the Real Property Law of the State of New York, dated [DECLARATION DATE], and recorded in the Office of the Register of The City of New York of the County of New York ("Register's Office") on [DEC RECORDING DATE], as CRFN# [DEC CRFN #] ("Declaration"), or (b) in the By-Laws of 385 First Avenue Condominium ("By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

[Applicable to Unit Owners of Residential Units only]: The undersigned, _____, (having an office) (residing at) _____, the owner of a Unit _____ ("Unit") in the Condominium which is designated and described as the Unit in the Declaration and also designated as Tax Lot _____ in Block 928 of the Borough of Manhattan on the Tax Map of the Division of Land Records of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as Members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, to:

(a) employ counsel for purposes of protesting the New York City real property tax assessments with the Tax Commission and commencing, pursuing, appealing, settling and/or terminating administration and tax certiorari proceedings on behalf of the Residential Unit Owners for the reduction of the assessed valuation of their Residential Units, such Residential Unit Owners agreeing not to protest said assessments and bring such tax certiorari proceedings at their own initiative and on their own behalf;

(b) acquire, lease or license any Residential Unit (including, but not limited to, the Resident Managers Unit), together with its Appurtenant Interests whose owner desires to sell, convey, transfer, assign, lease, sublease or surrender the same or acquire any Residential Unit, together with its Appurtenant Interests that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners;

(c) acquire, mortgage, lease, sublease, license, convey or otherwise deal with (but not to vote the Common Interest, appurtenant to) any Residential Unit so acquired or to sublease any Residential Unit so leased;

(d) acquire, mortgage, lease, sublease, license, convey or otherwise deal with the Resident Manager's Unit, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners; and

(e) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Property or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Property which the Condominium Board deems necessary or appropriate or (3) any protest and tax certiorari proceeding documentation affecting Residential Units.

The acts of a majority of such persons constituting the Condominium Board shall constitute the acts of said attorneys-in-fact.

[Applicable to Unit Owners of Residential Units and Commercial Units]: The undersigned, _____, (having an office) (residing at) _____, the owner of a Unit _____ ("Unit") in the Condominium which is designated and described as the Unit in the Declaration and also designated as Tax Lot _____ in Block 928 of the Borough of Manhattan on the Tax Map of the Division of Land Records of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint MF 385 First Ave LLC ("Sponsor") as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to:

(a) amend the Condominium Documents pursuant to the terms thereof, and to effectuate the rights of Sponsor under the Condominium Documents, including without limitation, when such amendment (1) shall be required to reflect any changes in Unsold Residential Units and/or the reapportionment of the Common Interests of the affected Unsold Residential Units resulting therefrom made by Sponsor in accordance with the Declaration, or (2) shall be required by (a) an Institutional Lender designated by Sponsor to make a mortgage loan secured by a mortgage on any Residential Unit, (b) any governmental agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by Sponsor to insure title to any Residential Unit; or (3) shall be required to correct any inconsistencies or scriveners' errors in the Declaration, the By-Laws and/or the Floor Plans; or (4) relinquish Sponsor's rights under the Condominium Documents, provided, however, that any amendment made pursuant to the terms of subdivision (1) or (2) of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material, physical modification to the Undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender covering the Undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment. The terms, covenants and conditions contained in, and the powers granted pursuant to, this paragraph shall remain in full force and effect until such time as (i) Sponsor shall cease to own any Unit in the Condominium; (ii) Sponsor has completed all of its obligations under the terms of the Offering Plan; and (iii) a Permanent Certificate of Occupancy has been issued for the Property; and

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ____ day of _____, ____.

_____

(ACKNOWLEDGEMENT)

UNIT OWNER'S SPECIMEN TITLE POLICY

ALTA Owner's Policy (6-17-06)

POLICY OF TITLE INSURANCE ISSUED BY

stewart
title insurance company

Any notice of claim and any other notice or statement in writing required to be given the Company under this Policy must be given to the Company at the address shown in Section 18 of the Conditions.

COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS, STEWART TITLE INSURANCE COMPANY, a New York corporation, (the "Company") insures, as of Date of Policy and, to the extent stated in Covered Risks 9 and 10, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
   (a) A defect in the Title caused by
      (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
      (ii) failure of any person or Entity to have authorized a transfer or conveyance;
      (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
      (iv) failure to perform those acts necessary to create a document by electronic means authorized by law
      (v) a document executed under a falsified, expired, or otherwise invalid power of attorney
      (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
      (vii) a defective judicial or administrative proceeding.
   (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
   (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
   (a) the occupancy, use, or enjoyment of the Land;
   (b) the character, dimensions, or location of any improvement erected on the Land;
   (c) the subdivision of land; or
   (d) environmental protection

   if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.

Countersigned by:

Authorized Signature

KENSINGTON VANGUARD NATIONAL LAND SVC NY
Company

New York, NY
City, State

STEWART TITLE INSURANCE COMPANY INCORPORATED 1987 NEW YORK

Julie Curlen
President

Denise Carraux
Corporate Secretary

Part 1 of Policy Serial No. O-8911-000644193

If you want information about coverage or need assistance to resolve complaints, please call our toll free number: 1-800-433-0014. If you make a claim under your policy, you must furnish written notice in accordance with Section 3 of the Conditions. Visit our World-Wide Web site at http://www.StewartNewYork.com

SCHEDULE A

Title Number 819676(S-NY-CC-JS) Policy Number O-8911-000644193

Policy Date _____, 2014 Policy Amount $_____.00

1. Name of Insured:
   TBD
2. The estate or interest in the land which is covered by this policy is:
   Fee Simple
3. Title to the estate or interest in the land is vested in:
   TBD
4. The land referred to in this policy is described as follows:
   SEE SCHEDULE A DESCRIPTION ATTACHED HERETO

Stewart Title Insurance Company
By: Kensington Vanguard National Land Services of NY

By: _____
Authorized Officer or Agent

Schedule A Description

Title Number: 819676(S-NY-CC-JS) Policy Number O-8911-000644193

The Condominium Unit (hereinafter called the "Unit"), in the building (hereinafter called the "Building"), known as _____ Condominium and by the Street Address 385 First Avenue, Borough of Manhattan, City, County and State of New York, said Unit being designated and described as Unit No. ____ in the certain Declaration dated _____, made pursuant to Article 9-B of the Real Property Law of the State of New York (hereinafter called the "Condominium Act"), establishing condominium ownership of the Building and the land (hereinafter called the "Land"), upon which the building is situate (which Land is more particularly described below and by this reference made a part hereof), which Declaration was recorded in the New York County Office of the Register of the City of New York (the "City Register's Office") on _____ as CRFN _____ (which Declaration, and any amendments thereto are hereinafter collectively called the "Declaration"). The Unit is also designated as Tax Lot ____ in Block 928 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Bureau of the City of New York and on the Floor Plans of the Building filed with the Real Property Assessment Bureau of the City of New York as Condominium Plan No. ____ and also filed in the City Register's Office on _____ as Map No. CRFN _____.

TOGETHER with an undivided ____% interest in the Common Elements (as such term is defined in the Declaration).

ALL that certain lot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the southerly side of East 23rd Street, with the westerly side of First Avenue;

RUNNING THENCE westerly along the southerly side of East 22nd Street, 100 feet;

THENCE southerly parallel with the westerly side of First Avenue, and part of the distance through a party wall, 98 feet 9 inches to the center line of the block;

THENCE easterly along said center line of the block and parallel with the southerly side of East 23rd Street, 100 feet to the westerly side of First Avenue;

THENCE northerly along the westerly side of First Avenue, 98 feet 9 inches to the point or place of BEGINNING.

Schedule B

Title Number: 819676(S-NY-CC-JS) Policy Number O-8911-000644193

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Terms and Conditions set forth in the Declaration of Condominium and By-Laws, dated _____ and recorded _____ as CRFN _____, but policy insures against damage occasioned by the premises not being a part of a condominium validly created pursuant to Article 9-B of the real property law as amended.
2. Party Wall Agreement recorded in Liber 1690 Page 114.
3. Easement recorded in Liber 2294 Page 1881.
4. Lot Line Window Declaration recorded in Liber 3358 Page 269.
5. The Real Estate taxes must be apportioned to the unit herein.
6. Policy will except all loss or damage arising from the imposition of any lien resulting from the restoration of real property taxes upon the premises or the rescission of tax abatements and/or exemptions.
7. Any state of facts which an accurate survey may show including possible encroachment upon the unit being insured by adjoining units and/or common elements and possible encroachments of the insured unit upon adjoining units and/or common elements. Policy, however, will insure that any encroachments by the insured unit may remain undisturbed.

STEWART TITLE INSURANCE COMPANY

STANDARD NEW YORK ENDORSEMENT

(OWNER'S POLICY)

1. The following is added as a Covered Risk:

   "11. Any statutory lien arising under Article 2 of the New York Lien Law for services, labor or materials furnished prior to the date hereof, and which has now gained or which may hereafter gain priority over the estate or interest of the insured as shown in Schedule A of this policy."

2. Exclusion Number 5 is deleted, and the following is substituted:

   5. Any lien on the Title for real estate taxes, assessments, water charges or sewer rents imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as Shown in Schedule A.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

DATED: _____, **2014**

STEWART TITLE INSURANCE COMPANY

By: _____
KENSINGTON VANGUARD NATIONAL LAND SERVICES OF NY

STEWART TITLE INSURANCE COMPANY

CONDOMINIUM ENDORSEMENT

- NEW YORK -

Attached to and made a part of Policy Number O-8911-000644193

The Company insures the insured against loss or damage sustained by reason of:

1. The failure of the unit identified in Schedule A and its common elements to be part of a condominium within the meaning of the condominium statutes of the State of New York.

2. The failure of the documents required by the condominium statutes to comply with the requirements of the statutes to the extent that such failure affects the title to the unit and its common elements.

3. Present violations of any restrictive covenants which restrict the use of the unit and its common elements and which are created by the condominium documents, except violations relating to environmental protection unless a notice of a violation thereof has been recorded or filed in the Public Records and is not excepted in Schedule B. The restrictive covenants do not contain any provisions which will cause a forfeiture or reversion of title.

4. The priority of any lien for charges and assessments at Date of Policy provided for in the condominium statutes and condominium documents over the lien of any insured first mortgage identified in Schedule A.

5. The failure of the unit and its common elements to be entitled by law to be assessed for real property taxes as a separate parcel.

6. Any obligation to remove any improvements which exist at Date of Policy because of any present encroachments or because of any future unintentional encroachments of the common elements upon any unit or of any unit upon the common elements or another unit.

7. The failure of title by reason of a right of first refusal to purchase the unit and its common elements which was exercised or could have been exercised at Date of Policy.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the amount of insurance.

DATED: _____, 2014

STEWART TITLE INSURANCE COMPANY

By: _____
KENSINGTON VANGUARD NATIONAL LAND SERVICES OF NY

STEWART TITLE INSURANCE COMPANY

WAIVER OF ARBITRATION ENDORSEMENT

OWNER'S POLICY

Attached to and made part of Policy Number O-8911-000644193

The policy is amended by deleting therefrom:

(D) If this endorsement is attached to an ALTA Loan Policy: Condition 13.

(E) If this endorsement is attached to an ALTA Owner's Policy: Condition 14.

(F) If this endorsement is attached to a TIRSA Owner's Extended Protection Policy: Condition 12.

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any other endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any other endorsements, nor does it extend the effective date of the Policy and any other endorsements, nor does it increase the face amount thereof.

DATED: _____, 2014

STEWART TITLE INSURANCE COMPANY

By: _____
KENSINGTON VANGUARD NATIONAL LAND SERVICES OF NY

COVERED RISKS (Continued)

9. Title being vested other than as stated in Schedule A or being defective
   (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
   (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
      (i) to be timely, or
      (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.
10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
      (i) the occupancy, use, or enjoyment of the Land;
      (ii) the character, dimensions, or location of any improvement erected on the Land;
      (iii) the subdivision of land; or
      (iv) environmental protection;

   or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
   (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. 2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
   (a) created, suffered, assumed, or agreed to by the Insured Claimant;
   (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
   (c) resulting in no loss or damage to the Insured Claimant;
   (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
   (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
   (a) a fraudulent conveyance or fraudulent transfer; or
   (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

CONDITIONS

1. DEFINITION OF TERMS

   The following terms when used in this policy mean:
   (a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Sections 10 and 11 of these Conditions.
   (b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.
   (c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.
   (d) "Insured": The Insured named in Schedule A.
      (i) The term "Insured" also includes
         (A) successors to the Title of the Insured by operation of law as distinguished from purchase, including heirs, devisees, survivors, personal representatives, or next of kin;
         (B) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;
         (C) successors to an Insured by its conversion to another kind of Entity;
         (D) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title
            (1) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,
            (2) if the grantee wholly owns the named Insured,
            (3) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity, or
            (4) if the grantee is a trustee or beneficiary of a trust created by a written instrument established by the Insured named in Schedule A for estate planning purposes.
      (ii) With regard to (A), (B), (C), and (D) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured.
   (e) "Insured Claimant": An Insured claiming loss or damage.
   (f) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.
   (g) "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.
   (h) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.
   (i) "Public Records": Records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.
   (j) "Title": The estate or interest described in Schedule A.
   (k) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.

CONDITIONS (Continued)

2. CONTINUATION OF INSURANCE
The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT
The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) of these Conditions, (ii) in case Knowledge shall come to an Insured hereunder of any claim of title or interest that is adverse to the Title, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

4. PROOF OF LOSS
In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

5. DEFENSE AND PROSECUTION OF ACTIONS
(a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs, or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.
(b) The Company shall have the right, in addition to the options contained in Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.
(c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal any adverse judgment or order.

6. DUTY OF INSURED CLAIMANT TO COOPERATE
(a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.
(b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection, and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect, and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY
In case of a claim under this policy, the Company shall have the following additional options:
(a) To Pay or Tender Payment of the Amount of Insurance. To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay. Upon the exercise by the Company of this option, all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in this subsection, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.
(b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.
(i) To pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or
(ii) To pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.
Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

CONDITIONS (Continued)

8. DETERMINATION AND EXTENT OF LIABILITY
This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.
(a) The extent of liability of the Company for loss or damage under this policy shall not exceed the lesser of
(i) the Amount of Insurance; or
(ii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.
(b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title, as insured,
(i) the Amount of Insurance shall be increased by 10%, and
(ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.
(c) In addition to the extent of liability under (a) and (b), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

9. LIMITATION OF LIABILITY
(a) If the Company establishes the Title, or removes the alleged defect, lien, or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.
(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title, as insured.
(c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY
All payments under this policy, except payments made for costs, attorneys' fees, and expenses, shall reduce the Amount of Insurance by the amount of the payment.

11. LIABILITY NONCUMULATIVE
The Amount of Insurance shall be reduced by any amount the Company pays under any policy insuring a Mortgage to which exception is taken in Schedule B or to which the Insured has agreed, assumed, or taken subject, or which is executed by an Insured after Date of Policy and which is a charge or lien on the Title, and the amount so paid shall be deemed a payment to the Insured under this policy.

12. PAYMENT OF LOSS
When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.
v

13. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT
(a) Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise, or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies. If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.
(b) The Company's right of subrogation includes the rights of the Insured to indemnities, guaranties, other policies of insurance, or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

14. ARBITRATION
Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is $2,000,000 or less shall be arbitrated at the option of either the Company or the Insured. All arbitrable matters when the Amount of Insurance is in excess of $2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT
(a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.
(b) Any claim of loss or damage that arises out of the status of the Title or by any action asserting such claim shall be restricted to this policy.
(c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.
(d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance.

16. SEVERABILITY
In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid, but all other provisions shall remain in full force and effect.

17. CHOICE OF LAW; FORUM
(a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefore in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located.
Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title that are adverse to the Insured and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.
(c) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

18. NOTICES, WHERE SENT
Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at Claims Department at 300 East 42nd St, 10th Floor, New York, NY 10017.

FORM W-8
(CERTIFICATION OF FOREIGN STATUS)

Form **W-8BEN**

(Rev. February 2014)

Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)

▶ **For use by individuals. Entities must use Form W-8BEN-E.**
▶ **Information about Form W-8BEN and its separate instructions is at *www.irs.gov/formw8ben.***
▶ **Give this form to the withholding agent or payer. Do not send to the IRS.**

OMB No. 1545-1621

Do NOT use this form if:	**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)

FORM W-9
(REQUEST FOR TAXPAYER IDENTIFICATION NUMBER)

Form **W-9**
(Rev. August 2013)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Print or type
See Specific Instructions on page 2.

Name (as shown on your income tax return)

Business name/disregarded entity name, if different from above

Check appropriate box for federal tax classification:
☐ Individual/sole proprietor ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____

☐ Other (see instructions) ▶

Exemptions (see instructions):
Exempt payee code (if any) _____
Exemption from FATCA reporting code (if any) _____

Address (number, street, and apt. or suite no.)

Requester's name and address (optional)

City, state, and ZIP code

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number
[ ][ ][ ] - [ ][ ] - [ ][ ][ ][ ]

Employer identification number
[ ][ ] - [ ][ ][ ][ ][ ][ ][ ]

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below), and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here | **Signature of U.S. person** ▶ | **Date** ▶

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. The IRS has created a page on IRS.gov for information about Form W-9, at *www.irs.gov/w9*. Information about any future developments affecting Form W-9 (such as legislation enacted after we release it) will be posted on that page.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, payments made to you in settlement of payment card and third party network transactions, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct.

Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

ESCROW AGREEMENT

ESCROW AGREEMENT FOR OFFERING PLAN

AGREEMENT made as of the filing date of the Offering Plan (defined below), between MF 385 First Ave LLC ("SPONSOR") as SPONSOR of the Offering Plan and Starr Associates LLP ("ESCROW AGENT") as escrow agent.

WHEREAS, SPONSOR is the SPONSOR of an offering plan for premises known as 385 First Avenue Condominium and located at 385 First Avenue, New York, New York 10010 ("Offering Plan"); and

WHEREAS, ESCROW AGENT is authorized to act as an escrow agent hereunder in accordance with New York General Business Law ("GBL") Sections 352-e(2-b) and 352-h and the New York Department of Law's regulations promulgated thereunder; and

WHEREAS, SPONSOR desires that ESCROW AGENT act as escrow agent for deposits and payments by purchasers or subscribers, pursuant to the terms of this Agreement and the Offering Plan, and in accordance with the provisions contained in the Escrow Rider to the Purchase Agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1. ESCROW AGENT will establish a master escrow account for the purpose of holding deposits, down payments, advances or payments ("Deposits") made by purchasers or subscribers ("Purchasers") pursuant to the Offering Plan at a commercial or savings bank authorized to do business in the State of New York entitled "Starr Associates LLP, Escrow Account" ("Master Escrow Account").

1.2. All Deposits will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. If ESCROW AGENT receives a completed and signed Form W-9 (Request for Taxpayer Identification Number) or Form W-8 (Certificate of Foreign Status), as applicable, from a Purchaser at the time the Deposit is delivered to ESCROW AGENT, the Deposit of such Purchaser will be promptly transferred from the non-interest bearing checking portion of the Master Escrow Account into an individual interest bearing sub-escrow account in the name of such Purchaser. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the Master Escrow Account so that checks may be drawn thereon.

1.3. ESCROW AGENT has designated the following attorneys to serve as signatories for the Master Escrow Account: Allan Starr, Esq., Andrea L. Roschelle, Esq., Samantha Sheeber, Esq. and Adam Kriegstein, Esq. ("Authorized Signatories"). All Authorized Signatories are admitted to practice law in the State of New York. ESCROW AGENT and all Authorized

Signatories have an address of 245 Fifth Avenue, Suite 1102, New York, New York 10016, and a telephone number of (212) 620-2680.

1.4. Neither ESCROW AGENT nor any Authorized Signatories on the Master Escrow Account are the Sponsor, Selling Agent, Managing Agent (as those terms are defined in the Offering Plan), or any principal thereof, or have any beneficial interest in any of the foregoing.

1.5. ESCROW AGENT and all signatories designated herein hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of this Agreement or otherwise concerning the maintenance of or release of the Deposit from escrow.

1.6. The Master Escrow Account is not an IOLA account established pursuant to Judiciary Law Section 497.

1.7. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement (defined below), or (ii) Purchaser is entitled to a return of the Deposit. All interest will be credited to SPONSOR only in the event there is a consummation of the Offering Plan (i.e., the Offering Plan is declared effective) and Purchaser defaults.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1. All Deposits received from Purchasers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited into the Master Escrow Account. All instruments to be deposited into the Master Escrow Account shall be made payable directly to the order of "Starr Associates LLP, Escrow Agent". Endorsed instruments will not be accepted. Any instrument payable other than as required hereby, and which cannot be deposited into the Master Escrow Account, shall be returned to the Purchaser promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of Deposits, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2. Within ten (10) business days after tender of the Deposit submitted with the purchase agreement or subscription agreement ("Purchase Agreement"), ESCROW AGENT shall notify the Purchaser of the placement of the Deposit into the Master Escrow Account, provide the account number, and disclose the initial interest rate. If the Purchaser does not receive such notification within fifteen (15) business days after tender of the Deposit, the Purchaser may cancel the Purchase Agreement and rescind within ninety (90) days after tender of the Deposit. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, New York, 10271 ("Department of Law"). Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited in accordance with the

Department of Law's regulations concerning the Deposit and requisite notice was timely mailed to the Purchaser.

3. RELEASE OF FUNDS.

3.1. Under no circumstances shall Sponsor seek the release of the Deposits of a defaulting Purchaser until after consummation of the Offering Plan (i.e., the Effective Date). Consummation of the Offering Plan shall not relieve SPONSOR of its fiduciary and statutory obligations pursuant to GBL §§ 352(e)(2-b) and GBL Section 352-h.

3.2. ESCROW AGENT shall release the Deposit if so directed:

3.2.1. pursuant to terms and conditions set forth in the Offering Plan and Escrow Rider to the Purchase Agreement, upon closing of title to the Unit; or

3.2.2. in a subsequent writing signed by both SPONSOR and the Purchaser; or

3.2.3. by a final, non-appealable order or judgment of a court.

3.3. If the Deposits are not released pursuant to paragraph 3.2 and ESCROW AGENT receives a request by SPONSOR or Purchaser to release the Deposits, ESCROW AGENT shall give both parties prior written notice of not fewer than 30 days before releasing the Deposits. If ESCROW AGENT has not received notice of objection to the release of the Deposits at the expiration of the 30 day period, the Deposits shall be released and ESCROW AGENT shall provide further written notice to both parties informing them of the release of the Deposits. If ESCROW AGENT receives a written notice from either party objecting to the release of the Deposits within the 30 day period set forth in the notice, ESCROW AGENT shall continue to hold the Deposits until otherwise directed pursuant to paragraph 3.2. However, ESCROW AGENT shall also have the right at any time to deposit the Deposits with the clerk of a court in the county in which the Unit is located and shall give written notice to both parties of such deposit.

3.4. SPONSOR shall not object and will be deemed to have agreed, without the need for a written agreement, to the release of the Deposit to:

3.4.1. a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Offering Plan or an amendment to the Offering Plan, or

3.4.2. all Purchasers after an amendment abandoning the Offering Plan is accepted for filing by the Department of Law.

3.5. In the event SPONSOR and a Purchaser close title under the Purchase Agreement, ESCROW AGENT shall be entitled to release the Deposit to SPONSOR without the need for a written agreement from Purchaser.

4. RECORDKEEPING.

4.1. ESCROW AGENT shall maintain all records concerning the Master Escrow Account for seven (7) years after release of the funds.

4.2. Upon the dissolution of ESCROW AGENT, the former partners of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

4.3. ESCROW AGENT shall make available to the Attorney General, upon request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1. ESCROW AGENT shall maintain the Master Escrow Account under its direct supervision and control.

5.2. A fiduciary relationship shall exist between ESCROW AGENT and Purchasers, and ESCROW AGENT acknowledges its fiduciary and statutory obligations under GBL §§ 352(e)(2-b) and 352(h).

5.3. ESCROW AGENT shall not be liable to SPONSOR for any error in judgment, mistake of fact or law or for any act or omission on ESCROW AGENT'S part, including, without limitation, any act or omission which permits a Purchaser to rescind a Purchase Agreement, unless taken or suffered in bad faith or in willful disregard of this Agreement or involving gross negligence on the part of ESCROW AGENT.

5.4. ESCROW AGENT shall be permitted to act as counsel for SPONSOR in any dispute as to the disbursement of the Deposit or any other dispute between SPONSOR and a Purchaser whether or not ESCROW AGENT is in possession of the Deposit and continues to act as ESCROW AGENT.

5.5. ESCROW AGENT may rely upon any document which may be submitted to it in connection with its duties under this Agreement and which is believed by ESCROW AGENT to be genuine and to have been signed or presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

5.6. ESCROW AGENT may consult with legal counsel selected by it and the opinion of such counsel shall be full and complete authorization and protection to ESCROW AGENT in respect of any action taken or omitted in good faith by ESCROW AGENT hereunder in accordance with the opinion of such counsel.

5.7. The provisions of paragraphs 5.5 and 5.6 shall apply only to SPONSOR and nothing contained therein shall be in derogation of the rights of a Purchaser under Article 23-A of the GBL.

6. RESPONSIBILITIES OF SPONSOR.

6.1. SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall deliver all Deposits received by them prior to closing of an individual transaction to a designated attorney who is a partner of, or attorney or legal assistant employed by, ESCROW AGENT within two (2) business days of tender of the Deposit by a Purchaser, using such transmittal forms as required by ESCROW AGENT from time to time.

6.2. SPONSOR agrees that it shall not interfere with ESCROW AGENT'S performance of its fiduciary and statutory obligations set forth in GBL §§ 352(e)(2-b) and 352(h) and the Department of Law's regulations promulgated thereto.

6.3. SPONSOR shall obtain or cause the selling agent under the Offering Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from each Purchaser and deliver such form to ESCROW AGENT together with the Deposit and Purchase Agreement.

7. TERMINATION OF AGREEMENT.

7.1. This Agreement shall remain in effect unless and until it is cancelled by either:

7.1.1. Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor escrow agent. Purchaser shall be deemed to have consented to such cancellation; or

7.1.2. The resignation of ESCROW AGENT upon giving notice to SPONSOR of its desire to so resign. Such resignation shall take effect on the date set forth in the notice from ESCROW AGENT, except such resignation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor escrow agent with respect to Deposits held in the Master Escrow Account on the date of such resignation. Such amendment shall disclose the identity of the successor escrow agent, the bank in the State of New York where the Deposit is being held, and the account number in which the Deposits will be held, and shall be served on all Purchasers by SPONSOR; or

7.1.3. All units offered by SPONSOR pursuant to the Offering Plan have been sold and no Deposits of Purchasers from SPONSOR remain in the Master Escrow Account.

7.2. Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1.1 or 7.1.2, ESCROW AGENT shall deliver any and all funds held by ESCROW AGENT in escrow and any and all Purchase Agreements or documents maintained by ESCROW AGENT relating to such funds to the successor escrow agent.

8. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their respective successors and assigns.

9. GOVERNING LAW.

This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION.

SPONSOR agrees to pay ESCROW AGENT for services rendered by its attorneys and paralegals and expenses incurred by ESCROW AGENT in connection with this Agreement, including, without limitation, disputes arising with respect to the Deposit. SPONSOR shall not be charged with any administrative costs for maintenance of the Master Escrow Account. Prior to release of the Deposits, ESCROW AGENT'S fees and disbursements shall neither be paid by SPONSOR from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

11. SEVERABILITY.

If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. INDEMNIFICATION

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

13. ALTERNATE SECURITY

In the event SPONSOR is authorized by the Department of Law to post a Letter of Credit or Surety Bond as alternate security to secure all or a portion of the Deposits, ESCROW AGENT agrees to be the beneficiary of the Letter of Credit or Surety Bond and to act as fiduciary with respect to such Letter of Credit or Surety Bond for the benefit of Purchasers under the Offering Plan whose Deposits were released from escrow in accordance with the "Escrow and Trust Fund" section of the Offering Plan or an amendment to the Offering Plan.

14. ENTIRE AGREEMENT.

This Agreement, read together with GBL Sections 352-e(2-b) and 352-h, the Department of Law regulations, and the Escrow Rider to the Purchase Agreement, constitutes the entire agreement between the parties with respect to the subject matter hereof.

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

ESCROW AGENT:

STARR ASSOCIATES LLP

By: Samantha Sheeber
Name: Samantha Sheeber, Esq.
Title: Partner

SPONSOR:

MF 385 FIRST AVE LLC,
a Delaware limited liability company

By:
Name: Benjamin Shaoul
Title: President

CERTIFICATION OF SPONSOR AND PRINCIPAL

PART 23: CERTIFICATION OF SPONSOR AND PRINCIPAL

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

Re: Condominium Offering Plan
385 First Avenue Condominium
385 First Avenue
New York, New York 10010

We are the sponsor and the principals of sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 23 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

SPONSOR:

MF 385 FIRST AVE LLC

By: _____
Name: Benjamin Shaoul
Title: President

PRINCIPAL OF SPONSOR:

_____
Benjamin Shaoul

Severally sworn to before me
this 1 day of September 2015

_____
Notary

LINDA O'NEAL
NOTARY PUBLIC-STATE OF NEW YORK
No. 01ON6215953
Qualified in Richmond County
My Commission Expires January 11, 2018

CERTIFICATION OF ARCHITECT

PART 23: CERTIFICATION OF ENGINEER OR ARCHITECT

Dated: September 2, 2015

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

Re: Condominium Offering Plan
385 First Avenue Condominium
385 First Avenue
New York, New York 10010

Dear Sir/Madam:

The sponsor of the offering plan to convert the captioned Property to condominium ownership retained our firm to prepare a report disclosing the condition of the property (the "Report"). We visually inspected the Property on September 25, 2014 and prepared the Report dated August 26, 2015, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

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 23 insofar as they are applicable to this Report.

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it and conducted the visual inspection referred to above with due diligence in order to form a basis for this certification. We certify that the Report and all documents prepared by us disclose all the material facts which were then discernable from a visual inspection of the Property. This certification is made for the benefit of all persons to whom this offer is made.

We certify that the Report based on our visual inspection:

(i) sets forth in narrative form the physical condition of the entire property and is current and accurate as of the date of inspection;

(ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the physical condition of the Property;

(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.

(vii) It is to be understood that all aspects of the physical condition of the Property cannot be determined by a visual inspection and that all statements contained in this certification are premised on and limited to such visual inspection.

We further certify that I we are not owned or controlled by and have no beneficial interest in the sponsor and that my/our compensation for preparing this Report is not contingent on the success of the Offering plan 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.

GERNER KRONICK + VALCARCEL, ARCHITECTS, DPC

By: _____
Name: Joseph Barbagallo, AIA
Title: Principal

{Engineer's or Architect's Seal}

REGISTERED ARCHITECT
JOSEPH M. BARBAGALLO
No. 021172-1
STATE OF NEW YORK

Sworn to before me this
2nd day of Sept 2015

_____
Notary Public

ELIZABETH MARUGGIO
Notary Public, State of New York
No. 01MA4853432
Qualified in New York County
Commission Expires 2/23/19

CERTIFICATION OF BUDGET EXPERT

FirstService
RESIDENTIAL

PART 23: CERTIFICATION BY EXPERT AS TO
ADEQUACY OF CONDOMINIUM BUDGET

August 27, 2015

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

Re: Condominium Offering Plan
385 First Avenue Condominium
385 First Avenue
New York, New York 10010

The sponsor of the condominium offering plan for the captioned property retained our firm to prepare Schedules B and review Schedule B-1 (collectively, "Schedules") containing projections of income and expenses for the first year of condominium operation. Our experience in this field includes: the management of over 250 cooperatives, condominiums and residential rental properties over the course of 25 years.

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 23 insofar as they are applicable to the Schedules.

We have reviewed the Schedules and investigated the facts set forth in the Schedules and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in the Schedules appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedules:

(i) set forth in detail the projected income and expenses for the first year of condominium operation;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

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www.fsresidential.com

(v) do not contain any fraud, deception, concealment or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income or expenses for the first year of condominium operation. This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

FirstService Residential New York, Inc.

By: _____

Name: Marc Kotler
Title: Senior Vice President
New Development Group

Sworn to before me this
27 day of August 2015

_____
Notary Public

CHRISTOPHER L. LUCIANO
Notary Public, State of New York
No. 01LU6280584
Qualified in Dutchess County
Commission Expires May 6, 2017

CERTIFICATION OF BUDGET EXPERT
AS TO ADEQUACY OF COMMON CHARGES
PAYABLE BY THE COMMERCIAL UNIT OWNERS

FirstService
RESIDENTIAL

PART 23: CERTIFICATION BY EXPERT CONCERNING ADEQUACY OF COMMON CHARGES PAYABLE BY THE COMMERCIAL UNIT OWNERS

August 27, 2015

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

Re: Condominium Offering Plan
385 First Avenue Condominium
385 First Avenue
New York, New York 10010

The sponsor of the condominium offering plan for the captioned property retained our firm to prepare Schedule B which includes projections of common charges payable by the owners of the commercial units. Our experience in this field includes the management of over 250 cooperatives, condominiums and residential rental properties over the course of 25 years, many of which contain commercial properties.

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 23 insofar as they are applicable to the commercial units listed in Schedule B.

We have reviewed 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 buildings.

We certify that the projections in Schedule B for the common charges payable by the owners of the 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 special or exclusive use or availability or exclusive control of particular common areas.

We certify that the estimates in Schedule B for the common charges payable by the owners of the commercial units:

(i) sets forth in detail the projected common charges for the commercial units for the first year of condominium operation;

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(ii) affords 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;

(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 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.

FirstService Residential New York, Inc.

By: _____

Name: Marc Kotler
Title: Senior Vice President
New Development Group

Sworn to before me this
27 day of August 2015

_____
Notary Public

CHRISTOPHER L. LUCIANO
Notary Public, State of New York
No. 01LU6280584
Qualified in Dutchess County
Commission Expires May 6, 2017

FirstService
RESIDENTIAL

GENERAL BUSINESS LAW SECTION 352-eeee

§352-eeee. Conversions to cooperative or condominium ownership in the city of New York.

1. As used in this section, the following words and terms shall have the following meanings:

(a) "Plan." Every offering statement or prospectus submitted to the Department of Law pursuant to section three hundred fifty-two-e of this article for the conversion of a building or group of buildings or development from residential rental status to cooperative or condominium ownership or other form of cooperative interest in realty, other than an offering statement or prospectus for such conversion pursuant to article two, eight or eleven of the private housing finance law.

(b) "Non-eviction plan." A plan which may not be declared effective until written purchase agreements have been executed and delivered for at least fifteen percent of all dwelling units in the building a group of buildings or development by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family intend to occupy the unit when it becomes vacant. As to tenants who were in occupancy on the date a letter was issued by the Attorney General accepting the plan for filing, the purchase agreement shall be executed and delivered pursuant to an offering made in good faith without fraud and discriminatory repurchase agreements or other discriminatory inducements.

(c) "Eviction plan." A plan which, pursuant to the provisions of this section, can result in the eviction of a non-purchasing tenant by reason of the tenant failing to purchase pursuant thereto, and which may not be declared effective until at least fifty-one percent of the bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the Attorney General (excluding, for the purposes of determining the number of bona fide tenants in occupancy on such date, eligible senior citizens and eligible disable persons) shall have executed and delivered written agreements to purchase under the plan pursuant to an offering made in good faith without fraud and with no discriminatory repurchase agreements or other discriminatory inducements.

(d) "Purchaser under the plan." A person who owns the shares allocated to a dwelling unit or who owns such dwelling unit itself.

(e) "Non-purchasing tenant." A person who has not purchased under the plan and who is a tenant entitled to possession at the time the plan is declared effective or a person to whom a dwelling unit is rented subsequent to the effective date. A person who sublets a dwelling unit from a purchaser under the plan shall not be deemed a non-purchasing tenant.

(f) "Eligible senior citizens." Non-purchasing tenants who are sixty-two years of age or older on the date the Attorney General has accepted the plan for filing, and the spouses of any such tenants on such date, and who have elected, within sixty days of the date the Attorney General has accepted the plan for filing, on forms promulgated by the Attorney General spouses of any such tenants on such date, and who have elected, within sixty days of the date the Attorney General has accepted the plan for the filing, on forms promulgated by the Attorney General and presented to such tenants by the offeror, to become non-purchasing tenants under the provisions of this section; provided that such election shall not preclude any such tenant from subsequently purchasing the dwelling unit on the terms then offered to tenants in occupancy.

(g) "Eligible disabled persons." Non-purchasing tenants who have an impairment which results from anatomical, physiological or psychological conditions, other than addiction to alcohol, gambling, or any controlled substance, which are demonstrable by medically acceptable clinical and laboratory diagnostic techniques and which are expected to be permanent and which prevent the tenant

from engaging in any substantial gainful employment on the date the Attorney General has accepted the plan for filing, and the spouses of any such tenants on such date, and who have elected, within sixty days of the date the Attorney General has accepted the plan for filing, on forms promulgated by the Attorney General and presented to such tenants by the offeror, to become non-purchasing tenants under the provisions of this section; provided, however, that if the disability first occurs after acceptance of the plan for filing, then such election may be made within sixty days following the onset of such disability unless during the period subsequent to sixty days following the acceptance of the plan for filing but prior to such election, the offeror accepts a written agreement to purchase the apartment from a bona fide purchaser; and provided further that such election shall not preclude any such tenant from subsequently purchasing the dwelling unit or the shares allocated thereto on the terms then offered to tenants in occupancy.

2. The Attorney General shall refuse to issue a letter stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this chapter has been filed whenever it appears that the offering statement or prospectus offers for sale residential cooperative apartments or condominium units pursuant to a plan unless:

(a) The plan provides that it will be deemed abandoned, void and of no effect if it does not become effective within fifteen months from the date of issue of the letter of the Attorney General stating that the offering statement or prospectus has been accepted for filing and, in the event of such abandonment, no new plan for the conversion of such building or group of buildings or development shall be submitted to the Attorney General for at least twelve months after such abandonment.

(b) The plan provides either that it is an eviction plan or that it is a non-eviction plan.

(c) The plan provides, if it is a non-eviction plan, as follows:

(i) The plan may not be declared effective until written purchase agreements have been executed and delivered for at least fifteen percent of all dwelling units in the building or group of buildings or development subscribed for by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family occupy the dwelling unit when it becomes vacant. As to tenants who were in occupancy on the date a letter was issued by the Attorney General accepting the plan for filing, the purchase agreement shall be executed and delivered pursuant to an offering made without discriminatory repurchase agreements or other discriminatory inducements.

(ii) No eviction proceedings will be commenced at any time against non-purchasing tenants for failure to purchase or any other reason applicable to expiration of tenancy: provided that such proceedings may be commenced for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the owner or a similar breach by the non-purchasing tenant of his obligations to the owner of the dwelling unit or the shares allocated thereto; and provided further that an owner of a unit or of the shares allocated thereto may not commence an action to recover possession of a dwelling unit from a non-purchasing tenant on the grounds that he seeks the dwelling unit for the use and occupancy of himself or his family.

(iii) Non-purchasing tenants who reside in dwelling units subject to government regulation as to rentals and continued occupancy prior to the conversion of the building or group of buildings or development to cooperative or condominium ownership shall continue to be subject thereto.

(iv) The rentals of non-purchasing tenants who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and non-purchasing tenants who reside in dwelling units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the plan has been accepted for filing by the Attorney General shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments

during the period of their occupancy. In determining comparability, consideration shall be given to such factors as building services, level of maintenance and operating expenses.

(v) The plan may not be amended at any time to provide that it shall be an eviction plan.

(vi) The rights granted under the plan to purchasers under the plan and to non-purchasing tenants may not be abrogated or reduced notwithstanding any expiration of, or amendment to, this section.

(vii) After the issuance of the letter from the Attorney General stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this article has been filed, the offeror shall, on the thirtieth, sixtieth, eighty-eighth and ninetieth day after such date and at least once every thirty days until the plan is declared effective or is abandoned, as the case may be, and on the second day before the expiration of any exclusive purchase period provided in a substantial amendment to the plan, (1) file with the Attorney General a written statement, under oath, setting forth the percentage of the dwelling units in the building or group of buildings or development subscribed for by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family occupy the dwelling unit when it becomes vacant as of the date of such statement and, (2) before noon on the day such statement is filed post a copy of such statement in a prominent place accessible to all tenants in each building covered by the plan.

(d) The plan provides, if it is an eviction plan, as follows:

(i) The plan may not be declared effective unless at least fifty-one percent of the bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the Attorney General (excluding, for the purposes of determining the number of bona fide tenants in occupancy on such date, eligible senior citizens and eligible disabled persons) shall have executed and delivered written agreements to purchase under the plan pursuant to an offering made in good faith without fraud and with no discriminatory repurchase agreements or other discriminatory inducements.

(ii) No eviction proceedings will be commenced against a non-purchasing tenant for failure to purchase or any other reason applicable to expiration of tenancy until the later to occur of (1) the date which is the expiration date provided in such non-purchasing tenant's lease or rental agreement, and (2) the date which is three years after the date on which the plan is declared effective. Non-purchasing tenants who reside in dwelling units subject to government regulation as to rentals and continued occupancy prior to conversion shall continue to be subject thereto during the period of occupancy provided in this paragraph. Thereafter, if a tenant has not purchased, he may be removed by the owner of the dwelling unit or the shares allocated to such dwelling unit.

(iii) No eviction proceedings will be commenced, except as hereinafter provided, at any time against either eligible senior citizens or eligible disabled persons. The rentals of eligible senior citizens and eligible disabled persons who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and eligible senior citizens and eligible disabled persons who reside in dwelling units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the plan has been accepted for filing shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy considering, in determining comparability, such factors as building services, level of maintenance and operating expenses; provided that such proceedings may be commenced against such tenants for non-payment of rent, illegal use of occupancy of the premises, refusal of reasonable access to the owner or a similar breach by the tenant of his obligations to the owner of the dwelling unit or the shares allocated thereto.

(iv) Eligible senior citizens and eligible disabled persons who reside in dwelling units subject to government regulation as to rentals and continued occupancy shall continue to be subject thereto.

(v) The rights granted under the plan to eligible senior citizens and eligible disabled persons may not be abrogated or reduced notwithstanding any expiration of, or amendment to, this section.

(vi) Any offeror who disputes the election by a person to be an eligible senior citizen or an eligible disabled person must apply to the Attorney General within thirty days of the receipt of the election forms for a determination by the Attorney General of such person's eligibility. The Attorney General shall, within thirty days thereafter, issue his determination of eligibility. The foregoing shall, in the absence of fraud, be the sole method for determining a dispute as to whether a person is an eligible senior citizen or an eligible disabled person. The determination of the Attorney General shall be reviewable only through a proceeding under article seventy-eight of the civil practice law and rules, which proceeding must be commenced within thirty days after such determination by the Attorney General becomes final.

(vii) After the issuance of the letter from the Attorney General stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this article has been accepted for filing, the offeror shall, on the thirtieth, sixtieth, eighty-eighth and ninetieth days after such date and at least once every thirty days until the plan is declared effective or abandoned, as the case may be, and on the second day before the expiration of any exclusive purchase period provided in a substantial amendment to the plan, (1) file with the Attorney General a written statement, under oath, setting forth the percentage of bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the Attorney General who have executed and delivered written agreements to purchase under the plan as of the date of such statement, and (2) before noon on the day such statement if filed post a copy of such statement in a prominent place accessible to all tenants in each building covered by the plan.

(viii) If the plan is amended before it is declared effective to provide that it shall be a non-eviction plan, any person who has agreed to purchase under the plan prior to such amendment shall have a period of thirty days after receiving written notice of such amendment to revoke his agreement to purchase under the plan.

(ix) The tenants in occupancy on the date the Attorney General accepts the plan for filing shall have the exclusive right to purchase their dwelling units or the shares allocated thereto for ninety days after the plan is accepted for filing by the Attorney General, during which time a tenant's dwelling unit shall not be shown to a third party unless he has, in writing, waived his right to purchase; subsequent to the expiration of such ninety day period, a tenant in occupancy of a dwelling unit who has not purchased shall be given the exclusive right for an additional period of six months from said expiration date to purchase said dwelling unit or the shares allocated thereto on the same terms and conditions as are contained in an executed contract to purchase said dwelling unit or shares entered into by a bona fide purchaser, such exclusive right to be exercisable within fifteen days from the date of mailing by registered mail of notice of the execution of a contact of sale together with a copy of said executed contract to said tenant.

(e) The Attorney General finds that an excessive number of long-term vacancies did not exist on the date that the offering statement or prospectus was first submitted to the Department of Law. "Long-term vacancies" shall mean dwelling units not leased or occupied by bona fide tenants for more than five months prior to the date of such submission to the Department of Law. "Excessive" shall mean a vacancy rate in excess of the greater of (i) ten percent and (ii) a percentage that is double the

normal average vacancy rate for the building or group of buildings or development for two years prior to the January preceding the date the offering statement or prospectus was first submitted to the Department of Law.

(f) The Attorney General finds that, following the submission of the offering statement or prospectus to the Department of Law, each tenant in the building or group of buildings or development was provided with a written notice stating that such offering statement or prospectus has been submitted to the Department of Law for filing. Such notice shall be accompanied by a copy of the offering statement or prospectus and a statement that the statements submitted pursuant to subparagraph (vii) of paragraph (c) or subparagraph (viii) of paragraph (d) of this subdivision, whichever is applicable, will be available for inspection and copying at the office of the Department of Law where the submission was made and at the office of the offeror or a selling agent of the offeror. Such notice shall also be accompanied by a statement that tenants or their representatives may physically inspect the premises at any time subsequent to the submission of the plan to the Department of Law, during normal business hours, upon written request made by them to the offeror, provided such representatives are registered architects or professional engineers licensed to practice in the state of New York. Such notice shall be sent to each tenant in occupancy on the date the plan is first submitted to the Department of Law.

3. All dwelling units occupied by non-purchasing tenants shall be managed by the same managing agent who manages all other dwelling units in the building or group of buildings or development. Such managing agent shall provide to non-purchasing tenants all services and facilities required by Law on a non-discriminatory basis. The offeror shall guarantee the obligation of the managing agent to provide all such services and facilities until such time as the offeror surrenders control to the board of directors or board of managers, at which time the cooperative corporation or the condominium association shall assume responsibility for the provision of all services and facilities required by Law on a non-discriminatory basis.

4. It shall be unlawful for any person to engage in any course of conduct, including, but not limited to, interruption or discontinuance of essential services, which substantially interferes with or disturbs the comfort, repose, peace or quiet of any tenant in his use or occupancy of his dwelling unit or the facilities related thereto. The Attorney General may apply to a court of competent jurisdiction for an order restraining such conduct and, if he deems it appropriate, an order restraining the owner from selling the shares allocated to the dwelling unit or the dwelling unit itself or from proceeding with the plan of conversion; provided that nothing contained herein shall be deemed to preclude the tenant from applying on his own behalf for similar relief.

5. Any local legislative body may adopt local laws and any agency, officer or public body may prescribe rules and regulations with respect to the continued occupancy by tenants of dwelling units which are subject to regulation as to rentals and continued occupancy pursuant to law, provided that in the event that any such local law, rule or regulation shall be inconsistent with the provisions of this section, the provisions of this section shall control.

6. Any provision of a lease or other rental agreement which purports to waive a tenant's rights under this section or rules and regulations promulgated pursuant hereto shall be void as contrary to public policy.

7. The provisions of this section shall only be applicable in the city of New York.

REAL PROPERTY LAW SECTION 339-kk

NEW YORK REAL PROPERTY LAW § 339-kk

§ 339-kk. Rents.

(a) For the purposes of this section, "non-occupying owner" shall mean a unit owner in a condominium association who does not occupy the dwelling unit.

(b) If a non-occupying owner rents any dwelling unit to a rental tenant and then fails to make payments due for Common Charges, assessments or late fees for such unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with subdivision (c) of this section, all rental payments from the tenant shall be directly payable to the condominium association.

(c) If the Common Charges, assessments or late fees due for any unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the board of managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for Common Charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the board of managers have been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for Common Charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim.

(d) Nothing in this section shall limit any rights of unit owners or of the board of managers existing under any other law or agreement.

(e) Payment by a rental tenant to the condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

§HISTORY: Add, L 1998, ch 422, § 3, eff July 22, 1998 (see 1998 note below).

EDITOR'S NOTES:

Laws 1998, ch 422, §§ 4, 5, eff July 22, 1998, provide as follows:

§ 4. This act may be enforced by any party by means of a special proceeding brought pursuant to article 4 of the civil practice law and rules.

§5. This act shall take effect immediately, and is applicable to all cooperative corporations and condominiums in existence on or after such date.

LOCAL LAW 70 – RESERVE FUND LAW

LOCAL LAW 70 – RESERVE FUND LAW

§§ 26-701 – 26-708

§ *26-701* Application.

The provisions of this chapter shall apply to conversions from rental to cooperative or condominium status of a building or a group of buildings or a development for which a plan must be filed with the state Department of Law pursuant to section three hundred fifty-two-eeee of the General Business Law.

§ *26-702* Definitions.

As used in this chapter the following words shall mean:

a. "Building" any building, group of buildings or development.

b. "Total price" (1) with respect to cooperative conversions, the number of all shares in the offering multiplied by the last price per share which was offered to tenants in occupancy prior to the effective date of the plan regardless of number of sales made; (2) with respect to condominium conversions, the sum of the cost of all units in the offering at the last price which was offered to tenants in occupancy prior to the effective date of the plan regardless of number of sales made.

c. "Capital replacement" a building-wide replacement of a major component of any of the following systems:

(1) elevator;

(2) heating, ventilation and air conditioning;

(3) plumbing;

(4) wiring;

(5) window; or, a major structural replacement to the building; provided, however, that replacements made to cure code violations of record shall not be included.

d. "Offeror" the offeror, his or her nominees, assignees and successors in interest.

§ *26-703* Establishment of reserve fund.

a. Within thirty days after the closing of a conversion pursuant to an offering plan the offeror shall establish and transfer to the cooperative corporation or condominium board of managers, a reserve fund to be used exclusively for making capital repairs, replacements and improvements necessary for the health and safety of the residents of such buildings. Such reserve fund shall be exclusive of any other funds required to be reserved under the plan or applicable law or regulation of the state Attorney General, except a fund for capital repairs, replacements and improvements substantially similar in purpose to and in an amount not less than the reserve fund mandated by this section. Such reserve fund also shall be exclusive of any working capital fund and shall not be subject to reduction for closing apportionments.

b. Such fund shall be established in an amount equal to either:

(i) three percent of the total price or, (ii) (A) three percent of the actual sales price of all cooperative shares or condominium units sold by the offeror at the time the plan is declared effective,

provided, however, that if such amount is less than one percent of the total price, then the fund shall be established as a minimum of one percent of the total price; plus (B) supplemental contributions to be made by the offeror at a rate of three percent of the actual sales price of cooperative shares or condominium units for each unit or its allocable shares held by the offeror and sold to bona fide purchasers subsequent to the effective date of the plan and within five years of the closing of the conversion pursuant to such plan notwithstanding that the total amount contributed may exceed three percent of the total price; and provided, further, that if five years from thirty days after the closing of the conversion pursuant to such plan the total contributions by the offeror to the fund are less than three percent of the total price the offeror shall pay the difference between the amount contributed and three percent of the total price. Supplemental contributions shall be made within thirty days of each sale.

c. The contributions required pursuant to this section may be made earlier or in an amount greater than so provided. An offeror may claim and receive credit against the mandatory initial contribution to the reserve fund for the actual cost of capital replacements which he or she has begun after the plan is submitted for filing to the state Department of Law and before the plan is declared effective; provided, however, that any such replacements must be set forth in the plan together with their actual or estimated costs and further provided, that such credit shall not exceed the lesser of the actual cost of the capital replacements or one percent of the total price.

d. Any building, construction of which was completed within three years prior to the closing of a conversion pursuant to an offering plan, shall be exempt from the requirements of this section.

§ *26-704* Report on status of reserve fund.

The cooperative corporation or condominium board of managers shall report to shareholders and unit owners on a semi-annual basis with respect to all deposits into and withdrawals from the reserve fund mandated by section 26-703 of this chapter.

§ *26-705* Posting of violations.

The offeror, not later than the thirtieth day following the acceptance of a plan for filing by the state Department of Law pursuant to section three hundred fifty-two-eeee of the General Business Law and until the closing of the conversion pursuant to such plan, shall post and maintain in a prominent place, accessible to all tenants in each building covered by the plan, a listing of all violations of record against such buildings as determined by the Department of Buildings and the Department of Housing Preservation and Development. All newly issued violations shall be posted within forty-eight hours of their issuance and maintained as described above. The offeror may satisfy the requirements of this section by designating an agent on the premises with whom such listing shall be made available for inspection by the tenants.

§ *26-706* Report on condition of premises.

Where, pursuant to law or regulation of the state Attorney General, an offeror is required to file a report with the state Department of Law describing the condition of the physical aspects of the premises to be converted and the surrounding neighborhood, a copy of such report shall be submitted simultaneously to the commissioner of buildings.

§ *26-707* No Waiver of rights.

Any provision purporting to waive the provisions of this chapter in any contract to purchase or agreement between an offeror and the cooperative corporation or the condominium board of managers pursuant to a conversion plan shall be void as against public policy.

§ *26-708* Criminal and civil penalties; enforcement.

a. Except as otherwise provided in subdivision b of this section, any person who knowingly violates or assists in the violation of any section of this chapter shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than one hundred nor more than one thousand dollars. Except as otherwise provided in subdivision b of this section, any person who violates or assists in the violation of any section of this chapter shall be subject to a civil penalty of one hundred dollars per day per unit for each day that a building is not in compliance with the provisions of such sections; provided, however, that such civil penalty shall not exceed one thousand dollars per unit.

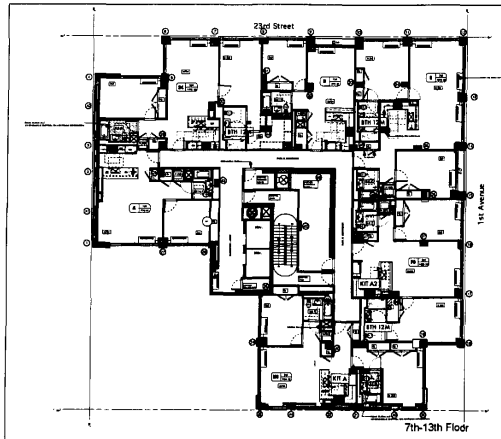
b. Any person who knowingly violates or assists in the violation of section 26-703 of this chapter shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine not more than two times the amount required to be reserved by section 26-703 of this chapter which was not so reserved. Any person who violates or assist in the violation of section 26-703 of this chapter shall also be subject to a civil penalty of one thousand dollars per day for each day that the reserve fund required by section 26-703 of this chapter is not established; provided, however, that such civil penalty shall not exceed the amount required to be reserved pursuant to section 26-703 of this chapter.

c. In addition, any other action or proceeding in any court of competent jurisdiction that may be appropriate or necessary for the enforcement of the provisions of this chapter may be brought in the name of the city, including actions to secure permanent injunctions enjoining any acts or practices which constitute a violation of any provision of this chapter, mandating compliance with the provisions of this chapter or for such other relief as may be appropriate. In any such action or proceeding the city may apply to any court of competent jurisdiction or to a judge or justice thereof, for a temporary restraining order or preliminary injunction enjoining and restraining all persons from violating any provision of this chapter, mandating compliance with the provisions of this chapter, or for such other relief as may be appropriate, until the hearing and determination of such action or proceeding and the entry of final judgment or order therein. The court, or judge or justice thereof, to whom such application is made, is hereby authorized forthwith to make any or all of the orders above specified, as may be required in such application, with or without notice, and to make such other or further orders or directions as may be necessary to render the same effectual. No undertaking shall be required as a condition of the granting or issuing of such order, or by reason thereof.

d. Nothing contained in this section shall impair any rights, remedies or causes of action accrued or accruing to purchasers of cooperative shares or condominium units.

e. The Department of Housing Preservation and Development is empowered to enforce the provisions of this chapter.

TENANT PROTECTION PLAN



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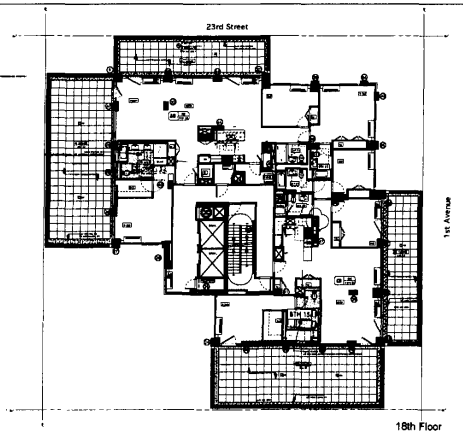

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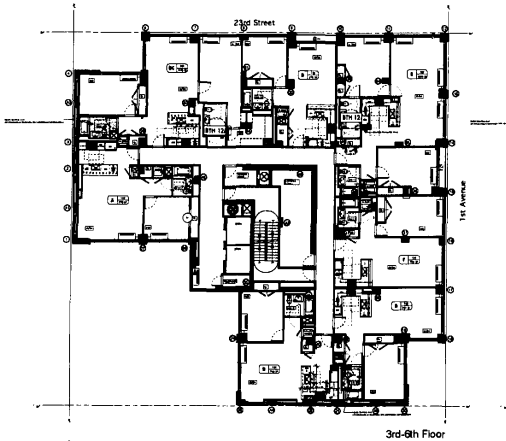

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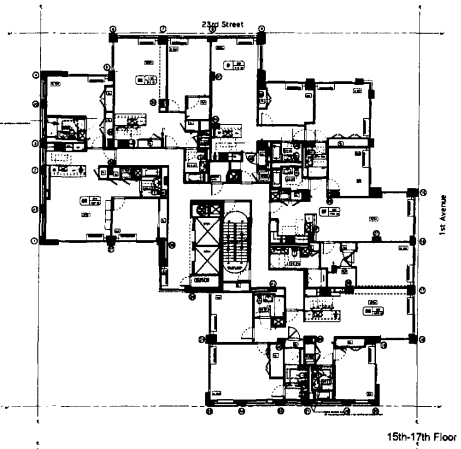

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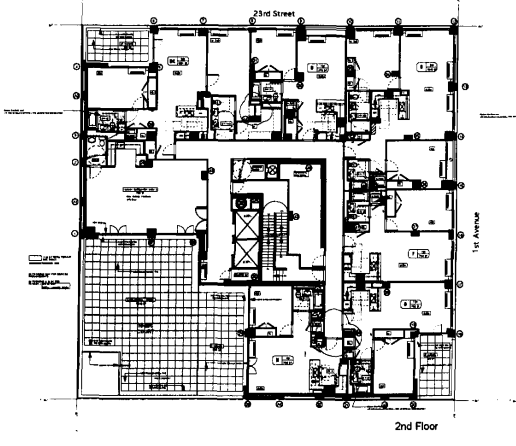

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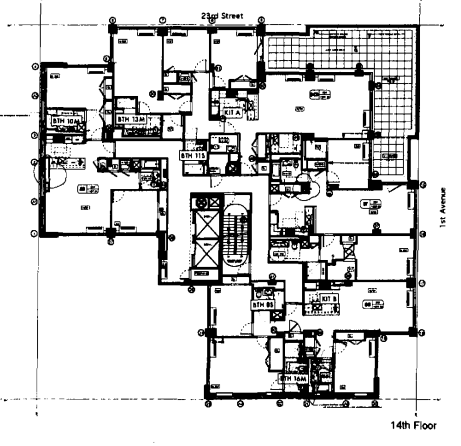

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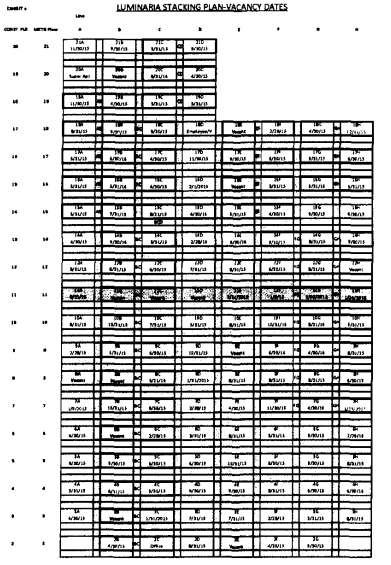
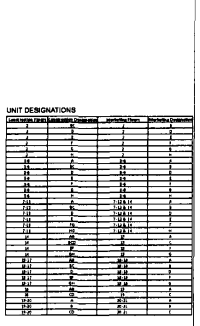
LUMINARIA STACKING PLAN-VACANCY DATES



UNIT DESIGNATIONS



TENANT PROTECTION PLAN – 2014 BC 28-104.8.4

1- THERE WILL BE OCCUPIED DWELLING UNITS IN THE BUILDING DURING CONSTRUCTION. THE OCCUPIED DWELLING UNITS WILL BE CLEARLY IDENTIFIED ON CONSTRUCTION DOCUMENTS.

2- FIRE SAFETY: ALL NECESSARY LAWS AND CONTROLS, INCLUDING THOSE WITH RESPECT TO OCCUPIED DWELLINGS, AS WELL AS ADDITIONAL SAFETY MEASURES NECESSITATED BY THE CONSTRUCTION SHALL BE STRICTLY OBSERVED.

3- DUST WILL BE KEPT TO A MINIMUM AS WORK WILL BE CONFIED TO WITHIN APARTMENT. CLEAN UP WILL OCCUR AT THE END OF EACH WORK DAY BY GENERAL CONTRACTOR. PLASTIC TO BE PLACED ON INSIDE OF VACANT APARTMENTS WHILE CONSTRUCTION IS ONGOING.

4- REQUIRED EGRESS SHALL NOT BE OBSTRUCTED AT ANY TIME EXCEPT WHERE APPROVED BY THE COMMISSIONER.CONTRACTOR TO KEEP ALL EGRESS CLEAR AND UNOBSTRUCTED AT ALL TIMES FOR ALL TENANTS.

5- HEALTH REQUIREMENTS SPECIFIED IN THE 2008 CODE WILL BE COMPLIED WITH.

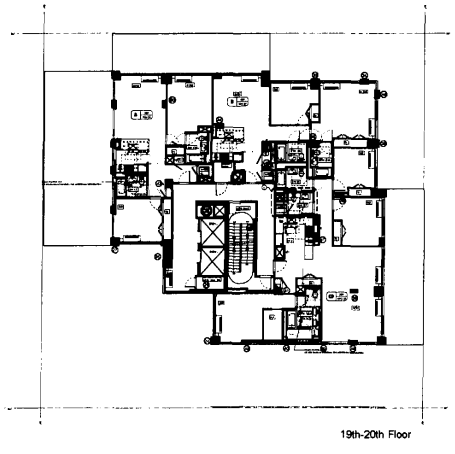
6- ALL WORK WILL COMPLY WITH ALL APPLICABLE LAWS RELATING TO ASBESTOS AND LEAD PAINT REMOVAL

7- ALL WORK WILL COMPLY WITH APPLICABLE PORTIONS OF NYC HMC AND NYC MDL.

8- NO STRUCTURAL WORK SHALL BE DONE THAT MAY ENDANGER OCCUPANTS

9- NOISE LEVEL WILL COMPLY WITH ALL APPLICABLE ASPECTS OF NOISE CONTROL CODE.

10- IF ANY REQUIRED PARTITION (BETWEEN APARTMENTS) OR CEILING ARE REMOVED AND REPLACED, THIS WORK IS TO BE DONE IMMEDIATELY SO THAT ALL RATINGS FOR TENANTS ARE MAINTAINED.


19th-20th Floor

20th Floor to Roof Lift

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Revisions

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GKV Project 1113-01

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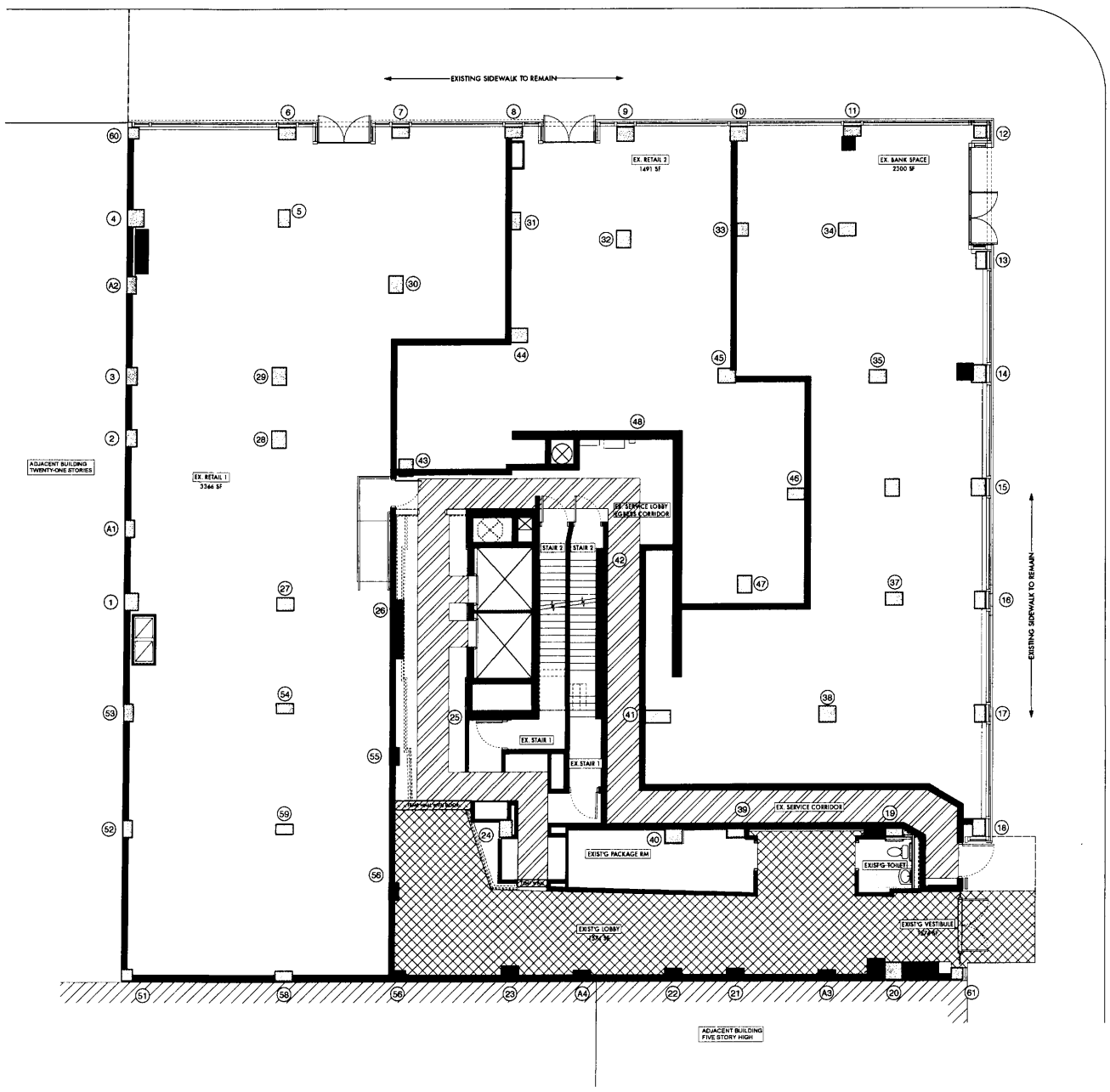
TENNANT PROTECTION PLAN

Drawing No. A-005

Sheet No: 1 of 4



DEMOLITION LEGEND

- TENANT PASSAGE
- PHASE 1 CONSTRUCTION
- TEMPORARY CONSTRUCTION

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Revisions

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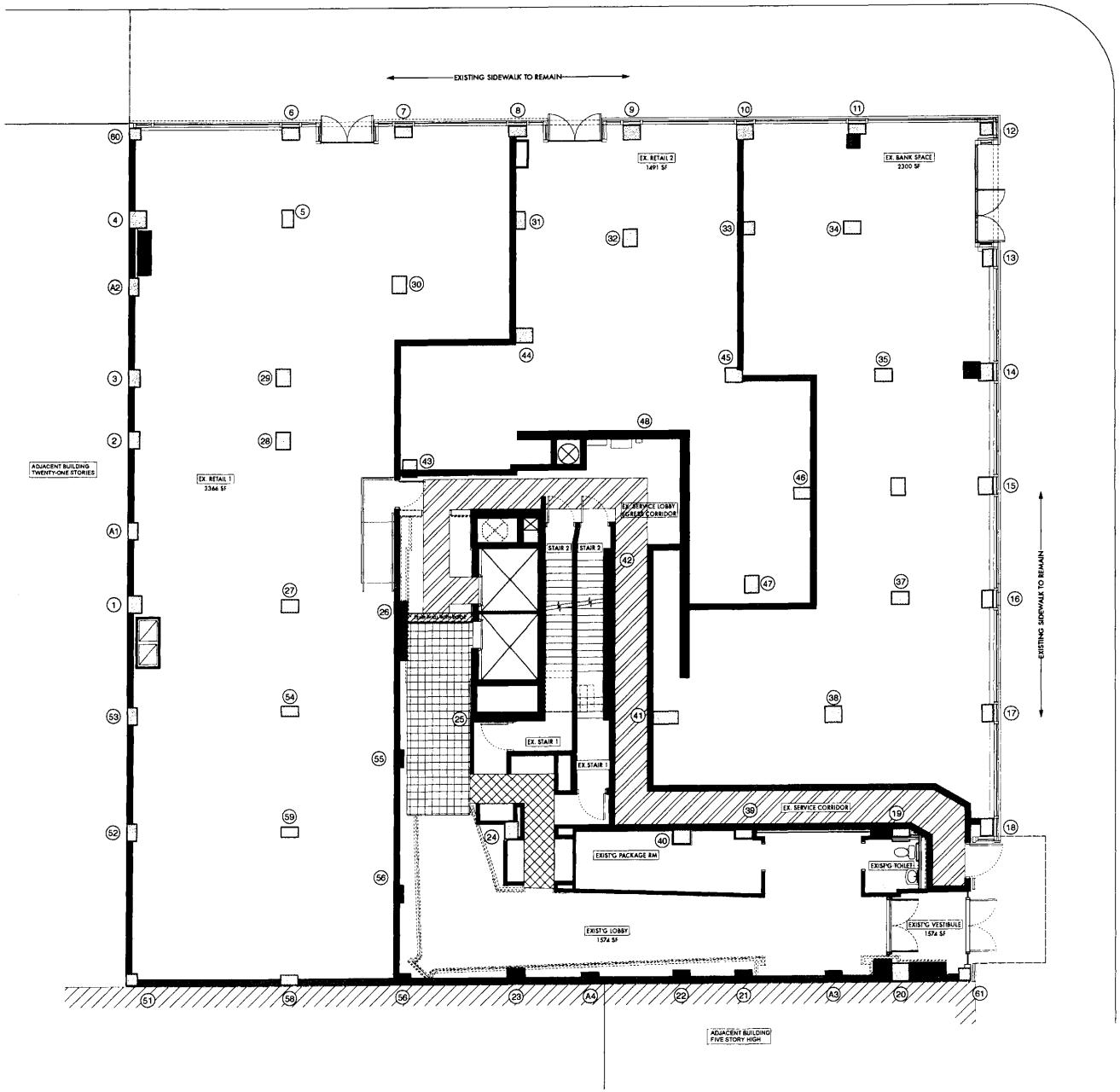
LOBBY CONSTR. PHASE 1

Drawing No. A-401.00

Sheet No: 2 OF 4



DEMOLITION LEGEND

- TENANT PASSAGE
- PHASE 1 CONSTRUCTION
- PHASE 2 CONSTRUCTION
- TEMPORARY CONSTRUCTION

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Revisions

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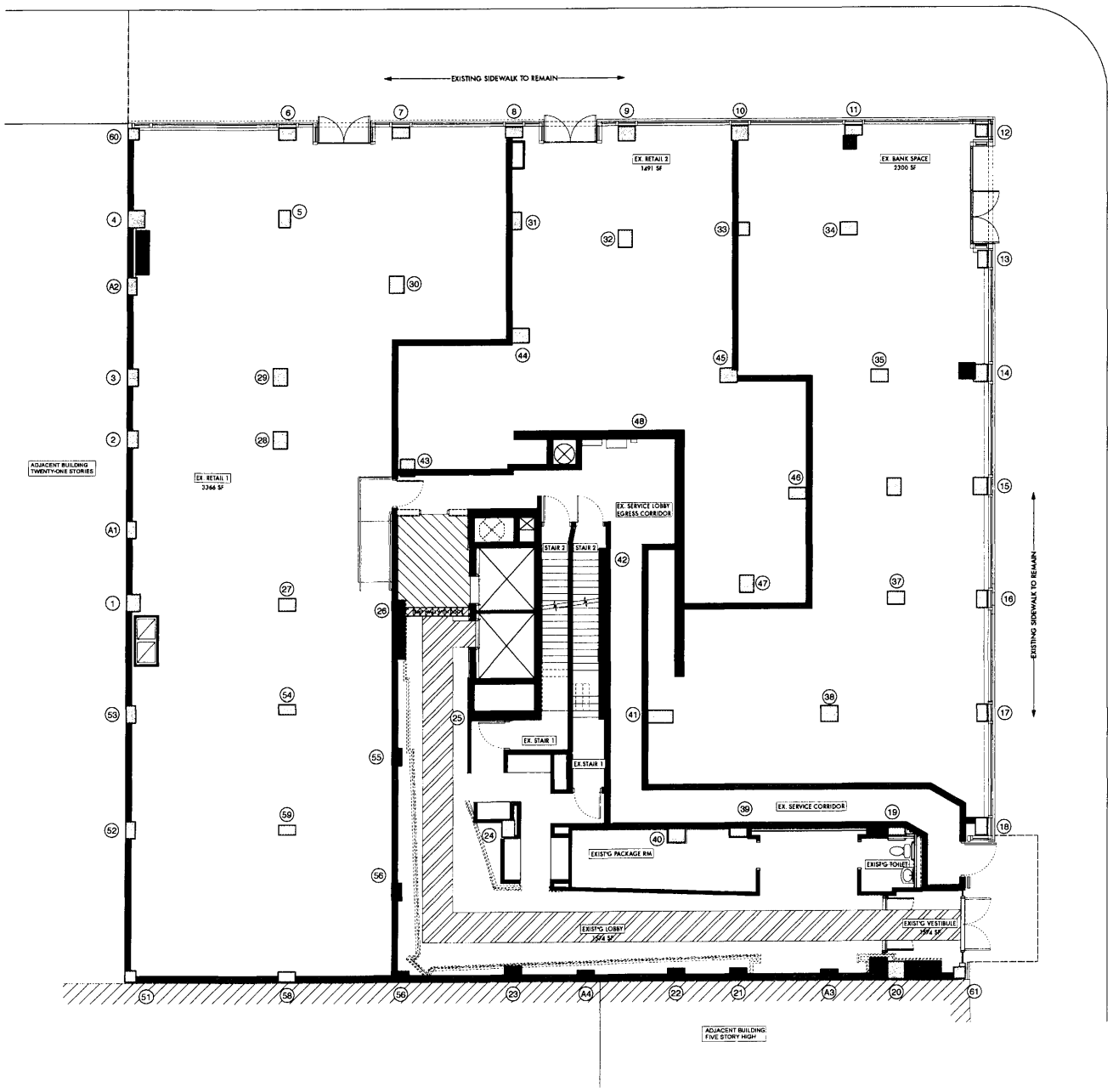
LOBBY CONSTR. PHASE 2

Drawing No. A-501.00

Sheet No: 3 OF 4



DEMOLITION LEGEND

- TENANT PASSAGE
- PHASE 3 CONSTRUCTION
- TEMPORARY CONSTRUCTION

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LOBBY CONSTR. PHASE 3

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