

**CONDOMINIUM OFFERING PLAN FOR THE SALE OF UNITS
THE VANTAGE**

VANTAGE

**308 East 38th Street
New York, New York 10016**

97 Residential Units*	\$ 139,261,000.00
2 Commercial Units	\$ 2,442,000.00
25 Storage Bins	\$ 340,000.00
Total Offering	\$ 142,043,000.00
Reserve Fund**	\$ 3,794,892.60

* See the Section entitled “Rights of Existing Tenants” for a discussion of the rights of bona fide tenants to buy their Apartments during the first 90 days of this offering. Included in the list of Residential Units are Apartments 1A, 7A and 14D, which are the Low-Income Units and are not being offered for sale at this time.

** These are estimates of the minimum amount of the Reserve Fund required under the terms of a law enacted by the New York City Council are without any deductions for credits allowed to Sponsor. A Working Capital Fund will also be funded by contributions from each Purchaser at closing. The actual amounts cannot now be determined. Sponsor may be entitled to a credit against the Reserve and the Working Capital Funds as result of certain closing adjustments, therefore, the Reserve and Working Capital Funds may be depleted. See the Sections entitled “Reserve Fund” and “Working Capital Fund and Apportionments” for further details.

SPONSOR

**Gaia 308 East 38th Street LLC
c/o Gaia Real Estate
152 West 57th Street, 17th Floor
New York, NY 10019**

SELLING AGENT

**Park River Properties LLC
152 West 57th Street, 17th Floor
New York, NY 10019**

The term of the initial offering of this Plan commenced on March 16, 2017 and expires on March 15, 2018 unless the said date is extended in a duly filed amendment.

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

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

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

TABLE OF CONTENTS
PART 1

	<u>Page</u>
SPECIAL RISKS TO BE CONSIDERED BY PURCHASERS	1
INTRODUCTION	18
The Condominium	19
Features of Condominium Ownership	20
Offering of Units for Sale	23
Applicable Rent Laws	25
CERTAIN DEFINITIONS	27
DESCRIPTION OF PROPERTY AND IMPROVEMENTS	33
The Building	33
Units	33
Terraces	34
Storage Bins	34
Resident Manager's Unit	35
Low Income Units	36
General Common Elements	37
Residential Common Elements	38
Residential Limited Common Elements	38
Commercial Common Elements	38
Commercial Limited Common Elements	38
Superintendent	39
Services and Facilities	39
General	40
Security Procedures	40
Personal Property Within Units	41
RIGHTS OF EXISTING TENANTS	42
Rights of Eligible Senior Citizens and Eligible Disabled Persons	45
Rights of Low Income Housing Tenants	47
OBLIGATIONS OF PURCHASERS OF UNITS OCCUPIED BY NON-PURCHASING TENANTS	48
LOCATION AND AREA INFORMATION	50
Location and Services	50
Zoning and Use	51
SCHEDULE A - Purchase Prices and Related Information	53
SCHEDULE B - Projected Budget for First Year of Condominium Operation	61
SCHEDULE B-1 - Projected Energy Costs For Individual Units	69

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339(i)	77
ACCOUNTANT’S CERTIFIED STATEMENTS OF OPERATION	81
COMMERCIAL UNITS.....	102
INTERIM LEASES	105
CHANGES IN PRICES AND UNITS	106
PROCEDURE TO PURCHASE	108
Assignment of Purchase Agreement.....	112
Escrow and Trust Fund Requirements.....	113
Notification to Purchaser	114
Release of Funds	115
Waiver Void.....	116
EFFECTIVE DATE.....	118
TERMS OF SALE	120
STATUS OF TITLE AT CLOSING.....	123
CLOSING COSTS AND ADJUSTMENTS.....	126
RIGHTS AND OBLIGATIONS OF SPONSOR	133
Sponsor’s Obligations with Respect to the Building	133
Real Property Law §339-kk	137
Leasing and Use of Unsold Units	138
CONTROL BY SPONSOR	140
CONDOMINIUM BOARD.....	142
RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE	
BOARDS OF MANAGERS.....	145
Sales and Leases of Units	145
Use of Units	147
Mortgage of Units by Unit Owners	148
Common Charges: Determination and Assessment.....	149
Common Charges: Collection and Lien for Non-Payment.....	150
Repairs to and Maintenance of Units and Common Elements	151
Alterations and Improvements of Units and Common Elements	153
Rights of Access	155
Compliance with Terms of Declaration, By-Laws and Rules and Regulations.....	156
Examination of Books and Records.....	156
Repair or Reconstruction after Fire or Other Casualty Insurance.....	156

Insurance	157
Liability of Board of Managers and Unit Owners	158
Reports to Unit Owners	159
Termination of Condominium	159
Procedure to Review Real Estate Tax Assessments	159
Mechanics' Liens	160
Easements and Name of Condominium.....	160
The Declaration and By-Laws	161
REAL ESTATE TAXES	162
TAXES -- DEDUCTIONS TO UNIT OWNERS	
AND TAX STATUS OF CONDOMINIUM.....	164
Deductibility of Mortgage Interest and Real Estate Taxes	164
Taxation of the Condominium	164
TAX OPINION OF TUCHMAN, KORNGOLD, WEISS	
LIEBMAN & GELLES LLP	167
SECTION 339-i OPINION OF FINGER MANAGEMENT INC	175
REAL ESTATE TAX OPINION OF	
SCHWARTZ SLADKUS REICH GREENBERG ATLAS LLP	179
RESERVE FUND.....	187
WORKING CAPITAL FUND AND APPORTIONMENTS.....	190
SUMMARY OF MANAGEMENT AGREEMENT	192
IDENTITY OF PARTIES.....	194
Sponsor	194
Selling Agent	194
Managing Agent.....	194
Attorneys for Sponsor	195
Sponsor's Architects/Engineers	195
Sponsor's Condominium Expert.....	195
REPORT TO UNIT OWNERS	197
RECORDATION, INSPECTION AND DELIVERY OF DOCUMENTS	197
GENERAL	198
STATEMENT OF BUILDING CONDITION	199

TABLE OF CONTENTS PART II

	<u>Exhibit</u>	<u>Page</u>
PURCHASE AGREEMENT	1	201
UNIT POWER OF ATTORNEY	2	225
UNIT DEED	3	231
DESCRIPTION OF PROPERTY	4	239
FLOOR PLANS OF UNITS	5	287
DECLARATION OF CONDOMINIUM	6	325
CONDOMINIUM BY-LAWS.....	7	357
CERTIFICATIONS:		
SPONSOR AND PRINCIPALS	8	407
SPONSOR'S ARCHITECT	9	411
SPONSOR'S EXPERT CONCERNING ADEQUACY OF CONDOMINIUM BUDGET AND SPONSOR'S EXPERT CONCERNING ADEQUACY OF COMMON CHARGES PAYABLE BY COMMERCIAL UNIT OWNER	10	415
ESCROW AGREEMENT	11	421
W-9 REQUEST FOR TAXPAYER IDENTIFICATION	12	429
PROPERTY DEED	13	433
SECTION 352-eeee OF THE GENERAL BUSINESS LAW.....	14	451
RESERVE FUND LAW	15	459
REAL PROPERTY LAW §339-kk	16	469
LOCAL LAW 11 REPORT	17	473
LOW INCOME HOUSING PLAN... ..	18	479
STORAGE BIN LICENSE AGREEMENT	19	515
INTERIM LEASE	20	523

ELIGIBLE SENIOR CITIZEN ELECTION FORM.....	21	531
ELIGIBLE DISABLED PERSON ELECTION FORM.....	22	535
TENANT PURCHASER FORM ASSIGNMENT AFFIDAVIT..	23	539
TENANT PROTECTION PLAN	24	545
PW-1 PLAN/WORK APPLICATION	25	549
FORM AFFIDAVITS OF BONA FIDE PURCHASER	26	557

PART I

SPECIAL RISKS TO BE CONSIDERED BY PURCHASERS

1. Sponsor will endeavor, in good faith, to sell in a reasonably timely manner, all of the Units, however, there is no certainty as to the period of time required to sell all of the Units. Sponsor's offer to sell the Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 23.3(s) of Title 13 NYCRR, which may occur when purchase agreements signed by bona fide purchasers represent 15% of the Units, or fifteen (15) Units, offered under the Plan and must occur when purchase agreements signed by bona fide purchasers represent 80% of the Units, or seventy-eight (78) Units, offered under the Plan. Purchasers should note that Sponsor may declare the Plan effective after entering into Purchase Agreements for a minimum of fifteen percent (15%) of the Units offered for sale in the Building. Even if the Plan is declared effective with a minimum number of Purchase Agreements, it is possible that Sponsor may be able to submit the Property to a condominium regime and convey Units with fewer than a minimum number of Purchase Agreements if purchasers counted towards effectiveness do not ultimately purchase a Unit. Please refer to the Section entitled "Effective Date" in Part I of the Plan for further details.

2. Sponsor reserves the unconditional right to rent, rather than sell Units. As a result of Sponsor's reservation set forth in the preceding sentence, this Plan may not result in the creation of a condominium in which a majority of the Units are owned by owner-occupants or investors unrelated to the Sponsor. Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more than fifteen (15%) of the Units necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium. Sponsor's good faith efforts to sell to purchasers will include listing unsold units with brokers, showing unsold units to brokers and prospective purchasers or their representatives, filing updated amendments to the Plan and otherwise engaging in customary sales activities. See Section of the Plan entitled "Rights and Obligations of Sponsor" for further detail.

3. 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.

4. At the time a Purchase Agreement is executed, a Purchaser is required to make a down payment in an amount equal to ten percent (10%) of the purchase price (the "Down Payment"). In the event a Purchaser defaults under his or her Purchase Agreement, such as by, but not limited to, not closing on the Closing Date or an adjourned Closing Date, time being of the essence with regard to the obligations of the Purchaser thereunder, and Purchaser does not cure such default within thirty (30) days after Sponsor gives notice to the Purchaser of such default, Sponsor may, at its option, cancel such Purchase Agreement and retain, as liquidated damages, the entire deposit made by the Purchaser, together with interest earned thereon, if any.

Additionally, if a Purchaser fails for any reason to close title to his or her Unit on the originally scheduled Closing Date and Sponsor elects not to cancel the Purchaser's Purchase Agreement as a result of the same, (a) the closing apportionments to be made at the Closing will be made as of midnight of the date preceding the originally scheduled Closing Date, and (b) the Purchaser will be required to pay to Sponsor an amount equal to 0.03% of the purchase price of his or her Unit for each day that the Closing is adjourned.

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

PURCHASERS ARE ADVISED THAT TIME IS OF THE ESSENCE AS TO THEIR OBLIGATIONS PURSUANT TO THE PURCHASE AGREEMENT, INCLUDING, WITHOUT LIMITATION, FOR THE PAYMENT OF THE BALANCE OF THE PURCHASE PRICE.

5. The Purchase Agreement is not contingent upon the Purchaser obtaining financing. Although a Purchaser may obtain financing from a lending institution of any other source, the Purchaser's obligation to purchase the Unit pursuant to the Purchase Agreement is not contingent upon obtaining financing for such purchase. Time is of the essence with respect to Purchaser's obligations to perform all of Purchaser's obligations under the Offering Plan. Any and all costs, fees or expenses necessary or required to be paid in connection with any Purchaser's mortgage loan or mortgage loan commitment shall be borne solely by such Purchaser, no matter what the cause, and Sponsor, its principals, managers, members, agents, designees, employees and affiliates shall not be responsible for paying any such costs, fees or expenses. No representation is made by Sponsor regarding the availability of such financing. See the Section entitled "Procedure to Purchase" for further details.

6. The Units are being sold in the condition in which they exist at the time a Purchaser signs a Purchase Agreement subject to ordinary wear and tear. Except as described in the "Description of Property" Sponsor makes no representations or guaranties regarding the condition of the Property and has no specific knowledge about material defects, problems with or needed repairs to the Building. However, the Building was completed in 2001 and, as all prudent property owners are aware, a program of ongoing maintenance is typically required to insure the integrity of a building. Under the terms of Local Law 11 of 1998, property owners are obligated to have the facades of their buildings periodically inspected and perform remedial work as determined by the licensed engineer performing the required inspections. Sponsor makes no representations regarding future expenditures which may be required to comply with Local Law 11 or the costs of the inspections therefore. A copy of the most recent Local Law 11 Inspection Report is set forth as Exhibit 18 in Part II of the Plan. It indicates certain maintenance and repairs are required for the Building, however, the amounts deposited in the Condominium's Reserve Fund are sufficient to address any such repairs. The next Local Law 10/11 inspection and report will be required in February 2018.

7. Sponsor shall not be obligated to correct, repair, or replace any and all defects relating to construction of the Units, the General Common Elements, the Common Elements and the Limited Common Elements, or in the installation or operation of any appliances, fixtures, or equipment therein, except as expressly provided in this Plan. Sponsor will not warrant the materials or workmanship of any Unit or any of the Common Elements.

8. Sponsor represents that currently its assets and funding sources are sufficient to meet its obligations under the Offering Plan. Principals of the Sponsor will arrange for and provide financially responsible entities or individuals who will assume the status, obligations and responsibilities of the Sponsor in the event the Sponsor dissolves or liquidates and Sponsor still maintains unsatisfied obligations under the Offering Plan. No bond or other security will be given to secure Sponsor's performance of its obligations under the Offering Plan, including but not limited to its obligation to pay Common Charges, assessments and real estate taxes with respect to unsold Units under this Plan. See "Rights and Obligations of Sponsor."

9. Prior to the closing of title to a Unit, the Purchase Agreement prohibits a Purchaser from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease. Purchasers are referred to the Purchase Agreement set forth in Part II of the Plan.

10. (a) Sponsor, as the owner of Unsold Units, will have voting control of the Condominium Board during the period ending upon the earlier of (i) five (5) years from the First Closing or (ii) the date upon which the Unsold Units constitute less than ninety percent (50%) of the Common Interests (hereinafter referred to as the "Sponsor Control Period" or the "Initial Control Period"). Upon the expiration of the Sponsor Control Period, Sponsor shall facilitate the calling of a meeting of the Unit Owners to enable them to elect a Board which is not controlled by the Sponsor.

(b) During the period that Sponsor controls the Condominium Board, Sponsor will have control of maintenance, facilities and services to be provided to Unit Owners and will determine the Common Charges to be paid by all Owners.

11. During the Sponsor Control Period, Sponsor will have control of the maintenance and operation of the Condominium and will, as controlling party on the Condominium Board, determine the Common Charges to be paid for all Unit Owners (including Sponsor); provided, however, Sponsor shall vote to authorize the expenditures set forth in Schedule B of this Offering Plan or any other expenditure required: (i) to comply with applicable laws or regulations, (ii) to remedy any notice or violations, or (iii) to remedy any work ordered by an insurer or Sponsor's Lender.

12. Sponsor and its designees may exercise veto power over some actions of the Condominium Board. Sponsor may not exercise veto power over expenses in Schedule B, or expenses required to remedy any notice of violation, or to remedy any work ordered by an insurer or to comply with any governmental authority, but Sponsor may exercise veto power of disclosed expenses for a period ending not more than five (5) years after the closing of the first Unit or whenever the Unsold Units constitute less than twenty-five percent (25%) of the Common Interest, whichever is earlier. Until the earlier to occur of (i) five (5) years after the

First Closing or (ii) Sponsor and its designees have conveyed title to at least ninety percent (90%) of the Common Interest allocated to all Units, 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 General Common Charges, Common Charges or Limited Common Charges for the creation of, addition to or replacement of all or part of a working capital, reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, or (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as it required to reflect normal annual increases in operating services, or (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary (and no other alternative is available) to enable the Condominium Board to comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium (see the Section entitled "Control By Sponsor" for further details).

13. Owner occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed due to different reasons for purchasing, *i.e.*, purchase as a home as opposed to an investment. The By-laws of the Condominium do not include a provision that after the Sponsor Control Period a majority of the Board of Managers must be owner-occupant or members of an owner-occupant's household who are unrelated to the sponsor and its principals.

14. No amendment, modification, addition or deletion of the Declaration, By-Laws or Rules and Regulations shall be effective in any way without the prior written consent of Sponsor or its designee or the owner of any Unsold Unit, as the case may be, with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Sponsor or its designee or the owner of any Unsold Unit, as the case may be, or otherwise adversely affecting Sponsor or its designee or the owner of any Unsold Unit, as the case may be (See the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers").

15. Each Purchaser will be obligated to enter into a power of attorney at the closing of title to the 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 General Common Elements and Common Elements, as the case may be. The power of attorney also grants to Sponsor the right to amend the Condominium Declaration with respect to any Unsold Unit. Please refer to the form of power of attorney set forth in its entirety in Part II of the Plan.

16. In accordance with the terms of this Plan, Sponsor has the right, following the expiration of the Exclusive Purchase Period, to sell occupied Units to one or more non-occupant purchasers for investment or resale, or to lease unoccupied Units to others or to retain vacated Units for future rental. Accordingly, it is possible that a significant proportion of Unit Owners

will not be residents of the Building and that a significant portion of tenants in the Building may not be Unit Owners.

17. In the event Sponsor elects to sell occupied Units, any such sales are subject to the rights, if any, of Non-Purchasing Tenants, to continued occupancy under applicable Rent Laws and to purchase their Units during a subsequent exclusive purchase period which occurs prior to the Effective Date. Sponsor has further reserved the right to rent or lease any Unit prior to closing the sale thereof to the Purchaser thereof or any other party and to cease marketing Units for sale at any time. Accordingly residents of the Condominium may be comprised of Unit Owners, Non-Purchasing Tenants and tenants leasing from Sponsor or other Unit Owners after the Property is submitted to a Condominium regime.

18. Individuals leasing Units from Sponsor, pursuant to the interim lease contained in Part II of the Plan, will not, except as expressly provided in their respective leases, have any special rights to purchase such Units. However, any lease for a Unit entered into with a Purchaser, other than a Tenant Purchaser, will provide among other things, that an uncured default by the Purchaser under the Purchase Agreement with respect to the Unit which is the subject of the lease will constitute a default under the lease entitling Sponsor, at its sole option, on behalf of itself and the Condominium, to terminate such lease in accordance with applicable Law. In addition, each Purchase Agreement may provide that an uncured default by the Purchaser under any lease with respect to the Unit which is the subject of the Purchase Agreement will constitute a default under the Purchase Agreement entitling Sponsor, at its sole option, on behalf of itself and the Condominium, to terminate such Purchase Agreement and to exercise any remedies therein provided. Individuals who rent vacant Unsold Units from Sponsor are not Tenant Purchasers under the Plan and shall have no rights to purchase thereunder. Purchasers or any other persons entering into a lease or use and occupancy agreement for a Unit shall be required to pay the legal fees of Sponsor's counsel in connection therewith upon execution of the lease or use and occupancy agreement. All other charges or other fees due under a lease or use and occupancy agreement shall be adjusted as of the Closing to the Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any lease or use and occupancy agreement. See the Section entitled "See the Section entitled "Interim Leases" for further details.

19. Although the estimate of the real estate taxes is a good faith estimate, it is not possible to estimate same with any degree of certainty. Assessed valuations or taxes, when actually made or determined by the City of New York, may be lesser or greater. Accordingly, these estimates of assessed valuation are to be considered opinions and are not intended, and should not be construed as warranties as to future assessed valuations. The real estate tax estimates for each Unit was calculated on the assumption that the real estate taxes for the Building payable with respect to each Unit for the first year of Condominium operation will be allocated in proportion to each Unit's percentage interest in the Common Elements. Upon determination of individual tax lots and individual Unit assessments, the New York City tax authorities may allocate taxes between the Units in proportion to each Unit's purchase price rather than its percentage interest in the Common Elements, and, if so, Units having the same percentage interest may pay different real estate taxes. In accordance with the real estate tax projections set forth in the Tax Opinion of Tuchman, Korngold, Weiss Liebman & Gelles LLP, 6 East 45th Street, 7th floor, New York, New York 10017 dated March 17, 2017, the Building is

fully assessed and the projected real estate taxes for the first year of Condominium operation (July 1, 2017-June 30, 2018) will be \$1,591,722.00 for the Residential Section and \$30,713.00 for the Commercial Section. Neither the Sponsor nor its principals, managers, members, agents, designees, employees, affiliates or the Selling Agent make any representation that the Real Estate Taxes set forth in Schedule A will be the actual Real Estate Taxes finally determined by the City of New York. Please refer to the Section of the Plan entitled "Real Estate Taxes" and to the Tax Opinion of Tuchman, Korngold, Weiss Liebman & Gelles LLP contained in Part I of the Plan for further details.

20. Sponsor reserves the right to sell blocks of Units, as more fully described in the "Introduction" of the Plan, and to designate the purchaser of such blocks of Units as "Sponsor" under this Plan and the Declaration provided that such purchaser meets the definition of Sponsor under the New York State Attorney General's Regulations Governing Newly Constructed, Vacant or Non-Residential Condominiums. The party so designated as a "Sponsor" or a Purchaser designated by Sponsor as a "Holder of Unsold Units" (as hereinafter defined) will have those additional rights and obligations of a "Sponsor" as more fully described in the Plan and such party shall be deemed to be a Sponsor with the obligations of a Sponsor in relation to the Units it owns. Pursuant to the Declaration and By-Laws, the Units may be used for residential purposes or any other lawful purposes subject to conditions set forth in Article 9 of the Declaration and in the By-Laws.

21. No bond or other security has been posted by Sponsor to secure its obligation to pay Common Charges, special assessments and real estate taxes with respect to the Unsold Units. Sponsor represents that it has the financial resources to meet such obligations with respect to Unsold Units. Please refer to the Section of the Plan entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further details.

22. Subsequent to the First Unit Closing, the exterior surface of all windows in the Building shall be washed and cleaned by the Condominium Board and the cost and expense thereof shall be a Common Expense. The interior glass surfaces of all windows located in any Unit shall be washed and cleaned at the sole discretion of the Unit Owner or occupant thereof as such Unit Owner's sole cost and expense. Please refer to the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Board of Managers" under the subsection entitled "Repairs to and Maintenance of Units and Common Elements" in Part I of the Plan for further details.

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

exceed \$1,000,000. (See the Section entitled "Closing Costs and Adjustments" for further details).

24. All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's attorneys, Schwartz Sladkus Reich Greenberg Atlas LLP, in connection with the closing of title to Purchaser's Unit: (i) the sum of \$2,750.00 to reimburse Sponsor for its legal fees in handling the closing, (ii) if the Purchaser requests the Closing to occur other than at the offices of Schwartz Sladkus Reich Greenberg Atlas LLP such other place as Sponsor may designate in its closing notice and Sponsor consents to such change, an attendance fee of \$500.00 for each Closing held within Manhattan and \$750.00 for each Closing held in any borough outside Manhattan, (iii) if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, or for the addition, deletion or substitution of names on the Purchase Agreement, Purchaser shall pay a fee of \$1,000.00 to Sponsor's attorneys, payable in advance, for preparation of an assignment agreement (Purchaser may pay more than one fee pursuant to this paragraph with respect to a single Unit), (iv) if Purchaser obtains mortgage financing, then Purchaser shall pay Sponsor's attorneys an additional fee of \$750.00 to defray the additional costs associated therewith, (v) if Purchaser seeks to close the transaction as part of a like-kind exchange of properties under Section 1031 of the Internal Revenue Code, Purchaser shall pay Sponsor's attorneys an additional fee of \$600.00 to defray the additional costs associated therewith, and (vi) if the closing is adjourned through no fault of Sponsor, the Purchaser will be required to pay to Sponsor's attorneys an additional fee of \$1,000.00 for each adjournment to help defray the cost of preparing for and coordinating the new closing. Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single Unit. Other additional charges may apply.

25. At Sponsor's option, the Building will run on actual expenses for the first six (6) months following the First Closing. During this period, each Unit Owner (including Sponsor if it still owns Units in the Condominium) shall be required to pay the Common Charges set forth in the First Year's Budget. If during this period actual expenses are less than full Common Charges, the difference between actual expenses and full Common Charges, if any, will be, if the Board of Managers elects, refunded pro-rata to all Unit Owners (including Sponsor) in the form of either: (i) a credit against future Common Charges, or (ii) as a cash reimbursement to the Unit Owner (including Sponsor). The timing of the credit or reimbursement will be determined by the Condominium Board, in its sole discretion. Sponsor does not guarantee that actual expenses during the six (6) month period will be less than Common Charges or that any credit will be available to the Unit Owners. (See the "Notes to Schedule A" for further details.)

26. Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase money financing. Such restrictions include requiring that a certain percentage of apartments in a building or group of buildings be sold before a lender will consider making a loan. Thus, it may be possible for a Purchaser to experience difficulty obtaining a loan in a building or group of buildings where the sponsor or holder of unsold units has not sold a substantial percentage of the apartments in the building or group of buildings, which in some cases may be as high as seventy percent (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 ten percent (10%) or more. It also

may be difficult for a Purchaser to resell an apartment if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions.

27. The Contingency provided for in the Projected Budget for the First Year of Condominium Operation (Schedule B) is intended to provide a fund for unanticipated expenses not included in the budget and for increases in operating expenses above the amounts projected. The Contingency is not intended and may not be sufficient to meet the cost of any unanticipated expenses or increases thereof or for major capital repairs or replacements which may be required. If funds are required to meet such costs or expenses, it may be necessary to increase Common Charges or institute a special assessment. As described in the Description of Property included in Part II of the Plan, it is not contemplated that any major component of the Building will have to be replaced within the next five (5) years. Notwithstanding the previous sentence, in the event a major component does require replacement, the amounts deposited in the Condominium's Reserve Fund are sufficient to address any such replacement. See the Sections of the Plan entitled "Reserve Fund" and "Working Capital Fund" for further discussion.

28. Neither Sponsor nor its principals, managers, members, agents, designees, employees, affiliates, vendors or contractors shall be obligated to correct, repair, or replace any or all defects relating to construction or rehabilitation of the Units, the General Common Elements, the Common Elements or the Limited Common Elements, or in the installation or operation of any appliances, fixtures, or equipment therein, except as expressly provided in this Plan. Neither Sponsor nor its principals, managers, members, agents, designees, employees or affiliates will warrant the materials or workmanship of any Unit or any of the Common Elements. The Housing Merchant Implied Warranty Law (GBL Article 36-B) is not applicable to this offering. Sponsor shall, upon receipt, assign to Purchaser any assignable manufacturer's warranties obtained with respect to equipment and appliances installed in the Unit, and upon receipt by the Sponsor of the applicable warranty shall assign to the Condominium Board any warranties with respect to equipment and appliances installed in Common Elements. If any warrantor or guarantor is unable to perform under its warranty or guaranty due to inability, unwillingness, bankruptcy, failure to continue as a viable enterprise or any other reason whatsoever, neither Sponsor nor its principals, managers, members, agents, designees, employees or affiliates shall under any circumstances be considered or deemed a successor warrantor or guarantor under said warranty or guaranty. Neither Sponsor nor its principals, managers, members, agents, designees, employees or affiliates has obligations or responsibilities with respect to such warranties, or the work or item warrantied, even if the warrantor goes out of business, declares bankruptcy or simply fails to fulfill the conditions of the warranty. Recourse is only to the warrantor or guarantor and not to Sponsor or any of its principals, managers, members, agents, designees, employees or affiliates. Notwithstanding the foregoing, Sponsor must comply with all obligations imposed by the Offering Plan, approved building plans and specifications, applicable statutes and regulations, and building codes. Purchasers should be aware that the Building is over fifteen years old and as a result there will be defects that may not be obvious to Purchasers. Purchasers have the option, prior to executing Purchase Agreements, of having the Unit inspected by a professional of their choice.

29. In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of prospective purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by law) at any time and from time to time, before and

after the recording of the Declaration, without giving prior notice and without the consent of any Board, Unit Owner or mortgagee, to (a) change the layout of, or number of rooms in any Unsold Unit, (b) change the size and/or number of Unsold Units by dividing one or more such Units into two or more separate Unsold Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering the boundary walls between one or more Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Unit in such Unsold Unit, (c) designate a Common or Limited Common Element as part of a newly created Unit or designate all or part of a Unit as a newly created Common Element and (d) if appropriate, reapportion among the Unsold Units affected by any such change, their aggregate Common Interests. Any such changes shall only be performed in Units not occupied by a bona fide tenant during the time such changes are to be performed, shall be in compliance with all applicable laws and carried out pursuant to required permits obtained from the New York City Department of Buildings. Notwithstanding the foregoing, no change will be made in the size or number of Units and/or their respective percentages of Common Interests, and no material change will be made in the size or quality of Common Elements, except by amendment to the Plan and, when applicable, to the Declaration of Condominium. Unless an affected Purchaser consents, no material change will be made in unit size, layout, or percentage of common interest if a Purchase Agreement has been executed and delivered to the Sponsor for the Unit and the Purchaser is not in default. Please see the Section of the Plan entitled "Changes in Prices and Units" for further details.

30. Each Unit Owner shall notify the Managing Agent in writing when a child or children under the age of ten (10) years lives or resides (even temporarily) in the Unit. Each Unit Owner shall, at such Unit Owner's expense, install the required window guards in all windows of the Unit if a child under the age of ten (10) years lives or resides in the Unit. The Unit Owner shall maintain all window guards installed in the Unit and shall not remove same until permitted by applicable law in any event, without full knowledge of the Managing Agent. Please see the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Board of Managers" for further details. Neither Sponsor nor its principals, managers, members, agents, designees, employees or affiliates shall be responsible for supplying Unit Owners with window guards for the windows of the Unit nor shall any of the foregoing assume any liability if a Unit Owner fails to install window guards. Each Purchaser hereby agrees that upon acceptance of its deed to the Unit, he or she shall be deemed to expressly ratify this provision.

31. Purchasers are advised three Units, identified as Units 1A, 7A, and 14D, are designated as low income housing units ("Low Income Units") and are also governed by and subject to the regulatory agreement (the regulatory agreement shall be referred to as the "Low Income Housing Plan"), annexed to Part II of the Plan as Exhibit 18. The Low Income Units were originally built and designated as affordable units in accordance with the New York City Inclusionary Housing Program (the "IH Program") and the IH Program requires the Low Income Units to remain affordable for the life of the Building. Unless there is a revision to the Low Income Housing Plan and/or the IH Program, the Low Income Units shall remain perpetually affordable. The Tenants in occupancy of the Low Income Units (the "Low Income Housing Tenants") shall be individuals who satisfy the eligibility requirements contained in the Low Income Housing Plan. The Low Income Units are not offered for sale at this time and will remain as rental units in accordance with the requirements contained in the Low Income Housing

Plan, but Sponsor reserves the right to offer the Low Income Units for sale to the Low Income Housing Tenants, subject to the requirements contained in the Low Income Housing Plan, at a later date and, alternatively, Sponsor reserves the right to sell the Low Income Units, either individually or as one (1) tax lot, to a third-party, including, but not limited to, a not-for-profit entity, an investor, to the Condominium, or to a housing development fund corporation (which may be controlled by the Condominium), but the sale to the Condominium or to a housing development fund corporation, which may be controlled by the Condominium, shall only occur within the time Sponsor is in control of the Condominium Board. If such a sale occurs, Sponsor shall amend the Plan to disclose the terms of the sale and the effects such a sale would have on the Unit Owners' carrying costs. Purchasers are advised that if the Low Income Units are sold to the Condominium, each Unit Owner's Common Charges will be proportionately increased to cover the carrying costs of the Low Income Units and the fees of an administering agent, which will be retained in accordance with the Low Income Housing Plan to administer the Low Income Units in accordance with the Low Income Housing Plan and the Condominium shall receive, as rental income, the rent paid by the Low Income Tenants pursuant to the Low Income Housing Plan.

The percentage of Common Interest for each individual Low Income Unit have been made in accordance with Section 339-i(1)(i) of the New York Real Property Law while considering the approximate fair value of the Low Income Units on the date of recording the declaration. The fair value of the Low Income Units is determined in accordance with the IH Program and the fair value is seventy-five percent (75%) less than the fair value of the market Units. Accordingly, it is possible that the rents collected from the Low Income Units may sufficiently pay for the Common Charges and real estate taxes attributable to the Low Income Units, but in the event the rents collected are not sufficient to pay the Common Charges and real estate taxes attributable to the Low Income Units, the Common Charges assessed to the Low Income Units and payable by the owner(s) of the Low Income Unit(s) may be reduced and in the event the Common Charges and real estate taxes attributable to the Low Income Units exceed the rent collected by the owner(s) of the Low Income Unit(s) from the Low Income Units, the Common Charges will be specially allocated. Specifically, in accordance with Section 339-m of the New York Real Property Law, the allocation and apportionment of Common Charges to the Low Income Units (the "Low Income Unit Common Charge Allocations") may be less than the allocation and apportionment of Common Charges to the other Units where such lesser Common Charges are necessary to ensure that the Common Charges paid by the Low Income Units do not exceed the Low Income Unit Operating Income (as defined below). The Low Income Unit Common Charge Allocation shall be implemented by either: (i) imposing Common Charges for the Low Income Unit that are not proportional to the Common Charges for the other Units, or (ii) limiting the amount of Common Charges imposed on the Low Income Unit (a "Low Income Unit Common Charge Limitation"). In the event a Low Income Unit Common Charge Limitation is implemented, the Common Charges payable by all other Unit Owners may be increased by the amount of such reduction in the Common Charges otherwise payable by the Low Income Unit Owner on a pro-rata basis in accordance with their relative proportional Common Interest, or otherwise in accordance with the allocation methodology set forth in the Condominium By-Laws. For purposes hereof, "Low Income Unit Operating Income" means the aggregate of (A) the annual rents paid by the Low Income Housing Tenants to the Unit Owner of the Low Income Units, and (B) any other annual revenues obtained from the Low Income Units. Accordingly, Purchasers are advised that, due to such allocations of Common Charges to the Low Income

Units, Unit Owners may have greater increases in their respective Common Charges in order to compensate for the lower Common Charges attributable to the Low Income Units.

Purchasers are advised that pursuant to the By-Laws and the Low Income Housing Plan, the Common Charges and any assessments allocated to the Low Income Units shall be limited and any increase to the Common Charges attributable to the Low Income Units shall be limited, but the Low Income Tenants shall not have any services or use of any facilities of the Condominium diminished as a result of such allocations of Common Charges.

32. The managing agent for the Condominium will contract the services of a full time superintendent for the Condominium. The Building is currently staffed and operates as a rental building. The same level of staffing will continue to remain in place, with staff members available twenty-four (24) hours a day to attend to the Unit Owners. The level of staffing complies with Housing Maintenance Code §27-2053. See, "Schedule B – Projected Budget for First Year of Operation."

33. 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, provided that any such qualifying work must be performed before the Effective Date. A description of the qualifying work which Sponsor intends to perform will be disclosed in a duly filed amendment to the Plan. No assurance can be given that the Reserve Fund will be adequate to pay for the replacement of capital items likely to be needed. Moreover, if Sponsor elects to fund the Reserve Fund through supplemental contributions, there may not be a sufficient amount in the Reserve Fund at the time repairs are deemed necessary or appropriate 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 the Unit Owners or Sponsor may elect to advance its contributions to the Reserve Fund and take a credit against future supplemental contributions. In addition, each Purchaser of a Unit shall pay into the Working Capital Fund of the Condominium a sum to equal to two (2) months of Common Charges for the Unit being purchased at closing. Unit Owners shall be obligated to pay their share of the cost of repair, replacements and improvements to the Common Elements as the need for the same arises, unless there is sufficient Working Capital or other funds available. Sponsor does not anticipate the need for such capital repairs, replacements or improvements; however, no assurance or guaranty is given by the Sponsor or any of its principals, managers, members, agents, designees, employees or affiliates that such needs shall not arise in the future. See "Rights and Obligations of Unit Owners and the Board of Managers."

34. Sponsor anticipates that the Condominium will qualify as a homeowners association under Section 528 of the Internal Revenue Code. Assuming the Condominium does not qualify as a homeowners association, 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 included in Part I of the Plan, the tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of such income (including the nonmembership, and possibly membership, income described above less expenses related to such income) is subject to Federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or

Unincorporated Business Tax. The Budget for the First Year of Condominium Operation included as Schedule B in Part I of the Plan does not contemplate any income which might be taxable and accordingly does not budget any amounts for taxes for non-membership or membership income. Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners or otherwise treated. The tax treatment of the Condominium may be affected by regulations relating to entity classification, which were adopted by the United States Treasury Department on December 17, 1996. Please refer to the Attorney's Income Tax Opinion and the Section entitled "Taxes—Deductions to Unit Owners and Tax Status of Condominium" in Part I of the Plan for further discussion.

35. No representation or warranty is made and no assurance is given by Sponsor, its principals, managers, members, agents, designees, employees or affiliates that the security systems and procedures of the Condominium will prevent personal injury or damage to or loss of personal property. While Unsold Units are being offered for sale or lease by Sponsor or its designees and during the period in which Purchasers are commencing occupancy of Units they purchase there will be a greater number of visitors to the Building than would otherwise be the case. No representation or warranty is made and no assurance is given as to when such selling or leasing activity will terminate. Neither Sponsor, its principals, managers, members, agents, designees, employees, agents nor the Managing Agent shall be liable or responsible for any personal injury or for any loss or damage to personal property which may result from the failure of the Condominium's security systems and procedures, including, without limitation, those procedures with regard to any delivery of packages except in the event of the willful neglect or gross negligence of any of the foregoing parties. Please refer to the Section of the Plan entitled "Description of Property and Improvements" under the subsection entitled "General" for further details.

36. Neither Sponsor nor its principals, managers, members, agents, designees, employees or affiliates make any representation or warranty (express or implied) that any noise, odors, fumes or vibrations, if any, emanating from any plumbing, electrical, mechanical equipment, mechanical systems, ventilation system or roof elements belonging to the Condominium located on any roof, in the cellar or in other Common Elements of the Condominium or from any neighboring buildings will or will not disturb occupants of the Units, and neither Sponsor, its principals, managers, members, agents, designees, employees or affiliates shall have any liability whatsoever for any such disturbance to any Unit Owner or occupant. Notwithstanding the foregoing, Sponsor must comply with all obligations imposed by the Offering Plan, approved building plans and specifications, applicable statutes, regulations and building codes, and Sponsor is unaware of any such condition as of the Filing Date. If Sponsor becomes aware of any such condition it shall disclose same in a duly filed amendment to this Plan. Purchasers shall receive a copy of the Condominium's Tenant Protection Plan enacted in 2008 pursuant to the New York City Building Code, a copy of which is contained in Part II of the Plan. Additionally, included in Part II of the Plan is the PW-1 Plan/Work Application for the Building.

37. Unless caused by a violation of the Sound Transmission Code or other applicable code or codes with respect to systems in the Building, neither Sponsor nor its principals, managers, members, agents, designees, employees, affiliates, or lenders make any representations or warranties (express or implied) other than as expressly set forth in this Plan.

Neither Sponsor nor its principals, managers, members, agents, designees, employees, affiliates, or lenders shall bear any liability with respect to the rights and obligations of Sponsor under this Plan except as specifically set forth in this Plan.

38. All dimensions shown on Unit Floor Plans are approximate, within reasonable tolerances, and subject to square footage and construction variations, including alterations necessitated by structural or mechanical changes performed during renovation, in the Sponsor's sole and absolute discretion; however, no material change to a Unit Floor Plan will be made to a Unit which is the subject of a purchase agreement without the purchaser's consent. Square footage as calculated in Schedule A and on the Unit floor plans in Part II is described in "Footnotes to Schedule A" and is significantly greater than usable square footage. No such variation will affect Purchaser's obligations under a Purchase Agreement of the Plan unless the square footage of the Unit is materially changed or altered. The approximate indoor floor area, within reasonable tolerances, of each Unit, taken horizontally, shall extend to: (i) the exterior face of any exterior walls directly enclosing the Unit, except that the Unit shall not extend beyond the property line; (ii) the centerline of any wall or partition separating the Unit from another Unit; and (iii) the centerline of any non-Unit side of any wall or partition separating the Unit from any corridor, stairs, mechanical equipment space or elevator shaft, where those elements do not exclusively serve the Unit, with the exception of any stair and elevator enclosure where the Unit is measured to exterior face of concrete structure. Measured vertically, each Unit will consist of the volume from the top of the concrete slab below (located under the finish flooring and sub-floor materials) to the underside of the concrete slab above. A decrease in a Unit's area of five percent (5%) or less will not affect a Purchaser's obligations unless such decrease is determined to be a material change. There is a rebuttable presumption that an area that is diminished by five percent (5%) or less is not material. In the event it is determined that the square footage of the Unit is materially changed or altered, Purchaser shall have the right to seek a pro-rata reduction in the purchase price or shall have the right to terminate the Purchase Agreement.

39. A Unit Owner may not commence any alteration, addition, or improvement which would require a construction, alteration or building permit issued by the New York City Department of Buildings, including but not limited to, the combination of two or more Units, or the finishing of any space in a Unit, nor may any work be undertaken by a Purchaser (as Unit Owner) which will alter the layouts, electrical, structural, mechanical or plumbing systems of a Unit from the original configuration without prior written consent of the Condominium. All approved alterations must be in compliance with Declaration, Bylaws and Rules and Regulations of the Condominium.

40. Sponsor, its principals, managers, members, agents, designees, employees and affiliates is not required or obligated to perform any special or custom work, upgrades or extras in Units whatsoever. However, in the event that Sponsor agrees in writing to perform any special work, payments made for such special or custom work, upgrades or extras ordered by Purchasers, if any, must be paid for in full at the time an agreement is entered into by the Sponsor and the Purchaser with respect to any special or custom work, extras or upgrades. This payment must be made directly to Sponsor or as Sponsor directs, is not to be held in escrow and is not refundable under any circumstances, unless the funds have not been spent by the Sponsor in which case the unspent sums shall be refundable if the Purchaser is entitled to rescind the

Purchase Agreement. Such work, if agreed to, will be performed based upon the standards set forth in this Plan. As a result, even in the event a Purchaser is entitled to rescission of the Purchase Agreement, the Purchaser will not receive a refund of any funds used for the upgrades or extras. Purchasers are expressly prohibited from assigning any agreement with Sponsor for the performance of special or custom work and any and all punchlist agreements with Sponsor. Notwithstanding the foregoing, if Sponsor abandons the Plan, Sponsor will refund amounts paid by Purchasers for special upgrades or extras, to the extent such funds have not been used for such purposes.

41. Purchasers are expressly prohibited from assigning Purchase Agreements prior to Closing.

42. The major components and systems in the Building are being delivered in their "as is" condition and Sponsor is not installing or replacing any existing Building mechanical systems with the exception of the elevators which shall be completely re-modernized (See Description of Property in Part II of the Plan for further detail). . As a result, Sponsor will not be delivering warranties on any structural components of the (i) Building, including, but not limited to, the roof, bulkhead, parapets or windows; (ii) Building mechanical systems including, but not limited to (a) the heating and air conditioning systems, (b) plumbing systems, (c) electrical systems; (iii) elevators, including, but not limited to, all systems and components thereof (but a warranty will be delivered once the elevators are re-modernized); or (iv) other aspects of the Building with the exception of the new stove and microwave installed within the Units by the Sponsor or its contractors or employees (new appliances shall be installed by Sponsor).

43. The Terraces appurtenant to a Unit may not be used for any type of occupancy, including but not limited to, for sleeping or other residential use. To do so may result in a violation against the Building being issued by New York City Department of Buildings.

44. Prior to the Closing of title on any Unit, Purchaser agrees not to list the Unit for resale or rental with any broker or to advertise or otherwise offer, promote or publicize the availability of the Unit for sale or lease without Sponsor's prior written consent. In addition, no Purchaser may advertise, list or sell a Unit acquired from Sponsor for a period of twelve (12) months after acquisition of such Unit (provided however, such limitation shall not apply after the date the Sponsor conveys title to all of the Units). Any listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser prior to Closing shall be deemed a default by Purchaser under the Purchase Agreement. Any conveyance in violation of the foregoing will be voidable by Sponsor. The provisions contained in this section of the Special Risks shall also be contained in each Purchase Agreement.

45. In the event a mortgage recording tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, it is specifically understood that such credit shall inure to the benefit of Sponsor. Accordingly, at closing, a Purchaser who elects mortgage financing will be responsible to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. Sponsor at closing will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed.

46. A Purchaser, as per the Offering Price listed in Schedule A, can execute a license agreement, in the form provided in Part II of the Plan, for the license to use a Storage Bin located in the Cellar of the Building pursuant to a License Agreement with the Board. The Storage Bins may not be used for combustible items as defined in the Building Code of the New York City Department of Buildings nor any items which may pose a health or safety threat of which otherwise create a nuisance and shall be subject to such other rules as may be imposed by the Board.

47. The Building will contain two (2) Commercial Units which may be used for any lawful use provided such use is not (a) noxious or immoral or a so-called "adult entertainment" facility under New York zoning laws, or for obscene or pornographic purposes or activities or the sale or distribution of any obscene or pornographic material, as such terms are defined in Section 235 of New York Penal Law; (b) for manufacturing use; (c) for the purpose of performing any abortions or providing any professional counseling or advice advocating abortions or family planning; (d) as an off-track betting facility; or (e) a restaurant (but food preparation is permissible provided there is no cooking in the Unit), all as more fully discussed in the Section of the Plan entitled "Commercial Unit". Except as set forth above, a Commercial Unit Owner may use a Commercial Unit for any lawful purpose, at its sole discretion and without the requirement of consent of the Condominium Board or anyone else, provided that such use is consistent with the applicable governmental regulations and with the Declaration and By-Laws of the Condominium, including, without limitation, the rules and regulations that are a part of the By-Laws. The Commercial Unit Owner has the right to freely sell the Commercial Unit, or to freely lease, divide or sell all or part of the Commercial Unit, as the case may be, without having to first obtain the approval of or offer the same for sale or lease to the Condominium Board. The Residential Unit Owners may not have control over the uses of the Commercial Unit except as restricted by the Zoning Resolution of the City of New York and the Declaration and By-Laws. (See "Commercial Unit" for further details) The use of the Commercial Unit may generate noise or other disturbances. The Commercial Unit Owner shall not be held liable for such noise or other disturbances, provided the use is in accordance with all New York City rules and regulations governing same. Neither the Declaration of Condominium nor its by-laws may be amended in any matter whatsoever which would adversely affect the rights of the Commercial Unit Owner without its consent.

The Commercial Unit Owner, without the consent of the Condominium Board, may make any structural or non-structural alteration, addition, improvement or repair in or to any Commercial Unit or the Commercial Common Elements, including the subdivision of the Commercial Unit, provided that the work is performed by the Commercial Unit Owner in compliance with governmental laws and regulations and in accordance with all conditions described in the Declaration. In addition, Sponsor and the Commercial Unit Owner may erect, maintain, repair and replace, or permit their tenants to erect, maintain, repair or replace, from time to time, one or more signs on the Property for the purpose of advertising the availability of the Commercial Unit for sale or rent or the operation of any business of a tenant or occupant of the Commercial Unit including, but not limited to, signs on the facade of the Building and on any awnings, canopies or other protrusions from the facade of the Building. See the Section of the Plan entitled "Commercial Unit" for further discussion.

48. Unit 5A shall be designated as the Resident Manager's Unit and may be occupied by the Resident Manager of the Building. At, or subsequent to the First Closing, Unit 5A will be purchased by the Condominium Board on behalf of all Unit Owners for a purchase price of \$1,547,000.00, payable by the Condominium Board on behalf of all Unit Owners. Such purchase will occur while the Sponsor is in control of the Condominium Board. The Condominium Board, on behalf of all Unit Owners, will be responsible for the payment of all mortgage recording taxes, transfer taxes and title insurance premiums and fees due in connection with the purchase of this Unit. All Common Charges attributable to the Resident Manager's Unit including debt service, utilities, real estate taxes, costs of repairs, alterations and improvements and costs of financing the purchase of the Resident Manager's Unit shall be borne by all Unit Owners as a Common Expense. The Condominium Board, on behalf of all Unit Owners, shall pay the purchase price by executing one or more purchase money note(s) to be delivered by the Condominium to the Sponsor and/or to an institutional lender, at Sponsor's option, in the aggregate amount of up to \$1,547,000.00 secured by one or more mortgages on such Unit (the "Note"). The Note will bear interest at 4.5% per annum as set forth in "Schedule B – First Year's Budget," provide for the payment of equal monthly installments of interest and require a balloon payment (assuming no defaults thereunder) on its maturity date which will be 5 years after the Closing. The loan will be prepayable without penalty or premium. At maturity, the Condominium will have to repay the principal balance together with any accrued and unpaid interest. Purchasers are advised that in the event the Condominium Board is not able to refinance or extend the Note(s) and mortgage(s) at maturity, the Condominium Board may be required to assess all Unit Owners in proportion to their respective Common Interests.

In the event of a default under the Note(s) and mortgage(s), the holder of such mortgage(s) may foreclose on the Unit, with any deficiency being the obligation of the Unit Owners. In the event of such foreclosure, the Condominium will be without a Resident Manager's Unit and alternate arrangements will be required to shelter the Resident Manager within the Condominium or within such distance as may be prescribed by Law.

Closing costs, including without limitation, mortgage recording taxes, transfer taxes, title insurance premiums and fees due in connection with the conveyance and financing of the Resident Manager's Unit will be paid by the Condominium Board, on behalf of Unit Owners out of the Working Capital Fund. If the Working Capital Fund at the time of Closing is insufficient to make such payments, Sponsor will advance such sums on behalf of the Condominium for repayment to the Sponsor pursuant to a non-interest bearing, fully-amortizing, non-secured promissory note requiring 12 equal monthly payments. These payments shall be borne by all Unit Owners as a Common Expense.

Sponsor reserves the right, in its sole discretion to substitute a different one bedroom/one bathroom Unit in place of Unit 5A (at the same cost and with the same financial implications as set forth herein) to serve as the Resident Manager's Unit. Sponsor shall amend the Plan to disclose such substitution. See the Section of the Plan entitled "Resident Manager's Unit" for further discussion.

49. The Condominium has a strict pet policy which only permits Unit Owners to harbor no more than two (2) pets of specific types, breeds and weight and subject to the consent of the Condominium Board, which may, in turn, delegate the decision to the Managing Agent.

Each Unit Owner who keeps any type of pet in his or her Unit will be required to: (a) indemnify and hold harmless the Condominium, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all reasonable Rules and Regulations of the Condominium Board adopted with respect thereto; and, (c) clean up after their pet.

50. The interior and exterior glass surfaces of all windows located in any Unit are to be washed and cleaned by the Unit Owner at such Unit Owner's sole cost and expense. The exterior glass surfaces of all windows may, at the option of the Condominium Board, be washed and cleaned by the Condominium Board and the cost thereof shall be a Common Expense; otherwise Unit Owners shall be obligated to clean such windows at their own cost and expense. See the Subsection of the Plan entitled "Repairs to and Maintenance of Units and Common Elements."

51. Similar to other rental buildings that are converted to a condominium structure, the building currently has a Temporary Certificate of Occupancy and a Permanent Certificate of Occupancy cannot be procured until the various open permits and jobs are completed and signed off by the New York City Department of Buildings. Sponsor is obligated to undertake the responsibility for extending the Temporary Certificate of Occupancy prior to its expiration and until a Permanent Certificate of Occupancy is procured for the Building. Sponsor anticipates the Permanent Certificate of Occupancy to be procured within two (2) years after the First Closing. Neither Sponsor nor its principals, managers, members, agents, designees, employees or affiliates make any representation or guarantee that the New York City Department of Buildings will issue a Permanent Certificate of Occupancy for the Units in the Condominium within two (2) years or more after the First Closing. In the event that a Closing takes place prior to the issuance of a Permanent Certificate of Occupancy for the Units in the Condominium, Sponsor shall maintain all deposits and funds in the special escrow account required by Section 352-e(2)(b) of the New York General Business Law unless the Sponsor's engineer or architect certifies that a lesser amount will be necessary to complete the work necessary to obtain a permanent Certificate of Occupancy for the Units, in which case the sum exceeding the amount so certified by the Sponsor's engineer or architect may be released from escrow.

INTRODUCTION

Gaia 308 East 38th Street LLC, a New York limited liability company ("Sponsor"), hereby presents this offering plan (the "Plan") for the establishment of condominium ownership of certain real estate consisting of approximately 123,931 square feet of Land on 38th Street between Second Avenue and Tunnel Street Entrance, including a twenty-two (22) story building (the "Building") containing ninety-four (94) residential units, three (3) residential units that are designated as low income housing units (Units 1A, 7A, and 14D), two (2) commercial units and twenty-five (25) Storage Bins in the cellar, with sixteen (16) Storage Bins designated as small Storage Bins and nine (9) Storage Bins designated as large Storage Bins. The 94 residential units in the Building are referred to, collectively, as the "Residential Units." The three low income housing units are referred to as the "Low Income Units." The commercial units will be referred to as the "Commercial Units." The Storage Bins will be referred to as the "Storage Bins." The Residential Units and Commercial Units in the Building are referred to collectively as the "Units." There is a Fitness Center in the lower level and a Recreation Room and Lounge Area in the cellar and lobby. The Land and the Building are collectively referred to herein as the "Property." The condominium will be known as The Vantage and is called the "Condominium" in this Plan.

The purpose of the Plan is to set forth in detail all material facts relating to the offering by Sponsor of the ninety-four (94) Residential Units, two (2) Commercial Units and twenty-five (25) Storage Bins. Sponsor may from time to time amend or supplement the Plan by filing an amendment with the New York State Department of Law (the "Department of Law") and serving such amendment on Purchasers and Unit Owners.

The Low Income Units are not offered for sale at this time and will remain as rental units in accordance with the requirements contained in the Low Income Housing Plan, but Sponsor reserves the right to offer the Low Income Units for sale to the Low Income Housing Tenants, subject to the requirements contained in the Low Income Housing Plan, at a later date and, alternatively, Sponsor reserves the right to sell the Low Income Units, either individually or as one (1) tax lot, to a third-party, including, but not limited to, a not-for-profit entity, an investor, to the Condominium, or to a housing development fund corporation (which may be controlled by the Condominium), but the sale to the Condominium or to a housing development fund corporation, which may be controlled by the Condominium, shall only occur within the time Sponsor is in control of the Condominium Board. If such a sale occurs, Sponsor shall amend the Plan to disclose the terms of the sale and the effects such a sale would have on the Unit Owners' carrying costs. Purchasers are advised that if the Low Income Units are sold to the Condominium, each Unit Owner's Common Charges will be proportionately increased to cover the carrying costs of the Low Income Units and the fees of an administering agent, which will be retained in accordance with the Low Income Housing Plan to administer the Low Income Units in accordance with the Low Income Housing Plan and the Condominium shall receive, as rental income, the rent paid by the Low Income Tenants pursuant to the Low Income Housing Plan.

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

Agreement, certifications of Sponsor and Sponsor's architect, certifications of an expert selected by Sponsor concerning the adequacy of the budget for the first year of Condominium operation and certain agreements to which the Condominium will be bound. In addition, Sponsor has filed exhibits to the Plan with the Department of Law, which are presented as Parts A (Certifications), B (General), C (Engineering) and D (Other Information). The Plan, including all Schedules set forth herein in Parts A, B, C and D of the exhibits, constitutes the entire offer of Sponsor. Copies of the Plan and the exhibits may be borrowed upon payment of one hundred (\$100) dollar deposit, which amount will be fully refunded after either (i) the prompt return of all borrowed materials in good condition or (ii) the execution by the borrower of a Purchase Agreement subsequently accepted by Sponsor. Copies of the Plan and exhibits will also be available for inspection and copying at a reasonable fee at the Department of Law, 120 Broadway, 23rd Floor, New York, New York. All of these documents are important and should be carefully read by prospective purchaser. Prospective Purchasers are also advised to consult with their own attorneys or other advisers before agreeing to purchase. All capitalized terms used in the Plan shall have the meanings ascribed thereto in the Section entitled "Certain Definitions", unless otherwise indicated.

The Condominium

On January 30, 2015, the Sponsor acquired fee title to the Land and related structures thereon. The Building currently has a Temporary Certificate of Occupancy which will not have to be amended in connection with Sponsor's acquisition of the Building. The Building contains twenty stories. The floors in the Building are named (from bottom to top): first floor, floors three (3) through sixteen (16), numerically skipping floor thirteen (13), (labeled 2 thru 14 by DOB), floors seventeen (17) floor through twenty two (22) (labeled 15 thru 20 by DOB).

As more particularly described herein, the Building will include (a) a Residential Section containing the Residential Units, the Residential Common Elements and the Residential Limited Common Elements and the Storage Bins, which are Residential Limited Common Elements appurtenant to Sponsor's residential Unsold Units, and (b) a Commercial Section, which will contain two (2) Commercial Units, the Commercial Common Elements and the Commercial Limited Common Elements and the (c) General Common Elements. Certain services will be available to residential occupants of the Condominium, including, but not limited to, a 24-hour lobby attendant, concierge services, automatic elevators, Recreation Room, Lounge Area and Fitness Center for residents only. The cost of each of the foregoing is included in the Common Charge for the Residential Unit Owners.

The Recreation Room in the cellar will contain a seating area, a library, kitchenette, and games, such as, but not limited to, a billiards table. The Lounge Area in the lobby will contain a seating area. The Fitness Center is located on the lower level of the Building has a comprehensive range of cardiovascular, weight training equipment and yoga room. It may only be used by the Building's residents. The costs to operate the Recreation Room and the Fitness Center are included in the Common Charge for the Residential Unit Owners.

Similar to other rental buildings that are converted to a condominium structure, the building currently has a Temporary Certificate of Occupancy and a Permanent Certificate of Occupancy cannot be procured until the various open permits and jobs are completed and signed

off by the New York City Department of Buildings. Sponsor is obligated to undertake the responsibility for extending the Temporary Certificate of Occupancy prior to its expiration and until a Permanent Certificate of Occupancy is procured for the Building. Sponsor anticipates the Permanent Certificate of Occupancy to be procured within two (2) years after the First Closing. Neither Sponsor nor its principals, managers, members, agents, designees, employees or affiliates make any representation or guarantee that the New York City Department of Buildings will issue a Permanent Certificate of Occupancy for the Units in the Condominium within two (2) years or more after the First Closing. In the event that a Closing takes place prior to the issuance of a Permanent Certificate of Occupancy for the Units in the Condominium, Sponsor shall maintain all deposits and funds in the special escrow account required by Section 352-e(2)(b) of the New York General Business Law unless the Sponsor's engineer or architect certifies that a lesser amount will be necessary to complete the work necessary to obtain a permanent Certificate of Occupancy for the Units, in which case the sum exceeding the amount so certified by the Sponsor's engineer or architect may be released from escrow.

Features of Condominium Ownership

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

Certain Unit Owners have the exclusive use of Terraces appurtenant to their Units, and such Unit Owners are responsible for all normal maintenance, repairs and replacements thereto. Terraces appurtenant to Units are shown on the Unit Floor Plans included in Part II of the Plan. However, the costs and expenses of any structural or extraordinary repairs or replacements to any Terrace (unless caused by a Unit Owner in which case that Owner shall be responsible for such repairs) shall be charged to all Unit Owners as a Common Expense. The type, size, weight and quantity of plantings and other installations to be placed on Terraces and the rights of Unit Owners to paint and decorate Terraces shall be subject to the prior written approval of the Condominium Board. Any planting or other installations to be placed on Terraces shall be subject to the rules and regulations promulgated by any New York City and Department of Buildings regulations, including, but not limited to, any applicable weight restrictions. The Condominium Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants.

Each Unit Owner is obligated to comply with the Declaration and By-Laws, rules and regulations, and any other requirements of the Condominium Board. The Condominium Board has the authority to manage the Condominium and the Units. The Unit Owners have the right to vote for members of the Condominium Board. The Condominium Board does not have the right to approve or disapprove purchasers. Inasmuch as there is no limit on the number of owners who may purchase for investment rather than for personal occupancy, there is a possibility that there may always be a substantial percentage of owners who are non-residents.

Subject to certain conditions contained in the By-Laws, each Unit Owner may mortgage his or her Unit(s) with such lender and in such amount as he or she chooses. However, neither Sponsor nor its principals, managers, members, agents, designees, employees or affiliates make any representations about whether a Purchaser will be able to finance the purchase of any Unit. Each Unit is separate and is not subject to the lien of any mortgage placed by other Unit Owners on their respective Units.

A Unit Owner may decorate the interior of his or her Unit in any way desired except as otherwise provided in the By-Laws and Rules and Regulations and law, and will be solely responsible for the cost of maintenance and interior repairs to his Unit after Closing.

Each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for the payment of, nor will his or her Unit be subjected to, any lien arising from the non-payment of real estate taxes on other Units. Please refer to the opinion of Schwartz Sladkus Reich Greenberg Atlas LLP, counsel to Sponsor, set forth in full in Part I of the Plan, for a discussion regarding the deductibility for United States, New York State and New York City income tax purposes, of real estate taxes and the interest paid on a mortgage, if any, on a Unit. Neither Sponsor, its principals, managers, members, agents, designees, employees, affiliates, Sponsor's counsel, Sponsor's tax counsel, the Selling Agent, its principals and agents, nor the Managing Agent shall have any liability to any Purchaser in the event the United States Treasury Department amends its regulations relating to entity classification and such amendment(s) have a materially adverse impact upon the tax treatment of the Condominium.

Section 248 of the New York Multiple Dwelling Law makes it unlawful and illegal for an owner to rent his/her apartment on a transient and short term basis. No Unit Owner may lease his/her Unit for a term of less than one (1) year. Unit Owners who wish to lease their Units may only enter a lease for a term of at least one (1) year subject to the right of first refusal of the Condominium Board. The Condominium Board may lease such Unit or produce a third party to do so upon the same terms that were offered to the owner of the Unit. For a more complete discussion of the foregoing, see the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers – Sales and Leases of Units."

The statute concerning condominiums in effect in the State of New York pursuant to which the Condominium will be organized is Article 9-B of the Real Property Law of the State of New York, as amended, commonly known, and hereinafter referred to as the "Condominium Act". The Property will be submitted to the provisions of the Condominium Act by Sponsor's recording of the Declaration in the City Register's Office. From and after the date of recording the Declaration, Sponsor will be the owner of the Units until each is sold or conveyed. The Condominium will comply with all statutes and regulations applicable to condominiums in the State of New York.

Generally, the cost of operating the Common Elements will be borne by the Units Owners in proportion to their respective Common Interest. The costs and expenses of operating and maintaining the General Common Elements including, but not limited to, the cost of snow removal, will generally be shared by all Unit Owners in proportion to their respective Common Interest except as otherwise provided in Schedule B "Projected Budget for First Year of Condominium Operation" in Part I of the Plan or in accordance with the terms of the By-Laws.

The Condominium Board may make allocations of General Common Expenses and Common Expenses in accordance with contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with law.

The Condominium Board shall be comprised of three (3) representatives elected by the Unit Owners. Sponsor as the owner of Unsold Units will have voting control of the Condominium Board during the period ending upon the earlier of (i) five (5) years from the First Closing, or (ii) the date upon which the Unsold Units constitute less than fifty percent (50%) of the Common Interests. Please refer to the Section of entitled "Control by Sponsor" in Part I of the Plan for further details.

As more particularly set forth in the By-Laws, the Condominium Board will determine the amount of General 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 of the Condominium. Such charges will be assessed against Unit Owners in proportion to their respective Common Interests except as otherwise determined by the Condominium Board in accordance with the Condominium Act, Sections 339-(i) and (m).

The cost of improvements, repairs, alterations and additions to the Section will be determined by the Condominium Board and assessed against all Unit Owners in proportion to their respective Common Interests. The estimated Common Charges for each Unit for the first year of condominium operation are set forth in Schedule A.

After the closing of title to a Unit, a Unit Owner will be solely responsible for maintaining casualty insurance with respect to the fixtures, equipment and personal property situated within his Unit, as well as liability insurance with respect to occurrences in or about his Unit. Additionally, a Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum coverage as established by the Condominium Board from time to time and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage). The insurance shall be in such amounts as the Unit Owner deems reasonable providing, however, that upon the advice of the Condominium's insurance consultant, the Board of Managers shall have the right to establish minimum levels of insurance which the Unit Owner shall obtain upon renewing his or her insurance. The Condominium shall have no obligation to make certain that each Unit Owner maintains such insurance and the Condominium shall have no liability if a Unit Owner fails to have such insurance. The Sponsor, its principals, managers, members, agents, designees, employees and affiliates shall not be liable for Unit Owners' personal property within each Unit under any circumstances. The By-Laws require that each Unit Owner maintain such insurance coverage. In the event the Unit contains Terrace, it shall also be covered under the Unit Owner's homeowner's insurance policy. The Condominium Board will be solely responsible for maintaining casualty and liability insurance with respect to the Common Elements, in accordance with the provisions of the By-Laws. See the Section entitled "Rights and Obligations of Unit Owners and the Boards of Managers" for a more complete discussion of the foregoing.

There are no limitations on who may purchase Units. Under the New York Real Property Law, a condominium unit may be owned by an individual, a corporation, a partnership, a limited liability company, an association, a trust or any other entity which is permitted to take title pursuant to New York law. The Sponsor or its designee may also sell the Units in blocks to investors without the Board of Manager's consent or without obtaining a waiver of right of first refusal. Notwithstanding the foregoing, Sponsor, its designees or any Holder of Unsold Units is not obligated to offer or sell any Units and may, if it chooses, withhold one or more Units for future sale for any reason whatsoever, without the consent of the Board, any Unit Owner, or mortgagee, refuse to approve and execute (a) a Purchase Agreement for any Unit, and (b) a Purchase Agreement or Purchase Agreements, as the case may be, for more than one Unit to any one person or entity; provided, however, that, in either event, Sponsor shall not discriminate against any person because of his or her race, creed, color, sex, disability, material status, age, ancestry, national origin or other ground proscribed by law. No binding obligation will arise for the sale of a Unit unless and until a Purchase Agreement executed by both Purchaser and Sponsor, has been exchanged and Sponsor has collected the funds constituting Purchaser's required Down Payment thereunder (see the Section entitled "Procedure to Purchase" for more details). Sponsor will not accept an offer of purchase from an individual younger than eighteen (18) years of age or an incompetent under law.

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

Offering of Units for Sale

Sponsor hereby offers ninety-four (94) Residential Units, two (2) Commercial Units and twenty-five (25) Storage Bins to Purchasers for sale under the Plan. The Low Income Units, which are not currently offered for sale, were originally built and designated as affordable units in accordance with the IH Program and the IH Program requires the Low Income Units to remain affordable as the "Floor Area Compensation" (as such term is defined in the Low Income Housing Plan) is in existence (and therefore may require the rebuilding of the Low Income Units). Unless there is a revision to the Low Income Housing Plan and/or the IH Program, the Low Income Units shall remain perpetually affordable. The prices for each of the Units and Storage Bins offered under the Plan are listed in Schedule A entitled "Purchase Prices and Related Information for the Projected First Year of Condominium Operation." **THE PRICES CONTAINED IN THIS PLAN HAVE BEEN SET BY SPONSOR WITHOUT ARMS LENGTH NEGOTIATION AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.**

a. The Offer to Present Tenants

Tenant Purchasers (defined in the Section entitled "Rights of Existing Tenants"), have the exclusive right to purchase their respective apartments within 90 days from the Presentation Date of this Plan (the "Exclusive Purchase Period") at the Purchase Prices set forth in Schedule A at the time this Plan is accepted for filing.

In order to qualify for the foregoing benefits during the Exclusive Purchase Period, a Tenant Purchaser must submit to the Selling Agent, during the Exclusive Purchase Period, a signed Purchase Agreement and a down payment in an amount equal to 10% of the Purchase Price for the Unit to be purchased (the "Down Payment"). See the Section entitled "Procedure to Purchase for more details.

If prior to the expiration of any exclusive purchase period which begins prior to the Condominium Conversion Date, 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 Down Payment before Sponsor amended the terms of this Plan shall benefit from the more favorable terms and conditions.

b. The Offer to Non-Tenant Purchasers

Sponsor hereby offers for sale those Units in the Building set forth in Schedule A to Non-Tenant Purchasers, which are purchasers who are not tenants of the units in which they seek to purchase, on the following terms:

(A) They shall have the opportunity to purchase a vacant Unit at the "Purchase Price" as set forth on Schedule A; and

(B) They shall have the opportunity to purchase an occupied Unit either following the Exclusive Purchase Period afforded to Tenant Purchasers or upon receipt of a written waiver by the Tenant Purchaser of the Tenant Purchaser's right to purchase during the Exclusive Purchase Period at the prevailing Purchase Price as set forth on Schedule A.

In order to qualify for the foregoing benefits, a Non-Tenant Purchaser must submit to the Selling Agent a signed Purchase Agreement and a down payment in an amount equal to 10% of the Purchase Price for the Unit (the "Down Payment"). See the Section entitled "Procedure to Purchase" for more details.

c. General

The estimated Common Charges for each Unit for the first year of operation of the Property as a condominium are also set forth in Schedule A. Although Sponsor will endeavor in good faith to sell all of the Units in a reasonably timely manner to Purchasers for personal occupancy of the Purchasers or their immediate families, the Sponsor, its principals, managers, members, agents, designees, employees and affiliates reserve the unconditional right to rent the Units. Sponsor's good faith efforts to sell the Unit will include listing unsold units with brokers, showing unsold units to brokers and prospective purchasers or their representatives, filing updated amendments to the Plan and otherwise engaging in customary sales activities. If the Sponsor makes a bulk sale of all or some of its Unsold Units, the transferee successor sponsor shall be bound by Sponsor's representations regarding the sales of Units. Purchasers should also be aware that because the Board of Managers does not have the right to approve or disapprove purchasers, there is no limit on the number of owners who may purchase for investment rather than for personal occupancy and that there may always be a substantial percentage of owners who are non-residents. While the Board of Managers cannot ultimately prevent a Unit Owner from selling or leasing the Unit, the Board of Managers is given the right to purchase or lease the

Unit on the same terms that the Unit Owner negotiated with his/her prospective purchaser or tenant. This right is known as a "right of first refusal." See Section of the Plan entitled "Rights and Obligations of Sponsor" and "Rights and Obligations of Unit Owners and the Board of Managers" for further detail.

Each Unit and its appurtenant Common Elements is being sold "as is" in the condition in which it exists on the date a Purchaser executes a Purchase Agreement for such 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 this Plan. All equipment and furnishings described in the Plan as being included in the Unit, are included in the purchase prices set forth on Schedule A. Purchasers are advised that former or current occupants of the Units may have made alterations to certain Units, including without limitation, installation and/or relocation of interior walls. Consequently, Sponsor makes no representation, warranty or guarantee as to whether any of said alterations were completed in compliance with all applicable governmental laws and regulations.

Each Purchaser of a Unit will be required to make a contribution to the Working Capital Fund. Such contribution by a Unit, to be made at the time of Closing of the Unit, shall be in an amount equal to two (2) months' Common Charges in effect at the time of closing for each Unit purchased. (See the Section entitled "Working Capital Fund and Apportionments"). In addition, upon the sale of any Unit, the transferee shall be obligated to pay to the Condominium an amount equal to two (2) months' Common Charges attributable to such Unit.

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

The charges for electricity consumed by each Unit Owner will be included in the Unit Owner's Common Charges. Water charges and sewer rents for the Units, assessed by The City of New York, will also be part of the Common Expense. The costs and expenses of central heat and gas with respect to the Units will be part of the Common Charges. Schedule A sets forth estimates of the amounts of real estate taxes which will be payable with respect to each Unit. See the Notes to Schedule B with respect to the bases of such estimates.

Applicable Rent Laws

This Plan is a non-eviction plan and is being presented in compliance with the requirements of Section 352-eeee of the General Business Law (the "GBL") which sets forth the procedure for converting apartments to Condominium ownership. Under the GBL, Sponsor may declare this Plan to be effective when Purchase Agreements have been executed for at least fifteen percent (15%) of the 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 members of their immediate family will occupy the Apartment when it becomes vacant. A Non-Purchasing Tenant of a Unit will not be evicted by reason of conversion of the Property to Condominium ownership. None of the Units in the Building being offered for sale

under this Plan are subject to the New York City Rent Stabilization Law and Code, the Rent Regulation Reform Act of 1993 ("RRRA") and the rent regulatory scheme or any codes, rules and regulations promulgated thereunder (collectively the "Rent Laws"). Please refer to the Sections of the Plan entitled "Rights of Existing Tenants" and "Obligations of Purchasers of Apartments Occupied by Non-Purchasing Tenants" for further details.

CERTAIN DEFINITIONS

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

“Adversely affect”, or “adverse effect”, as used in the Condominium Documents, shall mean, with respect to any action or proposed change and with respect to any Unit Owner or Owners, that such action or change could, if realized, (i) materially increase the Common Charges payable by such Unit Owner or Owners, (ii) materially interfere with such Unit Owner’s access to its Unit or Units, (iii) materially obstruct or degrade the view from the windows of such Unit Owner’s Unit or (iv) otherwise materially diminish such Unit Owner’s use and enjoyment of its Unit or Units.

“Building” refers to the structures and improvements including above and below grade segments, known as “The Vantage” located at 308 East 38th Street, New York, New York in which the Units of the Condominium are located.

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

“Chief Engineer” is the person responsible for the ongoing maintenance of the Building.

“City Register’s Office” refers to the New York County office of the Register of The City of New York.

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

“Closing Date” refers to the date on which Closing occurs.

“Commercial Common Charges” refers to (i) assessments payable to by the Commercial Unit Owner for the purpose of meeting (a) Commercial Common Expenses and (b) the Commercial Unit Owner’s pro rata share of General Common Expenses and (ii) that portion of the General Common Expenses attributable to the Commercial Unit Owner.

“Commercial Common Expenses” refers to the costs and expenses incurred or projected in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Commercial Common Elements.

“Commercial Common Elements” refers to those Common Elements which serve or benefit exclusively the Commercial Unit and/or the Commercial Unit Owner.

“Commercial Common Interest” refers to the proportionate undivided interest, expressed as a numerical percentage, in the Commercial Common Elements appertaining to the Commercial Unit determined in accordance with the Declaration. The Commercial Common Interest is the basis of determining, among other things, the Commercial Unit Owner’s share of any distributions upon termination of the Condominium and calculation of Common Charges.

“Commercial Limited Common Elements” refers to those Common Elements which serve or benefit one or more (if the Commercial Unit is divided) but not all of the Commercial Units and/or the Commercial Unit Owners.

“Commercial Section” refers to the Commercial Unit and the Commercial Common Elements.

“Commercial Unit” collectively refers to the Commercial Unit located on the First Floor and Cellar of the Building, and, to the extent the Commercial Unit is divided, the Commercial Units shall refer to all of the Commercial Units resulting from the subdivision of the Commercial Unit.

“Commercial Unit Owner” refers to the owner of the Commercial Unit. In the event the Commercial Unit is subdivided, Commercial Unit Owner shall refer to all of the owners of the Commercial Units resulting from the subdivision of the Commercial Unit.

“Common Charges” refers to the aggregate of General Common Charges and Common Charges.

“Common Elements” refers to the General Common Elements, the Common Elements, and the Limited Common Elements.

“Common Expenses” refers to the costs and expenses incurred from General Common Elements and the Common Elements.

“Common Interest” refers to the proportionate undivided interest, expressed as a numerical percentage, in the General Common Elements appertaining to each Unit determined in accordance with the Declaration. The Common Interest is the basis of determining, among other things, a Unit Owner’s share of any distributions upon termination of the Condominium.

“Condominium” refers to “The Vantage.”

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

“Condominium Board” refers to the board of managers representing the Unit Owners.

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

“Department of Law” refers to the New York State Department of Law.

“Eligible Senior Citizens” refer to 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 and present to such tenants by the Sponsor, to become Non-Purchasing Tenants under the provisions

of New York General Business Law § 352-eeee. Such election shall not preclude any such tenant from subsequently purchasing the dwelling unit on the terms then offered under the Plan.

“Eligible Disabled Persons” refer to 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 Sponsor, to become Non-Purchasing Tenants under New York General Business Law § 352-eeee; 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 Sponsor 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 on the terms then offered to tenants in occupancy under the Plan.

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

“Fitness Center” shall mean the health club located on the lower level of the Building.

“Floor Plans” refers to the floor plans of the Building, as the same may be amended from time to time, which are approved by the Real Property Assessment Bureau of The City of New York and filed with the City Register’s Office. In the event of a conflict between the Plan and the Floor Plans, the Plan shall govern.

“General Common Charges” refers to assessments payable to the Condominium Board for the purpose of meeting General Common Expenses (including but not limited to, the costs and expense of financing or leasing an apartment for the Superintendent).

“General Common Elements” refers to the Land and all parts of the Building, including its foundations, roofs and supports, other than the Units and the Limited Common Elements.

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

“Holder(s) of Unsold Units” shall mean the owner of an “Unsold Unit” (as hereinafter defined).

“Land” refers to the Property, other than the Buildings and the appurtenances thereto.

“Limited Common Interests” refers to those Common Elements which serve or benefit exclusively one or more but not all the Units and/or the Unit Owners including, but not limited to the Terraces appurtenant to certain Units.

“Lobby Level” or “Lobby” refers to the First Floor of the Building.

“Lounge Area” shall mean the seating area located on the Lobby Level of the Building that shall be used for, but not limited to sitting, waiting and reading purposes, except shall not be used for physical recreational activities.

“Low Income Units” collectively refers to the three (3) units identified in and subject to the “Low Income Housing Plan” annexed to Part II of the Plan as Exhibit “18”.

“Lower Level” refers to the Cellar of the Building.

“Managing Agent” refers to the managing agent or manager of the Building at the time in question.

“Non-Purchasing Tenant” refers to 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. A Non-Purchasing Tenant shall also include Eligible Senior Citizens and Eligible Disabled Persons who have elected to become such.

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

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

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

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

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

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

"Presentation Date" refers to the date this Plan, in the form accepted for filing by the Department of Law, is personally delivered or the fifth day after mailing, with respect to the Plan, to the Tenants in occupancy of Units in the Building following acceptance of this Plan.

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

"Property Deed" refers to the deed dated January 30, 2015 pursuant to which the Sponsor acquired fee title to the Property.

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

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

"Recreation Room" shall mean the area located in the lower level/cellar of the Building that shall be used for recreational purposes, such as, but not limited to, reading, watching and/or playing games.

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

"Resident Manager's Unit" refers to the apartment in the Building in which the Condominium's Resident Manager will reside.

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

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

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

"Selling Agent" refers to Park River Properties LLC, or any successor selling agent at the time in question

"Sponsor" refers to Gaia 308 East 38th Street LLC, a New York limited liability company, and its successors and assigns.

"Sponsor and/or its designee(s)", "Sponsor or a designee of Sponsor" or similar terms refers to Sponsor and any designee of Sponsor.

"Sponsor Control Period" refers to the period during which members of the Condominium Board designated by Sponsor constitute a majority of the members of the Board (may also be referred to herein as the "Initial Control Period").

“Storage Bin” – those Storage Bins to be located in the cellar and identified in Schedule A.

“Terrace(s)” refers to terraces and/or balconies appurtenant to certain Units which are Limited Common Elements.

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

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

“Unit Owner” refers to any Unit Owner, and all of such Unit Owners are collectively referred to as the “Unit Owners”.

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

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

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The Building

The Building is a Class 1-A multiple dwelling located at 308 East 38th Street, New York, New York, consisting of the ninety-four (94) Residential Units, three (3) Low-Income Units (which are not being offered for sale at this time), two (2) Commercial Units, twenty-five (25) Storage Bins, the Common Elements and Limited Common Elements.

Units

Subject to the rights of Sponsor and its designee to change the number of Units, there will be a total of ninety-nine (99) Units situated in the Building. Detailed descriptions of the Units including a finish schedule are set forth in the "Description of Property" in Part II of the Plan. See also the Section entitled "Changes in Prices and Units." Please refer to Schedule A, "Prices of Units and Related Information" for further details.

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

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

Included in the sale of each Commercial Unit is standard bathroom and sink. The manufacturer, model number and specifications for the foregoing fixtures are set forth in the "Description of Property." As more fully set forth herein, these fixtures are subject to change by Sponsor. Sponsor may negotiate to make modifications or changes in any Unit or to do special work therein to provide different or additional appliances, equipment furnishings or decorations, provided that Sponsor shall not be bound to do so unless agreed to by Sponsor in a written instrument which is incorporated as an addendum to the Purchase Agreement.

Sponsor and its designee or successor reserve the right, without prior notice or amendments to the Plan, to use Unsold Units on any floor of the Building as sales and leasing offices and model apartments. In the event Sponsor or its designee or successor, thereafter, elects to sell such Unsold Units, Sponsor or its designee or successor may offer the purchaser the right to purchase all or any of the furniture, furnishings, equipment or decorations therein and pay, in addition to the purchase price for such Unsold Unit, such amounts as Sponsor determines.

A Unit Owner may only use his or her Unit for a purpose consistent with the local zoning ordinance, as amended from time to time, any other applicable ordinance or statute, and

any regulation of a governmental authority with jurisdiction over the Condominium, including, but not limited to, local building codes and the Multiple Dwelling Law, as such statutes, ordinances and regulations may be amended from time to time, but in no event may a Unit Owner use his Unit for a use violative of the By Laws or the Deed restrictions.

Terraces

As indicated in Schedule A, Terraces are appurtenant to certain Units and are included in the purchase prices therefor. A Unit Owner who has a Terrace appurtenant to his or her Unit shall have the exclusive use of same, subject to the right of the Condominium Board to regulate its use, and shall be responsible for all normal maintenance, repairs and replacements thereto. However, the costs and expenses of any structural repairs or repairs or replacements caused by the need for such structural repairs to any Terrace, which are Limited Common Elements, (unless caused by its Unit Owner) shall be charged to all Unit Owners as a Common Expense. There may be potential bathroom vents and ducts on the Roof and Terraces, regardless of height, and any noise emanating from such vents and ducts shall be in accordance with permissible decibel levels pursuant to New York City Noise Code.

Any plantings, structures or other improvements installed by Unit Owners on the Terraces must be approved by the Condominium Board, and shall be subject to any applicable New York City and Department of Buildings rules and regulations, including, but not limited to, any applicable weight restrictions. The Condominium Board shall have the right, even if same was previously approved, to require a Unit Owner to remove plantings and other installations which have been placed on the Terraces if the Condominium Board determines, in its reasonable discretion, that such plantings or other installations adversely affect the integrity of the roof or structural or mechanical systems. The Condominium Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants. Neither the Sponsor nor its principals, managers, members, agents, designees, employees, or affiliates make any representation as to what may or may not be legally placed on the Terraces by any Unit Owner.

Storage Bins

The Storage Bins are located in the cellar and may be used only for the storage of non-hazardous personal property. Sponsor shall have the right to use any unlicensed Storage Bin for any lawful purpose or to change the permitted use of any unlicensed Storage Bin, subject, however, to the provisions of the By-Laws. The Storage Bin License Agreement is revocable by the Board if a Licensee is found to be in violation of the terms of this Storage Bin License Agreement or the Condominium Documents and Storage Bin License Agreement is revocable by a Licensee, subject to any remaining obligations of the Licensee under Storage Bin License Agreement and the Condominium Documents.

From the date all residential Unsold Units have been sold by Sponsor, the licenses, under the possession of Sponsor, to any Storage Bin not licensed to a Unit Owner, shall be transferred to the Condominium Board, at no cost to the Condominium Board, and the Condominium Board shall have the sole and exclusive right, in compliance with the Condominium Documents, to provide licenses for the use of any Storage Bin in which it owns the license.

Resident Manager's Unit

Unit 5A shall be designated as the Resident Manager's Unit and may be occupied by the Resident Manager of the Building. At, or subsequent to the First Closing, Unit 5A will be purchased by the Condominium Board on behalf of all Unit Owners for a purchase price of \$1,547,000.00, payable by the Condominium Board on behalf of all Unit Owners. Such purchase will occur while the Sponsor is in control of the Condominium Board. The Condominium Board on behalf of all Unit Owners will be responsible for the payment of all mortgage recording taxes, transfer taxes and title insurance premiums and fees due in connection with the purchase of this Unit. All Common Charges attributable to the Resident Manager's Unit including debt service, utilities, real estate taxes, costs of repairs, alterations and improvements and costs of financing the purchase of the Resident Manager's Unit shall be borne by all Unit Owners as a Common Expense.

The Condominium Board on behalf of all Unit Owners shall pay the purchase price by executing one or more Notes to be delivered by the Condominium to the Sponsor and/or to an institutional lender, at Sponsor's option, in the aggregate amount of up to \$1,547,000.00 secured by one or more mortgages on such Unit.

The Note will bear interest at 4.5% per annum as set forth in "Schedule B – First Year's Budget"), provide for the payment of equal monthly installments of interest and require a balloon payment (assuming no defaults thereunder) on its maturity date which will be 5 years after the Closing. The loan will be prepayable without penalty or premium. At maturity, the Condominium will have to repay the principal balance together with any accrued and unpaid interest. Purchasers are advised that in the event the Condominium Board is not able to refinance or extend the Note(s) and mortgage(s) at maturity, the Condominium Board may be required to assess all Unit Owners in proportion to their respective Common Interests.

In the event of a default under the Note(s) and mortgage(s), the holder of such mortgage(s) may foreclose on the Unit, with any deficiency being the obligation of the Unit Owners. In the event of such foreclosure, the Condominium will be without a Resident Manager's Unit and alternate arrangements will be required to shelter the Resident Manager within the Condominium or within such distance as may be prescribed by Law.

Closing costs, including without limitation, mortgage recording taxes, transfer taxes, title insurance premiums and fees due in connection with the conveyance and financing of the Resident Manager's Unit will be paid by the Condominium Board, on behalf of Unit Owners out of the Working Capital Fund. If the Working Capital Fund at the time of Closing is insufficient to make such payments, Sponsor will advance such sums on behalf of the Condominium for repayment to the Sponsor pursuant to a non-interest bearing, fully-amortizing, non-secured promissory note requiring 12 equal monthly payments. These payments shall be borne by all Unit Owners as a Common Expense.

Sponsor reserves the right, in its sole discretion to substitute a different one bedroom/one bathroom Unit in place of Unit 5A (at the same cost and with the same financial implications as set forth herein) to serve as the Resident Manager's Unit. Sponsor shall amend the Plan to disclose such substitution.

Low Income Units

Three Units, identified as Units 1A, 7A, and 14D, are designated as low income housing units ("Low Income Units") and are also governed by and subject to the regulatory agreement (the regulatory agreement shall be referred to as the "Low Income Housing Plan"), annexed to Part II of the Plan as Exhibit 18. The Low Income Units were originally built and designated as affordable units in accordance with the IH Program and the IH Program requires the Low Income Units to remain affordable for the life of the Building. Unless there is a revision to the Low Income Housing Plan and/or the IH Program, the Low Income Units shall remain perpetually affordable. The Tenants in occupancy of the Low Income Units (the "Low Income Housing Tenants") shall be individuals who satisfy the eligibility requirements contained in the Low Income Housing Plan. The Low Income Units are not offered for sale at this time and will remain as rental units in accordance with the requirements contained in the Low Income Housing Plan, but Sponsor reserves the right to offer the Low Income Units for sale to the Low Income Housing Tenants, subject to the requirements contained in the Low Income Housing Plan, at a later date and, alternatively, Sponsor reserves the right to sell the Low Income Units, either individually or as one (1) tax lot, to a third-party, including, but not limited to, a not-for-profit entity, an investor, to the Condominium, or to a housing development fund corporation (which may be controlled by the Condominium), but the sale to the Condominium or to a housing development fund corporation, which may be controlled by the Condominium, shall only occur within the time Sponsor is in control of the Condominium Board. If such a sale occurs, Sponsor shall amend the Plan to disclose the terms of the sale and the effects such a sale would have on the Unit Owners' carrying costs. Purchasers are advised that if the Low Income Units are sold to the Condominium, each Unit Owner's Common Charges will be proportionately increased to cover the carrying costs of the Low Income Units and the fees of an administering agent, which will be retained in accordance with the Low Income Housing Plan to administer the Low Income Units in accordance with the Low Income Housing Plan and the Condominium shall receive, as rental income, the rent paid by the Low Income Tenants pursuant to the Low Income Housing Plan.

The percentage of Common Interest for each individual Low Income Unit have been made in accordance with Section 339-i(1)(i) of the New York Real Property Law while considering the approximate fair value of the Low Income Units on the date of recording the declaration. The fair value of the Low Income Units is determined in accordance with the IH Program and the fair value is seventy-five percent (75%) less than the fair value of the market Units. Accordingly, it is possible that the rents collected from the Low Income Units may sufficiently pay for the Common Charges and real estate taxes attributable to the Low Income Units, but in the event the rents collected are not sufficient to pay the Common Charges and real estate taxes attributable to the Low Income Units, the Common Charges assessed to the Low Income Units and payable by the owner(s) of the Low Income Unit(s) may be reduced and in the event the Common Charges and real estate taxes attributable to the Low Income Units exceed the rent collected by the owner(s) of the Low Income Unit(s) from the Low Income Units, the Common Charges will be specially allocated. Specifically, in accordance with Section 339-m of the New York Real Property Law, the allocation and apportionment of Common Charges to the Low Income Units (the "Low Income Unit Common Charge Allocations") may be less than the allocation and apportionment of Common Charges to the other Units where such lesser Common Charges are necessary to ensure that the Common Charges paid by the Low Income Units do not exceed the

Low Income Unit Operating Income (as defined below). The Low Income Unit Common Charge Allocation shall be implemented by either: (i) imposing Common Charges for the Low Income Unit that are not proportional to the Common Charges for the other Units, or (ii) limiting the amount of Common Charges imposed on the Low Income Unit (a "Low Income Unit Common Charge Limitation"). In the event a Low Income Unit Common Charge Limitation is implemented, the Common Charges payable by all other Unit Owners may be increased by the amount of such reduction in the Common Charges otherwise payable by the Low Income Unit Owner on a pro-rata basis in accordance with their relative proportional Common Interest, or otherwise in accordance with the allocation methodology set forth in the Condominium By-Laws. For purposes hereof, "Low Income Unit Operating Income" means the aggregate of (A) the annual rents paid by the Low Income Housing Tenants to the Unit Owner of the Low Income Units, and (B) any other annual revenues obtained from the Low Income Units. Accordingly, Purchasers are advised that, due to such allocations of Common Charges to the Low Income Units, Unit Owners may have greater increases in their respective Common Charges in order to compensate for the lower Common Charges attributable to the Low Income Units.

Purchasers are advised that pursuant to the By-Laws and the Low Income Housing Plan, the Common Charges and any assessments allocated to the Low Income Units shall be limited and any increase to the Common Charges attributable to the Low Income Units shall be limited, but the Low Income Tenants shall not have any services or use of any facilities of the Condominium diminished as a result of such allocations of Common Charges.

General Common Elements

Generally, the General Common Elements consist of all Common Elements other than Limited Common Elements and include, among other things, the following: (a) the Land; (b) all foundations, footings, columns, girders, concrete floor slabs and ceilings (except to the extent included as part of a Unit or Limited Common Elements), beams, supports, and interior load bearing walls, together with those portions of the exterior walls of the Building, (c) corridors and all fire staircases, landings and stairs which are not Common Elements, or Limited Common Elements or part of any Unit; (d) meter rooms, electrical rooms, gas meter room, pump room, domestic hot water room, and janitorial toilet and sink; (e) general illumination fixtures and security systems; (f) all passages, hallways, stairs, corridors, mechanical and other rooms, areas and spaces located in the Building serving all Units; (g) the water tower; (h) the exterior façade of the Building; and (i) all other parts of the Building and the apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance or safety of all Units. A detailed description of the General Common Elements is set forth in the Declaration.

Other examples of Common Elements include, among other things, the following: (a) elevator (including their shafts, pits, machinery and appurtenant facilities); (b) for cleaning purposes, the exterior glass surfaces of all windows; (c) the Lobby, vestibule, package room, elevator lobby, service vestibule and service corridor and the entrances on the first floor of the Building; (d) passages, hallways, stairs and corridors which are not part of a Unit; (e) electric panels, closets, feeders and risers; (f) the service vestibule and trash chutes servicing each of the Floors and the compactor room in the cellar; (g) the roof of the Building; (h) all mechanical

space and other rooms, areas and spaces located in the Building which are not part of any Unit; and (i) all other apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which are not part of any Unit. A detailed description of the Common Elements is contained in the Declaration.

Residential Common Elements

Generally, the Residential Common Elements include, among other things, the following: (a) one (1) individual elevator and lift (including their shafts, pits, machinery and appurtenant facilities); (b) for cleaning purposes, the exterior glass surfaces of all Residential Section windows; (c) the lobby, vestibule, and the entrances on the first floor of the Building; (d) stairs and corridors to the extent any of the same are for the exclusive use of the Residential Section; (e) electric panels, closets, feeders and risers serving the Residential Section; (f) the refuse room in the cellar; (g) the roof of the Building; (h) all mechanical space and other rooms, areas and spaces located in the Building serving exclusively the Residential Units, the Residential Common Elements and the Residential Limited Common Elements and which are not General Common Elements, Commercial Common Elements, or part of any Unit; and (i) all other apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit exclusively the Residential Units. A detailed description of the Residential Common Elements is contained in the Declaration.

Residential Limited Common Elements

The Residential Limited Common Elements include those portions of the Building available for the exclusive use of some but not all Residential Unit Owners. At the present time, the Residential Limited Common Elements consist of the Terraces appurtenant or designated to certain Residential Units as well as the Storage Bins licensed by certain Residential Unit Owners.

Commercial Common Elements

Generally, the Commercial Common Elements include all apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits, and lines) which serve or benefit exclusively the Commercial Unit or the Commercial Unit Owner. A detailed description of the Commercial Common Elements is set forth in the Declaration. The Commercial Unit Owner will have the right to grant easements permitting access between any Commercial Common Element or other portion of the Commercial Section and any property adjoining the Land, including the right to penetrate any General Common Elements located between the Commercial Units (to the extent any Commercial Unit is subdivided) and such adjoining property, provided such penetration does not materially weaken the structural soundness of the Building and such work is performed in accordance with the Building Code of the New York City Department of Buildings.

Commercial Limited Common Elements

The Commercial Limited Common Elements include those portions of the Building, if any, available for the exclusive use of the Commercial Unit Owner or, in the event that a

Commercial Unit is subdivided, is available for the exclusive use of some but not all of the Commercial Units. The costs of maintaining and operating the Commercial Limited Common Elements shall be borne by the Commercial Unit Owner having exclusive access thereto or utilizing or benefiting from the same.

Superintendent

The managing agent for the Condominium will contract the services of a full time Superintendent who is primarily responsible for the ongoing maintenance of the Building. The Building is currently staffed and operates as a rental building. The same level of staffing will continue to remain in place, with staff members available twenty-four (24) hours a day to attend to the Unit Owners. The level of staffing complies with Housing Maintenance Code §27-2053. See, "Schedule B – Projected Budget for First Year of Operation."

Services and Facilities

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

a. Entrance

The entrance to the Building will be on East 38th Street between Second Avenue and Tunnel Entrance Street.

b. Elevator Service

Two (2) automatic passenger elevators will be in service, twenty-four (24) hours a day, seven (7) days a week, for the exclusive use of Unit Owners residing in the Building and one (1) service elevator which only services the lobby and cellar. Both passenger elevators service the Lower Level of the Building.

c. Mail

All incoming mail will be delivered by the United States Postal Service to individual Unit Owner mailboxes. Neither Sponsor nor its principals, managers, members, agents, designees, employees or affiliates make any representation as to the timeliness of mail deliveries or whether mail delivery services will be available to any Unit Owner upon their initial occupancy.

d. Laundry

Each Residential Unit includes a washer and dryer. There is no other laundry facility within the Building.

e. Fitness Center

The Fitness Center is located on the Lower Level of the Building and a range of cardiovascular and weight training equipment, yoga room and rest rooms. It may only be used

by residents of the Condominium and their respective guests and lessees. The costs to use and maintain the Fitness Center will be included in the Common Charge for the Residential Unit Owners.

f. Recreation Room and Lounge Area

The Recreation Room in the cellar will contain a seating area, a library, kitchenette, and games, such as, but not limited to, a billiards table. The Lounge Area in the lobby will contain a seating area. It may only be used by residents of the Condominium and their respective guests and lessees. The costs to use and maintain the Recreation Room and Lounge Area will be included in the Common Charge for the Residential Unit Owners.

g. Refuse Disposal

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

General

All determinations with respect to the continuance of any of the foregoing services, if initially made available, will be made by the Condominium Board, which will be controlled by Sponsor for so long as the Units owned by Sponsor have appurtenant thereto a majority of the Common Interests of the Condominium. (See the Section entitled "Control by Sponsor"). Please refer to the Description of the Property set forth in its entirety in Part II of the Plan for further details regarding services and facilities at the Property.

Neither Sponsor, its principals, managers, members, agents, designees, employees, affiliates, the Managing Agent nor the Board will in any event be liable for the availability, interruption, discontinuance or quality of any of the foregoing services, including, but not limited to, any services provided by any outside company or person other than Building personnel, or for any injury to person or damage to property resulting from any act or omission of such company or persons or their employees or agents, except to the extent that any such injury to person or damage to property occurs as a result of the gross negligence of Sponsor, the Managing Agent or the Board, as the case may be.

Security Procedures

The Condominium Board is vested with the responsibility of devising and carrying out security procedures with respect to the Condominium. Such procedures may be adopted and from time to time changed by the Condominium Board as such Condominium Board, in its discretion, determines to be appropriate to secure the Condominium. It is anticipated that the security procedures will be as follows:

a. Entrances and Elevators

The Resident Service Representative and doorman will supervise admissions to the Building. All elevators in the Section will be equipped with a two-way communication facility connected to the communication facility service company and an alarm signal.

b. Building Communication System

All Units will contain an intercom system providing direct communication from the Unit to the Resident Service Representative. Sponsor and its principals, managers, members, agents, designees, employees or affiliates shall not be the guarantors of the manufacturer warranty of the building communication system.

c. Smoke Detectors and Carbon Monoxide Detectors

Smoke detectors and carbon monoxide detectors shall be provided in each Unit in compliance with applicable codes. It will be responsibility of each individual Unit Owner to test and maintain the smoke detectors and carbon monoxide detectors located in such Unit Owner's Unit. Sponsor and its principals, managers, members, agents, designees, employees or affiliates shall have no responsibility nor liability in the event such Unit Owners fail to test and maintain the detectors.

No representation or warranty is made and no assurance is given by Sponsor or its principals, managers, members, agents, designees, employees or affiliates that the security systems and procedures of the Condominium will prevent personal injury or damage to or loss of personal property. While Unsold Units are being offered for sale or lease by Sponsor or its designees there will be a greater number of visitors to the Building than would otherwise be the case. No representation or warranty is made and no assurance is given as to when such selling or leasing activity will terminate. Neither Sponsor or its designee, members or principals nor the Managing Agent shall be liable or responsible for any personal injury or for any loss or damage to personal property which may result from the failure of the Condominium's security systems and procedures, including, without limitation, those procedures with regard to any delivery of packages except in the event of the willful neglect or gross negligence of any of the foregoing parties. Please refer to the Description of Property set forth in its entirety in Part II of the Plan for further details regarding security procedures.

Personal Property Within Units

If applicable, each Unit will be sold with certain personal property which will be included in the Purchase Prices set forth in Schedule A of this Plan. Upon inspection of a particular Unit, a list of personal property in the applicable Unit will be supplied to a prospective purchaser. Neither Sponsor nor its principals, managers, members, agents, designees, employees, affiliates, or selling agents make any representations regarding the condition of such personal property.

RIGHTS OF EXISTING TENANTS

Each Tenant Purchaser (defined below) shall have the exclusive right for a period of ninety (90) days from the Presentation Date of this Plan (the "Exclusive Purchase Period") within which to purchase the Unit such purchaser occupied on the Filing Date of this Plan at the Purchase Price set forth in Schedule A, during which time the Tenant Purchaser's Unit shall not be shown to a third party unless the Tenant Purchaser has, in writing, waived the Tenant Purchaser's right to purchase. All bona fide tenants in occupancy will receive a copy of the Plan, to the extent possible to be provided, within three (3) business days after acceptance by the Department of Law. In order to exercise this exclusive right to purchase, the Tenant Purchaser must deliver a signed Purchase Agreement and the required Down Payment to the Selling Agent during the Exclusive Purchase Period. Sponsor has agreed that during the Exclusive Purchase Period, the purchase prices to be paid by Tenant Purchasers will not be increased nor will the Selling Agent accept Purchase Agreements from non-occupant purchasers for any occupied Units.

The term "Tenant Purchaser" 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 Unit or the Unit is not the tenant's primary residence; (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 Unit from the bona fide tenant of record; and (f) an occupant on the Filing Date entitled to protection under Article 7C of the Multiple Dwelling Law.

The term "Tenant Purchaser" shall not include the estate or legal representative of a bona fide tenant who was in occupancy of a Unit on the Filing Date who died on or after the Filing Date. If a Tenant Purchaser dies after he or she executes a Purchase Agreement, the executor of the Tenant Purchaser's estate will have the right to designate a successor.

THIS IS A NON-EVICTION PLAN. NO NON-PURCHASING TENANT WILL BE EVICTED BY REASON OF CONVERSION TO CONDOMINIUM OWNERSHIP. However, tenants can continue to be evicted for violating the terms of their leases or a) if a Rent Stabilized Tenant elects not to renew their lease, b) if prior to the Effective Date, a non-Rent Stabilized Tenant's lease is not renewed, assuming such non-Rent Stabilized Tenant has no right to renew his or her lease or c) if after the Effective Date, a non-Rent Stabilized Tenant elects not to renew their lease.

The following summary of rights of existing tenants is set forth in accordance with Section 352-eeee of New York State General Business Law (the "GBL"), a copy of which is set forth in Part II of this 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 Unit pursuant to this Plan and who is a tenant entitled to possession at the time this Plan is declared effective or a person to whom a Unit is rented by someone other than a Purchaser under the Plan or a successor to such Purchaser subsequent to the effective date of the Plan. A person who

sublets a Unit from "a purchaser under the Plan" (as such term is defined in the GBL) or their successor shall not be deemed a Non-Purchasing Tenant.

(A) 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 Condominium Board or its Managing Agent or a breach by the Non-Purchasing Tenant of the Non-Purchasing Tenant's obligations to the owner of the Unit; and provided further that an owner of a Unit may not commence an action to recover possession from a Non-Purchasing Tenant on the grounds that he seeks the Unit for the use and occupancy of the Non-Purchasing Tenant or the Non-Purchasing Tenant's family.

(B) Non-Purchasing Tenants who reside in 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.

(C) The rentals of Non-Purchasing Tenants who reside in Units not subject to government regulation as to rentals and continued occupancy and Non-Purchasing Tenants who reside in Units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the Filing Date of this Plan shall not be subject to unconscionable increases beyond ordinary rentals for comparable Units during the period of their occupancy. In determining comparability, consideration will be given to such factors as building services, level of maintenance and operating expenses.

(D) Non-Purchasing Tenants are advised that complaints of unconscionable rent increases may be referred to the New York State Department of Law, Bureau of Real Estate Finance, 120 Broadway, 23rd floor, New York, New York 10271.

None of the Units in the Building being offered for sale under this Plan are subject to the New York City Rent Stabilization Law and Code, the Rent Regulation Reform Act of 1993 ("RRRA") and the rent regulatory scheme or any codes, rules and regulations promulgated thereunder (collectively the "Rent Laws").

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

(E) The rights granted under this 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) All Units occupied by Non-Purchasing Tenants will be managed by the same managing agent who manages all other 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.

Sponsor will guarantee the obligation of the Managing Agent to provide all such services and facilities until such time as Sponsor surrenders control of the Condominium Board.

(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 such tenant's use or occupancy of such tenant's 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 Unit or from proceeding with this Plan of conversion. Nothing contained in the GBL shall be deemed to preclude the tenant from applying on such tenant's own behalf for similar relief.

(H) Any provision of a lease or other rental agreement which purports to waive a tenant's rights under the GBL or rules and regulations promulgated pursuant to the GBL shall be void as contrary to public policy.

(I) Tenants or their representatives may physically inspect the Property at any time subsequent to the submission of this Plan to the Department of Law, during normal business hours, upon written request made by them to Sponsor, provided such representatives are registered architects or commercial engineers licensed to practice in the State of New York.

The By-Laws provide that subsequent to the Closing Date under this Plan, and for each sale or resale of a Unit occupied by a Non-Purchasing Tenant, a Non-Purchasing Tenant will be promptly notified in writing by the purchaser thereof, of the name and address of the person or persons who purchased such Non-Purchasing Tenant's Unit and the Condominium Board is required to make such information available to such Non-Purchasing Tenant.

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 Down Payment before Sponsor amended the terms of this Plan shall benefit from the more favorable terms and conditions. A Purchase Agreement from a Tenant Purchaser executed and submitted to Sponsor during any exclusive purchase period shall have priority over and pre-empt any Purchase Agreement from a Non-Tenant Purchaser.

In the event a Purchaser purchases a Unit not occupied by such Purchaser, such purchase shall be subject to the terms and conditions of the existing lease or tenancy of the Unit and subject to the rights and obligations set forth in the GBL and the purchaser and his or her successors shall continue to be bound as long as such lease or tenancy continues.

If a Tenant Purchaser purchases a Unit, then, from and after the closing of title to such Unit, such Tenant Purchaser would no longer be subject to, or have any rights afforded to tenants in occupancy under, the GBL. Tenant Purchasers shall not have the right to assign their Purchase Agreements. Please refer to the Section of the Plan entitled "Assignment of Purchase Agreements."

Tenant Purchasers are not being offered the right to purchase any Unit other than the Unit occupied by such Tenant Purchaser on the Filing Date of the Plan. Non-Purchasing Tenants shall have no rights with respect to their 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 Units.

Section 352-eeee (4) provides that 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 subsequently 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.”

Under this Plan, tenants whose leases expire and against whom holdover proceedings are commenced before the offering 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 lease an Unsold Unit 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. Unconscionable increases are defined by law as increases that are “beyond ordinary rentals for comparable apartments during the period of their occupancy.”

Rights of Eligible Senior Citizens and Eligible Disabled Persons

Under the terms of the Plan, Eligible Senior Citizens and Eligible Disabled Persons are eligible to elect the status of a Non-Purchasing Tenant upon acceptance for filing of the Plan by the Department of Law. Eligible Senior Citizen and Eligible Disabled Person election forms promulgated by the Department of Law, forms SH-1 and SH-2, respectively, are included in Part II of the Plan.

An eligible senior citizen is a Non-Purchasing Tenant and the spouse of such Non-Purchasing Tenant who:

(i) is sixty-two (62) years of age or older on the date the Plan is accepted for filing by the Department of Law; and

(ii) has elected not to purchase his or her apartment within sixty (60) days from the Presentation Date by completing the senior citizen election form in the Plan, signing the form and having the signature notarized, and personally delivering it, or via certified or registered mail, return receipt requested, to the office of the Selling Agent, Park River Properties LLC, 152 West 57th Street, 17th Floor New York, NY 10019.

An eligible disabled person is a Non-Purchasing Tenant and the spouse of such Non-Purchasing Tenant who:

(i) has an impairment which results from anatomical, physiological or psychological conditions, other than addiction to alcohol, gambling, or any controlled substance, which is demonstrable by medically acceptable clinical and laboratory diagnostic techniques, and which is expected to be permanent, and which prevents the disabled person from engaging in any

substantial gainful employment on the date the Department of Law accepted the Plan for filing; and

(ii) has elected not to purchase his or her apartment within 60 days from the Presentation Date by completing the disabled person election form in the Plan, signing the form and having the signature notarized, and personally delivering it, or via certified or registered mail, return receipt requested, to the office of the Selling Agent, Park River Properties LLC, 152 West 57th Street, 17th Floor New York, NY 10019; and

(iii) if the disability first occurs after acceptance of the Plan for filing, then such election may be made within sixty (60) days following the onset of such disability unless during the period subsequent to sixty (60) days following the presentation 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.

As a Non-Purchasing Tenant under the Plan, Eligible Senior Citizens and Eligible Disabled Persons are entitled to the following protections upon electing Non-Purchasing Tenant status:

- (i) No eviction proceeding will be commenced at any time against either Eligible Senior Citizen or Eligible Disabled Persons unless they are in violation of their lease.
- (ii) Eligible Senior Citizens and Eligible Disabled Persons who reside in apartments subject to government regulations as to rentals and continued occupancy shall continue to be subject thereto.
- (iii) The rents of Eligible Senior Citizens and Eligible Disabled Persons who reside in the Building not subject to government regulations as to rentals and continued occupancy, and Eligible Senior Citizens and Eligible Disabled Persons who reside in the Building with respect to which government regulations 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.

Any owner of a unit occupied by an Eligible Senior Citizen or Eligible Disabled Person shall be bound by the provisions of the New York General Business Law and the terms of the Plan. The by-laws of the Condominium require that such purchase is subject to all the rights of the Eligible Senior Citizen or Eligible Disabled Person occupying the apartment and that the purchaser, his successors and assigns shall continue to be bound as long as such occupancy continues.

Sponsor may dispute the election by a tenant to be an Eligible Senior Citizen or an Eligible Disabled Person by applying to the Department of Law for a determination of the

tenant's eligibility within thirty (30) days of the receipt of the election form. The Department of Law shall issue a determination of eligibility within thirty (30) days thereafter.

In the absence of fraud, the determination by the Department of Law is the sole method for resolving a dispute as to whether a tenant is an Eligible Senior Citizen or Eligible Disabled Person. The determination by the Department of Law is reviewable only through a proceeding under article 78 of the Civil Practice Law and Rules.

An election not to purchase shall not preclude an electing senior citizen or disabled person from subsequently purchasing his or her apartment on the terms and conditions set forth in the Plan.

See the Section entitled "Effective Date" for a discussion of Sponsor's obligation to periodically post the percentage of Purchase Agreements received by the Selling Agent.

Rights of Low Income Housing Tenants

The Low Income Units were originally built and designated as affordable units in accordance with the IH Program and the IH Program requires the Low Income Units to remain affordable as the "Floor Area Compensation" (as such term is defined in the Low Income Housing Plan) is in existence (and therefore may require the rebuilding of the Low Income Units). Unless there is a revision to the Low Income Housing Plan and/or the IH Program, the Low Income Units shall remain perpetually affordable. Each Low Income Housing Tenant shall not be evicted and shall have the right to remain as a tenant in occupancy of his/her respective Low Income Unit unless and until a Low Income Housing tenant is in violation of the terms of the Low Income Housing Tenant's lease for the Low Income Unit. Pursuant to the Low Income Housing Plan, an administering agent shall administer the affairs of the Low Income Units and shall work with the Sponsor, or any subsequent owner of the Low Income Units, to ensure compliance with the Low Income Housing Plan.

OBLIGATIONS OF PURCHASERS OF UNITS OCCUPIED BY NON-PURCHASING TENANTS

A person purchasing a Unit occupied by another does so subject to: (a) the existing lease for the 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 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 Unit pursuant to the GBL, as more fully discussed in the Section entitled "Rights of Existing Tenants." A Purchaser purchasing a Unit subject to the Rent Laws must register such Unit with the New York State Department of Housing and Community Renewal.

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

After consummation of the sale of a Unit to a non-occupant Purchaser, such non-occupant Purchaser will own the Unit, subject to the lease or tenancy of the present tenant and subject to all rights, if any, afforded such tenant under the GBL and this Plan. 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 Board or its Managing Agent or a breach by a Non-Purchasing Tenant of such Non-Purchasing Tenant's obligations to the owner of the Unit. In addition, no eviction proceedings may be commenced against a Non-Purchasing Tenant on the grounds that the non-occupant Purchaser seeks the Unit for the use and occupancy of such Non-Purchasing Tenant or such Non-Purchasing Tenant's family.

If a non-occupant Purchaser acquires a Unit occupied by another, then on the Unit Closing Date of such 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 executed by the non-occupant purchaser to pay the Common Charges, taxes, or other assessments charged against the Unit by the Condominium Board, regardless of whether such Common Charges, taxes or other assessments are greater or less than the rent payable by the tenant or occupant, and regardless of whether 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 the tenant or occupant, including, without limitation, the obligation to maintain plumbing fixtures, doors, hardware, flooring, refrigerator, range, dishwasher, lighting fixtures, and other equipment, if any, which are included in the Unit or are the obligation of the Unit Owner to maintain, and which are not owned by the tenant or occupant and to paint the Unit, as provided in the Purchase Agreement or applicable Law.

The Purchase Agreement contains a provision whereby each non-occupant Purchaser of a Unit irrevocably appoints the then Managing Agent of the Building (which Managing Agent may

be replaced from time to time by the Condominium Board) as non-occupant 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 Unit such non-occupant Purchaser is purchasing until such time as said right to occupy terminates. In addition, each non-occupant Purchaser agrees: (a) to deposit with the Managing Agent at the closing of title to the Unit, a sum not less than an amount equal to two (2) months Common Charges to be used as working capital to furnish such services and facilities, and (b) upon written notice by the Managing Agent that the deposit has been diminished, to replenish such fund within a thirty (30) day period. Sponsor shall guarantee the obligation of the 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 Unit will be required to indemnify Sponsor 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 Unit occupied by another, the Managing Agent shall notify the Non-Purchasing Tenant thereof in writing within ten (10) days following the change in ownership of the name and address of the new non-occupant Purchaser.

No representation is made or warranty given as to whether the Rent Laws will continue to apply to any Unit in the Building or whether there will be any future amendments thereto. Nothing contained herein shall be deemed to prevent Sponsor or the Purchasers of a Units occupied by Non-Purchasing Tenants from enjoying the benefits from any amendment to the Rent Laws or any court ruling which may be deemed to benefit Sponsor.

A person interested in purchasing a Unit in which he does not reside is advised to examine the lease for such Unit to ascertain the rental thereof, expiration date and obligations imposed on the landlord thereof. These leases are on file at the office of the Managing Agent or Sponsor. It is further recommended that such person consult with his or her own attorney in order to become fully apprised of the effect of the GBL, as well as the lease for the 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 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 indemnify Sponsor against all claims or liability in connection therewith.

LOCATION AND AREA INFORMATION

Location and Services

The Condominium is located on the east side of Manhattan in the City of New York on 38th Street between Second Avenue and Tunnel Entrance Street.

New York City is the largest city in the United States, as well as one of the principal urban centers of the world. Manhattan is the center of New York City, containing numerous business and financial centers, excellent regional transportation, cultural activities, recreational and open-space park areas, educational facilities, superb medical centers and a vast array of restaurants.

New York is the nation's principal financial center. It is the home of the New York Stock Exchange, the American Stock Exchange and the National Over-the-Counter Stock Market. Manhattan is the corporate headquarters for six of the eight largest banks in the United States with combined assets of approximately four hundred billion dollars. Over seventy of the country's "Fortune 500" industrial corporations have their principal corporate headquarters in Manhattan; almost a quarter of the nation's 400 major law firms, and the "big four" accounting firms maintain offices in Manhattan. Manhattan is also recognized as the national center of the advertising, communications, broadcasting, publishing and garment industries.

The New York City area is well served by transportation facilities of every kind. Taxi and limousine service is readily available. Railroad service is provided by Long Island Railroad and Metro North. Passenger railroad service is provided from Grand Central Station and Pennsylvania Station. The subway rail systems and bus routes afford travel throughout Manhattan, Brooklyn, Queens and the Bronx. New York City is served by three major airports located within close proximity of the Condominium. Kennedy International and LaGuardia Airports are located in New York City and Newark Liberty International Airport is located in Newark, New Jersey. These three airports provide air service to nearly all major destinations in the United States and the world.

Excellent educational facilities are within close proximity to the Condominium. The educational facilities within close proximity to the Condominium are diverse enough to satisfy every age group, from young to adult interested in post-graduate classes, and include private schools, public schools (Norman Thomas High School, 111 East 33rd Street, New York, New York; Murray Hill Academy, 111 East 33rd Street, New York, New York; P.S. 116: The Mary Lindley Murray School, 210 East 33rd Street, New York, New York; The River School: PS 281, 425 East 35th Street, New York, New York) and parochial schools on the elementary, middle school and high school levels.

The area is served by several hospitals, among them NYU Langone Medical Center, located at 333 East 38th St., New York, New York.

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

The Property is located within blocks of a police station, a fire station, shopping facilities, public transportation and public recreation. Police and fire protection and road maintenance services (including snow removal from the street but excluding snow removal from the sidewalk) are provided by the City of New York. Water charges for the Units will be paid by the Unit Owners as a Common Expense of the Condominium.

The local police is the 17th Precinct located at 167 East 57th Street, New York, New York and the local fire department is Engine 21, located at 238 East 40th St, New York, New York. The Post Office is the Franklin D. Roosevelt Branch, 909 Third Avenue, New York, New York.

Sponsor is not aware of any uses in adjoining or neighboring buildings which a reasonable Unit Owner would find obnoxious. There is no guaranty that any of the foregoing services or amenities will continue to be available to Unit Owners or residents in the future or that any change in the foregoing will not adversely impact upon the value of the Units. Neither Sponsor nor its principals, managers, members, agents, designees, employees or affiliates make any representations that the character of the neighborhood, the businesses and other institutions which operate there or the qualitative nature of the surroundings will not change.

Zoning and Use

The Property is located in a C1-9 zoning district, which permits all residential, commercial and community facility uses. The New York City Zoning Code permits use of the Property as contemplated by this Plan.

SCHEDULE A

PURCHASE PRICES OF UNITS AND RELATED INFORMATION

July 1, 2017 - June 30, 2018

Schedule A: Schedule of Purchase Prices, Common Charges and Real Estate Taxes

Unit (1)	Free Market Unit (F) or Rent Regulated Unit (R)	Occupied (O) or Vacant (V)	Offering Price (B)	Offering Price \$ PSF	Offering Price to Tenants	Offering Price to Tenants \$ PSF	Number of Bedrooms	Number of Baths	Approximate Gross SF	Terrace SF	Percentage of Interest in Common Elements	Estimated Yearly Common Charges	Estimated Monthly Common Charges	Estimated Monthly Real Estate Tax	Total Estimated Monthly Common Charges and Real Estate Taxes
1A	R	O	N/A	-	N/A	-	2	2	1,265	0	0.3250%	4,677.88	389.82	439.34	829.17
3A	F	O	1,455,000	1,305	1,375,020	1,233	1	2	1,115	0	1.0179%	14,653.32	1,221.11	1,376.22	2,597.34
3B	F	O	1,575,000	1,324	1,453,660	1,222	2	2	1,190	0	1.1026%	15,872.41	1,322.70	1,490.72	2,813.42
3C	F	O	875,000	1,326	794,850	1,204	1	1	660	0	0.6086%	8,761.07	730.09	822.83	1,552.92
3D	F	O	925,000	1,350	830,000	1,212	1	1	685	0	0.6439%	9,269.02	772.42	870.54	1,642.95
3E	F	V	1,400,000	1,340	1,277,450	1,222	2	2	1,045	0	0.9791%	14,094.57	1,174.55	1,323.75	2,498.30
3F	F	V	823,000	1,276	761,750	1,181	1	1	645	0	0.5719%	8,232.79	686.07	773.22	1,459.28
4A	F	O	1,470,000	1,318	1,385,120	1,242	1	2	1,115	0	1.0285%	14,805.71	1,233.81	1,390.54	2,624.35
4B	F	O	1,595,000	1,340	1,470,830	1,236	2	2	1,190	0	1.1167%	16,075.59	1,339.63	1,509.80	2,849.44
4C	F	O	890,000	1,348	795,860	1,206	1	1	660	0	0.6192%	8,913.45	742.79	837.14	1,579.93
4D	F	O	940,000	1,372	845,640	1,235	1	1	685	0	0.6545%	9,421.40	785.12	884.85	1,669.97
4E	F	O	1,420,000	1,359	1,287,550	1,232	2	2	1,045	0	0.9932%	14,297.75	1,191.48	1,342.83	2,534.31
4F	F	O	833,000	1,291	771,850	1,197	1	1	645	0	0.5789%	8,334.38	694.53	782.76	1,477.29
5A	F	O	1,485,000	1,332	1,379,750	1,237	1	2	1,115	0	1.0391%	14,958.09	1,246.51	1,404.85	2,651.36
5B	F	O	1,615,000	1,357	1,480,930	1,244	2	2	1,190	0	1.1308%	16,278.77	1,356.56	1,528.89	2,885.45
5C	F	O	905,000	1,371	805,960	1,221	1	1	660	0	0.6298%	9,065.84	755.49	851.45	1,606.94
5D	F	O	955,000	1,394	856,750	1,251	1	1	685	0	0.6650%	9,573.79	797.82	899.16	1,696.98
5E	F	O	1,440,000	1,378	1,297,650	1,242	2	2	1,045	0	1.0073%	14,500.94	1,208.41	1,361.91	2,570.32
5F	F	O	843,000	1,307	781,950	1,212	1	1	645	0	0.5860%	8,435.98	703.00	792.30	1,495.30
6A	F	O	1,500,000	1,345	1,405,320	1,260	1	2	1,115	0	1.0497%	15,110.48	1,259.21	1,419.16	2,678.37
6B	F	O	1,635,000	1,374	1,491,030	1,253	2	2	1,190	0	1.1449%	16,481.95	1,373.50	1,547.97	2,921.46
6C	F	O	935,000	1,417	816,060	1,236	1	1	660	0	0.6509%	9,370.61	780.88	880.08	1,660.96
6D	F	O	970,000	1,416	866,850	1,265	1	1	685	0	0.6756%	9,726.18	810.51	913.47	1,723.99
6E	F	O	1,460,000	1,397	1,307,750	1,251	2	2	1,045	0	1.0214%	14,704.12	1,225.34	1,381.00	2,606.34
6F	F	O	853,000	1,322	793,060	1,230	1	1	645	0	0.5931%	8,537.57	711.46	801.84	1,513.30
7A	R	O	N/A	-	N/A	-	1	2	1,115	0	0.2864%	4,123.29	343.61	387.25	730.86
7B	F	O	1,685,000	1,416	1,501,130	1,261	2	2	1,190	0	1.1802%	16,989.91	1,415.83	1,595.67	3,011.50
7C	F	O	1,000,000	1,515	827,170	1,253	1	1	660	0	0.6968%	10,030.95	835.91	942.10	1,778.01
7D	F	O	985,000	1,438	876,950	1,280	1	1	685	0	0.6862%	9,878.56	823.21	927.78	1,751.00
7E	F	O	1,510,000	1,445	1,327,950	1,271	2	2	1,045	0	1.0567%	15,212.07	1,267.67	1,428.70	2,696.37
7F	F	O	863,000	1,338	803,160	1,245	1	1	645	0	0.6001%	8,639.16	719.93	811.38	1,531.31
8A	F	O	1,570,000	1,408	1,443,700	1,295	1	2	1,115	0	1.0991%	15,821.61	1,318.47	1,485.95	2,804.42
8B	F	O	1,705,000	1,433	1,649,600	1,386	2	2	1,190	0	1.1943%	17,193.09	1,432.76	1,614.76	3,047.51
8C	F	O	1,020,000	1,545	837,270	1,269	1	1	660	0	0.7109%	10,234.13	852.84	961.18	1,814.02
8D	F	O	1,000,000	1,460	888,060	1,296	1	1	685	0	0.6968%	10,030.95	835.91	942.10	1,778.01
8E	F	O	1,530,000	1,464	1,348,150	1,290	2	2	1,045	0	1.0708%	15,415.25	1,284.60	1,447.78	2,732.39
8F	F	V	873,000	1,353	813,260	1,261	1	1	645	0	0.6072%	8,740.75	728.40	820.92	1,549.32
9A	F	O	1,590,000	1,426	1,458,850	1,308	1	2	1,115	0	1.1132%	16,024.80	1,335.40	1,505.03	2,840.43
9B	F	O	1,725,000	1,450	1,674,850	1,407	2	2	1,190	0	1.2084%	17,396.27	1,449.69	1,633.84	3,083.53
9C	F	O	1,040,000	1,576	847,370	1,284	1	1	660	0	0.7250%	10,437.31	869.78	980.26	1,850.04
9D	F	O	1,015,000	1,482	898,160	1,311	1	1	685	0	0.7074%	10,183.33	848.61	956.41	1,805.02
9E	F	O	1,550,000	1,483	1,368,350	1,309	2	2	1,045	0	1.0849%	15,618.43	1,301.54	1,466.87	2,768.40
9F	F	V	883,000	1,369	824,370	1,278	1	1	645	0	0.6142%	8,842.34	736.86	830.46	1,567.32
10A	F	O	1,495,000	1,473	1,504,150	1,482	1	2	1,015	0	1.0461%	15,059.68	1,254.97	1,414.39	2,669.36
10B	F	O	1,745,000	1,466	1,700,100	1,429	2	2	1,190	0	1.2225%	17,599.45	1,466.62	1,652.92	3,119.54
10C	F	O	1,060,000	1,606	858,480	1,301	1	1	660	0	0.7391%	10,640.49	886.71	999.34	1,886.05
10D	F	O	1,030,000	1,504	908,260	1,326	1	1	685	0	0.7180%	10,335.72	861.31	970.72	1,832.03
10E	F	O	1,570,000	1,502	1,388,550	1,329	2	2	1,045	0	1.0991%	15,821.61	1,318.47	1,485.95	2,804.42
10F	F	O	1,495,000	1,365	1,359,840	1,242	2	2	1,095	0	1.0461%	15,059.68	1,254.97	1,414.39	2,669.36
11A	F	V	1,520,000	1,498	1,524,350	1,502	1	2	1,015	0	1.0638%	15,313.66	1,276.14	1,438.24	2,714.38
11B	F	O	1,800,000	1,513	1,725,350	1,450	2	2	1,190	0	1.2614%	18,158.20	1,513.18	1,705.40	3,218.58
11C	F	O	1,080,000	1,636	868,580	1,316	1	1	660	0	0.7533%	10,843.67	903.64	1,018.43	1,922.07
11D	F	O	1,045,000	1,526	918,360	1,341	1	1	685	0	0.7286%	10,488.11	874.01	985.03	1,859.04
11E	F	O	1,620,000	1,550	1,408,750	1,348	2	2	1,045	0	1.1343%	16,329.57	1,360.80	1,533.66	2,894.45
11F	F	O	1,515,000	1,384	1,380,040	1,260	2	2	1,095	0	1.0602%	15,262.87	1,271.91	1,433.47	2,705.38
12A	F	O	1,545,000	1,522	1,544,550	1,522	1	2	1,015	0	1.0814%	15,567.64	1,297.30	1,462.10	2,759.40
12B	F	O	1,825,000	1,534	1,750,600	1,471	2	2	1,190	0	1.2790%	18,412.18	1,534.35	1,729.25	3,263.60

12C	F	O	1,100,000	1,667	878,680	1,331	1	1	660	0	0.7674%	11,046.85	920.57	1,037.51	1,958.08
12D	F	O	1,060,000	1,547	929,470	1,357	1	1	685	0	0.7391%	10,640.49	886.71	999.34	1,886.05
12E	F	V	1,645,000	1,574	1,428,950	1,367	2	2	1,045	0	1.1520%	16,583.54	1,381.96	1,557.51	2,939.47
12F	F	O	1,535,000	1,402	1,400,240	1,279	2	2	1,095	0	1.0744%	15,466.05	1,288.84	1,452.56	2,741.39
14A	F	O	1,570,000	1,547	1,564,750	1,542	1	2	1,015	0	1.0991%	15,821.61	1,318.47	1,485.95	2,804.42
14B	F	O	1,850,000	1,555	1,775,850	1,492	2	2	1,190	0	1.2966%	18,666.15	1,555.51	1,753.11	3,308.62
14C	F	O	1,120,000	1,697	889,790	1,348	1	1	660	0	0.7815%	11,250.04	937.50	1,056.59	1,994.09
14D	R	O	N/A	-	N/A	-	1	1	685	0	0.1760%	2,533.28	211.11	237.92	449.03
14E	F	O	1,670,000	1,598	1,449,150	1,387	2	2	1,045	0	1.1696%	16,837.52	1,403.13	1,581.36	2,984.49
14F	F	O	1,550,000	1,416	1,420,440	1,297	2	2	1,095	0	1.0849%	15,618.43	1,301.54	1,466.87	2,768.40
15A	F	V	1,595,000	1,571	1,584,950	1,562	1	2	1,015	0	1.1167%	16,075.59	1,339.63	1,509.80	2,849.44
15B	F	O	1,875,000	1,576	1,801,100	1,514	2	2	1,190	0	1.3143%	18,920.13	1,576.68	1,776.96	3,353.64
15C	F	O	1,140,000	1,727	899,890	1,363	1	1	660	0	0.7956%	11,453.22	954.43	1,075.67	2,030.11
15D	F	O	1,090,000	1,591	949,670	1,386	1	1	685	0	0.7603%	10,945.26	912.11	1,027.97	1,940.07
15E	F	O	1,695,000	1,622	1,469,350	1,406	2	2	1,045	0	1.1873%	17,091.50	1,424.29	1,605.22	3,029.51
15F	F	O	1,565,000	1,429	1,440,640	1,316	2	2	1,095	0	1.0955%	15,770.82	1,314.23	1,481.18	2,795.41
16A	F	V	1,700,000	1,675	1,605,150	1,581	1	2	1,015	0	1.1908%	17,142.29	1,428.52	1,609.99	3,038.51
16B	F	V	1,900,000	1,597	1,826,350	1,535	2	2	1,190	0	1.3319%	19,174.11	1,597.84	1,800.81	3,398.65
16C	F	V	1,160,000	1,758	909,990	1,379	1	1	660	0	0.8097%	11,656.40	971.37	1,094.76	2,066.12
16D	F	V	1,105,000	1,613	960,780	1,403	1	1	685	0	0.7709%	11,097.65	924.80	1,042.28	1,967.08
16E	F	V	1,720,000	1,646	1,489,550	1,425	2	2	1,045	0	1.2049%	17,345.47	1,445.46	1,629.07	3,074.53
16F	F	V	1,580,000	1,443	1,460,840	1,334	2	2	1,095	0	1.1061%	15,923.21	1,326.93	1,495.49	2,822.42
17A	F	O	2,725,000	2,104	2,220,830	1,715	2	2	1,295	515	1.9141%	27,555.33	2,296.28	2,587.97	4,884.25
17/18 B (Duplex)	F	O	1,700,000	1,910	1,421,900	1,598	1	1.5	890	490	1.1908%	17,142.29	1,428.52	1,609.99	3,038.51
17/18 C (Duplex)	F	O	2,450,000	2,290	1,833,240	1,713	2	2.5	1,070	920	1.7201%	24,761.59	2,063.47	2,325.58	4,389.05
17D	F	O	2,200,000	1,905	2,009,360	1,740	2	2	1,155	460	1.5436%	22,221.82	1,851.82	2,087.05	3,938.87
18A	F	O	2,275,000	1,757	2,002,500	1,546	2	2	1,295	0	1.5966%	22,983.75	1,915.31	2,158.61	4,073.92
18D	F	O	1,800,000	1,636	1,844,900	1,677	2	2	1,100	0	1.2614%	18,158.20	1,513.18	1,705.40	3,218.58
19A	F	O	2,325,000	1,795	2,029,770	1,567	2	2	1,295	0	1.6319%	23,491.71	1,957.64	2,206.32	4,163.96
19/20 B (Duplex)	F	V	1,500,000	1,685	1,340,090	1,506	1	1.5	890	0	1.0497%	15,110.48	1,259.21	1,419.16	2,678.37
19/20 C (Duplex)	F	O	1,900,000	1,776	1,744,360	1,630	2	2.5	1,070	0	1.3319%	19,174.11	1,597.84	1,800.81	3,398.65
19D	F	O	1,850,000	1,602	1,859,880	1,610	2	2	1,155	0	1.2966%	18,666.15	1,555.51	1,753.11	3,308.62
20A	F	O	2,375,000	1,834	2,132,790	1,647	2	2	1,295	0	1.6671%	23,999.66	1,999.97	2,254.02	4,254.00
20D	F	V	1,900,000	1,727	1,892,370	1,720	2	2	1,100	0	1.3319%	19,174.11	1,597.84	1,800.81	3,398.65
21A	F	V	2,425,000	1,873	2,167,130	1,673	2	2	1,295	0	1.7024%	24,507.61	2,042.30	2,301.73	4,344.03
21/22 B (Duplex)	F	V	1,550,000	1,742	1,440,080	1,618	1	1.5	890	0	1.1519%	16,583.07	1,381.92	1,557.46	2,939.39
21/22 C (Duplex)	F	O	1,950,000	1,822	1,788,800	1,672	2	2.5	1,070	0	1.3672%	19,682.06	1,640.17	1,848.52	3,488.69
21D	F	V	1,950,000	1,773	1,915,600	1,741	2	2	1,100	0	1.3672%	19,682.06	1,640.17	1,848.52	3,488.69
22A	F	V	2,475,000	1,911	2,167,130	1,673	2	2	1,295	0	1.7377%	25,015.57	2,084.63	2,349.44	4,434.07
22D	F	O	2,000,000	1,732	1,989,160	1,722	2	2	1,155	0	1.4025%	20,190.01	1,682.50	1,896.23	3,578.73
COMMERCIAL UNIT A	N/A	V	1,530,000	1,178	1,338,750	1,031	0	0	1,299	0	1.0708%	15,415.25	1,284.60	1,447.78	2,732.39
COMMERCIAL UNIT B	N/A	V	912,000	1,767	834,600	1,617	0	0	516	0	0.6347%	9,136.95	761.41	858.13	1,619.55
TOTAL			\$141,703,000	\$1,491	\$128,669,770	\$1,354			95,015	2,385	100.00%	1,439,569.80	119,964.15	135,202.92	255,167.07

*Aggregate rental income averages approximately \$353K per month.

Storage	Level	Offering Price	Approximate SF
Small Storage Space #1	Cellar	\$ 10,000	9.5
Small Storage Space #2	Cellar	\$ 10,000	9.5
Small Storage Space #3	Cellar	\$ 10,000	9.5
Small Storage Space #4	Cellar	\$ 10,000	9.5
Small Storage Space #5	Cellar	\$ 10,000	9.5
Small Storage Space #6	Cellar	\$ 10,000	9.5
Small Storage Space #7	Cellar	\$ 10,000	9.5
Small Storage Space #8	Cellar	\$ 10,000	9.5
Small Storage Space #9	Cellar	\$ 10,000	9.5
Small Storage Space #10	Cellar	\$ 10,000	9.5
Small Storage Space #11	Cellar	\$ 10,000	9.5
Small Storage Space #12	Cellar	\$ 10,000	9.5
Small Storage Space #13	Cellar	\$ 10,000	9.5
Small Storage Space #14	Cellar	\$ 10,000	9.5
Small Storage Space #15	Cellar	\$ 10,000	9.5
Small Storage Space #16	Cellar	\$ 10,000	9.5
Large Storage Space #1	Cellar	\$ 20,000	13
Large Storage Space #2	Cellar	\$ 20,000	13
Large Storage Space #3	Cellar	\$ 20,000	13
Large Storage Space #4	Cellar	\$ 20,000	13
Large Storage Space #5	Cellar	\$ 20,000	13
Large Storage Space #6	Cellar	\$ 20,000	13
Large Storage Space #7	Cellar	\$ 20,000	13
Large Storage Space #8	Cellar	\$ 20,000	13
Large Storage Space #9	Cellar	\$ 20,000	13
Total		\$ 340,000.00	269

Notes to Schedule A

- (1) In reference to column "8" and "9" of Schedule "A", the number of bedrooms and bathrooms are calculated based upon the Zoning room method of the New York City Zoning Resolution which considers a bedroom to be any fully enclosed room having a minimum of 75 square feet and a window and counts as a bathroom any fully enclosed room having a toilet, sink and bath tub and/or shower. See the Floor Plans of the Units, which appear in Document 5 in Part II of the Plan. The approximate area of a Unit, within reasonable tolerances, is measured from the middle of the demising walls of the Unit to the outside surface of the exterior wall or window of the Unit. The approximate floor area, with reasonable tolerances, is a gross floor area which significantly exceeds the actual useable floor area (which is the area within the Unit that can actually be occupied) of the Units. Any rooms designated on the Unit Floor Plans or on Schedule A as "Recreation Room" or "storage rooms", if any, may not be used as legal bedrooms. Any such use is a violation of the NYC Building Code and the Certificate of Occupancy and would subject the owner to possible fines and civil or criminal liability.

- (2) In reference to column "10" of Schedule "A", the approximate unit size, within reasonable tolerances, is a gross square foot area measured from the unexposed interior surface of the outer masonry walls to the middle of the demising walls (including the sheetrock) separating a Unit from another Unit or from the Common Elements and may exceed the interior space by as much as ten percent. The dimensions of the rooms listed on the floor plans are interior dimensions. However, measurements are not based upon measurements from interior surfaces of interior walls and the actual area comprising the Unit is significantly less than the area listed in Schedule A.

- (3) Regarding the Offering Price, see "Changes in Prices or Units" in Part I of the Plan for a discussion of the right of the Sponsor to increase prices. Accordingly, Purchasers may pay different purchase prices for similar 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 "Unit Closing Costs and Adjustments" in Part I, Section N of the Plan. If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of additional closing costs and expenses relating to such loan. The apportionment of certain charges relating to the Unit at the time of the closing of title will be reflected as adjustments to the purchase price, as explained in "Closing Costs and Adjustments" in Part I of the Plan.

- (4) In reference to column "12" of Schedule "A", the respective Percentage of Common Interest of each Unit has been allocated based upon the floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit, all in accordance with the provisions of Section 339(i)(1) subparagraph (i) of the New York Condominium Act.

- (5) In reference to column "14" of Schedule "A", the projected monthly common charges are based upon the First Budget Year commencing July 1, 2017. The actual commencement date may be earlier or later. The Sponsor shall amend the Plan prior to

or at the time the Plan is declared effective to amend the Budget and the Common Charges to reflect any material increase or decrease in the projected Budget for the first year.

- (6) In reference to column "15" of Schedule "A", after the Condominium is divided into separate tax lots, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will not be responsible for the payment of, nor will the Unit be subject to, any lien arising from the nonpayment of taxes on other Units. The real estate tax estimates for each Unit were calculated on the assumption that the real estate taxes payable with respect to each Unit will be allocated in proportion to each Unit's Percentage of Common Interest. There is no assurance that the New York City Real Property Assessment Bureau will allocate taxes between the Units in proportion to each Unit's Percentage of Common Interest and, if not, units having the same or similar Percentage of Common Interest may pay different real estate taxes. The transition assessed valuation of the property for the 2017/2018 tax year is \$12,480,270.00, which will be allocated \$12,244,018.00 to the Residential Units and \$236,252.00 to the Commercial Units, which results in an estimated real estate tax of \$1,591,722.00 for the Residential Units and \$30,713.00 for the Commercial units. Assuming the Residential tax rate is set at an average of 13% and the Commercial tax rate is set at 13% for the 2017/2018 tax year, the taxes estimated by Sponsor's real estate tax consultant Tuchman, Korngold, Weiss Liebman & Gelles, LLP for the initial budget year is set forth below:

Units	Estimated Real Estate Tax
Residential	\$1,591,722.00
Commercial	\$ 30,713.00

- (7) The projected monthly Common Charges do not include mortgage payments under a loan or loans, if any, obtained by the Unit Owner to finance the purchase of the Unit, the cost of heating, cooking gas and electricity supplied to the Unit which will be separately metered and payable directly to the utility company, the cost of any insurance which the Unit Owner may wish to obtain for the Unit and the cost of interior repairs and decorations to the Unit.
- (8) Under existing law, and assuming no changes therein, the amount deductible for income tax purposes will generally include the amounts paid by each Unit Owner for real estate taxes and, in the event a Unit Owner mortgages his Unit, finance charges or interest paid by such Unit Owner in connection with such mortgage indebtedness. These amounts may vary in subsequent years due to changes in the interest rate on any mortgage loan obtained by the Unit Owner, any refinancing of such mortgage, the allocation of constant debt service payments between interest and principal, changes in the assessed valuation of the Unit, the real property tax rate or the method of assessing real property or such other changes as may otherwise affect deductions. (See "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" in Part I, Section U of the Plan for further discussion.)
- (9) The aggregate of the monthly rent for each Unit reflects the rent payable from Tenants of occupied Units and may be revised from time to time based on the execution of new leases for the Unit or renewal leases signed by Tenants.

SCHEDULE B

**PROJECTED BUDGET FOR
FIRST YEAR OF CONDOMINIUM OPERATION**

Gaia 308 East 38th Street, LLC - The Vantage

July 1, 2017 - June 30, 2018

Schedule B

SF
97,400

Income	
Residential Common Charge	\$1,412,036
Commercial Common Charge	\$27,534
Bike Storage	\$500
TOTAL	\$1,439,570
Projected Expenses	
Payroll	\$660,000
Electricity	\$90,000
Heating & Hot Water	\$100,000
Water & Sewer	\$73,000
Cable TV	\$7,500
Repair, Maintenance & Supplies	\$55,000
Contract Service	\$50,000
Administrative & Permits	\$35,037
Management	\$48,000
Legal Fees & Audit Fees	\$20,000
Reserve Fund	\$126,831
Resident Manager's Unit	\$94,202
Capital Expense	\$15,000
Insurance	\$65,000
TOTAL	\$1,439,570

Notes to Schedule B

(1) Labor Costs (Budget - \$660,000.00 plus Resident Manager Unit):

The staffing for the Building will be (7) union employees seven days a week. The employees will perform the duties of doorman, porter, handyman and Resident Manager.

Annual Salary: \$371, 989.00/ yr

Union Benefits: \$133,683.00/yr

Payroll Taxes: \$46,802.00\yr

Workers Compensation: \$18,018.00\yr

Over-Time: \$10,000.00\yr

Total = \$580,492.00

In addition, the Resident Manager will reside in the building Unit, 5A, with a yearly cost of approximately \$79,508.00 per year for Common Charges, Real Estate Taxes and Interest on the apartment for (60) months.

(2) Electricity (Budget - \$90,000.00)

The Condominium will be responsible for the cost of electricity used in the common areas, i.e. vestibule, lobby, sitting area, gym, playroom, stairways, indoor and outdoor lighting, cellar lighting, elevator and other common area equipment and facilities. The consumption will be measured by a common electric meter for the Building and the charges will be paid for by the Condominium and passed on to the Unit Owners as Common Charges. The projected cost of electricity has been made by Sponsor based on the average of the past 14 months of actual Building operations.

All Units in the building will be individually metered for electricity and all Unit Owners will be responsible for payment directly to the utility company for the cost of the electricity consumed by them including for cooling of the Units. The Condominium is not responsible for providing cooling for the Units, which have their own separate split air conditioning units. The cost for cooling the Units will be the responsibility of the individual Unit Owners. The cost reflected herein pertains solely to the cost of electricity for the common areas, common equipment and common facilities serving the Building and/or the Units Owners as a whole.

It is not possible to predict how closely the budgeted figure or the estimated electric energy cost for the Building will reflect the actual expenses for electricity to be incurred during the first year of condominium operation, in part because such expenses will vary with the level of consumption and the cost of electricity. Electricity is generated by the utility company by means of fuel oil as the primary energy source. In view of fluctuations in oil production by certain member nations of the Organization of Petroleum Exporting Countries ("OPEC") and unpredictable rate increases imposed from time to time by one or more members of OPEC, it is

likely that the cost of fuel oil used to generate electricity will increase in the future. Consequently, it is likely that electric rates will increase, although it is not possible to forecast the amount or timing of such increase. It is believed that the projected figure should be sufficient to cover any reasonable increase in the cost of electricity resulting from the foregoing during the first year of condominium operation.

(3) Gas (Budget-\$100,000.00)

The Condominium will supply heat and hot water for the Units and the common areas as well as provide the gas for cooking in the individual Units. There will be a common gas meter to measure the consumption and the charges will be paid for by the Condominium and passed on to the Units Owners as Common Charges. The projected cost of gas has been made by Sponsor based on the average of the past 14 months of actual Building operations.

(4) Water & Sewer Charges (Budget - \$73,000.00)

This estimate is made by Sponsor based on the past 14 months of actual Building operations. A water meter is installed in the Building to measure all of the water consumed in the Building and this will be a Common Expense payable by all Unit Owners as part of their Common Charges.

(5) Cable / Phone / Internet (Budget - \$7,500.00)

The Condominium will be responsible for the cost of Cable, Phone service and internet which services the common areas, elevators and concierge station. The projected cost is projected by Sponsor based upon an average of the past 12 months.

(6) Repairs, Maintenance & Supplies (Budget - \$55,000.00)

This figure does not include maintenance and repair expenses within each Unit, which are the obligation of the Unit Owner. The budgeted amount is designed to cover only normal maintenance and repair costs associated only with the Common Elements. This is not intended to cover the cost of any major capital expenditure. If such expenditure is required, each Unit Owner will be obligated to pay his or her pro rata share.

Inasmuch as this is a newly constructed/renovated building repairs and maintenance should be minimal in the first year of operation. Additionally, the handyman will handle most necessary repairs. The figure includes supplies and tools the handyman's normal maintenance and repair of the building and common areas.

(7) Service Contracts (Budget - \$50,000.00)

Name of Contractor	Service	Annual Cost (Plus Tax 8.25%)	Length
Uplift Elevator Corp	Elevator Maintenance	\$21, 552.00	1 year
Assured Environments	Exterminating Services	\$6, 536.00	1 year

Building Link	Virtual Package Service	\$2,561.00	1 year
ViewPoint Design	Gardening	\$8,260.00	1 year

(8) Administrative & Permits (Budget - \$35,037.00)

This estimate is made by sponsor based upon prior costs incurred for administrative fees in the amount of \$25,037.00. For permits, an amount of \$10,000.00 per year will be budgeted.

(9) Management Contract (Budget - \$48,000.00)

The projected management fee was obtained from an estimate provided by Finger Management Corp., 503 South Broadway, Suite 235, Yonkers, New York 10705. This fee is comparable to the fees charges by managing agents for similar buildings in the area. It does not include the cost of bonding, as well the additional costs to Unit Owners for sales and leasing of Units for which they will be required to pay a separate processing fee to the managing agent.

(10) Legal Fees & Audit Fees (Budget - \$20,000.00)

This item includes eight hours of legal services @ \$400 per hour for ordinary anticipated legal services for the Condominium in connection with the annual Unit Owners meeting, attendance at Board meetings by the attorney for the Condominium, review of any contracts or service agreements, for consultation on day to day matters in the normal operation of the Building. It does not include any litigation expenses, administrative hearings or proceedings.

This item includes a \$3,500.00 fees in a letter proposal from Teal, Becker & Chiarmonite, CPAs, P.C. for preparing the annual certified financial statements of the Condominium and for preparing the annual tax returns of the Condominium.

(11) Reserve Fund (Budget - \$126,831.00)

Because the Building is newly renovated, it is not anticipated that any major capital repairs or replacements will be needed in the first five years of operation of the Building. However, should the need arise for any repairs or replacements to the major capital systems of the Building, this fund would not be adequate at its present level to cover the cost of any major capital repairs or replacements. In such event the Board of Managers would have to assess the Unit Owners to pay for the deficiency between such costs and the amount in the fund.

(12) Resident Manager's Unit Common Charges, Real Estate Taxes & Principal/Debt Service (Budget - \$94,202.00)

The amount represents the yearly common charges, real estate taxes and debt service for the mortgage on the Resident Manager's Unit (5A) provided by the Sponsor. This amount takes into account a purchase price of \$1,547,000.00 with a Five (5) year note, interest only at Four and

One Half Percent (4.5%) . A balloon payment of \$1,547,000.00 is due after the Sixtieth (60th) month.

(13) Capital Expense (Budget - \$15,000.00)

This is the yearly amount that will be held as a fund for unanticipated expenses or unanticipated increases in the projected expenses. This fund can be used by the Board of Managers for any purpose. Any amount not spent can be held by the Board of Managers for future years or can be used to reduce common charges. It is not intended to be a fund for capital repairs.

(14) Insurance (Budget - \$65,000.00)

In accordance with the letter obtained by Marsh, Inc., 1251 Old Northern Blvd., Roslyn, NY 11576 the following types of coverages and amounts will be in place upon the First Closing:

Coverage	Amount
ALL-RISK PERIL, REPLACEMENT COST:	\$125,000,000.00
DEDUCTIBLE:	\$2,500.00
DIRECTORS AND OFFICERS LIABILITY:	\$3,000,000.00
RENTAL COVERAGE:	\$5,000,000.00
GENERAL LIABILITY:	\$1,000,000.00
EACH OCCURRENCE:	\$1,000,000.00
ELEVATOR COLLISON	\$100,000,000.00
WATER DAMAGE LEGAL LIABILITY:	\$25,000,000.00
FIRE DAMAGE LEGAL LIABILITY:	\$25,000.00
UMBRELLA LIABILITY:	\$25,000,000.00

The amount of fire and casualty coverage is an agreed amount replacement cost coverage policy. In the event of a loss the amount of the coverage shall be adequate for the Condominium to replace the Building and to avoid being a co-insurer in event of partial loss.

In the event that the Sponsor secures a lender(s) to make loans to Unit Purchasers, the insurance coverage set forth in the Plan will satisfy the requirements of any such lender(s).

The fire, casualty and general liability insurance policy, which will also provide that each Unit Owner is an additional insured party, will be written on terms that provide (1) that there will be no cancellation without notice to the Board of Managers, (2) for a waiver of subrogation, if possible, (3) for a waiver of invalidity because of acts of the insured, and (4) for a waiver of pro-rata reduction if Unit Owners obtain additional coverage.

PLEASE NOTE: UNIT OWNERS WILL BE RESPONSIBLE FOR PURCHASING INSURANCE NOT CARRIED BY THE BOARD OF MANAGERS WHICH THEY MUST CARRY WITH RESPECT TO THEIR RESPECTIVE UNIT AND ITS CONTENTS. IT IS RECOMMENDED THAT UNIT OWNERS CONSULT INSURANCE BROKERS AS TO

THE REQUIREMENT FOR OBTAINING SUCH ADDITIONAL INSURANCE TO COVER RISKS SUCH AS FIRE AND CASUALTY FOR LOSSES OF UNIT CONTENTS, REPLACEMENTS, ADDITIONS, UPGRADED FIXTURES AND IMPROVEMENTS AS WELL AS FOR LIABILITY FOR OCCURRENCES WITHIN THE UNIT OR ON LIMITED COMMON ELEMENTS. RENTAL COVERAGE NOTED ABOVE DOES NOT COVER UNIT OWNERS, ONLY THE SPONSOR.

The Budget in the Plan is based upon the assumption that the first year of condominium operation will be the year from **July 1, 2017 to June 30, 2018** when the Sponsor reasonably expects the condominium operations will begin. If the actual or anticipated date of Condominium operations is to be delayed more than six (6) months from the budget year projected in the Plan, the Plan shall be amended to include a revised budget disclosing current projections.

IF SUCH AMENDED PROJECTIONS EXCEED THE ORIGINAL PROJECTIONS BY TWENTY-FIVE PERCENT (25%) OR MORE, THE SPONSOR MUST OFFER ALL PURCHASERS THE RIGHT TO RESCIND AND A REASONABLE PERIOD OF TIME THAT IS NOT LESS THAN FIFTEEN (15) DAYS AFTER THE DATE OF PRESENTATION TO EXERCISE THE RIGHT, WHETHER OR NOT THE SPONSOR OFFERS TO GUARANTEE THE PREVIOUS BUDGET PROJECTION. THE SPONSOR MUST RETURN ANY DEPOSIT OR DOWN PAYMENT TO PURCHASERS WHO RESCIND WITHIN A REASONABLE PERIOD OF TIME. SPONSOR MAY NOT DECLARE THE PLAN EFFECTIVE WHERE THERE ARE ANY MATERIAL CHANGES TO THE BUDGET IF THESE CHANGES HAVE NOT BEEN DISCLOSED BY A DULY FILED AMENDMENT TO THE PLAN.

BALANCE OF PAGE INTENTIONALLY LEFT BLANK

SCHEDULE B-1

PROJECTED ENERGY COSTS FOR INDIVIDUAL UNITS USE



The Utility **Experts**TM

TO: RONNISH GUPTA
FROM: JASON ESHRAGHI
RE: THE MONTROSE, UTILITY ALLOCATIONS
DATE: September 28, 2015

This memorandum briefly addresses the utility allocation and calculations provided for The Montrose.

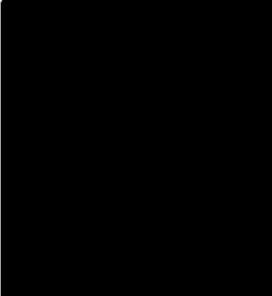
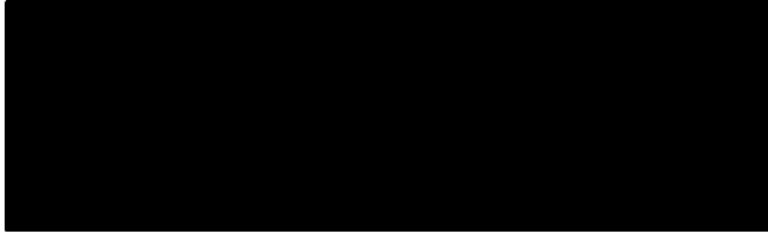
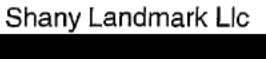
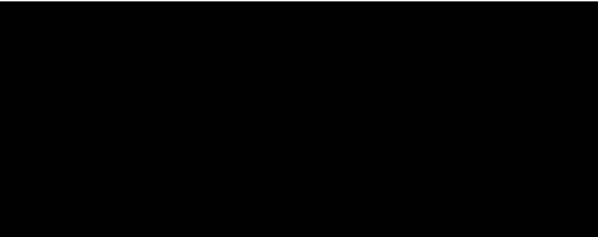
Water/Sewer/Electric:

For water and sewer, we took your main NYC water/sewer bill and first subtracted 10% off the bill for allocated common area usage. Then we took that remaining cost from the water/sewer bill and allocated it out to each unit based on their unit size/square footage. To obtain that square footage ratio, we take the total square footage of the community and divide the water/sewer cost (minus the 10% common area allocation). That per square foot ratio is then multiplied by each unit's total square footage to obtain a per unit water/sewer cost.

For electricity, it's the same method actually, taking the overall electric bill, subtracting 10% off the bill for allocated common area usage, then divided the remainder based on the square footage of the unit.

Sincerely,

Jason Eshraghi
National Account Manager
404-421-4400
jeshraghi@conservice.com

<u>Name</u>	<u>Account #</u>	<u>Unit</u>	<u>Move In</u>	<u>Sqft</u>
	15042264	0001A	04/01/14	1,265
	15042265	0003A	08/01/14	1,140
	15042266	0003B	06/20/14	1,210
	15042267	0003C	06/18/14	660
	15042268	0003D	10/01/13	700
	15042269	0003E	11/01/14	1,060
	15042270	0003F	06/12/14	630
	15042271	0004A	09/01/14	1,140
	15042272	0004B	09/15/14	1,210
	15275996	0004C	05/11/15	660
	15042274	0004D	05/15/14	700
	15184814	0004E	04/09/15	1,060
	15042276	0004F	12/01/14	630
	15042278	0005C	06/01/13	660
Shany Landmarks, Llc 	15042279	0005D	10/01/14	700
	15042280	0005E	11/01/14	1,060
	15042281	0005F	02/27/14	630
	15290262	0006A	05/15/15	1,140
	15042282	0006B	09/26/14	1,210
	15145233	0006C	03/31/15	660
	15042284	0006D	01/01/15	700
	15042285	0006E	03/03/14	1,060
	15042286	0006F	10/01/14	630
	15042288	0007B	01/01/15	1,210
	15042289	0007C	11/21/14	660
	15042290	0007D	09/25/14	700
	15401773	0007E	06/15/15	1,060
	15042292	0007F	05/30/14	630
Shany Landmarks Llc 	15042293	0008A	09/01/14	1,140
	15491674	0008B	07/03/15	1,210
	15042295	0008C	07/18/14	660
	15042297	0008E	07/01/14	1,060
	15042299	0009A	12/01/14	1,140
	15042301	0009C	03/01/14	660
	15042302	0009D	06/01/14	700
	15042303	0009E	08/01/14	1,060
	15042305	0010A	08/18/14	1,040
	15571536	0010B	07/27/15	1,210
	15042307	0010C	07/01/14	660
	15092989	0010D	03/10/15	700
	15042309	0010E	09/01/13	1,060
	15236039	0010F	05/01/15	1,060
Shany Landmark Llc 	15042312	0011B	10/13/14	1,210
	15042313	0011C	09/01/14	660
	15602061	0011D	08/01/15	700
	15042315	0011E	12/01/14	1,060
	15386185	0011F	06/10/15	1,060
	15153177	0012A	03/15/15	1,040
	15042318	0012B	09/08/14	1,210
	15378240	0012D	06/08/15	700
Stay Equity Llc 				
Churchill Corp				

Stay Equity Llc

Stay Equity Llc

Stay Equity Llc

Stay Equity Llc

Stay Equity

Stay Equity Llc

(Employee Resident Manager)

15042321	0012E	02/01/14	1,060
15401774	0012F	06/15/15	1,060
15236040	0014A	05/01/15	1,040
15042325	0014C	11/01/14	660
15042327	0014E	08/01/14	1,060
15042328	0014F	09/02/14	1,060
15042330	0015B	09/09/14	1,210
15042331	0015C	11/01/14	660
15042332	0015D	02/01/14	700
15042333	0015E	10/01/14	1,060
15153178	0015F	04/01/15	1,060
15284271	0016A	05/14/15	1,040
15042335	0016B	06/24/14	1,210
15042337	0016D	03/01/14	700
15445474	0016E	06/24/15	1,060
15042339	0016F	06/18/14	1,060
15042342	0017A	06/01/14	500
15476001	0017D	06/30/15	1,180
15042343	0018A	05/01/14	1,290
15349289	0018D	06/01/15	1,180
15042347	0019A	12/01/14	1,290
15042348	0019D	10/31/14	1,180
15042349	0020A	11/01/14	1,290
15139676	0020D	03/27/15	1,180
15051882	0021A	02/01/14	1,290
15481640	0021D	07/01/15	1,180
15349291	0022D	06/01/15	1,180
15042340	1718B	05/23/14	900
15042341	1718C	03/01/14	1,060
15042345	1920B	03/01/14	900
15588317	2122B	07/16/15	900
15051880	2122C	09/01/14	1,060
15284270	0005A	02/01/15	1,140
15042277	0005B	09/01/14	1,210
15042287	0007A	09/01/13	1,210
15042296	0008D	09/01/14	700
15042298	0008F	09/01/14	630
15671400	0014B	08/15/15	1,210
15042329	0015A	08/18/14	1,040
15042336	0016C	09/01/14	660
15042346	1920C	09/01/14	1,060

<u>Water</u>	<u>Sewer</u>	<u>Electric</u>	<u>Total</u>
\$35.55	\$56.52	\$86.51	\$178.59
\$32.04	\$50.94	\$77.96	\$160.94
\$34.00	\$54.07	\$82.75	\$170.82
\$18.55	\$29.49	\$45.14	\$93.18
\$19.67	\$31.28	\$47.87	\$98.82
\$29.79	\$47.36	\$72.49	\$149.65
\$17.70	\$28.15	\$43.09	\$88.94
\$32.04	\$50.94	\$77.96	\$160.94
\$34.00	\$54.07	\$82.75	\$170.82
\$18.55	\$29.49	\$45.14	\$93.18
\$19.67	\$31.28	\$47.87	\$98.82
\$29.79	\$47.36	\$72.49	\$149.65
\$17.70	\$28.15	\$43.09	\$88.94
\$18.55	\$29.49	\$45.14	\$93.18
\$19.67	\$31.28	\$47.87	\$98.82
\$29.79	\$47.36	\$72.49	\$149.65
\$17.70	\$28.15	\$43.09	\$88.94
\$32.04	\$50.94	\$77.96	\$160.94
\$34.00	\$54.07	\$82.75	\$170.82
\$18.55	\$29.49	\$45.14	\$93.18
\$19.67	\$31.28	\$47.87	\$98.82
\$29.79	\$47.36	\$72.49	\$149.65
\$17.70	\$28.15	\$43.09	\$88.94
\$34.00	\$54.07	\$82.75	\$170.82
\$18.55	\$29.49	\$45.14	\$93.18
\$19.67	\$31.28	\$47.87	\$98.82
\$29.79	\$47.36	\$72.49	\$149.65
\$17.70	\$28.15	\$43.09	\$88.94
\$32.04	\$50.94	\$77.96	\$160.94
\$34.00	\$54.07	\$82.75	\$170.82
\$18.55	\$29.49	\$45.14	\$93.18
\$19.67	\$31.28	\$47.87	\$98.82
\$29.79	\$47.36	\$72.49	\$149.65
\$32.04	\$50.94	\$77.96	\$160.94
\$18.55	\$29.49	\$45.14	\$93.18
\$19.67	\$31.28	\$47.87	\$98.82
\$29.79	\$47.36	\$72.49	\$149.65
\$29.23	\$46.47	\$71.12	\$146.82
\$34.00	\$54.07	\$82.75	\$170.82
\$18.55	\$29.49	\$45.14	\$93.18
\$19.67	\$31.28	\$47.87	\$98.82
\$29.79	\$47.36	\$72.49	\$149.65
\$29.79	\$47.36	\$72.49	\$149.65
\$34.00	\$54.07	\$82.75	\$170.82
\$18.55	\$29.49	\$45.14	\$93.18
\$19.67	\$31.28	\$47.87	\$98.82
\$29.79	\$47.36	\$72.49	\$149.65
\$29.79	\$47.36	\$72.49	\$149.65
\$29.23	\$46.47	\$71.12	\$146.82
\$34.00	\$54.07	\$82.75	\$170.82
\$19.67	\$31.28	\$47.87	\$98.82

Provider Service
Water Total
Sewer Total

With 10% CAD
Water Total
Sewer Total

Per sq ft amount
Water
Sewer

\$29.79	\$47.36	\$72.49	\$149.65
\$29.79	\$47.36	\$72.49	\$149.65
\$29.23	\$46.47	\$71.12	\$146.82
\$18.55	\$29.49	\$45.14	\$93.18
\$29.79	\$47.36	\$72.49	\$149.65
\$29.79	\$47.36	\$72.49	\$149.65
\$34.00	\$54.07	\$82.75	\$170.82
\$18.55	\$29.49	\$45.14	\$93.18
\$19.67	\$31.28	\$47.87	\$98.82
\$29.79	\$47.36	\$72.49	\$149.65
\$29.79	\$47.36	\$72.49	\$149.65
\$29.23	\$46.47	\$71.12	\$146.82
\$34.00	\$54.07	\$82.75	\$170.82
\$19.67	\$31.28	\$47.87	\$98.82
\$29.79	\$47.36	\$72.49	\$149.65
\$29.79	\$47.36	\$72.49	\$149.65
\$14.05	\$22.34	\$34.19	\$70.59
\$33.16	\$52.73	\$80.70	\$166.59
\$36.25	\$57.64	\$88.22	\$182.12
\$33.16	\$52.73	\$80.70	\$166.59
\$36.25	\$57.64	\$88.22	\$182.12
\$33.16	\$52.73	\$80.70	\$166.59
\$36.25	\$57.64	\$88.22	\$182.12
\$33.16	\$52.73	\$80.70	\$166.59
\$36.25	\$57.64	\$88.22	\$182.12
\$33.16	\$52.73	\$80.70	\$166.59
\$33.16	\$52.73	\$80.70	\$166.59
\$25.29	\$40.21	\$61.55	\$127.06
\$29.79	\$47.36	\$72.49	\$149.65
\$25.29	\$40.21	\$61.55	\$127.06
\$25.29	\$40.21	\$61.55	\$127.06
\$29.79	\$47.36	\$72.49	\$149.65
\$32.04	\$50.94	\$77.96	\$160.94
\$34.00	\$54.07	\$82.75	\$170.82
\$34.00	\$54.07	\$82.75	\$170.82
\$19.67	\$31.28	\$47.87	\$98.82
\$17.70	\$28.15	\$43.09	\$88.94
\$34.00	\$54.07	\$82.75	\$170.82
\$29.23	\$46.47	\$71.12	\$146.82
\$18.55	\$29.49	\$45.14	\$93.18
\$29.79	\$47.36	\$72.49	\$149.65

6/10/2015-7/14/2015	Provider Service	6/29/2015-7/29/2015
\$2,744.55	Electric Total	\$6,678.95
\$4,363.83		
	With 10% CAD	\$6,011.06
\$2,470.10		
\$3,927.45		
	Per sq ft amount	0.068389044
0.028102793		
0.044683395		

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-(i)

September 28, 2015

Gaia 308 East 38th Street LLC
c/o Gaia Real Estate
152 West 57th Street, 9th Floor
New York, NY 10019

Re: The Vantage (the “Condominium”)
Premises: 308 East 38th Street, New York, New York

Gentlemen:

You have requested our opinion regarding the allocation of common interests to the Units at the above referenced Condominium as required by NYCRR Section 23.3(aa)(2)(5). Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Offering Plan for the referenced project (the “Plan”).

In connection with rendering this opinion we have reviewed the allocation of Common Interests as shown on the Schedule A of the Plan and the declaration establishing the Condominium. We have also considered the relevant sections of the New York State Condominium Act and such other materials as we deemed relevant. Our opinion is based upon the factual determinations made by Finger Management (“FM”) as set forth in its opinion contained in the Plan as required by NYCRR Section 23.3(g)(6)(i). We have made no independent investigation of the truth or accuracy of the factual determinations of FM.

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

Accordingly, based on the foregoing it is our opinion that Real Property Law Section 339-i has been complied with in assigning Common Interests to the Units. This opinion, while based upon existing rules of law applied to the facts and documents referred to above, is not a guarantee to purchasers. In no event will the Sponsor, Schwartz Sladkus Reich Greenberg Atlas LLP, the Selling Agent or the Condominium Board be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in RPL Section 339 or other applicable law.

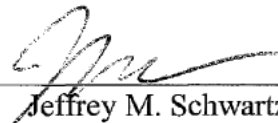
Gaia 308 East 38th Street LLC
September 28, 2015
Page 2

The opinion expressed herein is based solely on New York law.

We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan and references to our name in the Plan.

Very truly yours,

SCHWARTZ SLADKUS REICH
GREENBERG ATLAS LLP

By: 
Jeffrey M. Schwartz
Title: Partner

791789

SCHWARTZ
SLADKUS
REICH
GREENBERG
ATLAS LLP

ACCOUNTANT'S CERTIFIED STATEMENT OF OPERATION



Independent Accountants' Report

The Officers and Directors
Gaia 308 East 38th Street, LLC
New York, NY

We have performed the procedures enumerated below, which were agreed to by the Officers and Directors of Gaia 308 East 38th Street, LLC (the Company) with respect to the operations of 308 East 38th Apartments Investors, LLC for the purpose of the Officers' and Directors' evaluation of the presentation of the cash flow reports for the five months ended May 31, 2014 and the year ended December 31, 2013 representative of the operations of the property in anticipation of the conversion of the Gaia 308 East 38th Street, LLC property to a condominium association. The Company's management is responsible for the financial information presented. This agreed-upon procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures that we performed are as follows:

1. We obtained accounting cash flow reports listing all income and expense accounts for 308 East 38th Apartments Investors, LLC for the five months ended May 31, 2014 and year ended December 31, 2013 and compared the amounts (account activity) to the adjusted trial balances of Gaia 308 East 38th Street LLC for the seven months ended July 31, 2015.

We found no exceptions as a result of this procedure.

2. We excluded accounts that management identified as not applicable to the operations of the condominium association, which included interest expense, depreciation expense, asset management fees, and sales and marketing expenses, as well as other changes in cash reported on the cash flow reports we obtained presenting financial information of 308 East 38th Apartments Investors, LLC.

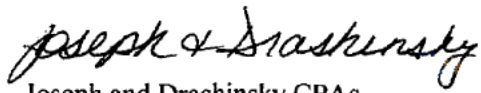
We found no exceptions as a result of this procedure.

3. We obtained an excerpt from the offering plan of Gaia 308 East 38th Street LLC that presented annual and monthly common charges and real estate taxes on a unit basis and in total for the building. We compared annual and monthly property taxes amounts with property taxes recorded on the profit and loss statement of Gaia 308 East 38th Street LLC for the seven months ended July 31, 2015 and the cash flow reports of 308 East 38th Apartments Investors LLC for the five months ended May 31, 2014 and the year ended December 31, 2013.

We found no exceptions as a result of this procedure.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the reports we obtained. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Officers and Directors of the Company, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script, appearing to read "Joseph & Drashinsky".

Joseph and Drashinsky CPAs
September 17, 2015

FISCAL YEAR ENDING: 122013
REPORT # 13

306 308 EAST 38TH ST APTS INV

DATE-12/24/13 TIME- 8:44:45 AM PAGE 0001
F I N A L

CASH FLOW STATEMENT

C U R R E N T M O N T H				P E R I O D E N D I N G D E C E M B E R 31, 2013		Y E A R T O D A T E			
VARIANCE FROM BUDGET	LAST YEAR ACTUAL	BUDGET	ACTUAL		THIS YEAR ACTUAL	THIS YEAR BUDGET	LAST YEAR ACTUAL	VARIANCE FROM BUDGET	
=====									
R E C E I P T S									
RESIDENTIAL INCOME:									
0	0	0	0	4002 Rental Income	0	0	0	0	
45	3,491	3,530	3,573	4007 Affordable Housing	42,425	42,166	41,187	259	
745-	66,882-	12,792-	13,537-	4102 Vacancies-Apartments	286,648-	173,158-	378,223-	113,491-	
13,332-	392,876	398,640	385,308	4005 Stabilized Rents	4,581,595	4,634,870	4,464,800	53,275-	
0	0	0	0	4122 Rent Concessions	0	0	6,845-	0	
0	0	0	0	4135 Preferential Rent Cre	0	0	0	0	
6,111	53,401	0	6,111	4129 421 A	254,447	0	894,315	254,447	
5,968-	53,259-	0	5,968-	4131 421a Abatement	252,737-	0	892,604-	252,737-	
9,825	3,613-	500-	9,325	5077 Collection Losses	1,627	6,000-	4,885-	7,627	
4,065-	326,014	388,878	384,813	TOTAL RESIDENTIAL INCOME	4,340,710	4,497,879	4,117,745	157,169-	
COMMERCIAL INCOME:									
0	0	0	0	4309 Garage Income-Leased	0	0	0	0	
181-	6,658	6,800	6,619	4350 Office Rental Income	80,041	60,600	79,032	19,441	
2,800-	0	0	2,800-	4108 Vacancies - Office	36,545-	0	0	36,545-	
0	0	0	0	4361 Professional Space In	0	0	0	0	
0	0	0	0	4330 Retail Store Rental I	0	0	0	0	
0	0	0	0	4106 Vacancies-Stores	0	0	0	0	
0	0	0	0	4110 Vacancies-Professiona	0	0	0	0	
0	0	0	0	4126 Retail Rent Abatement	0	0	0	0	
0	0	0	0	4128 Office Rent Abatement	0	0	0	0	
0	0	0	0	4130 Prof. Rent Abatement	0	0	0	0	
0	0	0	0	4195 Electrical Escalation	0	0	0	0	
0	301	0	0	4100 Real Estate Tax Escal	343-	0	2,650	343-	
12,981-	6,959	6,800	3,819	TOTAL COMMERCIAL INCOME	43,153	60,600	81,682	17,447-	
OTHER RECEIPTS:									
0	0	0	0	4310 Garage Income	0	0	0	0	
0	0	0	0	4502 Health Club Fees	0	0	0	0	
25-	50	25	0	4510 Comm. Room & Lounge I	200	300	150	100-	
0	0	0	0	4351 Administrative Reimbu	0	0	0	0	
100	680	750	850	4530 Income - Storage	9,122	9,000	7,614	122	
0	0	0	0	4520 Laundry & Valet Incom	0	0	0	0	
0	0	0	0	4160 Refund Real Estate Ta	24,332	0	25,026	24,332	
0	0	0	0	4059 T.V. Antenna Income	0	0	0	0	
0	0	0	0	4601 Int. on Operating Fun	0	0	0	0	

FISCAL YEAR ENDING: 122013
REPORT # 13

306 308 EAST 38TH ST APTS INV

DATE-12/24/13 TIME- 8:44:45 AM PAGE 0002
F I N A L

CASH FLOW STATEMENT

C U R R E N T M O N T H

P E R I O D E N D I N G D E C E M B E R 31, 2013

Y E A R T O D A T E

VARIANCE FROM BUDGET	LAST YEAR ACTUAL	BUDGET	ACTUAL		THIS YEAR ACTUAL	THIS YEAR BUDGET	LAST YEAR ACTUAL	VARIANCE FROM BUDGET
0	0	0	0	4611 Int. on Bond Proceeds	0	0	0	0
0	0	0	0	4360 Electric Charges	0	0	0	0
0	0	0	0	1435 Unit Owners Electrici	0	0	0	0
0	0	0	0	4165 Income - Utilities	0	0	0	0
0	0	0	0	4526 Valet Income	0	0	0	0
0	0	0	0	4541 Xmas Gratuities	900-	0	0	900-
400-	900	250	150-	4460 Late Fees	3,150	3,000	3,700	150
0	0	0	0	4583 Lockout Fee	0	0	0	0
0	0	0	0	4445 Credit Check Fees	0	0	0	0
0	0	0	0	4436 Leasing Application F	0	0	0	0
0	0	0	0	4470 Return Check Fee	150	0	100	150
0	0	0	0	4308 Restoration Fee	1,105	0	300	1,105
0	0	0	0	4311 Income Recovery	0	0	0	0
1,500-	0	1,500	0	4312 Cancellation fee	3,100	18,000	12,520	14,900-
359	0	0	359	4550 Miscellaneous Income	360	0	0	360
1,466-	1,630	2,525	1,059	TOTAL OTHER RECEIPTS	40,619	30,300	49,409	10,319
8,512-	334,603	398,203	389,692	TOTAL RECEIPTS	4,424,482	4,588,779	4,248,836	164,297-

EXPENSES

WAGES:

0	0	0	0	5201 Salaries - Administra	0	0	0	0
3,791-	9,505-	9,274-	13,065-	5205 Salaries - Superinten	85,247-	77,562-	86,039-	7,684-
187	4,700-	4,065-	3,877-	5210 Salaries - Janitorial	36,691-	45,793-	43,337-	9,101
749-	26,164-	17,675-	18,424-	5215 Salaries - Doormen	198,083-	207,106-	202,153-	9,023
82	540	0	82	5220 Salaries - Concierge	7,996-	0	10,057-	7,996-
603-	5,543-	5,253-	5,857-	5225 Salaries - Handymen	55,342-	57,605-	57,354-	2,263
0	0	0	0	5202 Salaries - Renting	0	0	0	0
0	0	0	0	5290 Services Purchased	0	0	0	0
385-	2,225	4,615-	5,000-	5275 Reimbursed Salaries	48,376-	60,000-	54,295-	11,624
5,259-	43,147-	40,882-	46,141-	TOTAL WAGES	431,734-	448,066-	453,234-	16,332

TAXES & BENEFITS:

907	0	907-	0	5360 Workers Compensation	12,435-	9,702-	7,419-	2,733-
302-	2,813-	2,249-	2,551-	5300 F.I.C.A. Expense	23,737-	24,060-	25,004-	323
71-	658-	526-	597-	5301 Medicare Expense	5,658-	5,627-	5,841-	31-
0	0	0	0	2101 Withheld tax-Federal	0	0	0	0

FISCAL YEAR ENDING: 122013
REPORT # 13

306 308 EAST 38TH ST APTS INV

DATE-12/24/13 TIME- 8:44:45 AM PAGE 0003
F I N A L

CASH FLOW STATEMENT

CURRENT MONTH

PERIOD ENDING DECEMBER 31, 2013

YEAR TO DATE

VARIANCE FROM BUDGET	LAST YEAR ACTUAL	BUDGET	ACTUAL		THIS YEAR ACTUAL	THIS YEAR BUDGET	LAST YEAR ACTUAL	VARIANCE FROM BUDGET
0	0	0	0	2106 Withheld tax-Medicare	0	0	0	0
0	0	0	0	2105 Withheld tax-FICA-emp	0	0	0	0
0	0	0	0	2115 Withheld tax-NYS	0	0	0	0
0	0	0	0	2120 Withheld tax-NYC-resi	0	0	0	0
97-	972-	827-	924-	5302 Payroll Taxes	9,528-	9,177-	9,732-	351-
0	10	0	0	5310 NYS Unemployment Insu	3,071-	4,469-	3,589-	1,398
17-	154-	123-	140-	5303 Metro Commuter Mobili	1,326-	1,319-	1,369-	7-
0	0	0	0	5312 Federal Unemployment	353-	813-	406-	459
72	0	72-	0	5320 NYS Disability Insura	1,647-	866-	0	781-
0	0	0	0	5140 Travel Allowance	0	0	0	0
0	0	0	0	5340 Other Employee Benefi	7,394-	0	0	7,394-
493	4,586-	4,704-	4,211-	TOTAL TAXES/BENEFITS	65,149-	56,033-	53,360-	9,117-
				UNION WELFARE & PENS				
281	10,213-	11,447-	11,166-	5350 Union Pension & Welfa	136,274-	136,904-	112,843-	630
0	0	0	0	2134 Union Deductions	0	0	0	0
20	0	0	20	2139 Union 401K	0	0	0	0
301	10,213-	11,447-	11,146-	TOTAL WELFARE/PENSION	136,274-	136,904-	112,843-	630
				UTILITIES:				
0	0	0	0	5501 Fuel Oil	0	0	0	0
0	0	0	0	5520 Steam	0	0	0	0
0	0	0	0	5525 Steam Condensate	0	0	0	0
4,006	4,717-	8,506-	4,500-	5510 Electricity	70,767-	80,668-	69,640-	9,901
357	10,172-	7,274-	6,917-	5540 Gas	61,455-	73,599-	50,875-	12,144
47	6,266-	6,047-	6,000-	5530 Water & Sewer	59,750-	64,372-	50,909-	4,622
4,409	21,155-	21,827-	17,417-	TOTAL UTILITIES	191,972-	218,639-	171,424-	26,668
				REPAIRS & MAINTENANCE				
72-	1,994-	2,000-	2,072-	5705 Elevator Maintenance	27,050-	24,000-	26,593-	3,050-
300	313-	300-	0	5706 Elevator Repairs	6,356-	8,100-	7,182-	1,744
0	0	0	0	5670 Painting-Apartments/O	0	0	0	0
0	0	0	0	5671 Painting - Public Are	0	0	0	0
0	0	0	0	5791 Rep. & Maint.-Vacant	0	0	0	0
0	0	0	0	5793 Door Repairs	1,920-	2,000-	0	80
0	0	0	0	5792 Window and Door Repai	0	0	0	0
0	0	0	0	5701 HVAC Maintenance	3,049-	3,500-	9,037-	452
2,000	0	2,000-	0	5702 HVAC Repairs	21,342-	24,000-	29,475-	2,658
650	670-	650-	0	5703 Boiler Repairs & Main	5,420-	7,800-	8,468-	2,380

FISCAL YEAR ENDING: 122013
REPORT # 13

306 308 EAST 38TH ST APTS INV

DATE-12/24/13 TIME- 8:44:45 AM PAGE 0004
F I N A L

CASH FLOW STATEMENT

CURRENT MONTH

PERIOD ENDING DECEMBER 31, 2013

YEAR TO DATE

VARIANCE FROM BUDGET	LAST YEAR ACTUAL	BUDGET	ACTUAL		THIS YEAR ACTUAL	THIS YEAR BUDGET	LAST YEAR ACTUAL	VARIANCE FROM BUDGET
0	0	0	0	5704 Boiler - Contract	0	0	0	0
525	5,360-	525-	0	5755 Pumps, Motors & Fans	3,097-	6,300-	10,421-	3,203
650	0	650-	0	5720 Appliance Repairs & M	4,276-	7,800-	17,029-	3,524
593-	0	550-	1,143-	5740 Plumbing Repairs & Ma	4,546-	6,600-	6,316-	2,054
150	0	150-	0	5760 Electrical Repairs &	500-	1,800-	0	1,300
150	0	150-	0	5770 Exterior Waterproofin	0	1,800-	0	1,800
0	0	0	0	5750 Roof Repairs & Mainte	0	0	0	0
200	0	200-	0	5790 Other Repair & Mainte	888-	2,400-	0	1,512
3,960	8,336-	7,175-	3,215-	TOTAL REPAIRS/MAINTENANCE	78,444-	96,100-	114,520-	17,656
OTHER BUILDING EXPENS								
0	0	0	0	5622 Pool/Health Club Oper	0	0	0	0
150	0	150-	0	5784 Health Club Rep. & Ma	0	1,800-	654-	1,800
2,000	0	2,000-	0	5624 Community Activities	0	2,000-	0	2,000
180-	1,079-	0	180-	5710 Water Treatment	180-	1,300-	0	1,120
0	0	0	0	5528 Energy Efficiency Cod	12,003-	21,000-	0	8,998
0	0	0	0	5715 Intercom Maintenance	0	0	0	0
0	0	0	0	5716 Intercom Repairs	0	0	1,262-	0
750	0	750-	0	5630 Lobby Expense	22,377-	10,000-	8,912-	12,377-
50	0	50-	0	5718 Communication Eq. Rep	0	600-	218-	600
100	0	100-	0	5719 Leisure equipment rep	0	1,200-	0	1,200
50	0	50-	0	5731 Compactor Repairs	332-	600-	0	268
2,950	7,512-	4,000-	1,050-	5786 Unit Turnover Expense	58,883-	54,000-	72,513-	4,883-
0	0	0	0	5745 Flooring Repair & Mai	1,377-	0	0	1,377-
0	0	0	0	5747 Bathroom Repairs & Ma	372-	0	0	372-
50	0	50-	0	5655 Locks and Keys	430-	600-	0	170
0	0	0	0	5727 Other Maintenance Con	0	0	0	0
0	0	0	0	5728 Alarm Maintenance	4,763-	5,000-	4,664-	237
100	53-	100-	0	5752 Fire & Safety Equipme	398-	1,200-	1,079-	802
0	0	0	0	5160 Meter Reading	0	0	0	0
0	0	0	0	5601 Cleaning - Contract	0	0	0	0
0	0	0	0	5603 Cleaning - Carpet	2,755-	3,900-	1,505-	1,145
0	0	0	0	5602 Cleaning - Windows	0	0	0	0
260	640-	900-	640-	5604 Cleaning - Metal & St	8,438-	10,800-	16,835-	2,362
127-	0	200-	327-	5605 Cleaning - Other	1,307-	2,400-	327-	1,093
0	0	0	0	5608 Exterminating Contrac	0	0	0	0
55	332-	600-	545-	5609 Exterminating	8,867-	7,200-	4,791-	1,667-
0	0	0	0	5610 Rubbish Removal	0	0	0	0
0	0	0	0	5645 Superintendent's Apar	0	0	0	0

FISCAL YEAR ENDING: 122013
REPORT # 13

306 308 EAST 38TH ST APTS INV

DATE=12/24/13 TIME= 8:44:45 AM PAGE 0005
F I N A L

CASH FLOW STATEMENT

C U R R E N T M O N T H

P E R I O D E N D I N G D E C E M B E R 31, 2013

Y E A R T O D A T E

VARIANCE FROM BUDGET	LAST YEAR ACTUAL	BUDGET	ACTUAL		THIS YEAR ACTUAL	THIS YEAR BUDGET	LAST YEAR ACTUAL	VARIANCE FROM BUDGET
0	0	0	0	5130 Employee Travel Expen	0	0	0	0
15-	15-	0	15-	5145 Employee Meal Allowan	225-	0	300-	225-
550	824-	550-	0	5640 Uniform Expense	4,581-	6,600-	5,714-	2,019
10-	830-	390-	400-	5650 Parking Lot Expense	4,420-	4,680-	4,320-	260
0	0	0	0	5660 Security	0	0	0	0
300	0	300-	0	5661 Security - Other	0	3,600-	316-	3,600
100	0	100-	0	5687 Violations	350-	1,200-	460-	850
100	0	100-	0	5780 Glass, Shades & Blind	1,740-	1,200-	692-	540-
0	17,344-	0	0	5695 Contract - Local Law	285-	0	17,344-	285-
0	0	0	0	5662 Strike Preparation Co	0	0	0	0
0	0	0	0	5680 Landscape Contract	2,181-	0	0	2,181-
0	0	0	0	5820 Landscaping Supplies	0	0	0	0
0	0	0	0	5682 Plantings	0	0	0	0
0	0	0	0	5620 Snow Removal	0	0	0	0
100	0	100-	0	5699 Misc. Operating Expen	0	1,200-	403-	1,200
7,334	28,628-	10,490-	3,156-	TOTAL OTHER BUILDING EXP.	136,260-	142,080-	142,308-	5,820
BUILDING SUPPLIES:								
125	1,657-	125-	0	5855 HVAC Supplies	831-	1,500-	1,657-	669
119	0	150-	31-	5815 Painting Supplies	1,356-	1,800-	954-	444
706	0	1,500-	794-	5801 Cleaning Supplies	15,949-	18,000-	17,617-	2,051
0	0	0	0	5810 Compactor Supplies	0	0	0	0
149	0	275-	126-	5860 Plumbing Supplies	4,611-	3,300-	2,693-	1,311-
68-	0	100-	168-	5805 Electrical Supplies	1,946-	1,200-	1,373-	746-
0	0	0	0	5806 Light Bulbs	344-	0	0	344-
100	0	100-	0	5830 Small Tools	0	1,200-	993-	1,200
153-	0	400-	553-	5840 Hardware Supplies	3,182-	4,800-	4,647-	1,618
583-	0	250-	833-	5890 Other Supplies	4,688-	3,000-	1,339-	1,688-
395	1,657-	2,900-	2,505-	TOTAL BUILDING SUPPLIES	32,906-	34,800-	31,273-	1,894
REAL ESTATE TAXES:								
4,164-	114,741-	108,583-	112,748-	6000 Real Estate Taxes	1,308,559-	1,303,000-	1,202,645-	5,559-
0	0	0	0	6002 Bld Tax	0	0	0	0
4,164-	114,741-	108,583-	112,748-	TOTAL REAL ESTATE TAXES	1,308,559-	1,303,000-	1,202,645-	5,559-
INSURANCE & OTHER EXP								
37	1,697-	1,792-	1,755-	6100 General Insurance	20,662-	21,500-	19,606-	838
0	0	0	0	6105 Losses Not Covered By	0	0	0	0
190	274-	300-	110-	5665 Cable TV	3,622-	3,600-	3,633-	22-

FISCAL YEAR ENDING: 122013
REPORT # 13

306 308 EAST 38TH ST APTS INV

DATE-12/24/13 TIME- 8:44:45 AM PAGE 0006
F I N A L

CASH FLOW STATEMENT

C U R R E N T M O N T H

PERIOD ENDING DECEMBER 31, 2013

Y E A R T O D A T E

VARIANCE FROM BUDGET	LAST YEAR ACTUAL	BUDGET	ACTUAL		THIS YEAR ACTUAL	THIS YEAR BUDGET	LAST YEAR ACTUAL	VARIANCE FROM BUDGET
0	0	0	0	6020 NYS Franchise Tax	0	0	0	0
0	0	0	0	6030 NYC General Business	0	0	0	0
227	1,971-	2,092-	1,864-	TOTAL INS. & OTHER EXPENSE	24,284-	25,100-	23,240-	816
				MANAGEMENT FEES				
824	9,584-	10,951-	10,127-	5050 Management Fees	125,949-	126,191-	122,328-	243
824	9,584-	10,951-	10,127-	TOTAL MANAGEMENT FEES	125,949-	126,191-	122,328-	243
				ADMIN. & MARKETING EX				
0	0	0	0	5020 Advertising	838-	0	0	838-
2,021-	2,021-	2,021-	4,042-	5022 Internet Advertising	25,399-	24,252-	24,252-	1,147-
0	0	0	0	5024 Concierge Services	2,425-	2,425-	2,425-	0
0	0	0	0	5025 Public Relations	0	0	0	0
1,222	393-	1,500-	278-	5010 Selling & Leasing Exp	6,438-	18,000-	17,233-	11,562
0	5,000-	5,000-	5,000-	5013 Renting Fees	60,000-	60,000-	50,000-	0
50	0	50-	0	5016 Emp. Background Screen	182-	600-	366-	418
200	0	200-	0	5031 MDR & Stabilization F	1,645-	2,400-	1,658-	756
0	0	0	0	5204 Temporary Help	0	0	0	0
3,959	0	3,959-	0	5040 Broker's Commission	7,585-	27,797-	0	20,213
0	0	0	0	5045 Certificate of Occupa	1,700-	3,000-	750-	1,300
0	0	0	0	5070 Accounting Fees	7,500-	7,500-	0	0
500	0	500-	0	5075 Legal	920-	6,000-	1,901-	5,080
0	0	0	0	5074 Legal - Certiorari	0	4,959-	350-	4,959
1,000	1,500-	1,000-	0	5030 Professional Fees	6,757-	12,000-	3,448-	5,243
450	0	450-	0	5090 Office Supplies & Exp	1,429-	3,400-	3,065-	3,971
0	600-	300-	300-	5091 Computer supplies & e	2,400-	3,600-	4,104-	1,200
0	0	0	0	5096 Computer repairs & ma	900-	0	0	900-
0	0	0	0	5098 Postage	0	0	0	0
100	15-	100-	0	5686 Permits	1,945-	1,200-	985-	745-
900	836-	900-	0	5101 Telephone	11,461-	10,800-	10,337-	661-
113-	0	100-	213-	5105 Telecommunications	2,134-	3,700-	3,742-	1,566
0	0	0	0	5095 Office Equipment Repa	0	0	0	0
0	0	0	0	5110 Dues	767-	800-	750-	33
0	0	0	0	5115 Publications	0	0	0	0
70	112-	150-	80-	5120 Messenger Service	1,524-	1,800-	1,755-	276
175	0	0	175	5076 Collection Expenses	2,398-	0	0	2,398-
0	0	0	0	5131 Meals Expense	0	0	0	0
248	175-	500-	252-	5199 Misc. Admin. Expenses	5,945-	6,000-	5,471-	55
6,740	10,652-	16,730-	9,991-	TOTAL ADMIN. & MARKETING	152,293-	202,233-	132,590-	49,940

FISCAL YEAR ENDING: 122013
REPORT # 13

306 308 EAST 38TH ST APTS INV

DATE-12/24/13 TIME- 8:44:45 AM PAGE 0007
F I N A L

CASH FLOW STATEMENT

C U R R E N T M O N T H				PERIOD ENDING DECEMBER 31, 2013	Y E A R T O D A T E			
VARIANCE FROM BUDGET	LAST YEAR ACTUAL	BUDGET	ACTUAL		THIS YEAR ACTUAL	THIS YEAR BUDGET	LAST YEAR ACTUAL	VARIANCE FROM BUDGET
15,260	254,670-	237,780-	222,520-	TOTAL EXPENSES	2,683,824-	2,789,147-	2,559,766-	105,323
6,749	79,933	160,423	167,172	NOI BEFORE DEBT SERVICE	1,740,658	1,799,631	1,689,070	58,974-
DEBT SERVICE:								
0	0	0	0	2801 First Mortgage Payabl	0	0	0	0
0	0	0	0	1377 Principal Sinking Fun	0	0	0	0
0	0	0	0	7002 Interest	0	0	0	0
0	0	0	0	7006 Interest Expense - 3r	0	0	0	0
0	0	0	0	7004 Interest Expense- 2nd	0	0	0	0
0	0	0	0	7050 Mortgage Service Fees	0	0	0	0
0	0	0	0	TOTAL DEBT SERVICE	0	0	0	0
6,749	79,933	160,423	167,172	NET OPERATING INCOME	1,740,658	1,799,631	1,689,070	58,974-
CAPITAL IMPROVEMENTS:								
0	0	0	0	1601 Land	0	0	0	0
0	0	0	0	1602 Building	0	0	0	0
0	0	0	0	1606 Building Improvements	36,920-	25,000-	6,322-	11,920-
0	0	0	0	1726 Grounds	0	0	0	0
0	0	0	0	1616 Lobby Refurbishing	0	0	0	0
0	0	0	0	1614 Carpeting	0	0	0	0
0	0	0	0	1622 Dishwashers	10,533-	0	0	10,533-
0	0	0	0	1632 Public Hallway Improv	0	0	0	0
0	0	0	0	1638 Gym Equipment	7,621-	5,000-	0	2,621-
3,253	434-	4,500-	1,247-	1646 Kitchen Equipment	2,780	60,750-	15,791-	63,530
0	0	0	0	1770 Security Systems	0	0	0	0
0	0	0	0	1774 Balcony Improvements	0	0	0	0
0	0	0	0	1800 Tenant Improvements	0	20,000-	0	20,000
0	0	0	0	1804 Apartment Refurbishin	0	0	0	0
0	0	0	0	1674 Ranges	12,542-	0	0	12,542-
0	0	0	0	1678 Refrigerators	13,694-	0	0	13,694-
0	0	0	0	1682 Roofing	0	0	0	0
0	0	0	0	1696 Asbestos removal	0	0	0	0
0	0	0	0	1698 Washers & Dryers	27,337-	0	0	27,337-
2,700	0	2,700-	0	1712 Air Conditioners	2,820-	32,400-	0	29,580
5,953	434-	7,200-	1,247-	TOTAL CAPITAL IMPROVEMENT	108,689-	143,150-	22,113-	34,461

FISCAL YEAR ENDING: 122013
REPORT # 13

306 308 EAST 38TH ST APTS INV

DATE-12/24/13 TIME- 8:44:45 AM PAGE 0008
F I N A L

CASH FLOW STATEMENT

C U R R E N T M O N T H

P E R I O D E N D I N G D E C E M B E R 31, 2013

Y E A R T O D A T E

VARIANCE FROM BUDGET	LAST YEAR ACTUAL	BUDGET	ACTUAL		THIS YEAR ACTUAL	THIS YEAR BUDGET	LAST YEAR ACTUAL	VARIANCE FROM BUDGET
=====								
OTHER CAPITAL:								
0	0	0	0	3530 Reserve for Replaceme	0	0	0	0
0	0	0	0	1906 Deferred Leasing Expe	0	0	0	0
0	0	0	0	TOTAL OTHER CAPITAL	0	0	0	0
5,953	434-	7,200-	1,247-	TOTAL CAPITAL	108,689-	143,150-	22,113-	34,461
NET CASH FLOW BEFORE								
12,702	79,499	153,223	165,925	OTHER CHANGES IN CASH	1,631,969	1,656,481	1,666,957	24,512-
OTHER CHANGES IN CASH								
0	0	0	0	2203 Accrued Insurance	0	0	0	0
0	0	0	0	1950 Exchange	0	0	0	0
543	1,024-	0	543	2180 Accrued Expenses	543	0	3,417-	543
0	0	0	0	2450 A/Pay - Other	0	0	0	0
18,136	14,919	0	18,136	2410 A/Pay - Trade	10,946	0	38,419-	10,946
0	0	0	0	1506 Prepaid Workers Comp.	0	0	0	0
0	0	0	0	1952 Bank Transfers	23,972	0	19,980	23,972
0	0	0	0	1956 Distribution to Owner	0	0	0	0
255	4,016-	0	255	2505 Net Change in Securit	49,947	0	19,293	49,947
0	0	0	0	1580 Security Deposit-Con	210-	0	0	210-
9,450	18,344	0	9,450	1380 New Security Transfer	32,582-	0	72,306-	32,582-
112,748	114,741	0	112,748	1520 Prepaid Real Estate T	0	0	0	0
0	0	0	0	1370 R/E Tax - Escrow Depo	0	0	0	0
0	0	0	0	1958 Exchange-Tenant Refun	0	0	0	0
1,755	1,697	0	1,755	1502 Prepaid Insurance	392-	0	374-	392-
0	0	0	0	1374 Insurance-Escrow Depo	0	0	0	0
686-	0	0	686-	1512 Prepaid Expenses - Ot	1,326-	0	0	1,326-
9,325-	3,613	0	9,325-	1406 Allowance for Doubtful	2,972-	0	4,746	2,972-
3,767	3,490	0	3,767	2244 Accrued Gas	800	0	12,300-	800
4,500	1,100-	0	4,500	2248 Accrued Electricity	3,900	0	12,600-	3,900
6,000	100-	0	6,000	2250 Accrued Water & Sewer	3,300	0	15,700-	3,300
0	0	0	0	3198 Distributions	0	0	0	0
0	0	0	0	3520 Retained Earnings	0	0	0	0
147,142	150,565	0	147,142	TOTAL OTHER CASH CHANGES	55,926	0	111,097-	55,926
CHANGES IN ARREARS:								
22,525-	143	0	22,525-	1402 Rent Arrears	13,998	0	8,651-	13,998
9,602-	5,116-	0	9,602-	2510 Prepaid Rent	12,834-	0	72,988	12,834-

FISCAL YEAR ENDING: 122013
REPORT # 13

306 308 EAST 38TH ST APTS INV

DATE-12/24/13 TIME- 8:44:45 AM PAGE 0009
F I N A L

CASH FLOW STATEMENT

C U R R E N T M O N T H				PERIOD ENDING DECEMBER 31, 2013	Y E A R T O D A T E			
VARIANCE FROM BUDGET	LAST YEAR ACTUAL	BUDGET	ACTUAL		THIS YEAR ACTUAL	THIS YEAR BUDGET	LAST YEAR ACTUAL	VARIANCE FROM BUDGET
9,350-	0	0	9,350-	2521 Prepaid Final Rent	32,500	0	0	32,500
41,477-	4,973-	0	41,477-	NET CHANGES IN ARREARS	33,664	0	64,337	33,664
118,367	225,091	153,223	271,590	NET CASH FLOW	1,721,559	1,656,481	1,620,197	65,077

FISCAL YEAR ENDING: 052014
REPORT # 13

306 308 EAST 38TH ST APTS INV

DATE- 5/20/14 TIME- 8:27:37 AM PAGE 0001
F I N A L

CASH FLOW STATEMENT

C U R R E N T M O N T H			P E R I O D E N D I N G M A Y		3 1 , 2 0 1 4		Y E A R T O D A T E		
VARIANCE	LAST YEAR				THIS YEAR	THIS YEAR	LAST YEAR	VARIANCE	
FROM BUDGET	ACTUAL	BUDGET	ACTUAL		ACTUAL	BUDGET	ACTUAL	FROM BUDGET	
=====									
RECEIPTS									
RESIDENTIAL INCOME:									
0	0	0	0	4002 Rental Income	0	0	0	0	
262	3,531	3,421	3,683	4007 Affordable Housing	18,092	17,105	17,533	987	
19,884-	28,511-	17,991-	37,876-	4102 Vacancies-Apartments	138,056-	93,009-	120,048-	45,047-	
3,370	384,108	392,529	395,899	4005 Stabilized Rents	1,957,385	1,948,714	1,894,185	8,671	
4,950-	0	0	4,950-	4122 Rent Concessions	5,319-	0	0	5,319-	
4,561	24,504	0	4,561	4129 421 A	21,338	0	169,455	21,338	
4,419-	24,361-	0	4,419-	4131 421a Abatement	22,011-	0	168,742-	22,011-	
331-	9,860-	500	169	5077 Collection Losses	9,700-	2,500	29,663-	12,200-	
21,391-	349,410	378,459	357,068	TOTAL RESIDENTIAL INCOME	1,821,729	1,875,310	1,762,719	53,581-	
COMMERCIAL INCOME:									
0	0	0	0	4309 Garage Income-Leased	0	0	0	0	
25	6,658	6,644	6,669	4350 Office Rental Income	33,296	27,571	33,290	5,725	
0	2,950-	0	0	4108 Vacancies - Office	4,171-	0	14,750-	4,171-	
0	0	0	0	4361 Professional Space In	0	0	0	0	
0	0	0	0	4330 Retail Store Rental I	0	0	0	0	
0	0	0	0	4106 Vacancies-Stores	0	0	0	0	
0	0	0	0	4110 Vacancies-Professiona	0	0	0	0	
0	0	0	0	4126 Retail Rent Abatement	0	0	0	0	
0	0	0	0	4128 Office Rent Abatement	0	0	0	0	
0	0	0	0	4130 Prof. Rent Abatement	0	0	0	0	
0	0	0	0	4195 Electrical Escalation	0	0	0	0	
0	0	0	0	4100 Real Estate Tax Escal	0	0	0	0	
25	3,708	6,644	6,669	TOTAL COMMERCIAL INCOME	29,125	27,571	18,540	1,554	
OTHER RECEIPTS:									
0	0	0	0	4310 Garage Income	0	0	0	0	
0	0	0	0	4502 Health Club Fees	0	0	0	0	
25	0	25	50	4510 Comm. Room & Lounge I	250	125	0	125	
0	0	0	0	4351 Administrative Reimbu	0	0	0	0	
180-	470	950	770	4530 Income - Storage	4,850	4,750	2,594	100	
0	0	0	0	4520 Laundry & Valet Incom	0	0	0	0	
0	0	0	0	4160 Refund Real Estate Ta	0	0	24,332	0	
0	0	0	0	4059 T.V. Antenna Income	0	0	0	0	
0	0	0	0	4601 Int. on Operating Fun	0	0	0	0	
0	0	0	0	4611 Int. on Bond Proceeds	0	0	0	0	

DATE- 5/20/14 TIME- 8:27:37 AM PAGE 0002
F I N A LFISCAL YEAR ENDING: 052014
REPORT # 13

306 308 EAST 38TH ST APTS INV

CASH FLOW STATEMENT

C U R R E N T M O N T H				P E R I O D E N D I N G M A Y		3 1, 2 0 1 4		Y E A R T O D A T E			
VARIANCE FROM BUDGET	LAST YEAR ACTUAL	BUDGET	ACTUAL		THIS YEAR ACTUAL	THIS YEAR BUDGET	LAST YEAR ACTUAL	VARIANCE FROM BUDGET			
0	0	0	0	4360 Electric Charges	0	0	0	0			
0	0	0	0	4165 Income - Utilities	0	0	0	0			
0	0	0	0	4526 Valet Income	0	0	0	0			
0	0	0	0	4541 Xmas Gratuities	900-	0	900-	900-			
30	450	300	330	4460 Late Fees	1,530	1,500	2,700	30			
0	0	0	0	4583 Lockout Fee	0	0	0	0			
0	0	0	0	4445 Credit Check Fees	0	0	0	0			
0	0	0	0	4436 Leasing Application F	0	0	0	0			
0	25	0	0	4470 Return Check Fee	0	0	25	0			
1,600	0	0	1,600	4308 Restoration Fee	2,172	0	300	2,172			
0	0	0	0	4311 Income Recovery	0	0	0	0			
1,000-	0	1,000	0	4312 Cancellation fee	0	5,000	0	5,000-			
0	1	0	0	4550 Miscellaneous Income	0	0	1	0			
475	946	2,275	2,750	TOTAL OTHER RECEIPTS	7,902	11,375	29,051	3,473-			
20,891-	354,064	387,378	366,487	TOTAL RECEIPTS	1,858,755	1,914,256	1,810,310	55,501-			

EXPENSES

WAGES:									
946	5,834-	6,789-	5,843-	5205 Salaries - Superinten	32,754-	33,462-	33,252-	708	
13-	3,499-	4,909-	4,922-	5210 Salaries - Janitorial	19,165-	24,030-	15,925-	4,865	
1,869	15,422-	17,796-	15,926-	5215 Salaries - Doormen	84,544-	87,110-	78,244-	2,567	
341-	0	0	341-	5220 Salaries - Concierge	341-	0	0	341-	
85	4,378-	5,128-	5,043-	5225 Salaries - Handymen	24,931-	25,112-	23,806-	182	
0	0	0	0	5290 Services Purchased	0	0	0	0	
1,073-	2,795-	5,769-	6,842-	5275 Reimbursed Salaries	19,603-	25,385-	17,928-	5,781	
1,474	31,928-	40,392-	38,918-	TOTAL WAGES	181,338-	195,100-	169,156-	13,762	
TAXES & BENEFITS:									
850-	1,759-	0	850-	5360 Workers Compensation	6,788-	0	5,772-	6,788-	
146	1,806-	2,147-	2,001-	5300 F.I.C.A. Expense	10,040-	10,522-	9,376-	483	
34	422-	502-	468-	5301 Medicare Expense	2,348-	2,461-	2,193-	113	
0	0	0	0	2101 Withheld tax-Federal	0	0	0	0	
0	0	0	0	2106 Withheld tax-Medicare	0	0	0	0	
0	0	0	0	2105 Withheld tax-FICA-emp	0	0	0	0	
0	0	0	0	2115 Withheld tax-NYS	0	0	0	0	
0	0	0	0	2120 Withheld tax-NYC-resi	0	0	0	0	

FISCAL YEAR ENDING: 052014
REPORT # 13

306 308 EAST 38TH ST APTS INV

DATE- 5/20/14 TIME- 8:27:37 AM PAGE 0003
F I N A L

CASH FLOW STATEMENT

C U R R E N T M O N T H				P E R I O D E N D I N G M A Y		3 1, 2 0 1 4		Y E A R T O D A T E	
VARIANCE FROM BUDGET	LAST YEAR ACTUAL	BUDGET	ACTUAL	THIS YEAR ACTUAL	THIS YEAR BUDGET	LAST YEAR ACTUAL	VARIANCE FROM BUDGET		
58-	750-	891-	949-	5302 Payroll Taxes	4,335-	4,361-	26		
16-	13	0	16-	5310 NYS Unemployment Insu	3,477-	4,742-	1,265		
8	99-	118-	110-	5303 Metro Commuter Mobili	550-	577-	27		
2-	0	0	2-	5312 Federal Unemployment	296-	862-	566		
72	444-	72-	0	5320 NYS Disability Insura	60-	361-	301		
0	0	0	0	5140 Travel Allowance	0	0	0		
0	0	0	0	5340 Other Employee Benefi	0	0	0		
666-	5,268-	3,729-	4,396-	TOTAL TAXES/BENEFITS	27,893-	23,886-	4,007-		
UNION WELFARE & PENSI									
6,542	11,261-	11,932-	5,390-	5350 Union Pension & Welfa	50,436-	59,084-	8,648		
0	0	0	0	2134 Union Deductions	0	0	0		
0	0	0	0	2139 Union 401K	0	0	0		
6,542	11,261-	11,932-	5,390-	TOTAL WELFARE/PENSION	50,436-	59,084-	8,648		
UTILITIES:									
1,315	6,325-	6,272-	4,957-	5510 Electricity	36,804-	32,744-	4,060-		
7,190	3,676-	6,997-	193	5540 Gas	54,617-	50,029-	4,588-		
4,697-	6,478-	4,860-	9,556-	5530 Water & Sewer	34,048-	27,183-	6,865-		
3,808	16,480-	18,128-	14,320-	TOTAL UTILITIES	125,468-	109,955-	15,513-		
REPAIRS & MAINTENANCE									
180	0	2,300-	2,120-	5705 Elevator Maintenance	10,599-	11,500-	901		
975-	0	0	975-	5706 Elevator Repairs	1,300-	0	1,300-		
0	0	0	0	5670 Painting-Apartments/O	0	0	0		
0	0	0	0	5671 Painting - Public Are	0	0	0		
0	0	0	0	5791 Rep. & Maint.-Vacant	0	0	0		
0	0	0	0	5793 Door Repairs	0	500-	500		
0	0	0	0	5792 Window and Door Repai	0	0	0		
254-	0	0	254-	5701 HVAC Maintenance	1,270-	0	1,270-		
2,292	0	2,292-	0	5702 HVAC Repairs	0	11,458-	11,458		
754-	0	650-	1,404-	5703 Boiler Repairs & Main	6,206-	3,250-	2,956-		
0	0	0	0	5704 Boiler - Contract	0	0	0		
153	0	479-	327-	5755 Pumps, Motors & Fans	3,560-	2,396-	1,164-		
250	0	250-	0	5720 Appliance Repairs & M	1,513-	1,250-	263-		
341-	0	500-	841-	5740 Plumbing Repairs & Ma	2,155-	2,500-	345		
150	0	150-	0	5760 Electrical Repairs &	463-	750-	287		
0	0	0	0	5770 Exterior Waterproofin	0	2,500-	2,500		
0	0	0	0	5750 Roof Repairs & Mainte	0	0	0		

FISCAL YEAR ENDING: 052014
REPORT # 13

306 308 EAST 38TH ST APTS INV

CASH FLOW STATEMENT

C U R R E N T M O N T H				PERIOD ENDING MAY	31, 2014	Y E A R T O D A T E			
VARIANCE FROM BUDGET	LAST YEAR ACTUAL	BUDGET	ACTUAL		THIS YEAR ACTUAL	THIS YEAR BUDGET	LAST YEAR ACTUAL	VARIANCE FROM BUDGET	
294	0	500-	206-	5790 Other Repair & Mainte	206-	2,500-	0	2,294	
994	0	7,121-	6,127-	TOTAL REPAIRS/MAINTENANCE	27,273-	38,604-	15,083-	11,331	
OTHER BUILDING EXPENS									
0	0	0	0	5622 Pool/Health Club Oper	0	0	0	0	
286-	0	150-	436-	5784 Health Club Rep. & Ma	436-	750-	0	315	
0	0	0	0	5624 Community Activities	3,297-	0	0	3,297-	
90-	0	0	90-	5710 Water Treatment	450-	0	0	450-	
0	0	0	0	5528 Energy Efficiency Cod	4,778-	0	3,800-	4,778-	
0	0	0	0	5715 Intercom Maintenance	0	0	0	0	
0	0	0	0	5716 Intercom Repairs	0	0	0	0	
737	8,068-	2,000-	1,263-	5630 Lobby Expense	10,694-	10,000-	15,626-	694-	
50	0	50-	0	5718 Communication Eq. Rep	0	250-	0	250	
100	0	100-	0	5719 Leisure equipment rep	0	500-	0	500	
344-	0	50-	394-	5731 Compactor Repairs	394-	250-	0	144-	
1,950	0	3,000-	1,050-	5786 Unit Turnover Expense	8,155-	24,000-	6,905-	15,845	
2,341-	0	0	2,341-	5745 Flooring Repair & Mai	3,421-	0	0	3,421-	
0	0	0	0	5747 Bathroom Repairs & Ma	0	0	0	0	
50	0	50-	0	5655 Locks and Keys	0	250-	0	250	
0	0	0	0	5727 Other Maintenance Con	0	0	0	0	
393-	0	0	393-	5728 Alarm Maintenance	1,200-	4,900-	4,763-	3,700	
12	0	100-	88-	5752 Fire & Safety Equipme	88-	500-	274-	412	
0	0	0	0	5160 Meter Reading	0	0	0	0	
0	0	0	0	5601 Cleaning - Contract	0	0	0	0	
1,400	0	1,400-	0	5603 Cleaning - Carpet	1,377-	2,800-	2,755-	1,423	
0	0	0	0	5602 Cleaning - Windows	0	0	0	0	
260	0	900-	640-	5604 Cleaning - Metal & St	5,525-	4,500-	1,919-	1,025-	
200	0	200-	0	5605 Cleaning - Other	0	1,000-	327-	1,000	
0	0	0	0	5608 Exterminating Contrac	0	0	0	0	
55	0	600-	545-	5609 Exterminating	3,115-	3,000-	3,990-	115-	
0	0	0	0	5610 Rubbish Removal	0	0	0	0	
0	0	0	0	5645 Superintendent's Apar	0	0	0	0	
0	0	0	0	5130 Employee Travel Expen	101-	0	0	101-	
30-	30-	0	30-	5145 Employee Meal Allowan	105-	0	120-	105-	
424-	1,402-	550-	974-	5640 Uniform Expense	7,646-	2,750-	2,193-	4,896-	
0	0	400-	400-	5650 Parking Lot Expense	2,025-	2,000-	1,170-	25-	
0	0	0	0	5660 Security	0	0	0	0	
300	0	300-	0	5661 Security - Other	0	1,500-	0	1,500	
100	0	100-	0	5687 Violations	0	500-	0	500	

DATE- 5/20/14 TIME- 8:27:37 AM PAGE 0005
F I N A LFISCAL YEAR ENDING: 052014
REPORT # 13

306 308 EAST 38TH ST APTS INV

CASH FLOW STATEMENT

C U R R E N T M O N T H				PERIOD ENDING MAY	31, 2014	Y E A R T O D A T E		
VARIANCE FROM BUDGET	LAST YEAR ACTUAL	BUDGET	ACTUAL		THIS YEAR ACTUAL	THIS YEAR BUDGET	LAST YEAR ACTUAL	VARIANCE FROM BUDGET
150	0	150-	0	5780 Glass, Shades & Blind	1,139-	750-	1,046-	389-
0	0	0	0	5695 Contract - Local Law	0	0	285-	0
1,669	0	0	1,669	5662 Strike Preparation Co	1,794-	4,000-	0	2,206
0	0	0	0	5680 Landscape Contract	633-	0	0	633-
200	0	200-	0	5820 Landscaping Supplies	949-	1,000-	0	51
0	0	0	0	5682 Plantings	0	0	0	0
0	0	0	0	5620 Snow Removal	0	0	0	0
100	0	100-	0	5699 Misc. Operating Expen	0	500-	0	500
3,426	9,500-	10,400-	6,974-	TOTAL OTHER BUILDING EXP.	57,322-	65,700-	45,172-	8,378
BUILDING SUPPLIES:								
125	0	125-	0	5855 HVAC Supplies	424-	625-	567-	201
374-	0	150-	524-	5815 Painting Supplies	524-	750-	26	226
678-	0	1,420-	2,098-	5801 Cleaning Supplies	6,493-	7,100-	3,861-	607
0	0	0	0	5810 Compactor Supplies	0	0	0	0
1,756-	0	400-	2,156-	5860 Plumbing Supplies	3,671-	2,000-	719-	1,671-
81-	0	150-	231-	5805 Electrical Supplies	379-	750-	947-	371
0	0	0	0	5806 Light Bulbs	0	0	344-	0
0	0	0	0	5830 Small Tools	0	0	0	0
320-	0	325-	645-	5840 Hardware Supplies	2,029-	1,625-	1,020-	404-
1,219-	1,633-	350-	1,569-	5890 Other Supplies	1,679-	1,750-	1,757-	71
4,303-	1,633-	2,920-	7,223-	TOTAL BUILDING SUPPLIES	15,200-	14,600-	9,190-	600-
REAL ESTATE TAXES:								
0	0	0	0	1370 R/E Tax - Escrow Depo	0	0	0	0
518	105,345-	112,619-	112,101-	6000 Real Estate Taxes	560,503-	563,093-	526,727-	2,590
0	0	0	0	6002 Bid Tax	0	0	0	0
518	105,345-	112,619-	112,101-	TOTAL REAL ESTATE TAXES	560,503-	563,093-	526,727-	2,590
INSURANCE & OTHER EXP								
397	1,909-	2,152-	1,755-	6100 General Insurance	8,773-	10,758-	8,381-	1,985
0	0	0	0	6105 Losses Not Covered By	120-	0	0	120-
125-	330-	320-	445-	5665 Cable TV	2,647-	1,600-	1,647-	1,047-
0	0	0	0	6020 NYS Franchise Tax	0	0	0	0
0	0	0	0	6030 NYC General Business	0	0	0	0
272	2,239-	2,472-	2,199-	TOTAL INS.& OTHER EXPENSE	11,540-	12,358-	10,028-	818
MANAGEMENT FEES								
51-	9,584-	10,625-	10,676-	5050 Management Fees	51,863-	52,505-	50,788-	642

FISCAL YEAR ENDING: 052014
REPORT # 13

306 308 EAST 38TH ST APTS INV

CASH FLOW STATEMENT

C U R R E N T M O N T H				PERIOD ENDING MAY	31, 2014	Y E A R T O D A T E		
VARIANCE FROM BUDGET	LAST YEAR ACTUAL	BUDGET	ACTUAL		THIS YEAR ACTUAL	THIS YEAR BUDGET	LAST YEAR ACTUAL	VARIANCE FROM BUDGET
51-	9,584-	10,625-	10,676-	TOTAL MANAGEMENT FEES	51,863-	52,505-	50,788-	642
ADMIN. & MARKETING EX								
0	838-	0	0	5020 Advertising	0	0	838-	0
3,706	2,021-	3,706-	0	5022 Internet Advertising	9,747-	18,528-	10,105-	8,780
0	0	0	0	5024 Concierge Services	0	0	0	0
0	0	0	0	5025 Public Relations	0	0	0	0
3,452-	262-	375-	3,827-	5010 Selling & Leasing Exp	8,264-	1,875-	3,441-	6,389-
0	5,000-	5,000-	5,000-	5013 Renting Fees	25,000-	25,000-	25,000-	0
50	0	50-	0	5016 Emp.Background Screen	0	250-	182-	250
200	0	200-	0	5031 MDR & Stabilization F	970-	1,000-	970-	30
0	0	0	0	5040 Broker's Commission	22,630-	0	4,200-	22,630-
1,452-	0	0	1,452-	5045 Certificate of Occupa	1,452-	1,500-	0	48
0	0	0	0	5070 Accounting Fees	7,500-	8,000-	7,500-	500
417	0	417-	0	5075 Legal	207-	2,083-	0	1,876
0	0	0	0	5074 Legal - Certiorari	350-	0	0	350-
529	0	1,000-	471-	5030 Professional Fees	3,351-	5,000-	4,533-	1,649
596-	0	325-	921-	5090 Office Supplies & Exp	921-	1,625-	213-	704
300	300-	300-	0	5091 Computer supplies & e	900-	1,500-	1,500-	600
0	0	0	0	5096 Computer repairs & ma	213-	0	0	213-
0	0	0	0	5098 Postage	0	0	0	0
100	0	100-	0	5686 Permits	465-	500-	0	35
768	73-	975-	207-	5101 Telephone	4,673-	4,875-	4,517-	202
113-	0	100-	213-	5105 Telecommunications	1,067-	3,000-	0	1,933
0	0	0	0	5095 Office Equipment Repa	0	0	0	0
0	0	0	0	5110 Dues	392-	400-	375-	8
0	0	0	0	5115 Publications	0	0	0	0
83-	97-	150-	233-	5120 Messenger Service	934-	750-	691-	184-
684-	0	0	684-	5076 Collection Expenses	572-	0	0	572-
0	0	0	0	5131 Meals Expense	0	0	0	0
1,915-	160-	550-	2,465-	5199 Misc. Admin. Expenses	5,687-	2,750-	2,096-	2,937-
2,226-	8,752-	13,247-	15,474-	TOTAL ADMIN. & MARKETING	95,296-	78,636-	66,161-	16,660-
9,788	201,988-	233,585-	223,797-	TOTAL EXPENSES	1,204,132-	1,213,521-	1,069,193-	9,389
11,103-	152,076	153,793	142,690	NOI BEFORE DEBT SERVICE	654,623	700,735	741,118	46,112-
DEBT SERVICE:								
0	0	0	0	2801 First Mortgage Payabl	0	0	0	0

DATE- 5/20/14 TIME- 8:27:37 AM PAGE 0007
F I N A LFISCAL YEAR ENDING: 052014
REPORT # 13

306 308 EAST 38TH ST APTS INV

CASH FLOW STATEMENT

C U R R E N T M O N T H				PERIOD ENDING MAY	31, 2014	Y E A R T O D A T E			
VARIANCE FROM BUDGET	LAST YEAR ACTUAL	BUDGET	ACTUAL		THIS YEAR ACTUAL	THIS YEAR BUDGET	LAST YEAR ACTUAL	VARIANCE FROM BUDGET	
0	0	0	0	1377 Principal Sinking Fun	0	0	0	0	
0	0	0	0	7002 Interest	0	0	0	0	
0	0	0	0	7006 Interest Expense - 3r	0	0	0	0	
0	0	0	0	7004 Interest Expense- 2nd	0	0	0	0	
0	0	0	0	7050 Mortgage Service Fees	0	0	0	0	
0	0	0	0	TOTAL DEBT SERVICE	0	0	0	0	
11,103-	152,076	153,793	142,690	NET OPERATING INCOME	654,623	700,735	741,118	46,112-	
CAPITAL IMPROVEMENTS:									
0	0	0	0	1601 Land	0	0	0	0	
0	0	0	0	1602 Building	0	0	0	0	
10,423-	19,040-	0	10,423-	1606 Building Improvements	10,423-	75,000-	19,040-	64,577	
0	0	0	0	1726 Grounds	0	0	0	0	
0	0	0	0	1616 Lobby Refurbishing	0	0	0	0	
0	0	0	0	1614 Carpeting	0	0	0	0	
1,437-	0	0	1,437-	1622 Dishwashers	4,343-	0	6,036-	4,343-	
0	0	0	0	1632 Public Hallway Improv	0	0	0	0	
0	0	0	0	1638 Gym Equipment	0	0	0	0	
1,335	0	2,250-	915-	1646 Kitchen Equipment	2,286-	18,000-	11,164	15,714	
0	0	0	0	1770 Security Systems	0	0	0	0	
0	0	0	0	1662 Oil Burners/Boilers	27,872-	0	0	27,872-	
0	0	0	0	1774 Balcony Improvements	0	0	0	0	
0	0	0	0	1800 Tenant Improvements	0	0	0	0	
0	0	0	0	1804 Apartment Refurbishin	0	0	0	0	
2,787-	0	0	2,787-	1674 Ranges	6,968-	0	2,787-	6,968-	
4,380-	0	0	4,380-	1678 Refrigerators	7,989-	0	3,589-	7,989-	
0	0	0	0	1682 Roofing	0	0	0	0	
3,373-	0	1,600-	4,973-	1698 Washers & Dryers	17,853-	8,000-	17,722-	9,853-	
2,700	0	2,700-	0	1712 Air Conditioners	0	8,100-	0	8,100	
18,365-	19,040-	6,550-	24,915-	TOTAL CAPITAL IMPROVEMENT	77,735-	109,100-	38,010-	31,365	
OTHER CAPITAL:									
0	0	0	0	3530 Reserve for Replaceme	0	0	0	0	
0	0	0	0	1906 Deferred Leasing Expe	0	0	0	0	
0	0	0	0	TOTAL OTHER CAPITAL	0	0	0	0	
18,365-	19,040-	6,550-	24,915-	TOTAL CAPITAL	77,735-	109,100-	38,010-	31,365	

FISCAL YEAR ENDING: 052014
REPORT # 13

306 308 EAST 38TH ST APTS INV

CASH FLOW STATEMENT

C U R R E N T M O N T H				PERIOD ENDING MAY	31, 2014	Y E A R T O D A T E			
VARIANCE FROM BUDGET	LAST YEAR ACTUAL	BUDGET	ACTUAL		THIS YEAR ACTUAL	THIS YEAR BUDGET	LAST YEAR ACTUAL	VARIANCE FROM BUDGET	
=====									
NET CASH FLOW BEFOR									
29,468-	133,035	147,243	117,775	OTHER CHANGES IN CASH	576,889	591,635	703,108	14,746-	
OTHER CHANGES IN CASH									
0	1,600-	0	0	2203 Accrued Insurance	0	0	0	0	
0	0	0	0	1430 Other Commercial Inco	0	0	0	0	
0	0	0	0	1950 Exchange	0	0	0	0	
465	0	0	465	2180 Accrued Expenses	2,966	0	0	2,966	
0	0	0	0	2450 A/Pay - Other	0	0	0	0	
2,628-	3,982	0	2,628-	2410 A/Pay - Trade	34,412-	0	22,383-	34,412-	
1,568	0	1,568-	0	1506 Prepaid Workers Comp.	0	7,688-	0	7,688	
0	21,054	0	0	1952 Bank Transfers	0	0	21,054	0	
0	0	0	0	1956 Distribution to Owner	0	0	0	0	
14,080-	3,575	0	14,080-	2505 Net Change in Securit	13,347-	0	14,293	13,347-	
630-	0	0	630-	1580 Security Deposit-Con	1,040-	0	0	1,040-	
18,925-	1,156	0	18,925-	1380 New Security Transfer	25,673-	0	13,552-	25,673-	
112,101	105,345	0	112,101	1520 Prepaid Real Estate T	112,101-	0	105,346-	112,101-	
0	0	0	0	1958 Exchange-Tenant Refun	0	0	0	0	
0	17,545-	0	0	1502 Prepaid Insurance	5,264	0	12,673-	5,264	
0	0	0	0	1374 Insurance-Escrow Depo	0	0	0	0	
951	0	0	951	1512 Prepaid Expenses - Ot	4,916-	0	0	4,916-	
169-	9,860	0	169-	1406 Allowance for Doubtful	9,700	0	28,318	9,700	
17,800-	7,700-	0	17,800-	2244 Accrued Gas	1,000	0	1,000	1,000	
6,900-	1,200	0	6,900-	2248 Accrued Electricity	5,400-	0	400-	5,400-	
3,400-	2,000	0	3,400-	2250 Accrued Water & Sewer	2,000-	0	2,300	2,000-	
0	0	0	0	3250 Capital - Other	0	0	0	0	
0	0	0	0	3198 Distributions	0	0	0	0	
0	0	0	0	3520 Retained Earnings	0	0	0	0	
50,553	121,328	1,568-	48,984	TOTAL OTHER CASH CHANGES	179,959-	7,688-	87,389-	172,271-	
CHANGES IN ARREARS:									
9,290-	12,858-	0	9,290-	1402 Rent Arrears	29,094	0	42,738-	29,094	
19,876-	6,810-	0	19,876-	2510 Prepaid Rent	27,525-	0	42,070-	27,525-	
4,600-	0	0	4,600-	2521 Prepaid Final Rent	32,500-	0	23,750	32,500-	
33,766-	19,668-	0	33,766-	NET CHANGES IN ARREARS	30,931-	0	61,058-	30,931-	
12,681-	234,695	145,674	132,993	NET CASH FLOW	365,998	583,947	554,661	217,949-	

COMMERCIAL UNIT

The Condominium will contain a Commercial Section consisting of two (2) Commercial Units (individually, a "Commercial Unit" and collectively, the "Commercial Units") and the Commercial Common Elements and the Commercial Limited Common Elements. The Commercial Units are located on the First Floor and of the Building. The Commercial Units are being offered for sale by Sponsor at this time. The Commercial Units can be used for any lawful purpose under the New York City Zoning Resolution provided such use is not (a) noxious or immoral or a so-called "adult entertainment" facility under New York zoning laws, or for obscene or pornographic purposes or activities or the sale or distribution of any obscene or pornographic material, as such terms are defined in Section 235 of New York Penal Law; (b) for manufacturing use; (c) for the purpose of performing any abortions or providing any professional counseling or advice advocating abortions or family planning; (d) as an off-track betting facility; or a restaurant (but food preparation is permissible provided there is no cooking in the Unit). The Building has been filed with the NYC Department of Buildings with a commercial space for services permitted as part of Use Group 6. This is primarily for retail stores and personal service establishments. The Use Group does provide for professional offices, including ambulatory diagnostic or treatment health care. No rules affecting the operation of the Commercial Unit may be adopted or modified by the Condominium Board without the written consent of the Commercial Unit Owner. The Commercial Units may be leased or subleased by a Commercial Unit Owner, or as more fully set forth in the Declaration subject to the restrictions set forth in this paragraph. Subject to compliance with all applicable laws and governmental rules and regulations, if any, the Commercial Units may be sold without prior notice. The Residential Unit Owners, other than Sponsor, will have no interest in the rents, profits or revenues from the rental or use of the Commercial Unit.

The Commercial Units Owner and Sponsor and its designees, without the consent of the Condominium Board, may make any alteration, addition, improvement or repair in or to the Commercial Units or the Commercial Common Elements, including the subdivision of a Commercial Unit, provided that the work is performed by a Commercial Unit Owner or Sponsor in compliance with governmental laws and regulations and in accordance with all conditions described in the Declaration. In addition, Sponsor, its designees and a Commercial Unit Owner may erect, maintain, repair and replace, or permit their tenants to erect, maintain, repair or replace, from time to time, one or more signs on the Property for the purpose of advertising the availability of the Commercial Units for sale or rent or the operation of any business of a tenant or occupant of the Commercial Units including, but not limited to, signs on the facade of the Building and on any awnings, canopies or other protrusions from the facade of the Building.

No representation is made with respect to the continued ownership by Sponsor of all or any portion of the Commercial Units or as to who the tenants or occupants 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 the Commercial Units may be used for any lawful purpose or as otherwise limited by the Plan), and no assurance is given

that such tenants, occupants or uses will not be objectionable to Residential Unit Owners or other parties. Neither a Commercial Unit Owner, Sponsor, its principals, managers, members, agents, designees, employees, or affiliates shall be held liable for such noise or other disturbances, provided its use is in accordance with all New York City rules and regulations governing same.

The basis for projecting the share of expenses attributable to the Commercial Units is the Common Interest of such Unit except that, as described below and in Schedule B, "Projected Budget for First Year of Condominium Operation" a Commercial Unit Owner shares the costs for a portion of the payroll (superintendent only); repairs; supplies, maintenance and certain service contracts; insurance; management; administration; other expenses. Other costs such as the cost for labor and service contracts, are not borne at all by a Commercial Unit Owner because such utilities and/or services are either separately metered or submetered or not used by a Commercial Unit Owner. The Reserve Fund provided for in the Schedule B is intended to provide a fund for unanticipated expenses not included in the budget and for increases in operating expenses above the amounts projected. However, the aforementioned funds may not be sufficient to meet the cost of any major capital repairs or replacements which may be required. If funds are required to meet such costs, it may be necessary to increase Common Charges or institute a special assessment.

The Common Charges projected to be payable by an owner of the Commercial Unit are sufficient to cover the Common Expenses fairly attributable to that Unit. The Declaration and By-Laws authorize the special allocation and apportionment of profit and expenses or specific expense item based on special or exclusive use or availability or exclusive control of particular Units or Common Elements. Any dispute regarding such allocation or apportionment shall be resolved by arbitration in accordance with the By-Laws.

A Commercial Unit Owner has the right to freely sell a Commercial Unit, or to freely lease all or part of a Commercial Unit, as the case may be, without having to first offer the same for sale or lease to the Board.

Certain easements have been reserved to a Commercial Unit Owner and the Sponsor and its designees in the Declaration. A Commercial Unit Owner and the Sponsor and their successors and assigns to the extent permitted by law, have an easement to erect, maintain, repair and replace, from time to time, one or more signs on the Property, including but not limited to signs on the facade of the Building and on any awnings, canopies or other protrusions from the facade of the Building, without the consent of the Condominium Board, for the purposes of advertising (i) the sale or lease of any of the Unsold Residential Units and all or any portion of the Commercial Units provided, however, that any such signs are in keeping with the architectural integrity of the Building, and (ii) the operation of any business of a tenant or occupant of all or any portion of a Commercial Unit, provided, that such signs are contained within the areas designated by the Sponsor for signs. A Commercial Unit Owner and its/their successors and assigns shall

have an easement to erect, maintain, repair and replace from time to time, lights and lighting fixtures on the Common Elements of the Condominium.

The Condominium Board, at the request of Sponsor or its designees, will enter into a recognition agreement with any tenant with which Sponsor or its designee or a Commercial Unit Owner has/have entered into a lease for a Commercial Unit. Under the terms of the recognition agreement, the tenant will acknowledge that the lease is subject and subordinate to the Declaration and the Board will agree that so long as there is no event of default under said lease, as would entitle Sponsor, its designees or a Commercial Unit Owner or any successor landlord under the lease to terminate the lease or dispossess the tenant thereunder, the tenant shall not be named or joined in any action or proceeding to foreclose the Board's lien on a Commercial Unit for Common Charges or any other sums of any sort, and the Board shall agree that the lease shall not be terminated nor shall the tenant's use, possession, or enjoyment of a Commercial Unit in question be interfered with, nor shall the leasehold estate granted by the lease be affected in any manner, nor shall any of the rights of the tenant granted under the lease be affected in any manner, in any foreclosure or other action or proceeding instituted under or in connection with such lien or in the exercise of any rights of the Board, or, in case the Board takes possession of a Commercial Unit pursuant to any provision of the Declaration or By-Laws, or otherwise; provided however that the Board or any other party succeeds to the interests of Sponsor under the lease the tenant will agree to be bound to the Board or party under all of the terms, covenants and conditions of the lease and the tenant will attorn to the Board or party as its landlord.

Any insurance coverage obtained by the Condominium Board on a Commercial Unit is subject to the approval of the owner of the Commercial Unit. Notwithstanding the foregoing, any insurance coverage obtained by the Condominium Board on the Building as a whole shall not require the approval of the Commercial Unit Owner.

The occupancy status of the Commercial Units is identified in the Schedule A and during the time Sponsor is the sponsor of the Plan, Sponsor shall amend the Plan to disclose, to the extent permissible without violating any confidentiality concerns of the Commercial Unit Owner(s), the nature of business conducted by the Commercial Unit Owner(s).

INTERIM LEASES

Sponsor and the owner of any Unsold Unit reserves the right with respect to any Unsold Unit, prior to the date of closing thereto, to rent or lease such Unsold Unit on an interim basis for such rent and term and on such other conditions as may be agreed to between Sponsor or such owner and a Purchaser. Purchasers are advised that the tenancy under such interim lease is not subject to governmental regulation as to amount of rent or terms. No occupancy may commence until a temporary Certificate of Occupancy has been obtained for such Unsold Unit. The interim lease will provide, however, among other things, that an uncured default by the Purchaser under the Agreement with respect to the Unsold Unit which is the subject of the interim lease will constitute a default under the interim lease entitling Sponsor or such owner, at its option, to terminate such interim lease in accordance with applicable Law. In addition, each Agreement may provide that an uncured default by the Purchaser under any lease or use and occupancy agreement with respect to the Unsold Unit which is the subject of the Agreement will constitute a default under the Agreement entitling Sponsor or such owner, at its option, to terminate such Agreement and to exercise any remedies therein provided; provided however, that before Sponsor or such owner utilizes the default under the interim lease to declare a default under the Agreement, Sponsor or such owner will either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee unless the lessee has vacated the Unsold Unit. A Purchaser will have thirty (30) days to vacate an Unsold Unit after a default under the Agreement or the exercise of a right of rescission.

Purchasers entering into an interim lease for an Unsold Unit should note that prior to the First Closing, the Building will be insured by Sponsor and after the First Closing, the Building will be insured by the Condominium. A Purchaser who takes possession prior to Closing assumes the risk of losses not covered by insurance. Purchasers entering into an interim lease for an Unsold Unit will be required to pay the legal fees of Sponsor's counsel in connection therewith upon execution of the interim lease. All other charges or other fees due under an interim lease will be adjusted as of the Closing to the Unit. Notwithstanding any of the foregoing, Sponsor will be under no obligation to enter into any interim lease and no portion of the rent paid under an interim lease will be credited towards the Purchase Price of a Unit unless the interim lease expressly provides.

CHANGES IN PRICES AND UNITS

Purchase prices for all Units are negotiable and Sponsor reserves the right, at any time and from time to time before and after the recording of the Declaration, without giving prior notice (except as otherwise provided herein) and without the consent of the Board, Unit Owner or mortgagee, to change the price, including, without limitation, the manner of payment thereof and other terms of sale of any Unit, except that no such change with respect to any Unit for which a Purchase Agreement is then in effect may be made without the consent of the Purchaser. No such change will be made other than pursuant to a duly filed amendment to the Plan filed in advance of any such change, except that Sponsor reserves the right to decrease purchase prices 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. In such event, any Purchaser who previously closed or is currently in contract with the Sponsor at such time, will not be entitled to a reduction in his/her purchase price. Neither the Selling Agent, Sponsor, its principals, managers, members, agents, designees, employees, or affiliates shall be held liable in the event such change is made.

Sponsor shall not negotiate for items that are required by the FCO, but reserves the right to negotiate with each Purchaser, the terms and conditions of the Purchase Agreement, including but not limited to: purchase price; the amount of the Down Payment; financing and other contingencies; the availability of financing; the payment of Purchaser's financing fees and other closing costs; work to be performed in the Unit (including, but not limited to, punchlist items) or the revision of Floor Plans and the allocation and payment of costs therefor; the availability of Common Charge rebates, Purchase Price rebates and subsidies payable as a credit against the Purchase Price or on a periodic basis; and extensions of time periods within which to perform obligations under the Purchase Agreement. Sponsor also reserves the right to substitute any punchlist item for a credit or cash payment based on the estimated cost from Sponsor's own vendor to fix said inspection statement item if the Purchaser consents to such a substitution. Sponsor reserves the right from time to time to add and/or delete negotiable terms from the list set forth above for all or some Purchasers without further amendment to this Offering Plan. No Purchaser will benefit from any terms and conditions negotiated with any other Purchaser, and a Purchaser's failure to so benefit will not give rise to any rights of rescission under a Purchase Agreement.

In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of prospective purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Board, Unit Owner or mortgagee, to (a) change the layout of, or

number of rooms in, any Unsold Unit, (b) change the size and/or number of Unsold Units by dividing one or more such Units into two or more separate Unsold Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering any boundary walls between one or more Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Unit into such Unsold Unit, (c) designate a Common Element or General Common Element as part of a newly created Unit or Limited Common Element or designate all or part of a Unit as a newly created Common Element or Limited Common Element, and (d) if appropriate, reapportion among the Unsold Units affected by any such change, their aggregate Common Interests. In the event of any change pursuant to either (b) - (d) above, such change shall be disclosed in a duly filed amendment to the Plan. No such change, including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Unit, will be made with respect to any Unsold Unit for which a Purchase Agreement is then in effect and the Purchaser thereunder is not in default unless (i) the Purchaser consents to such change or (ii) such change is not a material change in the size, common interest, dimension, floor space or layout of such Unsold Unit. The Common Interest of a Unit may change if there is a change in the floor space or the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. No material change will be made in the size or quality of the Common Elements except by amendment to the Plan and, when applicable, by amendment to the Declaration. Unless all Purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of the Common Elements.

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

It should be noted that as long as the layout and dimensions of a Unit conform substantially to the Unit Plans, a Purchaser will not be excused from purchasing his Unit and will not have any claim against Sponsor its principals, managers, members, agents, designees, employees and affiliates as a result of any insubstantial or immaterial change. A decrease in a Unit's area of five percent (5%) or less will not affect a Purchaser's obligations unless such decrease is determined to be a material change. There is a rebuttable presumption that an area that is diminished by five percent (5%) or less is not material. In the event it is determined that a Unit's size, layout, or percentage of Common Interest is materially changed, Purchaser shall have the right to seek a pro-rata reduction in the purchase price or shall have the right to terminate the Purchase Agreement.

PROCEDURE TO PURCHASE

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

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

If a Purchase Agreement is not accepted by Sponsor within the aforesaid thirty (30) day period, the Purchase Agreement shall be deemed to have been rejected and canceled and all sums theretofore deposited thereunder, without interest, shall be promptly returned to the prospective Purchaser. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without prior notice or prior amendment to the Plan and without the consent of any Board, to refuse to approve and execute (a) a Purchase Agreement for any Unit, except as prohibited by law, and (b) a Purchase Agreement(s) for more than one Unit to any one person or entity.

The Purchase Agreement shall not contain, and shall in no event be modified to contain, a provision waiving the Purchaser's rights or abrogating Sponsor's obligations under the Plan or under Article 23A of the General Business Law of the State of New York.

At the time of execution of a Purchase Agreement, a Purchaser is required to make a payment in an amount equal to the sum of ten percent (10%) of the purchase price (the "Down Payment"). In the event the Purchaser defaults, the Sponsor shall have the right to retain the entire Down Payment. All Down Payment checks must be made payable to the direct order of "Schwartz Sladkus Reich Greenberg Atlas LLP, Escrow Agent." All checks delivered in payment of the Down Payment shall be accepted by Sponsor subject to collection, and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem such Purchase Agreement to be canceled and of no further force or effect.

The Purchase Agreement is not contingent upon the Purchaser obtaining financing. Although a Purchaser may obtain financing from a lending institution of any other source, the Purchaser's obligation to purchase the Unit pursuant to the Purchase Agreement is not contingent upon obtaining financing for such purchase.

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

The balance of the purchase price shall be payable simultaneously with the delivery of the deed to the Unit by an official bank check or an unendorsed certified check drawn on or issued by a New York bank or trust company which is a member of The New York Clearinghouse Association and shall be payable to the direct order of Sponsor, or otherwise if Sponsor should so notify Purchaser. The deed will be substantially in the form set forth in Part II of the Plan. Interest, if any, on Purchaser's Down Payment will be credited or paid to Purchaser at Closing.

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

To declare the plan effective, fifteen percent (15%) of Purchasers must be "bona fide," which is defined as: 1) a tenant in occupancy on the date the Plan is declared effective; or 2) 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 Purchaser (e.g. one unit for parents and one for adult

child) shall be treated as individual units for effectiveness purposes. The Department of Law requires an affirmative representation from each bona fide Purchaser as a part of an investigative process. A Purchaser who is bona fide, as defined above, will be required to execute an affidavit entitled "Affidavit of Bona Fide [Tenant/Non-Tenant] Purchaser For Purposes of Declaring Offering Plan Effective." Copies of the affidavits are attached hereto as Exhibit 26 in Part II of the plan. Purchasers are advised to seek the advice of an attorney before executing the 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. Purchasers should note that the Department of Law reserves the right to request additional information from the 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.

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

If a Purchaser fails for any reason to close title to his or her Unit on the originally scheduled Closing Date (a) the closing apportionments described in the Section entitled "Closing Costs and Adjustments" will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Purchase Agreement and this Plan, an amount equal to 0.03% of the purchase price of his Unit for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date.

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

Prior to the closing of title to a Unit, the Purchase Agreement prohibits a Purchaser from listing the Unit for resale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease.

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

If the Plan is withdrawn or abandoned, the Down Payment previously paid to and actually collected by Sponsor, together with any interest earned thereon, shall be returned to Purchaser within five (5) days of the date of such withdrawal or abandonment, in accordance with the provisions herein set forth. Sponsor, its principals, managers, members, agents, designees, employees and affiliates shall have no liability for any additional costs incurred by Purchaser, including but not limited to Purchaser's title and financing fees and charges.

From and after the Closing of each Unit, Purchaser will become obligated for the payment of Common Charges in proportion to the Purchaser's Common Interest, real estate taxes and assessments (including water charges and sewer rents, if separately

assessed) and all other expenses with respect to his Unit, whether or not he has taken possession of his Unit, and whether or not all work required to be performed by Sponsor or anyone else in or to his Unit or the Building has been completed.

The risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor, at which time such risk shall be assumed by Purchaser but without any obligation or liability by Sponsor, its principals, managers, members, agents, designees, employees or affiliates to repair or restore any Unit. A Purchaser that takes possession of a Unit prior to Closing assumes all risk of losses not covered by Sponsor's insurance. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Unit, the Purchase Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the purchase price for the subject Unit. Sponsor shall provide Purchaser with notice of such election within thirty (30) days following the date of the occurrence of the casualty or risk of loss. In such event Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Boards and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, if Sponsor or its designee notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit, or, if the casualty occurs after the first closing and the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and Boards of Managers"), the Purchase Agreement shall be deemed canceled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, whereupon the parties to the Purchase Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan; provided, however, notwithstanding anything to the contrary herein, if Purchaser is then in default under the Purchase Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

Assignment of Purchase Agreement

Purchase Agreements by Purchasers or Tenant Purchasers are not assignable without the prior written consent of Sponsor, which consent may be granted or denied by Sponsor in its sole discretion and shall be based on an objective and nondiscriminatory basis. If Sponsor consents to an assignment of the Purchase Agreement by a Tenant Purchaser and Sponsor shall use such Purchase agreement in declaring the Plan effective, Sponsor shall present to, if requested, the Department of Law the executed Purchase Agreement by the Tenant Purchaser, documentation of the receipt of the Down Payment from the Tenant Purchaser and Sponsor shall arrange for the assignee to provide an affidavit stating that the assignee was not procured by Sponsor, the Selling Agent or

Managing Agent and intends to personally occupy the Unit, or shall arrange for a designated person, if the Tenant Purchaser is a legal entity, to occupy the Unit, or for an immediate family member (such as the parents, siblings and grandchildren of Tenant Purchaser or the spouse or the significant other of the Tenant Purchaser, the children (whether by blood or adoption) of the Tenant Purchaser or the spouse or the significant other of the Tenant Purchaser) to occupy the Unit A form of such affidavit is contained in Part II of the Plan.

Escrow and Trust Fund Requirements

All Down Payments received by Sponsor under a Purchase Agreement will be held in escrow in conformity with the provisions set forth below. The Purchase Agreement is annexed hereto as Exhibit 1 in Part II of the Plan. The relevant escrow trust fund provision are included in Article 43 of the Purchase Agreement, which must be executed by Schwartz Sladkus Reich Greenberg Atlas LLP, as escrow agent (the "Escrow Agent"), with an office located at 270 Madison Avenue, New York, New York 10016 and whose telephone number is (212) 743-7000. The attorneys who are signatories on this account authorized to withdraw funds are: Jeffrey M. Schwartz, Jeffrey S. Reich, Robert D. Steele, Eli D. Greenberg, and Mark C. Silverstein. All designated signatories are admitted to practice law in the State of New York. None of the designated signatories on the account are the Sponsor, Selling Agent, Managing Agent or a principal thereof, or have any beneficial interest in any of the foregoing.

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

Escrow Agent has established a master escrow account at Citibank, NA at its branch located at 153 East 53rd Street, 23rd Floor, New York, New York 10022, entitled Schwartz Sladkus Reich Greenberg Atlas LLP Trust Account (the "Master Escrow Account"). Each Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) in the form set forth in Part II of the Plan or a Form W-8 (Certificate of Foreign Status) in the form set forth in Part II of the Plan, as applicable, to Sponsor or Selling Agent at the time Purchaser tenders the Down Payment and the Purchase Agreement. If a Down Payment is accompanied by a completed and signed Form W-9 or Form W-8, the Down Payment will thereafter be promptly transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser. If a Purchaser does not deliver the Form W-9 or Form W-8, the Down Payment will remain in the non-interest bearing checking portion of the Master Escrow Account. At such time as the Down Payment is released, the Down Payment will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the Master Escrow Account so that checks may be drawn thereon. Citibank, NA is covered by the current FDIC insurance limit of \$250,000 per individual deposit. The following are special risks of this offer: (i) if a Purchaser makes a Down Payment in excess of \$250,000 for the

purchase of a unit, such Down Payment will not be federally insured in excess of \$250,000; and (ii) while the Down Payment is in the non-interest bearing checking portion of the Master Escrow Account, the Down Payment may not be fully federally insured even if the Down Payment does not exceed \$250,000. Under the current law, the current \$250,000 amount referred to herein as the amount of FDIC insurance is subject to change by the Federal Deposit Insurance Company at any time. Funds drawn on out-of-state or foreign banks will not be accepted as payment of the purchase for a Unit unless otherwise agreed by Sponsor.

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

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

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

The checking account portion of the Master Escrow Account will not be interest-bearing. The sub-escrow savings account portion of the Master Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement, or (ii) Purchaser is entitled to a return of the Down Payment. All interest will be credited to Sponsor only in the event Purchaser defaults. The interest rate to be earned will be the prevailing rate for these accounts which varies. Currently the rate is approximately 1.0%. Interest will begin to accrue after deposit within: (i) one (1) business day, if the Down Payment is cash or cash equivalent, or (ii) three (3) business days, if the Down Payment is other than cash or cash equivalent, of the transfer of the Down Payment from the checking account portion of the Master Escrow Account into the sub-escrow savings account portion of the Master Escrow Account.

All instruments shall be made payable directly to the order of "Schwartz Sladkus Reich Greenberg Atlas LLP, as Escrow Agent." Endorsed instruments will not be accepted.

Notification to Purchaser

In the event a check delivered by a Purchaser fails of collection, the Purchase Agreement will be deemed void ab initio (as if the Purchase Agreement had never been

executed) at the option of Sponsor, who reserves the right to exercise this option in its discretion by written notice to Purchaser given within five (5) business days of Sponsor receiving notice from Escrow Agent of such failure of collection.

Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Down Payment, the Escrow Agent shall sign the Purchase Agreement and place the Down Payment into the Escrow Account. Within ten (10) business days of depositing the Down Payment into the Escrow Account, Escrow Agent will notify Purchaser that such funds have been deposited into escrow and will provide the account number and the initial interest rate, if any. Escrow Agent is obligated to send notice to Purchaser once the Down Payment is placed in the Escrow Account. If Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Down Payment, Purchaser may cancel the Purchase Agreement and rescind so long as the right to rescind is exercised within ninety (90) days after tender of the Purchase Agreement and Down Payment to Escrow Agent. Complaints concerning the failure to honor such cancellation request 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 may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Down Payment was timely deposited and requisite notice was timely mailed to Purchaser in conformity with the Attorney General's regulations.

Before the funds are transferred to a new escrow account, or if the Escrow Agent is replaced, the Plan must be amended to provide the same full disclosure with respect to the new account and new escrow agent.

Release of Funds

All Down Payments, except for advances made for upgrades, extras or custom work received in connection with the Purchase Agreement, are and shall continue to be the Purchaser's money, and may not be comingled with any other money or pledged or hypothecated by Sponsor, as per GBL §352-h. Under no circumstances shall Sponsor seek or accept the release of the Down Payment of a defaulting Purchaser until after consummation of the Plan, as evidenced by the acceptance of a post-closing amendment by the Department of Law. Consummation of the Plan does not relieve the Sponsor of its obligation pursuant to GBL §§ 352-e(2-b) and 352-h.

The Escrow Agent shall hold the Down Payment in escrow until otherwise directed in:

- (a) a writing signed by both Sponsor and Purchaser; or
- (b) pursuant to the terms and conditions set forth in the Purchase Agreement upon closing of title to the Unit; or
- (c) by a final non-appealable order or judgment of a court of competent jurisdiction.

If there is no written agreement between the parties to release the Down Payment, the Escrow Agent shall not pay the Down Payment to Sponsor until the Escrow Agent has given the Purchaser written notice of not fewer than ten (10) business days.

The Sponsor shall not object to the release of the Down Payment to:

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

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

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

Waiver Void

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

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

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

Sponsor has agreed to indemnify Escrow Agent from all costs, claims, expenses and damages incurred in connection with or arising out of the escrow agreement or the performance or non-performance of Escrow Agent's duties under the escrow agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the escrow agreement or involving gross negligence of Escrow Agent.

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

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

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

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.

EFFECTIVE DATE

Sponsor's offer to sell the Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 23.3(s) of Title 13 NYCRR (i.e., purchase agreements signed by bona fide purchasers for at least 15% of the Units, or fifteen (15) Units, offered under the Plan). The Plan must be declared effective when Purchase Agreements have been executed by prospective purchasers and accepted by Sponsor with respect to eighty percent (80%), or seventy-eight (78), of the Units offered for sale. The Plan may be declared effective at an earlier date, at Sponsor's sole election, when bona fide Purchase Agreements (including those executed by investors) have been executed and accepted by Sponsor with respect to fifteen percent (15%) (i.e. Purchase Agreements for fifteen (15) Units are required to declare the Plan effective) of the Units being offered for sale under the Plan.

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

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

The Plan may, at the option of Sponsor, be abandoned at any time prior to it being declared effective. The Sponsor may only abandon the Plan after it is declared effective in the event of one of the following: (1) the existence of one or more title defects (including violations of record or work orders of a mortgagee or insurance carrier) affecting any one or more Units or the Property that cannot be removed, cured or complied with without litigation or for less than \$1,000,000; (2) a substantial damage to or destruction of the Building (or any portion thereof) by fire or other casualty that cannot be repaired prior to the date set for the First Closing for less than \$1,000,000; or (3) the taking of any material portion of the Property by condemnation or eminent domain. Any such title defects or determinations of any authority or regulatory association which Sponsor relies upon as a basis for the abandonment of the Plan may not include those which existed as of the date

the Plan is accepted for filing and are either known to the Sponsor or are a matter of public record. Sponsor shall provide documentation that any stated Dollar amount relied upon as basis for abandonment after effectiveness excluded any attorney fees.

In the event the Plan is withdrawn or abandoned, the Plan will be abandoned by duly filed amendment and all Down Payments, together with interest earned thereon, if any, will be returned to Purchasers within ten (10) days following such withdrawal or abandonment. Upon the return of the Down Payments, together with any interest earned thereon, the Purchase Agreements will be null and void and Sponsor will have no further obligation or liability to Purchasers under the Plan or the Purchase Agreements. Sponsor, its principals, managers, members, agents, designees, employees and affiliates shall not be liable for any additional costs incurred by Purchaser, including but not limited to Purchaser's title and financing fees and charges. Sponsor shall promptly submit an amendment to the Department of Law confirming such abandonment or withdrawal and, in the case of an abandonment, shall file a notice of abandonment on form RS-3 or such other form as the Department of Law may require and explain the reason for the abandonment and disposition of all funds received.

TERMS OF SALE

The term "Closing" as used herein refers to the conveyance of title to a Unit from Sponsor to Purchaser by the delivery to Purchaser of a deed upon payment by Purchaser to Sponsor of the balance of the purchase price for such Unit. After the Plan has been declared effective, Sponsor shall provide Purchasers with at least thirty (30) days' notice of the scheduled Closing Date. The Closing to each Unit shall be held at the offices of Sponsor's attorneys, Schwartz Sladkus Reich Greenberg Atlas LLP, 270 Madison Avenue, New York, New York 10016 or at such other place as Sponsor may designate on not less than two (2) business days' notice prior to the Closing. The Closing to each Unit shall take place only after or concurrently with the following events:

- a. the Plan has been declared effective in accordance with its terms and the amendment to the Plan disclosing same has been accepted;
- b. the recording or filing of the Declaration, By-Laws, Floor Plans and engineer's and tax authority certifications required by Section 339-p of the New York Condominium Act or other applicable law and such other documents as may be required by law;
- c. either (i) the release of the Unit and its appurtenant interest in the Common Elements from the lien of all mortgages, if any, or (ii) if the Purchaser is obtaining financing on such Unit, the assignment to the Purchaser's mortgagee of any existing mortgage(s) encumbering such Unit and its appurtenant interest in the Common Elements;
- d. the delivery to Purchaser of written notice of the time and place of the Closing to the Unit at least thirty (30) days prior to the Closing Date specified therein, including a reasonable opportunity, upon written request of Purchaser, for Purchaser to examine the Unit and the Property, during normal business hours and in the company of Sponsor's agent, prior to Closing;
- e. the execution and delivery by Sponsor of a bargain and sale deed with covenants against grantor's acts (which deed shall be substantially in the form set forth in Part II of the Plan) conveying title to the Unit and its appurtenant Common Interest, free and clear of all liens, encumbrances and other title exceptions other than the Permitted Encumbrances;
- f. the execution and delivery by Purchaser of the Unit Power of Attorney, the form of which is set forth in Part II of the Plan;
- g. if Purchaser has requested title insurance, the issuance to Purchaser (at Purchaser's sole expense) of a policy of title insurance in at least the amount of the purchase price of the Unit, insuring that (i) Purchaser has fee title to his or her Unit free and clear of all liens and encumbrances except for (1) Permitted Encumbrances and standard printed exceptions, (2) liens and encumbrances (other

than Permitted Encumbrances) to which his Unit's title is subject, which have been expressly accepted by Purchaser, and (3) any mortgage and related security documents that Purchaser executes in connection with the financing of the purchase price of his Unit and (ii) the Condominium has been validly created pursuant to the Condominium Act.

The Units are being sold "as is" in the condition in which they exist at the time a Purchaser signs a Purchase Agreement, subject to ordinary wear and tear except as otherwise provided in this Plan. All personal property located within a Unit on the date the Purchase Agreement is signed 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. 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 Unit shall cease upon the Closing of Title of such 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 examine the Unit prior to closing, subject to the rights of any tenant or occupant of such Unit, and is urged to make a careful inspection thereof.

If prior to the expiration of any exclusive purchase period which begins 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 the Down Payment before Sponsor amended the terms of this Plan shall benefit from the more favorable terms and conditions.

If the Purchaser is or becomes the tenant or occupant of the Unit before the closing of title thereto and, before such closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss and the obligation to repair the damage, unless the cause thereof originated outside of the Unit or did not result from the acts of such Purchaser or other occupants of the Unit or such Purchaser's guests, invitees, or workmen. Except as set forth in the preceding sentence, all other risk of loss or damage prior to closing is assumed by Sponsor, but Sponsor shall have no obligation or liability to repair the same. 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. Thereafter, the Purchaser will be refunded all purchase monies paid to Sponsor unless the Purchaser is then in default thereunder (beyond the applicable grace period, if any), in which event the said purchase monies 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.

In the event of the existence of any lien or encumbrance other than Permitted Encumbrances, the sole remedy of Purchasers under the Plan will be to rescind their

respective Purchase Agreements within fifteen (15) days after receipt of notice or an amendment disclosing such lien or encumbrance. A Purchaser electing to proceed with the purchase of a 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 by reason thereof. Sponsor has no obligation to institute any action or proceeding or to expend any sum of money to make title marketable or to eliminate any encumbrances or title defects, except as set forth in the Section of the Plan entitled "Effective Date."

The existence of mortgages, liens and encumbrances other than Permitted Encumbrances shall not be objections to title, provided bonds or properly executed instruments in form for recording necessary to satisfy or release Units from such impermissible liens or encumbrances are delivered at Closing and proper adjustments are made for the cost of recording or filing such instruments. Sponsor will bear the responsibility and cost of recording or filing such instruments. If existing mortgages will not be satisfied at or prior to the First Closing, as of the First Closing, each mortgagee will either (i) consent to the formation of the Condominium and acknowledge that its lien will be limited to Unsold Units; (ii) subordinate the lien of its mortgage to the Declaration; or (iii) release its lien on the Unit being conveyed.

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 13 NYCRR, Part 23 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of this Plan) and in GBL §352-e to survive the delivery of the deed.

Upon the Closing of Title to a Unit a Purchaser will thereupon become obligated for the payment of Common Charges, taxes or other assessments charged against the Unit to the Condominium Board (whether or not such Purchaser takes possession of the Unit and whether or not the tenant in possession, if there be one, pays the rent required to be paid by such tenant).

All personal property located within a Unit on the date a Purchase Agreement is signed or located within the Common Elements on the date the Declaration is filed, that is not owned by the Sponsor is included in the conveyance unless specifically excepted in this Plan.

The existing lease of a tenant who has purchased a Unit will be terminated as of the Closing of Title to such tenant's Unit, and such tenant will not have any rights afforded by nor be subject to, the Rent Laws or the GBL.

The Declaration, By-Laws and floor plans for the Condominium and such other documents, as required by law, will be recorded or filed prior to the first conveyance of title to Unit in accordance with the New York Condominium Act or applicable state or local law, all such documents will be filed in the office of the City Register in New York County.

STATUS OF TITLE AT CLOSING

The ownership of the conveying Unit to the Purchaser will contain the provisions set forth in subdivision 5 of Section 13 of the Lien Law, and will convey title free and clear of all liens, encumbrances and title exceptions other than those described in the proposed Unit deed and the title exceptions and other matters set forth below (collectively the "Permitted Encumbrances"):

1. State of facts shown on survey made by KaBA Land Surveying P.C. dated December 30, 2014 and any additional state of facts which an accurate survey would show since that date provided such additional state of facts does not prohibit the use of the Unit for residential use as the case may be.

2. Zoning and building laws, ordinances, resolutions, restrictions and regulations of municipal authorities having jurisdiction and any amendments thereto, now or hereafter adopted, providing same will not be violated by the Building.

3. The Declaration and By-Laws, Maps and Floor Plans to be recorded and filed in the New York County office of the Register of the City of New York, as the same may be amended from time to time and the terms, covenants and conditions of the Offering Plan and amendments thereto.

4. Power of Attorney from Purchaser to the Condominium Board of Managers.

5. Easement in favor of adjoining Units and in favor of the Common Elements for the continuance of all encroachments of such adjoining Units or Common Elements on the Unit, existing as a result of construction or renovation of the Building, or which may come into existence as a result of settling or shifting of the Building, or as a result of repair or restoration of the Building or any adjoining Unit or of the Common Elements made by or with the consent of the Sponsor or the Board of Managers after damage or destruction by fire or other casualty after a taking in condemnation or eminent domain proceedings, or by reason of an alteration or repair to the Common Elements, made by or with the consent of the Sponsor or the Board of Managers, so that any such encroachments may remain so long as the Building shall stand and so long as same does not affect the use of the Unit for its intended purpose.

6. Any easement or right of use required by Sponsor, its designees and their assigns, invitees, licensees, contractors and employees in, over, above and across all areas of the Property for construction, installation, maintenance, ingress to and egress from and the right to use all areas and facilities in, on, appurtenant to or servicing the Property, and to obtain temporary, permanent or amended certificate(s) of occupancy for the Building or any part thereof and to erect and maintain signs on the Property for the purpose of advertising the sale and/or leasing of Units (see also "Rights and Obligations of Sponsor").

7. Encroachments of trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings, chutes, fuel oil

lines, drainage and standpipes, and similar projections, if any, on, over or under the Property or the streets, sidewalks or premises abutting the Property, and the rights of governmental authorities to require the removal of any such projections, and variations between record lines of the Property and retaining walls and the like, if any, so long as same do not interfere with the use and occupancy of the Unit.

8. Leases and service, maintenance, employment, concessionaire and license agreements contemplated by this Plan.

9. The lien of any unpaid Common Charges, real estate tax, water charge or sewer rent, provided that apportionment of same is adjusted as provided in this Plan.

10. Easements in favor of the other Unit Owners to access and use the pipes, wires, ducts, conduits, cables, public utilities and other Common Elements located in the Unit or elsewhere on the Property and serving such other Units, easements in favor of the Board of Managers and Sponsor for access to Units and Common Elements, and any other easements described in the Offering Plan, as it may be amended.

11. Any easement or right of use created in favor of any public utility company for electricity, steam, gas, telephone, water or other service, and the right to use, maintain and repair wires, cables, terminal boxes, lines, service connections, poles, mains, facilities and the like upon, under and across the Property.

12. Franchise taxes, if any, provided the Title Company will insure that such taxes cannot be collected from the Unit.

13. Standard printed exceptions to the NYBTU or ATLA policies of title insurance.

14. Any Certificate of Occupancy for the Building, so long as the same permits or does not prohibit the use of the Unit for its stated purposes.

15. Any lease or other occupancy agreement for the Unit made by Sponsor and Purchaser.

16. Any violations against the Property which are not specific to only the Unit.

17. Variations between tax map and premises described in Schedule A.

18. Any other covenants, restrictions, easements, or other encumbrances (other than for the payment of money) provided same do not prohibit the existence and use of the Unit for residential or commercial purposes, as the case may be.

19. Rights, if any, to maintain vaults and chutes under the sidewalk.

20. Any lien, encumbrance, or condition not included in the liens and encumbrances listed above either (i) 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 (ii) as to which the Title Company will to insure (without additional premium) that such lien or encumbrance will not be collected out of or enforced against the Unit; or (iii) as to which the Sponsor, at its sole option, pays and discharges from monies paid by Purchaser at closing.

Sponsor shall be entitled to adjourn the closing to remove or correct any title exception that cannot be dealt with as set forth above.

If requested by the Purchaser, the Title Company will agree to insure upon Purchaser's payment of the premium for such insurance (see estimate of such cost described in "Closing Costs and Adjustments"), (i) that Purchaser has fee title to the Unit, free and clear of liens and encumbrances except those set forth in the Plan, as amended, and subject to the terms of the Declaration and By-Laws, and any mortgage or other encumbrance created by the Purchaser, and (ii) that the Unit is part of a validly created condominium. Purchaser will be responsible to pay to the title company the entire premium for Purchaser's title insurance. As a result, Sponsor, its principals, managers, members, agents, designees, employees and affiliates, are 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).

All personal property located within a Unit on the date the subject Purchase Agreement is signed or located within the Common Elements on the date the Declaration of Condominium is filed is owned by Sponsor and is included in the conveyance unless specifically excepted in the Plan.

CLOSING COSTS AND ADJUSTMENTS

As more particularly set forth in the Purchase Agreement, in addition to Purchaser's own legal fees, Purchaser will pay the closing costs set forth below at the time of the closing of title of the Purchaser's Units. Recording charges, fees and taxes are based on rates in effect on the date of the Plan and are subject to change without notice:

(a) A contribution to the working capital fund of the Condominium in an amount equal to two (2) months' Common Charges then applicable to each Unit being purchased. In addition, upon the sale of any Unit, the transferee shall be required to pay to the Condominium an amount equal to two (2) months' Common Charges attributable to the subject Unit.

(b) Purchaser will pay the premium for title insurance, which will vary depending upon the purchase price of the Unit. Purchaser may order title insurance from any company licensed to do business in the State of New York. As of the date of this Plan, the premiums for fee title insurance is \$342 for the first \$63,000 of fee insurance plus \$3.30 for each \$1,000 of additional fee insurance up to \$100,000. For additional rates for purchase prices up to \$999,999.99, please refer to the schedule below.

<u>FEE AMOUNT</u>	<u>PREMIUM</u>			
100,000.00	461	+	2.59 per thousand up to	200,000.00
200,001.00	723	+	2.60 per thousand up to	450,000.00
450,001.00	1372	+	2.58 per thousand up to	500,000.00
500,001.00	1502	+	2.37 per thousand up to	750,000.00
750,001.00	2093	+	2.36 per thousand up to	999,999.99

The discounted premiums for owner's title insurance is seventy percent (70%) of the sum of \$402.00 for the first \$35,000 of fee insurance plus \$4.67 for each \$1,000 of additional fee insurance up to \$50,000. For additional rates for purchase prices of \$1,000,000 and more, please refer to the schedule below.

<u>FEE AMOUNT</u>	<u>PREMIUM</u>			
50,001.00	351	+	3.80 per thousand up to	100,000.00
100,001.00	541	+	3.05 per thousand up to	500,000.00
500,001.00	1762	+	2.79 per thousand up to	1,000,000.00
1,000,001.00	3155	+	2.57 per thousand up to	5,000,000.00
5,000,001.00	13,406	+	2.30 per thousand up to	10,000,000.00

(c) If a Purchaser elects to simultaneously obtain both fee title insurance and mortgage title insurance, the premium for the mortgage title insurance will be at a simultaneous rate. The premium for mortgage title insurance will be computed using the "Basic Rate" schedule as described below. The premium on the amount of the loan

policy that does not exceed the owner's policy shall be calculated at thirty percent (30%) of the regular scheduled rate for loan policies as outlined on the schedule below.

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

(d) A fee for recording the Unit Deed and Unit Power of Attorney. As of the date of this Plan, title companies generally charge \$32.00 as a base recording charge plus \$5 per page plus \$30.00 documents service charge and charges a mortgage recording fee (if any) at a rate of \$32.00 per instrument plus \$5 per page and a \$30.00 document service charge. Each title company establishes its own additional service and surcharges in this regard;

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

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

- (i) Multiply the purchase price by the RPT Tax rate to compute the City tentative tax.
- (ii) Multiply the purchase price by the NYS Tax rate to compute the tentative NYS Tax.
- (iii) Add the tentative taxes to the purchase price.
- (iv) Multiply (iii) by the RPT Tax rate to determine the RPT Tax payable.
- (v) Multiply (iii) by the NYS Tax rate to determine the NYS Tax payable.

Example:

Purchase price = \$1,500,000.00

- | | | | | |
|-----|---|------|--------------|-----------------------------------|
| (1) | $\$1,500,000.00 \times 1.425\%$ | = \$ | 21,375.00 | |
| (2) | $\$1,500,000.00 \times .4\%$ | = \$ | 6,000.00 | |
| (3) | $\$1,500,000.00 + \$27,375$ | = \$ | 1,527,375.00 | ("Adjusted Purchase Price") |
| (4) | $\$1,527,375.00 \times 1.425\%$ | = \$ | 21,840.00 | (inc. \$75.00 filing fee for RPT) |
| (5) | $\$1,527,375.00 \times .4\%$
(rounded up to nearest \$500) | = \$ | 6,110.00 | |
| (6) | $\$1,527,375.00 \times 1\%$ | = \$ | 15,273.75 | (the "Mansion Tax" – see below) |

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

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

(h) All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's attorneys, Schwartz Sladkus Reich Greenberg Atlas LLP, in connection with the closing of title to Purchaser's Unit: (i) the sum of \$2,750.00 to reimburse Sponsor for its legal fees in handling the closing, (ii) if the Purchaser requests the Closing to occur other than at the offices of Schwartz Sladkus Reich Greenberg Atlas LLP or such other place as Sponsor may designate in its closing notice and Sponsor consents to such change, an attendance fee of \$500.00 for each Closing held within Manhattan and \$750.00 for each Closing held in any borough outside Manhattan, (iii) if Sponsor,

in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, or for the addition, deletion or substitution of names on the Purchase Agreement, Purchaser shall pay a fee of \$1,000.00 to Sponsor's attorneys, payable in advance, for preparation of an assignment agreement (Purchaser may pay more than one fee pursuant to this paragraph with respect to a single Unit), (iv) if Purchaser obtains mortgage financing, then Purchaser shall pay Sponsor's attorneys an additional fee of \$750.00 to defray the additional costs associated therewith, (v) if Purchaser seeks to close the transaction as part of a like-kind exchange of properties under Section 1031 of the Internal Revenue Code, Purchaser shall pay Sponsor's attorneys an additional fee of \$600.00 to defray the additional costs associated therewith, and (vi) if the closing is adjourned through no fault of Sponsor, the Purchaser will be required to pay to Sponsor's attorneys an additional fee of \$1,000.00 for each adjournment to help defray the cost of preparing for and coordinating the new closing. Purchaser may be required to pay more than one fee pursuant to the proceeding provisions of this paragraph with respect to a single Unit. Other charges may apply.

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

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

In addition, some lenders will charge a Purchaser an additional fee(s) for to extend the mortgage commitment or obtain a new commitment from the same or another lender. Neither Sponsor, its principals, managers or members, agents, selling agents, and/or counsel shall be responsible for the payment or reimbursement of any such fees or costs incurred by or imposed upon the Purchaser by its lender, or any other such loss.

Example: Mandatory Closing Costs

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

(1) Fee to record Unit deed (assuming 8 pages + 1 cover page) and Unit Owner's Power of Attorney (assuming 7 pages + 1 cover page) at a rate of \$30 for each instrument plus \$5 per page, plus an additional \$32 for recording each instrument.	\$209.00
(2) Title insurer's service charge and recording fee to record the Unit deed and Unit Owner's Power of Attorney	60.00
	(estimated & approximate)
(3) New York State transfer tax (also called the documentary stamps) at the rate equal to the Adjusted Purchase Price (see Example above) x .4% (rounded up to the nearest \$500) plus a "Mansion Tax" of 1% of the Adjusted Purchase Price (if the Adjusted Purchase Price is \$1,000,000 or more)	21,383.75
(4) New York City transfer tax (at the rate of 1% of an Adjusted Purchase Price of \$500,000 or less, or at the rate of 1.425% of an Adjusted Purchase Price of more than \$500,000)	<u>21,840.00</u>
Total projected mandatory Closing costs:	\$43,492.75*
	(estimated &

approximate)

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

Example: Elective Closing Costs

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

(1) Mortgage recording tax (at a rate of 2.05% of the mortgage – if less than \$500,000 – or 2.175% of the mortgage – if \$500,000 or more), minus \$30 and minus .25% payable by the mortgage lender before deducting the statutory credit against the mortgage tax credit payable to Sponsor.	\$23,070.00
(2) Mortgage recording fee (assuming 20 pages) at the rate of \$32 per instrument, \$5 per page.	132.00
(3) Municipal charge to record the mortgage tax credit affidavit.	50.00
(4) Premium for simultaneous fee (\$4,440) and mortgage (\$923) title insurance	5,363.00
(5) Other projected potential mortgage loan costs (assuming: “points” of 1% of mortgage amount, appraisal of \$250, lender's legal fee of \$750, UCC-1 filing fee of \$70 and \$200 allowance for miscellaneous expenses)	13,375.00 *
(6) Allowance for title closer gratuity and contingencies.	<u>250.00</u>
Total projected elective closing costs:	\$42,240.00 (estimated and approximate)

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

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

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

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

At Closing, adjustments will be made as of midnight of the day preceding the Closing Date between Sponsor and each Purchaser with respect to (a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed) on the basis of the period for which assessed, (b) Common Charges for the month in which title closes and (c) accrued rent and any other charges pursuant to an interim lease or use and occupancy agreement, if any, covering Purchaser's Unit. In the event the Units have not been separately assessed for real estate tax purposes prior to the First Closing, each Unit Owner will pay to Escrow Agent a pro rata share (in the proportion that such Unit's Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes with respect to the Property to the Condominium Board as Common Charges (the "Unit Tax Payments"). Please refer to Schedule A for an estimate of real estate taxes payable during the first year of Condominium operation. The Unit Tax Payments for all such Closing shall be delivered to the Condominium Board which will, in turn, pay such taxes either to the Finance Administration of The City of New York or directly to Sponsor if Sponsor has already paid such real estate taxes. In the event the amount of Unit Tax Payments differs from the amount so collected at each Closing, appropriate refunds shall be made to Sponsor and Purchasers accordingly. If any Unit Owner fails to pay his pro rata share as set forth above, the Condominium Board will have a lien on such Unit for non-payment of Common Charges. (See the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers--Common Charges: Collection and Lien for Non-Payment" for further discussion.) At such time as a Unit is separately assessed and separately billed, its Unit Owner will pay such taxes directly to the taxing authority.

If a Purchaser fails for any reason to close title to his or her Unit on the originally scheduled Closing Date, (a) the closing apportionments described above will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Purchase Agreement and this Plan, an amount equal to 0.03% of the purchase price of his or her Unit for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date.

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

RIGHTS AND OBLIGATIONS OF SPONSOR

Sponsor's Obligations with Respect to the Building

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

(a) Sponsor will bear all costs and expenses to be incurred in connection with the creation of the Condominium and the preparation, filing and distribution of this Plan. In addition, Sponsor will pay all selling expenses and brokerage commissions of the Selling Agent or other broker engaged by Sponsor.

(b) In the event that there are title encumbrances (other than Permitted Encumbrances annexed to the Purchase Agreement as Exhibit A and mortgages) affecting the Property at the time of the First Closing, Sponsor shall cause such encumbrances to be cured, remedied and removed, at its sole cost and expense, by the First Closing or within a reasonable time thereafter, except that Sponsor shall have no obligation to cure, remedy, or remove any such encumbrances if the same cannot be accomplished at an aggregate cost and expense of up to 0.5% of the total offering amount (including attorneys' fees and disbursements). The existence of any such encumbrances will not constitute an objection to title or excuse any purchaser from completing payment of the balance due under his Purchase Agreement (without provision for escrow), provided that Sponsor furnishes adequate proof to the Title Company that such encumbrance has been remedied or deposits a reasonable sum to secure Sponsor's obligation to cure and remedy such encumbrance subsequent to the First Closing as determined by the Title Company. At Sponsor's request, the sums so deposited shall be applied towards payment of the cost of curing or remedying the title defect. If the aggregate cost and expense of curing, remedying and removing all such encumbrances exceeds 0.5% of the total offering amount and Sponsor elects not to accomplish the same, Sponsor shall abandon and withdraw this Plan in accordance with the terms of the Section entitled "Effective Date."

(c) If the Purchaser is or becomes the tenant or occupant of the Unit before the closing of title thereto and, before such closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss and the obligation to repair the damage, unless the cause thereof originated outside of the Unit or did not result from the acts of such purchaser or other occupants of the Unit or such Purchaser's guests, invitees, or workperson. Except as set forth in the preceding sentence, all other risk of loss or damage prior to closing is assumed by Sponsor, but Sponsor shall have no obligation or liability to repair the same. 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. Thereafter, the Purchaser will be refunded all purchase monies paid to Sponsor unless the Purchaser is then in default thereunder (beyond the applicable grace period, if any), in which event the said purchase monies 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.

(d) Immediately following the recording of the Declaration, all assignable service and maintenance contracts and agreements relating to the Units and/or the Common Elements will be assigned to the Condominium Board, and the Condominium Board will, on behalf of all Unit Owners, assume the same and indemnify the assignor against all claims and liability thereunder that relate to matters and events occurring on or after the day upon which the Declaration was recorded.

(e) Notwithstanding any provision to the contrary herein, neither Sponsor nor its principals, managers, members, agents, designees, employees or affiliates shall be obligated to correct, and shall not be liable to any Purchaser as a result of any non-material variations from the Plans and Specifications or the descriptions of the Building or a Unit set forth in the Plan or variations from the Plans and Specifications or description of the Building or a Unit set forth in the Plan which are not in violation of applicable law.

(f) The Condominium is required to maintain and manage the Building, to keep the Common Elements therein clean and properly lighted, to keep structural and mechanical equipment in good working order, and to repair those portions of the Building which are required to be maintained by particular Unit Owners. Sponsor will cause the Condominium Board to maintain the Property in substantially the same condition and manner as on the Presentation Date until Sponsor no longer controls the Condominium Board.

(g) Prior to the Closing of title for each Unit, Sponsor will cause such Unit and its appurtenant Common Interest, benefits, rights and easements as described in the Declaration and By-Laws to be released from the lien of any mortgages or security agreements encumbering the Unit (other than any mortgage or security agreements obtained by the Purchaser). There are no obligations in any such mortgages that will be binding on the Condominium or Purchasers of Units.

(h) Sponsor will pay all Common Charges, special assessments and real estate taxes allocated to any Unsold Units. Sponsor represents that it has the financial resources to meet such obligations with respect to Unsold Units. Principals of the Sponsor will arrange for and provide financially responsible entities or individuals who will assume the status, obligations and responsibilities of the Sponsor in the event the Sponsor dissolves or liquidates and Sponsor still maintains unsatisfied obligations under the Offering Plan. Sponsor will fund its financial obligations from proceeds from the sales of offered Units, rental income from Unsold Units, and financing. No bond or other security will be posted by Sponsor with respect to this obligation.

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

(j) Sponsor may dissolve or liquidate at any time. In the event of such an occurrence or the transfer to an investor of ten (10) or more Units or twenty percent (20%) of the Units in the Condominium, whichever is less, in connection with Sponsor's liquidation of its interest in the Units, the principals of Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of Sponsor for those Units under this Plan, applicable law or regulations. The members, managers, agents, designees, employees or affiliates of Sponsor shall not be held liable in the event that Sponsor dissolves or liquidates. In addition, the members, managers, agents, designees, employees or affiliates of Sponsor shall not be held liable in the event a Purchaser fails to pay common charges to the Condominium.

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

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

(m) Until Sponsor has sold its last Unit in the Premises, Sponsor may, at its sole discretion, post, hang and affix "For Sale" or "For Rent" signs on the building façade of a type, size and quality determined by Sponsor.

(n) Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan and all exhibits or documents referred to herein shall be available for inspection, by prospective Purchasers and by any person who shall have purchased a Unit offered by the Plan or shall have participated in the offering of such Unit, at Sponsor's office and shall remain available for such inspection for a period of six years from the date of the recording of the Declaration. In addition, a set of Floor Plans showing the layout, location and approximate dimensions, within reasonable tolerances, of each Unit and its unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the City Register's office when the Declaration is recorded, and an additional set will be furnished to the Condominium Board.

(o) Sponsor shall, prior to the first Closing, procure the fire and casualty insurance set forth in Schedule B of this Plan. Such fire and casualty insurance shall provide for a replacement coverage and shall be in amount sufficient to avoid co-insurance as described in Schedule B of this Plan.

(p) Similar to other rental buildings that are converted to a condominium structure, the building currently has a Temporary Certificate of Occupancy and a Permanent Certificate of Occupancy cannot be procured until the various open permits and jobs are completed and signed off by the New York City Department of Buildings. Sponsor is obligated to undertake the responsibility for extending the Temporary Certificate of Occupancy prior to its expiration and until a Permanent Certificate of Occupancy is procured for the Building. Sponsor anticipates the Permanent Certificate of Occupancy to be procured within two (2) years after the First Closing. Neither Sponsor nor its principals, managers, members, agents, designees, employees or affiliates make any representation or guarantee that the New York City Department of Buildings will issue a Permanent Certificate of Occupancy for the Units in the Condominium within two (2) years or more after the First Closing. In the event that a Closing takes place prior to the issuance of a Permanent Certificate of Occupancy for the Units in the Condominium, Sponsor shall maintain all deposits and funds in the special escrow account required by Section 352-e(2)(b) of the New York General Business Law unless the Sponsor's engineer or architect certifies that a lesser amount will be necessary to complete the work necessary to obtain a permanent Certificate of Occupancy for the Units, in which case the sum exceeding the amount so certified by the Sponsor's engineer or architect may be released from escrow.

Although Sponsor, its principals, managers, members, agents, designees, employees and affiliates, will endeavor in good faith to sell all of the Units in a reasonably timely manner; however, there is no certainty as to the period of time required to sell all of the Units and, as stated herein, Sponsor and its designees may decide to rent Units from time to time. Sponsor's good faith efforts to sell to Purchasers will include listing Unsold Units with brokers, showing Unsold Units to brokers and prospective purchasers or their representatives, filing update amendments to the Plan and otherwise engaging in customary sales activities. If Sponsor makes a bulk sale of all or some of its Unsold Units, the transferee successor sponsor shall be bound by Sponsor's representations regarding its commitment to sell Units. Sponsor's lender has placed no limitation on Sponsor's right to rent Units. Sponsor's financing does not contain a minimum number or percentage of units which must be under contract before the Plan can be declared effective. The financing contains minimum release prices set by lender and a required minimum payment per sale which must be made to the lender in order for the lender to release its lien from the unit being sold.

Obligations of Sponsor hereunder with respect to the General Common Elements shall be enforceable only by the Condominium Board on behalf of all Unit Owners and may not be enforced by individual Unit Owners. Neither Sponsor nor its principals, managers, members, agents, designees, employees or affiliates shall have any obligation to any Purchaser of a Unit other than the Purchasers to whom Sponsor sold Units.

Real Property Law §339-kk

Subsection kk to Section 339 of the Real Property Law ("GBL"), a copy of which is set forth in Part II of the Plan, was enacted into law July 22, 1998. RPL §339-kk is applicable to all condominiums in the State of New York. RPL §339-kk is intended to provide additional financial protection for a condominium if a sponsor or other non-occupant Unit Owner of a Unit fails to make monthly payments for Common Charges, assessments and late fees due in connection with such owner's Unit.

RPL §339-kk provides, by its terms, among other things, that with respect to unsold Units in a condominium owned by a sponsor or by any other non-occupant Unit Owner and occupied by a tenant:

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

b. Payment by a tenant of rent or the amount 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 Unit Owner.

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

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

Sponsor makes no representation or guarantee that any 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.

RPL §339-kk does not address a number of issues. Accordingly, Sponsor makes no representation as to (i) RPL §339-kk 's effect on the lien priority of a loan heretofore or hereafter made to a non-occupant owner and secured by the Unit, or whether RPL §339-kk 's enactment or compliance therewith by a tenant constitutes a default by the Unit Owner under said loan, (ii) RPL §339-kk 's effect on assignments of leases and rents given by a non-occupant owner to a secured party in connection with purchase-money financing or otherwise, (iii) the Condominium's remedies if a tenant fails or refuses to make rental payments to the Condominium Board after notice from the Condominium Board (in accordance with RPL §339-kk) to do so, (iv) the consequence of the Condominium Board's failure to give notice to a tenant (i.e., does failure constitute a waiver of the Condominium 's rights), or (v) who is responsible for designating an agent to whom rental payments are to be made after the non-occupant Unit Owner is brought current in payment of Common Charges, assessments and late fees.

Finally, no representation is made about the tax effects of RPL §339-kk.

All prospective purchasers should review RPL §339-kk to determine its effect on their own situation.

Leasing and Use of Unsold Units

Sponsor reserves the right, prior to the date of closing title thereto, to rent or lease any Unit for such rent and term and upon such other conditions as may be agreed to between Sponsor and any Purchaser who has paid the Down Payment required by the Purchase Agreement subject to the rights of Non-Purchasing Tenants. Any such lease or use and occupancy agreement will provide, however, among other things, that an uncured default by the Purchaser under the Purchase Agreement with respect to the Unit which is the subject of the lease or use and occupancy agreement will constitute a default under the lease entitling Sponsor, at its sole option, to terminate such lease or use and occupancy agreement in accordance with applicable Law. In addition, each Purchase Agreement may provide that an uncured default by the Purchaser under any lease or use and occupancy agreement with respect to the Unit which is the subject of the Purchase Agreement will constitute a default under the Purchase Agreement entitling Sponsor, at its sole option, to terminate such Purchase Agreement and to exercise any remedies therein, provided however, that before Sponsor utilizes the default under the lease to declare a default under the Purchase Agreement, Sponsor will either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Unit Owner unless the Unit Owner has vacated the Unit.

Purchasers or any other persons entering into a lease or use and occupancy agreement for an Unit shall be required to pay the legal fees of Sponsor's counsel in connection therewith upon execution of the lease or use and occupancy agreement. All other charges or other fees due under a lease or use and occupancy agreement shall be adjusted as of the Closing to the Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any lease or use and occupancy agreement. Sponsor

anticipates that the lease or use and occupancy agreement will not be subject to governmental regulation as it is expected that such Units will be deregulated as high rent housing accommodations pursuant to the provisions of the RRRA or the Rent Regulation Reform Act of 1997.

Sponsor or its designee further reserves the right to use or occupy itself or to rent or lease to a tenant who is not a Purchaser (for such rent and term and on such other conditions as may be agreed to between such parties) any Unit not yet conveyed or to withdraw Units from the market and residents of the Building may be comprised of both Unit Owners and tenants. Accordingly, a Purchaser may be acquiring an Unit that has been previously occupied, but such Unit will be delivered at Closing free and clear of all leases, tenancies and rights of occupancy other than interim leases with such Purchaser or other leases or rights of occupancy of such Unit which Sponsor agreed to enter into at the request of the Purchaser of such Unit.

Sponsor and its designee reserve the right, without prior notice or amendment to the Plan, to use Unsold Units on any floor of the Building as sales and rental offices and model apartments for the Building and other buildings. In the event Sponsor or its designee thereafter elects to sell any such Unsold Units, Sponsor or its designee may require the purchaser thereof to purchase all or any of the furnishings, equipment or decorations therein and pay, in addition to the purchase price for such Unit, such amounts as Sponsor may determine. In no event shall the presence of any furniture, furnishings, equipment or decorations in any model Unit or public areas or in any advertisements with respect thereto, imply or represent that any Unit or public area will contain such furniture, furnishings, equipment or decorations upon delivery of the Unit to the Purchaser of the Unit unless such Purchaser agrees to pay Sponsor an amount as determined by Sponsor in addition to the purchase price of such Unit.

Section 248 of the New York Multiple Dwelling Law makes it unlawful and illegal for an owner to rent his/her apartment on a transient and short term basis for less than thirty (30) days. The By-Laws of the Condominium will not permit a Unit Owner to lease his/her Unit for a term of less than one (1) year. Unit Owners who wish to lease their Units may only enter a lease for a term of at least one (1) year subject to the right of first refusal of the Condominium Board. The Condominium Board may lease such Unit or produce a third party to do so upon the same terms that were offered to the owner of the Unit. Sponsor, its designee and any "Holder of Unsold Units" are not required to give the Condominium Board a right of first refusal with respect to any sale or lease of any Unsold Units.

CONTROL BY SPONSOR

Sponsor, its transferee or its designee, as the owner of Unsold Units will, at its option, have voting control of the Condominium Board during the period ending upon the earlier of (i) five (5) years from the First Closing, or (ii) the date upon which the Unsold Units constitute less than fifty percent (50%) of the Common Interests (hereinafter referred to as the "Sponsor Control Period" or the "Initial Control Period"). Upon the expiration of the Sponsor Control Period Sponsor shall facilitate a meeting of the Unit Owners to enable them to elect a Board which is not controlled by the Sponsor. During the Sponsor Control Period of the Condominium Board, Sponsor would be able to control maintenance, facilities and services to be provided to Unit Owners, and would determine the Common Charges to be paid by all Unit Owners, and the enforcement of Sponsor's obligations by the Board. Notwithstanding the foregoing, Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required to: (i) to comply with applicable laws or regulations; or (ii) to remedy any notice of violation; or (iii) to remedy a work order by an insurer. However, Sponsor may exercise veto power of disclosed expenses for a period ending not more than five (5) years after the closing of the first Unit or whenever the Unsold Units constitute less than twenty-five percent (25%) of the Common Interest, whichever is earlier.

After the end of the Sponsor Control Period, a majority of the Condominium Board must be Unit Owners who are unrelated to Sponsor and its principals; however, Sponsor, after the end of the Sponsor Control Period, may vote its interests for Unit Owners of its choice who are not affiliated with Sponsor. The Condominium's By-Laws do not require that after the Sponsor Control Period expires a majority of the members of the Board of Managers must be owner-occupants or members of an owner-occupant's household. Within approximately thirty (30) days after the end of the Sponsor Control Period, the Sponsor will call a special meeting of the Unit Owners at which time the Unit Owners will elect members to the Condominium Board to replace the positions the Sponsor is relinquishing.

The Condominium Board shall initially consist of three (3) persons designated by Sponsor.

The Condominium Board will call for a special meeting of the Unit Owners to elect a new Condominium Board (the "First Annual Meeting") no later than one hundred and eighty (180) days after the First Closing. The First Annual Meeting shall be held not less than 10 days nor more than 40 days after such date.

Commencing with the First Annual Meeting, the Condominium Board shall consist of at least three (3) but not more than five (5) members elected by the Unit Owners. The number of Condominium Board members may not be changed except in accordance with the procedures described in the By-Laws.

At the First Annual Meeting and at all times thereafter, Sponsor may be able to elect members of the Condominium Board as a result of its ownership of or interest in

Unsold Units. Sponsor shall retain voting control of the Condominium Board if Sponsor and its designees are able to cast sufficient votes at such meetings to establish such control. In addition, Sponsor, for so long as Sponsor owns at least one (1) Unit, shall have the right, at its option, to designate at least one member of the Condominium Board.

Until the earlier to occur of (i) five (5) years from the First Closing, or (ii) Sponsor or its designee has conveyed title to at least fifty (50%) of the Common Interest of all Units, the Condominium Board may not take any of the following actions without Sponsor's prior written consent (notwithstanding the number of votes Sponsor controls): (a) make any addition, alteration or improvement to the Common Elements or to any Unit, (b) assess any General Common Charges or Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services, (e) borrow money on behalf of the Condominium or on behalf of the Section, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in items (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary, and no other alternative is available, to enable the Condominium Board to comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium. However, Sponsor may exercise veto power of disclosed expenses for a period ending not more than five (5) years after the closing of the first Unit or whenever the Unsold Units constitute less than twenty-five percent (25%) of the Common Interest, whichever is earlier.

CONDOMINIUM BOARD

The affairs of the Condominium shall be governed by the Condominium Board, which shall initially be comprised of three (3) persons designated by Sponsor. On or before the date which is no later than one hundred and eighty (180) days after the First Closing, the Condominium Board will call for the First Annual Meeting of Unit Owners, such meeting to be held not less than 10 days nor more than 40 days after such date. At the First Annual Meeting, the incumbent Condominium Board shall resign and the Unit Owners shall elect a new Condominium Board consisting of at least three (3) but not more than five (5) persons elected by Unit Owners. (See the Section entitled "Control by Sponsor.") Thereafter, at each annual meeting, members of the Condominium Board shall be elected and shall serve until the next annual meeting thereof and until a successor has been elected and qualified. The Condominium's By-Laws do not require that after the Sponsor Control Period expires a majority of the members must be owner-occupants or members of an owner-occupant's household.

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

The By-Laws of the Condominium do not require that a majority of the Board of Managers must be owner-occupants who are unrelated to Sponsor after the Initial Control Period expires. As a result, Purchasers for their own occupancy may never gain control of the Board of Managers. If that occurs, owner-occupants and non-resident owners, such as the Sponsor, may have inherent conflicts on the management of the Condominium.

The Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium. As more fully set forth in the By-Laws, all determinations required to be made by the Condominium Board shall be by majority of the votes cast at any meeting at which a quorum is present.

Annual meetings of Unit Owners shall be held within approximately thirty (30) days of each anniversary of the First Annual Meeting. At such meetings, the Unit Owners shall elect at least three (3) but not more than five (5) members of the Condominium Board, subject to any rights of Sponsor to designate Board members, and there shall also be transacted such other business as may properly come before such meetings. In addition, special meetings may be held from time to time pursuant to the By-Laws. The Secretary of the Condominium Board shall mail a notice of each annual or special meeting of the Condominium to all Unit Owners of record. The notice, which will generally be given at least ten (10) days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the By-Laws or Declaration, at all meetings of Unit Owners, the presence in person or by proxy of Unit

Owners owning more than fifty percent (50%) of the Common Interests attributable to all Units shall constitute a quorum and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Unit Owners.

At all meetings, each Unit Owner (or his proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Units) shall be entitled to cast a vote based upon the percentage of Common Interests that he or she owns.

The principal officers of the Condominium Board shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Condominium Board. The initial members of the Condominium Board shall be Liana Maor, Steve Havia and Daniel Knobloch, who shall serve as President, Vice President, and Secretary/Treasurer of the Condominium Board respectively. Notwithstanding anything to the contrary contained herein, the foregoing individuals shall have no personal liability whatsoever for any action taken by them as members of the Condominium. Each of these individuals is a principal of or is affiliated with the Sponsor or its principals. The Condominium Board may appoint additional officers. Except as otherwise provided by the Board, no officer shall receive any compensation for acting as such. The By-Laws provide that all instruments of the Condominium Board are to be executed by any officer thereof or by such other person or persons as may be designated by the Board. However, any significant expenditure by the Condominium Board must be countersigned by two members of the Condominium Board.

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

A member of the Condominium Board designated or elected by the Unit Owners may be removed with or without cause by an affirmative vote of a majority of Unit Owners (as defined in the By-Laws) who are present at a meeting containing a quorum of Unit Owners; provided, however, that Condominium Board members designated by Sponsor may only be removed with cause and replaced by another Sponsor designee. No member of the Condominium Board shall continue to serve on the Condominium Board if, during his term of office, said member shall cease to be a Unit Owner or an interested party as described in Article 2 of the By-Laws; provided, however, that this provision respecting Unit ownership and Condominium Board membership shall not apply to members of the Condominium Board designated by Sponsor or its designee.

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

All officers, Board members and employees of the Condominium will be bonded at all times from and after the First Closing under fidelity bonds in favor of the Condominium. The amount and cost of the bonds has been provided for in the projected budget for the first year of Condominium operation contained in Schedule B.

Generally, subject to certain exceptions concerning, among other things, Sponsor or the provision regarding the leasing of the Units, and provided that required consents of the Mortgage Representatives, if any, are obtained, any provision of the Declaration, By-Laws or Rules and Regulations may be amended, modified, added to or deleted by affirmative vote of at least 66 2/3% in number and in Common Interest of all Unit Owners; provided, however, that the Common Interest appurtenant to each Unit may not be altered without the written consent of all Unit Owners directly affected thereby. Notwithstanding the previous sentence, the provision of the By-Laws which does not grant the Condominium a right of first refusal on leases of Units for one (1) year or less, may not be amended without the vote of at least ninety percent (90%) in number and Common Interests of all Unit Owners. Notwithstanding any provision contained in the By-Laws to the contrary, no amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations shall be effective in any way (a) without the prior written consent of Sponsor or its designee or the owner of any Unsold Unit with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Sponsor or its designee or the owner of any Unsold Unit, or otherwise adversely affecting Sponsor or its designee or the owner of any Unsold Unit or (b) without the prior written consent of the holder of any present or future mortgage, pledge, or other lien or security interest covering any Unsold Unit with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration, or the Rules and Regulations modifying the permitted uses of such Unsold Unit or affecting the rights, privileges, easements, licenses or exemptions granted to the owner of such Unsold Unit.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE BOARD OF MANAGERS

Sales and Leases of Units

Each Unit Owner may sell his or her Unit provided such Unit Owner (the "Transferor") first gives the Condominium Board, on behalf of all Unit Owners, notice of his or her intention to sell such Unit and an opportunity to purchase such Unit at the same price and on the same terms as were offered in good faith by a prospective purchaser, as more specifically provided in Article 8 of the By-Laws. If the Condominium Board does not elect to purchase the Unit within twenty days after receipt of the offering Unit Owner's notice, the Transferor will have an additional sixty days to enter into a written agreement with the prospective purchaser, as the case may be, embodying the terms set forth in said notice. In the event such written agreement is not executed by the Transferor within said sixty-day period or such sale is not consummated within an additional sixty days following the expiration of said sixty-day period, the Transferor will be required to again first offer the same to the Condominium Board, provided that the Condominium Board shall be entitled to waive, or to permit an extension of, either or both of such sixty day periods. The Condominium Board may not exercise its option to purchase any Unit without prior approval of a majority in interest of Unit Owners present in person or by proxy and voting at a meeting at which a quorum is present. In any vote of all the Unit Owners, the Transferor shall have the right to vote in any vote conducted by the Condominium Board for the purpose of determining whether the Condominium Board shall exercise its right of first refusal to purchase the Transferor's Unit. Any such deed given by a Transferor shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as the same may be amended from time to time. The Condominium Board shall have the right to utilize the powers and duties outlined in Article 2 of the By-laws with respect to raising the necessary funds for the acquisition and maintenance of a Unit(s) by the Board of Managers on behalf of the Unit Owners. Any Unit owned or leased by the Board of Managers shall be used and occupied in accordance with the Condominium Declaration and By-laws. All proceeds from the sale or lease of such Unit shall be deposited in the name of the Board of Managers (or in the name of the managing agent appointed by the Board of Managers) in such depositories as may from time to time be designated by such Board and held on behalf of the Condominium.

Section 248 of the New York Multiple Dwelling Law makes it unlawful and illegal for an owner to rent his/her apartment on a transient and short term basis (i.e. for less than thirty (30) days). The Condominium's By-Laws prohibit any Unit Owner from leasing his/her Unit for a terms of less than one (1) year. Unit Owners who wish to lease their Units may only enter a lease for a term of at least one (1) year subject to the right of first refusal of the Condominium Board. The Condominium Board may lease such Unit or produce a third party to do so upon the same terms that were offered to the owner of the Unit. All leases 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 demised premises or any part thereof without the prior consent in writing of the Condominium Board, and that the Condominium Board, if permitted by applicable law, shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease. The form of any such lease shall be a printed, reasonably applicable form of 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 lease of a Unit in violation of this section shall be voidable at the election of the Condominium Board.

A Unit Owner may lease, sell or convey the Unit to a spouse, adult child or grandchild, parent, grandparent or adult sibling, may convey his Unit by gift, may devise his Unit by will, or have it pass by intestacy, without complying with the foregoing restrictions; provided, however, that each succeeding Unit Owner shall be bound by, and his Unit shall be subject to, the preceding restrictions. In addition, any Unit Owner may lease, sell or convey the Unit to a related or controlled individual or entity, as more particularly set forth in the By-Laws.

The restrictions upon the sale and lease of Units shall not apply to Sponsor or its designee or any Holder of Unsold Units with respect to any Unsold Units or to Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure, and they shall be free to sell or lease without first offering to sell or lease to the Condominium Board.

A Unit Owner may only sell or lease such Unit Owner's entire Unit. In addition, each conveyance of a Unit by a Unit Owner shall include, as part of the property to be conveyed, such Unit Owner's undivided interest in (a) the Common Elements, Limited Common Elements and the General Common Elements, (b) any Unit or Units acquired by the Condominium Board on behalf of all Unit Owners, or any proceeds of the sale or lease thereof and (c) any other assets of the Section and the Condominium. No part of the Unit Owner's interest in the Common Elements may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit or as part of a sale, transfer or other disposition of the specific interest in the Common Elements by all affected Unit Owners.

A Unit may not be conveyed unless all unpaid Common Charges and liens against such Unit (other than Permitted Mortgages) are paid and/or satisfied at or prior to closing. In addition, the Condominium Board may establish reasonable fees for the processing of sale and lease notices, which shall be payable by the selling or leasing Unit Owner, as the case may be, to the Managing Agent.

Notwithstanding anything contained herein to the contrary, prior to the closing of title to a Unit, the Purchase Agreement prohibits a Purchaser from listing such Unit for

resale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease, without Sponsor's prior written consent.

The Condominium's right of first refusal does not adversely impact the rights of a mortgagee or its assignee to foreclose or take title to a Unit pursuant to its remedies in the subject mortgage; accept a deed or assignment in lieu of foreclosure in the event of default by a mortgagor; and sell or lease a Unit acquired by the mortgagee or its assignee. At this time, the right of first refusal as set forth in the Condominium By-Laws does not conflict with lending requirements and guidelines of Federal Loan Home Mortgage Corporation ("FHLMC" or "Freddie Mac") and Federal National Mortgage Association ("FNMA" or "Fannie Mae"). The Board of Managers may not discriminate against any person on the basis of race, creed, color, national origin, sex age, disability, marital status or other grounds prohibited by law.

Use of Units

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

Each Unit Owner shall notify the Managing Agent in writing when a child or children under the age of ten (10) years lives or resides (even temporarily) in the Unit. The Condominium shall install at such Unit Owner's expense, the required window guards in all windows of the Unit. The Unit Owner shall maintain all window guards installed in the Unit and shall not remove same until permitted by applicable law and in any event, without full knowledge of the Managing Agent. Neither Sponsor nor its principals, managers, members, agents, designees, employees or affiliates shall be responsible for supplying Unit Owners with window guards for the windows of the Unit or for improper installation thereof. Each Purchaser hereby agrees that upon acceptance of its deed to the Unit, he or she shall be deemed to expressly ratify this provision.

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

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

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

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

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

The Condominium has a strict pet policy which only permits Unit Owners to harbor no more than two (2) pets of specific types, breeds and weight and subject to the consent of the Condominium Board, which may, in turn, delegate the decision to the Managing Agent. Each Unit Owner who keeps any type of pet in his or her Unit will be required to: (a) indemnify and hold harmless the Condominium, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all reasonable Rules and Regulations of the Condominium Board adopted with respect thereto; and, (c) clean up after their pet.

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

Mortgage of Units by Unit Owners

Each Unit Owner may mortgage his or her Unit, provided that the conditions with respect thereto set forth in the By-Laws are first complied with by him. As more fully set forth in the By-Laws, these conditions include the requirements that (a) the mortgage be substantially in the form of the New York Board of Title Underwriters form of mortgage, except for such changes or additions as may be required to permit a lender to make the loan, (b) the Condominium Board is notified in writing of the making of such mortgage

and receives a conformed copy of the note and mortgage and (c) the owner making such mortgage first satisfies all unpaid liens against his Unit, other than Permitted Mortgages.

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

Common Charges: Determination and Assessment

Common Expenses, which are payable only by Unit Owners and are included in their Common Charges, are allocated among Unit Owners in proportion to their respective Common Interests. In addition, the Common Charges include the Unit Owner's allocable portion of the General Common Expenses. The respective Common Interests of each Unit, as estimated by Sponsor, are based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. Common Expenses include, among other things, all costs and expenses (including the payment of wages) in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements and Limited Common Elements. Common Expenses may include amounts for certain other items as the Condominium Board may deem proper, such as the right to accumulate the amounts contained in the Reserve Fund, which, in accordance with the By-Laws, may be utilized for capital expenditures, or in connection with the purchase or lease by the Condominium Board of any Unit in accordance with the By-Laws.

General Common Expenses which include, among other things, the costs and expenses (including the payment of wages) in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the General Common Elements and certain other expenses common to all Unit Owners, such as premiums for insurance covering the Building, managing agent fees and legal and accounting fees will be determined by the Condominium Board. The Condominium Board will allocate the pro rata share of such expenses among the Unit Owners in accordance with their respective Common Interests.

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

rebated to the Unit Owners by the Condominium Board in proportion to each Unit's percentage of Common Interest. Rebates, if any, attributable to Units purchased from Sponsor during the first year of condominium operation will be distributed by the Condominium Board to Sponsor and the Unit Owner(s) in proportion to the amount of time Sponsor and each Unit Owner owned such Unit. Neither Sponsor nor its principals, managers, members, agents, designees, employees or affiliates make any representations that there will be any excess receipts for rebate to Units Owners or, if rebates are made, what the tax consequences of such rebates would be to Unit Owners. See the Attorney's Tax Opinion in Part I of the Plan for further discussion regarding the income tax consequences of the ownership of Units by individual Unit Owners.

At least annually (a) the Condominium Board will prepare a budget for General Common Expenses and allocate, as aforesaid, and assess General Common Charges to the Unit Owners on pro-rata basis.

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

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

No Unit Owner may exempt himself or herself from liability for his or her Common Charges by waiving use of any of Common Elements or by abandonment of his or her Unit. No Unit Owner, however, will be liable for the payment of any part of the Common

Charges assessed against his or her Unit subsequent to a permissible sale, transfer or other conveyance by him or her of such Unit. In addition, as more specifically set forth in the By-Laws, a Unit Owner may, by conveying his Unit without consideration to the Condominium Board and complying with certain conditions in connection therewith, exempt himself from Common Charges and Common Charges thereafter accruing.

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

Repairs to and Maintenance of Units and Common Elements

Generally, all painting, decorating, and routine maintenance, repairs and replacements, (a) in or to any Unit (other than to the General Common Elements or Common Elements included therein), including the individual heating and cooling systems and the interior side of entrance doors thereto, will be made by the owner of such Unit at such Unit Owner's sole cost and expense, (b) in or to the General Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to the Condominium Board as a General Common Expense, and (c) in or to the Common Elements, and the Limited Common Elements be made by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners as a Common Expense. Notwithstanding the foregoing, any repairs by Unit Owners to the incremental heating and air conditioning units within each Unit shall only be made by contractors or servicemen who have been previously approved by the Condominium Board.

Notwithstanding the above, all normal maintenance, repairs and replacements of any Terrace shall be made by the Unit Owner having access to same, at his or her own cost and expense, but any structural repairs to such Terrace (including any leaks which are not caused by the negligence of the Unit Owner having access to the same) will be made by the

Condominium Board and the cost and expense thereof will be charged to all Unit Owners as a Common Expense. Any Unit having access to a Terrace shall keep it free of snow, ice and accumulation of water. In accordance with the By-Laws, the Condominium Board may require a Unit Owner to remove plantings and other installations on such Unit Owner's Terrace, if the Condominium Board, in its reasonable discretion determines that such plantings and other installments adversely affects the integrity of the roof. Any planting or other installations to be placed on Terraces shall be subject to New York City and the Department of Buildings weight restrictions.

All windows in the Building are being delivered in their "as is" condition. The interior and exterior glass surfaces of all windows located in any Unit shall not be colored or painted and are to be washed and cleaned by the Unit Owner at such Unit Owner's sole cost and expense. The exterior glass surfaces of all windows may, at the option of the Condominium Board, be washed and cleaned by the Condominium Board and the cost thereof shall be a Common Expense; otherwise Unit Owners shall be obligated to clean such windows at their own cost and expense. Any replacement of glass windows in any Unit because of breakage or otherwise shall be made by the Condominium Board at the sole cost and expense of the owner of such Unit (unless such breakage is caused by the Condominium Board or the negligence of any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board or such Unit Owner). The portion of all curtains, drapes, blinds or other window treatments visible from the exterior of the Building must be white to give the Building a uniform exterior appearance.

The By-Laws provide that each Unit and all portions of the Common Elements shall be kept in first-class condition (and with respect to any roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or appropriate Board, whichever is responsible for the maintenance thereof. In the event any Unit Owner fails to keep his Unit in such condition, the Board may, at the expense of such Unit Owner, enter such Unit and perform such acts as are necessary to cure such default. (See the Section entitled "Rights of Access.")

The By-Laws further require that those public or other areas of the Building exposed to public view that are required to be maintained by each Unit Owner or each Board, be kept in good appearance in conformity with the dignity and character of the Building by such Unit Owner or the Board.

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

The Board will have the obligations reserved to the Unit Owners in connection with the maintenance and repair of the Resident Manager's Unit for so long as the Resident Manager's Unit shall be owned by the Condominium Board (on behalf of all Unit Owners).

Alterations and Improvements of Units and Common Elements

No Unit Owner may commence any alteration, addition, or improvement which would require a construction, alteration or building permit issued by the New York City Department of Buildings, including but not limited to, the combination of two or more Units, or the finishing of any space in a Unit, nor may any work be undertaken by a Purchaser (as Unit Owner) which will alter the layouts, electrical, structural, mechanical or plumbing systems of a Unit from the original configuration without prior written consent of the Condominium and until Sponsor has obtained all applicable Building Department sign offs, but, as more fully set forth in the By-Laws, this provision does not apply to an Unsold Unit. Except as otherwise permitted in the By-Laws, no Unit Owner may make any alteration, addition, improvement or repair in or to the Common Elements without the prior written approval of the Board. The Condominium Board may impose fees upon such Unit Owner to reimburse the Condominium for costs incurred in connection with the review or supervision of such Unit Owner's work.

Prior to, and as a condition of, the granting of its consent to the making of a structural alteration, addition, improvement or repair in or to a Unit, the Condominium Board shall have the right to reasonably approve the Unit Owner's contractors and suppliers and may, at its option, require the Unit Owner to execute an agreement in form and substance satisfactory to the Board setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done.

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

either party is insured for loss or damage to property, each party will look to their own insurance policies for recovery.

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 any addition, alteration or improvement to be made in a Unit, unless approved and executed, if necessary, by the Condominium Board. Notwithstanding the previous sentence, until Sponsor has obtained all applicable Building Department sign offs, the Condominium shall not consent to the filing of an application for a permit for any addition, alteration or improvement by any Unit Owner (except for the Sponsor for which no consent is required). The Condominium Board will not unreasonably refuse to approve and execute, if necessary, any application or other document required to be filed in connection with approved structural alterations, additions, improvements or repairs, provided that the Condominium Board and the Unit Owners shall not be subject to any expense or liability by reason of such approval and execution or, by reason of such addition, alteration or improvement, including, without limitation, liability to any contractor, subcontractor, materialman, architect or engineer, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this paragraph shall not apply to an Unsold Unit, provided any alteration to such Unit shall be in accordance with, and only as permitted by, the Condominium Act and all governmental regulations. Under the terms of the By-Laws, Sponsor is authorized on behalf of the Board to execute such applications, permits or other documents as may be required to undertake, perform and complete such work to the Unsold Units and Common Elements as Sponsor is entitled to perform in accordance with the terms of the Declaration and the By-Laws and to obtain such certificates of completion as may then be required by Law (collectively the "Required Documentation") and, the Board, if requested by Sponsor is obligated to execute the Required Documentation. In addition, the power of attorney to be executed by each Unit Owner upon acquisition of the Unit further grants to Sponsor a power of attorney to execute the Required Documentation.

In the event that any alterations, additions, improvements or repairs made by any Unit Owner materially delay, prevent or adversely affect, or create a significant risk of materially delaying, preventing or adversely affecting, whether directly or indirectly, Sponsor's ability to obtain all applicable Building Department sign offs, then upon the written request of Sponsor or the Condominium Board, the Unit Owner shall restore the Unit, at such Unit Owner's sole cost and expense, to its original condition. If such Unit Owner fails to commence diligently and continuously restoring the Unit within fifteen (15) days of receipt of the written request, then the party requesting such restoration shall be entitled to enter and restore the Unit at the expense of the Unit Owner and to exercise any remedies provided in the By-Laws.

Generally all alterations or improvements in or to the General Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged as a General Common Expense. Repairs, maintenance replacements, restorations, improvements, alterations and additions in or to the Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners as a Common Expense.

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

Rights of Access

As more fully set forth in the By-Laws, the Board and any managing agents, managers, superintendents and other persons authorized by the Board, will have a right of access to any Unit for the purposes of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in the Unit or elsewhere in the Building, to remove violations, cure defaults by a Unit Owner, correct any condition originating in any Unit and threatening another Unit or any Common Element, and for any other purposes provided in the Plan, Declaration or as may be required by law or governmental regulation, provided that requests for entry (except in emergency situations) are made in advance and that any such entry (except in emergency situations) is at a time reasonably convenient to the Unit Owner and the tenants of any Unit. Sponsor, its principals, managers, members, agents, designees, employees and affiliates will have a right of access to any Unit to further purposes set forth in the Plan. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. Provided reasonable care is exercised to safeguard the Unit Owner's property, any entry described herein shall not render the Board or its authorized agents liable for damage incurred in connection with the exercise of such right of entry. Sponsor, its principals, managers, members, agents, designees, employees and affiliates shall have a right of access to any Unit for the purpose of performing punch-list work or for the purpose of performing or completing construction in the Building. The Sponsor, its principals, managers, members, agents, designees, employees and affiliates, shall only be obligated to perform punchlist work while the Purchaser or its agent is present in the Unit unless the Purchaser provides Sponsor, its principals, managers, members, agents, designees, employees and affiliates, with a release confirming that Sponsor, its principals, managers, members, agents, designees, employees and affiliates have the right to enter the Unit upon reasonable hours to make the repairs and that the Purchaser shall be responsible for

clearing the area to be repaired, removing any valuables and protecting any furniture or other personal property in and around the subject area.

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

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

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.

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 three-fourths or more of the Building is destroyed or substantially damaged and if 75% or more in Common Interest of all Unit Owners do not promptly resolve to proceed with the repair or restoration thereof, the Building will not be repaired and the Property shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of his share of such funds such amounts as may be necessary to discharge all unpaid liens on his Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

Notwithstanding anything contained herein to the contrary, the proceeds of all policies of physical damage insurance maintained by the Condominium Board shall be payable to the 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 insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit), together with all service machinery contained therein and covering the interests of the Condominium, each of the Boards and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings); (b) rent insurance in an amount equal to Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any, determined by the Condominium Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering all Boards and all officers, directors and employees of the Condominium; (i) directors and officers liability coverage; and (j) such other insurance as the Condominium Board may determine. Each Unit Owner shall be an additional insured.

The fire insurance policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions described in the By-Laws.

The amount of fire insurance and all risk extended coverage to be maintained until the first Condominium Board meeting following the First Annual Meeting of the Unit Owners shall be in at least the sum set forth in Schedule B.

All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured or (iv) pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least ten days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees. Duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees at least ten 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 Board may from time to time determine, covering (1) the Board, the Managing Agent or agents thereof, each Board member and each officer and employee of the Condominium, and (2) each Unit Owner, except that such policy will not cover liability of a Unit Owner

arising from occurrences within his or her own Unit or within the Limited Common Elements, if any, exclusive to his or her Unit. The Condominium Board shall review such limits not less than once each year. Until the first meeting of the Condominium Board following the First Annual Meeting of Unit Owners, such liability insurance shall be in at least the sum set forth in Schedule B with respect to bodily injury and property damage, combined single limit. The insurance discussed above shall also include cross-liability claims of one insured against another.

Any insurance maintained by the Condominium Board may provide for such deductible amounts as such Board determines. The premiums for all insurance referred to above shall be a General Common Expense and shall be borne by the Condominium, with due consideration to their respective risks, liabilities and replacement values, as are equitable (as determined by the respective insurance carriers thereof or their agents, brokers or such other parties designated by the Condominium Board). If any such insurance carrier, agent, broker or other party fails to make such determination and the Condominium Board fails to agree on a determination or disagrees with any such determination made by such insurance carrier, agent, broker or other party, the matter shall be determined by arbitration pursuant to the By-Laws.

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

Liability of Boards of Managers 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 or Unit

Owners, respectively, and the Board members or managing agent or manager 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 (i) such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners or Unit Owners, as the case may be, and (ii) to the extent permitted by law, unless otherwise determined by the Board in its sole and absolute discretion, such Unit Owner's interest in his Unit and its appurtenant Common Interest. To the extent permitted by applicable law, Board members shall have no liability to Unit Owners except that a Board member shall be liable for his own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member against any liability or claim except those arising out of such member's own bad faith or willful misconduct. The Board may contract or effect any transaction with any Board member, any Unit Owner, Sponsor or its designee, or any affiliate of any of them without incurring any liability for self-dealing except in cases of bad faith or willful misconduct.

Reports to Unit Owners

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

Termination of Condominium

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain as provided in the By-Laws) until such time as the Property shall be withdrawn from the provisions of the Condominium Act as a result of the vote to do so of at least eighty percent (80%) in number and in Common Interest of all Unit Owners. Such vote shall not be effective, however, unless written consents are obtained from (a) the Mortgage Representatives, if any, and (b) Sponsor, until such time as Sponsor and its designees have conveyed title to at least ninety (90%) of the Common Interest of all Units. In the event of withdrawal, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on his or her Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

Procedure to Review Real Estate Tax Assessments

The Condominium Board, on behalf of and as agent for all Unit Owners, will be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Units. All Unit Owners will share the costs in connection therewith and the benefits derived therefrom based on their respective Common

Interests. In the event any Unit Owner individually seeks to have the assessed valuation of his Unit reduced by bringing a separate certiorari proceeding, the Condominium Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies the Condominium Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

Mechanics' Liens

Under the provisions of the Condominium Act, no lien of any nature may arise or be created against the General or Limited Common Elements except with the unanimous consent of all Unit Owners affected thereby. Liens may arise or be created against only the 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 General or Limited Common Elements shall be the basis for a lien thereon but (a) all Common Charges received by the Condominium Board shall constitute trust funds for the purpose of paying the cost of labor performed or materials furnished at the request or with the consent of the Condominium Board or the Managing Agent for the Common Elements and the Limited Common Elements and (b) all General Common Charges received by the Condominium Board shall constitute trust funds for the purposes of paying the cost of labor performed or materials furnished at the request or with the consent of the Condominium Board or the Managing Agent for the General Common Elements.

Easements and Name of Condominium

In order to facilitate the operation and maintenance of the Building and the sale or leasing of Units therein, each of the Units will be subject to certain easements including easements in favor of Sponsor, other Unit Owners and the Boards and the adjacent property owners. These easements, which are more particularly set forth in the Declaration, include an easement of support and necessity in favor of all other Units and the Common Elements, and an easement in favor of each Unit Owner to use, operate, maintain, repair, alter, rebuild, restore and replace the Limited Common Elements relating to the Section, 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. All Units shall have an easement to erect, maintain, repair and replace utility and other lines through other Units. In addition, Sponsor and its designees shall have an easement to erect, maintain, repair and replace any sign permitted by law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit and the operation of any business of a tenant or occupant of any Unit.

As set forth in the Declaration, the Condominium and the Building shall be designated and known as "THE VANTAGE". Any and all rights and interests appurtenant to such name, if same exist, are owned and controlled by Sponsor. Similarly, any and all

obligations and liabilities appurtenant to such name shall be the sole responsibility and obligation of Sponsor. For so long as Sponsor owns any Units in the Building only Sponsor shall have the right to change the name of the Condominium and/or the Building, and such right may be exercised by Sponsor at any time without the vote or consent of the Board or Unit Owner.

The Declaration and By-Laws

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

REAL ESTATE TAXES

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

The Property will not be receiving any abatement from real estate taxes except for abatements attributed to individual Unit Owners, for which the estimates in both Schedule A and in this Section do not account. The assessed valuations on which the Property was taxed for the fiscal years 2016/2017 and 2015/2016 were \$14,217,750.00 and \$13,824,450.00 respectively. The tax rates for the fiscal years 2016/2017 and 2015/2016 were 12.892% per \$100 of assessed valuation and 12.883% per \$100 of assessed valuation. It is, therefore, estimated that the aggregate real estate taxes attributable to all Unit Owners for the first year of Condominium operation will total approximately \$1,089,051.00 for the Residential Units and \$18,589.00 for the Commercial Units, based on an opinion prepared by Korngold, Weiss Liebman & Gelles LLP, 6 East 45th Street, 7th floor, New York, New York 10017 dated March 17, 2017. The estimate assumes (a) an estimated average projected actual assessed valuation of the Property of \$12,565,976.00 for the Residential Units and \$242,464.00 for the Commercial Units for the 2017/2018 fiscal year (it is anticipated that the for 2017/2018 fiscal year, the Commercial Unit may not be apportioned and will pay on the class 2 tax rate).

NEITHER SPONSOR, ITS PRINCIPALS, MANAGERS, MEMBERS, AGENTS, DESIGNEES, EMPLOYEES, OR AFFILIATES NOR SELLING AGENT, ITS PRINCIPALS, MANAGERS, MEMBERS, AGENTS, DESIGNEES, EMPLOYEES, OR AFFILIATES MAKE ANY REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY, THE ESTIMATED ALLOCATIONS OR THE TAX RATE OR THE ACTUAL ASSESSED TAXES WILL NOT BE CHANGED.

Prior to the issuance of separate tax lots, the real estate tax estimates for each Unit will be determined by multiplying the total taxes due with respect to the Units by a percentage derived by dividing the Common Interest of each Unit by the total Common Interests of all Units. Upon determination of individual tax lots and assessments, the New York City tax authorities may allocate taxes between the Units in proportion to each Unit's percentage interest in the Common Elements rather than purchase price, or some combination of the two, and if so, Units having the same percentage interest may pay different real estate taxes.

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

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

TAXES -- DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

The following discussion of certain income tax consequences of the ownership of Units by purchasers who use such Units as a personal residence was prepared by Sponsor based, in part, upon the income tax opinion of Schwartz Reich Greenberg Atlas LLP, counsel to Sponsor, copy of which is set forth in Part I of this Plan.

SCHWARTZ SLADKUS REICH GREENBERG ATLAS LLP IS COUNSEL TO SPONSOR AND NOT THE UNIT OWNERS. EACH PURCHASER SHOULD CONSULT HIS OR HER OWN TAX COUNSEL AS TO THE TAX CONSEQUENCES OF UNIT OWNERSHIP UNDER THIS PLAN.

Deductibility of Mortgage Interest and Real Estate Taxes

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

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

Taxation of the Condominium

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

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

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

No warranties are given that the Internal Revenue Service, the New York State Department of Taxation and Finance or the Finance Administration of the City of New York will allow the aforementioned deductions for mortgage interest and real estate taxes. There is also no assurance that the tax laws or the regulations or rulings issued thereunder, or any judicial interpretation thereof, upon which Schwartz Sladkus Reich Greenberg Atlas LLP, as counsel to Sponsor, bases its opinion, will not change. In no event will Sponsor, Schwartz Sladkus Reich Greenberg Atlas LLP, the Selling Agent, the Managing Agent or any other person connected with this offering be liable if at any time it is held that the Unit Owners, or any of them, are not entitled to such income tax deductions. In addition, none of the aforesaid give any warranties with respect to the tax consequences of this Plan or the tax consequences of ownership of any Units offered under this Plan, and no one has been authorized to give any warranties.

TAX OPINION OF KORNGOLD, WEISS LIEBMAN & GELLES LLP

TUCHMAN, KORNGOLD, WEISS, LIEBMAN & GELLES, LLP

COUNSELORS AT LAW

6 EAST 45TH STREET

SEVENTH FLOOR

NEW YORK, N. Y. 10017

(212) 687-3747

FAX: (212) 599-4459

PAUL J. KORNGOLD

ERIC S. WEISS

DONALD LIEBMAN

BRETT J. GOTTLIEB

YUHTYNG T. PATKA*

GRACE A. BETANCOURT

PHILIP M. PLATZ**

BERT TUCHMAN (RET.)

* ALSO ADMITTED IN CT & NJ

** ALSO ADMITTED IN NJ

March 17, 2017

Gaia 308 East 38th Street LLC
152 West 57th Street
9th Floor
New York, New York 10019

RE: 308 East 38th Street
Block 943, Lot 52, 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 the conversion of the above referenced existing rental multiple dwelling into 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 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 July 1, 2017 through June 30, 2018 which will encompass the 2017/2018 tax year. 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 ninety-seven residential apartment units plus two commercial units.

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 current rent roll, the income and expenses of the property and a description of your square footage prepared by Spivak Architects.

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. We have also relied upon information on web sites maintained by the New York City Department of Buildings and Department of Finance.

Gaia 308 East 38th Street LLC
 March 17, 2017
 Page 2

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 tentative assessment roll containing the tentative 2017/2018 assessed values was published on January 15, 2016. The tentative assessment roll prior to exemptions showed the following values :

Tax Class	Actual Assessed Value	Transition Assessed Value
2	\$13,350,150	\$12,480,270

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 2016/2017 class 2 residential tax rate has been set at \$12.892 for each \$100 of assessed valuation and the class 4 rate has been set at \$10.574 for each \$100 of assessed valuation. The 2017/2018 tax rate will be set later this year.

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.

Gaia 308 East 38th Street LLC

March 17, 2017

Page 3

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 the common interest percentages have not been set as of the date of this letter but you expect the common interest percentages to approximate the square footage percentages between the residential square footage and the commercial square footage. Therefore we have based our estimate of future real estate taxes by assigning 98.107% of the estimated assessed value 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 July 1, 2017 through June 30, 2018, the taxes will be as follows:

July 1, 2017 through June 30, 2018

Unit	Assessed Value	Tax Rate	Tax
Residential	\$12,244,018	13.00%	\$1,591,722
Commercial	\$236,252	13.00% ¹	\$30,713

¹It is anticipated that for 2017/2018 the commercial units will not be apportioned and will pay on the class 2 tax rate.

Gaia 308 East 38th Street LLC

March 17, 2017

Page 4

We are setting forth below the history of the assessed values and approximate real estate taxes for the 2016/2017 tax year as well as the three previous tax years.

Tax Year	Transition AV	Actual AV	Tax Rate	Tax
2013/2014	9,978,600	10,500,000	13.145%	\$1,311,687
2014/2015	10,152,600	10,500,000	12.855%	\$1,305,117
2015/2016	10,847,490	13,824,450	12.883%	\$1,397,482
2016/2017	11,768,440	14,217,750	12.892%	\$1,517,187

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. This opinion letter is given as of the date hereof and we disclaim any obligation to advise you or any other party of any change which hereafter may be brought to our attention. We consent to the

TUCHMAN, KORNGOLD, WEISS, LIEBMAN & GELLES, LLP

Gaia 308 East 38th Street LLC

March 17, 2017

Page 5

inclusion of this letter in the offering plan.

Very truly yours,

TUCHMAN, KORNGOLD, WEISS, LIEBMAN & GELLES, LLP.

A handwritten signature in cursive script, appearing to read "Paul J. Korngold", written over the printed name.

By: Paul J. Korngold

339-i OPINION OF FINGER MANAGEMENT INC.

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-(i)

January 18, 2017

Gaia 308 East 38th Street LLC
 c/o Gaia Real Estate
 152 West 57th Street, 17th Floor
 New York, NY 10019

Re: The Vantage
308 East 38th, New York, New York

Ladies and Gentlemen:

This is with respect to the Plan of Condominium Organization of the premises at the above address and the allocation of the Percentage of Common Interest to the respective Units therein.

It is our opinion that the allocation of Percentages of Common Interest allocated to the respective Units as set forth in the Schedule A of the Plan of Condominium Organization are in compliance with the regulations issued pursuant to Real Property Law Article 9-B, Section 339-i.

The Sponsor has used the method (i) contained in Section 339-i (1) of the New York Condominium Act, which determines the allocation of common interests in the approximate fair value of the unit at the date of the declaration bears to the then aggregate fair value of all the units. Such method factored in a discount in determining the fair value of the income-restricted units in accordance with the Zoning Resolution and the Inclusionary Housing program.

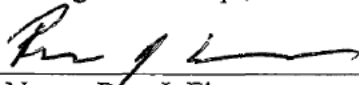
Finger Management Corp. (the "Company") has experience in many phases of real estate including, specifically, management of residential apartment buildings in New York City and has been active in the area for over twenty (20) years. The Company currently manages approximately thirty-six (36) condominium or cooperative apartment buildings in New York City. Ron J. Finger, of, the President, of Finger Management Corp has experience in many phases of real estate including, specifically, management of residential apartment buildings in New York City

The Company will not act as the selling agent of the property. We have no beneficial interest in the Sponsor and no interest in the profits of this conversion plan other than the fee for this service.

We hereby authorize the use of our name and this letter in connection with the proposed plan of condominium operation.

Very truly yours,

Finger Management Corp.,

By: 
 Name: Ron J. Finger
 Title: President

**REAL ESTATE TAX OPINION OF
SCHWARTZ SLADKUS REICH GREENBERG ATLAS LLP**

Jeffrey M. Schwartz – Direct – 212-743-7018 – jschwartz@ssrga.com

September 28, 2015

Gaia 308 East 38th Street LLC
c/o Gaia Real Estate
152 West 57th Street, 9th Floor
New York, NY 10019

Re: The Vantage (the “Condominium”)
Premises: 308 East 38th Street, New York, New York

Ladies and Gentlemen:

You have requested our opinion concerning (i) the deductibility, for Federal, New York State and New York City income tax purposes, of mortgage interest and real estate taxes paid by residents of New York who purchase the Units for residential use pursuant to the above-referenced Condominium Offering Plan (the “Plan”), and (ii) the qualification of the Condominium as a “homeowners association” under Section 528 of the Internal Revenue Code of 1986, as amended (the “Code”). This opinion does not address the tax consequences of the ownership of Units by corporations, other entities or foreign persons. Furthermore, this opinion does not address the tax consequences (i) of ownership of the Unsold Units, any Unit that is used for mixed residential/commercial purposes, or (ii) of any rebates or other payments that may be made, or benefits provided, to owners of Units. Except where otherwise indicated, the terms used in this opinion have the same meanings as in the Plan.

BACKGROUND

Factual Matters/Plan Documents

In connection with rendering this opinion, we have reviewed the Plan and have examined the schedules, exhibits and documents accompanying the Plan, including the declaration establishing, and the By-Laws governing, the operations of the Condominium (the “Plan Documents”). We have also considered the relevant sections of the Code, the New York State Tax Law, the New York City Administrative Code, the regulations promulgated thereunder and such other materials as we deemed relevant.

Pursuant to the Plan, the purchaser of a Unit will receive legal title in fee simple to his or her Unit, coupled with ownership of an undivided interest in the appurtenant Common Elements held in common with other Unit Owners. Such purchaser will have the right to place an individual mortgage on his or her separate Unit and will be liable to the local tax authority for the tax assessment with respect to his or her interest in the Property.

Assumptions

In rendering this opinion, we have assumed that the Plan is the document pursuant to which owners of the Units will acquire their Units and that the relevant facts are as set forth therein. More specifically, as discussed below, in considering whether the Condominium qualifies as a homeowners association, we have assumed that (i) the Units are used by individuals for residential purposes, (ii) the actual gross income and expenditures of the Condominium for its taxable year ending December 31, 2016 (the "2016 Taxable Year") are the same (or, are in the same proportions) as the estimated gross income and expenditures for the Condominium's first year of operations, as set forth in Schedule B to the Plan, (iii) the Condominium otherwise operates in accordance with the terms of the Plan and the Plan Documents, and (iv) there are no changes in the facts and/or the relevant provisions of current law.

DEDUCTIBILITY OF REAL ESTATE TAXES AND MORTGAGE INTEREST

Federal Income Tax

Under the circumstances described, the Internal Revenue Service (the "IRS") has ruled that the owner of a residential condominium unit may deduct interest paid on his or her mortgage indebtedness and the real estate taxes assessed and paid on his or her interest in the property. Rev. Rul. 64-31, 1964-1 (Part I) C.B. 300.

Accordingly, it is our opinion that an owner of a Unit who itemizes his or her deductions will be entitled under current law to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as set forth in Section 68 of the Code, real estate taxes assessed against his or her Unit and (assuming a cash basis taxpayer) paid to the local tax authority. However, no deduction for real estate taxes is permitted for purposes of the Federal alternative minimum tax. Owners of the Units should consult with their tax advisers regarding the applicability of the overall limitation on itemized deductions to the deductibility of real estate taxes.

A taxpayer generally is entitled to a deduction for Federal income tax purposes for interest paid with respect to a principal and one secondary residence (a "qualified residence") to the extent that the interest is attributable to indebtedness which is secured by the qualified residence and which (i) is incurred in acquiring, constructing or substantially improving the qualified residence (or which constitutes a refinancing thereof, to the extent that such indebtedness does not exceed the amount of the refinanced debt) ("acquisition indebtedness"), up to a maximum of \$1,000,000 for any period (\$500,000 in the case of a married individual filing a

separate return), or (ii) is any indebtedness other than acquisition indebtedness, up to the excess of the fair market value of any one qualified residence over the amount of acquisition indebtedness with respect to such residence ("home equity indebtedness"), but not to exceed \$100,000 (\$50,000 in the case of a married individual filing a separate return) in the aggregate for all qualified residences of the taxpayer in any period.

Accordingly, it is our opinion that an owner of a Unit who itemizes deductions and uses his or her Unit as a qualified residence will be entitled under current law to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as set forth in Section 68 of the Code, interest paid (assuming a cash basis taxpayer) by him or her on (i) acquisition indebtedness incurred with respect to his or her Unit to the extent that such indebtedness, when added to the amount of acquisition indebtedness incurred with respect to a second qualified residence (if any), does not exceed \$1,000,000 (\$500,000 in the case of a married individual filing a separate return) and (ii) home equity indebtedness with respect to his or her Unit to the extent that such indebtedness, when added to the amount of home equity indebtedness incurred with respect to a second qualified residence (if any), does not exceed \$100,000 (\$50,000 in the case of a married individual filing a separate return). Since the rules and limitations regarding the deductibility of home mortgage interest are complex, purchasers are urged to consult their tax advisers regarding the application of such rules and limitations to them, as well as regarding the deductibility of interest with respect to their Units for Federal alternative minimum tax purposes (which at present is subject to rules different than those described above for regular tax purposes). In addition, owners of Units should consult with their tax advisers regarding potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans and on the overall limitation on the allowance of itemized deductions.

New York State and City Income Tax

Each owner of a Unit who uses his or her Unit as a residence will generally be entitled to the same deduction for mortgage interest and real estate taxes paid or accrued with respect to his or her Unit for New York State and New York City income tax purposes as is allowed for Federal (regular) income tax purposes. However, under New York State and New York City income tax law, itemized deductions, such as interest and real estate tax deductions, are subject to reduction by as much as 50% in the case of individuals having income exceeding certain prescribed levels. Furthermore, purchasers should consult with their tax advisers to determine the application, if any, of the New York State and New York City minimum taxes to the deduction for mortgage interest and real estate taxes with respect to their Units.

QUALIFICATION AS A HOMEOWNERS ASSOCIATION

Application of Section 528 of the Code

It is our opinion that under present circumstances the Board of Managers will be eligible to elect to be exempt from Federal income tax on Common Charges collected from the Unit Owners pursuant to Code Section 528, an exemption that exists for a condominium association that qualifies as a "homeowners association" under such Section.

To qualify as a homeowners association, the Condominium must meet all of the following conditions: (1) it must be organized and operated to provide for the acquisition, construction, management, maintenance and care of association property, (2) at least 60% of its gross income for each taxable year must consist solely of amounts received as membership dues, fees or assessments from Unit Owners, (3) 90% or more of its expenditures for each taxable year must be made for the acquisition, construction, management, maintenance and care of association property, (4) no part of its net earnings can inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than by rebate of excess membership dues, fees, or assessments), (5) the Condominium must elect to be treated as a homeowners association, and (6) at least 85% of the total square footage of all Units within the Condominium must be used by individuals for residential purposes. See Treasury Regulation § 1.528-4(b). The qualification of an organization under the provisions of Section 528 is to be determined annually at the close of each taxable year and it is possible, therefore, that, if the Condominium does not qualify in one year, it may nevertheless qualify in one or more future years.

Based on the information contained in Schedule A to the Plan, at least eighty-five (85%) percent of the total square footage of all Units will be used by individuals for residential purposes. Accordingly, the Condominium can qualify as a homeowners association.

Alternatives to Section 528 of the Code

Absent the application of Code Section 528, the present state of federal law is unclear as to the precise tax status of the Condominium. An entity classification regime was adopted in regulations issued by the United States Treasury Department on December 17, 1996 and there is no authority addressing the application of those entity classification regulations to condominiums. Because the By-Laws of the Condominium provide that the Condominium Board (the "Board") will act as the agent of the Unit Owners represented by each such Board, the Condominium Board may take the position that the Condominium is not a separate entity and accordingly is not subject to the classification regime. In such case, the Unit Owners would, in

the aggregate, include in their gross income and be taxed on all income earned by the Condominium (which income may include interest or similar income earned from interim investments of the amounts assessed and collected from the Unit Owners), reduced by the expenses incurred in earning such income. For this purpose, the Common Charges would not be considered income earned by the Condominium through the Board collecting such charges. If, however, the Condominium is considered a separate entity it is unclear whether the Condominium would be taxable as a corporation or treated as a partnership for Federal income tax purposes. If the Condominium is taxable as a corporation, it would be considered a separate taxpayer with respect to income and deductions and return filing requirements and would be subject to Federal corporate income tax. If the Condominium is treated as a partnership, the partnership would not be subject to an entity level tax, the items of income and deduction of the partnership would generally be passed through to the Unit Owners in accordance with the provisions of Subchapter K of the Code, and the partnership would be required to file information returns.

Status for New York State and New York City Tax Purposes

The precise tax status of the Condominium for New York State and New York City tax purposes is also unclear. The relevant New York State and New York City laws incorporate by reference federal entity classification provisions which, as discussed above, do not specifically address the treatment of condominiums. If the Condominium is properly treated as a separate entity that is an association taxable as a corporation for Federal income tax purposes, it appears likely that the Condominium would be subject to the New York State Corporation Franchise Tax and the New York City General Corporation Tax. If the Condominium does not constitute an association that is taxable as a corporation for Federal income tax purposes, it is still possible, although not certain, that the Condominium might be subject to the New York State Franchise Tax. Further, in such event, it likely would be subject to the New York City Unincorporated Business Tax, unless the Condominium were eligible for and elected treatment under Code Section 528 as a homeowners association.

We express no views as to any Federal, New York State or New York City tax consequence other than those explicitly discussed in this opinion, or as to the tax status or tax consequences of the Plan under the laws of any other U.S. or foreign jurisdiction. Moreover, this opinion, while based on existing rules of law applied to the facts and documents referred to above, is not binding on the IRS or any court. No assurances can be given that the tax laws upon which we base this opinion will not change. In no event will the Sponsor, Schwartz Sladkus

Gaia 308 East 38th Street LLC
September 28, 2015
Page 6

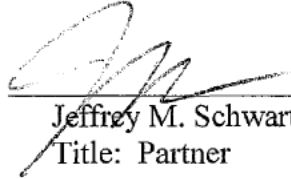
Reich Greenberg Atlas LLP, the Board, the Selling Agent or any other person be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or IRS rulings on which we have relied which cause the owners of Units not to be entitled to the income tax deductions described herein, or which would affect the tax treatment of the Condominium as described herein.

This opinion was written to support the promotion or marketing of the transaction(s) or matter(s) addressed in this opinion. Each purchaser should seek advice based on his or her particular circumstances from an independent tax advisor.

We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan and references to our name in the Plan.

Very truly yours,

SCHWARTZ SLADKUS REICH
GREENBERG ATLAS LLP

By: 

Jeffrey M. Schwartz
Title: Partner

791788

SCHWARTZ
SLADKUS
REICH
GREENBERG
ATLAS, LLP

RESERVE FUND

The New York City Council enacted Local Law No. 70 which amends Chapter 51 of the Administrative Code of the City of New York (the "Reserve Fund Law"), the full text of which is set forth in Part II of this Plan. The Reserve Fund Law requires Sponsor of an offering plan for the conversion of a building from rental to cooperative status to establish a reserve fund (the "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 in addition to the Working Capital Fund to be funded on the Closing Date by Purchasers.

Sponsor shall, within thirty (30) days after the First Closing Date, establish and transfer to the Condominium Board, a Reserve Fund in an amount equal to either:

- (i) three percent (3%) of the sum of the cost of all Units offered for sale pursuant to this Plan at the last price which was offered to tenants in occupancy of the Building prior to the Effective Date of this Plan regardless of the number of sales made (the "Total Price"), or
- (ii) (A) three percent (3%) of the actual sales prices of all Units offered for sale pursuant to this Plan which are sold by Sponsor at the Effective Date of this Plan, provided, however, that if such amount is less than one percent (1%) of the Total Price, then the Reserve Fund shall be established as a minimum of one percent (1%) of the Total Price; plus (B) supplemental contributions to be made by Sponsor at a rate of three percent (3%) of the actual sales price of Units for each Units offered for sale under this Plan held by Sponsor and sold to bona fide purchasers subsequent to the Effective Date of this Plan and within five (5) years of the Closing Date notwithstanding that the total amount contributed may exceed three percent (3%) of the Total Price; and provided, further, that if five (5) years from thirty (30) days after the Closing Date, the total contributions by Sponsor to the Reserve Fund are less than three percent (3%) of the Total Price, Sponsor shall pay the difference between the amount contributed and three percent (3%) of the Total Price. The supplemental contributions made under this subparagraph (B) shall be made within thirty (30) days of each sale of an Apartment under this Plan.

The Reserve Fund may not be reduced by closing adjustments but Sponsor may receive credit against the mandatory initial contribution for the actual cost of capital replacements begun after this Plan is submitted for filing to the Department of Law and before this Plan is declared effective. Such credit may not exceed the lesser of the actual cost of the capital replacements or one (1%) percent of the Total Price. Sponsor anticipates

taking a credit against the mandatory initial contribution for facade work and other work at the Building. Sponsor anticipates that the Reserve Fund is sufficient to pay for the major capital improvements and replacements which are reasonably foreseeable within five (5) years from the date of this Plan.

The exact amount of the Reserve Fund under the Reserve Fund Law cannot be determined until the Closing Date since it depends on which option Sponsor chooses under the Reserve Fund Law. Under no circumstances will the Reserve Fund be less than two (2%) percent 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 this Plan and until the Closing Date to post and maintain in a prominent place accessible to all 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.

In the event that at any time prior to the Closing Date, 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 fifteen (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 Closing Date, the Reserve Fund Law is repealed, Sponsor agrees to comply with its requirements as set forth in this 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 or levy a Special Assessment against the Unit Owners. Based upon estimates received by Sponsor, Sponsor believes that the Reserve Fund will be sufficient to pay for the replacement of capital items likely to be needed as disclosed in the Description of Property set forth in Part II of the Plan. The Reserve Fund may not be used to reduce Common Charges. No representation can be made, however, that after Sponsor relinquishes control, the Condominium Board may not decide to use the Reserve Fund for a purpose other than for which it has been established.

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 THIS 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.**

WORKING CAPITAL FUND AND APPORTIONMENTS

The Purchaser of each Unit shall be required to make a contribution at the Closing of his Unit(s) to the working capital fund of the Condominium (the "Working Capital Fund"). Such contribution shall be in an amount equal to two (2) month's Common Charges in effect for such Unit(s). In addition, upon the sale of any Unit, the transferee shall be obligated to pay to the Condominium an amount equal to two (2) months' Common Charges attributable to the subject Unit. At the First Closing, Sponsor will apportion with the Board the following items as of midnight of the date preceding said Closing:

- (1) employees' wages, vacation and severance pay, pension and welfare benefits and accruals and all other payments or obligations relative to the employees of the Building;
- (2) deposits with utility companies, if any, and fees for assignable permits and licenses, if any;
- (3) charges for electricity and other utilities for the General and Limited Common Elements;
- (4) cost of fuel on hand (plus sales tax), if any;
- (5) charges and receipts in connection with service, maintenance and concession contracts;
- (6) water charges and sewer rents on the basis of the fiscal or calendar year for which assessed (unless separately assessed to individual Units);
- (7) cost of Building supplies on hand at Sponsor's cost (including sales tax);
- (8) premiums for transferable insurance policies, if any;
- (9) management fees;
- (10) service contracts; and
- (11) other customary adjustments.

If any of the foregoing items to be apportioned cannot be adjusted at the First Closing because they are not fully ascertainable, they shall be apportioned and adjusted to the extent reasonably possible at the First Closing, and final adjustment will be made as soon thereafter as the undetermined amounts are ascertained. Except as herein otherwise expressly provided, the customs in respect to title closings adopted by the Real Estate Board of New York, Inc., as amended, shall apply to apportionments and other matters herein mentioned.

The Working Capital Fund will be held and used for working capital, or for such other appropriate purposes as will be determined by the Condominium Board and may be augmented by allocations from the monthly Common Charges collected from each Unit. While Sponsor controls the Condominium Board (see the Section entitled "Control By Sponsor"), the Working Capital Fund will not be used to reduce estimated Common Charges.

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

In the event that capital expenditures for renewal or replacement of Building components or systems or to remedy major Building defects are needed, it may be necessary to increase Common Charges or make special assessments payable by Unit Owners who are responsible for the repair and replacement of the Common Element in need of such renewal, replacement or remedy. Alternatively, the Condominium Board may determine to seek financing from a bank or other lending institution for such expenditures in accordance with the terms of the By-Laws and subject, in certain instances, to Unit Owner approval. In addition, pursuant to the By-Laws each Board is entitled to determine amounts for a reserve for replacements in establishing the annual budgets. No representation or warranty is made that the Working Capital Fund will be, or is intended to be, adequate to cover current or future expenses, for the first or any subsequent year of Condominium operation. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

SUMMARY OF MANAGEMENT AGREEMENT

The Condominium Board will enter into a management agreement with Finger Management Corp., a New York limited liability company having an address at 503 South Broadway Suite 235, Yonkers, New York 10705, as the Managing Agent, with respect to the Building at or prior to the First Closing. The principal of the Managing Agent is not affiliated with Sponsor or its principals.

The management agreement provides for a term of one (1) year commencing on the First Closing and thereafter, if not otherwise terminated by the Condominium Board on sixty (60) days' written notice or by the Managing Agent on ten (10) days' written notice.

The Managing Agent will receive an annual fee of \$48,000.00, paid in installments of \$4,000.00 due and payable on the first day of each month with two percent (2%) annual increases. The Condominium Board will also be required to reimburse the Managing Agent for its reasonable and customary out-of-pocket expenses incurred in managing the Building. In addition, the Managing Agent shall be permitted to charge Unit Owners fees for services rendered to Unit Owners (other than Sponsor or its designee) in connection with processing applications to sell or otherwise transfer or lease Units and obtaining necessary waivers of the right of first refusal by the Board of Managers, providing Unit Owner's with required information for their individual applications for an appraisal or mortgage refinance application, and processing Unit Owner applications for an alteration or renovation of the Unit. In addition, refundable fees for move-in may be required of each Purchaser. Such fees may be retained by the Condominium in the event a Purchaser or its agents causes damage to the Common Elements during the move-in. The fees charged by the Managing Agent are consistent with fees charged with other managing agents managing buildings in Manhattan.

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

- (1) billing and collecting Common Charges payable by Unit Owners and General Common Charges payable by the Condominium Board;
- (2) causing the Common Elements to be maintained, repaired and altered in the manner deemed advisable by the Condominium Board. The approval of the Condominium Board is necessary for any expenditure of over \$10,000.00 for any one item of ordinary repairs or alterations (other than emergency repairs or repairs to comply with a governmental notice or order);
- (3) contracting for necessary services and purchasing all supplies necessary to properly maintain and operate the Building and its Common Elements subject to the approval of the Condominium Board; provided, however that any contract having a term longer than one (1) year or for an amount in excess of \$10,000.00 must be authorized by the Condominium Board;

- (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 and discharging employees necessary for the proper maintenance and operation of the Building;
- (6) rendering monthly statements of receipts and disbursements to the Condominium Board or other designated entity, 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 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 Board and Unit Owners, and preparing agendas and sending notices relating to such meetings; and
- (11) generally, doing all things deemed reasonably necessary or desirable by the Boards for the proper management of the Building.

The Managing Agent, at the expense of the Condominium, will be bonded during the term of the Management Agreement under fidelity or general surety bonds in the amount of \$1,000,000.00 for any loss resulting from fraudulent or dishonest acts committed by the Managing Agent, its directors, officers or employees. The Condominium Board is also required to indemnify the Managing Agent against liability for claims arising from the Managing Agent's management of the Building provided the Managing Agent was acting pursuant to the terms of the Management Agreement and was not guilty of gross negligence or willful misconduct. The Management Agreement is assignable by the Managing Agent only with the prior written consent of the Condominium Board.

IDENTITY OF PARTIES

Sponsor

Sponsor is Gaia 308 East 38th Street LLC, a New York limited liability company, formed on January 8, 2015, with an office at c/o Gaia Real Estate, 152 West 57th Street, 17th Floor, New York, NY 10019. The Sponsor is owned 100% by Gaia Montrose Apartments LLC, a Delaware limited liability company owned by Gaia Real Estate Investment LLC, a Delaware limited liability company, Gaia Montrose Investors, LLC, a Delaware limited liability company and Acro Montrose Investors LP. Gaia Montrose Apartments, LLC is the managing member of Sponsor and no other party has an equity investment in the Sponsor of greater than ten percent (10%).

The principals of Sponsor are Gaia Montrose Apartments LLC and Daniel Fishman. The only other offering plan(s) in which any principal or affiliates of Sponsor have participated in are as follows: The Morellino (CD-080037), located at 159 West 118th Street, New York, New York, The Corinthian Condominium (CD-860207), located at 330 East 38th Street, New York, New York and The Nine 52nd Condominium (CD-150300), located 416 West 52nd Street, New York, New York. Neither Sponsor nor any of its principals (and/or any entities in which principals of the Sponsor were principals) have had any convictions (including felony convictions), were subject to any bankruptcy proceedings, injunctions or judgments that may be material to the offering plan or to an offering of securities generally and that occurred within the fifteen (15) years prior to the submission of the proposed Plan.

Selling Agent

Park River Properties LLC with offices at 152 West 57th Street, 17th Floor, New York, NY 10019, is the Selling Agent retained by the Sponsor in connection with the offering of Units. Selling Agent has over twenty-five (25) years' experience in the brokerage and sale of properties in the New York metropolitan area. The firm has no financial relationship, past or present, to the Sponsor.

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

Managing Agent

Finger Management Corp., a New York limited liability company having an address at 503 South Broadway Suite 235, Yonkers, New York 10705 will be the managing agent for the Building. (See the Section entitled "Management Agreement" in Part I of the Plan). The Managing Agent is not affiliated with the Sponsor. Finger

Management Corp. also manages 159 West 118th Street, New York, New York; 151-155 West 106th Street, New York, New York and 29 West 84th Street, New York, New York.

Finger Management has been in business for over ten (10) years in the New York metropolitan area and is experienced in the management of properties.

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

Attorneys for Sponsor

Sponsor has retained the law firm of Schwartz Sladkus Reich Greenberg Atlas LLP, having an office at 270 Madison Avenue, New York, New York 10016, to represent it in connection with the Plan. Schwartz Sladkus Reich Greenberg Atlas LLP prepared the Plan, the Declaration, the By-Laws and the forms of Purchase Agreement, Unit Deed and Unit Power of Attorney and has also rendered an opinion with respect to the availability of income tax deductions to purchasers of Units and compliance with Section 339-i of the Real Property Law. Jeffrey M. Schwartz, Esq. had principal responsibility for the preparation of the Plan. Schwartz Sladkus Reich Greenberg Atlas LLP will serve as Escrow Agent and will represent Sponsor in connection with matters relating to Unit Closings.

Sponsor's Architects/Engineers

The architect who prepared the Description of Property set forth in Part II of the Plan and the plans and specifications for the Building is Spivak Architects PC, having an office at 152 Madison Avenue, 15th floor, New York, New York 10016 and has over twenty-five (25) years' experience. EBI Consulting, having an address at 21 B Street, Burlington, MA 01803 assisted in the preparation of the Description of Property set forth in Part II of the Plan and the plans and specifications for the renovation of the Building and also has extensive experience in design and overall planning with over twenty-five (25) years' experience.

Sponsor's Condominium Expert

Finger Management Corp., a New York limited liability company having an address at 503 South Broadway Suite 235, Yonkers, New York 10705, is the Sponsor's Condominium Expert who prepared the budget for the Building. Finger Management has over ten (10) years' experience in the development, ownership, operation and management of New York City residential properties and is not related to Sponsor. Finger Management has estimated all amounts of income and expenses in Schedule B, "Projected Budget For First Year of Condominium Operation", in consultation with Sponsor and provided its

opinions regarding the adequacy of the Budget, and Sponsor's compliance with Section 339-i of the Real Property Law.

REPORT TO UNIT OWNERS

It is the obligation of the Condominium Board to give all Unit Owners annually:

- (1) A certified financial statement of the Condominium prepared by a certified public accountant within 120 days after the end of the Condominium's fiscal year;
- (2) Prior written notice of the Annual Meeting of Unit Owners; and
- (3) A copy of the proposed annual budget for the Condominium at least 10 days prior to the date set for adoption by the Condominium Board and while the Sponsor is in control of the Condominium Board, such budget shall be certified pursuant to 13 NYCRR §20.4(d).

RECORDATION, INSPECTION AND DELIVERY OF DOCUMENTS

Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan and all exhibits or documents referred to herein shall be available for inspection by prospective Purchasers, and by any person who shall have purchased a Unit offered by the Plan or shall have participated in the offering of such Unit, at Sponsor's office and shall remain available for such inspection for a period of six years all without charge and for copying for a reasonable charge. In addition, a set of Floor Plans showing the layout, locations and approximate dimensions, within reasonable tolerances, of each Unit and its unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the City Register's Office following the recording of the Declaration, and an additional set will be furnished to the Condominium Board.

The Declaration and the By-Laws will be recorded in advance of or concurrently with the First Closing. The recording of all deeds conveying individual Units will also be in the City Register's Office.

GENERAL

The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact. Sponsor believes that the Plan contains a fair summary of the material provisions of the documents referred to in the Plan, including those documents contained in Part II of the Plan. Exact copies are contained in Part II of the Plan of the form of Declaration, form of By-Laws, form of Purchase Agreement, form of Unit Deed, form of Unit Power of Attorney and other documents and Purchasers are urged to read the documents set forth in Part II of the Plan in their entirety. Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to herein, copies of which are on file with Sponsor, are necessarily not complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such document executed by or with the written consent of a Purchaser pursuant to the Plan, any rider or separate agreement changing or adding provisions to such document.

Under applicable Federal and local law, leaded paint can no longer be used in the construction of the Building. Sponsor is not aware of any lead based paint within the Building.

There are no lawsuits or other legal proceedings now pending, or any judgments outstanding, which could materially and adversely affect this offering, the Purchasers of Units, the Property, the Condominium or the operation thereof, which are not covered by insurance.

No party other than the respective Purchasers shall have any right or benefit herein or herefrom, including without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of Sponsor's obligations hereunder and no such third party shall be deemed to have received any benefit as a result of any of the provisions of the Plan.

Sponsor reserves the right, from time to time prior to the First Closing, upon amendment to the Plan, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor, the Purchasers and/or prospective Purchasers under the Plan. However, Sponsor may not unilaterally cancel a Purchase Agreement which is in effect, except as therein provided, as in the case of an uncured default, nor unilaterally change the purchase price or payment terms contained in such Purchase Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a substantial amendment to the Plan that materially adversely affects Purchasers, except as otherwise provided herein, Purchasers will have a right of rescission which may only be exercised within 15 days from the date of presentation of said amendment. Sponsor shall promptly return any Down Payment, together with any interest thereon, to Purchasers who rescind, except that Sponsor shall

retain the Down Payment (and any interest thereon) of any Purchaser who is in default under the Purchase Agreement beyond any applicable grace period.

In accordance with the provisions of the laws of the State of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person in the sale of Units offered by the Plan or in the leasing of any such Units because of such person's sex, race, creed, color, national origin, marital status, age, disability or any other ground proscribed by law.

Unless the context otherwise requires, words used in the singular in Part I of the Plan include the plural and vice versa, and a reference herein to any one gender, masculine, feminine or neuter, includes the other two.

No person has been authorized to make any statement or representation or furnish any information not expressly contained herein. Any information, data, or representations not contained herein or in the documents and exhibits referred to herein must not be relied upon. The Plan may not be changed or modified orally.

SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor hereby adopts the Description of Property set forth in Part II of the Plan and represents that it has no knowledge of any material defects or need for major repairs to the Property.

Exhibit 1

Purchase Agreement

PURCHASE AGREEMENT

GAIA 308 EAST 38TH STREET LLC

Sponsor-Seller

TO

Purchaser

UNIT NUMBER ____

OF

**THE VANTAGE
308 EAST 38TH STREET
NEW YORK, NEW YORK 10016**

TABLE OF CONTENTS

	<u>Page</u>
Introduction	
1. The Plan.....	1
2. Definitions.....	1
3. The Unit.....	1
4. Purchase Price.....	1
5. Intentionally Omitted	2
6. Closing Of Title.....	3
7. Delivery Of the Deed and Unit Power of Attorney.....	3
8. Marketable Title.....	4
9. Closing Adjustments.....	4
10. Mortgage Tax Credit.....	5
11. Closing Costs.....	5
12. Down Payment.....	5
13. Binding Effect Of Declaration, By-Laws and Rules and Regulations.....	5
14. Agreement Subject To Mortgage.....	6
15. Default By Purchaser.....	6
16. Withdrawal or Abandonment of the Plan.....	7
17. Sponsor's Inability To Convey The Unit.....	7
18. Fixtures, Appliances And Personal Property.....	7
19. Acceptance Of Condition Of Property.....	7
20. Damage To The Unit.....	8
21. No Representations.....	8
22. Prohibition Against Advertising.....	9
23. Broker.....	9
24. Agreement May Not Be Assigned.....	9
25. Binding Effect.....	9
26. Notices.....	9
27. Joint Purchasers.....	10
28. Performance By And Liability Of Sponsor.....	10
29. Further Assurances.....	10
30. Costs of Enforcing and Defending Agreement.....	10
31. Severability.....	10
32. Strict Compliance.....	10
33. Governing Law.....	10
34. Waiver Of Jury.....	11
35. Entire Agreement.....	11
36. Certain References.....	11
37. Captions.....	11
38. Rule Of Construction.....	11
39. Successors And Assigns.....	11
40. No Oral Changes.....	11
41. Amendments To The Plan.....	11
42. Escrow Fund Regulations.....	11

UNIT NUMBER(S) _____

OF

**THE VANTAGE
308 EAST 38TH STREET
NEW YORK, NEW YORK 10016**

(TO BE EXECUTED IN QUADRUPLICATE)

AGREEMENT, made as of _____, 201_, between Gaia 308 East 38th Street LLC, a New York limited liability company, having an office at c/o GAIA Real Estate, 152 West 57th Street, 17th Floor, New York, New York 10019 ("Sponsor"), and _____, having an address at _____ (the "Purchaser").

W I T N E S S E T H:

1. THE PLAN. Purchaser acknowledges having received and read a copy of the Offering Plan for The Vantage and all amendments thereto, if any, filed with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") at least seven (7) days prior to Purchaser's signing this Agreement. Purchaser shall have the right to rescind this Agreement within seven (7) days following the date Purchaser signs this Agreement. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding.

2. DEFINITIONS. Terms used herein which are also used in the Plan shall have the same meanings herein as therein unless the context otherwise requires.

3. THE UNIT. Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the unit(s) ("Unit"), together with the percentage of undivided interest in the Common Elements of the Condominium appurtenant thereto.

4. PURCHASE PRICE.

4.1. The purchase price for the Unit (the "Purchase Price") is \$_____

The Purchase Price is payable as follows:

(a) \$_____ [an amount that is at least 10% of the Purchase Price] (the "Down Payment" or "Deposit"), due upon Purchaser's signing and submitting this Agreement, by check (subject to collection), receipt of which is hereby acknowledged; and

(b) \$_____, constituting the balance of the Purchase Price, by good certified check of Purchaser or official bank check, payable on the delivery of the deed as hereinafter provided.

4.2. All checks shall represent United States currency and shall be drawn on or issued by a New York bank or trust company which is a member of The New York Clearing House Association, unless otherwise agreed to by Sponsor. Checks for the Down Payment shall be made payable to "Schwartz Sladkus Reich Greenberg Atlas LLP, Escrow Agent". Checks for the balance of the Purchase Price shall be made payable to the direct order of "Gaia 308 East 38th Street, LLC" or such other party as Sponsor may designate upon not less than two (2) days prior notice. If any check is returned for insufficient funds or any other reason, Sponsor at its option, may declare this Agreement void ab initio and of no further force and effect and may institute an action against Purchaser for the collection of the Down Payment as liquidated damages or may declare a default by Purchaser under this Agreement which shall entitle Sponsor to exercise any of the remedies set forth in Article 15 hereof.

5. INTENTIONALLY OMITTED.

6. CLOSING OF TITLE.

6.1. The closing of title shall be held at such place in the City and State of New York and on such date and hour as Sponsor may designate to Purchaser on not less than thirty (30) days' prior written notice. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Sponsor's attorneys at closing an extra fee as set forth in the Plan. Sponsor, from time to time, may adjourn the date and hour for closing on written notice to Purchaser, which notice shall fix a new date, hour and place for the closing of title and will be given not less than two (2) business days prior to the new scheduled date and time for closing.

6.2. The closing of title shall occur only after or concurrently with the compliance with the prerequisites as set forth under "Terms of Sale" in Part I of the Plan.

6.3. The term "Closing Date" or "closing of title" or words of similar import, whenever used herein, shall mean the date designated by Sponsor on which the deed to the Unit is delivered to Purchaser, or any adjourned date fixed by Sponsor pursuant to subsection 6.1 hereof.

7. DELIVERY OF THE DEED AND UNIT POWER OF ATTORNEY.

7.1. At the closing of title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenant against grantor's acts conveying title to the Unit to Purchaser. The deed shall be prepared by Sponsor in substantially the form set forth in Part II of the Plan, as the same shall be amended, and shall be executed and acknowledged by Sponsor in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes, and Sponsor and Purchaser shall duly execute a New York City Real Property Transfer Tax return and any other forms then required by law, all of which shall be prepared by Sponsor.

7.2. At the closing of title and simultaneously with the delivery of the deed conveying the Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board and Sponsor substantially in the form set forth in Part II of the Plan.

7.3. The deed and power of attorney to the Condominium Board and Sponsor shall be delivered to the representative of the title company insuring Purchaser's title (or, if no such representative is present, then to Sponsor's attorney) for recording in the City Register's Office, which recording shall be at Purchaser's expense. After being recorded, the deed shall be returned to Purchaser and the power of attorney shall be sent to the Managing Agent.

7.4. Sponsor shall deliver to Purchaser a certification stating that Sponsor is not a foreign person in the form then required by the Code Withholding Section and (ii) each party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, as such other party may reasonably request in order to comply with IRS §6045(e), as amended, or any successor provision or any regulations promulgated pursuant thereto, insofar as the same requires reporting of information in respect of real estate transactions.

8. MARKETABLE TITLE. At the closing of title, Sponsor shall convey to Purchaser fee simple title to the Unit, free and clear of all encumbrances other than those expressly agreed to by Purchaser or set forth in Schedule A annexed hereto and made a part hereof. Any encumbrance to which title is not to be subject shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to Purchaser's title insurance company, together with the attendant recording or filing fee, if any, or (b) First American Title Insurance Company, having an address at 633 Third Avenue, New York, New York 10017, Attn: Gail Heiner (Tel: (212) 922-9700; Fax: (212) 922-0881) (or such other title insurance company as Purchaser may utilize), is or would be willing, in a fee policy issued by it to the Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien.

9. CLOSING ADJUSTMENTS.

9.1. Subject to Paragraph 15 hereof, 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 for the month in which title closes; and
- (c) accrued rent and any other charges pursuant to an interim lease or use and occupancy agreement, if any, covering the Unit.

9.2. If a Unit has been separately assessed but the closing of title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title. If a Unit has not been separately assessed as of the Closing Date for the then current tax period, the adjustment under subsection 9.1(a) hereof shall be based upon the assessment for the Property and the percentage interest in the Common Elements appurtenant to the Unit.

9.3. Purchaser hereby agrees that, if Sponsor obtains a refund for real estate taxes paid (or a credit for such taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will

apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this subsection shall survive the closing of title.

9.4. The “Customs in Respect of Title Closings” recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned except as otherwise provided herein.

10. MORTGAGE TAX CREDIT. In the event a mortgage recording tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, it is specifically understood that such credit shall inure to the benefit of Sponsor. Accordingly, at closing, a Purchaser who elects mortgage financing will be responsible to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. Sponsor at closing will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed.

11. CLOSING COSTS.

(A) In addition to those costs and adjustments described in Articles 9 and 10 herein, Purchaser shall be required to pay the other closing costs which are Purchaser’s responsibility as more particularly described in Part I of the Plan entitled “Closing Costs and Adjustments.” The Closing Costs and Adjustments include, but are not limited to, the following:

- (i) The New York City Real Property Transfer Tax;
- (ii) The New York State Transfer Tax;
- (iii) The New York State Additional Transfer Tax (commonly referred to as the “Mansion Tax”);
- (iv) A working capital contribution equal to two (2) month’s Common Charges; and
- (v) The legal fees of Sponsor.

12. DOWN PAYMENT. The Down Payment made pursuant to this Agreement is subject to the requirements of Section 71-a(3) of the State of New York Lien Law and Sections 352-e(2)(b) and 352-h of the General Business Law of the State of New York. Any Down Payment received from Purchaser will be held in accordance with the terms of the Escrow and Trust Fund Requirements as set forth in Paragraph 42 herein. Sponsor is required by law to submit a Form 1099 to the Internal Revenue Service reporting interest earned on Purchaser’s Down Payment, if any. Purchaser will be taxed accordingly on such interest, whether or not Purchaser ultimately receives the interest in accordance with the terms of this paragraph.

13. BINDING EFFECT OF DECLARATION, BY-LAWS AND RULES AND REGULATIONS. Purchaser hereby accepts and approves the Plan (including the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof.

14. AGREEMENT SUBJECT TO MORTGAGE. No encumbrance shall arise against the Property as a result of this Agreement or any monies deposited hereunder. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage, including, but not limited to, any construction or building loan mortgage, heretofore or hereafter made any advances heretofore or hereafter made thereon and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of each Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date, unless Purchaser voluntarily assumes such mortgage or consents to the continuation of the lien thereof. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its (their) undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of its other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

15. DEFAULT BY PURCHASER.

15.1. TIME IS OF THE ESSENCE with regard to Purchaser's obligations to pay the balance of the Purchase Price and to perform Purchaser's other obligations under this Agreement. If Purchaser fails to make such payment when required as herein provided or fails to perform any of Purchaser's other obligations hereunder, Sponsor shall give written notice to Purchaser of such default. If such default shall not be cured within thirty (30) days thereafter, Sponsor may, at its option, cancel this Agreement by notice of cancellation to Purchaser. If Sponsor elects to cancel this Agreement, (a) Sponsor may retain all sums deposited by Purchaser hereunder (including any amounts paid by Purchaser for additional work in the Unit), together with interest earned thereon, as liquidated damages (Sponsor's actual damages being difficult or impossible to ascertain) and, upon retaining such sum, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan and (b) Sponsor may sell the Unit to any third party as though this Agreement had never been made (without any obligation to account to Purchaser for any part of the proceeds of such sale).

15.2. If Purchaser fails for any reason to close title to his Unit on the originally scheduled Closing Date (a) the closing apportionments described in Section 9.1 of this Agreement will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual closing of title occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under this Agreement and the Plan, an amount equal to 0.03% of the Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to his Unit on the rescheduled Closing Date.

16. WITHDRAWAL OR ABANDONMENT OF PLAN. The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in Part I of the Plan. Provided Purchaser is not then in default under this Agreement beyond any applicable grace period, if the Plan is withdrawn or abandoned, this Agreement shall be deemed canceled and, not later than ten (10) days thereafter, Sponsor shall return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any, and, upon making such payment, neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan.

17. SPONSOR'S INABILITY TO CONVEY THE UNITS. If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan, Sponsor shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability, and, in such case, if Sponsor notifies Purchaser of its refusal to cure such inability and if Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such inability (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within thirty (30) days after receipt of notice of termination from Purchaser, return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any, and, upon making such payment, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan. The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within fifteen (15) days after the giving of Sponsor's notice of refusal to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the remedy described in clause (a) above (*i.e.*, to acquire title subject to such inability).

18. FIXTURES, APPLIANCES AND PERSONAL PROPERTY. Only those fixtures, appliances and items of personal property which are described in the Description of the Property in Part II of the Plan as being part of the Unit are included in the sale of the Unit pursuant to the provisions of this Agreement. At the Closing, Sponsor shall transfer to Purchaser any assignable warranties and undertakings received by Sponsor which relate to appliances, equipment or fixtures located in the Unit.

19. ACCEPTANCE OF CONDITION OF PROPERTY. Purchaser shall accept title (without abatement in, or credit against, the Purchase Price or any provision for escrow deposits at the closing of title) notwithstanding the failure to complete construction of (a) minor details of the Unit or the Property, (b) other Units or (c) the Common Elements of the Property which do not prevent Purchaser's use of the Unit. Purchaser shall carefully inspect the Unit prior to the closing of title and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan. However, if Purchaser finds that Sponsor's improvements have not been completed, although such improvements have been substantially completed, then Sponsor and Purchaser will agree to include on the inspection statement a list of incomplete work of a material nature to be completed in the Unit by Sponsor following the closing of title. Sponsor shall have no obligation to complete any work to the Unit which is not specifically designated on the inspection statement by Purchaser, except for work necessary to cure violations and to obtain a temporary or permanent certificate of occupancy covering the Unit. Purchaser will receive five (5) business

days notice that the Unit is available for inspection. If Purchaser fails to inspect the Unit within said five (5) day period, Purchaser shall be deemed to have accepted the Unit in good condition and in accordance with the terms of the Plan. Except as expressly provided in this Agreement or the Plan, including but not limited to subparagraph (1) of the subsection entitled "Sponsor's Obligations with Respect to the Building" of the Section entitled "Rights and Obligations of Sponsor," Sponsor shall have no obligation to repair or improve the Unit, any portion of the Property, or the appliances, equipment or fixtures attached to or used in connection with the Unit or the Property.

Sponsor will not be obligated to correct, and will not be liable to any Board or Unit Owner as a result of any defects in construction, or in the installation or operation of any mechanical equipment, appliances, other equipment, finishes, materials or fixtures (including kitchen appliances and bathroom fixtures), as specifically set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor".

Notwithstanding the foregoing, Sponsor will be obligated to repair abnormal scratches in plastic laminate, vitreous china, natural stone, wood, porcelain and metallic surfaces by filling or refinishing the same, but Sponsor will not be obligated to replace any such surfaces.

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 is assumed by Sponsor until the earlier of closing of title or possession of the Unit by Purchaser, but without any obligation or liability by Sponsor to repair or restore the Unit. If Sponsor elects to repair or restore the Unit, this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Boards and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and, if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing of title.

20.2. In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit, or, if the Declaration has been recorded prior thereto, the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, this Agreement shall be deemed canceled and of no further force and effect and Sponsor shall return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any, and neither party hereto shall have any further rights, obligations or liability to or against the other hereunder or under the Plan, except that if Purchaser is then in default hereunder (beyond any applicable grace period), Sponsor shall retain all such sums deposited by Purchaser hereunder, together with any interest earned thereon, as and for liquidated damages.

21. NO REPRESENTATIONS. Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description

or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the purchase of the Unit, or any other data, except as herein or in the Plan specifically represented, Purchaser having relied solely on his own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor except as herein or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements or any other part of the Property other than as set forth herein or in the Plan.

22. PROHIBITION AGAINST ADVERTISING. Prior to the closing of title, Purchaser agrees not to list the Unit for resale or rental with any broker or to advertise or otherwise offer, promote or publicize the availability of the Unit for sale or lease, without Sponsor's prior written consent.

23. BROKER. Purchaser represents to Sponsor that Sponsor, Sponsor's Selling Agent and _____ are the only brokers or sales agents with whom Purchaser has dealt in connection with this transaction, and Sponsor agrees to pay the commission earned by said broker pursuant to a separate agreement. Purchaser agrees that should any claim be made against Sponsor for commissions by any broker, other than the aforementioned 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 reasonable legal fees. The provisions of this Article 23 shall survive the closing of title.

24. AGREEMENT MAY NOT BE ASSIGNED. Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor. Any purported assignment by Purchaser in violation of this Agreement will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement, then Purchaser shall be required to pay Sponsor's reasonable attorneys' fees in advance, for preparation of an assignment agreement.

25. BINDING EFFECT. This Agreement shall not be binding on Sponsor until a fully executed counterpart hereof has been delivered to Purchaser. If this Agreement is not accepted within thirty (30) days from the date hereof by the delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed to have been rejected and canceled and the deposit paid on the execution hereof shall be promptly returned to Purchaser. If Purchaser has not received the Plan and all amendments thereto at least three full (3) days prior to Purchaser's signing this Agreement, the Purchaser shall have the right to rescind this Agreement within seven (7) days from the date of this Agreement.

26. NOTICES. Any notice, request, letter, consent or other communication hereunder or under the Plan shall be in writing and hand delivered or sent, postage prepaid, by registered or

certified mail, to Purchaser at the address given at the beginning of this Agreement, and to Sponsor at the address given at the beginning of this Agreement, with a copy to Schwartz Sladkus Reich Greenberg Atlas LLP, 270 Madison Avenue, New York, New York 10016, Attn: Jeffrey M. Schwartz, Esq. in the same manner as notice is given to Sponsor, or to such other address as either party may hereafter designate to the other in writing. Except as otherwise expressly provided herein, the date of hand delivery or mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself.

27. JOINT PURCHASERS. The term "Purchaser" shall be read as "Purchasers" if more than one person are purchasers, in which case their obligations shall be joint and several.

28. PERFORMANCE BY AND LIABILITY OF SPONSOR. Purchaser's acceptance of the deed for the Unit shall be deemed to be a full performance and discharge of each and every agreement and obligation on the part of Sponsor to be performed pursuant to the provisions of this Agreement, the Plan, 13 NYCRR Part 23 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan) and General Business Law §352-e, except those (if any) herein or therein expressly stated to survive delivery of such deed.

29. FURTHER ASSURANCES. Either party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction. The parties each represent, warrant and covenant, with respect to themselves, their affiliates and any and all direct and indirect owners: (i) that each is and shall be in compliance with all applicable "Anti-Money Laundering Laws", meaning those laws, regulations and sanctions, state and federal, criminal and civil, that (A) limit the use of and/or seek the forfeiture of proceeds from illegal transactions; (B) limit commercial transactions with designated countries or individuals believed to be terrorists, narcotics dealers or otherwise engaged in activities contrary to the interests of the United States; (C) require identification and documentation of the parties with whom a Financial Institution conducts business; or (D) are designed to disrupt the flow of funds to terrorist organizations, including the requirements of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA Patriot Act) of 2001 ("USA PATRIOT Act"), the requirements of Executive Order No. 13224, 66 Fed. Reg. 49079 (Sept. 23, 2001) (the Office of Foreign Asset Control, Department of the Treasury ("OFAC")), including OFAC's Specially Designated National and Blocked Persons Lists, the requirements of the Department of the Treasury, and the requirements of any enabling legislation or other Executive Orders or regulations in respect thereof (the USA PATRIOT Act and such other rules, regulations, legislation, or orders are collectively called the "Orders"); (ii) Seller and Buyer shall each make its policies, procedures and practices regarding compliance with the Orders, if any, available to the other for its review and inspection during normal business hours and upon reasonable prior notice; (iii) neither Seller nor Buyer nor any direct or indirect beneficial owner of either is listed on or is engaging in financial transactions with the individuals, companies, entities, groups, organizations and countries designated on the lists maintained by various government agencies in connection with

the Orders, including (I) the two lists maintained by the United States Department of Commerce (Denied Persons and Entities) can be found at <http://www.bis.doc.gov>; (II) the two lists maintained by the United States Department of Treasury (Specially Designated Nationals and Blocked Persons) can be found at <http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>, (III) the two lists maintained by the United States Department of State (Terrorist Organizations and Debarred Parties); the Terrorists Organizations list can be found at <http://www.state.gov/j/ct/rls/other/des/123085.htm>; the Debarred Parties list can be found at <http://pmddtc.state.gov/compliance/debar.html>, or (IV) any other list of terrorists, terrorist organizations or narcotics traffickers maintained pursuant to any of the rules and regulations of OFAC, The United States Department of the Treasury, or maintained by any other government or agency thereof; and (iv) if either Seller or Buyer or any of their affiliates obtains knowledge that it, its affiliates, any of their direct or indirect beneficial owners, or any of the individuals, companies, entities, groups, organizations, or countries with whom they are engaging in financial transactions becomes listed on the foregoing lists or is indicted, arraigned, or custodially detained on charges involving money laundering or predicate crimes to money laundering, they shall immediately notify the other in writing, and in such event, and without limiting its other rights and remedies resulting from such fact, and such party shall have the right to treat such fact as a material breach by the other hereunder. The representations and covenants made herein shall survive the closing of title or termination of this Purchase Agreement.

30. COSTS OF ENFORCING AND DEFENDING AGREEMENT. Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under this Agreement or, in the event Purchaser defaults under this Agreement beyond any applicable grace period, in canceling this Agreement or otherwise enforcing Purchaser's obligations hereunder.

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

32. STRICT COMPLIANCE. Any failure by Sponsor to insist upon the strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and Sponsor, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

33. GOVERNING LAW. The provisions of this Agreement shall be governed by and construed in accordance with the internal laws of the State of New York applicable to agreements made and to be performed wholly in the State of New York, without regard to principles of conflicts of law.

34. WAIVER OF JURY. Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, or connected with, or relating to, this Agreement or the relationship created hereby.

35. ENTIRE AGREEMENT. This Agreement supersedes any and all understandings and agreements between the parties with respect to the subject matter hereof.

36. CERTAIN REFERENCES. A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The terms "herein," "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used, unless the context otherwise requires. Unless otherwise stated, all references herein to Articles, Sections, subsections or other provisions are references to Articles, Sections, subsections or other provisions of this Agreement.

37. CAPTIONS. The captions in this Agreement are for convenience of reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof

38. RULE OF CONSTRUCTION. There shall be no presumption against the draftsman of this Agreement.

39. SUCCESSORS AND ASSIGNS. The provisions of this Agreement shall bind and inure to the benefit of Purchaser and his heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

40. NO ORAL CHANGES. This Agreement cannot be changed or terminated orally. ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES HERETO OR BY AN AMENDMENT TO THE PLAN.

41. AMENDMENTS TO THE PLAN. Subject to any provision of the Plan to the contrary, if there is a substantial amendment to the Plan that materially and adversely affects Purchaser as determined by the Office of the Attorney General, Purchaser will have a period of fifteen (15) days from the date of presentation of said amendment within which to rescind this Agreement and, if Purchaser exercises such right of rescission, Sponsor shall return the Down Payment, together with any interest thereon, pursuant to this Agreement within thirty (30) days.

42. ESCROW FUND REGULATIONS.

42.1 The law firm of Schwartz Sladkus Reich Greenberg Atlas LLP, with an address at 270 Madison Avenue, New York, New York 10016, telephone number (212) 743-

7000, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Eli Greenberg, Jeffrey S. Reich and Jeffrey M. Schwartz. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

42.2 Escrow Agent and all authorized signatories hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of the Purchase Agreement or otherwise concerning the maintenance or release of the Deposit from escrow.

42.3 The Escrow Agent has established the escrow account at Citibank, NA, located at 153 East 53rd Street, 23rd Floor, New York, New York 10022 ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled Schwartz Sladkus Reich Greenberg Atlas LLP Trust Account (the "Escrow Account"). The Escrow Account is not an IOLA account. The Escrow Account is federally insured by the FDIC at the maximum amount of \$250,000 per deposit. Any deposit in excess of \$250,000 will not be insured.

42.4 All Deposits received by Escrow Agent shall be in the form of checks or wire transfers, and shall be made payable directly to the order of Schwartz Sladkus Reich Greenberg Atlas LLP, as Escrow Agent.

42.5 The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts, which is currently .05%. Interest shall begin to accrue upon placing the Deposit into the Escrow Account. All interest earned thereon shall be paid to or credited to the Purchaser at closing. No fees of any kind may be deducted from the Escrow Account, and the Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

42.6 Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Escrow Account. Within ten (10) business days of placing the Deposit in the Escrow Account, Escrow Agent shall provide written notice to Purchaser and Sponsor confirming the Deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit. Any Deposit made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.

42.7 The Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Deposit, he or she may cancel the Purchase Agreement within ninety (90) days after tender of the Purchase Agreement and Deposit 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, N.Y. 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow

Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

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

42.9 Under no circumstances shall Sponsor seek or accept release of the Deposit of a defaulting Purchaser until after consummation of the Plan, as evidenced by the acceptance of an effectiveness amendment by the New York State Department of Law. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-3(2-b) and 352-h.

42.10 The Escrow Agent shall release the Deposit if so directed:

(a) pursuant to terms and conditions set forth in the Purchase Agreement in Paragraph 6 upon closing of title to the Unit; or

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

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

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

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

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

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

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

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

42.12 Escrow Agent shall maintain the Escrow Account under its direct supervision and control.

42.13 A fiduciary relationship shall exist between Escrow Agent, and Purchaser, and Escrow Agent acknowledges its fiduciary and statutory obligations pursuant to GBL §§ 352(e)(2-b) and 352(h).

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

42.15 Sponsor agrees that Sponsor and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the unit to a designated attorney who is a member of or employed by Escrow Agent, within two (2) business days of tender of the Deposit by Purchaser.

42.16 Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary duties and statutory obligations as set forth in GBL §§ 352-(e)(2-b) and 352-(h) and the New York State Department of Law's regulations.

42.17 Sponsor shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from Purchaser and deliver such form to Escrow Agent together with the Deposit and this Purchase Agreement.

42.18 Prior to release of the Deposit, Escrow Agent's fees and disbursements shall neither be paid by Sponsor from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

42.19 Sponsor agrees to defend, indemnify and hold Escrow Agent harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of Escrow Agent's responsibilities arising in connection with this Purchase Agreement or the performance or non-performance of Escrow Agent's duties under this Purchase Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the obligations set forth in this Purchase Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by Escrow Agent to itself.

Remainder of the Page Intentionally Left Blank

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

ESCROW AGENT: Schwartz Sladkus Reich Greenberg Atlas LLP By: _____ Name: _____ Title: Partner	SPONSOR: GAIA 308 EAST 38TH STREET LLC, a New York limited liability company By: GAIA MONTROSE APARTMENTS, LLC, a Delaware limited liability company, its Managing Member By: Gaia Real Estate Investment LLC, a Delaware limited liability company, its Managing Member By: Gaia Real Estate Holdings, LLC, a Delaware limited liability company, its Managing Member By: _____ Name: _____ Title: Authorized Signatory
Purchaser's Attorney:	PURCHASER: By: _____ _____ (Social Security or Federal I.D. Number) Telephone No. _____

SCHEDULE A

PERMITTED ENCUMBRANCES

1. State of facts shown on an accurate survey provided such state of facts does not prohibit the use of the Unit for residential use as the case may be and does not render title unmarketable.

2. Zoning and building laws, ordinances, resolutions, restrictions and regulations of municipal authorities having jurisdiction and any amendments thereto, now or hereafter adopted, providing same will not be violated by the Building.

3. The Declaration and By-Laws, Maps and Floor Plans recorded and filed in the New York County office of the Register of the City of New York, as the same may be amended from time to time and the terms, covenants and conditions of the Offering Plan and amendments thereto.

4. Power of Attorney from Purchaser to the Condominium Board of Managers.

5. Easement in favor of adjoining Units and in favor of the Common Elements for the continuance of all encroachments of such adjoining Units or Common Elements on the Unit, existing as a result of construction or renovation of the Building, or which may come into existence as a result of settling or shifting of the Building, or as a result of repair or restoration of the Building or any adjoining Unit or of the Common Elements made by or with the consent of the Sponsor or the Board of Managers after damage or destruction by fire or other casualty after a taking in condemnation or eminent domain proceedings, or by reason of an alteration or repair to the Common Elements, made by or with the consent of the Sponsor or the Board of Managers, so that any such encroachments may remain so long as the Building shall stand and so long as same does not affect the use of the Unit for its intended purpose.

6. Any easement or right of use required by Sponsor, its designees and their assigns, invitees, licensees, contractors and employees in, over, above and across all areas of the Property for construction, installation, maintenance, ingress to and egress from and the right to use all areas and facilities in, on, appurtenant to or servicing the Property, and to obtain temporary, permanent or amended certificate(s) of occupancy for the Building or any part thereof and to erect and maintain signs on the Property for the purpose of advertising the sale and/or leasing of Units (see also "Rights and Obligations of Sponsor").

7. Encroachments of trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings, chutes, fuel oil lines, drainage and standpipes, and similar projections, if any, on, over or under the Property or the streets, sidewalks or premises abutting the Property, and the rights of governmental authorities to require the removal of any such projections, and variations between record lines of the Property and retaining walls and the like, if any, so long as same do not interfere with the use and occupancy of the Unit.

8. Leases and service, maintenance, employment, concessionaire and license agreements contemplated by this Plan.

9. The lien of any unpaid Common Charges, real estate tax, water charge or sewer rent, provided that apportionment of same is adjusted as provided in this Plan.

10. Easements in favor of the other Unit Owners to access and use the pipes, wires, ducts, conduits, cables, public utilities and other Common Elements located in the Unit or elsewhere on the Property and serving such other Units, easements in favor of the Board of Managers and Sponsor for access to Units and Common Elements, and any other easements described in the Offering Plan, as it may be amended.

11. Any easement or right of use created in favor of any public utility company for electricity, steam, gas, telephone, water or other service, and the right to use, maintain and repair wires, cables, terminal boxes, lines, service connections, poles, mains, facilities and the like upon, under and across the Property.

12. Franchise taxes, if any, provided the Title Company will insure that such taxes cannot be collected from the Unit.

13. Standard printed exceptions to the NYBTU or ATLA policies of title insurance.

14. Any Certificate of Occupancy for the Building, so long as the same permits or does not prohibit the use of the Unit for its stated purposes.

15. Any lease or other occupancy agreement for the Unit made by Sponsor and Purchaser.

16. Any violations against the Property which are not specific to only the Unit.

17. Variations between tax map and premises described in Schedule A.

18. Any other covenants, restrictions, easements, or other encumbrances (other than for the payment of money) provided same do not prohibit the existence and use of the Unit for purposes as identified in the Plan.

19. Rights, if any, to maintain vaults and chutes under the sidewalk.

20. Any lien, encumbrance, or condition not included in the liens and encumbrances listed above either (i) 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 (ii) as to which the Title Company will insure (without additional premium) that such lien or encumbrance will not be collected out of or enforced against the Unit; or (iii) as to which the Sponsor, at its sole option, pays and discharges from monies paid by Purchaser at closing.

Exhibit 2

Unit Power of Attorney

UNIT POWER OF ATTORNEY

Terms used in this Unit Power of Attorney which are used (a) in the declaration (the "Declaration") submitted by Gaia 308 East 38th Street LLC, a New York limited liability company ("Declarant") establishing a plan for condominium ownership of the premises known as The Vantage and by the street number 308 East 38th Street, New York, New York 10016 under Article 9-B of the Real Property Law of the State of New York, dated _____, and recorded in the New York County Office of the Register of The City of New York on _____, in City File Register Number _____, or (b) in the By-Laws of The Vantage (the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned, _____ and _____ the owner of the Condominium Unit (the "Unit") in The Vantage which is (are) designated and described as Unit No. _____ the Declaration and also designated as Tax Lot _____ in Block 943 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a Majority of Unit Owners, to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Unit, together with its Appurtenant Interests, from any Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a Majority of Unit Owners, to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present, (2) upon determination by the Condominium Board, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Common Elements which the Condominium Board, with respect to the Common Elements, deems necessary and appropriate to comply with any ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Condominium, or (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium which the Condominium Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Condominium Board shall constitute the acts of said attorneys-in-fact.

The undersigned, do(es) hereby nominate, constitute and appoint the Declarant, true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, 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 execute an amendment to the Declaration, By-Laws and the Rules and Regulations of the Condominium or any permits, applications or documents required to undertake, perform or complete work to the Unsold Units or Common Elements by Declarant or obtain an amended certificate of occupancy therefor, or any of said documents when such amendment (i) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the aforesaid Units resulting therefrom made by Declarant in accordance with the Declaration or (ii) shall be required by an (x) Institutional Lender designated by Declarant to make a mortgage loan secured by a mortgage on any Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Declarant to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of subdivision (a) or (b) of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material or physical modification to the undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage held by an Institutional Lender covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ____ day of _____, 201__.

RECORD AND RETURN TO:

STATE OF NEW YORK)
) ss.:
 COUNTY OF NEW YORK)

On the ____ day in _____ the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

 Notary Public

STATE OF NEW YORK)
) ss.:
 COUNTY OF NEW YORK)

On the ____ day in _____ the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

 Notary Public

Exhibit 3

Unit Deed

UNIT DEED

THIS INDENTURE, made the ____ day of _____, 201_, between Gaia 308 East 38th Street LLC, having an office at c/o GAIA Real Estate, 152 West 57th Street, 17th Floor, New York, New York 10019 (the "Grantor") and _____, having an address at _____ (the "Grantee").

WITNESSETH:

That the Grantor, in consideration of Ten and 00/100 (\$10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit (the "Unit") in the premises known as The Vantage and by the street number 308 East 38th Street, Borough of Manhattan, County of New York, City and State of New York, said Unit being designated and described as Unit No. ____ in the declaration ("Declaration") establishing a plan for condominium ownership of said premises under Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"), dated _____ and recorded in the New York County office of the Register of The City of New York (the "City Register's Office") on _____ in City Register File Number _____, and also designated as Tax Lot(s) _____ in Block 943 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans of said building, certified by _____, on _____, and filed in the Real Property Assessment Department of the City of New York on _____ as Condominium Plan No. _____ also filed in the City Register's Office on _____, as Condominium Map No. _____. The premises within which the Unit is (are) located are more particularly described in Schedule A attached hereto and made a part hereof All capitalized terms herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or in the By-Laws of The Vantage (said By-Laws, as the same may be amended from time to time, are hereinafter referred to as the "By-Laws").

Together with an undivided ____% percentage interest in the Common Elements (as such term is defined in the Declaration):

Together with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

Together with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws, all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in (any of) the Unit, as though recited and stipulated at length herein.

Subject also to such other liens, agreements, covenants, easements, restrictions and other matters as pertain to the Unit and/or to the Property as more particularly described in Schedule B attached hereto and made a part hereof.

TO HAVE AND TO HOLD the same unto the Grantee and the heirs or successors and assigns of the Grantee forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration shall control.

Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration or the By-Laws, the Unit is intended for only the use specified in the Declaration and By-Laws.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has (have) been encumbered in any way whatever, except as aforesaid.

The Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this Indenture as of the day and year first above written.

GRANTOR:

GAIA 308 EAST 38TH STREET LLC, a New York limited liability company

By: GAIA MONTROSE APARTMENTS, LLC,
a Delaware limited liability company, its Managing Member

By: Gaia Real Estate Investment LLC, a Delaware
limited liability company, its Managing Member

By: Gaia Real Estate Holdings, LLC, a Delaware
limited liability company, its Managing Member

By: _____

Name:

Title:

GRANTEE:

RECORD AND RETURN TO:

[illegible]

On the _____ day in _____ the year 201__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____ the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

[illegible]

On the _____ day in _____ the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

SCHEDULE B

REFER TO PERMITTED ENCUMBRANCES SET FORTH AS SCHEDULE A TO

PURCHASE AGREEMENT

TO BE INSERTED PRIOR TO CLOSING

Exhibit 4

Description of Property

VANTAGE

Building Inspection Report

February 22, 2016

308 East 38th Street
New York, NY 10016

Owner

Gaia 308 East 38th street, LLC

152 West 57th Street, 9th Floor
New York, NY 10019

Architect

Spivak Architects PC

152 Madison Ave, 15th Floor
New York, NY 10016

a. LOCATION AND USE OF PROPERTY

- (1) The property and proposed use complies with all current zoning and use requirements.
- (2) The address is 308 East 38th Street, New York, NY 10016.
- (3) The block is number 943, the lot number is 52.
- (4) The current zoning is C1-9, commercial overlay within residential district.

b. STATUS OF CONSTRUCTION

- (1) The building construction was completed on October 1st 2001.
- (2) Construction classification is 1-C (1968 NYC Building Code Designation) and Fire Proof Structures 2-hour protected.
- (3) The current Certificate of Occupancy, # 104229210T018, was issued June 2, 2015; the current Certificate of Occupancy type is 'Temporary' and is for 96 apartments, medical offices, and accessory spaces (see copy enclosed). As of the date of this report, this Certificate of Occupancy is still in effect. The work currently proposed would not change the apartment count. The anticipated date of the Certificate of Occupancy is June 2016.

c. SITE

- (1) The lot is located on the southwest corner of the intersection of East 38th Street and Tunnel Entrance Street; the lot frontage is 47.35 feet along East 38th Street and is 98.75 feet deep; it is irregularly shaped.
- (2) The property is merged with the adjacent property, Lot 57, to form a single zoning lot. The building has a light and air easement over the adjacent building on the merged zoning lot.
- (3) There is one (1) building on the site; the lot is occupied by a multi-family dwelling building consisting of one (1) level below street level (the cellar) and twenty (20) levels above street level (floors one (1) through twenty (20)); the main entrance and service entrance is on East 38th Street. There is a Department of Transportation brick traffic barrier along Tunnel Entrance Street frontage. There are no streets owned or maintained by the project. There are no driveways on this property. The north and east sides of the building front on city owned sidewalks. The sidewalk is concrete and drains to the curb. One (1) sidewalk ramp is located at the corner of East 38th Street and Tunnel Access Street; and one (1) sidewalk ramp is located on East 38th Street on center with the existing building entrance. A city lighting standard and

security camera is located on the sidewalk along Tunnel Entrance Street at the east side of the building corner. An NYCDOT pedestrian crossing signal is located at the corner of East 38th Street and Tunnel Access Street. There is an access cover plate labelled "QMT" along the Tunnel Approach Street sidewalk. Curbing, sidewalk ramps, and sidewalk appear to be in conformity with local DOT sidewalk codes. Sidewalk lighting is provided by three (3) wall-mounted fixtures along the East 38th Street façade. The building is responsible for the maintenance and snow removal of the sidewalk. There is one (1) healthy tree on the East 38th Street side of the site. There are no catch basins located on the property.

- (4) The East 38th Street sidewalk will be re-graded to accommodate the new location of the lobby entrance. The sidewalk, curb, and curb-cut modifications will be completed per NYCDOT standards. The new entrance and all modifications to public right of way will comply with ADA requirements.

d. UTILITIES

All Utilities are underground

(1) Electrical and gas service

Consolidated Edison provides utilities for the electrical power and natural gas; the building electrical is being upgraded to a new system with electric sub-metering by Quadlogic Control Corporation. The individual unit occupiers are responsible for paying their own electrical service. The gas services are individually metered for each unit, with a separate meter for the house gas service used by the hot water heaters. The individual unit occupiers are responsible for paying their own gas service.

(2) Water service

The City of New York provides water service; it is metered in the cellar for the entire building, and not metered individually; the owners of the building pay for the water. Sewer service is not metered, but paid for the owners of the building. Telephone service is provided to each unit individually and paid for individually.

(3) Sewer service

The City of New York provides sewer service; it is not metered, but paid by the owners of the building.

(4) Telephone service

Telephone service is provided to each unit individually and paid for individually.

e. SUB-SOIL CONDITIONS

- (1) There is no evidence of foundation settling or cracking; there is no evidence of moisture seepage from groundwater or groundwater infiltration.
- (2) The cellar level appears clean and dry and there is no apparent leaks. There is a main sump pump located in the boiler room that is at a lower grade than the cellar, and a separate sump pump located in the well that the boiler is located in—this pump pumps into the main sump. Both pumps are operational and appears in good repair.
- (3) According to FEMA flood insurance rate map #3604970201F, dated September 5, 2007, the site is located in Flood Zone X, defined as "areas outside the 0.2% chance floodplain."

f. LANDSCAPING AND ENCLOSURES

- (1) There are planter boxes with vegetation in place on the north side of the building adjacent to the building entry that are maintained by the building owners. One (1) tree is located in the tree pit on the city owned sidewalk. The adjacent property owner typically maintains these City planted trees. As such, permission from the city is required to prune such trees with a city authorized pruner do the work.

g. BUILDING SIZE

- (1) The total height is 205'-5" to the highest point on the building and is 193'-1" to the stair bulkhead. There are no crawl spaces. There is no sub cellar. There is one (1) cellar and twenty (20) habitable floors.
- (2) Equipment rooms: the cellar contains the water tank room, fire pump room, gas/water meter room, electrical meter room, elevator machine room, telephone room, maintenance, and storage. The boiler room (providing heat and hot water) is located on the first (1) floor and an additional elevator machine room is located on the roof of the building.
- (3) Parapets and parapets combined with guardrails are no less than 42 inches in height and are in compliance with the building code.

h. STRUCTURAL SYSTEM & EXTERIOR

The building has a concrete superstructure consisting of flat slab floor system, columns and shear walls as lateral system, all cast in place concrete construction. The floor is 8" thick light weight concrete slab with top and bottom mat reinforcement. The foundation consists of reinforced concrete spread footing under concrete columns and mat footing with dywidag threadbar post tensioned system under the shear walls and staircase designed for allowable bearing of 40 t/sq.ft on solid bedrock. Underpinning was provided along East wall to support existing retaining wall. The exterior wall is non load bearing wall constructed from light gage framing.

(1) Exterior of building:

The façade is clad in grey stone tiles up to the second floor along East 38th Street and three (3) window bays in a long Tunnel Entrance Street. The rest of the exterior is clad in red tiles, with the exception of aluminum panels along the corner facing the intersection between 38th East Street and Tunnel Entrance Street. New curtain wall glazing and grey stone bricks will replace the grey stone portion of the façade. All tenant glazing will remain untouched with the exception of the second floor on East 38th Street and the first three (3) along Tunnel Entrance Street. An aluminum-framed marquee extends from the building vestibule over the sidewalk. The marquee is supported by four (4) steel tension rods and is illuminated by three (3) wall sconces. The marquee as permitted complies with the building code. The current marquee will be replaced by a new glass and aluminum façade system as part of the Lobby renovation.

(2) Parapets and Copings:

The tops of the building parapet walls have metal copings and have metal flashing and metal counter flashing. Parapet walls are constructed of light gauge metal studs finished with tile or metal paneling on the exterior face and stucco on the interior surface. Parapets are in good condition.

(3) Chimney and Caps:

No chimney at roof.

One trash compacter chute vents at the roof and rises, at a minimum height of 3 feet, above the adjacent southern face of the elevator bulkhead. It is a metal chute with stainless steel storm collar and a BSA approved explosion proof cap with spark arrestor.

(4) Terraces:

Terrace finishes vary by location. Terraces have either parapet walls or combination parapet wall / metal guard railing. Balustrades and railings are painted steel tubing. Copings are light gauge steel and in good condition. Doors to private terraces are single-swing, glass with an aluminum frame. Private terraces have 24 inch by 24 inch concrete tile pavers on a pedestal system. Double doors to shared roof terrace are single-swing, tempered glass with aluminum frames. The shared roof terrace shall have 24 inch x 24 inch concrete pavers, wood decking, fiberglass planter boxes, wooden benches, wooden partitions with steel posts—separating public spaces and mechanical spaces—and a wooden trellis that is supported by a steel frame and steel post structure. All exterior metals, including fasteners, shall be corrosion resistant. The terraces are to remain open.

(5) Exterior Entrances:

- i) Exterior doors vary by type. Service entrances at street level and at the roof are single-swing type, insulated hollow metal steel in hollow metal steel frames without a thermal break system. Double doors to the main entrance on East 38th Street shall be tempered glass with aluminum frames. All exterior doors are to meet required fire ratings. Exterior surfaces slope away from building entrances to allow for adequate drainage. All exterior entrances shall be built free of tripping hazards and ponding. The primary entrance at 38th Street is ADA compliant. The doors are in good condition.
- ii) Vestibule consists of only of one pair of doors, the main entrance double doors that are tempered glass with s frames.
- iii) There are exterior stairs located at the mechanical portion of the roof level that lead to the elevator machine room. These stairs are painted steel.
- iv) Railings at the exterior stairs are painted steel. All metals are to be corrosion resistant for railings and fasteners.
- v) A mailbox is located in the main lobby and is individually keyed.
- vi) Lighting at all entrances shall be adequate. There shall be recessed LED downlights in the marquee above the main entrance.

(6) Service Entrances:

The service entrances are located on East 38th Street, west of the main entrance. Each door is a single-swing, hollow metal steel door in hollow metal steel frame. The service entrance shall be

adequately illuminated with recessed LED downlight. Drainage from the service entrance is sloped, surface drainage and is adequate.

(7) Roof and Roof Structures:

Roof installed at the time of building construction. The majority of the roofs consist of a low slope roof assembly composed of a concrete paver on pedestal system over an EPDM roof membrane, which was installed at the Building's construction; the mechanical roof areas are composed of gravel over an EPDM roof membrane. All exterior metals, including fasteners and flashing, shall be corrosion resistant. There is currently no warranty. The roof is insulated with a code compliant minimum of two (2) inch rigid insulation with a total R-20 value. The roof areas are drained by roof drains. Metal gutters are located at the elevator bulkhead roof.

(8) Fire escapes:

None.

(9) Yard and Courts:

Side yard located consists of area between the Building and western edge of property (Lot 52) and the yard behind the building on the adjacent property (Lot 57); Lot 52 has an air and light easement from Lot 57.

(10) Interior Stairs

i) Egress Stairs

One (1) stair of eighteen (18) risers ascends from the cellar to grade at the service entrance; it is constructed of concrete and has steel handrails. There is (1) stair of two (2) risers from the first floor to grade at the service entrance; it is constructed of concrete. There is one (1) scissor stair of fifteen (15) risers per run that ascends from the cellar to the roof; it is constructed of concrete and has steel handrails. Stairs conform to building code standards.

ii) Unit Stairs

Six (6) units have stairs of fourteen (14) risers within the unit. Six (6) of these units contain stairs and have means of egress to the public corridor on both levels. Construction of the units stairs are hardwood treads and risers on wood stringers and have hardwood handrails. Stairs conform to building code standards.

iii) Accessory Stairs

One (1) accessory stair shall be between the cellar and first floor; it shall be constructed with steel treads, steel stringers, and steel handrails; its construction shall meet relevant building code.

(11) Interior Doors and Frames:

Unit entrance doors and frames are hollow metal steel and meet fire code; interior doors are solid wood. Corridor doors and frames are hollow metal steel and meet fire code. Stairway doors and frames are hollow are hollow metal steel and meet fire code. Cellar, first floor and roof doors and frames are hollow metal steel and meet fire code.

(12) Elevators:

The Building is serviced with three (3) elevators. Two (2) elevators, located next to Stair 2, serve all Building levels; each of the two (2) elevators has a capacity of 2000 pounds and is overhead traction with equipment located in rooftop penthouse. One (1) elevator, adjacent to the northern side of the other two elevators, services the cellar and ground floor levels; it has a capacity of 2000 pounds and is hydraulic. Elevators finished with 12 inch by 12 inch slate tile floors, wood paneling on three (3) walls and stainless steel sliding doors and adjacent walls, and a stainless steel ceiling. Lighting is provided by four (4) halogen fixtures. Elevators are equipped with security cameras and emergency alarm button that is connected to the front desk at the lobby.

i. AUXILIARY FACILITIES

There are no central laundry facilities; all units are provided with a washer and ductless-electric dryer.

(1) Refuse Disposal

There is one (1) compactor room located on the first floor; one (1) refuse room is located on every floor above the first floor in a service room. The building stockpiles the trash in the storage/recycling room in the cellar and trash room on the ground floor. This is kept clear of egress and well maintained. The City provides trash pickup twice a week, and recycling is picked up once a week.

- (2) A fitness room is located in the cellar at the south eastern corner of the building. There is no natural light in the space. An office and wall will be removed to enlarge the space. A storage/recycling space will be converted into a yoga studio.

j. PLUMBING AND DRAINAGE**(1) Water supply**

A four (4) inch domestic water service is provided from the New York City Water Main. The water line enters the building from underground into the gas meter room located in the basement. A backflow preventer and the main water shut-off are located at the water service entrance. The backflow preventer is reportedly inspected once a year. City water pressure and a duplex booster pump system featuring two 15 HP pumps supply water throughout the subject property.

(2) Fire Protection System

Fire and life safety systems serving the property include an EST2, installed in 2000, multiple-zone fire alarm control panel, an auto-dialer (reportedly tying the system to a 24-hour monitoring service), hardwired smoke detectors with battery back-up, emergency battery lighting units, horn/light enunciators, fire extinguishers, and a full-coverage, wet-pipe sprinkler system with check valves and tamper and flow switches. Fire department Siamese connections are located on the 38th Street side of the property. Fire hydrants are located along the adjacent right-of-way.

A 500 GPM electric motor-driven fire pump, installed in 2000, augments the sprinkler system ensuring adequate pressure to the highest level of the 20-story portion of the building. Fire suppression water storage tanks were not observed on-site. The stairs are not provided with pressurization or smoke evacuation; none was required at the time of construction. Fire department connections are located on the exterior of the 38th Street side of the building. There are no reported or observed problems with the Fire and Life Safety system sizes or configuration. The fire system was inspected in May 2014 and it appeared in good condition.

(3) Water Storage tank(s) and enclosures

None.

(4) Domestic Water System

The Domestic Water System is a single pressure zone system provided with flow from the dedicated water service and booster pump assembly noted above. One dedicated natural gas water heater, 200-gallons in size, is located in the basement boiler room served by one 3 HP and

one 2 HP circulating pumps to supply domestic hot water to the Subject Property apartments.

The observed domestic supply piping is copper and sanitary piping is cast iron. All domestic hot and cold water piping is insulated per NYC Energy Codes. The plumbing fixtures are vitreous china with chrome fittings. One unisex restroom is located on the basement floor next to the gym. The restroom has one toilet with manual flush valve and one sink.

(5) Sanitary Sewage System

Sanitary waste lines are reportedly cast iron. All sanitary drainage is connected to the public street sewers.

(6) Permit(s) Required

The existing storm drainage and sanitary sewers are of adequate capacity and satisfactory condition for the building. Likewise, the incoming domestic water service and fire service are of adequate capacity and satisfactory condition.

(7) Storm Drainage System

All storm drainage is connected to the public street sewers. Storm drainage piping is cast iron. There are no storm retention or detention systems at the building.

k. HEATING

- (1) Building heating is provided via heating hot water generated by three (3) Aerco 1,800 MBH natural gas fired boilers served by two 15 HP heating hot water circulating pumps. Heating hot water is distributed to fan coil units and outside air handlers.

l. GAS SUPPLY

- (1) The property utilizes natural gas for the heating of domestic and heating hot water as described above. The six (6) inch main gas line enters the building from below grade into the gas meter room located in the basement.
- (2) Welded and threaded black iron pipe is used for gas piping throughout the subject property.

m. AIR CONDITIONING

- (1) Each dwelling unit is heated and cooled by 0.5 to 2.0-ton Direct Expansion (DX) fan coil units with hot water reheat coils. The fan coil units are located on the exterior wall of each condominium. The fan coil units are McQuay brand and 15 year in age and use R-22 refrigerant.
- (2) Heating and cooling at the corridors on each floor is provided by four 100% outside air handling units located in the basement mechanical room. Conditioned air is distributed by concealed sheet metal ductwork.
- (3) The main lobby and management offices are heated and cooled by 2-5 ton DX cooling only fan coil units and hot water baseboard heaters. Bathrooms have exhaust fans that discharge through the roof via a sheet metal chase.
- (4) The cellar and ground floor spaces are currently heated and cooled by split system HVAC units. These units are planned to be replaced as follows: the cellar and ground floor spaces will be ventilated by new outside air fans and ductwork to distribute ventilation air throughout the spaces. The spaces will be exhausted by new exhaust air fans and air-to-air energy wheels will be utilized to transfer heat between the ventilation and exhaust airflows to pre-condition the incoming ventilation air. Heating and cooling of the cellar and ground floor spaces will be performed by a Daiken Variable Refrigerant Volume (VRV) system with interior evaporators in the space to heat/cool the zones, and an air cooled condenser located in the existing boiler mechanical room to reject heat from the refrigerant loops. A total of two condensers will be provided, one serving 4 evaporator units at the cellar, the other serving 2 evaporator units at the ground floor. The zone level evaporator units will be controlled via wall-mounted programmable thermostats. The new HVAC equipment will be rated for an efficiency of SEER 18.8 and will meet the requirements of the 2014 New York City Energy Code.

n. VENTILATION

- (1) Building exhaust is provided by seven (7) roof mounted exhaust fans of varying size and capacity.

o. ELECTRICAL SYSTEMS

- (1) The incoming electrical service feeds a main electrical room located on the first floor of the building, containing main service switchboards and main distribution panels; feeding secondary runs to circuit breaker and secondary distribution panels located throughout the building.
- (2) Two incoming services are rated as 800 Amp, three phase, four wire, 120/240 Volt mains feeding meter banks.
- (3) Each apartment unit has a separate 120/240 Volt entrance, rated at 200-Amps, fed off the main service.
- (4) The main service switchboard is rated for 4000-Amp, 600-Volt, 3-phase, 4-wire service and was manufactured by Siemens.
- (5) The Subject Property reportedly has copper wiring and standard electrical devices, switches and fixtures consistent with the Subject Property use type.
- (6) The property does not have an energy management system controlling the property lighting and HVAC systems.

p. INTERCOMMUNICATION AND/OR DOOR SIGNAL SYSTEMS, SECURITY CLOSE CIRCUIT TV

- (1) The building has a 24-hour doorman, and closed circuit TV monitors located in the lobby provide additional security.
- (2) Each apartment is provided with a door peep through and a buzzer, and there is a house telephone located on the reception desk for the doorman's use.

q. PUBLIC AREA LIGHTING

(1) LOBBY

The lobby space will be illuminated with recessed LED spotlights while the reception desk and elevator waiting space will have LED recessed strips. Adjustable arm wall sconces will also provide light over the reception desk. A suspended pendant light will be placed over the stairs that connect the lobby with the cellar recreation space. Floor lamps will sit in the community space portion of the lobby. Recessed LED strips in the soffit and clerestory sill will illuminate the Recreation Room.

(2) CELLAR

The cellar floor will have various styles of pendant lighting hanging from the ceiling and floor lamps. The gym and yoga studio will be illuminated by suspended LED downlight projectors. The new stairs will be illuminated with recessed LED wall lights.

(3) CORRIDOR

Recessed LED lights will illuminate the elevator lobby corridor at the first floor. Surface mounted LED lights will illuminate the residential corridors at levels 2-20.

r. GARAGES AND PARKING AREAS

N/A

s. SWIMMING POOLS

N/A

t. TENNIS COURTS, PLAYGROUNDS, AND RECREATION FACILITIES

N/A

u. PERMITS AND CERTIFICATES

The building must maintain all existing operation permits for building equipment, including the boilers, elevators and the marquee. These operating permits must be renewed on a timely basis. The standpipe system and hoses are inspected annually by the Fire Department.

v. VIOLATIONS

There are currently two (2) open violations on the elevator equipment, see copies enclosed. The violations were both issued March 5, 2015, and are listed as active on the Department of Buildings CC.

The building was issued a Temporary Certificate of Occupancy on June 2, 2015 and will expire on August 31, 2015. Eleven (11) outstanding requirements must be met in order to obtain the Final Certificate of Occupancy.

w. UNIT INFORMATION

See attached floor plans for unit size and type.

Units are located on floors 1-20.

The first floor (ground level) is occupied by one (1) apartment and accessory space to ninety-seven (97) apartments, all of which have windows to the exterior.

The second, third, fourth, fifth, sixth, seventh, and eighth floors are occupied by six (6) apartments per floor.

The ninth, tenth, eleventh, twelfth, thirteenth, and fourteenth floors are occupied by six (6) apartments per floor.

The fifteenth floor is occupied by four (3) apartments, two (2) full apartments and the lower one-half of two (2) duplex apartments.

The sixteenth floor is occupied by four (3) apartments, two (2) full apartments and the upper one-half of two (2) duplex apartments.

The seventeenth floor is occupied by four (3) apartments, (2) two full apartments and the lower one-half of two (2) duplex apartments.

The eighteenth floor is occupied by four (3) apartments, (2) two full apartments and the upper one-half of two (2) duplex apartments.

The nineteenth floor is occupied by four (3) apartments, (2) two full apartments and the lower one-half of two (2) duplex apartments.

The twentieth floor is occupied by four (3) apartments, (2) two full apartments and the upper one-half of two (2) duplex apartments.

All apartment ceiling heights vary from 7'-6" to 8'-1".

The square footage set forth herein includes the area measured horizontally from the exterior faces of exterior walls and from the center lines of walls separating one unit from another unit or Common Elements as indicated in the Condominium plans and measured vertically from the top of the subfloor to the underside of the finished ceiling.

Existing Apartments:

The existing apartment units are all accessed via a public hallway on each floor. The interiors of the units have wood floors, with ceramic tile on the kitchen and bathroom floors. The walls are gypsum board, painted, with painted wood trim base boards and door frames. The windows have gypsum board returns and wood trimmed sills. The interior doors are painted.

The bathrooms are equipped with a ceramic sink, stone vanity, tank ceramic toilets, and ceramic bath tubs. The some bathroom walls are left as gypsum board while others are tiled to wainscot height and to the ceiling in the tub areas.

Kitchens are equipped with stainless steel sinks and varying models of gas ranges and refrigerators. Base and wall cabinets are made of wood, while the countertops are made of stone. Walls are painted gypsum board with a stone splash guard along the countertop.

Renovated Apartments:

The renovated units are accessed via the public hallway on each floor. The interiors have new engineered oak hardwood floors in all areas except the bathrooms, which have stone tiling. All walls are gypsum board skim-coated with paint and new rubber baseboards, with the exception of the bathrooms walls, which have porcelain tiles at wainscot height and floor-to-ceiling in the bath tub/shower area.

The kitchen and bathroom countertops are engineered quartz. The kitchen splash guard matches the porcelain tiles on the bathroom walls. Kitchen cabinetry is wood with metallic plastic veneer and glass doors. Bathroom vanity is a walnut wood veneer.

Apartments will have recessed LED downlights. In addition to the recessed LED downlights, bathrooms will also have pendant lights.

The appliances for the units are:

Washer/dryer/dishwasher/range/microwave/ refrigerator	Bosch
--	-------

Shower fittings/bath accessories/kitchen sink/ kitchen faucet	Kohler
--	--------

Toilet	Toto
--------	------

x. FINISH SCHEDULE OF OTHER SPACES

(1) LOBBY

i) Existing

The following are the finishes of the existing lobby prior to the renovation: floors are stone tiles with a stone baseboard; walls are stone tiles with the exception of the wooden panels in the reception and elevator areas; is a water feature wall with stone panels on the wall, catch basin on the floor and recessed lights in the ceiling; ceiling is a painted gypsum board with recessed lights and air vents; structural columns are clad in aluminum panels; reception desk top is polished stone with aluminum panel siding; vestibule is clear glass with polished aluminum mullions and electromagnet lock swing doors; and windows detailed with a brushed aluminum frame and a frosted etched band with "Vantage" as clear.

ii) Renovated

The lobby will be renovated with polished concrete floors and epoxy finish. The vestibule concrete floor will have a rough texture finish. Walls are comprised of brick and concrete panels, with the exception of a reclaimed wood reception wall, a hot rolled steel fireplace wall, and a green wall. A fixed glass partition with steel mullions will be installed, separating the lobby and community space. The moving partitions will match the fixed partition. Existing columns will be stripped down to the reveal the concrete. If the existing condition is unsatisfactory, a false textured concrete paint shall be applied. The lobby ceiling is an aluminum frame clad with walnut slats, while the community space has concrete panels. The reception desk will have either a live edge wood desktop or an onyx desktop and steel siding matching the fireplace wall.

(2) MEDICAL OFFICE A & STORAGE / NEW OFFICE & CELLAR STAIRS

i) Existing

The medical office is comprised of a reception area, one (1) lounge, two (2) offices, and one (1) bathroom. The finishes for all the spaces, with the exception of the bathroom, are the following; painted gypsum walls; columns clad in painted gypsum board; dropped acoustical ceiling with recessed lights and HVAC vents, with the exception of painted gypsum board in the lounge; carpeted flooring; and radiators along the windows.

A storage space can be accessed through the main corridor.

ii) Renovated

Space from the medical office will be allocated to new public stairs connecting the lobby and cellar floor. The new medical office will be comprised of a reception space, two (2) offices,

and one (1) bathroom. The office finishes will be determined by the tenant. The following modifications to the medical office and storage room will be executed; the floor slab in the approximate location of the larger office will be cut in order to accommodate the stairs; all walls will be replaced to reorganize the offices and reception; and the storage space will become the new bathroom.

New stairs will be finished with walnut treads, a steel hand rail, glass balustrade, and a concrete landing platform. The stairs will provide a source of natural light to the cellar.

(3) MEDICAL OFFICE B

i) Existing

The medical office is comprised of a reception area, one (1) waiting space, four (4) offices, two (2) bathrooms, and one (1) storage space. The finishes for all the spaces, with the exception of the bathroom, are the following; painted gypsum walls; columns clad in painted gypsum board; dropped acoustical ceiling with recessed lights and HVAC vents; carpeted flooring; and radiators along the windows.

(4) MAIL ROOM

i) Existing

The mail room is finished as follows; stone tile flooring; dropped painted gypsum board ceiling with recessed lights; and wallpapered walls with two (2) recessed aluminum mailbox storage units along the long walls and a hanging bulletin board on the short wall.

(5) SERVICE ENTRANCE

i) Existing

The service entrance is finished as follows; painted concrete ceiling with exposed ductwork and sprinkler system and mounted strip lights; painted concrete and CMU walls; and a polished concrete floor. Two (2) steps going down below grade are located indoors by the entrance doors.

(6) BOILER ROOM

i) Existing

The boiler room is finished as follows; painted concrete ceiling with exposed ductwork and sprinkler system and hanging strip lights; painted concrete and CMU walls; and a polished concrete floor. Three boiler units are placed in the center of the space, with room for passage along the eastern wall.

(7) LEASING OFFICE / NEW RECREATION ROOM**i) Existing**

The leasing office contains one (1) office and one (1) waiting room. The wall along the corridor and along the fitness room have a lower glass portion with a frosted band and encased in metal frames and an upper painted gypsum board portion. The wall separating the office and waiting room is also a glass and gypsum portioned wall, but without the frosted band. The remaining non-structural walls are painted gypsum board. All exposed concrete is finished with paint. The ceiling is painted concrete with hanging lights and exposed ductwork and sprinkler system. The floor is carpeted. Electrical conduit runs along the walls and ceiling.

ii) Renovated

The leasing office and half of the current fitness room will be renovated into a recreation room. The new space is connected to the lobby via new stairs (described in "Medical Office A & Storage / New Office & Cellar Stairs" under "Renovation"). The recreation room finishes will be the following; vinyl flooring to resemble wood; a brick veneered wall along Tunnel Entrance Street; concrete wall finish beneath the stairs; wood veneer with black steel shelving along the northern wall; a glass wall segment along the western wall; painted gypsum for the remaining walls; lightweight concrete paneling on the ceiling to match the lobby with exposed ductwork and sprinkler system; and a polished concrete column matching the lobby.

(8) FITNESS ROOM / LOUNGE & KITCHEN**i) Existing**

The existing fitness room is finished as followed; painted concrete ceiling with exposed duct work and sprinkler system and hanging lights; painted concrete walls, with the exception of a glass and gypsum wall with along the corridor and a gypsum southern wall; hung mirrors with lights along the top and bottom edge hidden behind; rubber flooring; and painted electrical conduit.

ii) Renovated

Half the current fitness room will be renovated into the recreation room described above ("Leasing Office / New Recreation Room" under "Renovated"). The other half will become a new kitchen with the following finishes; vinyl flooring to resemble wood; painted walls, with

the exception of porcelain tiles along the kitchen wall, one (1) custom vinyl print along a new wall, and a clear glass wall with an upper row of frosted acrylic panels and black steel mullions; lightweight concrete paneling on the ceiling to match the lobby with exposed ductwork and sprinkler system; kitchen cabinets will be a wood veneer with hot rolled steel shelving matching the recreation room and reception desk.

(9) RECREATION ROOM / NEW FITNESS ROOM & BATHROOM

i) Existing

The current recreation room is finished as followed; checkered vinyl flooring with a rubber baseboard; painted gypsum walls; and painted concrete ceiling with exposed duct work and sprinkler system and hanging lights. There is a small kitchenette in the north-western corner hidden by gypsum walls. The kitchen is equipped with a metal sink and vanity with a splash guard veneered in plastic laminate. There is a short corridor leading to a bathroom in the north-eastern corner of the space (described in "Bathroom / New Parcel Storage" under "Existing").

ii) Renovated

The recreation room will be renovated into a fitness room. A wall will be removed to allow for more space and the small kitchenette and bathroom corridor will be renovated into a closet and bathroom. The fitness room finishes will be the following; painted walls and a glass partition between the fitness room and new yoga studio; painted concrete column; rubber flooring; and lightweight concrete paneling on the ceiling.

(10) MAINTENANCE OFFICE

i) Existing

The maintenance office is finished as followed; painted concrete ceiling with exposed duct work and sprinkler system and hanging lights; painted gypsum board walls; painted concrete column; concrete flooring; and one (1) painted vertical pipe running along the column.

ii) Renovated

The office will be removed to accommodate space for the fitness room described above ("Recreation Room / New Fitness Room & Bathroom" under "Renovated").

(11) STORAGE / RECYCLING ROOM / NEW YOGA STUDIO

i) Existing

The storage/recycling room is finished as followed; painted concrete ceiling with exposed duct work and sprinkler system and hanging lights; painted concrete and gypsum board walls; and concrete flooring.

ii) Renovated

The new space will be replaced with a yoga studio. The yoga studio will be finished as follows; engineered wood flooring; walls clad in mirrors; and lightweight concrete paneling on the ceiling.

(12) BATHROOM / NEW PARCEL STORAGE

i) Existing

The existing bathroom is finished as followed; mosaic tile flooring; ceramic tile clad walls; ceramic tank toilet and sink; and other amenities including one (1) mirror, ADA grab-bars, towel and soap dispensers, and a trash bin.

ii) Renovated

A postal room will replace the bathroom and part of the kitchenette mentioned above ("Recreation Room / New Fitness Room & Bathroom" under "Existing"). The new space will be finished as follows; painted concrete ceiling with exposed duct work and sprinkler system and hanging lights; painted concrete and gypsum board walls; and concrete flooring.

(13) STORAGE ROOM A / NEW STORAGE / RECYCLING ROOM

i) Existing

Storage Room A is finished as follows; painted concrete ceiling with exposed duct work and sprinkler system and hanging lights; painted concrete, CMU, and gypsum board walls; and concrete flooring.

ii) Renovated

(1) The gypsum wall will be demolished and relocated to allow more room for the new storage/recycling room. The finishes are as follows; painted concrete ceiling with exposed duct work and sprinkler system and hanging lights; painted concrete, CMU, and gypsum board walls; and concrete flooring.

(14) STORAGE ROOM B

i) Existing

Storage room B, located beneath egress stairs, are finished as follows; painted concrete ceiling; painted CMU walls with an exposed sprinkler head; and polished concrete flooring.

(15) STAFF LOCKER ROOM & BATHROOM

i) Existing

The staff locker room is finished as follows; painted concrete ceiling with exposed duct work and sprinkler system and hanging lights; and painted gypsum board walls with lockers.

The bathroom is finished as follows; painted gypsum ceiling with exposed duct work and sprinkler system and hanging lights; painted gypsum walls with ceramic tiling at wainscot height long the and at full height in the shower; ceramic tank toilet and sink; and other amenities including one (1) mirror, ADA grab-bars, towel dispenser, and soap dispenser.

(16) TENANT LOCKER STORAGE

i) Existing

The tenant locker room is finished as follows; painted concrete ceiling with exposed duct work and sprinkler system and strip lights; painted concrete, CMU, and gypsum board walls; polished concrete floor; and a vertical PVC plumbing runs near a painted column. Wire lockers are lined up against the eastern, southern, and western wall as well as a row in the center of the space. Bicycles hang off of a metal pipe installed along the eastern wall.

(17) WATER TANK ROOM

i) Existing

The water tank room is finished as follows; painted concrete ceiling with exposed duct work and sprinkler system and mounted strip lights; painted concrete and CMU walls, with the exception of a storage space enclosed in painted gypsum board walls; and polished concrete floor. Water hardware is located in the north-eastern corner of the space.

(18) FIRE PUMP ROOM

i) Existing

The fire pump room is finished as follows; painted concrete ceiling with exposed duct work and sprinkler system and hung strip lights; painted concrete and CMU walls; and polished concrete floor. The room is filled with piping running along walls and down the center of the room into the pump hardware. A fuse box is fixed on the southern wall.

(19) GAS/WATER METER ROOM

i) Existing

The gas/water meter room is finished as follows; painted concrete ceiling with exposed duct work and sprinkler system and hung strip lights; painted concrete, CMU, and gypsum board

walls; and polished concrete floor. The room is filled with piping running along walls and down the center of the room

(20) ELECTRICAL METER ROOM

i) Existing

The electrical meter room is finished as follows; painted concrete ceiling with exposed duct work and sprinkler system and hung strip lights; painted concrete, CMU, and gypsum board walls; and polished concrete floor. Electrical conduits run along the walls and ceiling.

Electrical hardware is lined up against the four walls. The meters are placed in the center of the space.

(21) ELEVATOR MACHINE ROOM

i) Existing

The elevator machine room is finished as follows; painted concrete ceiling with exposed duct work and sprinkler system and hung strip lights; painted concrete, CMU, and gypsum board walls; and polished concrete floor. Electrical conduit runs along the ceiling and walls.

Elevator hardware is placed along the walls and in the center of the space.

(22) TELEPHONE ROOM

i) Existing

The telephone room is finished as follows; painted concrete ceiling with exposed duct work and sprinkler system and strip lights; painted concrete, CMU, and gypsum board walls; and polished concrete floor. Wiring runs through the center of the room lengthwise in an overhead open-faced cage. The wires then disperse to the appropriate hardware hung along the walls. The space is furnished with cabinets and a desk. There is a breaker box along the southern wall.

(23) MAINTENANCE ROOM

i) Existing

The maintenance room is finished as follows; painted concrete ceiling with exposed duct work and sprinkler system and a pendant light; painted concrete and CMU walls; and polished concrete floor. Two breaker boxes are fixed on the western wall. A wall mounted sink is located on the northern wall.

(24) SETBACK TERRACE

i) Existing

The setback terrace is finished as follows; concrete tile flooring; parapet with metal flashing, painted stucco, and a metal handrail; and a wire fences with a metal frame dividing the terrace into four sections. The building's exterior finish includes metal panels and red ceramic tiles. Light sconces run along the lower portion of the exterior building wall.

(25) ROOF TERRACE

i) Existing

The roof terrace is finished as follows; a concrete tile flooring, with the exception of an area of loose gravel flooring in the north-western corner behind the bulkhead; a wire fence covered in turf grass separating the two (2) floor finished areas; parapet with metal flashing, painted stucco, and a metal handrail; painted stucco bulkhead; and light sconces along the parapet. A shower head protrudes from the southern end of the east bulkhead wall.

ii) Renovated

The roof terrace will be renovated to include a code compliant four (4) foot deep pool. In order for the pool to sit flush with the floor, the southern portion of the terrace will be raised. An ADA ramp and wheelchair elevator will be added for accessibility. The roof terrace finishes will include ceramic tile flooring and aluminum railings with glass balusters. The shower heads will be relocated to the southern bulkhead wall.

(26) APARTMENT CORRIDORS

i) Existing

The apartment corridors are finished as follows; carpeted flooring; wallpaper clad walls with rubber baseboards; painted gypsum board walls with mounted lighting fixtures; and metal framed doors.

ii) Renovated

Floors in the public corridors will have carpeted floors and vinyl wall finishes.

(27) LOBBY CORRIDOR / ELEVATOR LOBBY

i) Existing

The lobby corridor is finished as follows; stone tile flooring; wallpaper clad walls with rubber baseboards with the exception of the elevator lobby which is clad in polished wooden boards with polished stone baseboards; painted gypsum board ceiling with recessed lights; and metal framed doors.

ii) Renovated

The elevator lobby will be refinished as follows: polished concrete floors and epoxy finish; walls clad in concrete panels, with exception of the service elevator, which will be clad with hot rolled steel sheets matching the fireplace; and a painted gypsum board ceiling.

(28) CELLAR CORRIDOR A

i) Existing

Cellar corridor A is finished as follows; dropped ceiling with acoustical tiles and recessed lights; painted gypsum board walls and glass walls; and vinyl tiled flooring.

(29) CELLAR CORRIDOR B

i) Existing

Cellar corridor B is finished as follows; painted concrete ceiling with exposed duct work and sprinkler system; painted concrete, CMU, and gypsum board walls with mounted strip lights; and vinyl tiled flooring.

(30) CELLAR CORRIDOR C

i) Existing

Cellar corridor C is finished as follows; painted concrete ceiling with exposed duct work and sprinkler system; painted concrete, CMU, and gypsum board walls with mounted strip lights; and vinyl tiled flooring.

(31) EGRESS STAIRS

i) Existing

Cellar corridor C is finished as follows; painted gypsum board ceiling; painted gypsum board walls with mounted strip lights; metal handrail; and polished concrete treads and landing.

(32) TRASH ROOM

- i) The trash rooms on each story above grade are finished as follows; polished concrete flooring; painted gypsum ceiling with an exposed sprinkler head; and painted gypsum board walls with ceramic tiling at wainscot height. A metal hatch on the wall provides access to the trash chute

(32) TRASH COMPACTOR ROOM

- i) The compactor room on the ground floor is finished as follows: polished concrete flooring; painted concrete and CMU walls; and a painted concrete ceiling with exposed duct work,

sprinkler system, and piping. The compactor hardware is located in the south-eastern corner of the room

y. SAFETY AND WARNING DEVICES

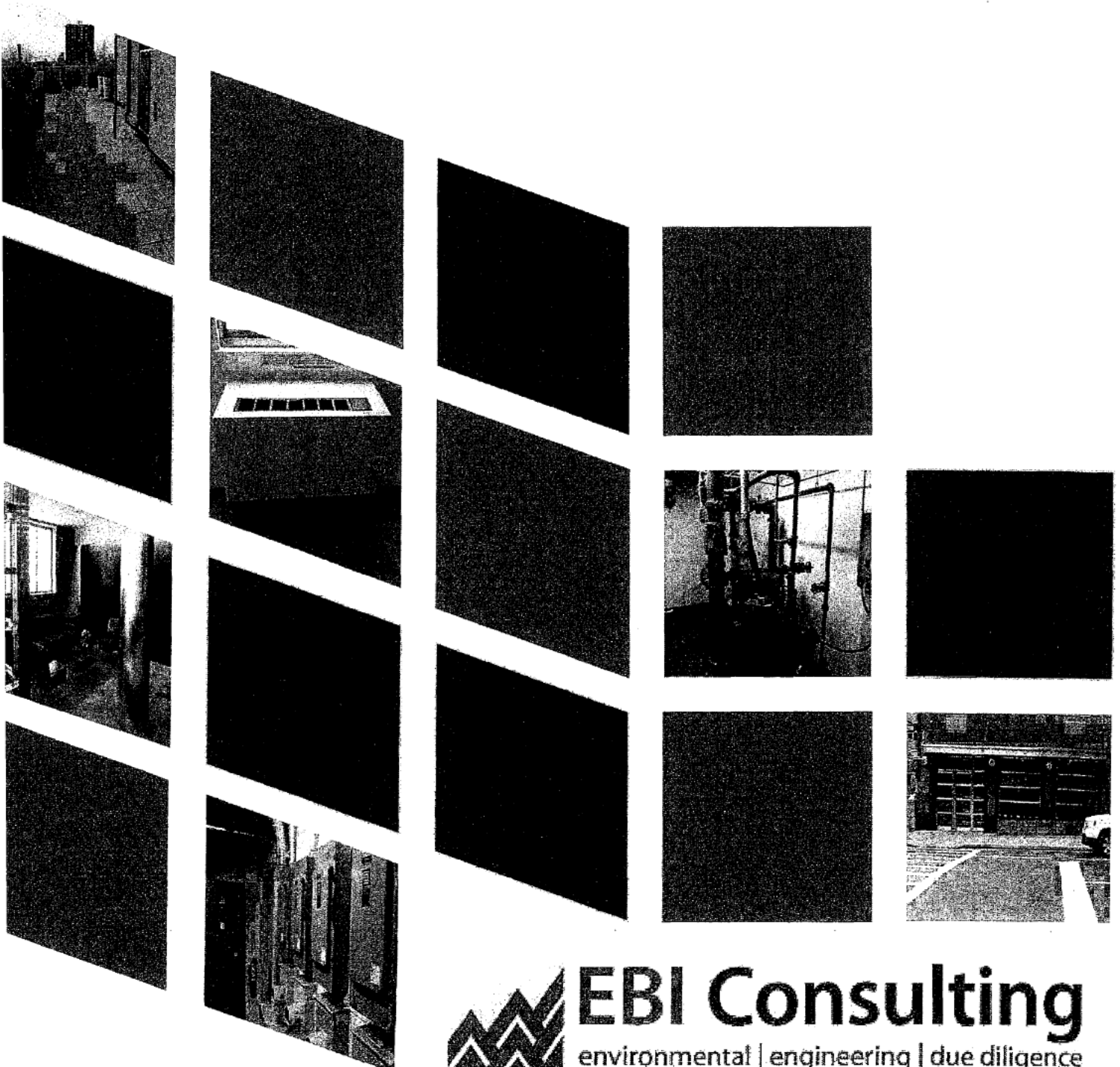
(1) Each Apartment unit is currently equipped with smoke and CO2 detectors.

z. ADDITIONAL INFORMATION REQUIRED

(1) See attached floor plans for unit size and type, as well as areas of units and common spaces.

EBI Consulting

Mechanical Electrical Plumbing Survey & Report



EBI Consulting

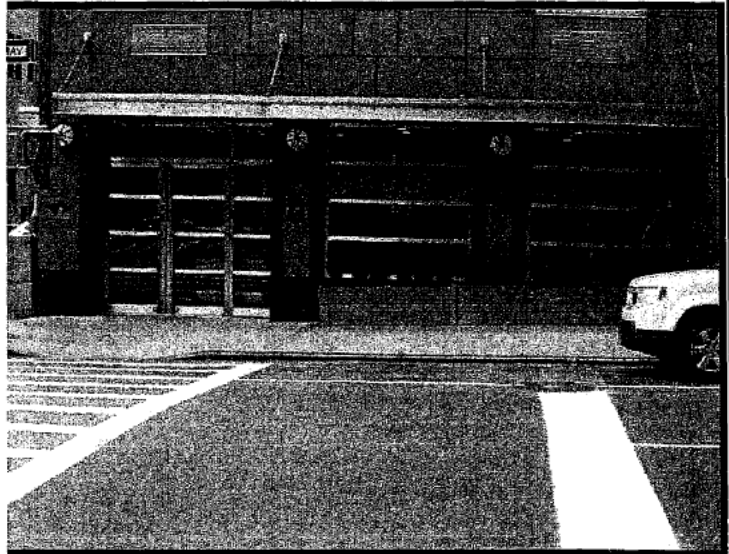
environmental | engineering | due diligence

MEP Survey & Report

Mechanical, Electrical, Plumbing, Fire-Life Safety

Prepared for:

GAIA Real Estate
152 West 57th Street 9th Floor;
New York, NY 10019



The Montrose

308 East 38th Street
New York, NY.

EBI Project No. 15150002

January 30, 2015



21 B Street
Burlington, MA 01803
Tel: (781) 273-2500
Fax: (781) 273-3311
www.ebiconsulting.com

February 3, 2015

GAIA Real Estate
152 West 57th Street, 9th Floor
New York, NY 10019

Subject: MEP Survey Draft Report
308 East 38th Street New York, NY
EBI Project #15150002

Attached please find our *MEP Survey & Report*, (the *Report*) for the above-mentioned asset (the Subject Property). During the property survey and research, our property surveyor met with agents representing the Subject Property, or agents of the owner, and reviewed the property and its history. The *Report* was completed according to the terms and conditions authorized by you.

The exclusive purpose of this *Report* is to report the general operational condition, functionality, and maintenance status of the mechanical, electrical, and plumbing systems at the property. The *Report* will provide detailed reporting specific to the condition, type, capacity and maintenance of the existing systems and will propose Immediate and Short-Term Deferred Maintenance Repairs, or ongoing Replacement Reserves.

This *Report* was performed utilizing methods and procedures consistent with established commercial practices and in conformance with industry standards. The suggestions represent EBI's opinion based on written, graphic or verbal information, the property condition and data available to us at the time of the survey. The attached *Tables* were created utilizing EBI utilized RS Means, an industry standard for construction cost estimation, for the generation of the cost estimates included in the *Tables*. The suggestions represent EBI's opinion based on written, graphic or verbal information, the property condition and data available to us at the time of the survey.

Factual information regarding operations, conditions or data provided by the Client, occupants, owner or their representative has been assumed to be correct and complete.

The *Report* speaks only as of its date in the absence of a specific written update of the *Report* signed and delivered by EBI Consulting.

EBI is an independent contractor, not an employee of either party to this transaction, and its findings and compensation are not based on the recommendations made in the *Report*, any further work recommendation, or on the closing of any business transaction.

Thank you for the opportunity to prepare this *Report*, and assist you with this project. Please call us if you have any questions or if we may be of further assistance.

Respectfully Submitted,

Bryant Hatfield
Mechanical Cx Consultant
Author
(781) 325-6429
Email: bhatfield@ebiconsulting.com

Alexander P. Boucher, P.E.
Mechanical P.E.
Reviewer
(910) 493-3087
aboucher@ebiconsulting.com

TABLE OF CONTENTS

EXECUTIVE SUMMARY & PROPERTY DESCRIPTION	6
SUBJECT PROPERTY DESCRIPTION	7
SUBJECT PROPERTY BUILDING SUMMARY	7
1.0 PURPOSE & LIMITATIONS	8
2.0 BUILDING SYSTEMS	10
2.1 Plumbing Equipment	10
2.2 Piping	11
2.3 Electrical Systems	12
2.4 Mechanical Equipment	14
2.5 Fire / Life Safety	16
3.0 IMMEDIATE REPAIRS & REPLACEMENT RESERVES	17
3.1 Immediate Repairs - Table 1	17
3.2 Replacement Reserves - Table 2	17
LIMITING CONDITIONS	19

EXECUTIVE SUMMARY TABLE

Property Name:	The Montrose	Property Type:	Multiple Use
Address:	308 East 38th Street	Property Age:	15
City and State:	New York, NY	No. of units or tenants:	97
Site Survey Date:	January 20, 2015	Square feet:	93,405
Report Date:	February 2, 2015	Loan Term:	10
EBI Project #:	15150002	Analysis Term:	12

Section #	Section Name	Condition					Action Required	Immediate Repairs	Short Term Repairs	Replacement Reserves
		Excellent	Good	Fair	Poor	NA				
MECHANICAL SYSTEMS										
2.1	Building Plumbing		✓	✓						\$27,798
2.2	Building Piping		✓							
2.3	Building Electrical		✓							\$38,000
2.4	Building HVAC		✓							\$65,889
2.5	Building & Site Fire/Life Safety		✓							\$6,131
OTHER STRUCTURES, AMENITIES, SPECIAL INTEREST ITEMS										
	None									
TOTALS:								\$0	\$0	\$137,819
							Dollars per sf/yr	Dollars per unit/yr		
Present Value of Replacement Reserves Cost Estimate							\$0.12	\$118.40		\$137,819
Inflated Value of Replacement Reserves Cost Estimate							\$0.14	\$138.80		\$161,558
Immediate Repairs Cost Estimate								\$0		
Short Term Repairs Cost Estimate									\$0	
Total Deferred Maintenance Cost Estimate, After Multiplier								\$0		

EXECUTIVE SUMMARY & PROPERTY DESCRIPTION

The Subject Property is currently improved with a 22-story, 97-unit multifamily residential building with two street-level office tenant spaces. Additional amenities include a fitness center, located in the basement, and a roof deck. There is a basement present beneath the existing structure. The existing improvements were reportedly constructed in 2001. The building fully occupies the Subject Property, with no parking areas or landscaped areas and is reportedly 93,405 square feet.

Mr. Bryant Hatfield of EBI surveyed the property on January 20th-21st, 2015 and was accompanied by, and interviewed, Supervisor Eric Pereles. At the time of the survey, the weather was sunny/partly cloudy and with outside air temperatures ranging between 25° and 35° Fahrenheit. During the survey, all accessible roof areas, mechanical rooms, electrical rooms, and plumbing areas of the site were observed.

SUBJECT PROPERTY SUMMARY

The Subject Property is comprised of the improvements described above, situated on a rectangular shaped parcel with an address of 308 East 38th Street. The Subject Property has approximately 47 feet of frontage along East 38th Street and 99 feet in depth along Tunnel Approach Street.

Local surface arteries, Interstate, and state highway systems provide access to the property. The Subject Property is located at the entrance to the Queens-Midtown Tunnel with access to Interstate 495.

The site is gently sloped approximately 12 feet across the site from the northwest corner to the southwest corner.

The Subject Property is improved with one, rectangular shaped building with dimensions of 47 feet in length and 99 feet in depth.

PLUMBING SYSTEMS

The observed supply piping is copper and the waste lines are reportedly cast iron. The plumbing fixtures are vitreous china with chrome fittings. One unisex restroom is located on the basement floor next to the gym. The restroom has one toilet with manual flush valve and one sink.

Individual gas water boiler, 200-gallons in size, is located in the basement boiler room using one 3hp and one 2hp circulating pumps to supply domestic hot water to the Subject Property units.

The main water enters the building from underground into the gas meter room located in the basement. City water pressure and two 15 hp booster pumps supply water throughout the subject property.

Overall Condition

Water Booster Pump Set	Fair
Circulating Pumps	Fair
Hot Water Boiler	Good

MECHANICAL SYSTEM

Each apartment is heated and cooled by 0.5 to 2.0-ton Direct Expansion (DX) fan coil units with hot water reheat coils. The fan coil units are located on the exterior wall of each apartment. The fan coil units are McQuay brand and 15 year in age and use R-22 refrigerant. Ventilation for the condominium is provided by 4 100% outside air handling units located in the basement mechanical room. These air handling units also provide heating and cooling to the corridors on each floor and distribution is by concealed sheet metal ductwork. The main lobby and management offices are heated and cooled by 2-5 ton DX cooling only fan coil units and hot water baseboard heaters. Bathrooms have exhaust fans that discharge through the roof via a sheet metal chase.

Overall Condition

<i>Fan Coil Units</i>	Good
<i>Hot Water Boilers</i>	Good
<i>Hot Water Pumps</i>	Good
<i>Exhaust Fans</i>	Good

ELECTRICAL SYSTEMS

The incoming electrical service feeds 4 main electrical room located on the first, second, third and fourth floor of the building, containing main service switchboards and main distribution panels; feeding secondary runs to circuit breaker and secondary distribution panels located throughout the Subject Building, feeding interior building areas. The main service switchboard is rated for 1,000-Amp, 277/480-Volt, 3-phase, 4-wire service and was manufactured by Square D.

Overall Condition

<i>Main service feed and Distribution Panels</i>	Good
<i>Secondary Circuit Breaker Panels</i>	Good

Fire / Life Safety

The Subject Property has an addressable master fire control panel located at the front desk in the lobby. The fire water pump and sprinkler systems are located in the basement mechanical room. Fire hose reels are located in each stairwell.

<u>Overall Condition</u>	Good
---------------------------------	-------------

SYSTEM RESPONSIBILITY

Maintenance, repair and operation of the mechanical, electrical, and plumbing systems and components are reportedly the responsibility of the Subject Property owner

1.0 PURPOSE & LIMITATIONS

The exclusive purpose of this *Report* is to report the general operational condition, functionality, and maintenance status of the mechanical, electrical, and plumbing systems at the property. Amendments to EBI's limitations as stated herein that may occur after issuance of the *Report* are considered to be included in this *Report*. EBI's liability to a purchaser wishing to use this *Report* is limited to the cost of the *Report*. By accepting draft and final *Reports*, Spalagrees to these terms and limitations.

The information reported was obtained through sources deemed reliable, a visual site survey of areas readily observable, easily accessible or made accessible by the property contact and interviews with owners, agents, occupants, or other appropriate persons involved with the Subject Property. Municipal information was obtained through file reviews of reasonably ascertainable standard government record sources, and interviews with the authorities having jurisdiction over the property. Findings, conclusions and recommendations included in the *Report* are based on our visual observations in the field, the municipal information reasonably obtained, information provided by the Client, and/or a review of readily available and supplied drawings and documents. No disassembly of systems or building components or physical or invasive testing was performed. EBI renders no opinion as to the property condition at un-surveyed and/or inaccessible portions of the Subject Property. EBI relies completely on the information provided during the site survey, or provided or obtained during the writing of the draft *Report*, whether written, graphic or verbal, provided by the property contact, owner or agent, or municipal source, or as shown on any documents reviewed or received from the property contact, owner or agent, or municipal source, and assumes that information to be true and correct. EBI assumes no responsibility for property information or prior reports withheld or not provided during preparation of the *Report* for any reason whatsoever. The observations in this *Report* are valid on the date of the survey. EBI uses the date of first occupancy to establish the Subject Property age.

The extent of the physical survey for the production of this *Report* has been limited, by contract and agreed upon Scope of Work, (consistent with the guidelines of the ASTM E 2018 – 08 Scope of Work, as referenced below) to visual observations and a walk through of the property.

Immediate Repairs as may be identified during the survey are typically limited to life, safety, health, building code violation or building or property stabilization issues observed at the Subject Property. Routine, normal or customary annual maintenance or preventative maintenance items are not reported or included in this *Report*.

Short Term Repairs as may be identified during the survey are typically repairs that are not life, safety, stabilization or code issues, but deferred maintenance or repairs necessary or of significant cost so to warrant them as a Short Term Repair, and/or that can't be completed within a short timeframe due to the magnitude of the issue, the scope of work or weather.

This assessment is based on the evaluator's opinion of the physical condition of the improvements and the estimated expected remaining useful life of those improvements, based on his observations in the field at the time of the survey, and the written or verbal information received. The conclusions presented are based on the evaluator's professional judgment. The actual performance of individual components or systems may vary from a reasonably expected standard and may be affected by circumstances that are not readily ascertainable or viewable, or that occur after the date of the survey.

The gathering of data and information for this *Report* was completed in general conformance with ASTM E 2018 – 08 Standard Guide for Property Condition Assessment: Property Condition Assessment Process, and with the scope of services approved by the client.

The survey was conducted in a manner consistent with the level of care and skill ordinarily exercised by members of the profession, and in accordance with generally accepted practices of other consultants currently practicing in the same locality under similar conditions.

The level of care and skill exercised is also commensurate with the fees charged for EBI's services. No other representation, expressed or implied, and no warranty or guarantee is included or intended. The *Report* speaks only as of its date, in the absence of a specific written update of the *Report*, signed and delivered by EBI.

Limiting factors

Any additional information that becomes available after EBI's survey and draft submission concerning the Subject Property should be provided to EBI so that EBI's conclusions may be revised and modified, if necessary, at additional cost. This Report has been prepared in accordance with EBI's *Standard Conditions for Engagement*, which is an integral part of this Report.

CONDITION

EBI uses terms describing conditions of the various site, building, and system components. The terms used are defined below. It should be observed that a term applied to an overall system does not preclude that a part or a section of the system or component may be in a different condition.

EXCELLENT: The component or system is in new or like new condition and no deferred maintenance is recommended.

GOOD: The component or system is sound and performing its function, and/or scheduled maintenance can be accomplished through routine maintenance. It may show signs of normal aging or wear and tear and some remedial and routine maintenance or rehabilitation work may be necessary.

FAIR: The component or system is performing at a capacity that is considered to be acceptably sufficient, but may be obsolete or is approaching the end of its expected useful life. The component or system may exhibit evidence of deferred maintenance, previous repairs, or workmanship not in compliance with commonly accepted standards. Repair or replacement may be recommended in the near-term of the loan to prevent further deterioration, restore it to good condition, prevent premature failure, or to prolong its expected useful life.

POOR: The component or system has either failed or cannot be relied upon to continue performing its original function as a result of having exceeded its typical expected useful life, excessive deferred maintenance or state of disrepair. Present condition could contribute to, or cause, the deterioration of other adjoining elements or systems. Repair or replacement is recommended.

2.0 BUILDING SYSTEMS

2.1 PLUMBING EQUIPMENT

The observed supply piping is copper and the waste lines are reportedly cast iron. The plumbing fixtures are vitreous china with chrome fittings. One unisex restroom is located on the basement floor next to the gym. The restroom has one toilet with manual flush valve and one sink.

Individual gas water boiler, 200-gallons in size, is located in the basement boiler room using one 3hp and one 2hp circulating pumps to supply domestic hot water to the Subject Property apartments.

The main water enters the building from underground into the gas meter room located in the basement. City water pressure and two 15 hp booster pumps supply water throughout the subject property.

Equipment ID	Manufacturer	Model Number	Serial Number	Location	Age	Condition
Water Booster Pumps	Federal Pump Corp.	98757 15hp	unknown	Gas Meter Room	15	Fair
Domestic Hot Water Boiler	OA Smith	Y86672	NDS100866 72Y5 200 GAL	Boiler Room	15	Good
Domestic Hot Water Circulating Pump	Armstrong	3x3x9B	Unknown 200GPM 3hp	Boiler Room	15	Good
Domestic Hot Water Circulating Pump	Armstrong	3x3x9B	Unknown 100GPM 2hp	Boiler Room	15	Good

Figure 2.1.1 - Domestic Hot Water Boiler.

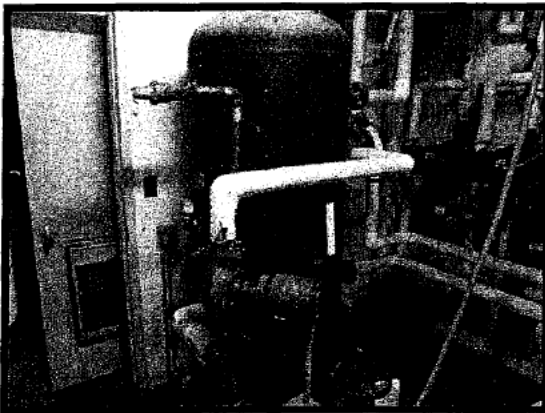
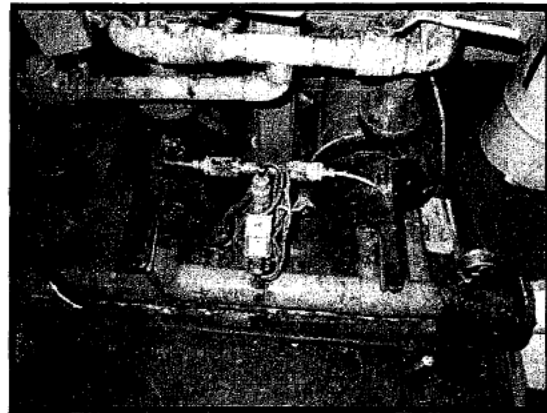


Figure 2.1.2 — Booster Pump Set.



Condition:

There are no reported water supply/water pressure issues at the property. The 2000 domestic water pressure booster pump set is approximately 15 years old and was observed to be in fair condition. Due to the age and condition of the booster pumps, replacement is anticipated during the analysis term.

The hot water boiler is approximately 15 years old and was observed to be in good condition. Replacement Reserves are not anticipated at this time

The 2 circulating pumps appear to be in fair condition and have a service life of 20 years, a remaining useful life of 5 years, Replacement Reserves are anticipated during the analysis term.

RECOMMENDED IMMEDIATE REPAIRS, SHORT TERM REPAIRS OR REPLACEMENT RESERVES

Please see Table I for the recommended Immediate Repairs listed below.

- **None**

Please see Table I for the recommended Short Term Repairs listed below:

- **None**

Please see Table 2 for the recommended Replacement Reserves listed below:

- **Replace Circulating Pump 200 GPM**
- **Replace Circulating Pump 100 GPM**
- **Domestic Water Pump Set**

2.2 PIPING

The observed domestic water supply piping is copper and drain lines are cast iron. There were no reported or observed problems with the plumbing system components, operation or capacities. Most of all observed piping is original as the building was constructed in 2000. A backflow preventer is located at the water service entrance for the potable water. The plumbing fixtures are vitreous china with chrome fittings.

The main gas line enters the building from below grade into gas meter room located in the basement. Welded and threaded black iron pipe is used for gas piping throughout the subject property.

Figure 2.2.3 – Gas Meters.

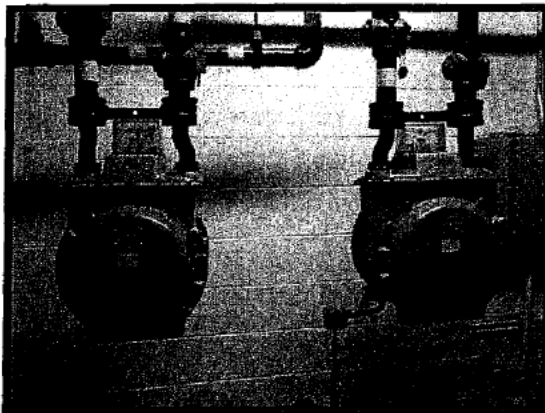
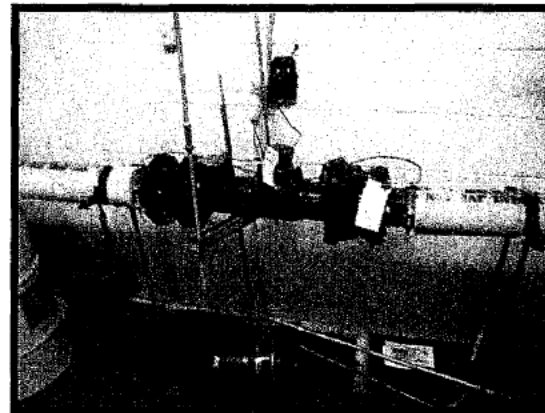


Figure 2.2.4 – Backflow Preventer.



Condition:

The bathroom finishes and fixtures observed appeared to be in good condition and in working order. There were no reported or observed problems with the plumbing system components, operation or capacities.

The backflow preventers are reportedly inspected once a year and Replacement Reserve is not recommended for inspection or replacement during the analysis term. Piping throughout the property appears to be in good overall condition. Replacement Reserve is not anticipated during the analysis term

RECOMMENDED IMMEDIATE REPAIRS, SHORT TERM REPAIRS OR REPLACEMENT RESERVES

Please see Table 1 for the recommended Immediate Repairs listed below:

- **None**

Please see Table 1 for the recommended Short Term Repairs listed below:

- **None**

Please see Table 2 for the recommended Replacement Reserves listed below:

- **None**

2.3 ELECTRICAL SYSTEMS

The incoming electrical service feeds a main electrical room located on the first floor of the building, containing main service switchboards and main distribution panels; feeding secondary runs to circuit breaker and secondary distribution panels located throughout the Subject Building, feeding interior building areas. The main service switchboard is rated for 4000-Amp, 600-Volt, 3-phase, 4-wire service and was manufactured by Siemens.

The Subject Property reportedly has copper wiring and standard electrical devices, switches and fixtures consistent with the Subject Property use type. GFCI fixtures were observed during the survey. The property does not have an energy management system controlling the property lighting and HVAC systems.

Figure 2.3.5 – Main Service Disconnect.



Figure 2.3.6 – Meter Panel.

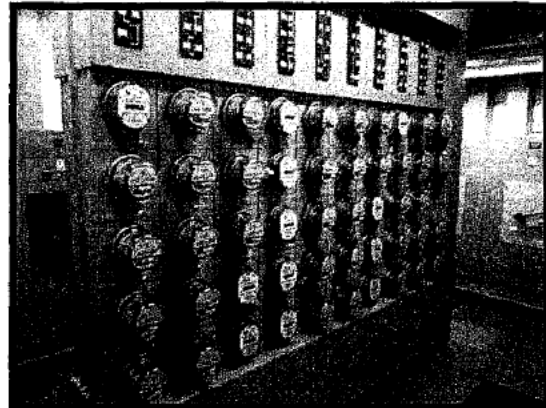
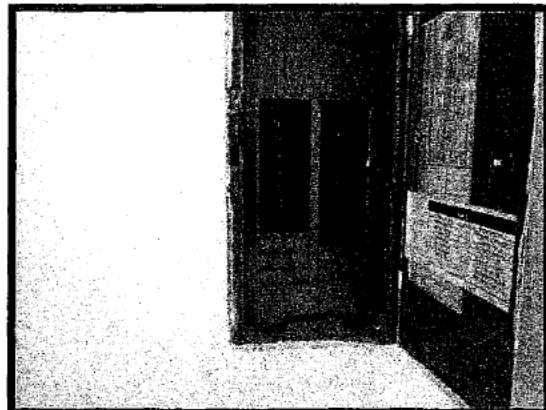


Figure 2.3.7 – Distribution Panels TYP.



Figure 2.3.8 – Apt. Distribution Panel Typ.



Condition:

There were no reported or observed problems with the electrical system sizes or capacities. Replacement Reserve is not anticipated for electrical systems during the analysis term.

An infrared (IR) survey of the building is recommended to be performed on a three year cycle. Based on current practice and the age of the building and electrical components, IR surveys are recommended as Replacement Reserves.

RECOMMENDED IMMEDIATE REPAIRS, SHORT TERM REPAIRS OR REPLACEMENT RESERVES

Please see Table 1 for the recommended Immediate Repairs listed below:

- **None**

Please see Table 1 for the recommended Short Term Repairs listed below:

- **None**

Please see Table 2 for the recommended Replacement Reserves listed below:

- **Perform IR survey every 3 years**

2.4 MECHANICAL EQUIPMENT

Each condo is heated and cooled by 0.5 to 2.0-ton Direct Expansion (DX) fan coil units with hot water reheat coils. The fan coil units are located on the exterior wall of each condominium. The fan coil units are McQuay brand and 15 year in age and use R-22 refrigerant. Ventilation for the condominium is provided by 4 100% outside air handling units located in the basement mechanical room. These air handling units also provide heating and cooling to the corridors on each floor and distribution is by concealed sheet metal ductwork. The main lobby and management offices are heated and cooled by 2-5 ton DX cooling only fan coil units and hot water baseboard heaters. Bathrooms have exhaust fans that discharge through the roof via a sheet metal chase.

The Subject Property is heated and cooled by the following approximate count and size of units:

HVAC SYSTEMS					
AREA SERVED COMPONENT	NO. OF UNITS	MFR. REF. TYPE	MODEL #, TON HORSE POWER	TYPE OR LOCATION	APPROXIMATE AGE
Fan Coil Units	353	McQuay R-22	Varies	Condo and Common Areas	15
100% Outside Air Handlers	4	McQuay R-22	Varies	Apartment	15
Hot Water Boiler	3	Aerco	Varies 200GPM 1800MBH	Boiler Room	15
Circulating Pump	2	Unknown	Unknown 15hp	Boiler Room	15
Exhaust Fans	7	Varies	Varies	Roof	15

Figure 2.4.9 – Fan Coil Units TYP.

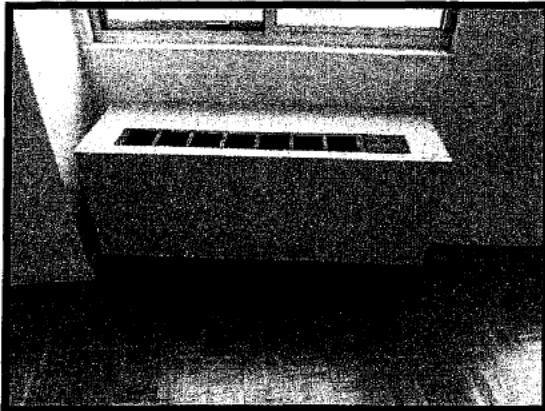


Figure 2.4.10 – Exhaust Fan TYP.

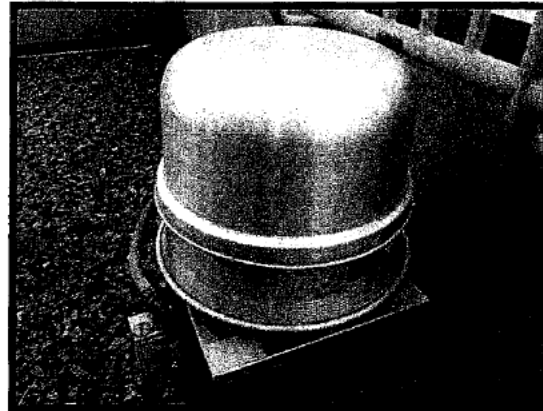


Figure 2.4.11 – Hot Water Pump.

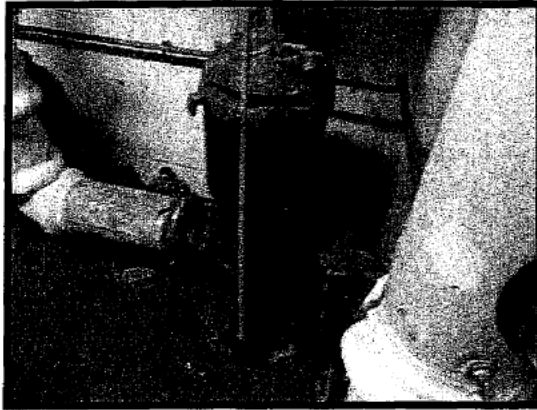


Figure 2.4.12 – Hot Water Boiler.



CONDITION:

The observed mechanical equipment appears to be in good condition. Maintenance and repair appear to be on an "as needed" basis.

There are a total of 353 fan coil units serving the condos, offices and common areas. The fan coil units are in good condition and have a typical useful service life of 25-30 years, a remaining useful service life of 10-15 years. Replacement Reserves are not anticipated during the analysis term.

There are 7 roof fans that provide exhaust for the apartment and additional restrooms to trash chute and Exhaust fans have a typical useful service life of 20 - 25 years, a remaining useful service life of 5-10 years. Replacement Reserves are anticipated during the analysis term.

The three Aerco hot water boilers appear to be in good condition and have a service life of 30 years, a remaining useful service life of 15 years. Replacement Reserves are not anticipated during the analysis term

The 2 circulating pumps appear to be in good condition and have a service life of 20 years, a remaining useful life of 5 years Replacement Reserves are anticipated during the analysis term.

RECOMMENDED IMMEDIATE REPAIRS, SHORT TERM REPAIRS OR REPLACEMENT RESERVES

Please see Table I for the recommended Immediate Repairs listed below:

- **None**

Please see Table I for the recommended Short Term Repairs listed below:

- **None**

Please see Table 2 for the recommended Replacement Reserves listed below:

- **Replace Roof Exhaust Fans (7 Total)**
- **Replace Circulating Pump 400GPM (2 Total)**

2.5 FIRE / LIFE SAFETY

Observed fire and life safety systems serving the Subject Property includes an EST2, installed in 2000, multiple-zone fire alarm control panel, an auto-dialer (reportedly tying the system to a 24-hour monitoring service), hardwired smoke detectors with battery back-up, pull stations, illuminated exit lights with battery back-up, emergency battery lighting units, horn/light enunciators, fire extinguishers, and a full-coverage, wet-pipe sprinkler system with check valves and tamper and flow switches. Fire department Siamese connections are located on the 38th street side of the property. Fire hydrants are located along the adjacent municipal right-of-way.

A 500 GPM electric motor driven fire pump, installed in 2000, augments the sprinkler system ensuring adequate pressure to the highest level of the 22-story portion of the building. Fire suppression water storage tanks were not observed on-site. The stairs are not provided with pressurization and smoke evacuation and none was required at the time of original construction. Fire department connections are located on the exterior of the 38th street side of the building

Figure 2.5.13 – Fire Control Panel.

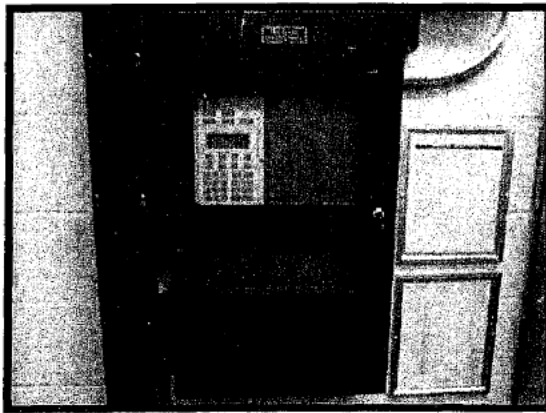
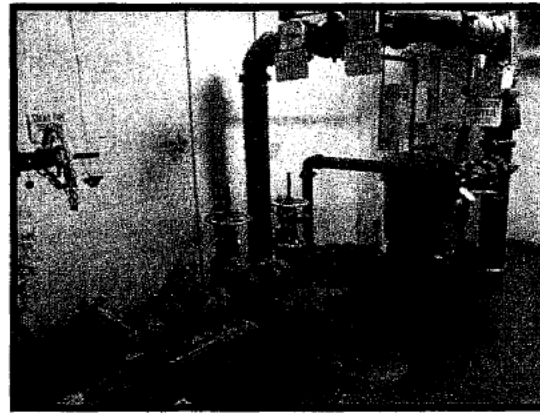


Figure 2.5.14 – Fire Pump.



CONDITION

There were no reported or observed problems with the Fire and Life Safety system sizes or configuration. The fire system was inspected in May 2014 and appeared in good condition.

The EST2 fire panel was installed in 2000, and has a useful service life of 25 years, a remaining useful life of 10 years Replacement Reserves are recommended.

RECOMMENDED IMMEDIATE REPAIRS, SHORT TERM REPAIRS OR REPLACEMENT RESERVES

Please see Table I for the recommended Immediate Repairs listed below:

- **None**

Please see Table I for the recommended Short Term Repairs listed below:

- **None**

Please see Table 2 for the recommended Replacement Reserves listed below:

- **Replace Fire Panel**

3.0 IMMEDIATE REPAIRS & REPLACEMENT RESERVES

The cost estimates shown on the tables are based on data obtained from the Owner for items already planned, quotes from contractors, EBI's in-house equity database costs and our experience with costs and estimates for similar issues, property and building types, city cost indexes, and assumptions regarding future economic conditions. These projected costs are augmented by cost estimate resource documents such as the National Construction Estimator, Means Building Construction Cost Data, or Means Facilities Maintenance and Repair Cost Data Publications.

3.1 IMMEDIATE REPAIRS - TABLE 1

Each of the Immediate Repair items noted during the survey are listed on the following page on Table 1. Items are grouped by *Report* section.

3.2 REPLACEMENT RESERVES - TABLE 2

Each of the Replacement Reserve items noted during the survey are listed on the following pages on Table 2, and compiled on the Executive Summary Table. Items are grouped and cross-referenced by *Report* section. Routine or customary annual maintenance items are not reported or included in this *Report*.

TABLE 1 - IMMEDIATE & SHORT TERM REPAIRS

The Montrose
308 East 38th Street
New York, NY
EBI Project # 15150002

Site Survey Date: 1/20/2015
Report Date: 2/2/2015
Property Type: Multiple Use
Number of Buildings: 1
Number of Floors: 22

Building Area: 93,405
Number of Units: 97
Property Age: 15
Loan Term: 10
Analysis Term: 12

SECTION NUMBER	SECTION NAME	RECOMMENDED WORK	QUANTITY	UNIT COST	UNIT DESCRIPTION	ESTIMATED IMMEDIATE REPAIR COST	Short Term Repair?	ESTIMATED SHORT TERM REPAIR COST	COMMENTS OR ADDITIONAL DESCRIPTION
2.0	MECHANICAL SYSTEMS								
2.1	Plumbing	None							
2.2	Piping	None							
2.3	Electric	None							
2.4	HVAC	None							
2.5	F/L Safety	None							
	TOTAL					\$0		\$0	
	1.25 MULTIPLIER					\$0		\$0	
	TOTAL DEFERRED MAINTENANCE					\$0			

TABLE 2 - REPLACEMENT RESERVES

The Montrose
308 East 38th Street
New York, NY
EBI Project # 15150002

Site Survey Date: 1/20/2015 Building Area: 93,405
Report Date: 2/2/2015 Number of Units: 97
Property Type: Multiple Use Property Age: 15
Number of Buildings: 1 Loan Term: 10
Number of Floors: 22 Analysis Term: 12

SECTION NUMBER	SECTION NAME	RECOMMENDED WORK	AVERAGE EFFECTIVE USEFUL LIFE	EFFECTIVE AGE	REMAINING USEFUL LIFE	TOTAL QUANTITY OVER TERM	APPROXIMATE QUANTITY PER YEAR	UNIT COST	UNIT DESCRIPTION	ESTIMATED COST PER YEAR	Annual Costs												RECOMMENDED TOTAL OVER THE TERM	
											2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026		
											YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	YEAR 11	YEAR 12		
2.0	MECHANICAL SYSTEMS																							
2.1	Plumbing	Replace Pump (3" size, 5 HP, to 225 GPM) In-line - End Section	20	15	5	1	1	\$6,435.87	each, # per year	\$6,436					6,436									\$6,436
2.1	Plumbing	Replace Pump (2.5" size, 3 HP, to 150 GPM) In-line - base mounted	20	15	5	1	1	\$11,888.87	each, # per year	\$11,889					11,889									\$11,889
2.1	Plumbing	Domestic water booster pumps	15	12	3	1	1	\$9,473.00	each, # per year	\$9,473			9,473											\$9,473
2.2	Piping	None																						
2.3	Electric	Perform IR survey high-rise	-			4		\$9,500	allowance				9,500			9,500			9,500			9,500		\$38,000
2.4	HVAC	Replace Pump (5" size, 10 HP, to 600 GPM) In-line - base mounted	20	15	5	2	2	\$22,199.03	each, # per year	\$44,398					44,398									\$44,398
2.4	HVAC	Replace Direct Drive EF (1450 CFM, 13" sq. damper)	25	15	10	4	1	\$2,858.17	each	\$2,858				2,858	2,858	2,858					2,858			\$11,432
2.4	HVAC	Replace Direct Drive EF (2050 CFM, 16" sq. damper)	25	15	10	2	1	\$3,319.68	each	\$3,320											3,320	3,320		\$6,640
2.4	HVAC	Replace V-belt Drive EF (3500 CFM, 21" sq. damper)	25	15	10	1	1	\$3,419.43	each	\$3,419												3,419		\$3,419
2.5	F/L Safety	Replace central fire alarm panel (apartments main)	25	15	10	1	1	\$6,131.30	each	\$6,131												6,131		\$6,131
ANNUAL RECOMMENDATIONS, UNINFLATED													18,973	2,858	65,581	12,358			9,500	15,729	3,320	9,500	\$137,819	
INFLATION FACTOR, IN PERCENTAGE 1.030											100.00%	103.00%	106.09%	109.27%	112.55%	115.93%	119.41%	122.99%	126.68%	130.48%	134.39%	138.42%		
ANNUAL RECOMMENDATIONS, INFLATED @ 3.00% AFTER YEAR ONE													\$20,128	\$3,123	\$73,812	\$14,326			\$12,034	\$20,522	\$4,462	\$13,150	\$161,558	
Notes:											PRESENT VALUE OF RECOMMENDED TOTAL ANNUAL RESERVES PER SF PER YEAR											\$0.12		
1.											INFLATED VALUE OF RECOMMENDED TOTAL ANNUAL RESERVES PER SF PER YEAR											\$0.14		
Notes:											PRESENT VALUE OF RECOMMENDED TOTAL ANNUAL RESERVES PER UNIT PER YEAR											\$118		
1.											INFLATED VALUE OF RECOMMENDED TOTAL ANNUAL RESERVES PER UNIT PER YEAR											\$139		

LIMITING CONDITIONS

In expressing the opinions stated in this report, EBI Consulting has exercised the degree of skill and care ordinarily exercised by a reasonably prudent consultant in the same community and in the same time frame given the same or similar facts and circumstances. Documentation and data provided by the Client, designated representatives of the Client or other interested third parties, or from the public domain, and referred to in the preparation of this assessment, have been used and referenced with the understanding that EBI Consulting assumes no responsibility or liability for their accuracy.

The independent conclusions represent EBI Consulting's professional judgment is based on information and data available to us during the course of this assignment. EBI Consulting's evaluation and opinions are not representations regarding the design integrity, structural soundness, or actual value of the property. Factual information regarding operations, conditions and test data provided by the Client or their representative has been assumed to be correct and complete. The conclusions presented are based on the data provided, observations and conditions that existed on the date of the on site visit.

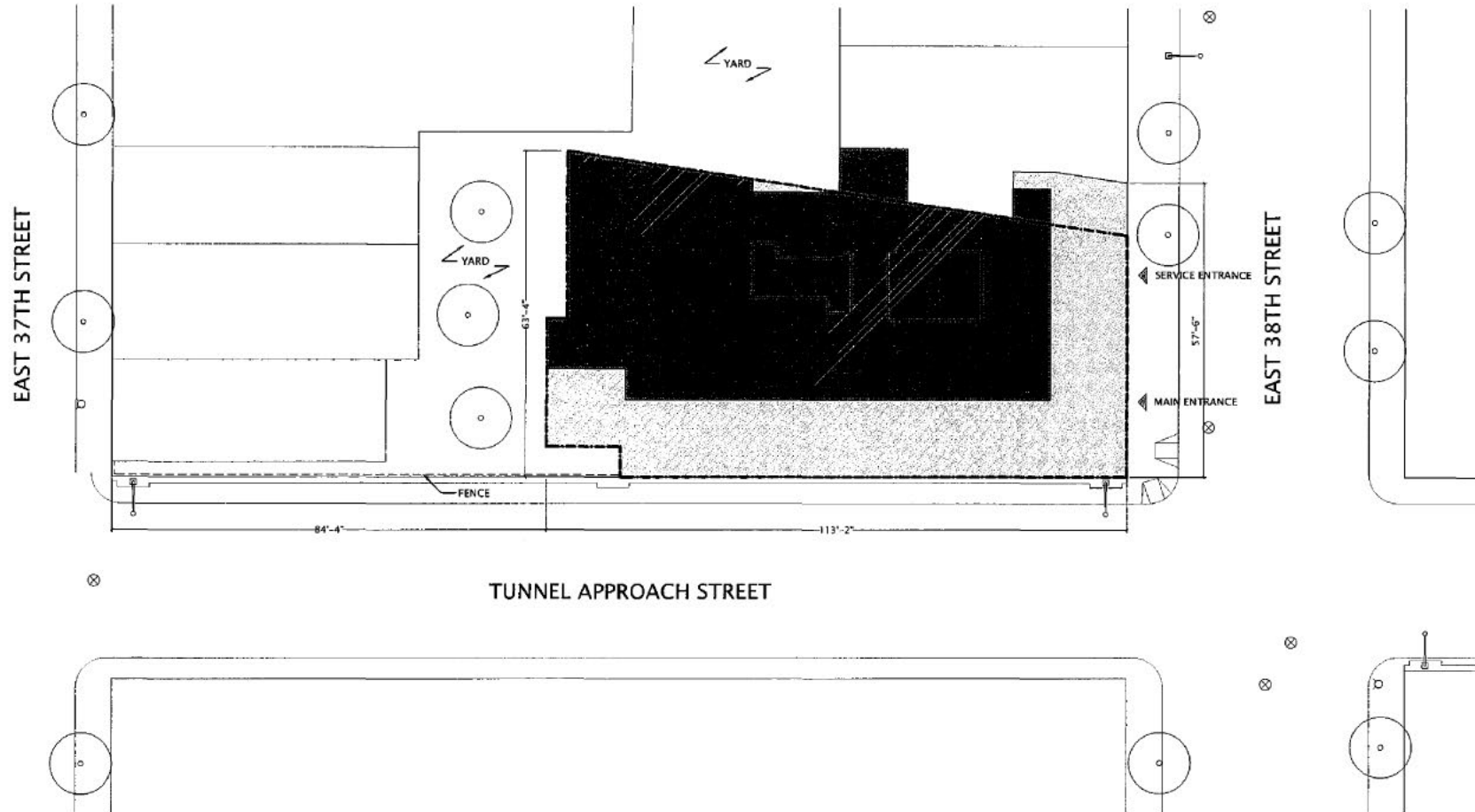
This estimate is also based on the assumption that sound property maintenance practices will continue, and that all maintenance, repair, and replacement recommendations as provided in this Report will be completed.

This assessment is based on the evaluator's opinion of the physical condition of the improvements and the estimated expected remaining useful life of those improvements, based on his observations in the field at the time of the survey, and the written or verbal information received. The conclusions presented are based on the evaluator's professional judgment. The actual performance of individual components or systems may vary from a reasonably expected standard and may be affected by circumstances that are not readily ascertainable or viewable, or that occur after the date of the survey.

Exhibit 5

Floor Plans of Units

SITE PLAN
308 EAST 38TH STREET



- TREE
- FIRE HYDRANT
- STREET LIGHT
- ⊗ MANHOLE
- ◀ ENTRANCE

THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

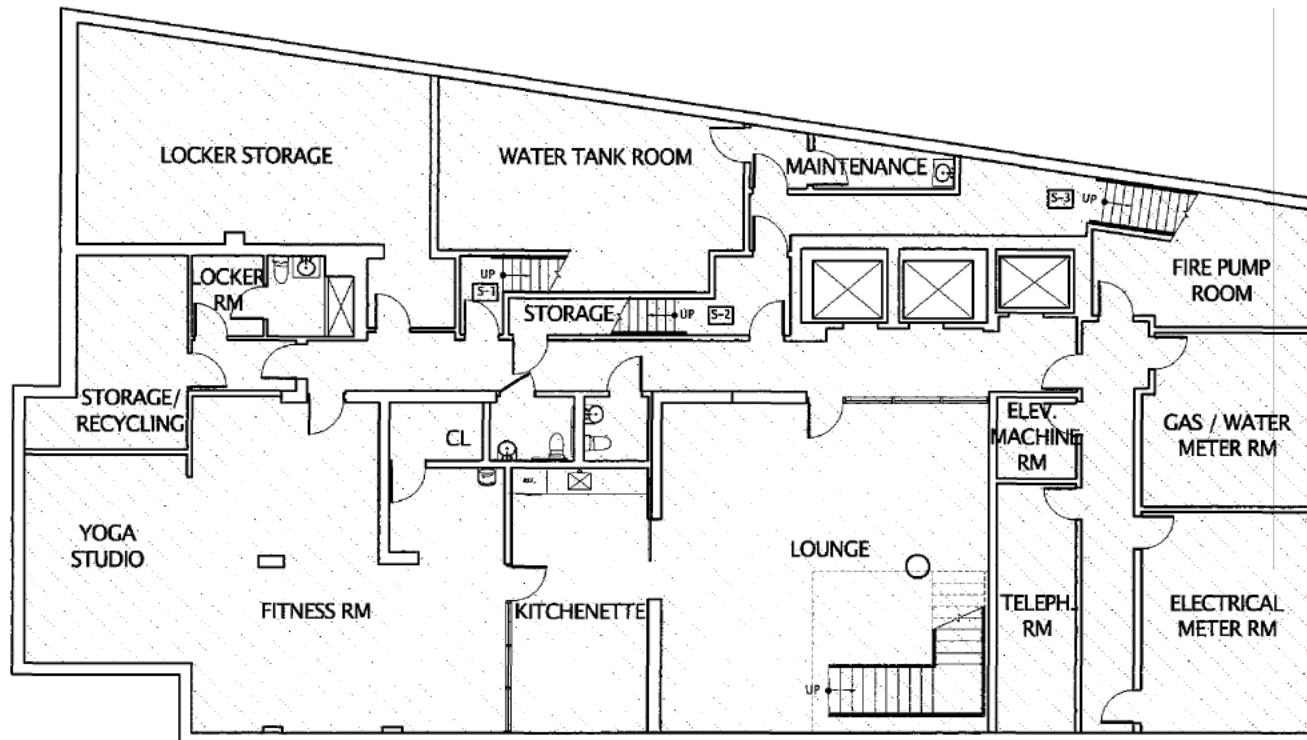
- DRAIN
- ▨ COMMON ELEMENT
- ▨ LIMITED COMMON ELEMENT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

© 2016 Spivak Architects P.C.

CELLAR FLOOR PLAN

CEILING HEIGHT: 9'-10" - 10'-6"



THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

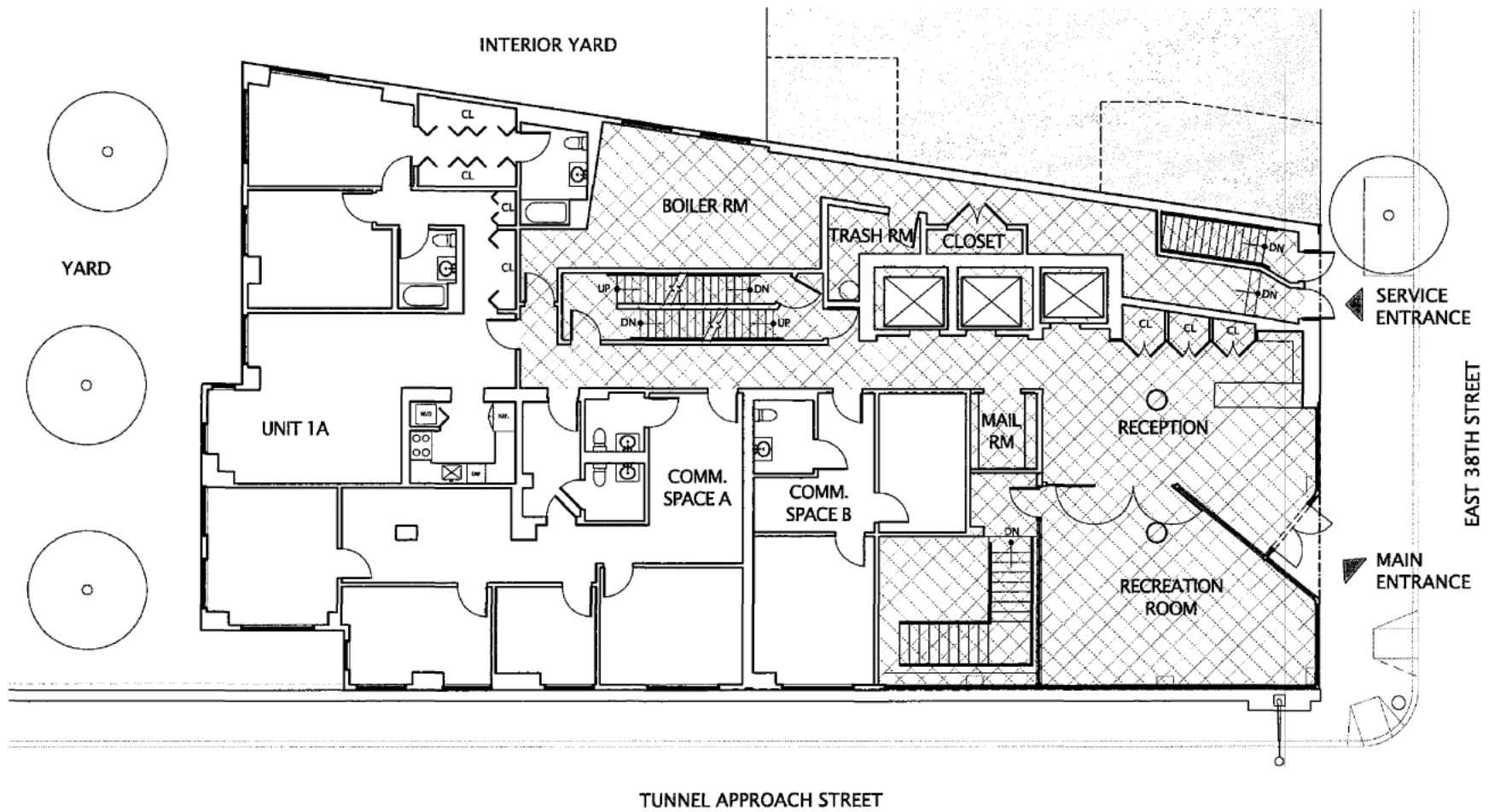
- DRAIN
- ▨ COMMON ELEMENT
- ▨ LIMITED COMMON ELEMENT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

© 2016 Spivak Architects P.C.

GROUND FLOOR PLAN

CEILING HEIGHT: 8'-6" - 10'-7"



291

THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

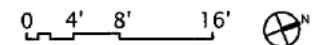
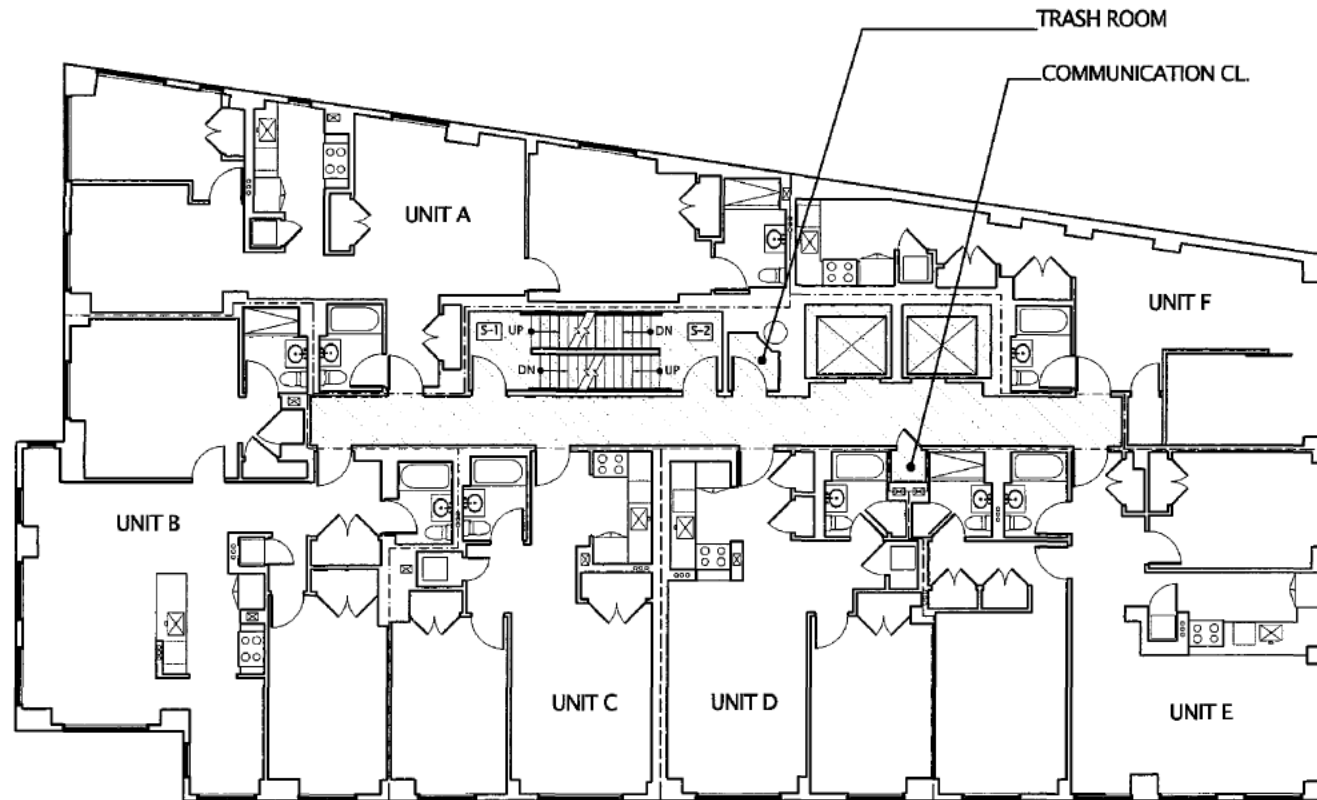
- DRAIN
- ▨ COMMON ELEMENT
- ▨ LIMITED COMMON ELEMENT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

© 2016 Spivak Architects P.C.

3RD-9TH FLOOR PLAN

CEILING HEIGHT: 7'-3" - 8'-0"



THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

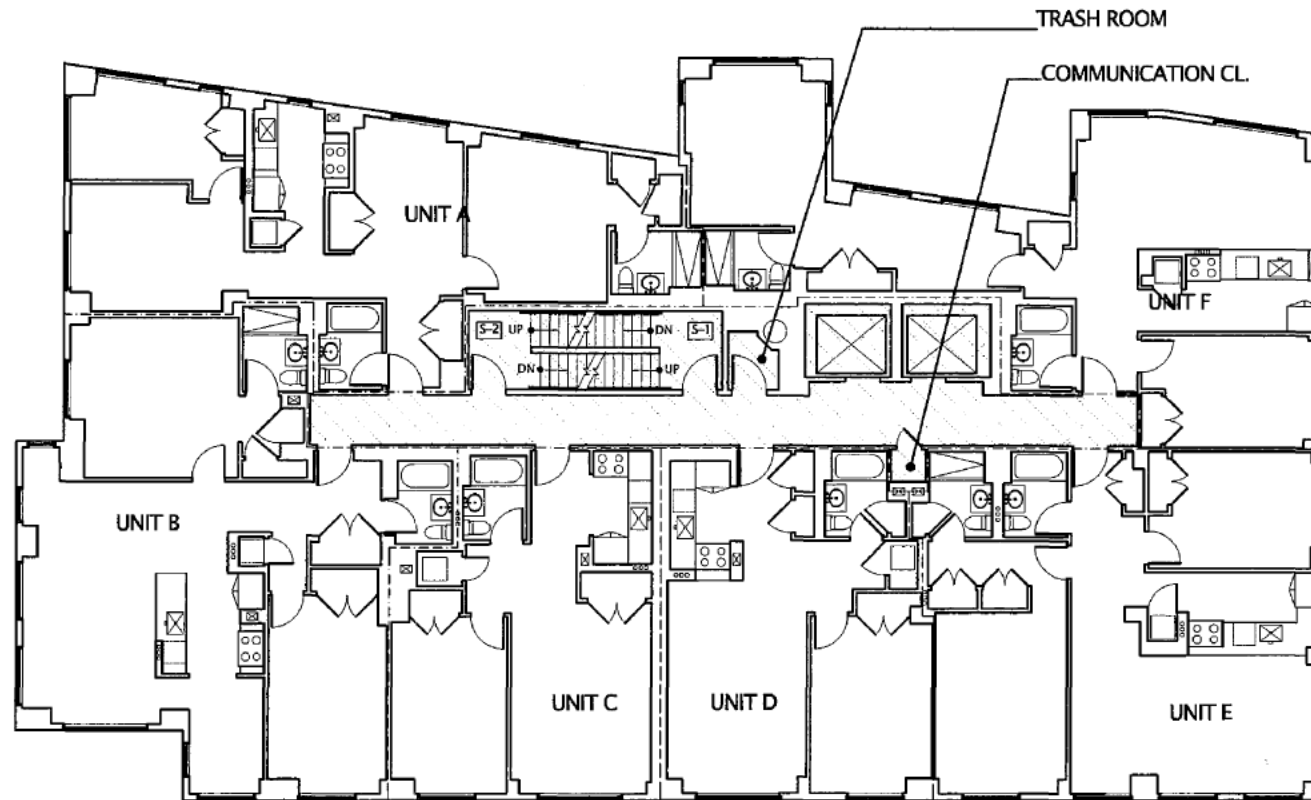
- DRAIN
- ▨ COMMON ELEMENT
- ▨ LIMITED COMMON ELEMENT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

© 2016 Spivak Architects P.C.

10TH-16TH FLOOR PLAN

CEILING HEIGHT: 7'-3" - 8'-0"



0 4' 8' 16' 

THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

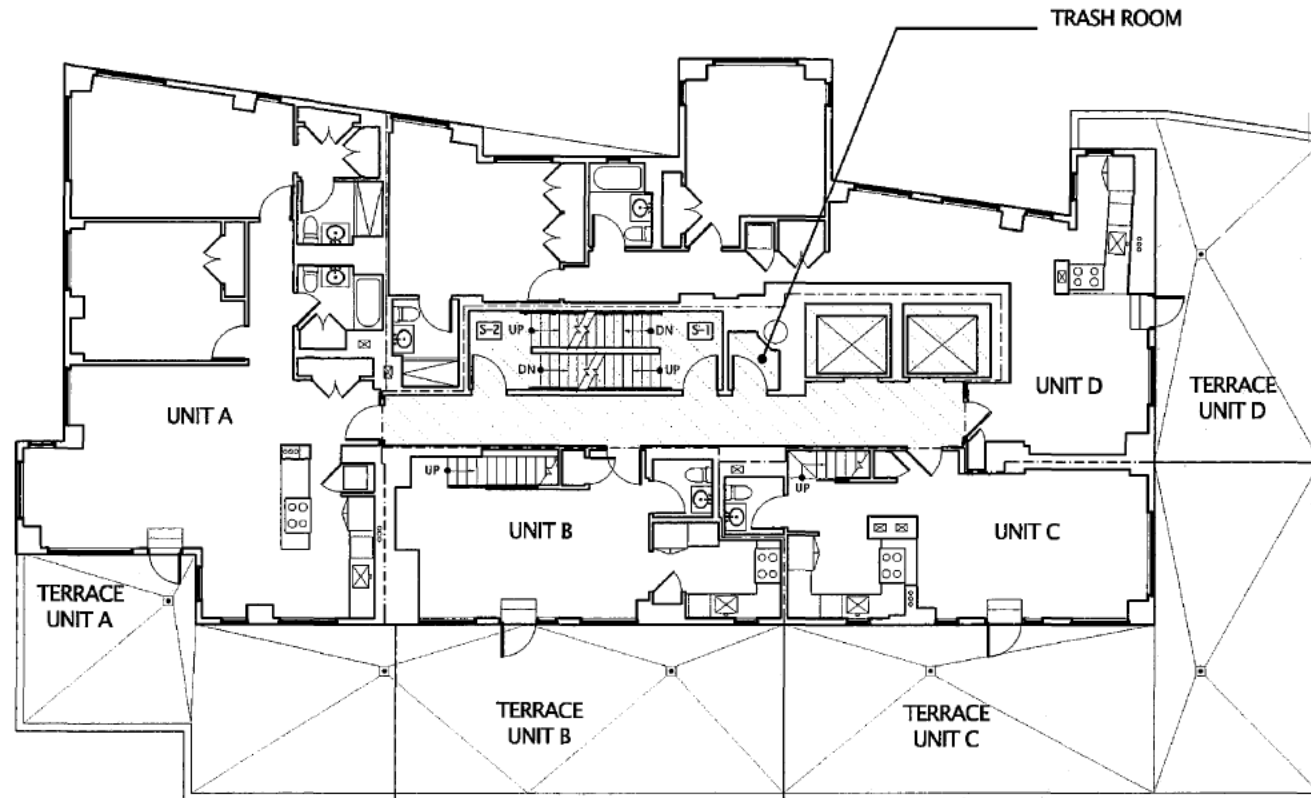
- DRAIN
-  COMMON ELEMENT
-  LIMITED COMMON ELEMENT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

© 2016 Spivak Architects P.C.

17TH FLOOR PLAN

CEILING HEIGHT: 7'-3" - 8'-0"



THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

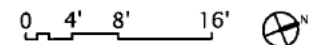
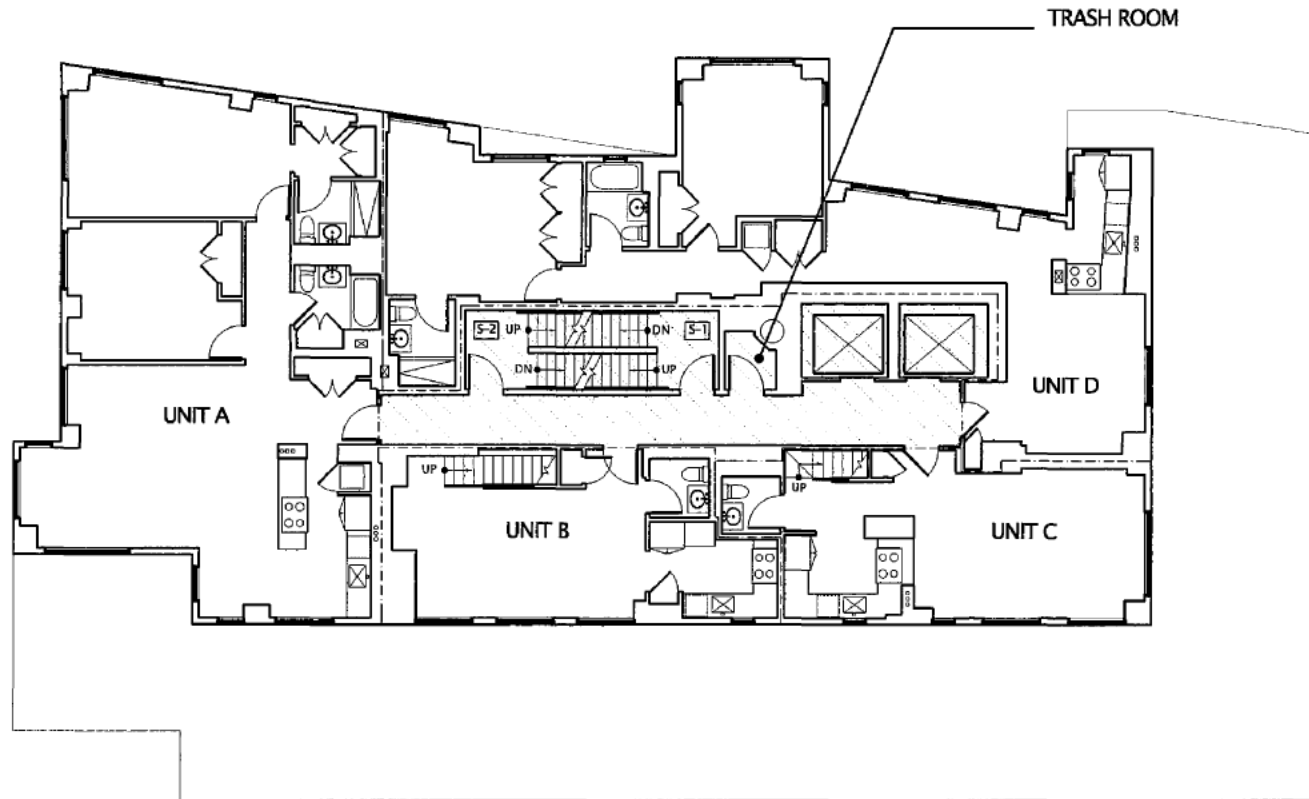
- DRAIN
- ▨ COMMON ELEMENT
- ▨ LIMITED COMMON ELEMENT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

© 2016 Spivak Architects P.C.

18TH AND 20TH FLOOR PLAN

CEILING HEIGHT: 7'-2" - 8'-8"



THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

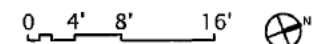
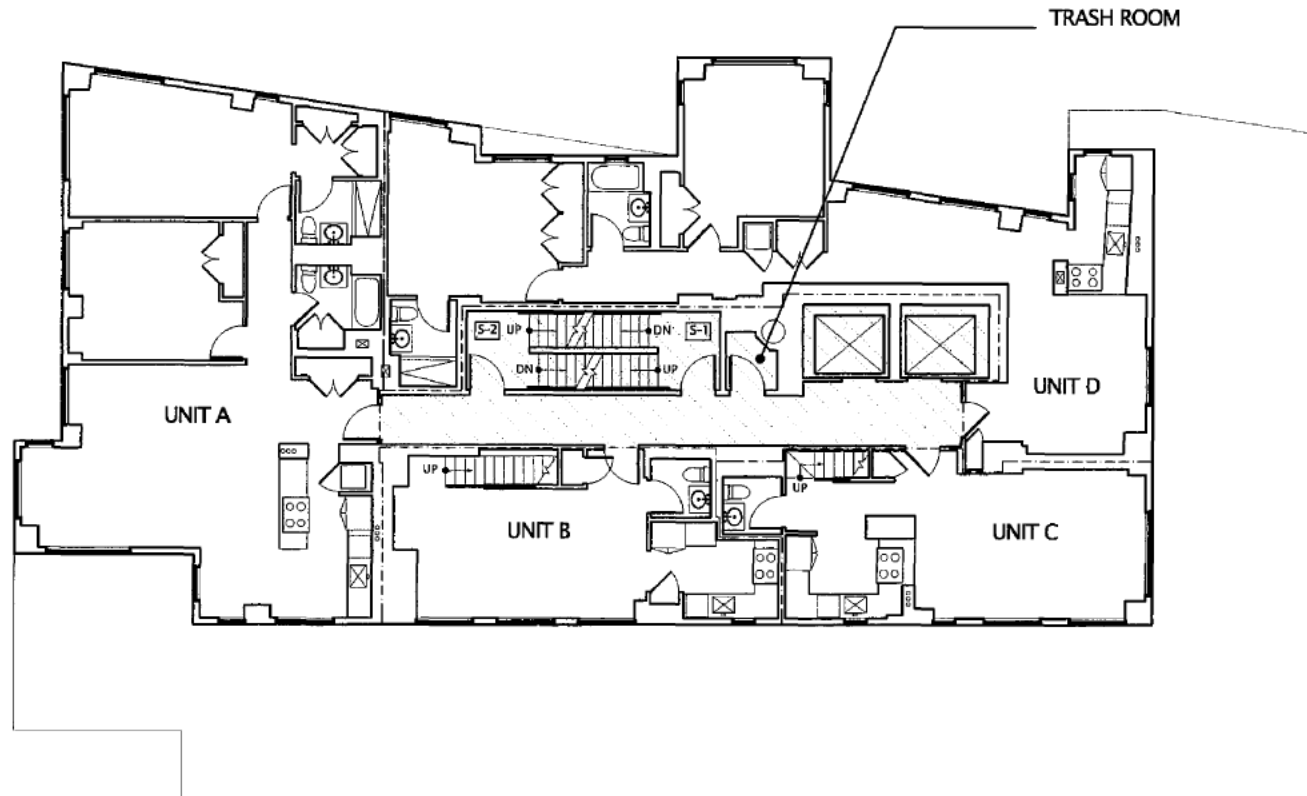
- DRAIN
- COMMON ELEMENT
- LIMITED COMMON ELEMENT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

© 2016 Spivak Architects P.C.

19TH FLOOR PLAN

CEILING HEIGHT: 7'-2" - 8'-8"



THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

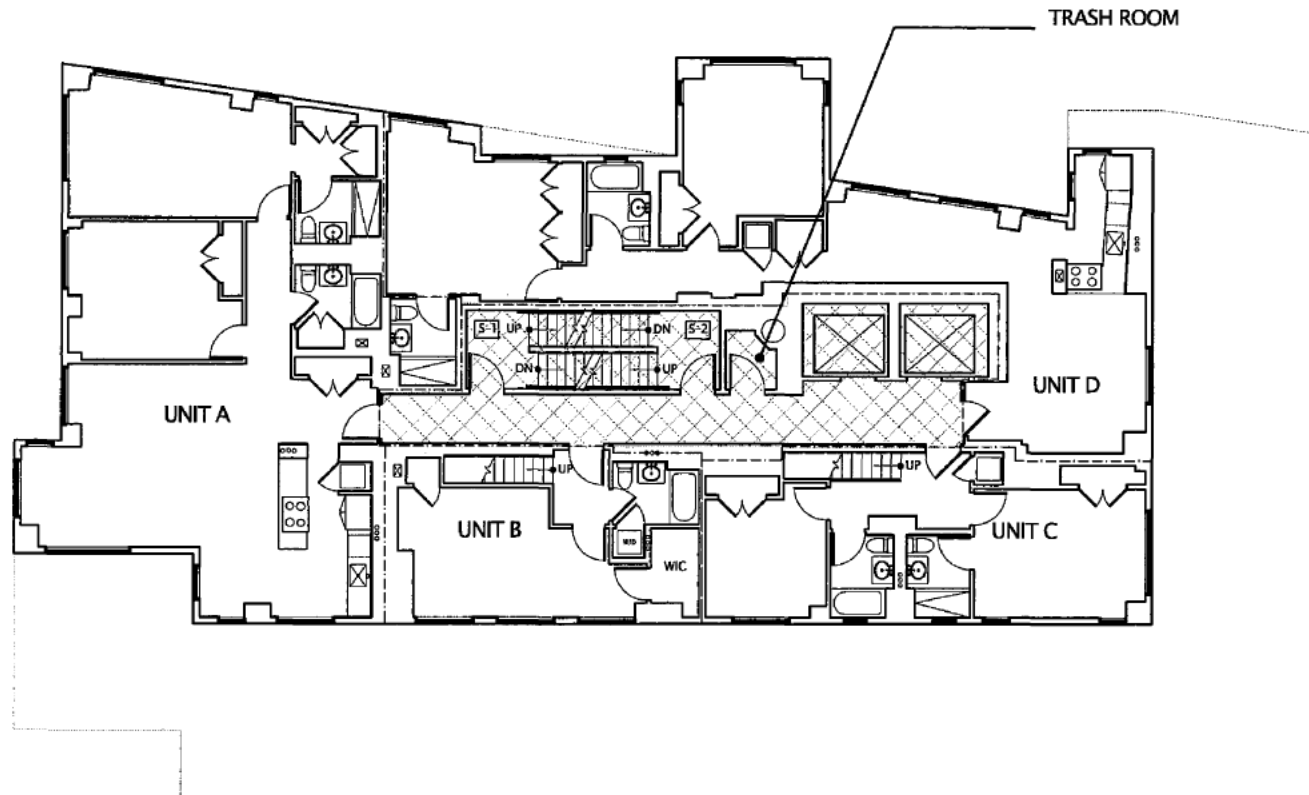
- DRAIN
- COMMON ELEMENT
- LIMITED COMMON ELEMENT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

© 2016 Spivak Architects P.C.

21ST FLOOR PLAN

CEILING HEIGHT: 8'-0" - 8'-9"



THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

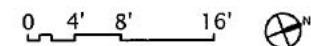
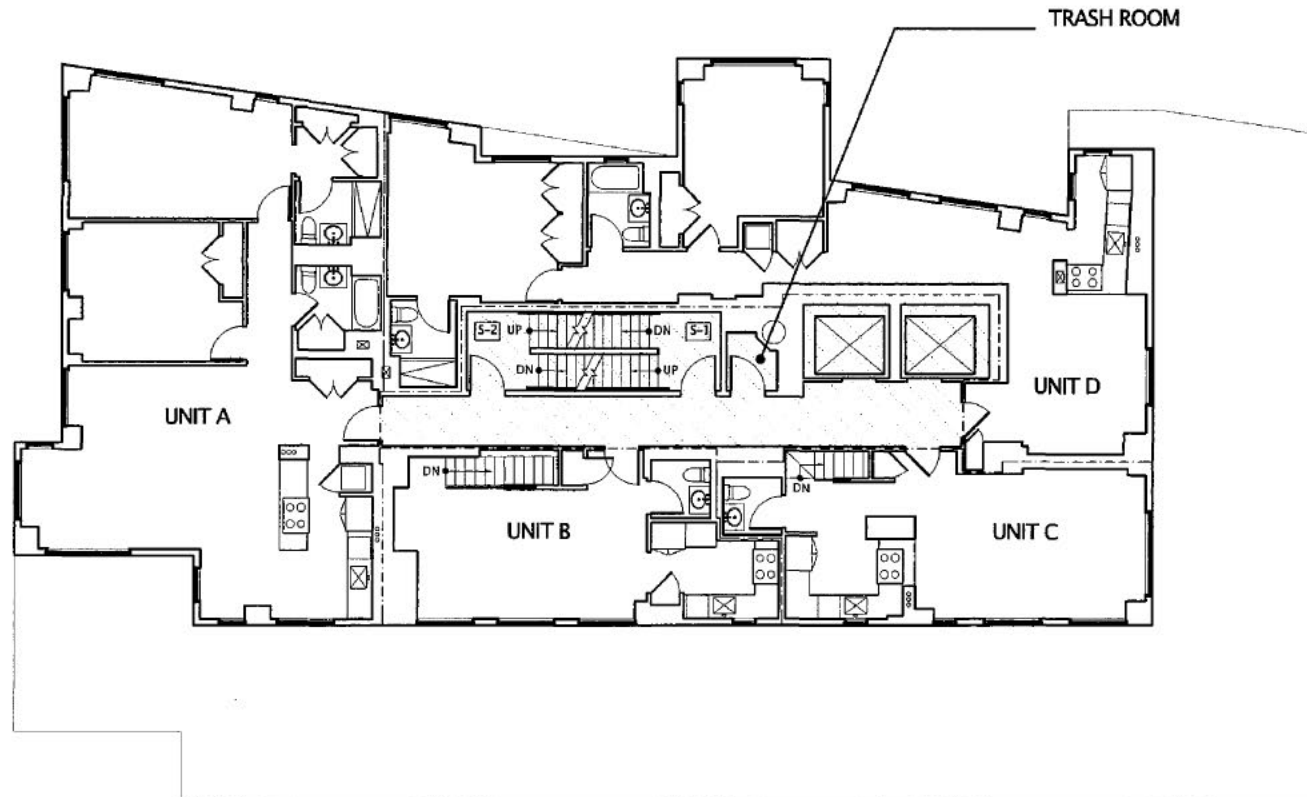
- DRAIN
- ▨ COMMON ELEMENT
- ▧ LIMITED COMMON ELEMENT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

© 2016 Spivak Architects P.C.

22ND FLOOR PLAN

CEILING HEIGHT: 10'-3" - 8'-0"



THE VANTAGE

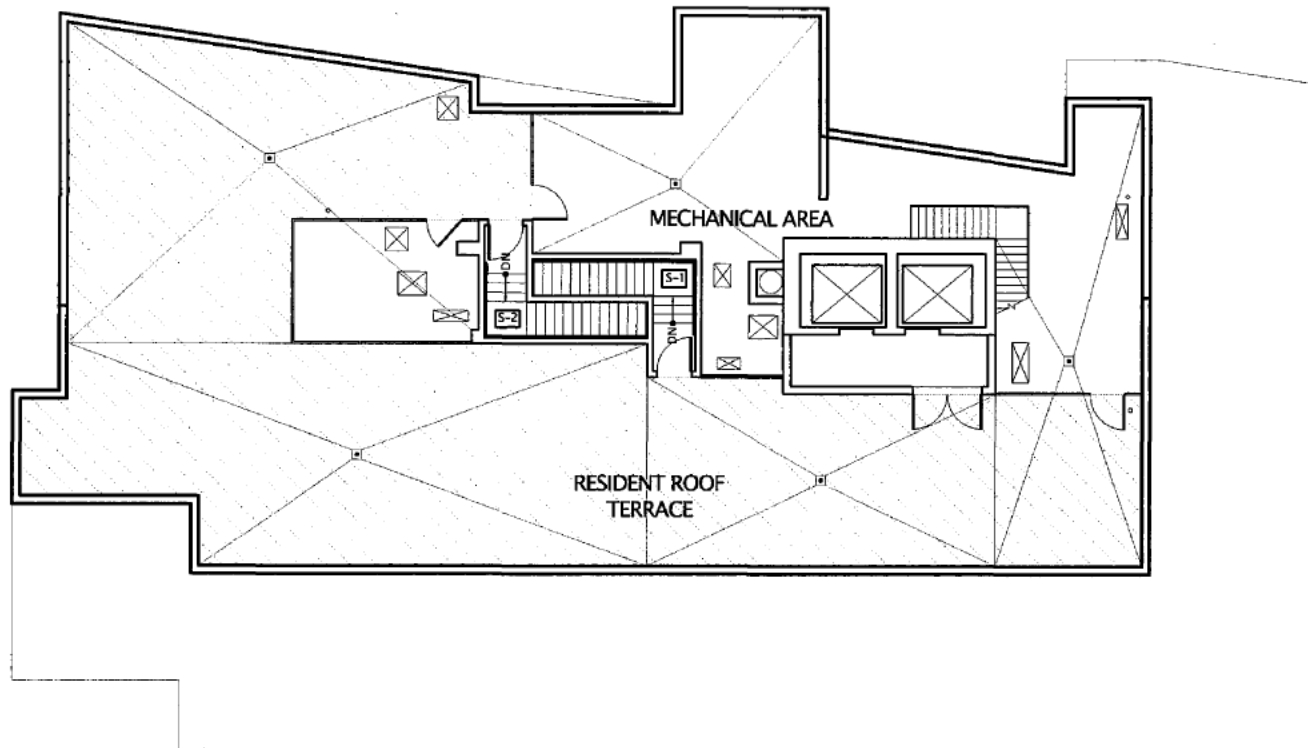
308 EAST 38th STREET
NEW YORK, NY 10016

- DRAIN
- ▨ COMMON ELEMENT
- ▨ LIMITED COMMON ELEMENT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

© 2016 Spivak Architects P.C.

ROOF PLAN



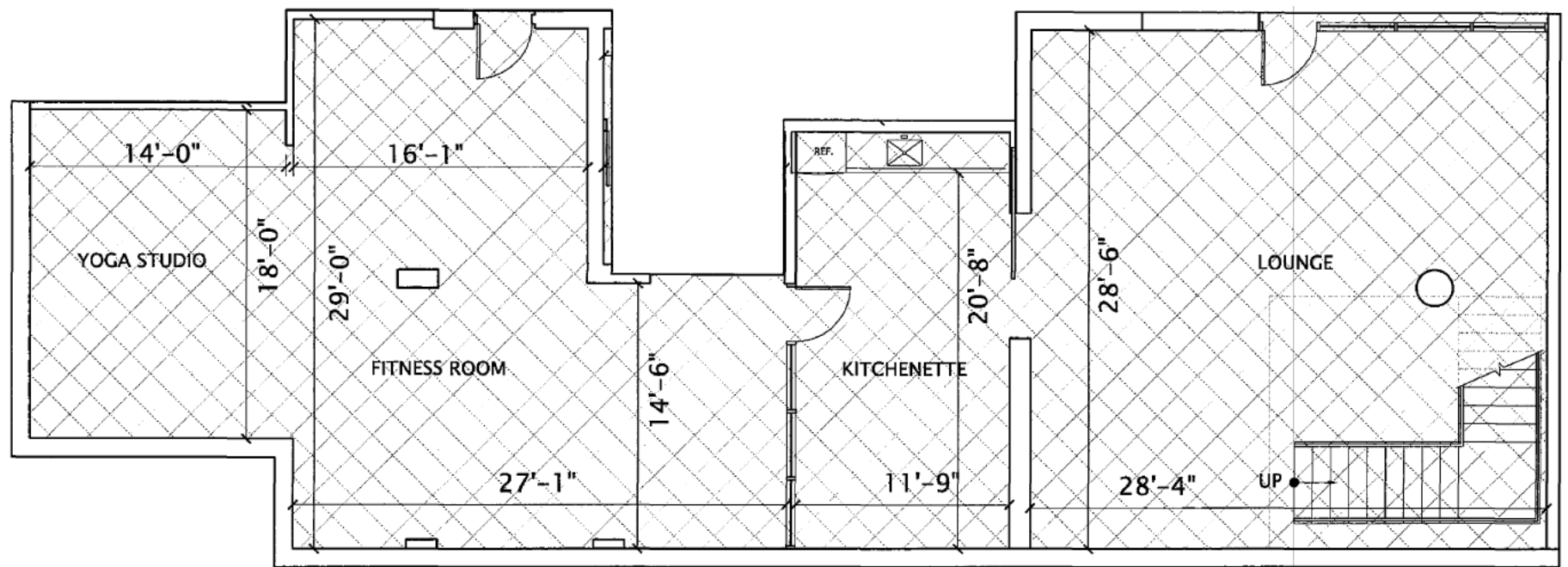
THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

- DRAIN
- ◻ COMMON ELEMENT
- ◻ LIMITED COMMON ELEMENT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

© 2016 Spivak Architects P.C.



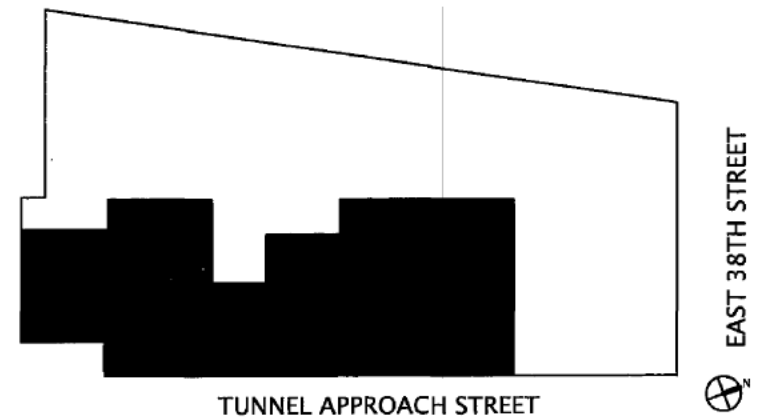
300



AMENITY UNITS CELLAR FLOOR

UNITS:

Lounge	872 SF
Kitchenette	316 SF
Fitness Room	679 SF
Yoga Studio	294 SF



TUNNEL APPROACH STREET

EAST 38TH STREET

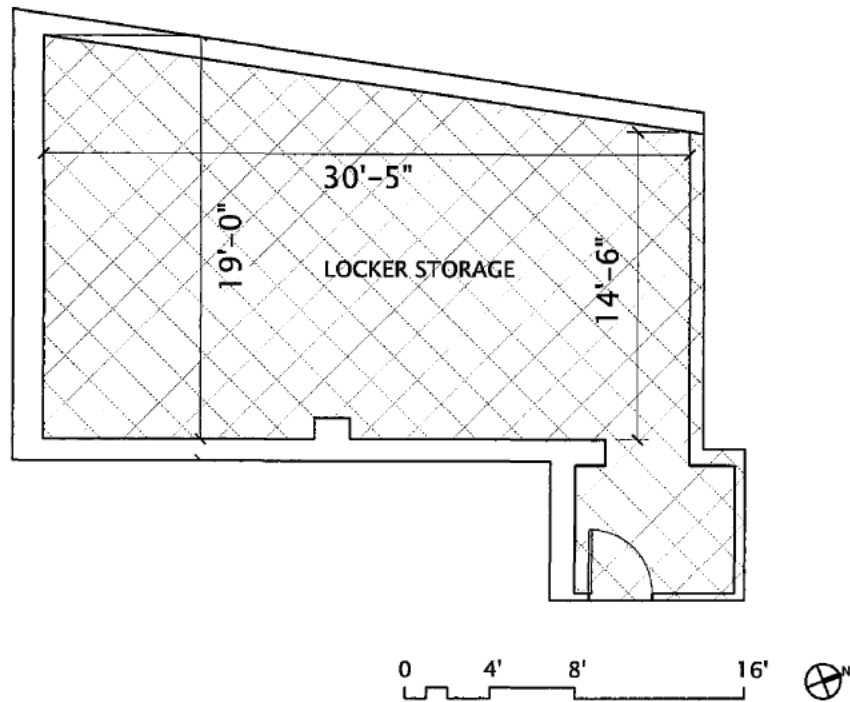
THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

- DRAIN
- ▨ COMMON ELEMENT
- ▨ LIMITED COMMON ELEMENT

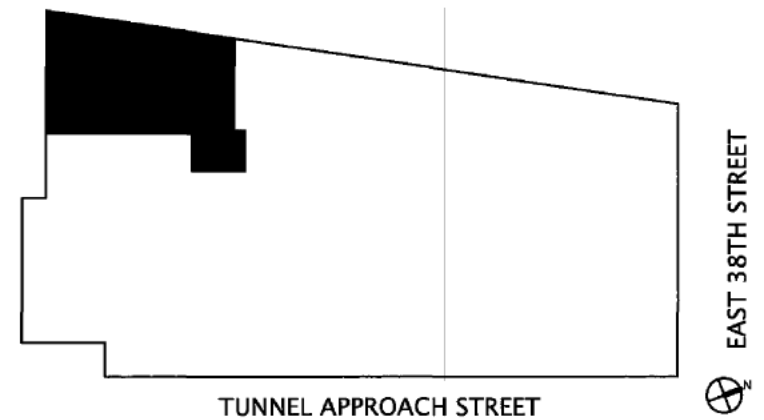
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

© 2016 Spivak Architects P.C.



LOCKER STORAGE UNIT CELLAR FLOOR

650 SF



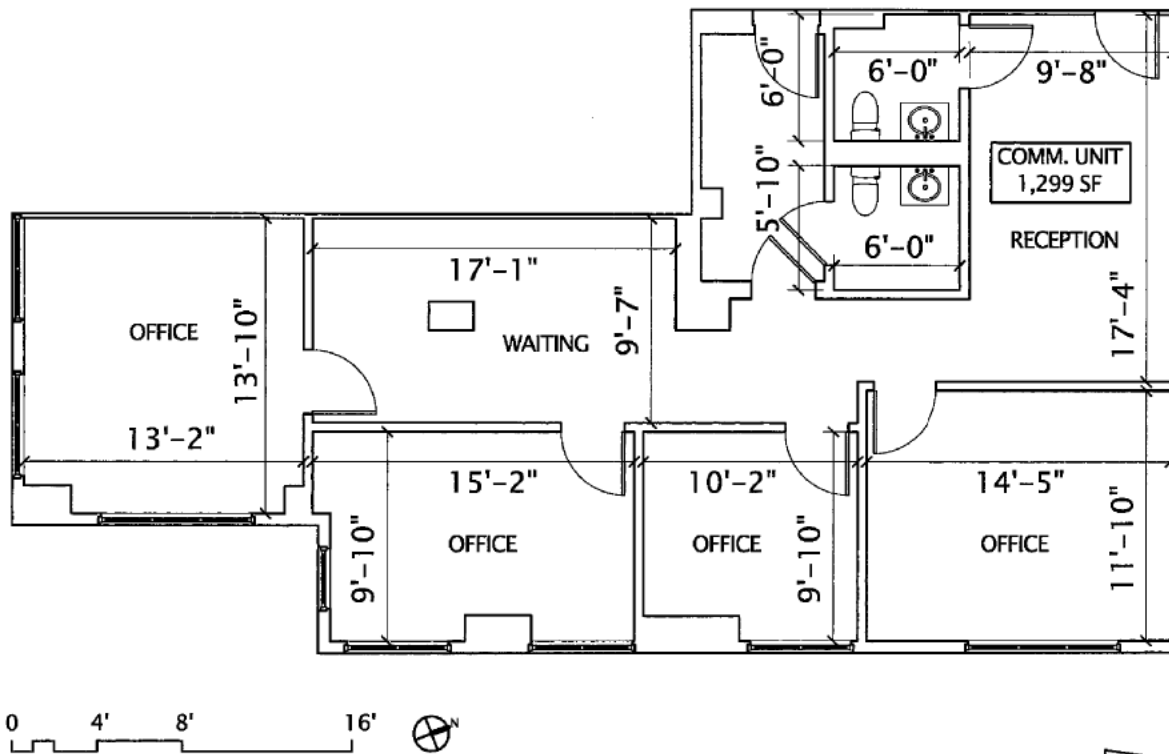
THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

- DRAIN
- COMMON ELEMENT
- LIMITED COMMON ELEMENT

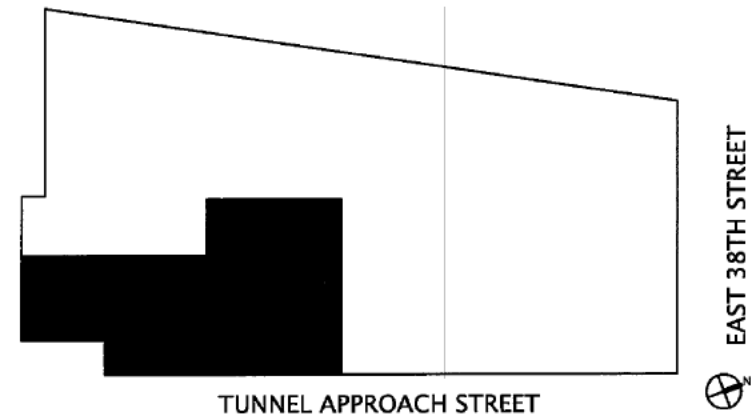
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

© 2016 Spivak Architects P.C.



COMMERCIAL UNIT A GROUND FLOOR

GROSS AREA: 1,299 SF



TUNNEL APPROACH STREET

EAST 38TH STREET

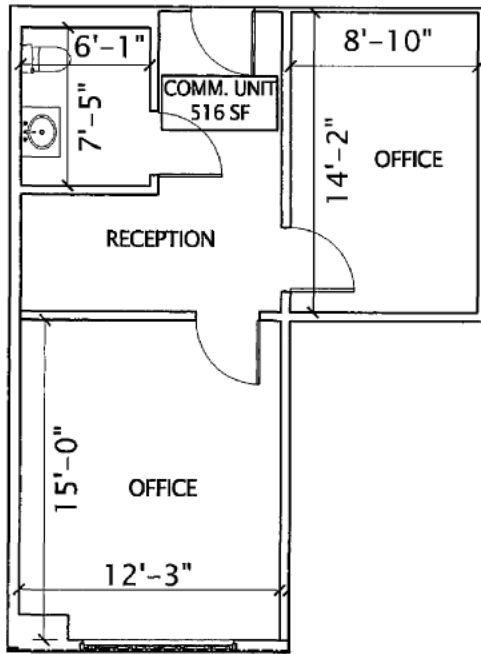
THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

- DRAIN
- ▨ COMMON ELEMENT
- ▨ LIMITED COMMON ELEMENT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

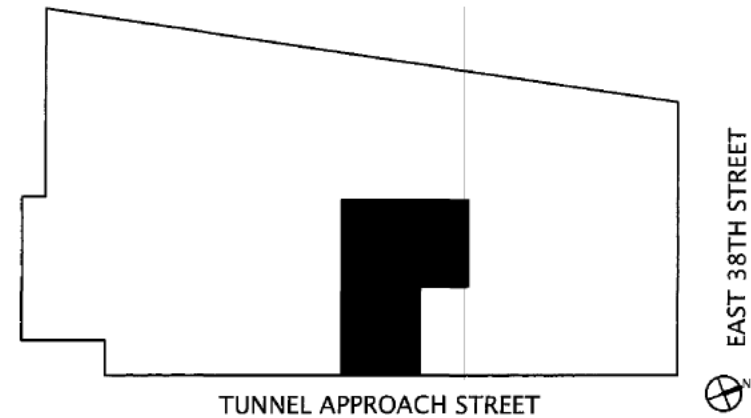
© 2016 Spivak Architects P.C.



COMMERCIAL UNIT B GROUND FLOOR

516 SF

UNITS:
2 Office
1 WC



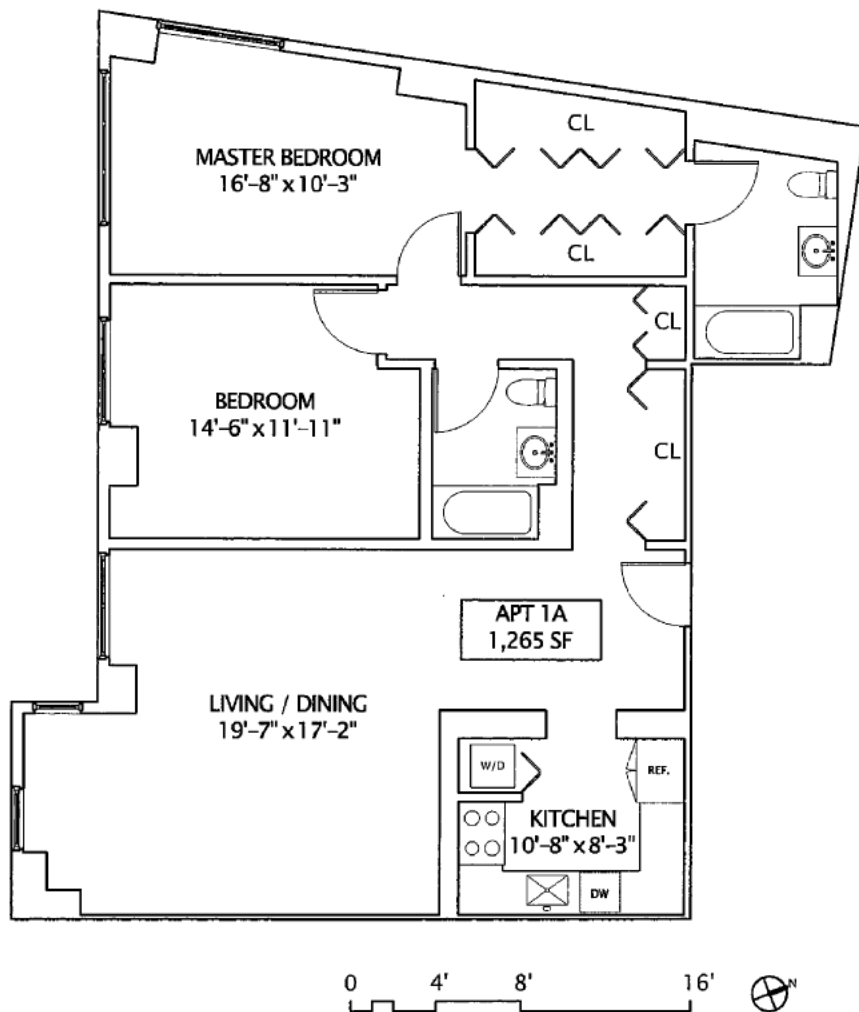
THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

- DRAIN
- ▨ COMMON ELEMENT
- ▨ LIMITED COMMON ELEMENT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

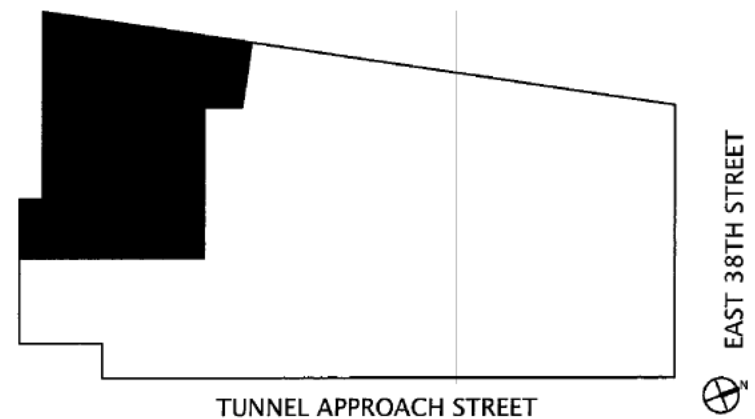
© 2016 Spivak Architects P.C.



RESIDENTIAL UNIT A GROUND FLOOR

1,265 SF

UNITS:
2 Beds
2 Baths



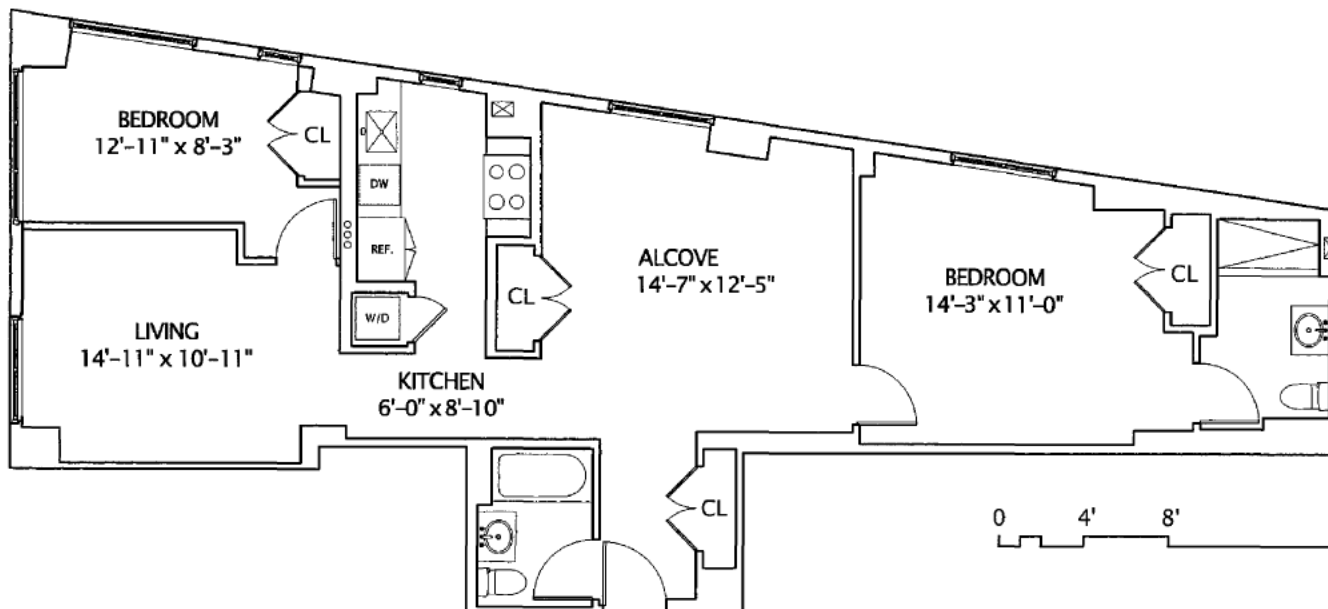
THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

- DRAIN
- COMMON ELEMENT
- LIMITED COMMON ELEMENT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

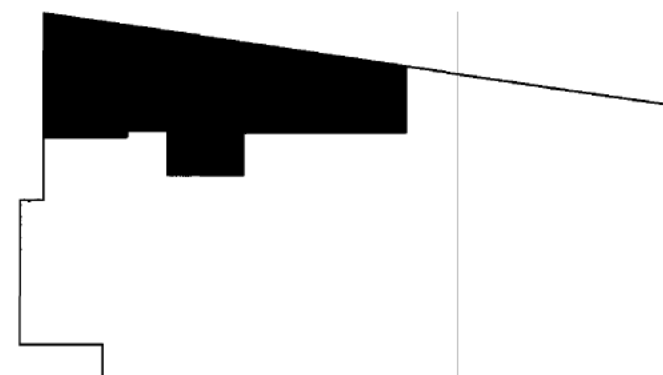
© 2016 Spivak Architects P.C.



RESIDENTIAL UNIT A FLOORS 3-9

1,115 SF

UNITS:
2 Bed
2 Baths



TUNNEL APPROACH STREET

EAST 38TH STREET



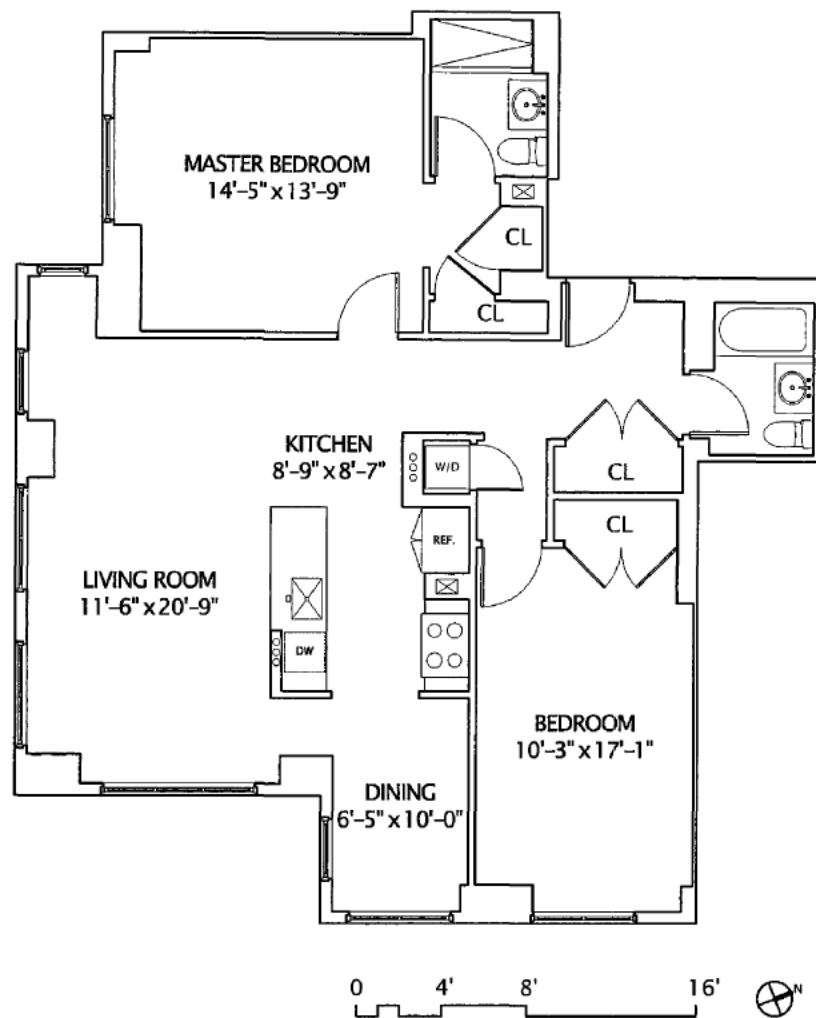
THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

- DRAIN
- COMMON ELEMENT
- LIMITED COMMON ELEMENT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

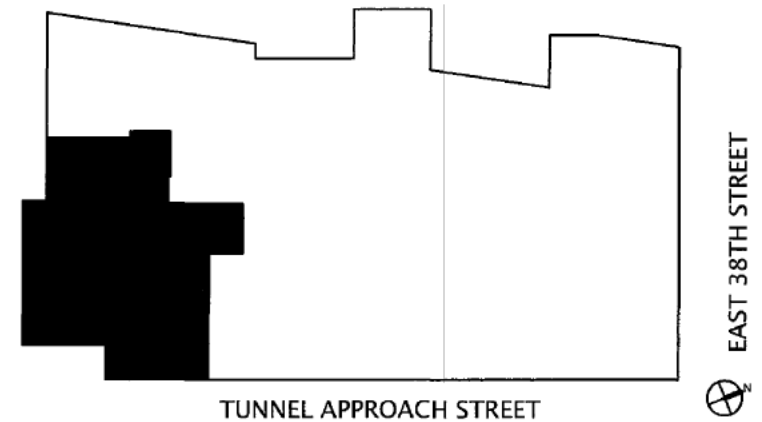
© 2016 Spivak Architects P.C.



RESIDENTIAL UNIT B FLOORS 3-16

1,190 SF

UNITS:
2 Beds
2 Baths



THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

- DRAIN
- ☒ COMMON ELEMENT
- ☒ LIMITED COMMON ELEMENT

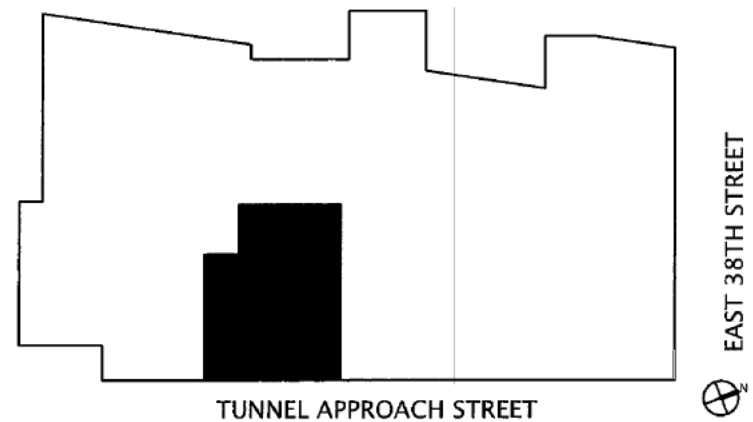
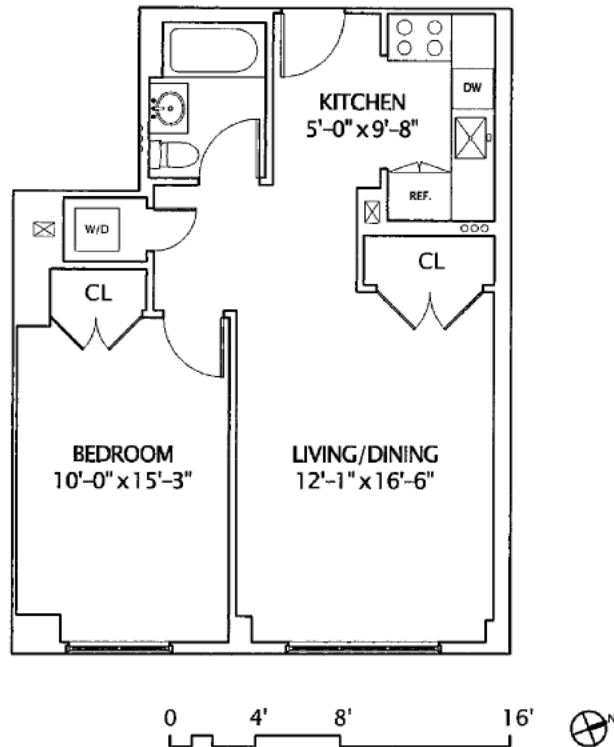
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

© 2016 Spivak Architects P.C.

RESIDENTIAL UNIT C FLOORS 3-16

660 SF

UNITS:
1 Bed
1 Bath



THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

- DRAIN
- ▨ COMMON ELEMENT
- ▨ LIMITED COMMON ELEMENT

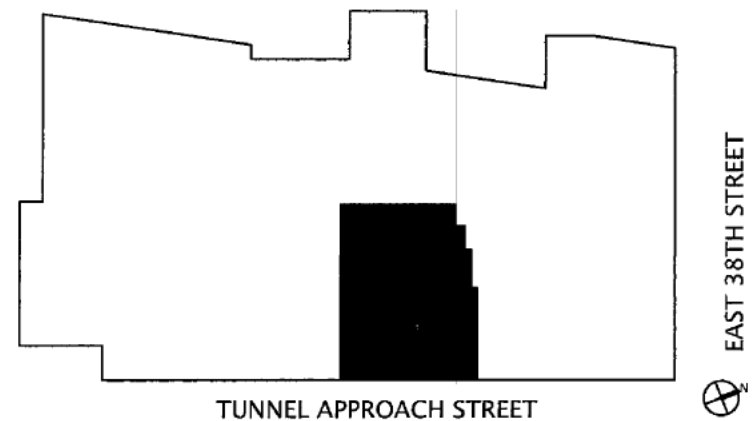
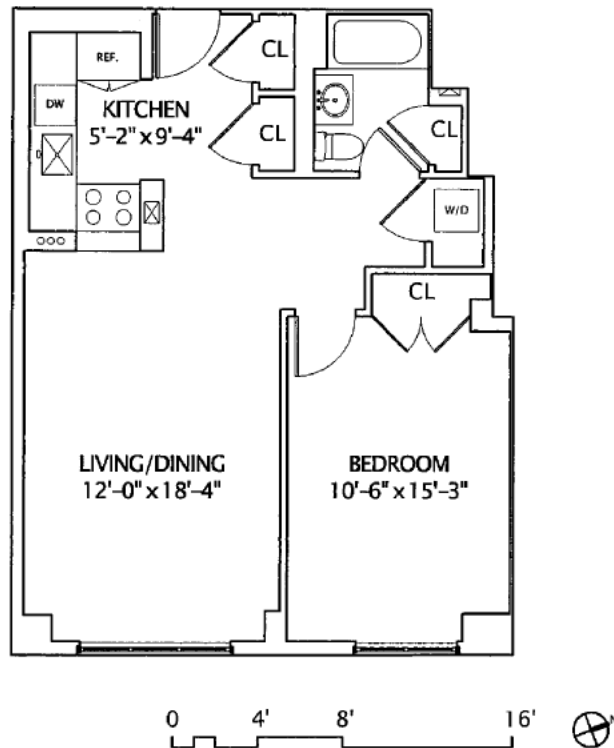
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

© 2016 Spivak Architects P.C.

RESIDENTIAL UNIT D
FLOORS 3-16

685 SF

UNITS:
1 Bed
1 Bath



THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

- DRAIN
- COMMON ELEMENT
- LIMITED COMMON ELEMENT

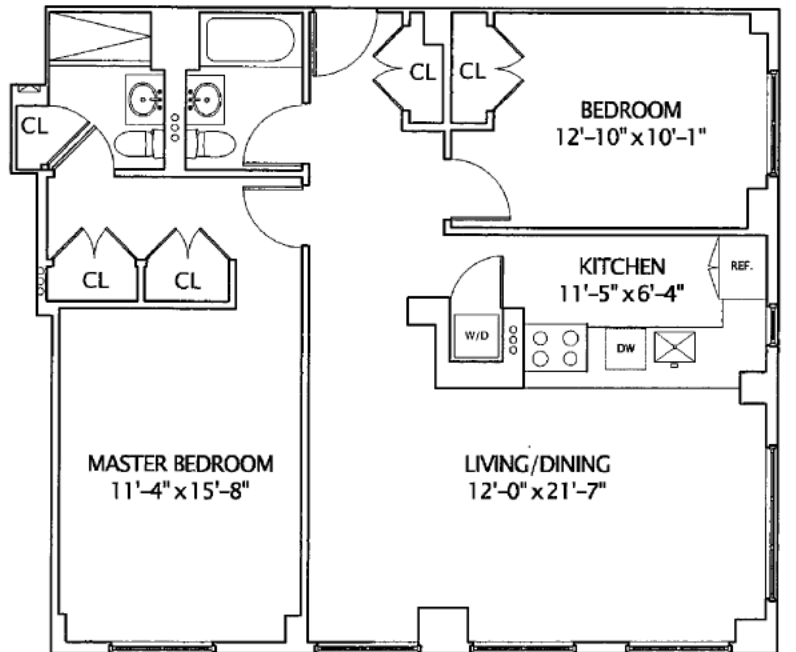
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

© 2016 Spivak Architects P.C.

RESIDENTIAL UNIT E FLOORS 3-9

1,045 SF

UNITS:
2 Bed
2 Bath



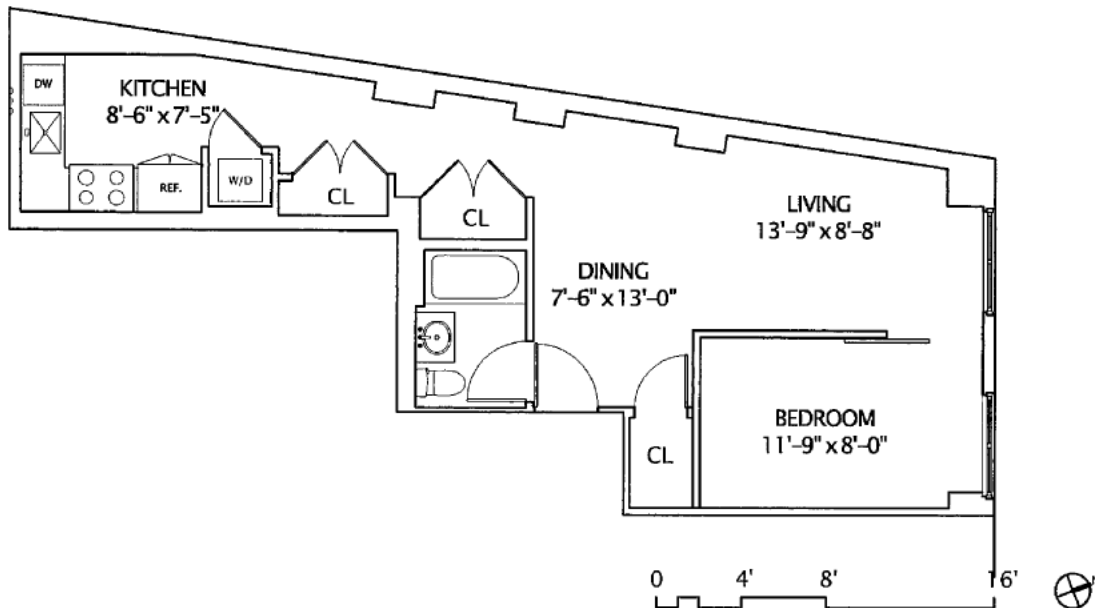
THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

- DRAIN
- ▨ COMMON ELEMENT
- ▨ LIMITED COMMON ELEMENT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

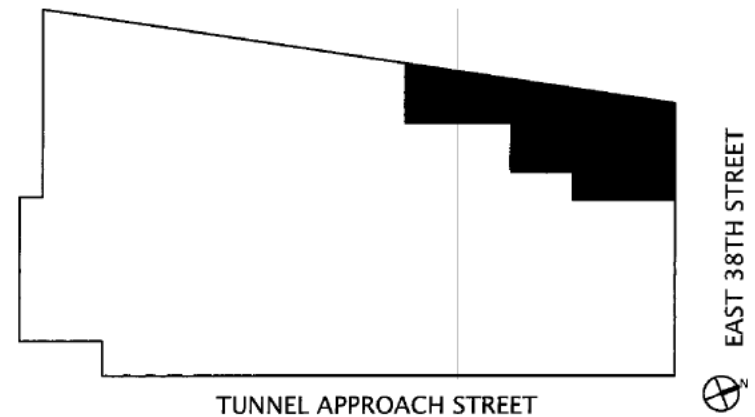
© 2016 Spivak Architects P.C.



RESIDENTIAL UNIT F FLOORS 3-9

645 SF

UNITS:
1 Bed
1 Bath



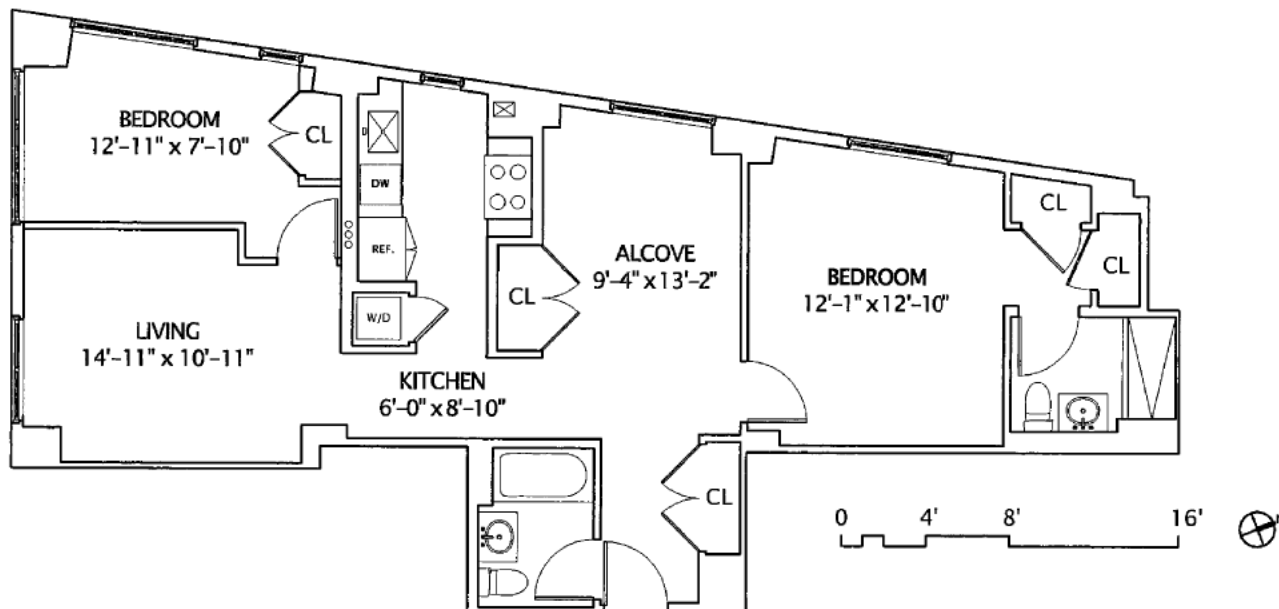
THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

- DRAIN
-  COMMON ELEMENT
-  LIMITED COMMON ELEMENT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

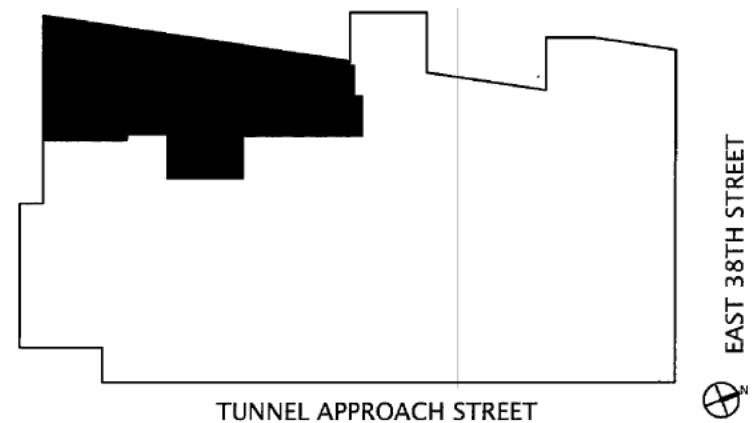
© 2016 Spivak Architects P.C.



RESIDENTIAL UNIT A FLOORS 10-16

1,015 SF

UNITS:
2 Bed
2 Bath



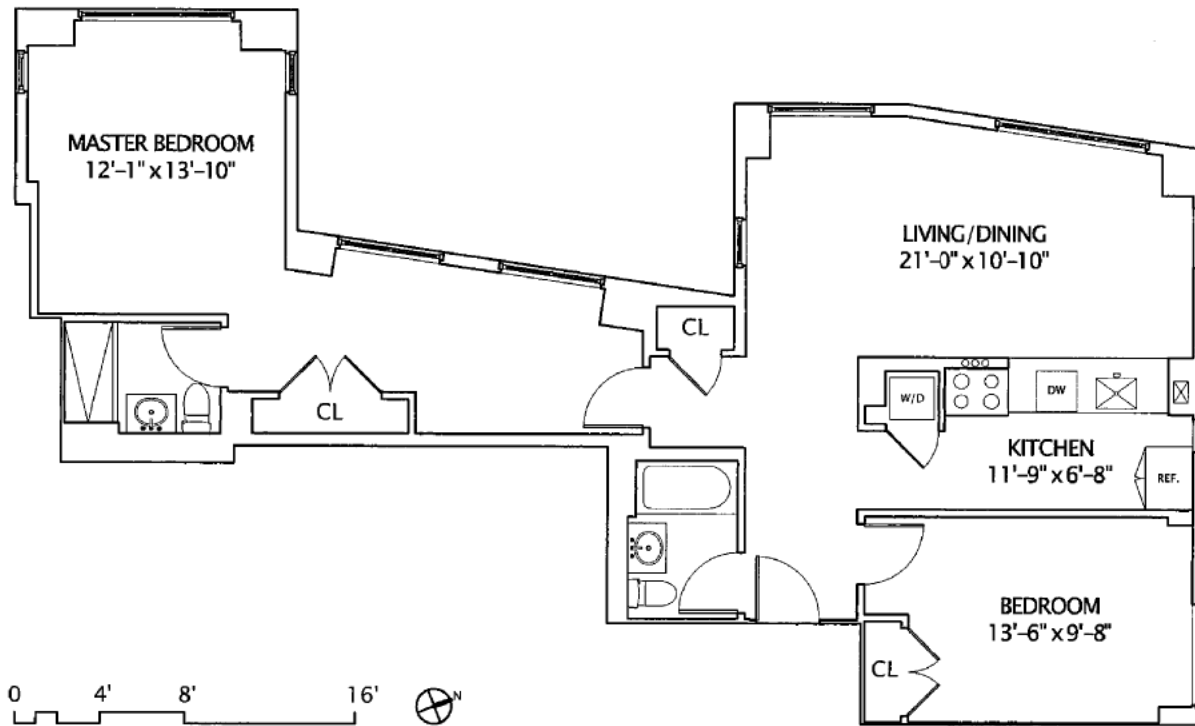
THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

- DRAIN
- COMMON ELEMENT
- LIMITED COMMON ELEMENT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

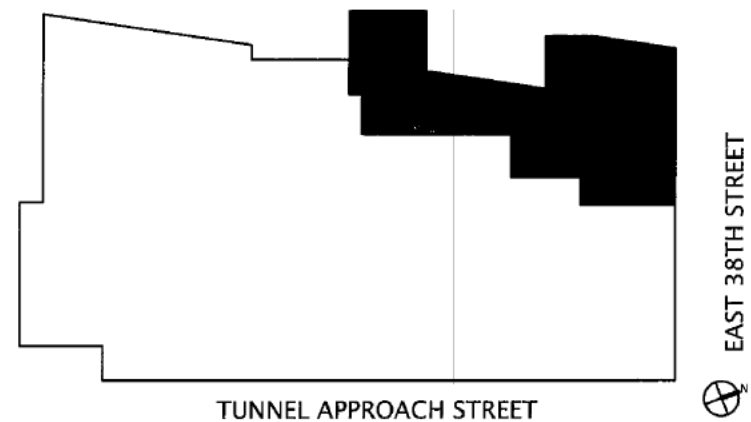
© 2016 Spivak Architects P.C.



RESIDENTIAL UNIT F FLOORS 10-16

1,095 SF

UNITS:
2 Bed
2 Bath



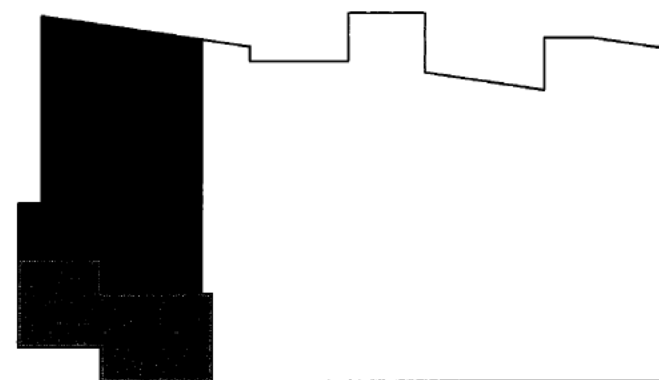
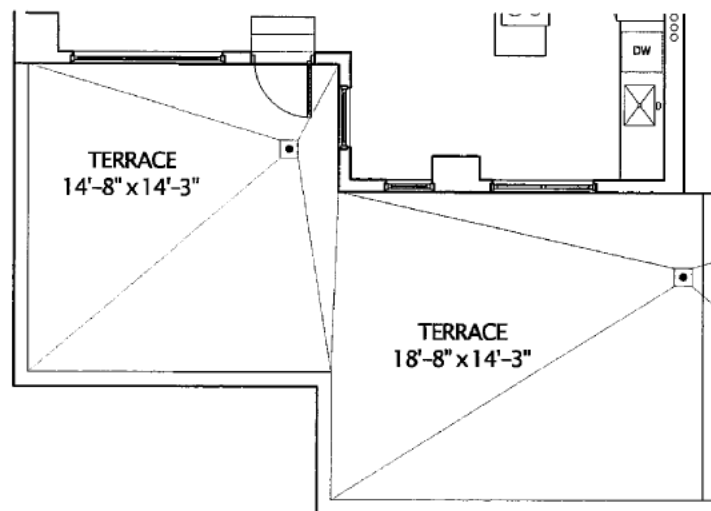
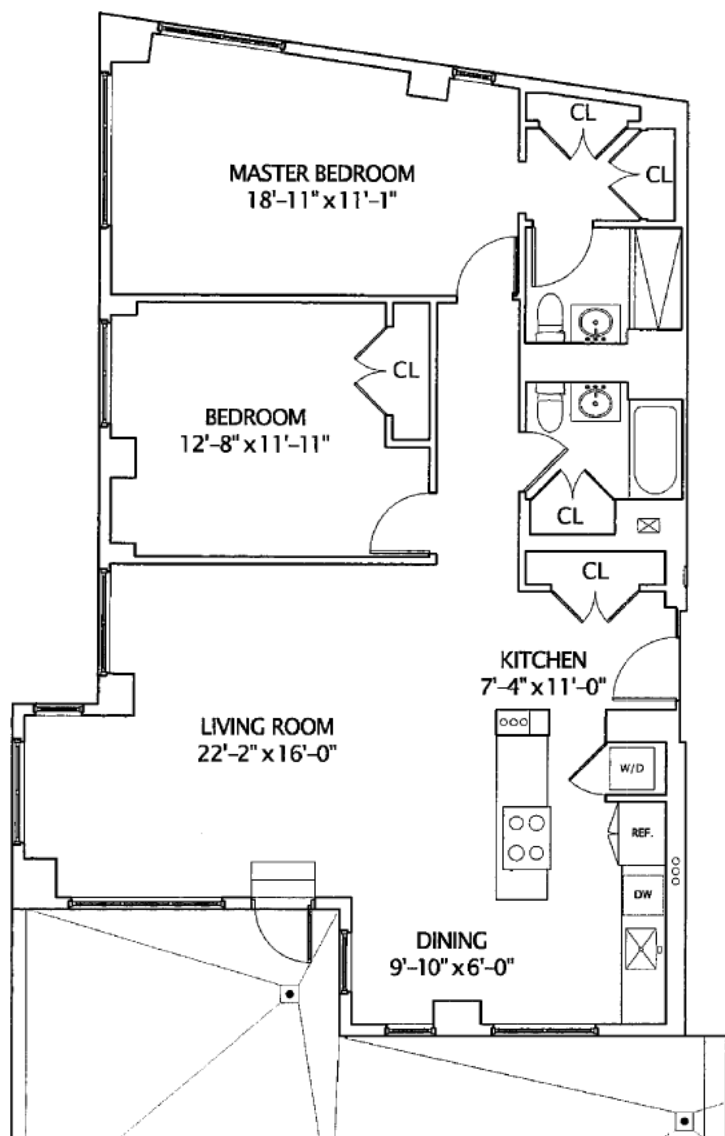
THE VANTAGE

308 EAST 38TH STREET
NEW YORK, NY 10016

- DRAIN
- ▨ COMMON ELEMENT
- ▨ LIMITED COMMON ELEMENT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

© 2016 Spivak Architects P.C.



TUNNEL APPROACH STREET

EAST 38TH STREET

RESIDENTIAL UNIT A FLOOR 17

1,295 SF
(Terrace) 515 SF

UNITS:
2 Bed
2 Bath

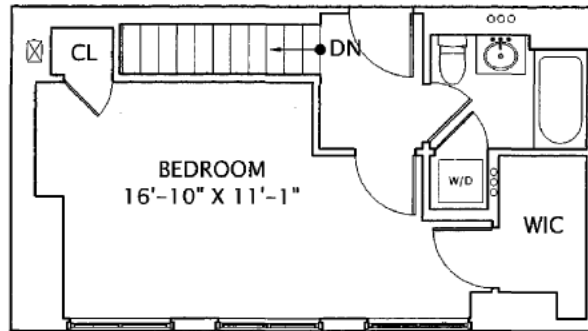
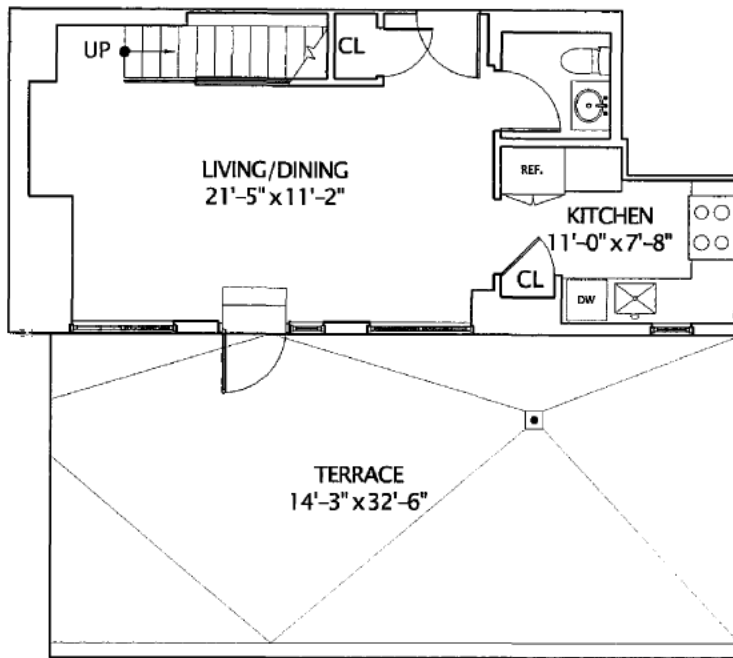
THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

- DRAIN
- ▨ COMMON ELEMENT
- ▨ LIMITED COMMON ELEMENT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

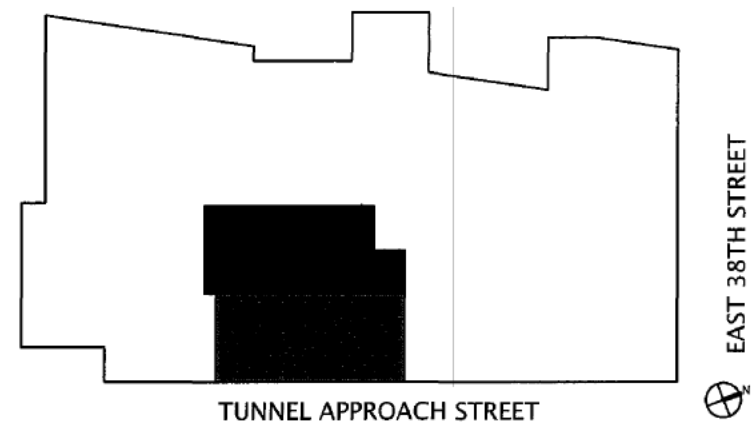
© 2016 Spivak Architects P.C.



RESIDENTIAL UNIT B FLOORS 17/18

890 SF
(Terrace) 490 SF

UNITS:
1 Bed
1.5 Bath



314

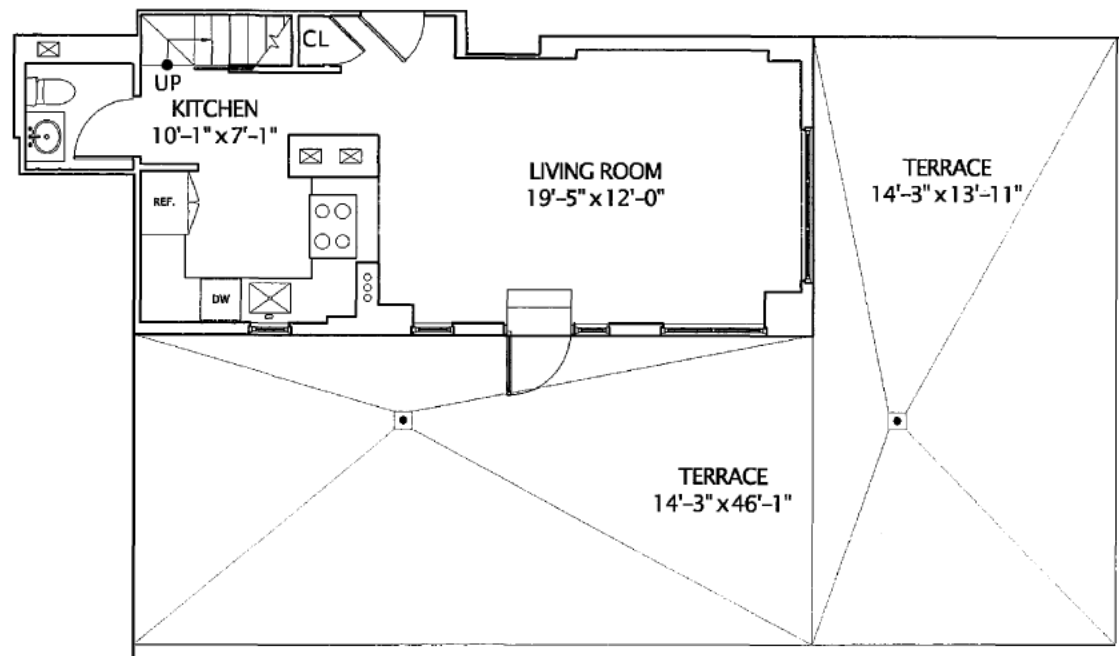
THE YANTAGE

308 EAST 38TH STREET
NEW YORK, NY 10016

- DRAIN
- COMMON ELEMENT
- LIMITED COMMON ELEMENT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

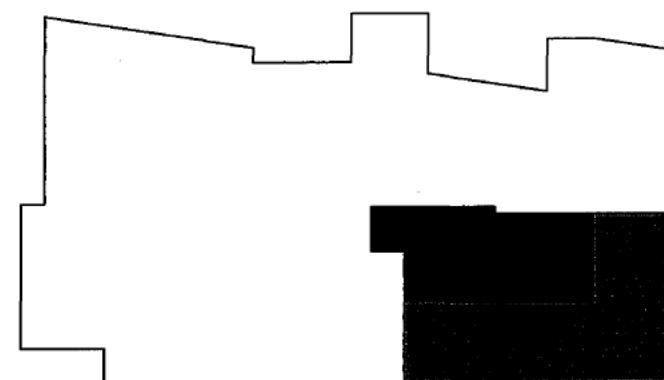
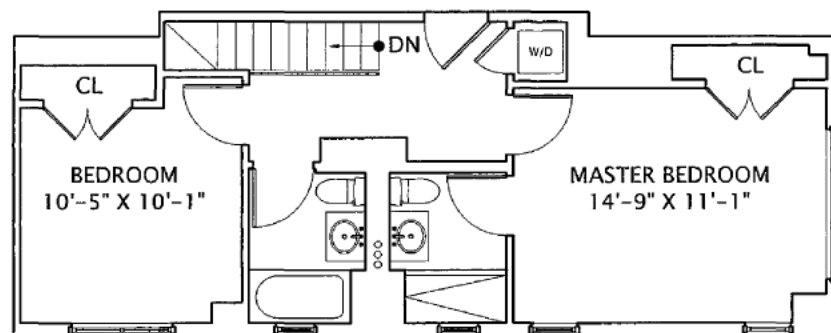
© 2016 Spivak Architects P.C.



RESIDENTIAL UNIT C
FLOORS 17/18

1,070 SF
(Terrace) 920 SF

UNITS:
2 Bed
2.5 Bath



EAST 38TH STREET

TUNNEL APPROACH STREET



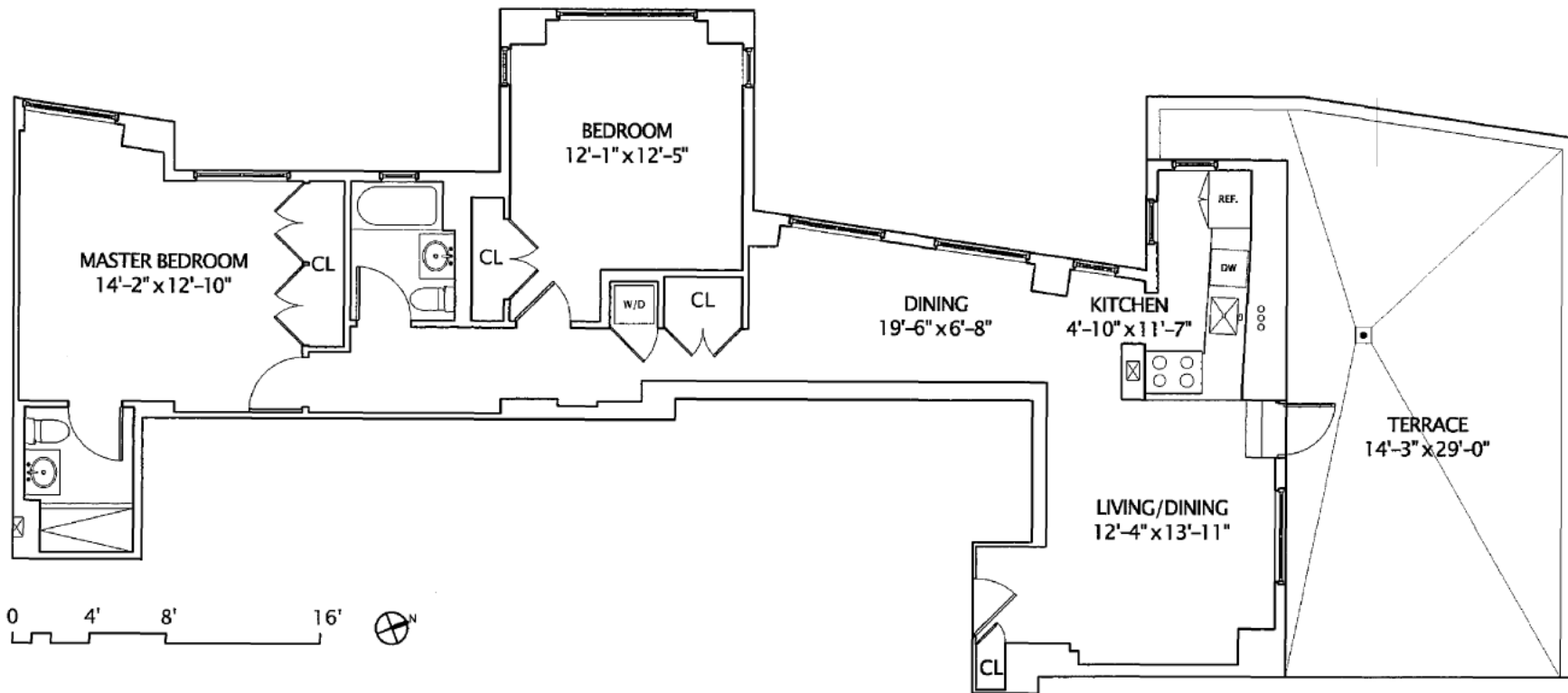
THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

- DRAIN
- COMMON ELEMENT
- LIMITED COMMON ELEMENT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

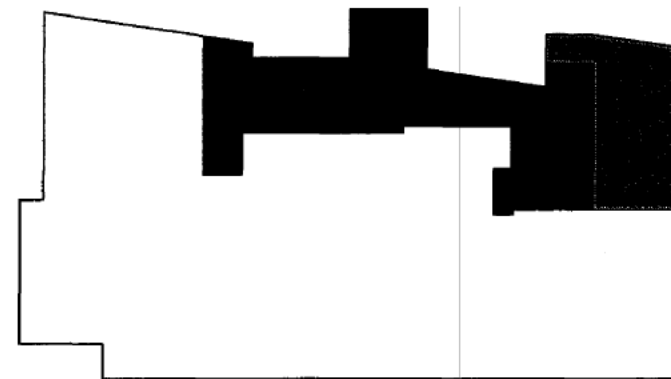
© 2016 Spivak Architects P.C.



RESIDENTIAL UNIT D FLOOR 17

1,155 SF
(Terrace) 460 SF

UNITS:
2 Bed
2 Bath



TUNNEL APPROACH STREET

EAST 38TH STREET



THE VANTAGE

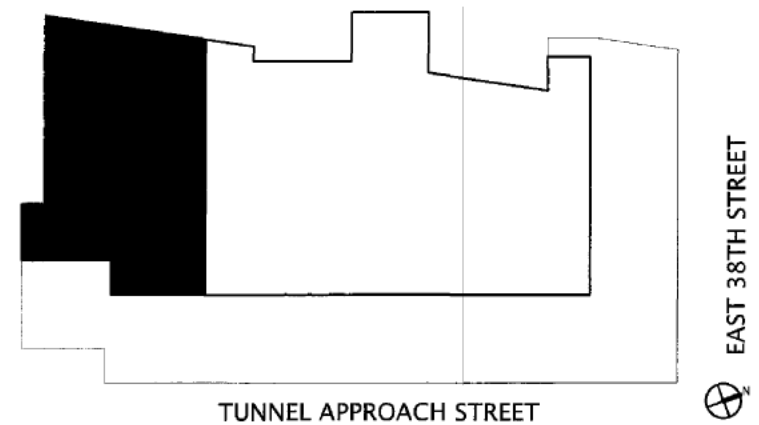
308 EAST 38th STREET
NEW YORK, NY 10016

- DRAIN
- COMMON ELEMENT
- LIMITED COMMON ELEMENT

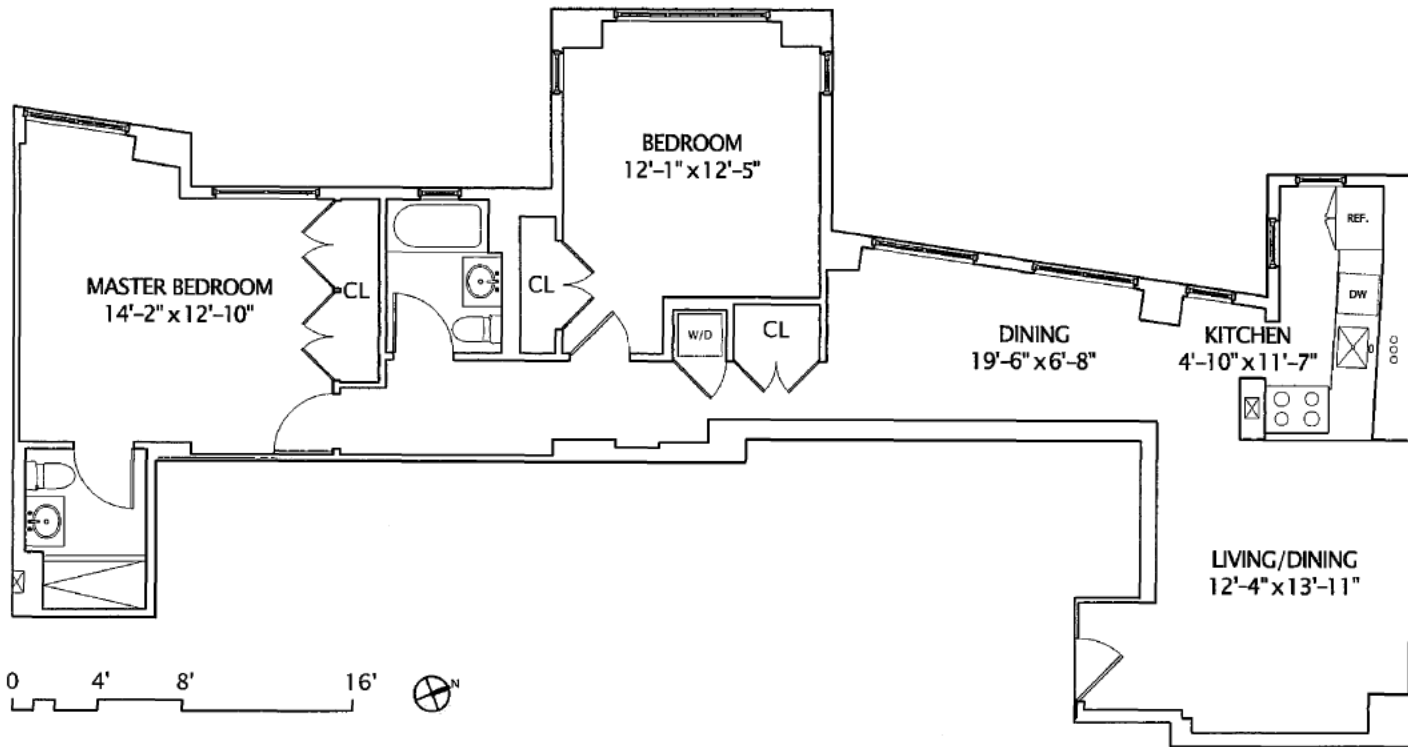
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

© 2016 Spivak Architects P.C.

UNITS:
2 Bed
2 Bath



© 2016 Spivak Architects P.C.



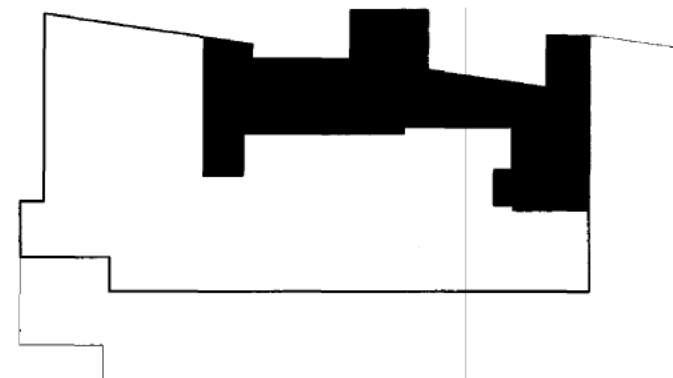
RESIDENTIAL UNIT D FLOORS 18, 20, & 21

1,100 SF

UNITS:

2 Bed

2 Bath



TUNNEL APPROACH STREET

EAST 38TH STREET



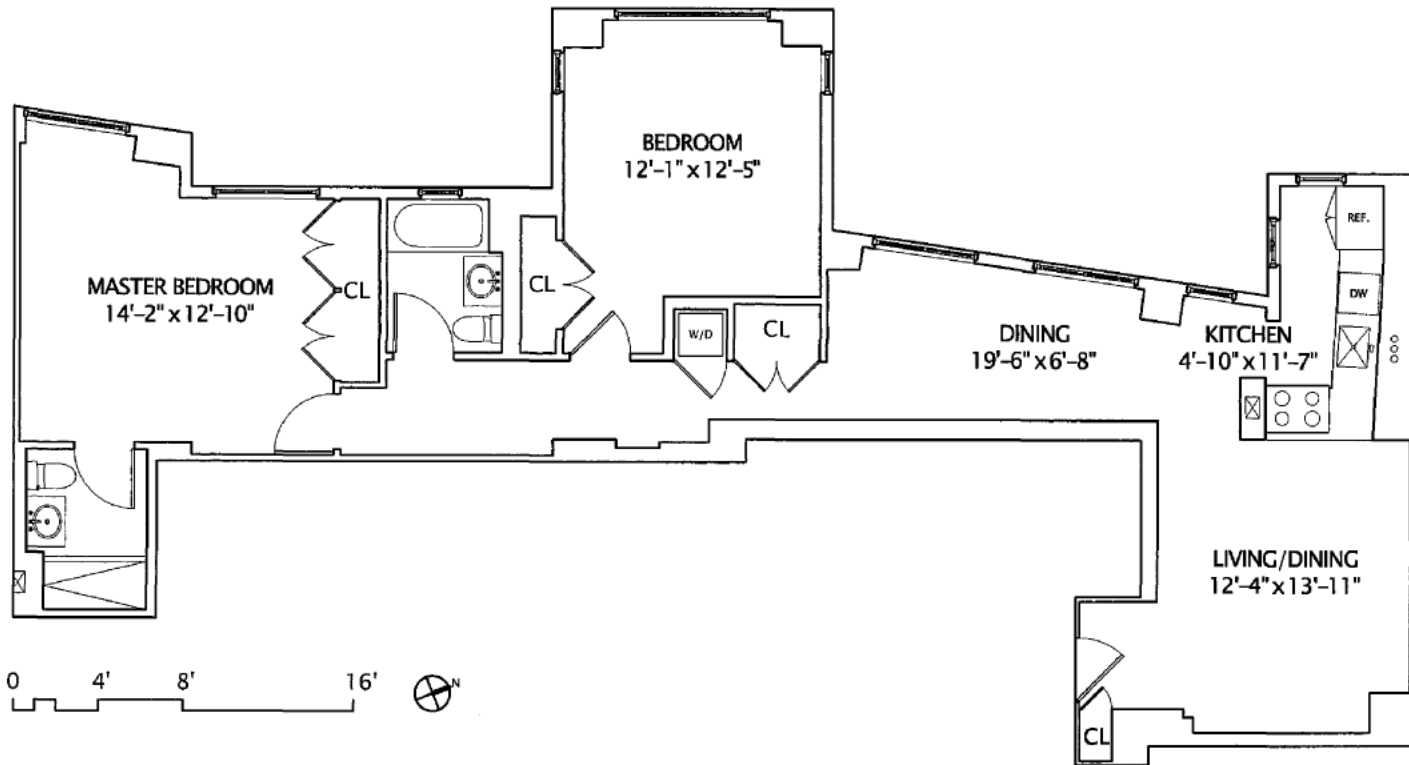
THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

- DRAIN
- ▨ COMMON ELEMENT
- ▨ LIMITED COMMON ELEMENT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

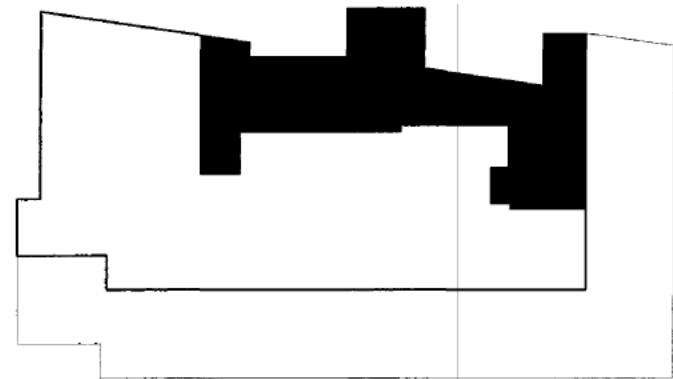
© 2016 Spivak Architects P.C.



RESIDENTIAL UNIT D FLOORS 19 & 22

1,155 SF

UNITS:
2 Bed
2 Bath



TUNNEL APPROACH STREET

EAST 38TH STREET

THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

- DRAIN
- ▨ COMMON ELEMENT
- ▨ LIMITED COMMON ELEMENT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

© 2016 Spivak Architects P.C.

RESIDENTIAL UNIT B

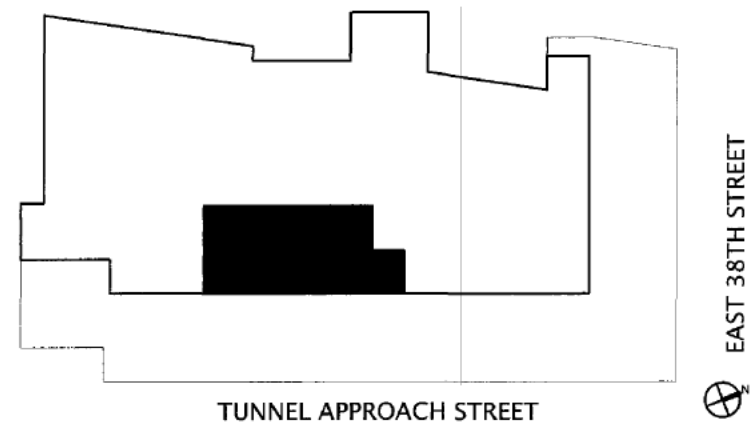
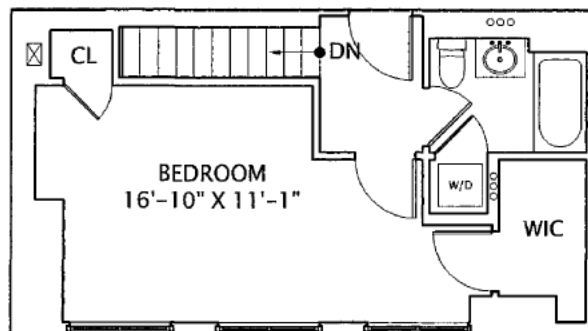
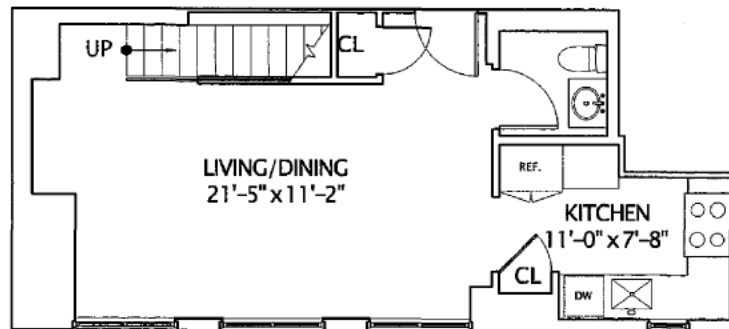
FLOORS 19/20

890 SF

UNITS:

1 Bed

1.5 Bath



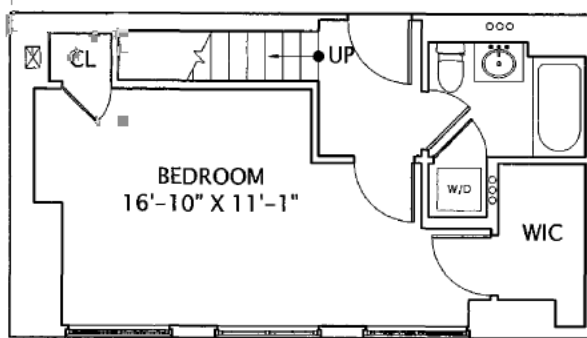
THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

- DRAIN
- ▨ COMMON ELEMENT
- ▨ LIMITED COMMON ELEMENT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

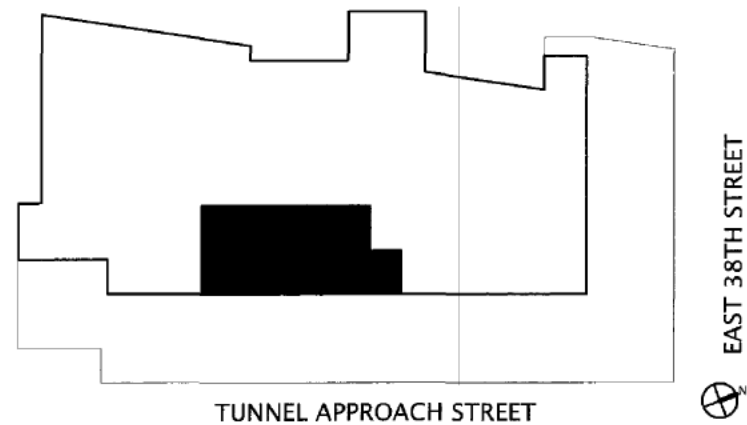
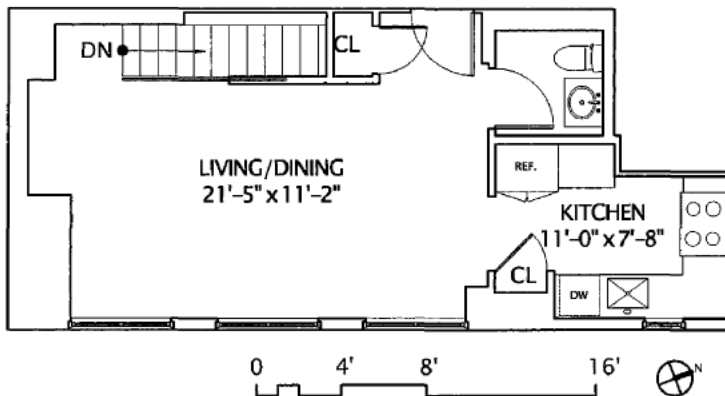
© 2016 Spivak Architects P.C.



RESIDENTIAL UNIT B FLOORS 21/22

890 SF

UNITS:
1 Bed
1.5 Bath



THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

- DRAIN
- COMMON ELEMENT
- LIMITED COMMON ELEMENT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

© 2016 Spivak Architects P.C.

RESIDENTIAL UNIT C

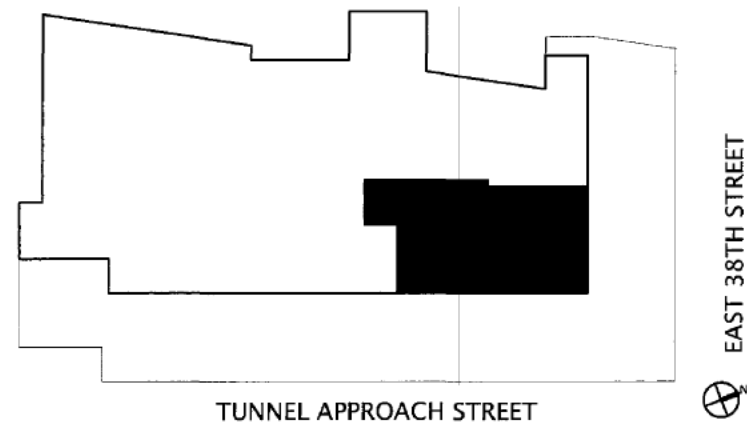
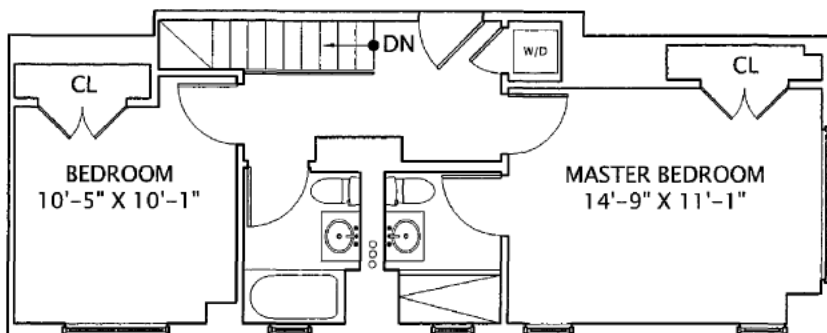
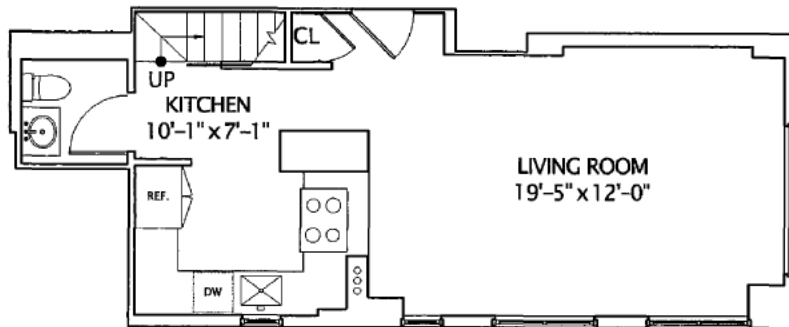
FLOORS 19/20

1,070 SF

UNITS:

2 Bed

2.5 Bath



EAST 38TH STREET

TUNNEL APPROACH STREET

THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

- DRAIN
- COMMON ELEMENT
- LIMITED COMMON ELEMENT

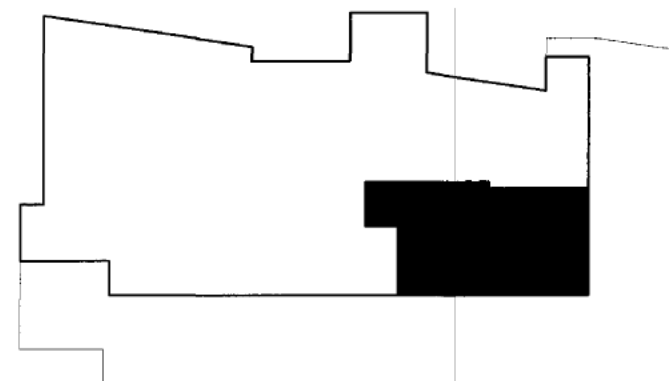
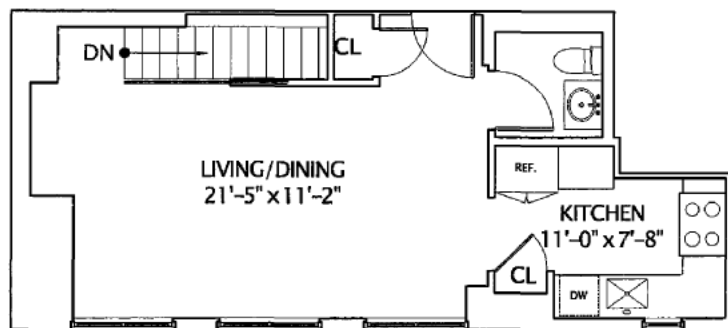
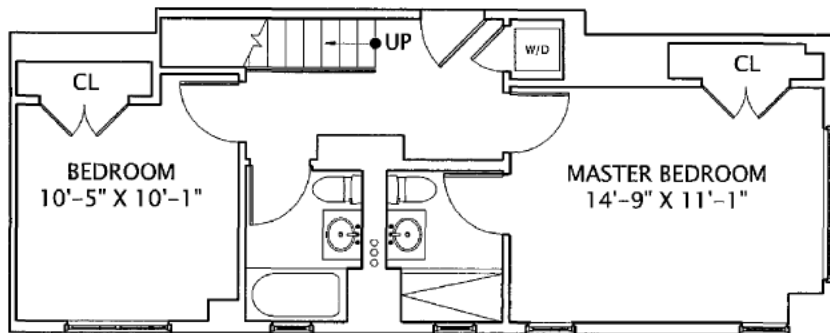
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

© 2016 Spivak Architects P.C.

RESIDENTIAL UNIT C FLOORS 21/22

1,070 SF

UNITS:
2 Bed
2.5 Bath



TUNNEL APPROACH STREET

EAST 38TH STREET

THE VANTAGE

308 EAST 38th STREET
NEW YORK, NY 10016

- DRAIN
- COMMON ELEMENT
- LIMITED COMMON ELEMENT

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS. WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS, IN ACCORDANCE WITH THE OFFERING PLAN.

© 2016 Spivak Architects P.C.

Exhibit 6

Declaration of Condominium

DECLARATION OF CONDOMINIUM

THE VANTAGE

308 East 38th Street
New York, New York, 10016

Declarant:

GAIA 308 EAST 38TH STREET LLC

152 West 57th Street, 17th Floor
New York, NY 10019

Section

Block 943

Lots ____ through ____

Formerly known as Lot 52

Prepared by:

**Schwartz Sladkus Reich Greenberg Atlas LLP
270 Madison Avenue
New York, New York 10016**

Dated: _____

TABLE OF CONTENTS

Article 1 Definitions	2
Article 2 Submission of the Property.....	2
Article 3 Description of the Land	2
Article 4 Description of the Building	3
Article 5 Name of the Condominium	3
Article 6 The Units	3
Article 7 The Common Elements	4
Article 8 Determination of Common Interests	6
Article 9 Use of Units	6
Article 10 Easements for the Enjoyment of Common Elements	7
Article 11 Other Easements	7
Article 12 Alterations, Addition, Improvements and Changes to Units.....	8
Article 13 Acquisition of Units by the Condominium Board.....	9
Article 14 Unit Owner's Power of Attorney	9
Article 15 Termination of Condominium	10
Article 16 Covenant of Further Assurances.....	10
Article 17 Covenants to Run with the Land	11
Article 18 Amendments to this Declaration	12
Article 19 Consents of Sponsor	13
Article 20 Person to Receive Service	13
Article 21 Incorporation by Reference	13
Article 22 Waiver.....	14
Article 24 Gender.....	14
Article 25 Captions	14
Article 26 Real Property Law Section 339-M.....	14

EXHIBIT A DESCRIPTION OF LAND

EXHIBIT B DESCRIPTION OF UNITS

EXHIBIT C DEFINITIONS

EXHIBIT D BY-LAWS

EXHIBIT E UNIT OWNER'S POWER OF ATTORNEY

EXHIBIT F LOW INCOME HOUSING PLAN

**DECLARATION
OF
THE VANTAGE**

Pursuant to Article 9-B of the Real
Property Law of the State of New York

GAIA 308 EAST 38TH STREET LLC
with an address
152 West 57th Street, 17th Floor
New York, NY 10019

**ARTICLE 1
DEFINITIONS**

All capitalized terms used in the Declaration that are not otherwise defined in the Articles hereof shall have the meaning set forth in Exhibit C annexed hereto, unless the context in which the same 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**

The Declarant hereby submits the land (the “land”) hereinafter described, together with the building and improvements thereon erected (the “building”) owned by the Declarant in fee simple absolute (the Land and Building being hereinafter referred to collectively as the “Property”), to the provisions of Article 9-B of the Real Property Law of the State of New York (the “Condominium Act”).

**ARTICLE 3
DESCRIPTION OF THE LAND**

The Land is located in the City of New York, County of New York, in the State of New York, and is designated on the Tax Map of the City of New York as Block 943 formerly known as Lot 52 and being designated herein as Lots _____ through _____ inclusive. See Exhibit A attached hereto for a metes and bounds description of the Land.

ARTICLE 4 DESCRIPTION OF THE BUILDING

The Building consists of twenty-two (22) stories and contains ninety-seven (97) Residential Units, including the Low Income Units, and two (2) Commercial Units on the first floor through the twentieth floor (hereinafter collectively referred to as the "Units") and twenty-five (25) Storage Bins located in the cellar. The principal materials of which the Building is constructed are masonry block, brick, wood and steel.

ARTICLE 5 NAME OF THE CONDOMINIUM

The Condominium shall be known as the "The Vantage"

ARTICLE 6 THE UNITS

(a) Exhibit B annexed hereto sets forth the following data with respect to each Unit necessary for the proper identification thereof: (i) its designation number; (ii) its tax lot number; (iii) its approximate location in the Building; (iv) its approximate area; (v) the number of rooms and baths contained therein; and (vi) the Percentage of Common Interest allocated and appurtenant to each such Unit. The precise location and area of each Unit within the Building and all of the areas and installations which are included as part of the Unit are shown on the Floor Plans of the Building, certified by the architect, intended to be filed in the Office of the City Register simultaneously with the recording of this Declaration and are made a part of the Declaration. The Floor Plans shall govern in the event of any inconsistency between the written part of the Declaration and the Floor Plans. All Units shall have immediate access to the public stairs and/or the elevator. The Low Income Units shall be subject to the requirements contained in the Low Income Housing Plan, the terms of the Program (as such term is defined in the Low Income Housing Plan), and the offering plan of the Condominium.

(b) Statement of Dimensions. The approximate square foot area of each Unit is measured horizontally on each floor from the outer face of the masonry of the exterior walls of the Building to the center line of the wall separating the Unit from corridors, stairs, mechanical spaces, elevator and other Units and vertically from the top of the floor slab below the Unit to the underside of the floor slab above the Unit. No Unit Owner shall be deemed to own the structural walls, supporting columns, pipes, wires, conduits or other public lines running through the Unit which are utilized for or serve more than one (1) Unit. Any area and/or installation which are designated on the Floor Plans as part of a Unit shall be considered as part of said Unit.

(c) Notwithstanding anything contained in this Article 6 to the contrary, each Unit Owner shall have the right, exercisable at any time and from time to time, to install, at such Unit Owner's sole cost and expense, such decorations, fixtures and coverings (including, without limitation, painting, finishing, wall papering, carpeting, pictures, mirrors, shelving and lighting

fixtures) on the surfaces of the walls, ceilings, and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity of such Unit or of the Building.

ARTICLE 7 THE COMMON ELEMENTS

The Common Elements shall consist of the following:

(a) **General Common Elements.** The General Common Elements generally consist of the Land and those rooms, areas and 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 all of the Units or of all of the Unit Owners or necessary for, or convenient to, the existence, maintenance, management, operation, or safety of the Property. Without intention to limit the generality of the foregoing in any respect, and unless otherwise provided for in the Floor Plans, Common Elements include the following:

(i) The Land not specifically designated to any of the Condominium Units on the Floor Plans.

(ii) All foundations, columns, beams, supports, girders, exterior walls, interior demising or structural walls, partitions, floors, roofs and ceilings in, on or under the cellar and up to the second floor of the Building, to the extent that the same are not expressly included as a part of a Unit pursuant to the terms of Article 6 hereof;

(iii) All public corridors, mechanical and electrical equipment spaces, located in the cellar and/or first floor of the Building to the extent that the same are not expressly included as a part of a Unit pursuant to the terms of Article 6 hereof;

(iv) All central and appurtenant installations and facilities for services such as power, light, telephone, gas, sewer, plumbing, drainage, hot and cold water distribution, ventilation, garbage disposal, and other mechanical and electrical systems that service all Units, to the extent that the same are not expressly included as a part of a Unit pursuant to the terms of Article 6 hereof, if any;

(v) All sewer and drainage pipes that service all Units;

(vi) All other parts of the Property and all apparatus and installations existing in the Building or Premises for common use of all of the Unit Owners or which are, or may be necessary or convenient for the existence, maintenance or safety of the Building.

(b) **Commercial Section Limited Common Elements.** The Commercial Section Limited Elements shall consist of the following:

(i) All central and appurtenant installations and facilities for services such as power, light, telephone, gas, sewer, plumbing, drainage, hot and cold water distribution, ventilation, garbage disposal, and other mechanical and electrical systems for the use of the Commercial Units or Commercial Units only, if any to the extent that the same are not expressly included as a part of a Unit pursuant to the terms of Article 6 hereof, if any.

(ii) All sewer and drainage pipes serving the Commercial Units only, if any.

(iii) All other parts of the Property and all apparatus and installations existing in the Building or Premises for common use of the Commercial Units or Unit Owners only, if any.

(iv) The exterior store fronts of the Commercial Units.

(c) Residential Section Limited Common Elements. The Residential Section Limited Common Elements shall include the following:

(i) All columns, beams, supports, girders, exterior walls, interior demising or structural walls partitions, floors, roofs and ceilings in, on or under the second floor and up to the roof(s) of the Building, to the extent that the same are not expressly included as a part of a Unit pursuant to the terms of Article 6 hereof;

(ii) All vestibules, public stairs, elevator(s), if any, mechanical and electrical equipment spaces, to the extent that the same service and/or are used by only the Residential Units or the Residential Unit Owners and (are not expressly included as a part of 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, gas, sewer, plumbing, drainage, hot and cold water distribution, ventilation, garbage disposal, and other mechanical and electrical systems to the extent that the same service and/or are used by only the Residential Units or the Residential Unit Owners and are not expressly included as a part of a Unit pursuant to the terms of Article 6 hereof, if any.

(iv) The lobby, vestibule, mailroom and residential entrance.

(v) The fitness center, recreation room and lounge area;

(vi) Residential roof area; and

(vii) All other parts of the Property and all apparatus and installations existing in the Building) or Premises for common use of or that service only the Residential Unit Owners, Storage Unit Owners, if any, and/or the Residential Units, and Storage Units, if any.

(d) The Common Elements shall remain undivided and are not subject to partition nor are they severable from the Units except in accordance with The Condominium Act (Article 9-B

of the Real Property Law), or as expressly permitted pursuant to the terms of Section 5.5 of the By-Laws.

(e) Limited Common Elements shall mean those Common Elements that are for the exclusive use of one or more but not all of the Units as set forth on Exhibit B to this Declaration and shall include by way of example and not limitation, terraces and Storage Bins, if any.

ARTICLE 8 DETERMINATION OF COMMON INTERESTS

In accordance with Section 339-i(1)(i) of the New York Real Property Law, the Percentage of Common Interest of each of the Units have been allocated in consideration of the approximate fair value of the Units on the date of recording the Declaration.

The percentage of Common Interest for each individual Low Income Unit have been made in accordance with Section 339-i(1)(i) of the New York Real Property Law while considering the approximate fair value of the Low Income Units on the date of recording the declaration. The fair value of the Low Income Units is determined in accordance with the Low Income Housing Plan and the New York City Inclusionary Housing Program and the fair value is seventy-five percent (75%) less than the fair value of the market Units.

ARTICLE 9 USE OF UNITS

As more particularly set forth in the By-Laws: (a) each Residential Unit may be used for residential use in accordance with the use permitted by local law and zoning regulations and the Certificate of Occupancy, and not more than one family may occupy a Unit at one time, (b) each Storage Unit may be used for the storage of personal property of the Unit Owner only and in compliance with all applicable fire codes, safety regulation and environmental regulations and otherwise in compliance with all applicable laws, and (c) the Commercial Unit(s) may be used for any commercial purpose permitted by the zoning and by the Certificate of Occupancy, but not for any adult use as such is defined by law and/or in the By-Laws of the Condominium. A Residential Unit owned or leased by an individual, corporation, partnership, fiduciary, or any other entity may be occupied only by said individual, or by an officer, director, stockholder, or employee of such corporation, or by a partner or employee of such partnership, or by said fiduciary (including directors, officers, stockholders, or employees of corporate fiduciaries and partners or employees of partnership fiduciaries), or by the beneficiary of said fiduciary, or by a principal or employee of such other entity, respectively, or by Family Members or guests of any of the foregoing (and nothing contained in this sentence shall be deemed to prohibit the exclusive occupancy of any Unit by such Family Members or guests).

ARTICLE 10
EASEMENTS FOR THE ENJOYMENT OF COMMON ELEMENTS

Subject to the terms of the By-Laws and the Rules and Regulations, Sponsor, the Unit Owners, the Selling Agent, the Managing Agent, the Condominium Board and all officers, partners, employees, agents, guests, invitees and licensees of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the Common Elements, and the Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no Person shall use or enjoy the 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.

ARTICLE 11
OTHER EASEMENTS

(a) Subject to the terms of the By-Laws and to the Rules and Regulations, each Unit Owner shall have, in common with all other Unit Owners, an easement to use any of the Common Elements, and all pipes, wires, ducts, cables, conduits, public utility lines and all other utility distribution systems, whether or not Common Elements, located in, over, under, through, adjacent to, or upon any other Unit or the Common Elements to the extent that such Common Element and utility distribution system serves, or is necessary to the service of, his or her Unit, and each Unit and all of the Common Elements shall be subject to such easement. In addition, each Unit Owner shall have a reasonable right of access through any other Unit for the purpose of entry to any part of his Unit where there is no other means of access to such part of his Unit or Limited Common Elements allocated to his Unit. In addition, the Condominium Board shall have an easement and a right of access to each Unit and to the Common Elements to inspect the same, to remove violations therefrom and to install, operate, maintain, repair, alter, rebuild, restore and replace any of the Common Elements located in, over, under, through, adjacent to, or upon the same, and each Unit and the Common Elements shall be subject to such easement and right of access. The easements and the rights of access granted in this paragraph shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted only upon reasonable notice except that no such notice shall be necessary in the event of repairs or replacements immediately necessary, or required for the preservation or safety of the Building, for the safety of the occupants of the Building of other persons, or to avoid the suspension of any necessary service in the Building. Each of the units may maintain or replace its porches or balconies.

(b) The Condominium Board shall have, on behalf of all Unit Owners, 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 the Condominium Board shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof or for the general health or welfare of the owners, tenants and occupants of the appropriate Units; provided, however, that the grant of such additional utility easements, or the relocation of existing utility easements, shall not unreasonably interfere with the use of the Units for their permitted purposes. Any utility

company, as well as its officers, employees and agent, shall have the right of access to each Unit and to the Common Elements in furtherance of such easement. However, such right of access shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes.

(c) 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.

(d) If (i) any portion of the Common Elements now encroaches upon any Unit or upon any other portion of the Common Elements, (ii) any Unit now encroaches upon any other Unit or upon any portion of the Common Elements, or (iii) any such encroachment shall hereafter occur as a result of (x) the settling or shifting of the Building, (y) any repair or alteration made to the Common Elements in accordance with the terms of this Declaration and the By-Laws, by, or with the consent of, the Condominium Board, or (z) any repair or restoration made to the Building or any portion thereof, to any Unit, or to the Common Elements in accordance with the terms of this Declaration and the By-Laws after damage by fire or other casualty or after any taking by condemnation or eminent domain proceedings, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same for so long as the Building or the affected Unit or Common Elements shall stand.

(e) 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 and rights of access prescribed in the Condominium Act.

(f) The Sponsor or its designee or the holder of Unsold Units or the Commercial Unit Owner(s) shall have all of the rights granted to the Condominium Board under this Article in connection with their respective ownership, use and operation of their Units. These rights shall be in addition to and not in limitation of those rights of access and egress and ingress that they may have as Unit Owners under this Declaration and under the Condominium Act.

ARTICLE 12

ALTERATIONS, ADDITION, IMPROVEMENTS AND CHANGES TO UNITS

(a) No Unit Owner, (other than the Sponsor, its designee, the holder of Unsold Units, or the Commercial Unit Owner(s) as set forth below) shall make any structural or non-structural alteration, addition, improvement, or repair in or to his or her Unit, or to the Common Elements contained in or servicing the Unit, without the prior written approval of the Condominium Board, which consent shall not be unreasonably withheld. Such approval may be conditioned at the discretion of the Condominium Board upon the execution of an agreement by such Unit Owner, in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions upon which such alteration, addition, improvement or repair may be made.

(b) (i) The Sponsor, its designee, or the Commercial Unit Owner(s) or the holder of Unsold Units, as the case may be, shall have the right to make any structural or non-structural alteration, addition, improvement, or repair in or to his or her Unit, or to the Common Elements

contained in or servicing the Unit, provided same does not impair the structural integrity of the Building or impair the operation use or integrity of any Common Element.

(ii) The Board of Managers shall be obligated to permit the Sponsor or its designee or the holder of Unsold Units, of the Commercial Unit Owner(s), at such Unit Owner's sole cost and expense, to install and use additional equipment in the risers and conduits serving the Building, provided the Sponsor, or its designee or the holder of Unsold Unit, or the Commercial Unit Owner(s) as the case may be reimburses the Board of Managers for the actual costs attributable to such installation and use.

ARTICLE 13

ACQUISITION OF UNITS BY THE CONDOMINIUM BOARD

If (i) any Unit Owner surrenders his or her Unit, together with its Appurtenant Interests, to the Condominium Board pursuant to the terms of the By-Laws or of Section 339-x of the Condominium Act or (ii) the Condominium Board, pursuant to the terms of the By-Laws or otherwise, either (x) acquires or leases a Unit, (y) purchases a Unit, together with its Appurtenant Interests, at a foreclosure or other similar sale then, in any such event, title or the leasehold estate, as the case may be, in and to 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 Percentage of Common Interest. 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 such designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Percentage of Common Interest.

ARTICLE 14

UNIT OWNER'S POWER OF ATTORNEY

(a) Each Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owner's attorney-in-fact coupled with an interest and with power of substitution, the individuals who shall from time to time constitute the Condominium Board, jointly, or to the Sponsor or to the Commercial Unit Owner(s), as the case may be to:

(x) acquire or lease any Unit, together with its Appurtenant Interests, (1) whose owner desire to sell, convey, transfer, assign, lease, or surrender the same or (2) that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners;

(y) convey, sell, lease, mortgage, or otherwise deal with (but not to exercise the vote appurtenant to) any Unit so acquired or to sublease any Unit so leased; and

(z) execute, acknowledge and deliver (1) any declaration or other instrument affecting the (Condominium that the Condominium Board, or the Sponsor, or the Commercial Unit Owner(s) deemed necessary or appropriate to comply with any Law applicable to the

maintenance, demolition, construction alteration, repair, or restoration of the Condominium or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Condominium or the Common Elements that the (Condominium Board deems necessary or appropriate.

(b) Each Unit Owner, upon the closing of title to his or her Unit, shall duly execute, acknowledge and deliver to the Condominium Board or its representative and to the Sponsor, for recording in the Register's Office, an original Unit Owner's Power of Attorney in the form attached to this Declaration.

ARTICLE 15 TERMINATION OF CONDOMINIUM

The Condominium shall continue until terminated by (i) casualty loss, condemnation, or eminent domain, as more particularly provided in the By-Laws or (ii) withdrawal of the Property from the provisions of the Condominium Act by affirmative vote or written consent of at least 80% in number and in Common Interest of all Unit Owners. No such vote shall be effective, however, (a) without the written consent (which consent shall not be unreasonably withheld or delayed) of at least 67% the Permitted Mortgagees, if any, and (b) without the written consent of Declarant, until such time as Declarant and its designees have conveyed title to all Units, provided that in no event shall Declarant's consent be required more than five years after the date fee title to a Unit is first conveyed to a purchaser by Declarant or its designees pursuant to an offering plan. In the event that said withdrawal is authorized as aforesaid, but only in such event, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in accordance with the factors set out in The New York State Condominium Act Section 339-(i)(iv), which is based on floor space, subject to the location of such space and the additional factors of relative to other space in the Condominium, the uniqueness of the unit, the availability of common elements for exclusive or shared use, the overall dimensions of the particular unit and the fair market value of such unit. In the event of any dispute the issue shall be presented for arbitration in accordance with Article 10 of the By-Laws. No payment shall be made to a Unit Owner until there has first been paid, out of his or her share of such funds, such amounts as may be necessary to discharge all unpaid liens on his or her Unit (other than mortgages that are not Permitted Mortgages) in the order of the priority of such liens.

ARTICLE 16 COVENANT OF FURTHER ASSURANCES

(a) Any Person who is subject to the terms of this Declaration, whether such Person is a Unit Owner, a lessee or a 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 such other Person or the Sponsor or the Commercial Unit Owner(s) requesting the same, execute, acknowledge and deliver to such other Person or the Sponsor, or the Commercial Unit Owner(s) such instruments, in addition to those specifically provided for herein, and take such other action, as such other Person or the Sponsor, or its designee, or the Commercial Unit Owner(s) 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.

(b) If any Unit Owner or any other person who is subject to the terms of this Declaration fails or refuses to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action that such Unit Owner or Person is required to take pursuant to this Declaration, then the Condominium Board or the Sponsor, its designee, or the holder of Unsold Units, as the case may be, is hereby authorized as attorney-in-fact for such Unit Owner or other Person, which power shall be deemed to be 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.

(c) If any Unit Owner or the Condominium Board or any other Person who is subject to the terms of this Declaration fails or refuses to execute, acknowledge, or deliver any instrument, or fails or refuses within ten (10) days after request therefor, to take any action that the Condominium Board, Unit Owner, or other Person is required to take pursuant to this Declaration at the request of the Managing Agent or the Sponsor, its designee, or the Commercial Unit Owner(s) or the holder of Unsold Units, then the Managing Agent or the Sponsor, its designee, or the holder of Unsold Units, as the case may be, is hereby authorized an attorney-in-fact for the Condominium Board, such Unit Owner, or other Person, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Condominium Board, such Unit Owner, or other Person, and such document or action shall be binding on the Condominium Board, such Unit Owner, or other Person, as the case may be.

ARTICLE 17

COVENANTS TO RUN WITH THE LAND

(a) All provisions of this Declaration, the By-Laws and the Rules and Regulations, including without limitation, the provisions of this Article 17, 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 every part thereof and interest therein, and all of the provisions thereof shall be binding upon, and shall inure to the benefit of, the owner of all or any part thereof, or interest therein, and his or her heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights, in, or for the benefit of, the general public. All present and future owners, tenants and occupants of Units shall be subject to, and shall comply with, the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance, the entering into a lease, or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant, or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time, any interest or estate in such Unit, as though such provisions were recited

and stipulated at length in each and every deed, conveyance, or lease.

This Declaration of Condominium is subject also to such other liens, covenants, easements, restrictions, consents, agreements, and other matters of record and any agreements as pertain to the Units, the Land and/or the Building.

(b) If any provision of this Declaration or of 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 shall 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 that 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.

(c) Subject to the terms of paragraph (b) of this Article 17, 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 shall 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.

ARTICLE 18

AMENDMENTS TO THIS DECLARATION

(a) Any provision of this Declaration may be amended, modified, added to, or deleted by an affirmative vote or the written consent of at least 66 2/3% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of the By-Laws, however, no amendment shall be made which adversely affects the rights of a Permitted Mortgagee, unless agreed to in writing by Permitted Mortgagees that represent at least 51% of the votes of the Units that are subject to mortgages, and no amendment which directly or indirectly affects the Low Income Units shall be effective until prior written approval is obtained from the City of New York Department of Housing Preservation and Development. No such amendment, modification, addition, or deletion shall be effective until recorded in the New York County Register's Office.

Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions, or deletions affecting Sponsor, its designee, the holder of Unsold Units or any Unsold Units, any such amendment, modification, addition, or deletion may be executed either (i) by the Condominium Board as attorney-in-fact for the Unit Owners, which power shall be deemed to be coupled with an interest as provided for in Article 12 hereof; or (ii) by the Unit Owner or Unit Owners whose Unit or Units are affected by such amendment, modification, addition or deletion.

(b) If the amendment requires the approval of a specified percentage of Unit Owners pursuant to the terms of this Declaration or the By-Laws, then there shall be attached to such amendment an original executed Secretary's Certification, certifying that the requisite number and percentage of Unit Owners approved the amendment at a duly constituted meeting or (when permitted in this Declaration or the By-Laws) in writing without a meeting, in which Certification shall be described the number and percentage of Unit Owners so consenting and (if voted upon at a meeting) the date and time of the meeting.

(c) No amendment shall be made to this Declaration which adversely affects the Sponsor, its designee, if any, the Commercial Unit Owner(s), the holder of Unsold Units or any Unsold Units in any way without the written consent of the Sponsor, its designee, the Commercial Unit Owner(s) or the holder of Unsold Units, as the case may be.

ARTICLE 19 CONSENTS OF SPONSOR

Wherever the consent, approval, satisfaction, or permission of Sponsor or its designee is require, under this Declaration or the By-Laws, such consent, approval, satisfaction, or permission shall not be required when Sponsor or such designee no longer owns any Units.

ARTICLE 20 PERSON TO RECEIVE SERVICE

The Secretary of State is designated as agent of the Condominium Board upon whom process against it may be served. The post office address within or without this state to which the secretary of state shall mail a copy of any process against the Condominium Board served upon him or her is: 308 East 38th Street, New York, New York 10016, attention: Managing Agent.

ARTICLE 21 INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions, and other information contained in (i) the Property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the table of definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Unit Owner's 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 the same were set forth at length in the text hereof.

ARTICLE 22 WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches that may occur.

ARTICLE 23 SEVERABILITY

Subject to the provisions of paragraphs (b) and (c) 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 provided herein, be valid and enforced to the fullest extent permitted by Law. Any conflict between any provision of the Condominium Documents and the Condominium Act, or any questions regarding the interpretation of any of the Condominium Documents, shall be governed by the Condominium Act.

ARTICLE 24 GENDER

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.

ARTICLE 25 CAPTIONS

The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

ARTICLE 26 REAL PROPERTY LAW SECTION 339·M

As set forth in the Condominium By-Laws, and pursuant to the Low Income Housing Plan, (a) in the event the owner of the Low Income Unit(s) determines there will be a shortfall in the rental revenue from the Low Income Units, the Common Charges payable by it shall be

accordingly reduced to the maximum amount payable by the owner of the Low Income Unit(s) in accordance with Section 339-m of the New York Real Property Law (pursuant to the procedures set forth in the Condominium By-Laws) and the owner of the Low Income Unit(s) shall have no obligation for the payment of Common Charges in excess of such amount, and (b) the Common Charges, as the case may be, payable by all other Unit Owners shall be increased by the amount of such reduction in the Common Charges (pursuant to the procedures set forth in the Condominium By-Laws) otherwise payable by the owner of the Low Income Unit(s) on a pro rata basis in accordance with their relative proportional Common Interest and, if necessary, the Common Charges payable by all other Unit Owners shall be increased, on a pro rata basis in accordance with their relative proportional Common Interest, to satisfy any additional carrying charges, including, without limitation, taxes, debt service payments, and other mortgage payments, associated with ownership and operation of the Low Income Units exceeding the rental revenue generated by the Low Income Units.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the day and year first written above.

DECLARANT:

GAIA 308 EAST 38TH STREET LLC,
a New York limited liability company

By: GAIA MONTROSE APARTMENTS, LLC,
a Delaware limited liability company, its Managing Member

By: Gaia Real Estate Investment LLC, a Delaware
limited liability company, its Managing Member

By: Gaia Real Estate Holdings, LLC, a Delaware
limited liability company, its Managing Member

By: _____

Name:

Title:

State of New York)
) ss.:
County of New York)

On the _____ day of _____ in the year 20__, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual acted and executed the instrument.

Notary Public

**EXHIBIT A
TO THE DECLARATION OF THE VANTAGE**

DESCRIPTION OF THE LAND

**THE VANTAGE
308 EAST 38TH STREET
NEW YORK, NEW YORK
BLOCK 943, LOTS _____**

EXHIBIT B
TO THE DECLARATION OF THE VANTAGE
DESCRIPTION OF THE UNITS

EXHIBIT C
TO THE DECLARATION OF THE VANTAGE
DEFINITIONS

(1) “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 designees, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or lease of Unit of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.

(2) “Building” shall mean the building situated on the Land which is described in Exhibit A hereto.

(3) “By-Laws” shall mean the by-laws of the Condominium, which are annexed as Exhibit D to the Declaration, as the same may be amended from time to time pursuant to the terms hereof.

(4) (a) “General Common Elements” shall mean those certain portions of the Land and the Building (other than the Units), as well as those Facilities therein, either existing for the common use of the Units or the Unit Owners as a whole or necessary for, or convenient to, the existence, maintenance, or safety of the Property, as more particularly described in Article 7 of the Declaration.

(b) “Residential Section Limited Common Elements” shall mean all the areas, equipment, fixtures and/or facilities for the common use of the Residential Units and Storage Units by Unit Owners as described in the Declaration.

(c) “Commercial Section Limited Common Elements” shall mean all the areas, equipment, fixtures and/or facilities for the common use of the Commercial Units and Storage Units by Unit Owners as described in the Declaration.

(5) (a) “General Common Charges” shall mean the charges allocated and assessed by the Condominium Board to the Commercial Unit Owners and/or the Residential, Storage in accordance with their respective aggregate Percentage of Common Interest or as specially allocated based upon actual use or cost, as determined by the Board of Managers to meet the General Common Expenses.

(b) “Commercial Common Charges” shall mean the charges allocated and assessed by the Condominium Board to the Commercial Unit Owners pro rata in accordance with their Percentage of Commercial Limited Common Interest to meet the Commercial Common Expenses.

(c) “Residential Common Charges” shall mean the charges allocated and assessed by the Condominium Board to the Residential Unit Owners pro rata in accordance with their

Percentage of Residential Limited Common Interest to meet the Residential Section Common Expenses.

(6) (a) “General Common Expenses” shall mean all costs and expenses to be incurred generally by the Condominium 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 General Common Expenses; (ii) the establishment and/or maintenance of a general operating reserve or a reserve fund for working capital, for replacements with respect to General Common Expenses, or to make up any deficit in the Common Charges for any prior year(s); (iii) the purchase, lease, or sublease by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit owners, of any Unit whose owner has elected to sell, lease, transfer or convey the same or that it be sold at a foreclosure or other sale; and (iv) generally, the conduct of the affairs of the Condominium.

(b) “Commercial Common Expenses” shall mean (i) those costs and expenses which are incurred or projected in connection with the repair, maintenance, replacement, restoration or operation of alteration, addition or improvement to the Commercial Limited Common Expenses, if any, (ii) the Commercial Units share based upon their aggregate Percentage of Common Interest, of General Common Expenses and/or (iii) those General Common Expenses that have been specially allocated to the Commercial Units in such percentages and amount(s) as determined by the Board of Managers based upon actual use of or costs incurred or projected by or in connection with the Commercial Units.”

(c) “Residential Common Expenses” shall mean (i) those costs and expenses which are incurred or projected in connection with the repair, maintenance, replacement, restoration or operation of any alteration, addition or improvement to the Residential Limited Common Expenses, if any, and (ii) the Residential Units and are based on the aggregate share of the General Common Expenses based upon their aggregate Percentage of Common Interest.”

(7) (a) “Common Interest” Common Interest” refers to the proportionate undivided interest, expressed as a numerical percentage, in the General Common Elements appertaining to each Unit determined in accordance with the Declaration. The Common Interest is the basis of determining, among other things, a Unit Owner’s share of any distributions upon termination of the Condominium.

(b) “Commercial Limited Common Interest” shall mean the undivided percentage interest of each Commercial Unit in the Commercial Section Limited Common Expenses, if any.

(c) “Residential Limited Common Interest” shall mean the undivided percentage interest of each Residential Unit, Storage Unit, if any, in the Residential Limited Section Common Expenses, if any.

(8) “Condominium” shall mean “The Vantage” which was established pursuant to the terms of the Declaration and is to be governed pursuant to the terms of the By-Laws.

- (9) “Condominium Act” shall mean Article 9-B of the Real Property Law of the State of New York, as the same may be amended from time to time.
- (10) “Condominium Board”, “Board of Managers” or “Board” may be used interchangeably and shall all mean the governing body of the Condominium, whose members shall be selected pursuant to the terms of Articles 2 and 4 of the By-Laws.
- (11) “Condominium Documents” shall mean the Declaration, the By-Laws and Rules and Regulations, the Unit Deed and the Unit Power of Attorney.
- (12) “Declaration” shall mean the declaration executed by Declarant for the purpose of submitting the Property to the provisions of the Condominium Act and establishing a regime for the condominium ownership of the property.
- (13) “Family Members” shall mean the spouse, children (natural and adopted), stepchildren, grandchildren, siblings, parents, parents-in-law, and grandparents of a Unit owner who reside in such Unit Owner’s Unit.
- (14) “Floor Plans” shall mean the floor plans of the Units filed in the Register’s Office simultaneously with the recording of the Declaration, together with any supplemental floor plans thereto. The Floor Plans shall govern in the event of any inconsistency between the written part of the Declaration and the Floor Plans.
- (15) “Institutional Lender” shall mean (i) a savings bank, savings and loan associations, bank or trust company, insurance company, real estate investment trust, or mortgage trust or (ii) a federal, state, municipal, teacher’s or union employee, welfare, pension, or retirement fund or system.
- (16) “Institutional Mortgage” shall mean any first mortgage covering one or more Units that is a Permitted Mortgage and the initial holder of which is either Sponsor or its designee or an Institutional Lender.
- (17) “Insurance Trustee” shall mean an individual who is a resident of the State of New York, or a bank or trust company having an office in The City of New York, from time to time, appointed to serve as such as the Condominium Board.
- (18) “Land” shall mean that certain tract, plot, piece and parcel of land situate, lying and being in the County of New York, City and State of New York, as more particularly described in Exhibit A to the Declaration.
- (19) “Law” shall mean the laws and ordinances of any or all of the Federal, New York State, New York City, in the particular County, and Borough governments, the rules, regulations, orders and directives of any and all departments, subdivisions, bureaus, agencies, or offices thereto 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.

(20) “Limited Common Element” if any, shall mean, any areas, equipment, fixtures, and/or facilities for the exclusive use of one or more Units, but not either all Residential Units or Commercial Units as expressly described in Exhibit B to the Declaration.

(21) “Low Income Units” collectively refers to Units 1A, 7A, and 14D, as identified in and subject to the “Low Income Housing Plan” and the “Program” (as such term is identified in the Low Income Housing Plan).

“Low Income Housing Plan” consists of the regulatory agreement, between Declarant and the City of New York Department of Housing Preservation and Development and is annexed to the Declaration as Exhibit F.”

(22) “Managing Agent” shall mean a Person employed by the Condominium Board pursuant to paragraph (C) of Section 2.6 of the By-Laws, who shall undertake to perform the duties and services that the Condominium Board shall direct and who shall have whatever powers the Condominium Board shall delegate, subject to the limitations contained in paragraph (D) of Section 2.6 of the By-Laws.

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

(24) “Percentage of Common Interest” shall mean the amount of Common Interest allocated to a Unit and determined in accordance with the Declaration and as set forth in Exhibit B to the Declaration expressed as a percentage number. The total of the Percentage of Common Interest allocated to all Units shall equal 100%.

“Percentage of Commercial Limited Common Interest” shall mean the amount of Commercial Limited Common Interest expressly allocated to the Commercial Unit(s) as set forth in Schedule A of the Plan. The total Percentage of Commercial Limited Common Interest of All Commercial Units shall equal 100%.

“Percentage of Residential Limited Common Interest” shall mean the amount of Residential Limited Common Interest expressly allocated to each Residential Unit and Storage Unit, if any, as set forth in Schedule A of the Plan. The total Percentage of Residential Limited Common Interest of all Residential Units and Storage Units, if any, shall equal 100%.

(25) “Permitted First Mortgage” shall mean a Permitted Mortgage that is a first mortgage lien against a Unit.

(26) “Permitted First Mortgagee” shall mean any holder of a Permitted First Mortgage.

(27) “Permitted Mortgage” shall mean any mortgage covering one or more Units that is placed thereon in compliance with the terms contained in Article 8 of the By-Laws.

(28) “Permitted Mortgagee” shall mean any holder of a Permitted Mortgage at the time in question.

(29) “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.

(30) “Plan” shall mean that certain offering plan to convert the Property to condominium ownership filed with the Department of Law of the State of New York pursuant to Section 352-e of the General Business Law of the State of New York.

(31) “Property” shall mean the Land, the Building, all other 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.

(32) “Register’s Office” shall mean the Office of the Register of the City of New York, New York County.

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

(34) “Special Assessments” shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro rata in accordance with their respective Percentage or Residential or Commercial Limited Common Interest, as the case may be, (except as otherwise provided in the Declaration or in the By-Laws), in accordance with paragraph (C) of Section 6.1 of the By-Laws.

(35) “The Sponsor” Gaia 308 East 38th Street LLC, or its designee, successors, assigns or any Person owning ten or more Units or twenty percent of the Units in the Condominium whichever is less, which are not purchased for occupancy by such Person or one or more members of his or her immediate family, such Person, will be deemed, however, to be a Sponsor with the obligation of a Sponsor only in relationship to the Units which such Person owns. Any Person who is the Sponsor, or who is deemed to be a Sponsor with respect to any Units, shall have all of the rights of the Sponsor under the Plan.

(36) “Sponsor Control Period.” The Sponsor will control the Board of Managers of the Condominium for a maximum during the period ending upon the earlier of (i) five (5) years from the First Closing, or (ii) the date upon which the Unsold Units constitute less than ninety percent (50%) of the Common Interests.

(37) “Storage Bin” Those Storage Bins to be located in the cellar and identified in the Declaration and in the Floor Plans.

(38) “Unit” shall mean any of the “Units,” as such term is defined in the Condominium Act, located in the Building, which units are more particularly described in Article 6 of, and Exhibit B to the Declaration and in the Floor Plans.

(39) “Unit Owner” shall mean any Person who holds fee title of, record, to one or more Units at the time in question.

(40) “Unsold Units” shall mean any Unit owned by the Sponsor, or its designee, or their successors, assigns, at the time of the first closing. Unsold Units shall remain Unsold Units until they are occupied as a personal residence by the owner of the Unit or any member of his or her immediately family.

EXHIBIT D
TO THE DECLARATION OF THE VANTAGE
BY-LAWS

EXHIBIT E
TO THE DECLARATION OF THE VANTAGE

UNIT OWNER'S POWER OF ATTORNEY

**EXHIBIT F
TO THE DECLARATION OF THE VANTAGE**

LOW INCOME HOUSING PLAN

Exhibit 7

Condominium By-Laws

BY-LAWS
Of
THE VANTAGE

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 described in Exhibit A to the Declaration of Condominium of The Vantage; (ii) the Building, which includes, without limitation, the Units, the Common Elements and all easements, rights and appurtenances belonging thereto; and (iii) all other property, real, personal, or mixed, intended for use in connection therewith. The Property has been submitted to the provisions of the Condominium Act by the recording of the Declaration in the Declaration these By-Laws form a part.

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 used shall otherwise require. All capitalized terms used in these By-Laws 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 aforementioned described capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

Section 1.3. Applicability of By-Laws. These By-Laws are applicable to the Property and to the use and occupancy thereof.

Section 1.4. Application of By-Laws. All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units, and employees and guests of Unit Owners, as well as all other Persons who may use the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations, as each of the same may be amended from time to time. The acceptance of a deed or other instrument of conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of the Declaration, these By-Laws and the Rules and Regulations, as each of the same may be amended from time to time, are accepted, ratified and will be complied with.

Section 1.5. Principal Office of the Condominium. The principal office of the Condominium shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

ARTICLE 2

BOARD OF MANAGERS

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 records with respect to the finances and the operation of the Condominium, including, without limitation: (a) detailed accounts of receipts and expenditures affecting the Property; (b) 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 (c) minutes and other records of all meetings held pursuant to the terms of these By-Laws;

(iv) to prepare and adopt a budget for the Condominium for each fiscal year thereof, setting forth, without limitation: (a) a detailed accounting of the anticipated Common Expenses for the ensuing fiscal year and (b) a detailed projection of all sources and amounts of income necessary to discharge the same;

(v) to determine the amount and establish the means and methods of payment of, and to collect, the Common Charges and Special Assessments from the Unit Owners;

(vi) to borrow money on behalf of the Condominium 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 the Condominium Board shall be required for the borrowing of any sum in excess of \$25,000.00 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (b) the affirmative consent of a majority of the Unit Owners shall be required for the borrowing of any sum in excess of \$25,000.00 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (c) 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 (d) 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 Percentage of Common Interest bears to the aggregate Percentage of Common Interest of all Unit Owners shall be entitled to obtain from the creditor a release of any judgment or other lien that the said creditor shall have filed, or shall have the right to file, against such Unit Owner's Unit;

(vii) to open and maintain bank accounts on behalf of the Condominium and to designate the signatories required therefore;

(viii) to use the Common Charges and Special Assessments collected from Unit Owners, as well as all other funds held by the Condominium Board or received in connection with the operation of the Property, for the administration of the Condominium, including, without limitation: (a) the payment of Common Expenses and (b) the making of restorations, additions, alterations and improvements to the Common Elements;

(ix) to obtain insurance for the Property, including the Units, pursuant to the terms of Section 5.4 hereof;

(x) to adjust and settle claims under insurance policies obtained pursuant to the terms of Section 5.4 hereof, and to execute and deliver releases upon such adjustment and settlement on behalf of: (a) all Unit Owners; (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 execute, acknowledge and deliver to the Sponsor, its designee, the Commercial Unit Owner or the Owner, as the case may be, such documents, certificates, or other forms as such party or parties may be entitled to receive from the Condominium under the Declaration and/or these By-Laws;

(xiii) to accept the surrender of any Unit pursuant to the terms of paragraph (C) of Section 6.2 hereof, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xiv) to purchase, lease, or otherwise acquire Units offered for sale or lease by their owners, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all 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;

(xvi) to sell, lease, mortgage and otherwise deal with Units acquired by, and to sublease Units leased by, the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, provided, however, that the Condominium Board or its designees shall in no event be entitled to the vote appurtenant to any such Unit;

(xvii) to adopt and amend the Rules and Regulations and to levy and collect fines against Unit Owners for violations of the same;

(xviii) to enforce by legal means the terms, covenants and conditions contained in the Condominium Documents and to bring or defend against any proceedings that may be instituted on behalf of, or against, the Unit Owners;

(xix) to incorporate, to the extent and in the manner provided in the Condominium Act, provided, however, that: (a) the certificate of incorporation and by-laws of any such resulting corporation shall conform as closely as practicable to the terms of the Declaration and these By-Laws and (b) the terms of the Declaration and these By-Laws shall prevail in the event of any inconsistency or conflict between the terms thereof and the terms of such certificate of incorporation and by-laws;

(xx) to organize corporations to act as the designees of the Condominium Board in acquiring title to, or leasing of, Units and in acquiring rights, titles and interests in real and personal property for use in connection with the ownership and operation of the Property as a condominium;

(xxi) to execute, acknowledge and deliver: (a) any declaration 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, modifications, additions and deletions theretofore made to the same;

(xxiii) to execute, acknowledge and deliver any documents necessary for filing an appeal for reduction of assessment of real estate taxes on behalf of all units in the Condominium, unless written notice is received by the Condominium Board from any Unit Owner not to do so on behalf of his or her condominium unit;

(xxiv) unless and until real estate taxes, water charges and sewer rents are billed directly to the Unit Owners by the New York City Department of Finance and/or the Department of Environmental Protection, the Condominium Board shall promptly pay such taxes, charges and rents as a Common Expense; and

(xxv) to carry out any other duties imposed upon the Condominium Board pursuant to the Declaration and these By-Laws.

(B) The Condominium Board shall be responsible for carrying out the duties imposed upon it under the Condominium Documents regardless of whether a Unit is vacant or occupied by the owner thereof or by a permitted lessee or other permitted occupant.

Section 2.5. Removal of Members of Board of Managers. (A) At any regular or special meeting of Unit Owners, any one or more of the members of the Board of Managers, other than a member designated by the Sponsor, or its designee, may be removed with or without cause by a majority of the Unit Owners and a successor may then and there or thereafter be elected to fill the vacancy thus created, provided notice of such proposed removal was given to the Board member and was specified in the notice of the meeting. Any member of the Board of Managers whose removal has been proposed shall be given an opportunity to be heard at the meeting.

(B) Any member of the Board appointed or designated by the Sponsor may be removed by Sponsor for any reason. While the Sponsor is in control, the Board may not be prohibited from removing members for cause. After the initial period of Sponsor control, a Board member may be removed by a majority of the Unit Owners with or without cause. Regardless of whether a Sponsor-appointee to the Board is removed by the Sponsor, its designee or the Unit Owners, the Sponsor or its designee shall have the exclusive right to designate a replacement for such Sponsor or Sponsor designee appointee.

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 contained in paragraph (D) of this Section 2.6 and such additional 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.

(C) The Condominium Board may employ a Managing Agent to serve at a compensation to be established 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), (vii), (x), (xiii), (xiv), (xv), (xvi), (xvii), (xix), (xx) and (xxi) of paragraph (A) of Section 2.4 hereof. In addition, neither the Managing Agent nor any of the committees described in Subsection (B) of this Section 2.6 shall have, or be entitled to exercise, any of the powers of the Condominium Board, except to the extent permitted by Law.

Section 2.7. Number, Election and Qualification of Members. The Sponsor will control the board of managers for five (5) years after the closing of the first unit or the date upon which the Unsold Units constitute less than fifty percent (50%) of the Common Interests, whichever is earlier (the "Sponsor Control Period.") During the Sponsor Control Period, the Sponsor shall designate a majority of the Board Members, which would be three (3) Board Members and the remaining two (2) Board Members shall be elected by all Unit Owners, other than the Sponsor. Within thirty (30) days of the expiration of the, Sponsor Control Period, the Sponsor will call a special meeting of the Unit Owners to elect a new Board of Managers who will be elected based on the plurality of the votes.

Until the first sale of a Unit, the initial three (3) member Board of Managers shall be designated by the Sponsor. Within four (4) months of the first closing, a meeting will be held to elect a new Condominium Board consisting of five (5) Board Members. At such time, the Sponsor shall designate three (3) of the five (5) Board Members, who shall serve for a period of three (3) years. The other two Board Members shall be elected by all Unit Owners, for a term of one (1) year. Elections for these two seats on the Condominium Board shall be held annually. In all votes of Unit Owners, each unit owner each unit owner (including the Sponsor or its designee, for so long as Sponsor or such designee shall own Unsold Units) will be entitled to one (1) vote for each .0001% of Percentage of Common Interest allocated to the Unit(s) owned by such Unit Owner. Unit Owners shall be entitled to cumulate their votes and cast all of such votes for a single director or distribute them among the number to be voted for, or any two or more of them, as they may see fit. Following the Sponsor Control Period, the Board of Managers shall consist of five (5) Board Members. Board Members shall be elected by a majority of the votes cast at a

meeting at which a quorum shall be present. At no time after the Sponsor Control Period shall the Sponsor be entitled to elect more than a minority of the members of the board of managers.

After the Sponsor Control Period, a majority of the board of managers must be owner occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals.

At all meetings of Unit Owners the Sponsor or its designee shall be able to vote and thus able to exercise its vote in Board elections. When the Sponsor or its designee no longer owns any Units neither Sponsor nor its designee shall have any further right to vote.

Notwithstanding anything contained herein, as long as the Sponsor or its successors or assigns shall own at least one (1) Unit, it may designate one (1) member to the board and appoint an assistant vice president.

So long as Sponsor or its successors or assigns owns one or more units, but in no event later than five (5) years after closing of title to the first Unit, the Board of Managers may not, without the prior written consent of the Sponsor or its designee, (i) make any addition, alteration or improvement to the Common Elements or to any Unit or (ii) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund (however, Sponsor will not unreasonably withhold consent to additions to the contingency fund provided for in Schedule B to the extent assessments are necessary to make expenditures required by law), or (iii) borrow money on behalf of the Condominium (except where necessary to perform work required by law to the extent that existing reserves are insufficient). Sponsor shall have the right to withhold its consent to any of the foregoing actions. Notwithstanding the above, Sponsor's consent shall not be withheld for expenses required to comply with applicable law. While Sponsor has voting control of the Board, Sponsor will not reduce or eliminate the services to be provided to the Condominium as set forth in this Plan.

No members of the Board of Managers will receive any compensation from the Condominium for acting as such.

Section 2.8. Term of Office of Members. The term of office of each member of the Condominium Board shall continue for one (1) year. Notwithstanding anything to the contrary, however, each Condominium Board shall serve until a successor Board is elected and qualified. There shall be no limit on the number of terms of office, successive or otherwise, that a member of the Condominium Board may serve. In addition, special meetings of Unit Owners may be held from time to time, pursuant to the By-Laws, whenever necessary for the affairs of the Condominium.

Section 2.9. Resignation of Members. Any member of the Condominium Board may resign his or her membership at any time by giving written notice thereof to the Condominium Board.

After the Sponsor Control Period, a majority of the board of managers must be owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals.

Section 2.10. Vacancies. Any vacancy on the Condominium Board shall be filled by calling a regular or special meeting to elect a new Board Member pursuant to Section 2.7 of these By-laws.

Section 2.11. Organization Meeting. The first meeting of the members of the Board of managers following the annual meeting of Unit Owners shall be held within ten (10) days thereafter, at such time and place fixed by a majority of the members of the Board. No notice of the meeting shall be necessary to the newly elected members in order to legally constitute such meeting, providing a majority of the whole Board shall be present at such meeting.

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 one (1) such meeting shall be held during each fiscal year.

Section 2.13. Special Meetings of the Condominium Board. Any member of the Condominium Board may call a special meeting of the Condominium Board whenever he or she deems the same to be necessary or desirable.

Section 2.14. Waiver of Notice of Meetings. Any member of the Condominium Board may, at any time, waive notice of any meeting thereof in writing, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a member of the Condominium Board at any meeting thereof shall constitute a waiver by him or her of notice of the time and place thereof.

Section 2.15. Quorum of the Condominium Board. For purposes of all meetings of the Condominium Board, the attendance of a majority of all Board Members thereof shall be required for the transaction of business. In connection therewith, one or more members of the Condominium Board may participate in any meeting thereof by means of 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.

Section 2.16. Conduct of Meetings. The minutes of the meetings of the Condominium Board shall be faithfully recorded, 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 shall govern the conduct of 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. Decision by the Condominium Board. Except as otherwise expressly provided in the Declaration or these By-Laws, the affirmative vote of a majority of the members

of the Condominium Board shall constitute the decision of the Condominium Board. 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 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 his or her duties, and shall exercise his or her powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by law, no contract or other transaction between the Condominium Board and either (i) any of its members or (ii) any corporation, partnership, fiduciary, firm, association, or other entity in which any of the members of the Condominium Board are officers, directors, employees, partners, fiduciaries, beneficiaries, or principals, or are otherwise interested, financially 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 noted in the minutes thereof, and the Condominium Board shall authorize, approve, or ratify such contract or transaction in good faith by vote of the Condominium Board;

(y) the fact thereof is disclosed to, or known by the Unit Owners, and the Unit Owners authorize, approve, or ratify such contract or transaction; or

(z) the contract or transaction is commercially reasonable to the Condominium Board at the time that the same is authorized, approved, ratified, executed, or otherwise consummated.

It is understood and permissible for the original members of the Board who are appointed by the Sponsor to contract with Sponsor and affiliated corporations without fear of being charged with self-dealing.

Section 2.20. Liability of the Condominium Board. (A) The members of the Condominium Board shall have no liability to the Unit Owners for errors of judgment, negligence, or otherwise, except that each member of the Condominium Board shall be liable thereto for his or her own bad faith or willful misconduct.

(B) Every contract made, and other document executed, by or on behalf of the Condominium Board, any committee thereof, or the Managing Agent shall expressly state (if obtainable and in addition to the limitation of liability of the officers of the Condominium and the Unit Owners pursuant to the terms of Sections 3.10 and 4.12 hereof, respectively) that the same is made or executed by or on behalf of the Condominium Board, such committee, or the Managing Agent solely as agent for the Unit Owners and that the members of the Condominium

Board or such committee or the Managing Agent shall have no liability thereon, except to the extent of their liability, if any, as Unit Owners pursuant to the terms of Section 4.12 hereof.

(C) 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; 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.

(D) The Unit Owners shall jointly and severally indemnify and hold each member of the Condominium Board harmless from and against any claim or liability to others arising from his or her acts or omissions as, or by reason of the fact that such individual is or was, a member of the Condominium Board, except, however, to the extent that such claim or liability shall be due to, or shall arise out of, the bad faith or willful misconduct of such member.

ARTICLE 3

OFFICERS

Section 3.1. General. The principal officers of the Condominium shall be the President, the Secretary and the Treasurer. The Condominium Board may appoint a Vice President, an Assistant Treasurer, an Assistant Secretary and such other officers as in its discretion may be necessary or desirable. Where necessary, one individual may act as or hold the office of more than one office. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed, upon the direction of the Condominium Board, by the officers of the Condominium or by such lesser number of officers or by such other Person or Persons as may be designated from time to time by the Condominium Board.

Section 3.2. President. The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Unit Owners and of the Condominium Board. The President shall have all of the general powers and duties that are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York (hereinafter referred to as the "BCL", including, but not limited to, the power to appoint the members of all committees created by the Condominium Board from amongst the Unit Owners from time to time as he or she may decide, in his or her discretion, are appropriate to assist in the conduct of the affairs of the Condominium.

Section 3.3. Vice President. The Vice President shall take the place of the President and perform his or her duties whenever the President shall be absent or unable to act. If both the President and the Vice President are unable to act, the Condominium Board shall appoint some other member of the Condominium Board to act in the place of the President on an interim basis.

The Vice President shall also perform such other duties as shall be imposed upon him or her 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 Qualifications of Officers. Each of the officers of the Condominium Board shall be elected annually by a majority vote of the Condominium Board taken at the organizational meeting of each new Condominium Board, and shall serve at the pleasure of the Condominium Board. After the Sponsor Control Period at least a majority of the officers shall be elected from amongst the members of the Condominium Board who are Unit Owners. The other officers of the Condominium, however, need not be Unit Owners or members of the Condominium Board and need not have any interest in the Condominium.

Section 3.7. Removal and Resignation of Officers. Any officer may be removed without cause, by a vote of a majority of the members of the Condominium Board at a meeting called for such purpose. Finally, after the Sponsor has relinquished control of the Board, if the President or the Vice President of the Condominium shall cease to be a member of the Condominium Board during his or her term of office, such officer shall be deemed to have resigned his or her office effective upon the date upon which his or her 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. Liability of the Officers of the Condominium. (A) The officers of the Condominium shall have no liability to the Unit Owners for errors of judgment, negligence, or otherwise, except that each officer of the Condominium shall be liable thereto for his or her own bad faith or willful misconduct. In addition, every contract made, and other document executed, by one or more officers or other Persons on behalf of the Condominium shall expressly state (if obtainable and in addition to the limitation of liability of the members of the Condominium Board and the Unit Owners pursuant to the terms of Sections 2.20 and 4.12 hereof, respectively)

that the same is made or executed by such officers or Persons on behalf of the Condominium solely as agent for the Unit Owners and that such officers or Persons shall have no liability thereon, except to the extent of their liability, if any, as Unit Owners pursuant to the terms of Section 4.12 hereof.

(B) None of the officers of the Condominium shall be liable for either:

(i) any failure or interruption of any utility or other services to be obtained by any such officer on behalf of the Condominium or to be paid for as a Common Expense; 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.

(C) The Unit Owners shall jointly and severally indemnify and hold each officer of the Condominium harmless from and against any claim or liability to others arising from his or her acts or omissions as, or by reason of the fact that such individual is or was, an officer of the Condominium, except, however, to the extent that such claim or liability shall be due to, or shall arise out of, the bad faith or willful misconduct of such officer.

ARTICLE 4

UNIT OWNERS

Section 4.1. Annual Meetings of the Unit Owners. Within thirty (30) days after the later of (i) the closing of title to 100% percent of the Residential Units or (ii) two (2) years from the First Unit Closing, or such earlier time as the Sponsor deems to be in the best interest of the parties the Sponsor shall call a special meeting for the purpose of electing the first elected Board of Managers of the Condominium. Thereafter, annual meetings of the Unit Owners shall be held within sixty (60) days of the anniversary date of the first meeting. At each such subsequent meeting, the Unit Owners shall transact such business as may properly come before such meeting. In the event that any annual meeting of members is delayed, the existing Condominium Board shall continue to serve.

Section 4.2. Special Meetings of Unit Owners. The Condominium Board shall call a special meeting of the Unit Owners whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt of a petition calling for such a meeting signed by Unit Owners owning in the aggregate 25% or more Percentage of Common Interest. 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 as may be designated by the Condominium Board.

Section 4.4. Notice of Meetings. (A) The Condominium Board 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, telephone or telegram not later than five (5) business days prior to the day fixed for the meeting; however, the mailing of such notice to any Unit Owner, addressed to his or her address at the Property, at least ten (10) days prior to the day fixed for the meeting shall be conclusively deemed the giving of notice to such Unit Owner of such 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 the Condominium Board not less than ten (10) days prior to the giving of notice of the applicable meeting.

Section 4.5. Quorum of the Unit Owners. Except as otherwise provided in these By-Laws, the presence, in person or by proxy, of a majority of all Unit Owners shall be required at all meetings of the Unit Owners.

Section 4.6. Conduct of Meetings. The minutes of all meetings of the Unit Owners shall be faithfully recorded, 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.

Section 4.7. Order of Business. The order of business at all annual meetings of the Unit Owners shall be as follows:

- (i) Roll call;
- (ii) Proof of notice of meeting;
- (iii) Reading of the minutes of the preceding meeting (unless waived);
- (iv) Reports of officers of the Condominium;
- (v) Reports of committees;
- (vi) Reports of inspectors of election (when so required);
- (vii) Election or designation of members of the Condominium Board (if there is a vacancy);
- (viii) Unfinished business; and
- (ix) New business.

Section 4.8. Voting at Meetings of Unit Owners. (A) Subject to the terms of Sections 2.7 and 4.9 hereof, at meetings of Unit Owners, each Unit Owner (including the Sponsor or its designee, for so long as Sponsor or such designee shall own Unsold Units) shall be entitled to one (1) vote for each .0001% of Percentage of Common Interest owned by such Unit Owner.

(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 the vote appurtenant to any Unit owned by the Condominium Board or such designee. The vote of all Units whose owners are precluded from voting pursuant to the terms of this paragraph (B) will be excluded when computing the results of voting.

(C) A fiduciary shall be the voting member with respect to a Unit owned in a fiduciary capacity. In addition, if two (2) or more Persons own a Unit, they shall designate one Person amongst them the vote appurtenant to their Unit in a writing given to the Condominium Board, and the vote of such designee shall be binding upon all of such Persons. Failing such a designation, all of such Persons shall mutually exercise the vote appurtenant to such unit under one ballot without division, and the concurrence of all Persons shall be conclusively presumed if any one of them purports to exercise such vote without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the vote appurtenant to such Unit shall be counted solely for the purpose of determining whether the required attendance is present for such voting.

(D) The owner(s) of any Unit may designate any Person to act as a proxy on his or her behalf. The designation of any such proxy shall be made in a writing both signed and dated by the Unit Owner and delivered to the Condominium Board 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 Condominium Board; however, no revocation of such a designation shall be effective with respect to any votes cast by such proxy prior to the receipt of such revocation notice by the Condominium Board.

Section 4.9. Election of Members of the Condominium Board. Each Unit Owner shall be entitled to one (1) vote for each .0001% of Percentage of Common Interest allocated to such Unit Owner's unit per member to be elected and shall have the right to cumulate his or her votes in favor of any one or more members to be elected. Cumulative voting entitles each Unit Owner to as many votes which he would be entitled to cast for the election of Board Members with respect to the Percentage of Common Interest of his or her unit, multiplied by the number of Board Members to be elected, and he or she may cast all such votes for a single Board Member or distribute them as he or she sees fit. Board Members shall be elected by a plurality of the votes cast at a meeting at which a quorum shall be present.

Section 4.10. Action Without a Meeting. Any action required or permitted to be taken by the Unit Owners at a duly constituted meeting may be taken without such a meeting if the number of Unit Owners sufficient 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 4.10 shall be retained in the records of the Condominium together with a true copy of the resolution to which they relate.

Section 4.11. Title to Units. Title to any Unit may be taken by any Person or by any two (2) or more Persons as joint tenants, tenants in common, or tenants by the entirety, as may be appropriate, but not as owners in severalty.

Section 4.12. Contractual Liability of Unit Owners. Every contract made by the Condominium Board, by any officer of the Condominium, or by any superintendent or Managing Agent of the Building shall state (if obtainable and in addition to the limitation of liability of the members of the Condominium Board and the officers of the Condominium pursuant to the terms of Section 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 Percentage of Common Interest of such Unit Owner bears to the aggregate Percentage of Common Interest of all Unit Owners and (ii) such Unit Owner's interest in his or her Unit and its Appurtenant Interests, unless otherwise provided by Law.

ARTICLE 5

OPERATION OF THE PROPERTY

Section 5.1. Maintenance. (A) Except as otherwise provided in the Declaration or in these By-Laws, all painting, decorating, maintenance, 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, ceilings and floors in the Unit, kitchen and bathroom fixtures and appliances, windows and their frames, sills and sashes, (except painting to the exterior side of the windows) all doors (entrance and terrace or patio, if any) and their frames and saddles, (except painting to the exterior side of the doors) exposed plumbing, gas and heating fixtures shall be performed by the owner of such Unit at such Unit Owner's cost and expense; and

(ii) in or to the Common Elements including the painting of the exterior of windows and doors, shall be performed by the Condominium Board as a Common Expense.

Further the individual Unit Owner shall be responsible for the cost of any permits required in connection with the operation of their individual heating, air conditioning, hot water or other mechanical equipment.

However, if any work is necessitated by any condition or occurrence in the individual unit such Unit Owner shall be liable for such costs which are not paid by the insurance carrier. Promptly upon obtaining knowledge thereof, each Unit Owner shall report to the Condominium Board or to the Managing Agent any defect which the Condominium Board is responsible pursuant to the terms thereof. 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, however, the exterior glass surfaces of all windows of each Unit are to be washed and cleaned by the owner of such Unit at such Unit Owner's sole cost and expense. In addition, if any painting, decorating, maintenance, or replacements to the Property or any part thereof, whether structural or non-structural, ordinary or extraordinary, is necessitated by the negligence,

misuse, or abuse of (i) any Unit Owner, the entire cost and expense thereof shall be borne by such Unit Owner, or (ii) the Condominium Board, the entire cost and expense thereof shall be borne by the Condominium Board as a Common Expense, except, in all events, to the extent that such cost and expense is covered by the proceeds of any insurance maintained pursuant to the terms of these By-Laws. Similarly, each Unit Owner shall be responsible for any and all damage to any Unit or to the Common Elements resulting from such Unit Owner's failure to maintain, repair, or replace his or her 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 and order (and free of snow, ice and accumulation of water with respect to any terrace, patio, roof, or other part of the Property exposed to the elements) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Condominium Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work (including, without limitation, painting, repairs and replacements) that is necessary in connection therewith. In addition, the public areas of the Building and those areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by (i) the Condominium Board, with respect to such parts of the Building required to be maintained by it, and (ii) each Unit Owner, with respect to the interior and exterior surfaces of terraces, patios, windows and shades, Venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to his or her Unit.

Section 5.2. Alterations, Additions, or Improvements in and to Units. No Unit Owner (except the Sponsor, its designee, the Commercial Unit Owner or the Owner, as provided below) may make any structural alteration, addition, improvement or repair in or to his or her Unit without the prior written approval of the Condominium Board, which consent shall not be unreasonably withheld. Such approval may be conditioned, at the discretion of the Condominium Board, upon the execution of an agreement by such Unit Owner, in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions upon which such alteration, addition, improvement or repair may be made.

The Condominium Board may, at its sole option, require the Unit Owner to procure and agree to maintain during the course of such work such insurance as the Condominium Board may reasonably prescribe.

Sponsor or its designee or the owner of the Commercial Units shall have the right, without the approval of the Condominium Board, the Selling Agent, the Managing Agent, or other Unit Owners, or representatives of holders of mortgages on Units to:

- (a) make alterations, additions, improvements or repairs in or to any Unsold Unit or Units or the Commercial Units, whether structural or non-structural, interior or exterior, ordinary or extraordinary; and
- (b) subdivide, combine and change the boundary wall of Unsold Units or Units.

At the request of Sponsor or its designee, or the Commercial Unit Owner(s), the Condominium Board will execute any application or other documents required to be filed with any governmental authority having or asserting jurisdiction in connection with any alteration, addition, improvement or repair proposed to be made by the Sponsor or Commercial Unit Owner(s) at which time Sponsor or the Commercial Unit Owner shall execute an agreement to indemnify and hold harmless the Condominium Board and the Unit Owners from any expense or liability by virtue of the execution of the application or such other documents.

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 Common Expense. Notwithstanding the foregoing, however, whenever the cost and expense of any such alterations, additions, or improvements would, in the judgment of the Condominium Board, exceed \$50,000.00 in the aggregate in any calendar year, such proposed alterations, additions, or improvements shall not be made unless first approved by a majority of the Unit Owners at a duly constituted meeting of the Unit Owners 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 \$50,000.00 or less in the aggregate in any calendar year may be made as aforesaid without the approval of either the Unit Owners or any Mortgage Representatives.

Section 5.4. Insurance. (A) If the same shall be obtainable, the Condominium Board shall obtain, and shall maintain in full force and effect, fire insurance policies with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the Building (including all Units and the bathroom and kitchen fixture, installed therein on the date of recording the Declaration and all service machinery contained therein, but not including appliances or any furniture, furnishings, decorations, belongings, or other personal property supplied or installed by Unit Owners or the tenants of Unit Owners) and covering the interest of the Condominium, the Condominium Board, all of the Unit Owners and all Permitted Mortgagees, as their interests may appear. 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 cancelled or substantially modified except upon at least ten days prior written notice to all of the insureds, including all Permitted Mortgagees. Upon a written request from a Unit Owner or a Permitted Mortgagee, the Board shall cause duplicate originals or certificates of all such policies and of all renewals thereof, to be sent to all such Unit Owners and Permitted Mortgagees.

(B) The Condominium Board shall also obtain and maintain, to the extent practicable:

(i) comprehensive general liability insurance, covering all claims for personal injury or property damage arising out of any occurrence on the Property and listing as coinsureds (a) the Condominium Board and each member thereof, (b) the Managing Agent or manager (if any), (c) each officer and employee of the Condominium and (d) each Unit Owner (except, however, that such insurance shall not cover any liability of a Unit Owner arising from occurrences within his or her own Unit);

(ii) rent insurance (if applicable);

(iii) workmen's compensation and New York State disability benefits insurance;

(iv) boiler and machinery insurance; and

(v) 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 eighty percent of the full replacement cost of the Building, exclusive of excavation 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 \$500,000.00 in the aggregate until the first regular meeting of the first Condominium Board elected by the Unit Owners; 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 Condominium Board as a Common Expense.

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

(F) Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that all such policies shall contain waivers of subrogation and further provided 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.

Section 5.5. Casual or Condemnation. (A) In the event that either (i) the Building or any part thereof is damaged or destroyed by fire or other casualty (hereinafter referred to as a "Casualty Loss") or (ii) the Common Elements or any part thereof is taken in condemnation or by eminent domain (hereinafter referred to as a "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 to the Condominium Board. In either instance, all such monies actually received (hereinafter referred to as the "Trust Funds") shall be held in trust for the benefit of all Unit Owners 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, or any portion thereof, is taken in condemnation or by eminent domain (whether or not all or a part of the Common Elements are contemporaneously taken) shall be deemed to have waived whatever rights that he or she 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 (hereinafter referred to as the "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 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 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. In addition, each Unit Owner whose Unit, or any portion thereof, shall be the subject of all or part of any Work shall have the right, subject to the terms of Section 5.2 hereof, to supervise any redecorating of his or her Unit.

(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 Percentage of Common Interest, and all proceeds of such Special Assessment shall become part of the Trust Funds. However, if the insurance proceeds are not sufficient to discharge the cost and expense of performing any work attributable to any part of the building which is not a "Common Element", such cost and expense must be paid by the owner or owners of the Units which were damaged and no special assessment may be levied against the Unit Owners. 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 the Unit Owner of the damaged unit, except that no payment shall be made to a Unit Owner until there has first been paid, out of said 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 remains 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 Percentage of Common Interest, free of any claim of any lienor (including, without limitation, any Permitted Mortgagee).

In the event that both a Unit and Common Elements are damaged, the Condominium Board shall retain the services of an insurance adjuster to determine the amount of damages caused separately to the Unit and Common Elements and all the underpayments and overpayments shall be subject to provisions in paragraph (C).

(D) If either 75% or more of the entire Property, excluding the Land and/or the foundations of the Building(s) 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 Unit Owners owning in the aggregate 75% or more Percentage of Common Interest shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners having said Percentage of Common Interest 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 Percentage of Common Interest, except that no payment shall be made to a Unit Owner until there first has been paid, out of such Unit Owner's share of such funds, such amounts as may be necessary to 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.

(E) INTENTIONALLY OMITTED.

(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 Percentage of Common Interest allocated to such Unit shall be adjusted in the proportion that the total floor area of such Unit after such Taking bears to the total floor area of such Unit prior to such Taking. The Condominium Board shall promptly prepare and record an amendment to the Declaration reflecting the new Percentage of Common Interest allocated 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). In either event, the Common Interests of the other or remaining Units shall be adjusted accordingly and reflected in an amendment to the Declaration duly executed and acknowledged by the Condominium Board and the owners of, together with the holders of record of all liens upon, all of the other or remaining Units.

(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 sixty (60) days after the date on which the Condominium Board has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work; and

(ii) "promptly resolve" shall mean that a resolution shall be duly made not more than sixty days after the date on 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 discharged 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 nuisance shall be allowed on the Property, nor shall any use or practice be allowed that either is a source of annoyance to its residents or interferes with the peaceful possession or proper use of the Property by its residents or occupants. No immoral, improper, offensive, or unlawful use shall be made of the Property or any portion thereof, and all valid Laws relating to any portion of the Property shall be complied with at the full cost and expense of the respective Unit Owners or the Condominium Board, whoever shall have the obligation to maintain or repair such part of the Property.

(B) Nothing shall be done or kept in any Unit or in any of the Common Elements that would increase the rate of insurance for the Property, except upon the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in a Unit or in the Common Elements that will result in the cancellation of insurance on the Property or the contents thereof, or that would be in violation of any law. No waste shall be committed in the Common Elements.

(C) Nothing shall be done in any Unit or in, on or to the Common Elements that will impair the structural integrity of the Property or that 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.

(D) The Board shall have the right to prescribe rules regarding aesthetic controls and architectural restrictions for the Property including without limitation, the types of window coverings and treatments that may be used on windows and balcony doors, if any, the items that may be kept or stored on balconies, if any.

(E) The Board shall have the right to prescribe rules regarding aesthetic controls and architectural restrictions for the Property including without limitation, the types of window coverings and treatments that may be used on windows and balcony doors, if any, the items that may be kept or stored on balconies, if any, the structures that may be allowed to be installed on or in balconies, terraces, private yards or courts, if any, whether of a transitory or permanent nature, including planters, the installation of satellite dishes or antennas and such other rules and regulations covering the exterior of the Property as the Board of Managers in its sole discretion may deem advisable.

No awnings, air conditioning equipment or ventilators shall be installed or modified without prior written approval of the Board of Managers. Each Unit Owner shall keep his or her

Unit in a good state of preservation and cleanliness and each Unit Owner shall be obligated to maintain and keep in good order and repair his or her own Unit in accordance with the provisions of the By-Laws and the rules and regulations of municipal departments or agencies having jurisdiction thereof.

No "For Sale", "For Rent", "For Lease" sign, or any other sign evidencing a similar purpose, or other window display or advertising shall be maintained or permitted in any Unit therein, without the written consent of the Board, except that these sign restrictions shall not apply with respect to Unsold Units. No radio or television aerial or other similar device shall be erected on the roof or exterior walls of the Building on the Property, without obtaining in each instance the written consent of the Board of Managers. The structures that may be allowed to be installed on or in balconies, terraces, private yards or courts, if any, whether of a transitory or permanent nature, including planters, the installation of satellite dishes or antennas and such other rules and regulations covering the exterior of the Property as the Board of Managers in its sole discretion may deem advisable.

No awnings, air conditioning equipment or ventilators shall be installed or modified without prior written approval of the Board of Managers. Each Unit Owner shall keep his or her Unit in a good state of preservation and cleanliness and each Unit Owner shall be obligated to maintain and keep in good order and repair his or her own Unit in accordance with the provisions of the By-Laws and the rules and regulations of municipal departments or agencies having jurisdiction thereof.

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. Each Residential Unit may be used for residential use and the Commercial Unit may be used for commercial use all in accordance with the use permitted by local law and zoning regulations and the Certificate of Occupancy. Any Residential Unit may be partially used as a home office by the owner of such unit only.

(B) A Residential Unit owned or leased by an individual, corporation, partnership, fiduciary, or any other entity may be occupied only by said individual, or by an officer, director, stockholder, or employee of such corporation, or by a partner or employee of such partnership, or by said fiduciary (including directors, officers, stockholders, or employees of corporate fiduciaries and partners and employees of partnership fiduciaries), or by the beneficiary of said fiduciary, or by a principal or employee of such other entity, respectively, or by the Family Members and guests of any of the foregoing (and nothing herein contained shall be deemed to prohibit the exclusive occupancy of any Unit by such Family members or guests).

Notwithstanding the foregoing, the Condominium Board may, in its 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 Unit) be sold, conveyed, leased, or subleased, and no transient occupant (other than a guest permitted under this paragraph (B)) may be accommodated therein.

(C) A Commercial Unit may be used for any purpose permitted by the applicable zoning laws and by the Certificate of Occupancy for the Building, except that a Commercial Unit may not be used for any adult uses as such a massage parlor, tattoo shop, adult book store, adult video store, adult toy shop or any other "adult use" as may be prohibited by any applicable New York City or State laws and regulations. The Sponsor and the Commercial Unit Owner(s) shall each have the right to sell, lease and/or combine any or all the Commercial Units without any prior approval or right of first refusal of the Board of Managers.

(D) A Storage Unit may be used for the storage of the personal property of the Storage Unit Owner only and for no other uses. The Condominium shall not be liable for any damage to the personal property stored therein as a result of fire or any other casualty. Nothing shall be kept in a Storage Unit which is flammable, will increase the fire insurance premium for the Building, which is in violation of any governmental regulation, rule or law or which otherwise constitutes a threat to the health and safety of the Units Owners.

Section 5.8. Use of the Common Elements. (A) Subject to the terms of paragraph (B) 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. The lobbies, vestibules, public halls, stairways and shall be used only for normal passage through them. Accordingly, all Unit Owners shall require their tradesmen to utilize exclusively the entrance designated by the Condominium Board for transporting packages, merchandise, or other objects.

Section 5.9. Rights of Access. (A) Each Unit Owner shall grant to the Condominium Board, to the Managing Agent or manager (if any), to the superintendent and/or to any other Person authorized by any of the foregoing a right of access to his or her Unit for the purposes of:

(i) making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property;

(ii) curing defaults hereunder or under the Declaration or violations of the Rules and Regulations committed by such Unit Owner or correcting any conditions originating in his or her Unit and threatening another Unit or all or a portion of the Common Elements;

(iii) performing maintenance, installations, alterations, repairs, or replacements to the mechanical or electrical services, or other portions of the Common Elements located within his or her Unit or elsewhere in the Building;

(iv) reading, maintaining, or replacing utility meters relating to the Common Elements, to his or her 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 replacements immediately necessary for the preservation or safety of the Building or other individuals, or required to avoid

the suspension of any necessary service in the Building), the foregoing rights of access shall be exercised only upon not less than one day's advance notice and only in such a manner as will not unreasonably interfere with the use of the Units 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 Owner is present.

(B) For purposes of paragraph (A), each Unit Owner shall grant to the Condominium Board a right of access to his or her Unit and the Condominium Board shall grant rights of access to the Common Elements, provided that access thereto shall not be exercised with respect to any Unit in such a manner as will unreasonably interfere with the use of such Unit for its permitted purposes.

(C) A right of access is hereby granted to the Commercial Unit Owner, or the Sponsor, and their successors, and assigns, for the purpose of gaining access to the following areas: common areas; mechanical areas of the Building, including but not limited to the boiler room, meter room or any other facility to which each such Unit Owner has a right of use as part of his Unit. However, the right shall only be exercised in a reasonable manner.

Section 5.10. Modification of the Rules and Regulations. The Condominium Board shall have the right to amend, modify, add to or delete any of the Rules and Regulations from time to time, provided, however, that any such amendment modification, addition, or deletion may be overruled by the affirmative vote of at least 66 2/3% in number and in Common Interest of all Unit Owners. Copies of the text of any amendments, modifications, additions, or deletions to the Rules and Regulations shall be furnished to all Unit Owners not less than thirty days prior to the effective date thereof. The Rules and Regulations of the Condominium may not be amended in way that adversely affects the Sponsor, its designee or the Commercial Unit Owner, without prior written consent of the part so affected.

Section 5.11. Real Estate Taxes, Water Charges and Sewer Rents. Water for the Building shall be supplied by the City of New York. Unless and until real estate taxes, water charges and sewer rents are billed directly to Unit Owners by the City Collector, the condominium Board shall promptly pay such taxes, charges and rents as a Common Expense. However, the Condominium Board shall have the right, exercisable in its sole discretion to require the installation of submitters to determine the consumption of water by each Unit. 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, water charges and sewer rents) 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 taxes, charges and rents affecting such owner's Unit to the date of the closing of title to such Unit.

Section 5.12. Commercial Units.

The Sponsor, its designee, if any, and the Commercial Unit Owner(s) shall have the rights granted to the Condominium Board under the Declaration and these By-Laws for purposes of access in connection with their respective ownership, use and operation of the Commercial Units. These rights shall be in addition to and not in limitation of those rights of access and

egress and ingress that they may have as a Unit Owner under the Declaration and under the Condominium Act.

The Sponsor, its designee if any, and the Commercial Unit Owner(s), shall have the right to make any structural or non-structural alteration, addition, improvement, or repair in or to the Commercial Units, or to the Common Elements contained in or servicing the Commercial Units, provided same does not impair the structural integrity of the Building or impair the operation, use or integrity of any Common Element.

The Board of Managers shall be obligated to permit the Sponsor, its designee, if any, or the Commercial Unit Owner(s), at such Unit Owner's sole cost and expense, to install and use additional equipment in the risers and conduits serving the Building, provide the Sponsor, its designee, if any, or the Commercial Unit Owner(s), as the case may be reimburses the Board of Managers for the actual costs attributable to such installation and use.

The Board of Managers does not have the right to (i) approve any change in the use of the Commercial Units or any part thereof or (ii) to apply for or cause any amendments to the Building's Certificate of Occupancy to authorize a different use of the Commercial Units except at the request of the Commercial Unit Owner(s).

The Commercial Unit Owner(s) shall have the right, without obtaining the consent of the Board of Managers or the Residential Unit Owners or mortgagees of Units other than the affected Commercial Unit, to combine one (1) or more of the Commercial Units and to reallocate the Percentage of Common Interest of the Commercial Units among the newly established Commercial Unit in proportion to their respective floor areas. Such subdivision must be reflected in a duly recorded amendment to the Declaration filed by the Unit Owners. Under no circumstances will the Percentage of Common Interest of any Residential Unit Owner be changed as a result of such combination or will the aggregate Percentage of Common Interest for the new Unit be greater than the Percentage of Common Interest for the original Units. If Commercial Units are so combined the Owner or Owners, or mortgagees of Units other than the affected Commercial Units, to thereafter change the size, layout, use, and/or number of the respective Commercial Units under the same terms, conditions and restrictions as those imposed on the original Commercial Unit Owners.

At the request of the Sponsor, a Sponsor-designee, if any, or a Commercial Unit Owner(s), the Board of Managers will execute any application or other document required to be filed with any governmental agency having or asserting jurisdiction in connection with any addition, alteration, improvement, repair or subdivision of such Commercial Unit or operation or use of the Commercial Unit, at which time, the requesting party shall indemnify and hold the Board of Managers of the Condominium and the other Unit Owners harmless from any expense or liability by virtue of the execution of the application or such other documents.

If any Unit Owner or the Condominium Board or any other Person who is subject to the terms of the Declaration fails or refuses to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten (10) days after request therefore, to take any action that the Board of Managers of the Condominium, Unit Owner, or other Person is required to take pursuant to the Declaration at the request of the Managing Agent or the Sponsor, its designee, or the

Commercial Unit Owner, then the Managing Agent or the Sponsor, its designee, or the Commercial Unit Owner, as the case may be, is hereby authorized as attorney-in-fact for the Board of Managers of the Condominium, such Unit Owner, or other Person, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Board of Managers, such Unit Owner, or other Person, and such document or action shall be binding on the Board of Managers, such Unit Owner, or other Person, as the case may be.

No amendment shall be made to the Declaration which adversely affects the Sponsor, its designee, or the Commercial Unit Owner(s) in any way without the written consent of the Sponsor, its designee, or the Commercial Unit Owner(s).

The Commercial Unit Owner(s) shall have the right, without the payment of any fee or charges to the Condominium, the Board of Managers or the Managing Agent, to sell or lease the Commercial Units, or any part thereof, without the Board of Managers having any right of first refusal to purchase or lease such Unit, and all sale and/or rental proceeds shall belong solely to the Commercial Unit Owner.

The Owner(s) of the Commercial Unit(s), and nay tenant or tenants of the Commercial Unit(s) pursuant to the terms of any lease pertaining thereto, shall have the right, without charge or limitation, and without the consent of the Board of Managers to install, repair and maintain either within or in the immediate location of the Commercial Units below the windows at the 2nd floor level and on the sidewalk adjacent to the Commercial Units entrance or entrances, a sign or signs, which may be illuminated, including neon, flags, banners, lettering, fixtures or decorations of any size, material or content, for advertising or identification purposes.

Additionally, the Owner(s) of the Commercial Unit(s), and any tenant of tenants of such Unit pursuant to the terms of any lease pertaining thereto, shall have the right, without charge or limitation and without the consent of the Board of Managers or the Managing Agent to install, or erect, repair and maintain in the immediate location of the Commercial Unit(s) below the windows at the 2nd floor level, but not to interfere with the windows or entrance of any other Unit, (i) a canopy and/or awning for advertising or identification purposes, and (ii) an automatic teller machine ("ATM") which shall be used in conjunction with the use of the Commercial Unit(s).

Such Commercial Unit Owners and any tenant of space in such Units shall comply with all of the laws, orders, rules and regulations of the governmental authorities, having jurisdiction thereof, including zoning laws, building codes and as required by insurance underwriters. The Commercial Unit Owner(s) or their respective tenants or subtenants shall obtain any pay for all permits required for such signs, ATM, canopies and/or awnings and/or any necessary renewal fees related thereto.

In the event of a dispute between the Commercial Unit Owner(s) and the Board of Managers of the Condominium as to any issue relating to the Commercial Unit(s), the Commercial Unit Owner(s) or any tenant of the Commercial Unit(s) and the Board of Manager of the Condominium shall be obligated to arbitrate, on an expedited basis, the dispute pursuant to the provisions of Article 10 of the By-Laws of the Condominium. The decision of the arbitrators

shall be final and binding. This provision shall not apply to the Sponsor or its designee for as long as it owns the Commercial Unit and the Sponsor, or its designee, if any, may exercise all remedies available to them in equity and at law.

Section 5.13. Gas and Electricity. The Condominium will supply gas for the Units and the common areas as well as provide the gas for cooking in the individual Units. There will be a common gas meter to measure the consumption and the charges will be paid for by the Condominium and passed on to the Units Owners as Common Charges. However, the Condominium Board shall have the right, exercisable in its sole discretion, to require that gas shall be supplied to each Unit through a separate meter for such Unit, and each Unit Owner shall be required to pay all charges for electricity consumed or used in his or her Unit directly to the utility company servicing the building as and when billed therefore. Electricity shall be supplied to each Unit through a separate meter for such Unit, and each Unit Owner shall be required to pay all charges for electricity consumed or used in his or her Unit directly to the utility company servicing the building as and when billed therefore. However, the Condominium Board shall have the right, exercisable in its sole discretion, to require that electricity be supplied to the Condominium through one or more common meters. In such event, the cost thereof shall be borne by each Unit Owner based upon the consumption or usage of electricity in his or her Unit, as determined by sub metering, survey, or any other reasonable method prescribed by the Condominium Board and permitted by Law, and shall be payable either to the Condominium Board or to the utility company servicing the Building, as directed by the Condominium Board.

Section 5.14. Utilities Serving the Common Elements. The cost and expense of water, steam, electricity and gas serving or benefiting any Common Element shall be (i) considered part of the expense of maintaining such Common Elements, (ii) determined by the Board and (iii) charged to the Unit Owners as a Common Expense.

Section 5.15. Vault Charges. All license fees, and all periodic taxes and charges, for vaults or other protrusions beyond the building line shall be paid by the Condominium Board as a Common Expense.

Section 5.16. INTENTIONALLY OMITTED.

Section 5.17. Records and Audits. (A) The Condominium Board, or the Managing Agent, shall keep full, detailed and accurate records 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.

(b) Within (4) four 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 by an independent accountant. The cost of preparing and distributing each such report shall be borne by the Condominium Board as a Common Expense.

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 and budget for the Condominium, subject, in all respects, to the strictures set forth in Section 2.5 hereof; (ii) determine the aggregate amount of General Common Charges, Residential Common Charges and Commercial Common Charges (sometimes collectively "Common Charges" necessary to be charged to the Unit Owners in order to meet the General Common Expenses, Residential Common Expenses and Commercial Common Charges amongst the Unit Owners prorate, in accordance with their respective Percentage of Residential or Commercial Limited Common Interest, as the case may be, (except as otherwise provided in the Declaration or in these By-Laws). The Condominium Board shall advise all Unit Owners promptly thereafter in writing of the amount of such Common Charges payable by each of them and, not later than ten days next preceding 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. The Condominium Board may, 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.

For purposes of Section 6.1(A), in accordance with Section 339-m of the New York Real Property Law, and the Low Income Housing Plan, the allocation and apportionment of Common Charges and any assessments to the Low Income Units may be less than the allocation and apportionment of Common Charges and any assessments to the other Units, where such lesser Common Charges are necessary to ensure that the aggregate Common Charges, mortgage, if any, and other housing costs paid by the Low Income Units do not exceed the amounts allowed by the Low Income Housing Plan. The Low Income Unit Common Charge limitation shall be implemented by either: (i) imposing Common Charges for the Low Income Units that are not proportional to the Common Charges for the other Units, or (ii) limiting the amount of Common Charges imposed on the Low Income Units. In the event a Low Income Unit Common Charge limitation is implemented, the Common Charges payable by all other Unit Owners shall be increased by the amount of such reduction in the Common Charges otherwise payable by the owner of the Low Income Unit(s) on a pro rata basis in accordance with their relative proportional Common Interest. Notwithstanding anything to the contrary herein, the allocation and apportionment of Common Charges to the Low Income Unit may be based on factors other than the Low Income Unit's percentage interest in the Common Elements, in accordance with the Low Income Housing Plan. The Low Income Housing Plan is incorporated herein by reference.

(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 whether General Common, Residential Common and/or Commercial Common, as the case may be. All Special Assessments shall be levied against all Unit Owners in proportion to their respective Percentage of Residential and/or Commercial Limited Common Interest, as the case may be, and may be payable either in one lump sum or in installments, as the Condominium Board shall determine, provided, however, that the Condominium Board shall give each Unit Owner not less than fifteen (15) days' notice prior to the date upon which such Special Assessments, 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 right and remedies for the collection of Special Assessments as are provided herein for the collection of Common Charges (including, without limitation, the provisions of Section 6.4 hereof).

(D) The excess of all rents, profits and revenues derived from the rental or use of any space forming a part of, or included in, any Common Element remaining after deduction of all expenses incurred in connection with generating the same shall constitute income of the Unit Owners, and shall be collected on behalf of the Unit Owners by the Condominium Board and applied against the Common Expenses for the year in which collected. In the event that such net rents, profits and revenues, together with the Common Charges and any Special Assessments collected from the Unit Owners, for any year of operation shall exceed the Common Expenses for such year, then such excess shall be applied by the Condominium Board against the common Expenses for the next succeeding year(s) of operation, and 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 Percentage of Residential or Commercial Limited Common Interest, as the case may be. Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, however, in no event shall any rent, profit, or revenue derived from the rental or use of any space in the Building be deemed to be derived from the rental or use of any floor slabs, ceilings, or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

(E) Notwithstanding anything to the contrary set forth above, the allocation and apportionment of the Low Income Unit(s) Common Charges may be limited, in accordance with Section 339-m of the Real Property Law. To the extent that the owner of the Low Income Unit(s) share of Common Charges are reduced as provided in this Section 6.1(E), all other Unit Owners shall be obligated to subsidize an amount which is equal to the owner of the Low Income Unit(s) reduction in Common Charges. Such subsidization of the owner of the Low Income Unit(s) share of Common Charges shall in no event be treated as, or be deemed to be, a loan to the owner of the Low Income Unit(s) and, if necessary, the Common Charges payable by

all other Unit Owners shall be increased, on a pro rata basis in accordance with their relative proportional Common Interest, to satisfy any additional carrying charges, including, without limitation, taxes, debt service payments, and other mortgage payments, associated with ownership and operation of the Low Income Units exceeding the rental revenue generated by the Low Income Units.

Section 6.2. Payment of Common Charges. (A) All Unit Owners 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.

(B) No Unit Owner shall be liable for the payment of any part of the Common Charges and any Special Assessments assessed against his or her Unit subsequent to a sale, transfer, or other conveyance by him or her of such Unit, together with its Appurtenant Interests, made in compliance with the terms of Article 7 hereof. A purchaser or other successor-in-title to the owner of a Unit shall be liable for the payment of all Common Charges and any Special Assessments accrued and unpaid against such Unit prior to his or her acquisition thereof, except that, to the extent permitted by Law, a Permitted First Mortgagee acquiring title to a mortgaged Unit or a purchaser at a mortgage foreclosure sale held with respect to a Permitted First 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 First Mortgage and prior to the acquisition of title to such Unit by the Permitted First Mortgagee or by such purchaser. However, in the event of a foreclosure of a Permitted First 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. Any unpaid Common Charges and Special Assessments that are not collected from such defaulting Unit Owner shall be deemed a Common Expense, collectible from all those who are Unit Owners at the time that the same is levied.

(C) Subject to the terms and conditions contained in these By-Laws, any Unit Owner may convey his or her 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 therefore, and, in such event, be exempt from the payment of Common Charges and Special Assessments thereafter accruing, provided, however that: (i) all Common Charges and any Special Assessments then due and payable with respect to such Unit have been paid; (ii) such Unit is free and clear of all liens and encumbrances other than a Permitted First Mortgage and the statutory lien from unpaid Common Charges and Special Assessments; and (iii) no violation of any provision of the Condominium Documents then exists with respect to such Unit.

(D) No Unit Owner shall be exempted from liability for the payment of Common Charges or Special Assessments by waiving the use or enjoyment of any or all of the Common Elements or by abandoning his or her 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 Owner's Unit) pursuant to the terms of Sections 5.1, 5.2 or 5.3 hereof; or (iii) any action taken by the Condominium Board to comply with Law.

Section 6.3. Statement of Common Charges. The Condominium Board shall promptly provide a written statement of all unpaid Common Charges due from any Unit Owner upon its receipt of a written request therefore from such Unit Owner. In addition, each Unit Owner shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 6.4. Default in Payment of Common Charges. (A) In the event that any Unit Owner defaults in making any payment of Common Charges and/or Special Assessments, which is that Unit Owner's responsibility hereunder and said default is not cured within fifteen (15) days of written notice of said default, (a "Defaulting Unit Owner.") then the Condominium Board shall take prompt action to collect any Common Charges and/or Special Assessments due to the Condominium Board that remains unpaid for more than thirty days after the due date for the payment thereof. 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 399-z of the Condominium Act, to cause such liens to be foreclosed in the manner provided in Section 399-aa of the Condominium Act and/or to institute all other proceedings deemed necessary or desirable by the Condominium Board to recover all such unpaid Common Charges and/or Special Assessments, together with all additional sums of money collectable by the Condominium Board by reason of such nonpayment pursuant to the terms of paragraph (B) hereof. A suit to recover a money judgment for unpaid Common Charges and/or Special Assessments, however, shall be maintainable without foreclosing or waiving the lien securing such charges.

(B) In the event that any Unit Owner shall fail to make prompt payment of Common Charges and/or Special Assessments, such Unit Owner shall be obligated to pay a penalty charge equal to 10% of the outstanding charge, 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 aforementioned lien, including, without limitation, reasonable attorneys' fees and disbursements and court costs. In addition, if the Condominium Board shall bring an action to foreclose the aforementioned lien, the defaulting Unit Owner shall be required to pay a reasonable rental for the use of his or her Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. All such interest, costs and expenses and rentals shall be added to and shall constitute Common Charges payable by such Unit Owner.

(C) In any action brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges and/or Special Assessments, the Condominium Board shall have, on behalf of all Unit Owners, the power to purchase such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Unit (but not to vote the votes appurtenant to the same). In the event that the net proceeds received on such foreclosure (after deduction of all legal fees and disbursements, advertising costs, brokerage commissions, court costs and other costs and expenses paid or incurred in connection therewith) shall be insufficient to satisfy the defaulting Unit Owner's obligations to the Condominium, such Unit Owner shall remain liable for the deficit. Any surplus on such foreclosure sale 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) In addition to the rights as set forth above, the Board may deny a Defaulting Unit Owner from voting and/or attending meetings, terminate or suspend a Defaulting Unit Owner as a member of the Board and/or an officer of the Condominium, suspend or deny the Defaulting Unit Owner's use of any common amenities or facilities such as the common roof areas, if any, party room, if any, gym, children's playroom, package or storage rooms, and backyard common areas, if any, or otherwise to deny any rights and/or privileges that a Unit Owner may have under these By-Laws or in the Declaration. The Board may also refuse to accept a request for Waiver of the Right of First Refusal with regard to a sublet or sale, unless and until all unpaid Common Charges and/or Special Assessments are paid. The rights and remedies of the Board against a Defaulting Unit Owner as set forth herein shall not be exclusive but shall be in addition to any and all rights and remedies available to the Board as set forth elsewhere in these By-Laws or in the Declaration or at law or in equity. The Board may exercise any or all of these rights and remedies in its sole discretion.

ARTICLE 7

SELLING AND LEASING OF UNITS

Section 7.1. General. Subject to the terms of Section 7.5 hereof, no Unit Owner may sell or lease his or her Unit except in compliance with the applicable provisions of this Article 7. Any purported sale or lease consummated in default of the applicable terms hereof shall be voidable at the sole election of the Condominium Board, and, if the Condominium Board shall so elect, the selling or leasing 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 leasing) in the name of the said Unit Owner as the owner or landlord, as the case may be. The said Unit Owner shall reimburse the Condominium Board for all costs and expenses paid or incurred in connection with such proceedings, including, without limitation, reasonable attorneys' fees and disbursements and court costs.

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 Unit together with its Appurtenant Interests and any lease of a Unit (hereinafter collectively referred to as a "sale 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 BOARD OF MANAGERS OF THE CONDOMINIUM WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN, PURSUANT TO THE TERMS OF SECTION 7.2 AND 7.3 OF THE BY-LAWS OF THE CONDOMINIUM, AS THE SAME MAY HAVE BEEN AMENDED." Promptly after any such contract of sale or lease shall be fully executed, the Unit Owner executing the same (hereinafter referred to as the "Offeree Unit Owner") shall give fifteen (15) days written notice executing the same (hereinafter referred to as the "Offeree Unit Owner") shall give fifteen (15) days 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 contract of sale or the lease, as the case may be, containing all of the terms offered in good faith by the prospective purchaser or tenant (hereinafter referred to as the "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 to sell his or her Unit, together with its Appurtenant Interests, or to lease his or her Unit, as the case maybe, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, upon the same terms and conditions as are contained in such Sale or Lease Agreement, subject, however, to any variance there from 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 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 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 fifteen business days after receipt of written notice in the event of a proposed sale and ten business days in the event of a proposed lease after receipt of the notice referred to in paragraph (A) hereof together with such information as may have been requested pursuant to the terms of paragraph (B) hereof, to purchase such Unit together with its Appurtenant Interests or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise) on behalf of all Unit Owners upon the same terms and conditions as were contained in the Sale or Lease Agreement and stated in the response(s) by the Offeree Unit Owners 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 affirmative vote or affirmative written consent of Unit Owners owning in the aggregate more than 50% of the Percentage of Common Interest.

Section 7.3. Acceptance of Offer. (A) In the event that the Condominium shall elect, within the time and in the manner provided in Section 7.2 hereof, to purchase a Unit together with its appurtenant Interests, to lease such Unit, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed, in either event in accordance with

the terms of the Sale or Lease Agreement, at the office of the attorneys for the Condominium within 45 days after the date which the Condominium shall give notice of its election to accept such offer.

(B) If such Unit and its Appurtenant Interests are to be purchased by the Condominium Board or its designee on behalf of all Unit Owners, such purchase may be made from the funds deposited in the capital and/or expense accounts of the Condominium. If the funds in such accounts are insufficient to effectuate such purchase, the Condominium Board may levy a special Assessment against each Unit Owner (other than the Offeree Unit Owner) in accordance with the terms of paragraph (C) of Section 6.1 hereof and/or the Condominium Board may, in its discretion, finance the acquisition of such Unit provided, however, that no such financing may be secured by an encumbrance on or a hypothecation of any portion of the Property other than the Unit to be purchased together with its Appurtenant Interests. In addition, if the Outside Offeror was to assume or to take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgage pursuant to the Sale or Lease Agreement, the Condominium board may purchase the Unit and assume or take title thereto subject to such mortgage or mortgages, as the case may be. At the closing of title, the Offeree Unit Owner shall convey the Unit, together with its appurtenant Interests, to the Condominium Board or to its designees, on behalf of all Unit Owners, by deed in the form required by Section 399-o of the Condominium Act with all tax and/or documentary stamps affixed at the expense of the Offeree Unit Owner, who shall also pay all other transfer taxes arising out of such sale notwithstanding any terms of the Sale or Lease Agreement to the contrary. Real estate taxes (including water charges and sewer rent, if separately assessed), mortgage interest (if applicable) and common Charges shall be apportioned between the Offeree Unit Owner and the Condominium Board or its designee, on behalf of all Unit Owners, as tenants-in-common, and all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Unit and the entire Property, as herein provided.

(C) INTENTIONALLY OMITTED.

(D) In the event that such Unit is to be leased by the Condominium Board or its designee on behalf of all Unit Owners, the Offeree Unit Owner shall execute and deliver to the Condominium Board or such designee a lease covering such Unit by and between the Offeree Unit Owner, as landlord, and the 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. In the event that such Unit is to be leased by the Condominium Board or its designee on behalf of all Unit Owners, the Condominium shall be responsible for any damages caused to the Unit by the occupant.

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 or Lease Agreement within sixty 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 or Lease Agreement within such sixty-day period, then, should the Offeree Unit Owner thereafter elect to sell such Unit together with its Appurtenant Interests or to lease such Unit, the Offeree Unit Owner shall be required again to comply with all of the terms and provisions of Sections 7.2, 7.3 and 7.4 hereof.

(B) Any deed of a Unit and its Appurtenant Interests to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee shall constitute an assumption of all of the terms of the Condominium Documents, and, in the absence of such express language, the same shall be conclusively deemed to have been included therein.

(C) Each lease of a Unit to an Outside Offeror shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., subject to such modifications as may be approved in writing by the Condominium Board. Notwithstanding the foregoing, however, each such lease shall be consistent with the Condominium Documents and shall expressly provide that:

(i) such lease may not be amended, modified or extended without the prior written consent of the Condominium Board in each instance;

(ii) the tenant thereunder shall not assign his or her interest in such lease or sublet the premises demised thereunder or any part thereof without the prior written consent of the Condominium Board in each instance;

(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 default by the tenant in the performance of its obligations under the 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 Condominium Board or the Managing Agent, stating that the provisions of Section 7.2 hereof have been met by a Unit Owner or that the right of first refusal provided for therein has been duly released or waived by the Condominium Board and that, as a result thereof, the rights of the Condominium Board thereunder have terminated, shall be conclusive upon the Condominium Board and all Unit Owners in favor of all persons who rely upon such certificate in good faith. After the due issuance of such a certificate, the Unit to which the same shall relate, together with its appurtenant Interests, may be sold, conveyed, or leased free and clear of the terms and conditions contained in Section 7.2 hereof. The Condominium Board shall furnish or cause the Managing Agent to furnish, without charge, such certificate upon written request to any Unit Owner in respect to whom the provisions of Section 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 a certificate that has been duly executed, acknowledged and issued by the Condominium Board or the Managing Agent as aforesaid.

(B) The terms and conditions contained in Sections 7.2, 7.3 and 7.4 hereof shall not apply with respect to any sale, lease, or conveyance of a Unit, together with its Appurtenant Interests, by:

(i) the Unit Owner thereof to any of his or her adult Family Members (which is limited to his spouse, children, grandchildren, parents, grandparents, brothers and sisters) to any combination of the same, or to a trust for the benefit of any of them or, in the case of a Unit Owner that is not an individual, to any entity or individual that owns more than fifty percent of the legal and beneficial interest of such Unit Owner or to any entity with respect to which such Unit Owner (individual or otherwise) owns more than fifty percent of the legal and beneficial interest thereof;

(ii) Sponsor or its designee, with respect to the Unsold Units or to Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure;

(iii) The Condominium Board;

(iv) Any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Units or delivering a deed in lieu of such foreclosure;

(v) Any permitted Mortgagee or his or her nominee, who has acquired title to any Unit at the foreclosure sale of his or her Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction, provided, however, that such succeeding Unit Owner shall be bound by, and his or her Unit shall be subject to all of the terms and conditions of this Article 7; or

(vi) the Commercial Unit Owner.

Section 7.6. No Severance of Ownership. No Unit Owner shall execute any deed or other instrument conveying title to his or her Unit without including in 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 or any Unit without the simultaneous lease of its Appurtenant Interests.

Section 7.7. Payment of Common Charges. No Unit Owner shall be permitted to convey or lease his or her Unit unless he or she shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Unit.

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 his or her title insurance company (or, if no such representative is present, to the Condominium Board) for recording in the Register's Office, the Unit Owner's Power of Attorney required in Article 14 of the Declaration, in the form set forth as Exhibit E to the Declaration.

Section 7.9. Gifts and Devises, Etc. Any Unit Owner shall be free to convey or transfer his or her Unit, together with its appurtenant Interests, by gift, or to devise the same by will or to have the same pass by intestacy to persons or entities set forth in Section 7.5(B)(i), without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit shall be subject to all the provisions of this Declaration and By-Laws.

Section 7.10. Eligible Senior Citizens and Eligible Disabled Person and Low Income Units. The purchase of a Unit occupied by an Eligible Senior Citizen or Eligible Disabled Person (as both such terms are defined in the offering plan, as amended, for the Vantage) shall be subject to the representations in the offering plan, as amended, for the Vantage regarding Eligible Senior Citizens or Eligible Disabled Persons and subject to the requirements of the New York General Business Law regarding Eligible Senior Citizens or Eligible Disabled Persons. Notwithstanding anything to the contrary contained herein, and but for Section 7.7 and Section 7.8 of the By-Laws, which shall apply to the sale of any of the Low Income Units, the sale of any of the Low Income Units shall not be subject to Article 7 of these By-laws and shall be in accordance with the Low Income Housing Plan.

ARTICLE 8

MORTGAGING OF UNITS

Section 8.1. General. Each Unit Owner shall have the right to mortgage his or her Unit, to a Permitted Mortgagee, subject only to the terms and conditions contained in Section 8.2 hereof. Any unit Owner who mortgages his or her Unit, or the holder of such mortgage, shall supply the Condominium Board with the new name and address of his or her mortgagee and shall file a confirmed copy of the note and mortgage with the Condominium Board. Any Unit Owner who satisfies a mortgage covering his or her Unit shall so notify the Condominium Board and shall file a conformed copy of the Satisfaction of mortgage with the Condominium Board. The Secretary of the Condominium shall maintain such information in a book entitled "Mortgages of Units".

Section 8.2. Restrictions on Mortgaging. (A) No Unit Owner shall be permitted to mortgage, pledge, or hypothecate his or her Unit unless he or she 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 documents mortgaging, pledging, or hypothecating title to his or her 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 of the new York statutory form of mortgage, except for such changes or additions thereto as may be required in order to permit a particular bank, trust company, insurance company, savings and loan association, or other institutional or non-institutional lender to make the mortgage loan or take an assignment thereof.

(D) A Unit Owner may place only a first and/or second mortgage on his or her Unit but only to an Institutional Lender or to the Sponsor or its designee or to the seller of the Unit. No third mortgage shall be permitted to be placed upon a Residential Unit. These provisions shall not apply to the Commercial Units or any Unsold Unit.

Section 8.3. Notice of Unpaid Common Charges and Default. Whenever requested in writing by a Permitted Mortgagee, the Condominium Board shall promptly report to such Permitted Mortgagee any default by his or her mortgagor(s) in the payment of common Charges or Special Assessments or in the observance or performance of any of the provisions of the Condominium Documents as to which the Condominium Board has knowledge then exists. The Condominium Board shall, when giving notice to a Unit Owner of any such default, also send a copy of such notice to his or her Permitted Mortgagee, if so requested. However, the Condominium Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of any default by his or her mortgagor under the condominium Documents, provided that (i) the Condominium Board shall advise such Permitted Mortgagee of the default promptly after discovering such failure and (ii) if the Condominium Board shall foreclose a lien on such mortgagor's Unit pursuant to the terms of Section 6.4 hereof by reason of such default, the Condominium Board shall pay to such Permitted Mortgagee any net proceeds of any foreclosure sale of such Unit (after retaining all sums due and owing to the Condominium Board pursuant to the Condominium Documents) or such lesser sum as shall be due and owing to such Permitted Mortgagee.

Section 8.4. Performance by Permitted Mortgagees. Any sum of money to be paid or any act to be performed by a Unit Owner pursuant to the terms of the Condominium Documents may be paid or performed by his or her 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.

ARTICLE 9

CERTAIN REMEDIES

Section 9.1. Self Help. If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his or her part to be observed or performed, including, without limitation, any breach of his or her obligation to paint, decorate, maintain, repair, or replace his or her Unit pursuant to the terms of Article 5 hereof, and shall fail to cure such violation or breach within five days after receipt of written notice of the same from the Condominium Board, the Managing Agent, or any manager (or, with respect to any violation or breach of the same not reasonably susceptible to cure within such period, to commence such cure within such five day period and, thereafter, to prosecute such cure with due diligence to completion), the Condominium Board shall have the right to enter such Unit Owner's Unit and summarily to abate, remove, or cure such violation of 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. In the event that any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his or her part to be observed or performed, the Condominium Board shall have the right 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.

Section 9.3. Remedies Cumulative. The remedies specifically granted to the Condominium Board 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. 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 the Condominium Board in connection with the abatement, enjoinment, removal, or cure of any violation, breach, of default committed by a Unit Owner pursuant to the terms of Section 9.1. or paragraph (A) of Section 9.2 hereof or shall be immediately payable by such Unit Owner to the Condominium Board, which amount shall be paid within ten (10) days of receiving notice. In the event it is not paid within ten (10) days of receiving notice, a penalty charge equal to 10% of the outstanding charge shall be payable. 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 or issue arising under these By-Laws of the Condominium Documents, that may be resolved by arbitration pursuant to the Laws of New York State, shall be submitted to arbitration. No party may commence a proceeding in any other forum other than to enforce these arbitration provisions. The decision of the arbitrators so chosen shall be given within thirty (30) days after his or her selection or appointment. The decision shall be enforceable in a court of law of competent jurisdiction. This Article 10 shall not be applicable to the Sponsor or its designee, who shall not be required to submit a matter to arbitration.

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 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 Sections 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. Notwithstanding the foregoing, however, any arbitration held pursuant to the terms of the Condominium Documents with respect to a matter that arose prior to the first annual meeting of all Unit Owners held pursuant to the terms of Section 4.1 hereof shall be non-binding.

Section 10.4. Costs and Expenses. (A) The fees, costs and expenses of the arbitrators shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his or her counsel and expert witnesses.

(B) All costs and expenses paid or incurred by the Condominium Board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, shall constitute Common Expenses.

ARTICLE 11

NOTICES

Section 11.1. General. All notices required or desired to be given hereunder 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 photocopy sent to the Managing Agent (if any) at its principal office address as aforesaid;

(ii) if to a Unit owner, to such Unit Owner at his or her address at the Property; and

(iii) 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 deposited in a United States Postal Service depository located in the State of New York enclosed in a sealed, postage prepaid wrapper, 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. A Permitted Mortgagee shall be entitled to receive notice about any condemnation or casualty loss that affects either a material portion of the Condominium, or the Unit securing its mortgage, a lapse, cancellation, or material modification of any insurance policy maintained by the Condominium, and any proposed action that requires the consent of a specified percentage of Permitted Mortgagees and the Condominium shall be permitted to assume approval if a Permitted Mortgagee fails to submit a response within 60 days after it receives proper notice of the proposal, provided that notice was provided in accordance with the terms contained herein.

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 Person or 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) Except as specifically provided herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee or any Unsold Units, any provision of these By-Laws may be added to, amended, modified or deleted by the vote of at least 66-2/3% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of these by-laws, provided, however, no amendment shall be made which adversely affects the rights of a Permitted Mortgagee, unless agreed to in writing by Permitted Mortgagees that represent at least 51% of the votes of the Units that are subject to mortgages, and no amendment which directly or indirectly affects the Low Income Units shall be effective until prior written approval is obtained from the City of New York Department of Housing Preservation and Development, and, however, that the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners directly affected. Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, Permitted Mortgagees, or any Unsold Units, any such amendment, modification, addition or deletion shall be executed by the Condominium Board, as attorney-in-fact for all Unit Owners, coupled with an interest, which Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact. Notwithstanding the foregoing and subject to the provisions contained herein or in the Declaration with respect to amendments to the Declaration and By-Laws, no amendment, modification, addition and/or deletion pursuant

to the provisions of clause (a) above shall be effective (i) without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any, and (ii) without the written consent of Lender, until such time that the Project Loan has been completely satisfied.

(b) No amendment shall be deemed validly made to these By-Laws which effects the Sponsor, its designee, or the Commercial Unit Owner in any material way without the prior written consent of the Sponsor, its designee, or the Commercial Unit Owner.

ARTICLE 13

FURTHER ASSURANCES

Section 13.1. General. Any Person that is the 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 therein, 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. 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 ten days after request therefore, to take any action that such Unit Owner or Person is required to execute, acknowledge and deliver to take pursuant to these By-Laws, then the Condominium Board or its Managing Agent, or the Sponsor, its designee or the Commercial Unit Owner, as the case maybe, is hereby authorized, as attorney-in-fact for such Unit Owner or other Person coupled with an interest, to execute, acknowledge and delivery 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

ARTICLE 14

MISCELLANEOUS

Section 14.1. Inspection of Documents. Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

Section 14.2. Waiver. No provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches that may occur.

Section 14.3. Conflicts. In the event that any provision of these By-Laws or of the Rules and Regulations shall be construed to be inconsistent with any provision of the Declaration or of the Condominium Act, the provision contained in the Declaration or in the Condominium Act shall control.

Section 14.4. Severability. If any provision of these By-Laws is invalid or unenforceable as against any Person or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise provided herein, be valid and enforced to the fullest extent provided by Law.

Section 14.5. Gender. A reference in these By-Laws to any one gender, masculine, feminine, or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

Section 14.6. 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.

BALANCE OF PAGE INTENTIONALLY LEFT BLANK

ADDENDUM TO THE BY-LAWS OF THE VANTAGE

RULES AND REGULATIONS

1. The sidewalks, entrances, passages, public halls, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used in any manner to impede the ingress and egress to the units.

2. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the galls or on any of the staircases or fire tower landings of the Building, nor shall any fire exit thereof be obstructed in any manner.

3. Nothing shall be hung or shaken from any doors, window, or open terraces or patios, or placed upon the window sills, of the Building, and no Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance there from.

4. There shall be no playing or lounging in the entrances, passages, public halls, vestibules, corridors, stairways, or fire towers of the Building, except in recreational areas or other areas designated as such in the Declaration or by the Condominium Board.

5. The Condominium Board or the Managing Agent may, from time to time, curtail or relocate any portion of the Common Elements devoted to storage, recreation, or service purposes in the Building.

6. Nothing shall be done or be kept in any Residential and/or Storage Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof, without the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in his or her Residential and/or Storage Unit or in the Common Elements that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. No Unit Owner or any of his or her Family Members, agents, servants, employees, licensees, or visitors shall, at any time, bring into or keep his or her Residential and/or Storage Unit, any inflammable, combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of such Residential and/or Storage Unit.

7. There shall be no barbecuing in the Units, or in the Common Elements, except for those areas (if any) specifically designated for barbecuing by the Condominium Board and on the roof terraces of the Penthouse Units by means of the gas lines provided by the Condominium. No other means of outdoor cooking shall be allowed except with the consent of the Board.

8. No Unit Owner shall make, cause or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from his or her Unit or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of the other Unit Owners. No Unit Owner shall play upon or suffer to be played upon any musical

instrument, or shall operate or permit to be operated a stereo, radio, television set, or other loudspeaker in such Unit Owner's Unit between midnight and the following 8:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall any Unit Owner practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M. No construction, repair work, or other installation involving noise shall be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency.

9. No bird, reptile, or animal shall be permitted, raised, bred, kept or harbored in the Building unless, in each instance, the same shall have been expressly consented to in writing by the Condominium Board or the Managing Agent, which consent may be given or withheld in their sole discretion. In no event shall any bird, reptile, or animal be permitted in any public area of the Building or in any of the public portions of the building, unless carried or on a leash. No pigeons or other birds or animals shall be fed from the window sills, patios, terraces, or other public portions of the building, or on the sidewalk or street adjacent to the Building.

10. 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.

11. Water-closets and other waste apparatus in the Building shall not be used for any purpose other than for those which they were designated, and no sweepings, rubbish, rags, or any other article shall be throw into the same. Any damage resulting from the misuse of any water-closets or other apparatus in a Unit shall be repaired and paid for by the owner of such Unit.

12. Each Unit Owner shall keep his or her Unit in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

13. The agents of the Condominium Board or the Managing Agent and any contractor or workman authorized by the Condominium Board or the Managing Agent, may enter any room or Unit at any reasonable hour of the day, on at least one days' prior notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as to not unreasonably interfere with the use of such Unit for its permitted purposes.

14. The Condominium Board or the Managing Agent may retain a pass-key to each Unit. If any lock is altered or a new lock is installed, the Condominium Board or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to his or her Unit at any time when an entry there is necessary or permissible under these Rules and Regulations or under the By-Laws, and has not furnished a key to the Condominium Board or the Managing Agent,

then the Condominium Board or Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Condominium or an officer of the Managing Agent) may forcible enter such Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Unit Owner's property).

15. If any key or keys are entrusted by a Unit Owner, by any Family Member thereof, or by his or her agent, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for such Unit Owner's Unit or an automobile, trunk, or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Condominium Board nor the Managing Agent shall (except as otherwise provided herein) be liable to injury, loss or damage or any nature whatsoever, directly or indirectly resulting there from or connected therewith.

16. 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, except for those areas of the roof that have been specifically designated for common use by the Unit Owners.

17. 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.

18. Any consent or approval given under these Rules and Regulations may be amended, modified, added to, or repealed at any time by resolution of the Condominium Board. Further, any such consent or approval may, in the discretion of the Condominium Board or the Managing Agent, be conditional in nature.

19. Complaints regarding the service of the Condominium shall be made in writing to the Condominium Board or to the Managing Agent.

20. These House Rules shall apply to the Residential and Storage Units only.

21. The gym and children's playroom may only be used by Unit Owners and Family Members and their authorized guests.

Exhibit 8

Certifications: Sponsor and Principals

CERTIFICATION OF SPONSOR AND PRINCIPALS

September 26, 2015

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

Re: The Vantage
308 East 38th Street, New York, NY

The undersigned certify as follows:

We are the sponsor and the principals of sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibilities for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 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.

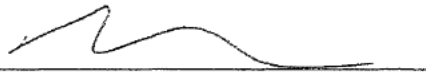
SPONSOR:

GAIA 308 EAST 38TH STREET, a New York limited liability company

By: GAIA MONTROSE APARTMENTS, LLC,
a Delaware limited liability company, its Managing Member

By: Gaia Real Estate Investment LLC, a Delaware
limited liability company, its Managing Member

By: Gaia Real Estate Holdings, LLC, a Delaware
limited liability company, its Managing Member

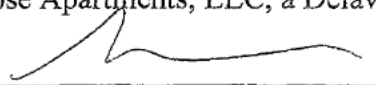
By: 

Name: Danny Fishman

Title: Authorized Signatory

SPONSOR'S PRINCIPALS:

Gaia Montrose Apartments, LLC, a Delaware Limited Liability Company

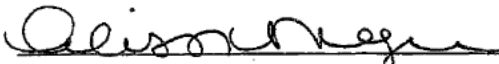
By: 

Name: Danny Fishman

Title: Authorized Signatory


Name: Danny Fishman

NOTARY FOR Daniel Fishman
Sworn to before me this 25 day
of September, 2015


Notary Public

ALISON MAGUIRE
NOTARY PUBLIC-STATE OF NEW YORK
No. 01MA6318144
Qualified in New York County
My Commission Expires January 20, 2019

Exhibit 9

Certifications: Sponsor's Architect

CERTIFICATION BY ARCHITECT

September 26, 2015

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

Re: GAIA 308 East 38th Street LLC
308 East 38th Street, New York, New York

Gentlemen:

The sponsor of the offering plan to convert the captioned property to condominium ownership retained our firm to prepare a report describing the construction of the property (the "Report"). We prepared the Report dated September 28, 2015, a copy of which is intended to be incorporated into the offering plan so that prospective Purchasers may rely on the Report.

We are a registered architect in the State in which the property is located.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

- (i) sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of renovation and/or construction, provided that renovation and/or construction is in accordance with the plans and specifications that we examined;
- (ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of renovation and/or construction is in accordance with the plans and specifications that we examined;

- (iii) does not omit any material fact;
- (iv) does not contain any untrue statement of a material fact;
- (v) does not contain any fraud, deception, concealment or suppression;
- (vi) does not contain any promise or representation as to the future which is beyond the reasonable expectation or unwarranted by existing circumstances;
- (vii) does not contain any representation or statement which is false where we:
 - (a) knew the truth;
 - (b) with reasonable effort could have known the truth;
 - (c) made no reasonable effort to ascertain the truth; or
 - (d) did not have knowledge concerning the representations or statement made.

We further certify that we are not owned or controlled by and have no beneficial interest in the sponsor and that our compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

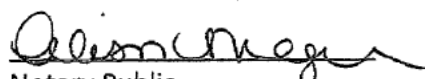
SPIVAK ARCHITECTS PC



By:

Howard B. Spivak AIA
Principal

Sworn to ___ before me this 28
day of September, 2015


Notary Public

ALISON MAGUIRE
NOTARY PUBLIC-STATE OF NEW YORK
No. 01MA6318144
Qualified in New York County
My Commission Expires January 20, 2019

Exhibit 10

Certifications: Sponsor's Expert Concerning Adequacy
of Condominium Budget and Sponsor's Expert Concerning Adequacy of Common Charges
Payable by Commercial Unit Owner

CERTIFICATION BY EXPERT ON ADEQUACY OF BUDGET

July 23, 2015

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

Re: The Vantage
308 East 38th Street, New York, New York

Gentlemen:

The Sponsor of the condominium offering plan for the captioned property retained our firm to prepare Schedule B and the footnotes thereto, containing projections of income and expenses for the first year of condominium operation. We have had experience in this field for over twenty (20) years in the New York metropolitan area and we are experienced in the management of residential properties. The company currently manages numerous condominium or cooperative apartment buildings in New York City. Ron J. Finger, the President of Finger Management Corp., has experience in many phases of real estate including, specifically, management of residential apartment buildings in New York City.

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 Schedule B.

We have reviewed the Schedule and investigated the facts set forth in the Schedule 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 Schedule B 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 Schedule:

- (i) sets forth in detail the projected income and expenses for the first year of condominium operation;
- (ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;
- (iii) does not omit any material fact;

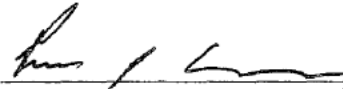
- (iv) does not contain any untrue statement of a material fact;
- (v) does not contain any fraud, deception, concealment or suppression;
- (vi) does not contain any promise or representation as to the future which is beyond the reasonable expectation or unwarranted by existing circumstances;
- (vii) does not contain any representation or statement which is false where we:
 - (a) knew the truth;
 - (b) with reasonable effort could have known the truth;
 - (c) made no reasonable effort to ascertain the truth; or
 - (d) did not have knowledge concerning the representations or statement made.

We further certify that we are not owned or controlled by the Sponsor. We understand that a copy of this Certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the income and expense for the first year of condominium operation.

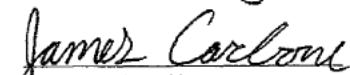
This Certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

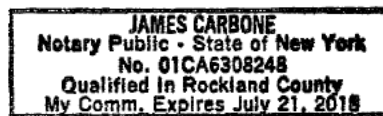
Very truly yours.

Finger Management Corp.,

By: , President
 Name: Ron J. Finger
 Title: President

Sworn to before me this
23 day of July, 2015


 Notary Public



CERTIFICATION BY EXPERT ON ADEQUACY OF COMMON CHARGES
PAYABLE BY A COMMERCIAL UNIT OWNER

July 23, 2015

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

Re: The Vantage
308 East 38th Street, New York, New York

Gentlemen:

The sponsor of the condominium offering plan for the captioned property retained our firm to prepare Schedule B and the footnotes thereto, containing projections of common charges payable by the owner of a commercial unit. Ron J. Finger, of Finger Management Corp., has experience in many phases of real estate including, specifically, management of residential apartment buildings in New York City and has been active in the area for over twenty (20) 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 commercial unit(s) listed in Schedule B.

We have reviewed the Schedule as it impacts upon the commercial unit(s) 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 projection in Schedule B for common charges payable by the owner of a commercial unit appears reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such commercial unit for the projected first year of condominium operation, and that the allocation of common charges attributable to the commercial unit also reflects special or exclusive use or availability or exclusive control of particular common areas.

We certify that the estimates in Schedule B for the common charges payable by the owner of the commercial unit:

- (i) set forth in detail the projected common charges for the commercial unit for the first year of condominium operation;
- (ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owners of the commercial unit;
- (iii) do not omit any material fact;

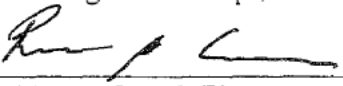
- (iv) do not contain any untrue statement of a material fact;
- (v) do not contain any fraud, deception, concealment or suppression;
- (vi) do not contain any promise or representation as to the future which is beyond the reasonable expectation or unwarranted by existing circumstances;
- (vii) do not 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 representations or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the commercial unit for the first year of condominium operation.

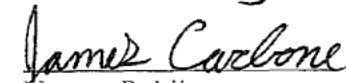
This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Penal Law.

Very truly yours,

Finger Management Corp.,

By: , President
Name: Ron J. Finger
Title: President

Sworn to before me this
23 day of July, 2015


Notary Public

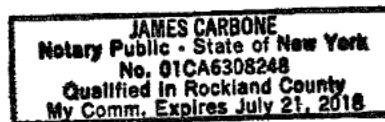


Exhibit 11

Escrow Agreement

ESCROW AGREEMENT FOR OFFERING PLAN

AGREEMENT made this 30 day of September 2015, between Gaia 308 East 38th Street LLC ("SPONSOR"), as sponsor of the Offering Plan (defined below) and Schwartz Sladkus Reich Greenberg Atlas LLP ("ESCROW AGENT") as escrow agent.

WHEREAS, SPONSOR is the sponsor of an offering plan for premises known as 308 East 38th Street, New York, New York (the "Offering Plan"); and

WHEREAS, ESCROW AGENT is authorized to act as an escrow agent hereunder in accordance with General Business Law ("GBL") Section 352-e(2-b) and the Attorney General'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.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

A ESTABLISHMENT OF THE ESCROW ACCOUNT.

a. ESCROW AGENT has established a master escrow account for the purpose of holding deposits, down payments, advances or payments ("Deposit" or "Deposits") made by purchasers or subscribers ("Purchasers", and individually a "Purchaser") pursuant to the Offering Plan at Citibank, NA, located at 153 East 53rd Street, 23rd Floor, New York, New York 10007 entitled Schwartz Sladkus Reich Greenberg Atlas LLP, Escrow Account (the "Master Escrow Account").

b. All Deposits will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. At such time as 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, 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 savings 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.

c. Partners or attorneys employed by ESCROW AGENT are the sole signatories on the Master Escrow Account.

d. The Master Escrow Account is not an IOLA account established pursuant to Judiciary Law Section 497.

e. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Contract of Sale (defined below), or (ii) Purchaser is entitled to a return of the Deposit. All interest will be credited to SPONSOR only in the event Purchaser defaults.

B DEPOSITS INTO THE ESCROW ACCOUNT.

a. All funds 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 "Schwartz Sladkus Reich Greenberg Atlas LLP, as 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 funds, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

b. Within ten (10) business days after tender of the Deposit submitted with the purchase agreement or subscription agreement ("Contract of Sale"), ESCROW AGENT shall notify the Purchaser of the deposit of such funds in the Master Escrow Account, provide the account number, and disclose the initial interest rate. If the Purchaser does not receive notification of such deposit within fifteen (15) business days after tender of the Deposit, the Purchaser may cancel the Contract of Sale and rescind within ninety (90) days after tender of the Deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited in accordance with the Attorney General's regulations and requisite notice was timely mailed to the Purchaser.

C RELEASE OF FUNDS.

a. Consummation of the Offering Plan does not relieve SPONSOR of its fiduciary obligations pursuant to GBL Section 352-h.

b. ESCROW AGENT shall continue to hold the Deposit in escrow until otherwise directed in (a) a writing signed by both Sponsor and Purchaser or (b) a determination of the Attorney General or (c) a judgment or order of a court of competent jurisdiction or until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.

c. 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: (a) 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 (b) all Purchasers after an amendment abandoning the Offering Plan is accepted for filing by the Department of Law.

d. In the event SPONSOR and a Purchaser close title under the Contract of Sale, ESCROW AGENT shall be entitled to release the Deposit to SPONSOR without the need for a written agreement from Purchaser.

e. Except as otherwise set forth above, if there is no written agreement between the

parties to release the Deposit, ESCROW AGENT shall not pay the funds to SPONSOR until ESCROW AGENT has given the Purchaser written notice of not fewer than ten (10) business days. Thereafter, the Deposit may be paid to SPONSOR unless the Purchaser has made application to the Department of Law pursuant to the dispute resolution provisions contained in the Attorney General's regulations and ESCROW AGENT has received notice from the Purchaser in accordance with such provisions.

D RECORDKEEPING.

a. ESCROW AGENT shall maintain all records concerning the Master Escrow Account for seven years after release of the funds.

b. Upon the dissolution of ESCROW AGENT, the former partners or members 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.

c. 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.

E GENERAL OBLIGATIONS OF ESCROW AGENT.

a. ESCROW AGENT shall maintain the Master Escrow Account under its direct supervision and control.

b. A fiduciary relationship shall exist between ESCROW AGENT and Purchasers, and ESCROW AGENT acknowledges its fiduciary obligations.

c. 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 Contract of Sale, unless taken or suffered in bad faith or in willful disregard of this Agreement or involving gross negligence on the part of ESCROW AGENT.

d. 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.

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

f. 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.

F RESPONSIBILITIES OF SPONSOR.

a. 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 member of or 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.

b. SPONSOR agrees that it shall not interfere with ESCROW AGENT'S performance of its fiduciary duties and compliance with the Attorney General's regulations.

c. 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 Contract of Sale.

G TERMINATION OF AGREEMENT.

a. This Agreement shall remain in effect unless and until it is canceled by either:

(a) 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; or

(b) 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; or

(c) all shares or 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.

b. Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1(a) or (b) above, ESCROW AGENT shall deliver any and all funds held by ESCROW AGENT in escrow and any and all contracts or documents maintained by ESCROW AGENT relating to such funds to the new escrow agent.

H SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their respective successors and assigns.

I GOVERNING LAW.

This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

J 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. 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.

K 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.

L INDEMNIFICATION.

SPONSOR agrees to defend, indemnify and hold ESCROW AGENT harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of 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, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by ESCROW AGENT to itself

M ENTIRE AGREEMENT.

This Agreement, read together with GBL Section 352-e(2-b) and the Attorney General's regulations, 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: Schwartz Sladkus Reich Greenberg Atlas LLP

By:



Name: Jeffrey M. Schwartz
Title: Partner

SPONSOR:

GAIA 308 EAST 38TH STREET, a New York limited liability company

By: GAIA MONTROSE APARTMENTS, LLC,
a Delaware limited liability company, its Managing Member

By: Gaia Real Estate Investment LLC, a Delaware
limited liability company, its Managing Member

By: Gaia Real Estate Holdings, LLC, a Delaware
limited liability company, its Managing Member

By:



Name: Danny Fishman
Title: Authorized Signatory

Exhibit 12

W-9 Request for Taxpayer Identification

Form W-9
(Rev. December 2014)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give Form to the
requester. Do not
send to the IRS.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
Gaia 308 East 38th Street LLC

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification; check only one of the following seven boxes:
☐ Individual/sole proprietor or single-member LLC
☐ C Corporation
☐ S Corporation
☐ Partnership
☐ Trust/estate
☒ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) **C**
Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner.
☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):
 Exempt payee code (if any) _____
 Exemption from FATCA reporting code (if any) _____
 (Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.)
152 W 57th Street,

6 City, state, and ZIP code
New York, NY 10019

7 List account number(s) here (optional)

8 Requester's name and address (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number

			-			-			
--	--	--	---	--	--	---	--	--	--

or

Employer identification number

3	5	-	2	5	2	4	7	8	1
---	---	---	---	---	---	---	---	---	---

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here Signature of U.S. person ▶ *[Signature]* Date ▶ **9/25/2015**

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/fw9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding?* on page 2.

By signing the filled-out form, you:

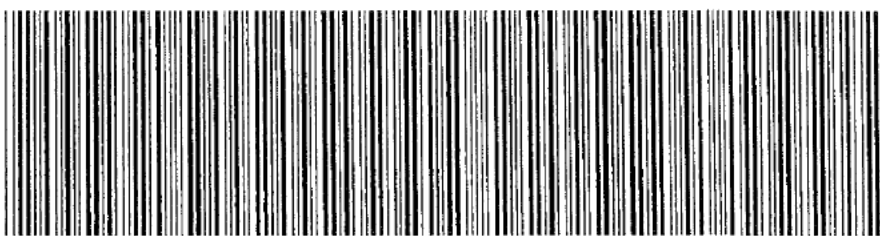
- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
- Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

Exhibit 13

Property Deed

**NYC DEPARTMENT OF FINANCE
OFFICE OF THE CITY REGISTER**

This page is part of the instrument. The City Register will rely on the information provided by you on this page for purposes of indexing this instrument. The information on this page will control for indexing purposes in the event of any conflict with the rest of the document.


2015020201153001003ED1AA
RECORDING AND ENDORSEMENT COVER PAGE
PAGE 1 OF 8
Document ID: 2015020201153001
Document Date: 01-30-2015
Preparation Date: 02-06-2015
Document Type: DEED
Document Page Count: 7
PRESENTER:

STATE CASTLE ABSTRACT LIMITED LIABILITY
COMPANY
(PICK-UP-SDS) AS AGENT FOR STEWART TITLE
1125 OCEAN AVENUE
LAKEWOOD, NJ 08701
212-808-9400

RETURN TO:

DAVID KUSY
GAIA REAL ESTATE INVESTMENT LLC
152 W. 57TH ST.
NEW YORK, NY 10019
MTANY-100041-CRL

PROPERTY DATA

Borough	Block	Lot	Unit	Address
MANHATTAN	943	52	Entire Lot	308 EAST 38TH STREET
Property Type: APARTMENT BUILDING				

CROSS REFERENCE DATA

CRFN _____ or DocumentID _____ or _____ Year _____ Reel _____ Page _____ or File Number _____

PARTIES
GRANTOR/SELLER:

308 EAST 38TH STREET APARTMENTS INVESTORS
LLC
C/O UBS REALTY INVESTORS LLC, 10 STATE HOUSE
SQUARE, 15TH FLOOR

GRANTEE/BUYER:

GAIA 308 EAST 38TH STREET LLC
152 W 57 STREET
NEW YORK, NY 10019

FEES AND TAXES
Mortgage :

Mortgage Amount: \$ 0.00

Taxable Mortgage Amount: \$ 0.00

Exemption:

TAXES: County (Basic): \$ 0.00

City (Additional): \$ 0.00

Spec (Additional): \$ 0.00

TASF: \$ 0.00

MTA: \$ 0.00

NYCTA: \$ 0.00

Additional MRT: \$ 0.00

TOTAL: \$ 0.00

Recording Fee: \$ 72.00

Affidavit Fee: \$ 0.00

Filing Fee:

\$ 250.00

NYC Real Property Transfer Tax:

\$ 1,968,750.00

NYS Real Estate Transfer Tax:

\$ 300,000.00

RECORDED OR FILED IN THE OFFICE
OF THE CITY REGISTER OF THE
CITY OF NEW YORK

Recorded/Filed 02-10-2015 16:13

City Register File No.(CRFN):

2015000047116



Annette M. Hill

City Register Official Signature

BARGAIN AND SALE DEED

THIS INDENTURE, made this ^{as of} 30 day of Jan., 2015, between 308 EAST 38TH STREET APARTMENTS INVESTORS LLC, a Delaware limited liability company, whose address is c/o UBS Realty Investors LLC, 10 State House Square, 15th Floor, Hartford, CT 06103-3604 ("Grantor") and GAIA 308 EAST 38TH STREET LLC, a New York limited liability company, having an address at 152 West 57th Street, New York, New York 10019 ("Grantee").

WITNESSETH:

That Grantor, in consideration of Ten Dollars (\$10.00) and other good and valuable consideration paid by Grantee, the receipt and sufficiency of which are hereby acknowledged, does hereby convey, grant and release unto Grantee, its heirs and successors and assigns, forever, all right, title and interest of Grantor in and to the following:

All that certain plot, piece, or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of New York, State of New York, commonly known as and located at 308 East 38th Street, New York, New York and designated as Block 943, Lot 52 and as more particularly described in Exhibit A attached hereto and incorporated herein for all purposes.

TOGETHER with all right, title and interest, if any, of Grantor in and to any streets and roads abutting the above described premises to the center lines thereof;

TOGETHER with the appurtenances and all the estate and rights of Grantor in and to said premises;

TO HAVE AND TO HOLD the premises herein granted unto Grantee, its heirs and successors and assigns, forever.

AND Grantor covenants as follows:

FIRST, that Grantor has not done or suffered anything whereby the Property has been encumbered in any way whatever, except for the items set forth on Exhibit B;

AND Grantor, in compliance with Section 13 of the Lien Law, covenants that Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the total of the same for any other purpose.

Notwithstanding any provision to the contrary, Grantor makes no warranties of any nature or kind, whether statutory, express or implied, with respect to the physical condition of the Property (including without limitation any and all improvements located thereon and/or comprising a part thereof), and Grantee by its acceptance of this Deed accepts the physical condition of the Property "AS IS, WITH ALL FAULTS."

The word "party" as used herein shall be construed as if it reads "parties" whenever the sense of this indenture so requires.

Signature to follow on next page.

IN WITNESS WHEREOF, Grantor has duly executed this Deed the day and year first above written.

308 EAST 38TH STREET APARTMENTS INVESTORS LLC,
a Delaware limited liability company

By: TPF Equity REIT Operating Partnership LP,
its sole member

By: TPF Equity REIT Operating Partnership GP LLC,
its general partner

By: William P. Robertson Jr

Name: William P. Robertson

Its: Director

By: Steven Miele Jr

Name: Steven Miele

Its: Director

STATE OF Connecticut)
)ss
 COUNTY OF Hartford)

On this 22nd day of January, 2015, before me personally appeared William P. Robertson who acknowledged himself/herself to be the Director of TPF Equity REIT Operating Partnership GP LLC, as general partner of TPF Equity REIT Operating Partnership LP, as sole member of 308 East 38th Street Apartments Investors LLC, a Delaware limited liability company, and that he/she, being authorized so to do, executed the foregoing instrument for the purposes therein contained as his/her and its free act and deed, by signing the name of the limited liability company by himself/herself as Director.

IN WITNESS WHEREOF, I have hereunto set my hand

Susan Engle
 Notary Public

My Commission Expires: _____
 Printed Name of Notary: Susan Engle
Notary Public
My Commission Expires
May 31, 2019

[NOTARY SEAL]

STATE OF Connecticut)
)ss
 COUNTY OF Hartford)

On this 26th day of January, 2015, before me personally appeared Steven Miele who acknowledged himself/herself to be the Director of TPF Equity REIT Operating Partnership GP LLC, as general partner of TPF Equity REIT Operating Partnership LP, as sole member of 308 East 38th Street Apartments Investors LLC, a Delaware limited liability company, and that he/she, being authorized so to do, executed the foregoing instrument for the purposes therein contained as his/her and its free act and deed, by signing the name of the limited liability company by himself/herself as Director.

IN WITNESS WHEREOF, I have hereunto set my hand

Susan Engle
 Notary Public

My Commission Expires: _____
 Printed Name of Notary: Susan Engle
Notary Public
My Commission Expires
May 31, 2019

[NOTARY SEAL]

Exhibit A

All that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of New York, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at a point on the southerly side of East 38th Street distant 150 feet 7-1/2 inches easterly from the corner formed by the southerly side of East 38th Street and the easterly side of Second Avenue;

RUNNING THENCE easterly along the southerly side of East 38th Street 47 feet 4-1/2 inches;

THENCE southerly at right angles to the said southerly side of East 38th Street 98 feet 9 inches to the center line of the block;

THENCE westerly along the center line of the block at right angles to the preceding course 6 feet 0 inches to the westerly side of Queens Midtown Tunnel Approach;

THENCE southerly along the same and at right angles to the preceding course 14 feet 4-3/4 inches to a point which is distant 84 feet 4-1/4 inches northerly from the northerly side of East 37th Street when measured along a line drawn at right angles to said East 37th Street and distant 192 feet easterly from the easterly side of Second Avenue;

THENCE westerly on a line parallel with the northerly side of East 37th Street a distance of 24 feet 10-1/2 inches;

THENCE northerly on a line drawn at right angles with the preceding course a distance of 4 feet 0-1/4 inch;

THENCE westerly on a line drawn at right angles with the preceding course and parallel with the northerly side of East 37th Street a distance of 32 feet 8-1/4 inches to a point on the center line of former Eliza Street;

THENCE northwardly along said center line of former Eliza Street and on a line forming an angle of 98 degrees 26 minutes 10 seconds on the southeasterly side with the preceding course a distance of 110 feet 3-7/8 inches to the southerly side of East 38th Street to the point or place of BEGINNING.

FOR CONVEYANCE ONLY:

TOGETHER with the benefits, and subject to the burdens, of an Easement for the Alteration and Maintenance of Smokestacks executed October 20, 1998 made between Patricia Langer, East 38th Street, LLC, as Declarant, Extended Visit LLC, as grantee, recorded on December 16, 1998 in Reel 2775 Page 1836.

TOGETHER with the benefits, and subject to the burdens, of an Easement Agreement dated as of October 20, 1998 by and between 36 and 37 Realty, LLC as Owner and Extended Visit LLC as Developer recorded on December 16, 1998 in Reel 2775 Page 1755.

TOGETHER with the benefits, and subject to the burdens, of the easements and the negative covenants contained in Paragraphs 4 and 5 of that certain Zoning Lot Development Agreement made by and between Patricia Langer, East 38th Street, LLC, and Extended Visit LLC dated as of October 20, 1998 recorded on December 16, 1998 in Reel 2775 Page 1807.

NOTE: Being District , Section , Block(s) 943, Lot(s) 52, Tax Map of the Borough of New York, County of New York.

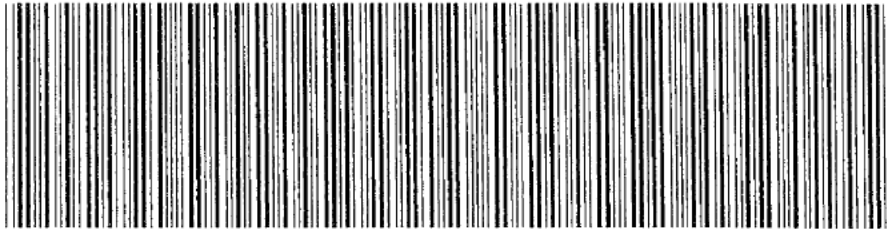
NOTE: Lot and Block shown for informational purposes only.

Being and intended to be the same Premises as conveyed
to the grantor by deed dated March 23, 2006
and recorded April 17, 2006 in New York county clerk's
Office in CRF# 2006000212097

Exhibit B

- A. The following covenants, conditions, restrictions, easements, agreements, etc. of record:
1. Declaration in Liber 5000 Page 175.
 2. Easement Agreement in Reel 2775 Page 1755.
 3. Preliminary Certification Pursuant to Zoning Lot Subdivision "D" in Reel 2775 Page 1794.
 4. Declaration of Zoning Lot Restrictions in Reel 2775 Page 1801. For information only.
 5. Declaration of Easement for The Alteration and Maintenance of Smoke Stacks in Reel 2775 Page 1836.
 6. Waiver of Declaration of Zoning Lot Restrictions in Reel 2775 Page 1879 and in Reel 2775 Page 1882. For information only.
 7. Zoning Lot Development Agreement in Reel 2775 Page 1807 assigned by Assignment of Zoning Lot Development Agreement in Reel 3640 Page 790.
 8. Lot Line Declaration in Reel 2994 Page 448.
 9. Declaration of Covenants recorded in Reel 3563 Page 76.
- B. Rights of tenants or persons in possession, if any.
- C. The following matters shown on the survey made by Kaba Surveying dated December 30, 2014, including a 20 story brick aluminum with cellar, and 14 story extension, and also:
- a) roof projects 4 feet 5 inches onto East 38th Street
 - b) building extends 2 inches outside portions of easterly record line of title
 - c) wall extends 4 inches outside portions of easterly record line of title
 - d) 12 inch brick wall on or near portions of easterly record line of title
 - e) chain link fence on 12 inch brick wall on or near portions of easterly record line of title
 - f) 18 inch wall on or near portions of easterly record line of title
 - g) building and overhang project outside portions of westerly record line of title

NYC DEPARTMENT OF FINANCE
OFFICE OF THE CITY REGISTER



2015020201153001003S1F2B

SUPPORTING DOCUMENT COVER PAGE

PAGE 1 OF 1

Document ID: 2015020201153001

Document Date: 01-30-2015

Preparation Date: 02-04-2015

Document Type: DEED

ASSOCIATED TAX FORM ID: 2015012200273

SUPPORTING DOCUMENTS SUBMITTED:

Page Count

DEP CUSTOMER REGISTRATION FORM FOR WATER AND SEWER BILLING

2

RP - 5217 REAL PROPERTY TRANSFER REPORT

4



The City of New York
 Department of Environmental Protection
 Bureau of Customer Services
 59-17 Junction Boulevard
 Flushing, NY 11373-5108

Customer Registration Form for Water and Sewer Billing

Property and Owner Information:

- (1) Property receiving service: BOROUGH: MANHATTAN BLOCK: 943 LOT: 52
- (2) Property Address: 308 EAST 38TH STREET, NEW YORK, NY 10016
- (3) Owner's Name: GAIA 308 EAST 38TH STREET LLC
- Additional Name:

Affirmation:



Your water & sewer bills will be sent to the property address shown above.

Customer Billing Information:

Please Note:

- A. Water and sewer charges are the legal responsibility of the owner of a property receiving water and/or sewer service. The owner's responsibility to pay such charges is not affected by any lease, license or other arrangement, or any assignment of responsibility for payment of such charges. Water and sewer charges constitute a lien on the property until paid. In addition to legal action against the owner, a failure to pay such charges when due may result in foreclosure of the lien by the City of New York, the property being placed in a lien sale by the City or Service Termination.
- B. Original bills for water and/or sewer service will be mailed to the owner, at the property address or to an alternate mailing address. DEP will provide a duplicate copy of bills to one other party (such as a managing agent), however, any failure or delay by DEP in providing duplicate copies of bills shall in no way relieve the owner from his/her liability to pay all outstanding water and sewer charges. Contact DEP at (718) 595-7000 during business hours or visit www.nyc.gov/dep to provide us with the other party's information.

Owner's Approval:

The undersigned certifies that he/she/it is the owner of the property receiving service referenced above; that he/she/it has read and understands Paragraphs A & B under the section captioned "Customer Billing Information"; and that the information supplied by the undersigned on this form is true and complete to the best of his/her/its knowledge.

Print Name of Owner:

Signature: See Attached Signature Page Date (mm/dd/yyyy)

Name and Title of Person Signing for Owner, if applicable:

GAIA 308 EAST 38TH STREET LLC,
a New York limited liability company

By: Gaia Montrose Apartments, LLC,
its Sole Member

By: Gaia Real Estate Investment LLC,
its Managing Member

By: 

Name: DANIEL FISHMAN

Its: AUTHORIZED SIGNATORY

[Signature page to Customer Registration Form
For Water and Sewer Billing]

CERTIFICATION

I certify that all of the items of information entered on this form are true and correct (to the best of my knowledge and belief) and understand that the making of any willful false statement of material fact herein will subject me to the provisions of the penal law relative to the making and filing of false instruments.

BUYER**BUYER'S ATTORNEY***See attached signature page 1**1/30/15*

152 W 57 STREET 9TH FLOOR

STREET NUMBER

STREET NAME (AFTER SALE)

LAST NAME

FIRST NAME

NEW YORK

NY

10019

CITY OR TOWN

STATE

ZIP CODE

AREA CODE

TELEPHONE NUMBER

SELLER*See attached signature page 1**1/30/15*

SELLER SIGNATURE

DATE

**308 EAST 38TH STREET APARTMENTS
INVESTORS LLC**, a Delaware limited liability
company

By: TPF Equity REIT Operating Partnership LP,
its sole member

By: TPF Equity REIT Operating
Partnership GP LLC, its general
partner

By:  sc
Name: Steven Miele
Its: Director

GAIA 308 EAST 38TH STREET LLC,
a New York limited liability company

By: Gaia Montrose Apartments, LLC,
its Sole Member

By: Gaia Real Estate Investment LLC,
its Managing Member

By: 

Name: DANIEL FISHMAN

Its: AUTHORIZED SIGNATORY

[Signature page to RP-5217NYC Form]

Exhibit 14

Section 352-eeee of the General Business Law

New York General Business Law § 352-eeee

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 or 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 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. (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 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 or 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 is 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 contract 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 (vii) 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.

Exhibit 15

Reserve Fund Law

New York City Administrative Code § 26-701

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.

New York City Administrative Code § 26-702

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.

New York City Administrative Code § 26-703

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 per cent of the total price or, (ii) (A) three per cent 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 per cent of the total price, then the fund shall be established as a minimum of one per cent of the total price; plus (B) supplemental contributions to be made by the offeror at a rate of three per cent 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 per cent 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 per cent of the total price the offeror shall pay the difference between the amount contributed and three per cent 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 per cent 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.

New York City Administrative Code § 26-704

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.

New York City Administrative Code § 26-705

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.

New York City Administrative Code § 26-706

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.

New York City Administrative Code § 26-707

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.

New York City Administrative Code § 26-708

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 assists 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.

Exhibit 16

Real Property Law §339-kk

New York State Real Property Law § 339-kk

(a) For the purposes of this section, "non-occupying owner" shall mean a unit owner in a condominium association who does not occupy the dwelling unit. (b) If a non-occupying owner rents any dwelling unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees for such unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with subdivision (c) of this section, all rental payments from the tenant shall be directly payable to the condominium association. (c) If the common charges, assessments or late fees due for any unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the board of managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for common charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the board of managers has been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim. (d) Nothing in this section shall limit any rights of unit owners or of the board of managers existing under any other law or agreement. (e) Payment by a rental tenant to the condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

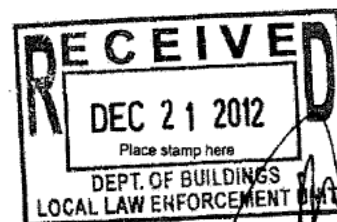
Exhibit 17

Local Law 11 Report



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.

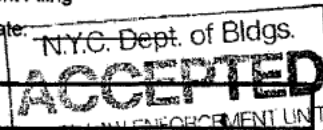


For SWARMP or Safe status reports, submit one (1) microfilm, one (1) original report, and one (1) copy.
 For Unsafe status or Amended reports, submit one (1) microfilm, one (1) original report, and two (2) copies.

Control #: 712074

1 Filing Information (Indicate if combined cycles)

☒ Initial Filing ☐ Amended Filing ☐ Subsequent Filing
 Report cycle: 7C Report cycle: _____ Initial filing date: _____
 Last cycle filing date: 02-21-07 Initial unsafe filing date: _____



2 Location Information

House No(s) 308 Street Name East 38th Street Zip 10016 CB No 106 BIN 1021916
 Borough Manhattan AKA 308A - 308A EAST 38 STREET Block 943 Lot 52

3 Inspection Report Status Information

Current Cycle: Last Inspection Date 10-26-12 SWARMP Recommended Date _____ Prior Filing Cycle 6
☒ Safe ☐ Safe with repair and maintenance program (SWARMP) ☐ Unsafe ☒ Safe ☐ SWARMP ☐ Unsafe

4 Building Characteristics

Landmark Building: ☐ Yes ☒ No Landmark District: ☐ Yes ☒ No Wall(s) Subject to Inspection
 Number of stories: 20 Exterior wall type: Metal and brick tile field panels ☐ All ☒ Partial 2

5 Qualified Exterior Wall Inspector (QEWI) Information

Last Name Zaskorski First Name Carlo MI M.
 Bus. Name Zaskorski & Notaro Architects Bus. Address 575 Eighth Avenue, Suite 2212 Bus. Tel. 212-239-7212
 City New York State NY Zip 10018 Bus. Fax 212-268-1987
 NYS Lic. # 014342 ☐ P.E. ☒ R.A. Mobile Phone 917-991-1097
 E-Mail info@znarchs.com

6 Owner of Record Information (Not a Representative or Business Manager or Agent)

Last Name Wilkins First Name Robert MI
 Bus. Name 308 E 38th St. Apt. Investors Bus. Address 10 State House Square, 15th Floor Bus. Tel. 860-616-9142
 City Hartford State CT Zip 06103 Bus. Fax 860-616-9006
 E-Mail robert.wilkins@ubs.com 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/repared; or this report must be rated as Unsafe as per Administrative Code section §28-302.1, if applicable.

Name John MacGowan Signature _____
 Relationship to owner Agent Phone 212-210-6681
 Email jmacgowan@rosenyc.com Date 12-17-12

Qualified Exterior Wall Inspector (QEWI)

Name (please print) Carlo Zaskorski Date 12-20-2012
 Signature _____

I hereby state that 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)

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.

**CYCLE 7C
FAÇADE INSPECTION AND SAFETY PROGRAM (FISP) REPORT
(Previously Local Law 11/98)**



**308 East 38th Street
Manhattan/New York/10016**

**By:
Zaskorski & Notaro Architects, AIA, LLP
575 Eighth Avenue, Suite 2212
New York, New York 10018**

TABLE OF CONTENTS

Item	Description	Page
A.	Property Information Including BIS printout of the following: • Property Profile Overview	3
B.	Owner Information	4
C.	Description of the Building	4
D.	Description of any settlements, repairs, or revisions to exterior enclosures since the previous report, if available.	4
E.	Description of the procedures used in making the critical examination.	4
F.	Description of the extent and location of all physical examinations performed. Including the following: • Plot plan with north arrow (indicating the main entrance, nearest cross street and locations and dates of close-up inspections)	5
G.	A report of all conditions observed	7,8
H.	An analysis of the causes of the conditions reported as unsafe or SWARMP.	8
I.	The status of the exterior maintenance.	12
J.	A comparison of currently observed conditions with conditions observed during the previous report filing cycle examinations Including BIS printout of the following: • Document Overview for facade-related alteration and shed applications • ECB facade violation summary • ECB violation details for any facade-related violations	12
K.	Recommendations for repairs or maintenance of SWARMP items	8, 13
L.	A list and description of the work permits required to accomplish the necessary work.	8, 13
M.	Photographs (and Key Plan, if filed as unsafe or swamp)	13
N.	The classification of the building for the current report filing cycle.	18
O.	Professional Seal and Signature with Date	21

The inspection was performed and completed in accordance with the following:

- Article 302 of Title 28 of the Administrative Code,
- Section 101-07 of Title 1 of the Rules of the City of New York (1 RCNY § 101-07),
- Section 103-04 of Title 1 of the Rules of the City of New York (1 RCNY § 103-04).

G:\2006\06-64a 308 East 38th Street - LL 11 Cycle 7\Cycle 7\308 E 38th St. Cycle 7 Report.docx

Exhibit 18

Low Income Housing Plan

AMENDED AND RESTATED REGULATORY AGREEMENT

AGREEMENT made this ____ day of March , 2017, between Gaia 308 East 38th Street LLC, a New York limited liability company formed pursuant to the laws of the State of New York, ("Applicant"), having an office at c/o Gaia Real Estate, 152 West 57th Street, 17th Floor, New York, New York 10019, and the City of New York (the "City"), a municipal corporation acting by and through its Department of Housing Preservation and Development ("Department"), having an office at 100 Gold Street, Ninth Floor, New York, NY 10038.

WHEREAS, Applicant is owner in fee simple of the premises located in the County, City and State of New York, known as and by the street address 306-308 East 38th Street, identified as Block 943, Lots 52 and 54 on the Tax Map of the City (as improved pursuant to this Regulatory Agreement), (the "Premises"), more particularly described in Exhibit A attached hereto and made a part hereof, and is owner in fee simple of certain improvements on such Premises, which improvements constitute Affordable Housing within the meaning of Section 23-911 of the New York City Zoning Resolution (the "Resolution") and the Inclusionary Housing Program Guidelines (the "Guidelines") (the Guidelines and Resolution are collectively referred to as the "Program"); and

WHEREAS, the Department has been duly authorized to administer the Program, including the execution of a Regulatory Agreement between the Department and Applicant for Floor Area Compensation under the Program (the "Agreement"); and

WHEREAS, Applicant has filed with the Department an Affordable Housing Plan (the "Plan") pursuant to Section 23-961(d) of the Resolution, attached hereto and made a part hereof as Exhibit B, and the Department has evaluated and approved the Plan as such terms and requirements of the Plan are reflected in this Agreement; and

WHEREAS, Montrose Development LLC (the "Previous Owner") and the City entered into that certain Lower Income Housing Plan Written Agreement dated June 15, 2001 (the "Previous Agreement"), pursuant to which Previous Owner provided Low Income Floor Area (as defined in Section 23-911 of the Resolution (the "Affordable Housing Units")) to be affordable to and occupied by families having incomes less than or equal to the Low Income Limit in order to enable one or more new multiple dwellings (the "Compensated Development(s)"), to be eligible under the Program for Floor Area Compensation pursuant to Section 23-154 of the Resolution; and

WHEREAS, Applicant acquired the Premises from the Previous Owner on January 30, 2015; and

WHEREAS, the parties hereto wish to enter into this Agreement to set forth the rights and obligations hereunder and replace the Previous Agreement;

WHEREAS, subsequent to the date hereof Applicant intendeds to record a declaration of condominium (together with by-laws and other schedules attached thereto, as the same may be amended from time to time, (the "Declaration") with the Office of the City Register of the City of

New York, New York County (the "City Register"), which shall establish the land and the building to be constructed on the Premises as a condominium regime (the "Condominium"); and

NOW, THEREFORE, it is agreed between the parties that the Previous Agreement is hereby amended and restated to read in its entirety as follows:

1. Capitalized terms not specifically defined herein shall have the meaning set forth in the Program.
2.
 - (i) Previous Owner has created three (3) Affordable Housing Units pursuant to the building plans submitted to and approved by the Department ("Building Plans"), located at the Premises (the "Building") Attached hereto as part of Exhibit C, is a list identifying each Affordable Housing Unit.
 - (ii) The Declaration shall provide that the owner(s) of the condominium unit or units containing the market rate apartments (including Applicant and its successors or assigns, such owners, collectively, the "Market Rate Condo Owner") shall pay all carrying charges and any other carrying costs, including, without limitation, taxes, debt service payments and other mortgage payments associated with ownership and operation of the Affordable Housing Units exceeding the "net rental income" generated by the Affordable Housing Units (said excess, the "Carrying Cost Differential"). As used in this paragraph, the term "net rental income" means rental income generated by the Affordable Housing Units less operating expenses of the Affordable Housing Units. Payment of such Carrying Cost Differential may be made in the form of a loan to the owner of the Affordable Housing Units, provided, however, any such loan may not encumber the Affordable Housing Units or give rise to a lien against the Affordable Housing Units or any interest or portion therein. Notwithstanding the foregoing, the Market Rate Condo Owner may enforce any such loan against the owner of the Affordable Housing Units to the extent advances have been made under said loan; provided, however, that such enforcement shall not be undertaken without the prior written consent of HPD, which consent shall not be unreasonably withheld where enforcement of the loan is being undertaken to facilitate acquisition by the Market Rate Condo Owner of all or some of the interest in the Affordable Housing Units and where such enforcement will not give rise to a lien or other encumbrance against the Affordable Housing Units.
 - (iii) Prior to the recording of the Declaration, Applicant shall have submitted the Declaration to the Department for its review and approval including, but not limited to, the provisions concerning carrying charges. The Declaration shall thereafter not be modified with respect to provisions concerning or affecting the Affordable Housing Units without the prior written consent of the Department.
3. The three (3) Affordable Housing Units are occupied by Low Income Households, as defined in the Resolution which permit Floor Area Compensation in conformance with the Resolution.
4. Intentionally Omitted.
5. The parties hereto agree that the site of the subject Affordable Housing Units is eligible for the construction of Low Income Floor Area pursuant to the Program and the requirements of Sections 23-90 (Inclusionary Housing), inclusive of the Resolution.

6. This Agreement is subject to the Applicant's compliance with the requirements set forth in the Program. The Department acknowledges that, as of the date of this Agreement, Applicant has satisfied applicable requirements set forth in Sections 23-90 (Inclusionary Housing), inclusive of the Resolution.
7. The Affordable Housing Units are currently and will continue to be occupied solely by tenants who are Low Income Households at the time of such tenant's Initial Occupancy of such housing and shall be operated as Affordable Housing for Low Income Households for the life of the increased Floor Area of the Compensated Development(s). Such obligation shall run with the tax lot(s) within the zoning lot containing such Affordable Housing Units.
8.
 - (i) The rents charged by Applicant for the Affordable Housing Units upon Rent-up of such units shall (a) not exceed the rents set forth in the schedule attached hereto as Exhibit D, which have been established by the Department pursuant to Sections 23-961(b) of the Resolution, (b) be registered with the New York State Division of Housing and Community Renewal or any successor agency ("DHCR") and (c) thereafter shall be subject to Rent Stabilization for the term of this Agreement and upon termination of this Agreement in accordance with Section 8(v). Applicant shall register all Affordable Housing Units with DHCR upon the earlier to occur of: (A) the occupancy of the last remaining unit, or (B) one year from Completion Deadline (the "DHCR Registration Deadline").
 - (ii) Rents for existing tenants of the Affordable Housing Units upon renewal of leases for such units or at any time during the term of the lease shall be the lesser of (a) the rent allowed by Rent Stabilization, or (b) the Maximum Monthly Rent for Low Income Households, or (c) for units rented to households with incomes, at Initial Occupancy, below the Low Income Limit, the last rent charged for such unit plus the percentage increase established by the Rent Guidelines Board or its successor entity at the time of such renewal or at any time during the lease.
 - (iii) Upon rental of an Affordable Housing Unit that becomes vacant after Initial Occupancy, to a new tenant, the rent shall be the lesser of the rent allowed by Rent Stabilization or the Maximum Monthly Rent for Low Income Households.
 - (iv) Notwithstanding anything to the contrary contained herein, Applicant shall not utilize any exemption or exclusion from any requirement of Rent Stabilization to which Applicant might otherwise be or become entitled with respect to one or more Affordable Housing Units, including, but not limited to, any exemption or exclusion from the rent limits, renewal lease requirements, registration requirements, or other provisions of Rent Stabilization due to (i) the vacancy of a unit where the rent exceeds a prescribed maximum amount, (ii) the fact that tenant income and/or a unit's rent exceeds prescribed maximum amounts, (iii) the nature of the tenant, (iv) conversion of the Premises to Condominium or (v) any other factor.
 - (v) In the event that the Affordable Housing Units are not located in the Compensated Development and the increased Floor Area of the Compensated Development generated by such Affordable Housing Units ceases to exist, the Affordable Housing Units shall continue to remain subject to Rent Stabilization so long as the existing tenants in occupancy remain tenants pursuant to the provisions of Rent Stabilization.

(vi) Applicant shall grant all tenants the same rights that they would be entitled pursuant to Rent Stabilization. In addition, Applicant shall register the Affordable Housing Units with DHCR pursuant to Rent Stabilization, and such units shall be subject to Rent Stabilization without regard to whether such Affordable Housing Units are statutorily subject to Rent Stabilization. Applicant shall ensure that these rights are stated in each lease for an Affordable Housing Unit. If any court declares that Rent Stabilization is statutorily inapplicable to an Affordable Housing Unit, such unit shall remain in Rent Stabilization in accordance with this Agreement and the lease for such Affordable Housing Unit for the remainder of the Regulatory Period.

9. Intentionally Omitted.

10. Intentionally Omitted.

11. Renting Affordable Housing Units. Applicant has contracted with Urban Homesteading Assistance Board, a not-for profit organization qualified by the Department to participate in the Program, to act as Administering Agent for the Affordable Housing Units ("Administering Agent"). The Administering Agent shall ensure that Affordable Housing Units are rented at Rent-up and each subsequent vacancy, in compliance with the Plan and all of the requirements of the Program. Within (60) sixty days of the DHCR Registration Deadline, the Administering Agent shall submit an affidavit to the Department attesting that the Monthly Rent registered and charged for each Affordable Housing Unit, complied with the Monthly Rent requirements for such unit, at Initial Occupancy. Each year after DHCR Registration Deadline, in the month of March, the Administering Agent shall submit an affidavit to the Department attesting that each lease or sublease of an Affordable Housing Unit or renewal thereof, during the preceding year, complied with the applicable Monthly Rent requirements of the Program. A contract between the Administering Agent and the Department ("Administering Agent Agreement") is attached and made a part hereof as Exhibit F. The Department reserves the right to replace the Administering Agent in the event that the Affordable Housing Units are not rented at Rent-up and each subsequent vacancy thereafter in compliance with the Program.

12. Insurance.

(a) Insurance.

(i) Applicant shall obtain and maintain in force all-risk casualty insurance, including broad form extended coverage that, in the event of a casualty to the Building containing the Affordable Housing Units, will pay an amount of insurance equal to full replacement value of the Building containing the Affordable Housing Units.

(ii) Applicant shall obtain and maintain in force commercial general liability insurance and other insurance of commercially reasonable types and amounts with respect to the Building containing the Affordable Housing Units.

(b) Casualty.

- (i) In the event of a casualty, Applicant and/or the Administering Agent shall promptly notify the Department thereof. The Department agrees that, subject to the terms and conditions set forth in this Section 12, the proceeds of the insurance on the Premises may be utilized as determined by the lender or lenders participating in the financing of the Building (the "Financiers") in accordance with the documents governing such Financiers' loan(s), copies of which have been provided to the Department (the "Loan Documents"). Applicant shall promptly inform the Department of the disposition of such insurance proceeds.
- (ii) (A) In the event of a partial casualty, to the extent that any additional Floor Area created pursuant to this Agreement continues to exist or is reconstructed after such casualty, the Affordable Housing Units shall be reconstructed so as to maintain in the Building the same ratio of Affordable Housing to the additional Floor Area as existed prior to such casualty, notwithstanding the availability of, or priority of payment of, insurance proceeds, and the terms of this Agreement shall remain in full force and effect.

(B) If the Applicant and Financiers determine that due to the nature of the casualty and the condition of the remaining structure, it is not practicable to include the Affordable Housing Units as originally configured in the replacement building, the Affordable Housing Units may be reconstructed in a location other than the Premises in accordance with the requirements of this Agreement and the Program.
- (iii) In the event of a total casualty, where all additional Floor Area created pursuant to this Agreement ceases to exist and the Applicant elects not to utilize the additional Floor Area in the restored building, if any, then all proceeds shall be applied in accordance with the Condominium documents, unless the Loan Documents require otherwise.
- (iv) Applicant agrees that if the Building containing the Affordable Housing Units is reconstructed as provided in Section 12(ii), then: (A) at such time as the restored portion of the Building or any new building is ready for occupancy, the Affordable Housing Units on each restored floor shall be made available for occupancy and re-rented concurrently with the market rate units on the same floor; (B) Applicant shall restore, repair, replace rebuild, alter or otherwise improve the Affordable Housing Units in accordance with this Agreement and the Program in effect as of the date hereof; (C) such construction shall be free of all violations under the New York City Building Code, the New York State Multiple Dwelling Law and the New York City Housing Maintenance Code and (D) Applicant shall, upon request of the Department, amend this Agreement to reflect any changes to the number, configuration or location of the Affordable Housing Units in any replacement building or off site location for the Affordable Housing Units made in accordance with this Section 12.
- (v) The Department acknowledges and agrees that Applicant has the right to require the Financiers under any current or future Mortgage to use the

insurance proceeds for the rebuilding of the Premises (with certain protective procedures).

13. Intentionally Omitted.
14. Disclosure of Financial Arrangements. Upon the request of the Department, Applicant shall fully disclose the financial terms and arrangements relating to the Affordable Housing Units. In the event that the Department obtains information pursuant to this Section 14, the Department shall thereafter disclose such information to third parties only as required by law, except that such data may be used and disclosed without attribution to Applicant as part of an analysis of the Program.
15. Special Reserve Fund. The Previous Owner funded a special operating reserve fund (the "Special Reserve Fund") in the amount of ten thousand dollars (\$10,000) , which has been placed in a blocked reserve account to be administered by the Department or its designee. The Special Reserve Fund and the interest accrued thereon shall belong to the Premises and the owner of such Premises and shall be used solely for the benefit of the Affordable Housing Units. The Special Reserve Fund is separate from the Building reserve fund built into the rent roll that will accumulate over time. The proceeds of the Special Reserve Fund shall be available to pay for unanticipated increases in the cost of operating and maintaining the Affordable Housing Units (including, but not limited to, escalating real estate taxes), or for capital repairs or improvements, the cost of which cannot be covered by the Building's capital reserve fund. Expenditures from the Special Reserve Fund shall be made solely at the discretion of the Department and may be made by the Department on behalf of Applicant.

Prior to the authorization of any disbursement from the Special Reserve Fund, the Department and Applicant shall agree on a schedule for replenishing the Special Reserve Fund ("Replenishment Schedule") up to the amount of the total sum of all such authorized disbursements. The Replenishment Schedule will be based on information procured from the most recent financial statements, an independent auditor's report and a rent roll for the Premises. In addition, upon sale, transfer other disposition the Affordable Housing Units or any interest therein, Applicant or owner as applicable, shall repay, in full, all amounts withdrawn from and owed to the Special Reserve Fund.

16. Inspection.
 - (a) The Department shall have full authority to inspect the Affordable Housing Units without prior notice during business hours and Applicant and the Administering Agent shall cooperate fully with the Department in any such inspection. The Department shall have authority to inspect the Affordable Housing Units other than during business hours on three (3) days prior notice.
 - (b) The Department shall have full authority to inspect the books and records of Applicant and the Administering Agent without prior notice during business hours and Applicant and the Administering Agent shall cooperate fully with the Department in any such inspection. Applicant and the Administering Agent shall furnish copies of all books and records with respect to the Affordable Housing Units, to the Department, without cost to the Department, upon five (5) day's prior written request.

17. Operating Accounts. Applicant shall provide the Department with the names and locations of all bank accounts established with respect to the management and operation of the Affordable Housing Units by Applicant (the "Operating Accounts"). All such accounts shall confer plenary authority on the Department to freeze such accounts, which authority the Department shall exercise subject to Section 18 of this Agreement. Furthermore, Applicant shall provide the Department with annual operating statements for the Affordable Housing Units.
18. Remedies of the Department.
 - (a) If Applicant violates any of the terms of this Agreement, or if any of the representations and warranties by Applicant set forth in this Agreement are determined to be false, then the Department may declare a default under this Agreement.
 - (b) Upon declaration of a default under this Agreement, the Department shall give Applicant and the Administering Agent, as applicable, notice thereof by facsimile, hand delivery or reputable overnight courier and a reasonable opportunity to cure (if such default can be cured). If at the end of the cure period (if any) the default has not been cured, then the Department shall provide Applicant and the Administering Agent, as applicable, notice thereof and shall provide Applicant and the Administering Agent an opportunity to be heard on not less than three (3) days prior written notice. Following such hearing, upon the existence of an uncured default under this Agreement, the Department may (i) assume responsibility for management of the Affordable Housing Units directly or through a third party designated by it, (ii) freeze the Operating Accounts, (iii) seek specific performance of this Agreement or an injunction against its violation, (iv) have a receiver of its choice appointed during the pendency of any litigation, and/or (v) seek monetary damages against Applicant. In the event that the Department exercises its rights under clause (ii) of this Section 18(b) and provided that there are sufficient funds in the Operating Accounts then the Department shall use the funds in such Operating Accounts to make payments due under the loan documents for previously approved mortgage loans of the Applicant and to pay for reasonable and customary operating expenses for the Affordable Housing Units.
 - (c) If an Affordable Housing Subordination Agreement has been entered into by a Financier in accordance with Section 19 of this Agreement, the Department shall terminate this Agreement at anytime prior to the issuance of the Certificate of Completion of Affordable Housing Units at the request of such Financier, or its successors or assigns, if such Financier, its successors or assigns, commences foreclosure proceedings or receives a deed in lieu of foreclosure with respect to the mortgage loan that is the subject of such Affordable Housing Subordination Agreement. If the Department terminates this Agreement pursuant to this Section 18(c): (1) all benefits granted pursuant to this Agreement to any project will be revoked and (2) this Agreement shall become null and void. The Department shall provide written confirmation of termination in recordable form upon the written request of Applicant and/or Financier.
 - (d) The remedies set forth in Section 18(b) shall be cumulative with any other remedies available to the Department at law or in equity and exercise of one or

more remedies set forth in Section 18(b) shall not limit the Department in the exercise of one or more other remedies set forth therein or otherwise available to the Department at law or in equity.

- (e) The Department may exercise the remedies set forth in Section 18(b) without the notice, opportunity to cure or hearing provided therein if the Department determines that exigent circumstances require immediate action to protect the Premises or the tenants thereof. The Department will provide notice and a hearing as provided in Section 18(b) promptly following exercise of its remedies as set forth therein.
 - (f) If the Department elects to assume responsibility for management of the Premises pursuant to this Section 18, Applicant shall (and shall cause the Administering Agent to) immediately deliver control of the Affordable Housing Units and all books and records kept in connection therewith to the Department or the person designated by the Department and shall cooperate fully in effectuating the smooth transfer of management and control of the Affordable Housing Units, including execution of written instruments and provision of notice to third parties.
 - (g) Applicant hereby grants the Department and its designees an irrevocable license to enter and remain on the Affordable Housing Units for the purpose of managing such Affordable Housing Units as provided in this Section 18.
19. Debt Restrictions. In accordance with Section 23-96(f) of the Resolution, Applicant shall not mortgage or otherwise encumber the Affordable Housing Units or this Agreement without the prior written consent of the Department. Furthermore, in the event that the Department consents to a mortgage loan, the lender must enter into a subordination and non-disturbance agreement with the Department ("Affordable Housing Subordination Agreement") in form and substance satisfactory to the Department substantially in the form annexed hereto as Exhibit K that subordinates the loan to all of the terms and conditions of this Agreement. Applicant shall cause such Affordable Housing Subordination Agreement to be recorded against the Affordable Housing Units in the Office of the City Register for the county in which the Premises are located, and shall pay all required fees and taxes in connection therewith. Applicant must obtain prior written consent of the Department to incur all subsequent debt for the Affordable Housing.
 20. Plan Certification. Following the execution of this Agreement, the Department will, upon the request of Applicant, certify that the Plan has been submitted and approved, and is in compliance with the Program.
 21. Marketing of Affordable Housing Units. The Administering Agent shall be required to market the Affordable Housing Units in accordance with the Program. Furthermore, each new lease for an Affordable Housing Unit shall provide that such lease may be terminated and such tenant may be evicted if such tenant falsely or fraudulently certifies income or household composition to the Administering Agent.
 22. Initial Occupancy Certification. Within thirty (30) days of any new Household moving into an Affordable Housing Unit, the Administering Agent shall submit to the Department an affidavit attesting that each Household occupying an Affordable Housing Unit complied,

at Initial Occupancy, with the annual income eligibility requirements of the Program and that the Monthly Rent registered and charged for each Affordable Housing Unit, complied with the Monthly Rent requirements for such unit, at Initial Occupancy. In accordance with C.F.R. 5.609 or any successor regulations, "Annual Income" shall mean the anticipated total income from all sources to be received by the household head and spouse and by each additional member of the household, including all net income derived from assets, for the twelve (12) month period following the initial determination of income. The Administering Agent also shall retain all records and documents relating to income determination for a minimum of three (3) years after the date a tenant commences occupancy in a Affordable Housing Unit.

23. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assignees. Before any sale, transfer, or other disposition of the Affordable Housing Units, the Applicant shall require the subsequent purchaser or transferee to assume in writing, Applicant's obligations and duties under this Agreement, pursuant to an Assignment and Assumption Agreement in form and substance satisfactory to the Department, which shall be in recordable form and shall provide the Department with a executed copy of such assumption agreement and proof of recordation thereof.
24. Condominium Conversion. Nothing in this Agreement shall prohibit the Applicant from subdividing the Building on the Premises into condominium units (the "Condominium Units"), so long as (a) the Department approves any condominium documents, including, but not limited to, the condominium declaration and by-laws, necessary to effectuate such subdivision of the Building, (b) the Condominium documents meet the requirements of Section 339-m of the Real Property Law, (c) the Department determines that the Affordable Housing Units will be operated pursuant to the requirements set forth in the Agreement and the Program, and (d) the Memorandum of Regulatory Agreement in the form attached hereto as Exhibit L has been recorded against the Affordable Housing Unit.
25. Investigation Clause. Applicant and Administering Agent shall be bound by and comply with the provisions of the Investigation Clause annexed hereto as Exhibit I.
26. Modifications.
 - (a) No provision of this Agreement may be extended, modified, waived or terminated orally, but only by an instrument in writing signed by the party against whom enforcement is sought.
 - (b) Applicant and/or the Administering Agent, as applicable, shall comply with all modifications to Program reporting requirements as set forth in the Guidelines, of which the Applicant shall be deemed to have constructive notice, concerning: (i) the type of documents to be retained; (ii) the length of time for which such documents must be retained; and (iii) the form and method of submitting such documents to the Department.
27. Counterparts. This Regulatory Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall be deemed one and the same instrument.

28. Notices. All notices, approvals, requests, waivers, consents or other communications given or required to be given under this Agreement shall be in writing and sent or transmitted as follows:

If to Applicant:

Gaia 308 East 38th Street LLC
c/o Gaia Real Estate
152 West 57th Street, 17th Floor
New York, NY 10019
Attn: Prosha Korangy
Facsimile (212) 563-7116

with a copy Inclusionary Housing Counsel:

Stroock & Stroock & Lavan LLP
180 Maiden Lane
New York, NY 10038
Attn: Erica F. Buckley, Esq.
Facsimile (212) 806-5407

and a copy to Condominium Plan Counsel:

Schwartz Sladkus Reich Greenberg Atlas LLP
270 Madison Avenue
New York, NY 10016
Attn:
Facsimile (212) 743-7001

If to the Department:

Department of Housing Preservation and Development
100 Gold Street
New York, NY 10038
Attn: Associate Commissioner for Housing Incentives
Facsimile (212) 863-5899

with a copy to:

Department of Housing Preservation and Development
100 Gold Street
New York, NY 10038
Attn: General Counsel
Facsimile (212) 863-8375

Notices must be hand delivered, transmitted via facsimile or sent by certified or registered U.S. mail, return receipt requested or overnight delivery by a reputable national carrier. Notice shall be deemed to have been given upon (i) delivery if sent by hand delivery or U.S. mail, and (ii) confirmed receipt, if sent by facsimile, to both the addressee and the person entitled to receive a copy thereof. Each party named above may designate a change of address by written notice to all of the other parties

29. Recordation.

- (a) Applicant shall cause this Agreement to be recorded against the Premises in the Office of the City Register for the County in which the Premises are located and shall pay all required fees and taxes in connection therewith.
 - (b) If the conversion of the Building to Condominium Units, including without limitation the filing of the Declaration and other actions required to complete such conversion of the Building have not occurred prior to the time when this Agreement is required to be recorded against the Premises, or any other document required hereunder to be recorded against the Premises, then, notwithstanding anything contained herein to the contrary, this Agreement and such other documents shall be recorded against the entire Premises. In such event, at the time of condominium conversion, provided that the Memorandum of Regulatory Agreement referred to in Section 24 is recorded simultaneously therewith, the Department will release the Condominium Units other than the Condominium Unit containing the Affordable Housing.
30. Intentionally Omitted.
31. Choice of Law. The covenants, provisions and terms of this Agreement and the rights and obligations of the parties hereunder shall be governed by the construed and interpreted in accordance with the laws of the State of New York, and shall be binding upon and inure to the benefit of Applicant, Owner, the Administering Agent and the Department, and their respective successors, transferees, and assigns.
32. Primary Residence. Affordable Housing Units may only be occupied as a primary residence, as defined in Rent Stabilization, by natural persons or families pursuant to a one or two year lease who have met the applicable income requirements for Low Income Households at the time of such tenant's initial occupancy of such unit. Applicant shall only offer a vacant dwelling unit for occupancy by persons or families intending to occupy such unit as their primary residence pursuant to a one or two year lease and shall not cause or permit the sublease or assignment of any dwelling unit for transient occupancy, for occupancy by any household that is not income eligible, or to any corporation or other entity.

[no further text; signatures immediately follow]

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

THE CITY OF NEW YORK

By: Department of Housing
Preservation and Development

By: _____
Louise Carroll, Associate Commissioner for
Housing Incentives

APPROVED AS TO
FORM BY STANDARD
TYPE OF CLASS FOR USE
UNTIL AUGUST 31, 2017

/s/ Howard Friedman
Howard Friedman
Acting Corporation Counsel

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

On this ____ day of March 2017, before me, the undersigned, a Notary Public in and for said State, personally appeared Louise Carroll, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to in the within instrument and acknowledged to me that [s]he executed the same in [her]his capacity, and that by [her]his signature on the instrument, the individual, or the person on behalf of which the individual acted, executed the instrument.

NOTARY PUBLIC

GAIA 308 EAST 38TH STREET LLC,
a New York limited liability company

By: GAIA Montrose Apartments, LLC,
a Delaware limited liability company, its Managing Member

By: Gaia Real Estate Investment LLC, a Delaware limited
liability company, its Managing Member

By: Gaia Real Estate Holding, LLC, a Delaware limited
liability company, its Managing Member

By: _____
Name:
Title: Authorized Signatory

STATE OF NEW YORK)
COUNTY OF) SS:
)

On this _____ day of March, 2017, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to in the within instrument and acknowledged to me that [s]he executed the same in [her]his capacity, and that by [her]his signature on the instrument, the individual, or the person on behalf of which the individual acted, executed the instrument.

NOTARY PUBLIC

EXHIBIT A
PROPERTY DESCRIPTION

EXHIBIT B
AFFORDABLE HOUSING PLAN

EXHIBIT C
LIST OF AFFORDABLE HOUSING UNITS

EXHIBIT D
SCHEDULE OF RENTS AND EXPENSES

[following pages]

**EXHIBIT E
STANDARD NEW YORK ENDORSEMENT
(OWNER'S POLICY)**

1. The following is added to the insuring provisions on the face page of this policy:

"____. Any statutory lien for services, labor or materials furnished prior to the date hereof, and which has now gained or which may hereafter gain priority over the estate or interest of the insured as shown in Schedule A of this policy."

2. Exclusion Number 5 is deleted, and the following is substituted:

5. Any lien on the Title for real estate taxes, assessments, water charges or sewer rents imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as Shown in Schedule A.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

IN WITNESS WHEREOF, _____ Insurance Company of New York has caused this Endorsement to be signed and sealed on its date of issue set forth herein.

DATED:

COUNTERSIGNED _____
Authorized Signatory

_____ Insurance Company

BY: _____

EXHIBIT F
ADMINISTERING AGENT AGREEMENT
INCLUSIONARY HOUSING PROGRAM

[following pages]

**Administering Agent Agreement
Inclusionary Housing Program**

AGREEMENT made this _____ day of January, 2017, between the Urban Homesteading Assistance Board ("Administering Agent"), having an office at 120 Wall Street, 20th Floor, New York, New York 10038 and the Department of Housing Preservation and Development ("Department"), having an office at 100 Gold Street, Ninth Floor, New York, NY 10038.

WHEREAS, Gaia 308 East 38th Street LLC, ("Owner") has executed a Regulatory Agreement with the Department, to create three (3) Affordable Housing Units located at 306-308 East 38th Street, Manhattan (the "Affordable Housing Units") in accordance with Section 23-90 (Inclusionary Housing), inclusive of the Zoning Resolution ("Resolution") and with the Inclusionary Housing Guidelines ("Guidelines"); and

WHEREAS, Administering Agent has agreed to ensure that the Affordable Housing Units are rented in compliance with the Agreement at Rent-up and each subsequent vacancy and has signed an agreement with the Applicant to that effect; and

WHEREAS, Administering Agent has been qualified to act as an Administering Agent by the Department;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, it is hereby agreed that Administering Agent will assume the ongoing responsibility for insuring that each Affordable Housing Unit is rented and upon vacancy re-rented in compliance with the Regulatory Agreement. In addition, the Administering Agent shall (1) maintain records setting forth the facts that form the basis of any affidavit submitted to the Department; (2) maintain such records as the Department may require at the Administering Agent's office or other location approved by the Department; and (3) make all records and facts of the operation of the Administering Agent available for the Department's inspection.

Notwithstanding any other remedy contained herein, the Department may commence an action against Administering Agent to require specific performance of Administering Agent's obligations herein. Department reserves the right to replace Administering Agent in the event that the Affordable Housing Units are not rented at Rent-up and each subsequent vacancy thereafter in compliance with the Program. If the agreement between Owner and Administering Agent is terminated by either party or expires by its terms, Administering Agent shall provide the Department with written notice of such termination or expiration and this Administering Agent Agreement shall automatically terminate. Owner shall work expeditiously to contract with a new Administering Agent and the Administering Agent shall sign an Administering Agent Agreement with the Department as soon as practicable, but in no event, later than 45 days from the termination of the immediately preceding Administering Agent Agreement.

This Administering Agent Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall be deemed one and the same instrument.

[NO FURTHER TEXT APPEARS ON THIS PAGE]

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

Department of Housing Preservation and
Development of the City of New York

BY: _____
Louise Carroll
Associate Commissioner for
Housing Incentives

Urban Homesteading Assistance Board

BY: _____
Name:
Title:

UNIFORM ACKNOWLEDGEMENTS

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

On this ____ day of _____, 2017, before me, the undersigned, a Notary Public in and for said State, personally appeared Louise Carroll, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to in the within instrument and acknowledged to me that [s]he executed the same in [her]his capacity, and that by [her]his signature on the instrument, the individual, or the person on behalf of which the individual acted, executed the instrument.

NOTARY PUBLIC

STATE OF NEW YORK))
COUNTY OF) SS:

On this _____ day of _____, 2017, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to in the within instrument and acknowledged to me that [s]he executed the same in [her]his capacity, and that by [her]his signature on the instrument, the individual, or the person on behalf of which the individual acted, executed the instrument.

NOTARY PUBLIC

EXHIBIT G
FORM AFFORDABLE HOUSING SUBORDINATION AGREEMENT

THIS SUBORDINATION AND NON-DISTURBANCE AGREEMENT ("Agreement"), made as of this ___ day of _____, 20___, by **[LENDER]**, a [national banking association], having an office at _____, ("Mortgagee" or "Lender"), in favor of **THE CITY OF NEW YORK**, (the "City") a municipal corporation acting by and through its **DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT**, having an office at 100 Gold Street, New York, New York 10038 ("HPD").

WHEREAS, Mortgagee holds a certain mortgage or mortgages dated of even date herewith, as follows: (a) [Construction Loan Mortgage, Assignment of Leases and Rents and Security Agreement, dated of even date herewith], in the principal amount of \$_____; (b) [describe all subordinate mortgages, if any], in the principal amount of \$_____ and each made by **[Borrower]**, a [describe type of entity] ("Applicant" or "Borrower") [and describe owner if different than applicant ("Owner")] in favor of Lender to secure, among other things, the aggregate principal sum of _____ DOLLARS AND _____ CENTS (\$_____) or so much thereof as may be advanced pursuant thereto, and interest, (the "Mortgage(s)") covering the premises described in **Schedule A** annexed hereto and incorporated herein ("Premises");

[Where applicant and owner are different add the appropriate choice:

WHEREAS, Owner is the owner of the legal interest and Applicant is owner of the beneficial interest, pursuant to the [Declaration of Interest and Nominee Agreement], dated as of _____, between Owner and Applicant, in the Premises, [add recording information if appropriate];

OR

WHEREAS, Owner, as lessor, and Applicant, as lessee, have entered into that certain [Ground Lease] of the Premises for a term of _____ years, dated as of _____, and recorded in the office of the City Register for the County of _____ on _____ as CFRN _____, as the same may have been or may be further amended or modified as hereinafter provided ("Ground Lease"); and]

WHEREAS, HPD, [Owner] and Applicant have entered into a certain Regulatory Agreement ("Regulatory Agreement") dated of even date herewith, which Regulatory Agreement is intended to be recorded against the Premises immediately following execution and delivery thereof;

WHEREAS, the Regulatory Agreement was entered into under the Inclusionary Housing Program, which is governed by Sections 23-90 [and 62-352 (GW) or 93-25 (Hudson Yards) or (or 98-261 (West Chelsea)] of the New York City Zoning Resolution (the "Resolution") and the Inclusionary Housing Program Guidelines (the "Guidelines") (the Guidelines and the Resolution are collectively referred to as the "Program");

WHEREAS, the Regulatory Agreement provides that [Applicant shall not] or [neither Applicant nor Owner shall] mortgage or otherwise encumber [its interest in] the Premises or the Regulatory Agreement without the prior written consent of HPD and that, if HPD consents to a

mortgage loan, the lender must subordinate the loan to all of the terms and conditions of the Regulatory Agreement;

WHEREAS, Applicant [and/or Owner] has entered into the Mortgage and other instruments evidencing or securing obligations of the Premises to Mortgagee (collectively, "Other Loan Documents"; the Mortgage and the Other Loan Documents are referred to collectively as the "Loan Documents"); and

WHEREAS, HPD has consented to the Loan Documents on the condition that Mortgagee subordinate the Loan Documents to all the terms and conditions of the Regulatory Agreement in the manner hereinafter described.

NOW THEREFORE, for good and valuable consideration, the receipt whereof is hereby acknowledged, Mortgagee hereby represents to and agrees with HPD, notwithstanding any contrary term, provision, agreement, covenant, warranty, and/or representation contained or implied in any Loan Documents or any other document executed in connection with the Premises, that:

1. The Loan Documents are and shall continue to be subject and subordinate to the terms, covenants, agreements, and conditions of the Regulatory Agreement.
2. As used in this Agreement (a) the term "Mortgage" shall refer to any amendments, replacements, substitutions, extensions, modifications, or renewals thereof, and (b) the term "Mortgagee" shall include the Mortgagee's successors and assigns.
3. As used in this Agreement, the phrase "subject and subordinate" means that:
 - (a) to the extent there are any inconsistencies between the provisions of the Regulatory Agreement and any provisions of the Loan Documents, the provisions of the Regulatory Agreement shall take priority over the inconsistent provisions of the Loan Documents, except as provided herein; and
 - (b) if Mortgagee or if any person or entity becomes the owner of the Premises (including, if the Premises is defined as a leasehold interest as well as a fee interest, the owner of such leasehold interest) by foreclosure, conveyance in lieu of foreclosure, or otherwise ("New Owner"), (i) the Regulatory Agreement shall continue in full force and effect and the Mortgagee and New Owner shall have no right to disturb the rights of HPD under the Regulatory Agreement, (ii) HPD shall not be named as a defendant in any action or proceeding to foreclose the Mortgage or otherwise enforce the Mortgagee's or New Owner's rights thereunder, except as set forth below, and (iii) the Premises shall be subject to the Regulatory Agreement in accordance with the provisions thereof; provided, however, that Mortgagee and New Owner shall not be liable for any act or omission of Applicant or bound by any subsequent amendment of or modification to the Regulatory Agreement without its written consent. Subject to the foregoing, nothing contained herein shall prevent the Mortgagee or New Owner from naming HPD in any foreclosure or other action or proceeding initiated by the Mortgagee or New Owner pursuant to the Mortgage to the extent necessary under applicable law in order for the Mortgagee or New Owner to avail itself of and complete the foreclosure or other remedy.

4. Upon a declaration of default under the Regulatory Agreement, HPD shall give Mortgagee notice thereof by facsimile, hand delivery or reputable overnight courier and a reasonable opportunity to cure (if such default can be cured), provided, however, that Mortgagee shall have no obligation to cure any such default. If Mortgagee cures the default during such cure period (if any) or has commenced to cure the specified default within such period and is diligently pursuing completion of such cure, or has commenced the exercise of remedies under the Loan Documents within such period, HPD shall not exercise any of the remedies under Section 18(b) of the Regulatory Agreement by reason of such default. Nothing herein shall limit HPD's right to consent to a replacement manager pursuant to Paragraph 6 herein.
5. If HPD freezes the Operating Account(s) pursuant to Paragraph 18(b) of the Regulatory Agreement, HPD will allow Mortgagee to use funds therein to make payments due under the Loan Documents, provided that there are sufficient funds in the Operating Account(s) to pay for reasonable and customary operating expenses for the Premises. Mortgagee hereby acknowledges that it has no interest in or rights to any funds held in the Special Reserve Fund Accounts pursuant to the Regulatory Agreement.
6. Notwithstanding anything contained in the Regulatory Agreement or the Loan Documents, neither HPD nor Mortgagee may assume responsibility for management of the Premises or designate a third party to manage the Premises without the consent of the other. If, in the exercise of its remedies under the Regulatory Agreement, HPD notifies Mortgagee of its intention to install a replacement manager of the Premises, then Mortgagee's consent to such manager shall not be unreasonably withheld or delayed. If, in the exercise of its remedies under the Loan Documents, Mortgagee notifies HPD of its intention to install a replacement manager of the Premises, then HPD's consent to such manager shall not be unreasonably withheld or delayed.
7. Upon a casualty to a building on the Premises,
 - (a) where the repair or reconstruction cost is more than thirty-five percent (35%) of the replacement value of a building on the Premises, Mortgagee shall have the right to determine whether insurance proceeds are applied for the reconstruction or repair of the Premises or towards repayment of the Mortgage, and
 - (b) where the repair or reconstruction cost is less than or equal to thirty-five percent (35%) of the replacement value of the Premises, HPD shall have the right to determine how insurance proceeds shall be applied. HPD shall make such determination within sixty (60) days after HPD is notified of the occurrence of the casualty. If HPD determines in such case not to apply the insurance proceeds for the reconstruction or repair of the Premises, the insurance proceeds shall be retained by Mortgagee to the extent of sums then due under the Mortgage.

This paragraph supersedes any contrary provisions in the Regulatory Agreement or Loan Documents.

8. No failure to exercise and no delay in exercising, on the part of HPD, of any right, power or privilege under this Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege operate as a waiver of any other right, power or privilege under this Agreement.

9. The covenants, provisions and terms of this Agreement and the rights and obligations of the parties hereunder shall be governed by and construed and interpreted in accordance with the laws of the State of New York, and shall be binding upon and inure to the benefit of Mortgagee, HPD, and their respective successors, transferees, and assigns.
10. Neither this Agreement nor any provision hereof (including this paragraph) may be changed, modified, amended, waived, supplemented, discharged, abandoned, or terminated orally except by an instrument in writing signed by the party against whom enforcement of the change, modification, amendment, waiver, discharge, abandonment, or termination is sought.
11. Notices. All notices, approvals, requests, waivers, consents or other communications given or required to be given under this Agreement shall be in writing and sent or transmitted as follows:

If to HPD, in duplicate, to: Department of Housing Preservation and Development
100 Gold Street
New York, NY 10038
Attn: Assistant Commissioner, Housing Incentives
Facsimile (212) 863-5899

and: Department of Housing Preservation and Development
100 Gold Street
New York, NY 10038
Attn: General Counsel
Facsimile (212) 863-8375

If to Bank, in duplicate, to:

Notices must be hand delivered, transmitted via facsimile, or by overnight delivery (e.g., FEDEX) or sent by certified or registered U.S. mail, return receipt requested. Notice shall be deemed to have been given upon (i) delivery if sent by hand delivery, U.S. mail or overnight delivery, and (ii) confirmed receipt, if sent by facsimile, to both the addressee and the person entitled to receive a copy thereof. Each party named above may designate a change of address by written notice to all of the other parties.

12. Recordation. This Agreement shall be recorded against the Premises immediately after the execution hereof, in the Office of the City Register for the County in which the Premises are located and the Applicant [and/or Owner] shall pay all required fees and taxes in connection therewith.

13. Counterparts. This Subordination Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one agreement.

[No further text - signatures on the next page]

IN WITNESS WHEREOF, the City of New York, acting by and through its Department of Housing Preservation and Development has caused this Subordination Agreement to be signed by its duly authorized commissioner, and Lender has caused this Subordination Agreement to be duly signed by a duly authorized officer, as of the day and year first above written.

THE CITY OF NEW YORK

Acting by and through its **DEPARTMENT OF HOUSING
PRESERVATION AND DEVELOPMENT**

By: _____

Louise Carroll

Associate Commissioner for Inclusionary Housing

[LENDER]

By: _____

Print Name

Print Title

APPROVED AS TO FORM BY
STANDARD TYPE OF CLASS
UNTIL: _____

By: _____
Acting Corporation Counsel

EXHIBIT H
MEMORANDUM OF REGULATORY AGREEMENT

THIS MEMORANDUM OF REGULATORY AGREEMENT made this ____ day of _____, 2016, by Gaia 308 East 38th Street LLC, a New York limited liability company formed pursuant to the laws of the State of New York, ("Applicant"), having an office at c/o Gaia Real Estate, 152 West 57th Street, 9th Floor, New York, New York 10019.

WITNESSETH THAT:

1. The Applicant is owner in fee simple of the premises located in the County of New York, City and State of New York, known as and by the street address 306-308 East 38th Street, identified as Block 943, Lots 52 and 54 on the Tax Map of the City (the "Premises"), more particularly described in Exhibit A attached hereto and made a part hereof;
2. The Applicant has covenanted and agreed for and on behalf of itself, its successors, assigns, heirs, grantees and lessees, which covenants shall be covenants running with the land to provide Affordable Housing on the Premises in accordance with the Regulatory Agreement ("Regulatory Agreement"), dated as of _____, 2016 among Gaia 308 East 38th Street LLC and the City of New York, a municipal corporation acting through its Department of Housing Preservation and Development ("HPD") and recorded in the Office of the City Register for New York County on _____ as CFRN _____, the provisions of which are by this reference made a part hereof and Section 23-90 (Inclusionary Housing), inclusive of the Resolution.
3. The Regulatory Agreement and the covenants therein, shall run with the land that constitutes the Premises in accordance with the terms therein.
4. This Memorandum of Regulatory Agreement is intended to provide constructive notice of the existence and terms of the Regulatory Agreement and in no way modifies or amends the Regulatory Agreement. If any provisions of this Memorandum of Regulatory Agreement conflict with the Regulatory Agreement, the terms of the Regulatory Agreement shall prevail. The Applicant at its sole cost and expense shall cause this Memorandum of Regulatory Agreement to be recorded against each tax lot within the zoning lot containing the Affordable Housing whether or not such tax lot existed at the time the Regulatory Agreement was recorded.

NO FURTHER TEXT

IN WITNESS WHEREOF, this Memorandum of Regulatory Agreement has been executed as of the date first set forth above.

GAIA 308 EAST 38TH STREET LLC,
a New York limited liability company

By: GAIA Montrose Apartments, LLC,
a Delaware limited liability company, its Managing Member

By: Gaia Real Estate Investment LLC, a Delaware limited
liability company, its Managing Member

By: Gaia Real Estate Holding, LLC, a Delaware limited
liability company, its Managing Member

By: _____
Name:
Title: Authorized Signatory

UNIFORM ACKNOWLEDGEMENTS

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

On this ____ day of _____, 2016, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to in the within instrument and acknowledged to me that [s]he executed the same in [her]his capacity, and that by [her]his signature on the instrument, the individual, or the person on behalf of which the individual acted, executed the instrument.

NOTARY PUBLIC

EXHIBIT I **INVESTIGATION CLAUSE**

- (a) The parties to this Agreement agree to cooperate fully and faithfully with any investigation, audit or inquiry conducted by a State of New York (State) or City of New York (City) governmental agency or authority that is empowered directly or by designation to compel the attendance of witnesses and to examine witnesses under oath, or conducted by the Inspector General of a governmental agency that is a party in interest to the transaction, submitted bid, submitted proposal, contracts, lease, permit, or license that is the subject of the investigation, audit or inquiry.
- (b) If any person who has been advised that his or her statement, and any information from such statement, will not be used against him or her in any subsequent criminal proceeding refuses to testify before a grand jury or other governmental agency or authority empowered directly or by designation to compel the attendance of witness and to examine witnesses under oath concerning the award of or performance under any transaction, agreement, lease, permit, contract, or license entered into with the City, the State or any political subdivision or public authority thereof, or the Port Authority of New York and New Jersey, or any local development corporation within the City, or any public benefit corporation organized under the laws of the State of New York, or;
- (c) If any person refuses to testify for a reason other than the assertion of his or her privilege against self-incrimination in an investigation, audit or inquiry conducted by a City or State governmental agency or authority empowered directly or by designation to compel the attendance of witness and to take testimony under oath, or by the Inspector General of the governmental agency that is a party in interest in, and is seeking testimony concerning the award of, or performance under, any transaction, agreement, lease, permit, contract, or license entered into with the City, the State, or any political subdivision thereof or any local development corporation within the City, then;
- (d) The commissioner or agency head whose agency is a party in interest to the transaction, submitted bid, submitted proposal, contract, lease, permit, or license shall convene a hearing upon not less than five (5) days written notice to the parties involved to determine if any penalties should attach for the failure of a person to testify.
- (e) If any non-governmental party to the hearing requests an adjournment, the commissioner or agency head who convened the hearing may, upon granting the adjournment, suspend any contract, lease, permit, or license pending the final determination pursuant to paragraph (g) below without the City incurring any penalty or damages for delay or otherwise.
- (f) The penalties which may attach after a final determination by the commissioner or agency head may include but shall not exceed:
 - (1) The disqualification for a period not to exceed five (5) years from the date of an adverse determination for any person, or any entity of

which such person was a member at the time the testimony was sought, from submitting bids for, or transacting business with, or entering into or obtaining any contract, lease, permit or license with or from the City; and /or

- (2) The cancellation or termination of any and all such existing City contracts, leases, permit, or licenses that the refusal to testify concerns and that have not been assigned as permitted under this agreement, nor the proceeds of which pledged, to an unaffiliated and unrelated institutional lender for fair value prior to the issuance of the notice scheduling the hearing, without the City incurring any penalty or damages on account of such cancellation or termination; moneys lawfully due for goods delivered, work done, rentals, or fees accrued prior to the cancellation or termination shall be paid by the City.
- (g) The commissioner or agency head shall consider and address in reaching his or her determination and in assessing an appropriate penalty the factors in paragraphs (1) and (2) below. He or she may also consider, if relevant and appropriate, the criteria established in paragraphs (3) and (4) below in addition to any other information which may be relevant and appropriate:
 - (1) The party's good faith endeavors or lack thereof to cooperate fully and faithfully with any governmental investigation or audit, including but not limited to the discipline, discharge, or disassociation of any person failing to testify, the production of accurate and complete books and records, and the forthcoming testimony of all other members, agents, assignees or fiduciaries whose testimony is sought.
 - (2) The relationship of the person who refuses to testify to any entity that is a party to the hearing, including, but not limited to, whether the person whose testimony is sought has an ownership interest in the entity and/or the degree of authority and responsibility the person has within the entity.
 - (3) The nexus of the testimony sought to the subject entity and its contracts, leases, permits or licenses with the City.
 - (4) The effect a penalty may have on an unaffiliated and unrelated party or entity that has a significant interest in an entity subject to penalties under (f) above, provided that the party or entity has given actual notice to the commissioner or agency head upon the acquisition of the interest, or at the hearing called for in (d) above gives notice and proves that such interest was previously acquired. Under either circumstance the party or entity must present evidence at the hearing demonstrating the potential adverse impact a penalty will have on such person or entity.

- (h)
 - (1) The term "license" or "permit" as used herein shall be defined as a license, permit, franchise or concession not granted as a matter of right.
 - (2) The term "person" as used herein shall be defined as any natural person doing business alone or associated with another person or entity as a partner, director, officer, principal or employee.
 - (3) The term "entity" as used herein shall be defined as any firm, partnership, corporation, association, or person that receives moneys, benefits, licenses, leases, or permits from or through the city or otherwise transacts business with the City.
 - (4) The term "member" as used herein shall be defined as any person in association with another person or entity as a partner, officer, principal or employee.
- (i) In addition to and notwithstanding any other provisions of this Agreement the Commissioner or agency head may in his or her sole discretion terminate this Agreement upon not less than three (3) days written notice in the event the contractor fails to promptly report in writing to the Commissioner of Investigation of the City of New York any solicitation of money, goods, requests for future employment or other benefit or thing of value, by or on behalf of any employee of the City or other person, firm, corporation or entity for any purpose which may be related to the procurement or obtaining of this Agreement by the Contractor, or affecting the performance of this Agreement.

AMENDED AND RESTATED REGULATORY AGREEMENT

BETWEEN
THE CITY OF NEW YORK
AND
GAIA 308 EAST 38TH STREET LLC

<u>Block(s)</u>	<u>Lot(s)</u>	<u>Address(es)</u>
943	52, 54	306-308 East 38 th Street

County: New York

RECORD AND RETURN TO:
Paul A. Orta
Department of Housing Preservation
and Development
Office of Legal Affairs
100 Gold Street, Room 5-S5
New York, NY 10038

Exhibit 19

Storage Bin License Agreement

STORAGE BIN LICENSE AGREEMENT

Storage Bin Number: _____

License Fee: \$ _____

AGREEMENT made this ____ day of _____, 201_ (this "Agreement") by and between Gaia 308 East 38th Street LLC, having an address at 152 West 57th street, New York, New York ("Sponsor"), the **Board of Managers of The Vantage**, having an office at _____ (the "Board;" the Sponsor and the Board shall collectively be referred to as "Licensor"), and _____, having an address at _____, ("Unit Owner or Licensee");

WHEREAS, The Vantage (the "Condominium") is managed by the Board and is governed by that certain Declaration dated _____, and recorded on _____ in the Office of the City Register of the City of New York, New York County (the "**City Register**") as City Register File Number _____ and Maps, certified by Spivak Architects P.C. on _____, approved by The Tax Map Unit of the City of New York on _____ and recorded in the City Register on _____ as City Register File Number _____ (the "**Declaration**"); the by-laws of the Condominium, as the same has been or may be amended from time to time (the "**By-Laws**") and the rules and regulations of the Condominium, as the same has been or may be amended from time to time (the "**Rules and Regulations**"; the Declaration, the By-Laws and the Rules and Regulations are collectively referred to as the "**Condominium Documents**") and all terms not separately defined herein shall have the definitions prescribed to such term in the Condominium Documents; and

WHEREAS, in a portion of the Condominium, there are areas designated as the Storage Area (collectively, "**Licensed Areas**"); and

WHEREAS, in these Licensed Areas, Storage Bins have been allocated for use by permitted Unit Owners (the "**Storage Bin**"); and

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

WHEREAS, Unit Owner desires the right to the exclusive use of the Storage Bin designated as **Storage Bin** _____ in the floor plan annexed hereto as Exhibit A for so long as Unit Owner owns a Residential Unit in the Condominium;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. The Licensor hereby grants to Unit Owner a license for the exclusive use of the Storage Bin ("**License**") and Unit Owner hereby accepts such License for a term commencing on the date hereof, subject to the terms and conditions set forth herein.

2. In connection with Licensee's execution of a Purchase Agreement for a Residential Unit, Licensee has tendered a check made payable to the order of " _____ " in the amount of \$ _____, constituting the deposit for the License (the "**License Deposit**"), and the balance of the fee for the License is made payable to the order of " _____ " in the amount of \$ _____ ("**License Fee**"), due on the Closing Date of the Residential Unit being acquired by Licensee.
3. The License Fee is payable herewith by unendorsed certified check, or official bank check, in either event drawn on a bank to which checks are presented for payment through the New York Clearing House Association or at _____ option, by wire transfer, payable to the order of the _____.
4. Licensee's use of the Storage Bin, and the payment of any monthly or other charge with respect to the Storage Area, which initially shall be \$ _____ per month, as of the date hereof (subject to change in accordance with the Condominium Documents), and payable to the Condominium, shall be governed by the Condominium Documents and may be proportionate to the size of the Storage Bin licensed by the Licensee and the expenses incurred by the Condominium for the maintenance of the Licensed Areas.
5. A Storage Bin may only be used for storage purposes, in compliance with law. No articles or material which pose a threat to the health or safety of the Units Owners or the Building, or that cause noxious odors, dirt or other sanitary problems or otherwise create a nuisance, shall be permitted to be brought into or stored in any Storage Bin. A Storage Bin cannot be licensed independently of a Residential Unit. As set forth herein below, the Storage Bin may not be assigned, leased or otherwise rented to a person who is not a Residential Unit Owner or his or her designated tenant.
6. Unit Owner shall not (a) store any property outside of their designated Storage Bin; or (b) allow any other person to use the License except in accordance with the terms hereof.
7. The License may be assigned by Unit Owner at any time provided: (i) the assignee is a Unit Owner at the Condominium; (ii) the assignee assumes the obligations hereunder; (iii) notification of the assignment is delivered in writing to the Board in compliance with its requirements; and (iv) no outstanding money is owed to the Board. The License shall automatically terminate at such time as the Unit Owner no longer owns a Unit in the Condominium unless this License is assigned to and assumed by another Unit Owner. In the event this License terminates without being assigned by the Unit Owner, the Board shall have the right to designate the successor licensee and retain any payment made for the License.
8. Unit Owner represents that it accepts the Storage Bin in its "as-is" condition as of the date of this Agreement. Unit Owner shall throughout the term of this Agreement, take good care of and maintain the Storage Bin. All repairs and replacement to the Storage Bin shall be performed by the Board and the cost and expense thereof shall be borne by the Unit Owner as a Special Assessment pursuant to the Condominium Documents. Neither

Sponsor nor the Condominium shall be liable for any theft or damage to any property stored in the Storage Bin.

9. The terms of this Agreement are subject to the terms of the Condominium Documents. Nothing contained herein shall be construed as limiting the rights and obligations of the parties under the Condominium Documents. Any conflict between the provisions of this Agreement and the Condominium Documents shall be resolved in favor of the Condominium Documents.
10. If Unit Owner defaults in its obligations hereunder or under the Condominium Documents, including, but not limited to the Unit Owner's failure to pay the Common Charge assessed against his or her Unit, the Board may, in addition to the rights and remedies set forth in the Condominium Documents: (i) deny access to and use of Storage Bin until Unit Owner cures such default; or (ii) terminate this Agreement upon written notice to Unit Owner and remove Unit Owner's contents from the Storage Bin.
11. The Board or its agents shall have the right (but not the obligation) to open the Storage Bin in an emergency at any time, and, at the other reasonable times upon prior notice to Unit Owner, to inspect and examine the Storage Bin and to make such repairs, replacements and improvements as the Board shall deem necessary.
12. This Agreement shall constitute a License only and shall not be construed under any circumstances to be a sale of the Storage Bin or conveyance of title thereto. In no event shall a landlord/tenant relationship exist between the Licensor and the Unit Owner with respect to this Agreement.
13. Unit Owner shall indemnify and hold the Licensor, its officers, agents and employees, harmless from and against any and all liabilities, claims, penalties, and judgments, together with any related costs and expenses, including reasonable legal fees, asserted against or sustained by any of them in connection with any act, omission, or negligence of Unit Owner or Unit Owner's family, servants, employees, agents, guests and invitees in connection with the License.
14. Unit Owner shall be obligated to reimburse the Licensor for any legal fees and disbursements incurred by the Licensor in connection with this Agreement or in defending the rights of the Licensor under this Agreement, or, in the event Unit Owner defaults under this Agreement beyond any applicable grace period, enforcing Unit Owner's obligations hereunder.
15. Neither this Agreement nor any provision hereof may be waived, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, amendment, discharge or termination is sought and then only to the extent set forth in such instrument.
16. It is understood and agreed that all understandings and agreements heretofore had between the parties hereto are merged in this Agreement, which alone fully and

completely express their agreement and that this Agreement supersedes any and all such understandings and agreements with respect to the subject matter hereof.

17. If any provision of this Agreement is invalid or unenforceable as against any party or under certain circumstances, the remainder of this Agreement and the applicability of such provision to other parties or circumstances shall not be affected thereby. Each provision of this Agreement, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by Law.
18. Either party shall execute, acknowledge and deliver to the other party such instruments and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to conform or perfect any right to be created or transferred hereunder or pursuant to any such transaction.
19. Any failure by the Licensor to insist upon strict performance by Unit Owner of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and the Licensor, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Unit Owner of any and all of the provisions of this Agreement to be performed by Unit Owner.
20. The Board has entered into this Agreement solely as agent for the Unit Owners. The members of the Sponsor shall have no personal liability hereunder and the members of the Board shall have no personal liability hereunder except to the extent of their liability as Unit Owners.
21. This Agreement, and any subsequent rider or amendment to this Agreement, may be executed in any number of original, PDF or facsimile counterparts. Each such counterpart shall for all purposes be deemed an original. All such of which shall be deemed an original and all of the counterparts but one and the same Agreement.

[The remainder of this page is intentionally left blank; signature page follows.]

CONDOMINIUM:

Board of Managers of
The Vantage

UNIT OWNER:

By: _____
Name:
Title:

SPONSOR:

GAIA 308 EAST 38TH STREET LLC, a New York limited liability company

By: GAIA MONTROSE APARTMENTS, LLC,
a Delaware limited liability company, its Managing Member

By: Gaia Real Estate Investment LLC, a Delaware
limited liability company, its Managing Member

By: Gaia Real Estate Holdings, LLC, a Delaware
limited liability company, its Managing Member

By: _____
Name:
Title: Authorized Signatory

EXHIBIT A
FLOOR PLAN

Exhibit 20

Interim Lease

INTERIM LEASE

This Agreement of **INTERIM LEASE** (the "Lease"), made as of the ____ day of _____, between **GAIA 308 EAST 38TH STREET LLC** ("Seller") and _____ (collectively, "Purchaser").

WITNESSETH:

WHEREAS, Seller and Purchaser have entered into a Purchase Agreement ("Contract") for the sale of **Unit** __ ("Unit") in the building located at 308 East 38th Street, New York, New York ("Building"), commonly known as The Vantage; and

WHEREAS, the Unit is ready for occupancy and is currently unoccupied; and

WHEREAS, Purchaser is in need of housing and Seller has offered to permit Purchaser to enter into possession of the Unit in the Building prior to the closing of title on the Unit; and

WHEREAS, Purchaser desires to occupy the Unit prior to closing of title on the Unit.

NOW, THEREFORE, it is mutually consented and agreed as follows:

1. Letting of Premises. Seller hereby leases to Purchaser, and Purchaser hereby rents the Unit from Seller upon and subject to the terms and conditions hereinafter set forth.

2. Term. The term ("Term") of this Lease shall commence upon the date hereof and shall be a month to month lease which shall terminate on the date of closing of title to the Unit under the Contract or upon the default of the Purchaser as hereinafter set forth, whichever occurs first. Purchaser acknowledges and understands that this Lease may not be renewed or extended and that if Purchaser does not purchase the Unit as provided in the Contract, Purchaser must vacate the Unit upon the expiration or earlier termination of this Lease. In the event that Purchaser does not vacate the Unit on or before said date, Purchaser shall pay to Seller the sum of \$1,000.00 per day for each day Purchaser remains in possession of the Unit beyond said date, as and for liquidated damages and that such sum may be taken out of the down payment in the Contract.

3. Rent. The rent to be paid by Purchaser to Seller shall be the unabated real estate taxes and common charges for the Unit in the amount of \$_____ per month, payable by Purchaser on the date the Lease is executed and on the first calendar day of each month thereafter.

4. Additional Rental. Purchaser shall be responsible, at Purchaser's sole cost and expense, for providing to the Unit all electricity, telephone, and other utilities desired by Purchaser throughout the Term, and Purchaser shall make payment therefor directly to the third party suppliers thereof as and when bills are rendered. If Seller is required to pay any charges for such utilities, Seller may bill Purchaser therefor, and the charges shall be payable by Purchaser to Seller within three (3) business days after receipt by Purchaser from Seller of a bill therefor. All such sums shall be deemed to be additional rent under this Lease. Purchaser agrees to reimburse Seller for any such sums billed after the expiration of the Term of this Lease.

5. Seller shall allow buyer to occupy the Unit, such early possession and occupation is in no way intended to constitute a tenancy of any kind and is simply at the will of the Seller for the personal convenience of the Purchaser.

6. Use of Premises. The Unit shall be used by Purchaser only for purposes permitted under the Certificate of Occupancy and for no other purpose. The sole occupants of the Unit shall be the Purchaser and its immediate family.

7. Condition of Premises. Purchaser represents that it has made a thorough examination and inspection of the Unit and is familiar with the condition thereof. Purchaser agrees that it enters into this lease without any representations or warranties by Seller or its agents, representatives, brokers or any other person as to the present or future condition of the Unit, the appurtenances thereto or any improvements therein. Purchaser agrees to accept the Unit "as is" in its condition at the time possession is given to Purchaser, and Seller shall not be required to do any work or make any repairs, replacements or alterations therein whatsoever.

8. Indemnity. Purchaser agrees to indemnify and save Seller and its successors and assigns harmless from and against any and all claims, demands, judgments, actions, damages, expenses and costs whatever (including reasonable attorneys' fees) arising from any work or thing done in the Unit or from any act or negligence of Purchaser or any of Purchaser's agents, contractors, employees, licensees or invitees of Purchaser, or arising from any accident, injury or damage whatsoever to any person or property occurring in the Unit from and after the date hereof. Purchaser shall resist or defend any action or proceeding brought against Seller by reason of any of the above by counsel reasonably satisfactory to Seller at the sole cost and expense of Purchaser. If Purchaser fails to resist or defend the same, Seller may do so or, upon not less than five (5) days' notice to Purchaser, may settle or compromise the same, and, in such event, Purchaser shall pay Seller as additional rent hereunder all payments made by, and expenses and reasonable counsel fees of Seller.

9. Assignment and Subletting. Purchaser, for itself and its successors and assigns, expressly covenants that it shall not assign, mortgage or encumber this Lease, nor sublet the Unit or any part thereof. Any attempted assignment or sublease shall be void as against Seller and shall be a default under this Lease.

10. Alteration, Surrender. (a) Purchaser shall not make any alterations or enclosures in the Unit or the Building, or any alterations or additions to the water, gas, heating, air conditioning or electrical systems or any other installment or facility in the Unit or the Building.

(b) If the floors are carpeted, Purchaser shall keep the carpet clean. If the floors are made of wood or other non-carpeted material, Purchaser shall repair any scratches or nicks in the floor promptly after they have been made. Purchaser may not hammer into the walls unless Purchaser removes the insertion and repairs the damage (including spackling and repainting) before vacating the Unit.

(c) If Purchaser does not purchase the Unit for any reason, Purchaser shall surrender the Unit on the expiration date in good condition, broom clean and free of all of Purchaser's furniture, fixtures and personal belongings. Purchaser shall repair all damage caused by removal of Purchaser's property from the Unit.

11. Default. Purchaser shall be in default under this Lease if Purchaser fails to perform any obligation under this Lease within ten (10) days after Purchaser becomes aware (or should have become aware) that the obligation has arisen. If Purchaser shall default under the Contract, Purchaser shall also be in default under this Lease.

If Purchaser is in default, Seller may take any or all of the following actions: (i) Seller may retain the full amount of the Down Payment under the Contract as liquidated damages; (ii) Seller may cure Purchaser's default on Purchaser's behalf and add the cost of cure to the next installment of Rent; (iii) Seller may terminate this Lease on thirty (30) days notice and remove Purchaser, by force or otherwise, from the Unit, and (iv) Seller may take any other action at law or in equity in order to enforce Seller's rights and cure Purchaser's default under this Lease. All costs of enforcing Seller's rights under this section, including reasonable attorneys' fees and disbursements, shall be deemed additional rent. Notwithstanding any action taken by Seller, Purchaser will remain liable for the performance of its obligations under this Lease. In the event of a default by Purchaser hereunder, Purchaser shall be considered in default under the Contract as well and Seller is entitled to such remedies as are provided for under the Contract.

12. Quiet Enjoyment. Upon paying the rent and all other sums and charges as herein provided, and observing all covenants, agreements and conditions of this Lease on its part to be observed, Purchaser shall quietly have and enjoy the Unit subject to the provisions of this Lease, the Declaration of Condominium, the By-Laws and House Rules.

13. Broker. Purchaser represents and warrants to Seller that it dealt with no broker, finder or similar agent in connection with this Lease. Purchaser agrees to indemnify and hold Seller harmless from any cost or expense, including without limitation reasonable attorney's fees, arising out of the claim of any broker, finder or similar agent alleging to have dealt with Purchaser in connection with this Interim Lease.

14. Intentionally Omitted.

15. Insurance, Damage. (a) At all times during the Term hereof, Purchaser shall carry such hazard insurance and liability insurance naming Seller as an additional insured as Seller may reasonably require and shall furnish Seller with certificates thereof. Purchaser shall obtain casualty insurance policies covering Seller's (and, at Purchaser's option), Purchaser's property on the Unit. All policies shall provide that all claims other than those relating to Purchaser's property shall be adjusted by and payable to Seller. All policies shall provide that they cannot be canceled except on thirty (30) days notice to Seller, and shall contain a waiver of the insurer's right of subrogation against Seller. Purchaser waives any right against Seller arising out of any loss or damage to Purchaser's property.

(b) Purchaser shall notify Seller promptly if the Unit is damaged. All insurance proceeds shall be paid to Seller and shall be disbursed by Seller. Any balance remaining shall be Seller's property. If the Unit is damaged materially, Seller shall have the right to cancel this Lease on thirty (30) days' notice. Upon cancellation, the parties will be released from all further liability under this Lease. Purchaser waives all rights to any damage award in connection with the Unit other than for Purchaser's property.

16. Personal Property. Purchaser covenants and agrees to take good care of all of fixtures, appliances and any other personal property contained in the Unit and if Purchaser fails to close, to surrender them at the expiration of this Lease in the same condition they are in on the date hereof.

17. No Rent Stabilization. Neither this Lease nor the Unit is or shall become subject to the Rent, Eviction and Rehabilitation Regulations, Rent Stabilization Law, Emergency Purchaser Protection Act of the City of New York, Interim Multiple Dwelling Law or any other rent or eviction regulations pertaining to apartments and lofts in the City of New York, and Purchaser expressly acknowledges the same and waives any application thereof.

18. Access. If Purchaser fails to close, Seller may have access to inspect the Unit, or to show it for sale.

19. General Provisions. (a) *No Waiver.* No waiver by Seller or Purchaser of any breach of any agreement or provision herein contained shall be deemed a waiver of any other breach thereof or of any other agreement or provision herein contained.

(b) *Notices.* All notices, demands or other communications given under this Lease shall be in writing and delivered in person or mailed by hand delivery or reputable overnight courier, and shall be deemed given when delivered to Seller or Purchaser, respectively, at the address shown above or to such other addresses as may be designated by the respective parties by like notice.

(c) *Merger.* This Lease, including any exhibits (or riders containing additional provisions and initialed for identification) annexed hereto and made a part hereof, contains the entire agreement between the parties and supersedes all prior understandings, if any, with respect thereto. This Lease may not be modified except by written instrument signed by the party to be charged. This Lease may be executed in counterparts, each of which shall be deemed an original.

(d) *Successor and Assigns.* This Lease shall be binding on Seller and Purchaser, their successors and assigns, except that this Lease will be deemed canceled immediately upon the death of Purchaser.

(e) *Counterparts; Facsimile Signatures.* This Lease may be executed in counterparts which, when taken together, shall constitute one document. Signatures transmitted by facsimile or PDF shall be considered originals and shall be binding upon the parties hereto.

(f) *Interpretation.* As used in this agreement, the following terms have the following meaning: (i) "including" means "including but not limited to"; (ii) "or" means "and/or"; and (iii) anything permitting or requiring a party to take action shall permit or require the party to cause the action to be taken, and anything permitting or requiring a party to forbear from taking an action, shall also permit or require the party to cause the action to be forborne.

(g) *Waiver of Jury Trial.* Purchaser hereby waives the right to trial by jury of any matter or dispute arising from, through, or under this Lease.

(h) *Subordination.* This Lease is subject and subordinate to all mortgages which may now or hereafter affect this Lease or the real property of which the Unit is a part and to all renewals, modifications, consolidations, replacements and extensions thereof. This paragraph shall be self-operative and no further instrument of subordination shall be required by any mortgagee affecting any lease or the real property of which the Unit is a part. In confirmation of such subordination, Purchaser shall execute promptly any certificate that Seller may request.

IN WITNESS WHEREOF, Seller and Purchaser have respectively signed and sealed this Lease as of the day and year first above written.

GAIA 308 EAST 38TH STREET, LLC

By: _____
Name:
Title:

PURCHASER:

Exhibit 21

Eligible Senior Citizen Election Form

ELIGIBLE SENIOR CITIZEN ELECTION FORM

SEE INSTRUCTION SHEET ON NEXT PAGE BEFORE COMPLETING THIS FORM

For use in New York City which is subject to GBL Section 352-eeee, and municipalities in New York State which have adopted GBL Section 352-e(2-a).

NAME: _____

ADDRESS: _____

DATE OF BIRTH: _____

I elect not to purchase my apartment under the offering plan for conversion of the building to a cooperative or condominium.

I certify that:

1. I am a tenant of the apartment listed above.
2. I am or my spouse is now 62 years of age or older.

I understand that this senior citizen election does not preclude me from purchasing my apartment at a later date.

The above statements are true to the best of my knowledge and understanding.

SIGNED: _____

Sworn to before me this

_____ day of _____, 20____.

NOTARY PUBLIC

Receipt acknowledged and copy given to tenant.

SPONSOR/AGENT: _____

DATE: _____

INSTRUCTIONS FOR COMPLETING ELIGIBLE SENIOR CITIZEN ELECTION FORM

State law provides that tenants who are “eligible senior citizens” cannot be evicted because they did not buy their apartments.

How to Qualify as an “Eligible Senior Citizen”

To qualify as an “eligible senior citizen,” you must:

1. Be a tenant, or the spouse of a tenant; and
2. Have been 62 years of age or older on the date the Department of Law “accepted the offering plan for filing,” and
3. Complete this election form and return it to the sponsor within 60 days of the date you first received the offering plan.

Date Offering Plan Was Accepted For Filing

The approximate date the Department of Law “accepted the offering plan for filing” is printed on the front cover of the offering plan. You must have been 62 years of age or older on the filing date to qualify.

Who is Considered a Tenant?

A tenant for purposes of this form is a person who has signed a lease or the spouse of a person who has signed a lease.

Return This Form Within 60 Days

You must complete and return this form within 60 days of the date you first received the offering plan. Return the form either by delivering it to the sponsor or the sponsor’s selling agent at the location specification in the plan, or by mailing it by certified or registered mail, return receipt requested, to the sponsor or selling agent at the address specified in the plan. **Be sure to sign the form before a Notary Public**

WARNING!

FAILURE TO RETURN THIS FORM WITHIN 60 DAYS COULD ULTIMATELY RESULT IN YOUR
BEING EVICTED!

The Sponsor May Dispute Your Eligibility

The law allows the sponsor to dispute your eligibility as an “eligible senior citizen”. In order to do so, the sponsor must apply to the Department of Law for an eligibility determination within 30 days after the sponsor receives your election form. In case of a dispute, the Department of Law has 30 days to determine your eligibility. If your eligibility is disputed, you will be notified by the Department of Law and given the opportunity to defend your eligibility.

Exhibit 22

Eligible Disabled Person Election Form

ELIGIBLE DISABLED PERSON ELECTION FORM

SEE INSTRUCTION SHEET ON NEXT PAGE BEFORE COMPLETING THIS FORM

For use in New York City which is subject to GBL Section 352-eeee, and for use in municipalities in Nassau, Rockland and Westchester Counties which have adopted GBL Section 352-eee, and to use in municipalities in the State of New York which have adopted GBL Section 352-e(2-a).

NAME: _____

ADDRESS: _____

I elect not to purchase my apartment under the offering plan for conversion of the building to a cooperative or condominium.

I certify that:

1. I am a tenant of the apartment listed above.
2. I have an impairment which results from anatomical, physiological or psychological conditions (other than an addiction to alcohol, gambling, or any controlled substance) which (1) is demonstrable by medically acceptable clinical and laboratory diagnostic techniques, (2) is expected to be permanent, and (3) prevents me from engaging in any substantial gainful employment.

I understand that this disabled person election does not preclude me from purchasing my apartment at a later date.

The above statements are true to the best of my knowledge and understanding.

SIGNED: _____

Sworn to before me this

_____ day of _____, 20____.

NOTARY PUBLIC

Receipt acknowledged, and copy given to tenant.

SPONSOR/AGENT: _____ DATE: _____

INSTRUCTIONS FOR COMPLETING ELIGIBLE DISABLED PERSON ELECTION FORM

State law provides that tenants who are “eligible disabled persons” cannot be evicted because they did not purchase their apartments.

How to Qualify as an “Eligible Disabled Person”

To qualify as an “eligible disabled person,” you must:

1. Be a tenant; and
2. Have a disability as defined on the reverse side of this form; and
3. Complete the form and return it to the sponsor within 60 days of first receiving the offering plan or first becoming disabled (see below for more information).

Who Is Considered a Tenant?

A tenant for purposes of this form is a person who has signed a lease or the spouse of a person who has signed a lease.

Return This Form to the Sponsor

If you were disabled when you first received the offering plan, you must complete and return this form to the sponsor not more than 60 days after first receiving the offering plan.

However, if your disability first occurred after you received the offering plan, then you may elect to become an “eligible disabled person” up to 60 days after the disability first occurred (unless after the first 60 days but before your election the sponsor has accepted a written agreement to purchase your apartment from a “bona fide” purchaser).

Return the form either by delivering it to the sponsor or the sponsor’s selling agent at the location specified in the plan, or by mailing it by certified or registered mail, return receipt requested, to the sponsor or selling agent at the address specified in the plan. **Be sure to sign the form before a Notary Public.**

WARNING!

**FAILURE TO RETURN THIS FORM WITHIN 60 DAYS COULD ULTIMATELY RESULT IN YOUR
BEING EVICTED!**

The Sponsor May Dispute Your Eligibility

The law allows the sponsor to dispute your eligibility as an “eligible disabled person.” In order to do so, the sponsor must apply to the Department of Law for an eligibility determination within 30 days after the sponsor receives your election form. In case of a dispute, the Department of Law has 30 days to determine your eligibility. If your eligibility is disputed, you will be notified by the Department of Law and given the opportunity to defend your eligibility.

Exhibit 23

Tenant Purchaser Form Assignment Affidavit

By: _____
Name: _____

NOTARY FOR _____
Sworn to before me this ____ day
of _____, 201__

Notary Public

Exhibit A

Assignment of the Purchase Agreement

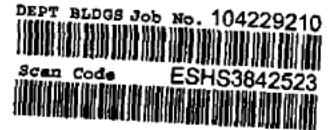
Exhibit 24

Tenant Protection Plan



TPP1: Tenant Protection Plan

Must be completed as fill in PDF



1 Location Information *Required for all applications.*

House No(s) 308	Street Name East 38th Street	Number of apartments to remain occupied
Borough Manhattan	Block 943 Lot 52	BIN 1021916 CB No. 106

2 Tenant Protection Plan *Required for all applications with occupied dwelling units. (2014 AC 28-104.8.4)*

1. **Egress** - Clarify how adequate egress will be maintained during construction.
2. **Fire Safety** - Identify safety measures to maintain fire safety of occupied dwelling during construction.
3. **Health requirements** - Specify methods to be used for control of dust, disposal of construction debris, noise control, and maintenance of sanitary facilities during construction.
4. **Compliance with housing standards** - Demonstrate compliance with NYC housing maintenance code and NYS multiple dwelling law during construction.
5. **Structural safety** - Identify specific measures to maintain structural stability during construction.
6. **Noise restrictions** - Identify measures to comply with NYC Noise control code during construction.
7. **Other requirements** - Any additional requirements to assure tenant safety during construction.

Complete all sections that apply below.

1. **Egress** – At all times during the period of construction a protected pathway that meets the minimum requirements of BC 3307 shall be maintained for egress. All areas not required for egress will be limited to construction personnel.

2. **Fire Safety** – At all times during construction the requirements for fire safety outlined under BC 3033 are to be maintained.

3. **Health Requirements** – The control of dust, disposal of debris, control of pest and maintenance of sanitary facilities shall conform to the requirements of BC 3033.

Noise related to construction shall conform to the rules outlined, in the City Wide Construction Noise Mitigation, Chapter 28 of title 15 of the Rules of the City of New York.

Construction shall be performed with respect to asbestos as outlined in AC 106 Asbestos and the Asbestos Control Program / Asbestos Rules and Regulations Title 15 Chapter 1 of the Rules of the City of New York.

Construction with respect to lead shall conform to all NYC DOH requirements.

4. **Compliance with Housing Standards** – Construction shall not affect any of the requirements outlined in the New City Multiple Dwelling Law or NYC Housing Maintenance Code without providing temporary solutions to that meet the requirements outlined in the respective laws.

5. **Structural Safety** – To ensure that no structural work shall be done that may endanger occupants, any structural work temporary or permanent to be performed shall conform with BC 3305 and submitted in the form shop drawings for approval by the structural applicant of record prior to commencing work.

6. **Noise Restrictions** – Hours of construction shall be restricted based on the guidelines of AC 28-105.12.5

Continue on next page, if necessary.

TPP1

PAGE 2

2	Tenant Protection Plan (Continued)
---	---

Should you require additional space, please complete and submit an A11 form.

3	Tenant Protection Plan Attachments/Drawings Required for all applications where separate Tenant Protection Plan attachments/drawings are included. Please append legible 11 x 17 attachments/drawings to this document.
---	--

1. Do attachments/drawings accompany this TPP? ☐ Yes ☒ No

2. If yes, how many pages? N/A

4	Applicant's Statements and Signatures Required for all applications.
---	---

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. I understand that if I am found after hearing to have knowingly or negligently made a false statement or to have knowingly or negligently falsified or allowed to be falsified any certificate, form, signed statement, application, report or certification of the correction of a violation required under the provisions of this code or of a rule of any agency, I may be barred from filing further applications or documents with the Department.

Name (please print)

Howard Spivak

Signature

Date



P.E. / R.A. Seal (apply seal, then sign and date over seal)

Exhibit 25

PW-1 Plan/Work Application



PW1: Plan / Work Application

Must be typewritten.



1 Location Information Required for all applications.

House No(s) 308 Street Name EAST 38TH STREET

Borough MANHATTAN Block 00943 Lot 00052 BIN 1021916 C.B. No. 106

Work on Floor(s) CEL, 001 Apt. / Condo No(s)

2 Applicant Information Required for all applications. Fax, mobile telephone and e-mail address are optional information.

Last Name LOSINGER First Name CHARLES Middle Initial

Business Name EBI ENGINEERING PC Business Telephone (781) 273-2500

Business Address 21 B STREET Business Fax

City BURLINGTON State MA Zip 01803 Mobile Telephone

E-Mail CLOSINGER@EBICONCONSULTING.COM License Number 069260

Choose one: ☒ P.E. ☐ R.A. ☐ Sign Hanger ☐ R.L.A. ☐ Other:

3 Filing Representative Complete only if different from applicant specified in section 2. Fax, mobile phone, and e-mail are optional info.

Last Name BUCASAN/KRUKOWSKI First Name MARHU/ROBERT Middle Initial

Business Name JAM CONSULTANTS INC Business Telephone (212) 244-4427

Business Address 104 WEST 29TH STREET Business Fax

City NEW YORK State NY Zip 10001 Mobile Telephone

E-Mail DCANDIDUS@JAMNY.COM Registration Number 001228

4 Filing Status Required for all applications. Choose one and provide specified associated information.

☒ Initial Filing 5, 7, 11, 12A, 25-26

Choose only one:

☒ Standard Plan Examination or Review

☐ Professional Certification PC1, POC1

☐ Professional Certification of Objections A/I

☐ Prior to Approval Actions 25-26

☐ Amend Existing Filing 4A

☐ Subsequent Filing 6-7, 8A (Alt-2 only), 11

☐ Post Approval Amendment (PAA) 4A, 6, 24-25

Will PAA affect filing fees? ☐ Yes ☐ No

☐ New (Superseding) Applicant 4A, 25-26

☐ Reinstatement 24-26

☐ Withdrawal 26

☐ Specified in 4A and 6

☐ Entire Job

4A Indicate existing document number affected by filing:

5 Job/Project Types Choose one and provide specified associated information.

☐ Alteration Type 1 or Alteration Type 1 required to meet New Building requirements (28-101.4.5)

6A-E, 8B-C, 9-10, 12, 13C-F, 14, 18-20, 22 &

PW1A, PD1

☐ Alteration Type 1, OT: "No Work" 8C, 9-10 & 12, 13C-F, 14, 18-19, 22, PW1A, PD1

☒ Alteration Type 2 5A, 6A-D, 8A-B, 9-10, 13C-E, & 14, 20, 22

☐ Alteration Type 3 5A, 6B-F, 8C, 9-10, 13C-E, 20, 22

☐ New Building 6A-E, 8F-G, 9A, 9C-K, 10, 12 &

13A-E, 14, 18-20, PW1A, PD1

☐ Sign 5A, 6B-D, 9A, 9D, 22-23

☐ Full Demolition 6B, 8D, 9A & 9C-D, 9K, 13D-E, 14, 21A, 22

☐ Subdivision 9A, 9D, 12A-B

☐ Condominium ☐ Improved 17

5A Directive 14 acceptance requested?

☒ Yes ☐ No

6 Work Types Select all that apply but no more than allowed by job and filing type. "OT" required on all NB and Alteration 1 Initial applications.

6A ☐ BL - Boiler PW1C

☐ FA - Fire Alarm

☐ FB - Fuel Burning PW1C

6B ☐ EQ - Construction

Equipment 15

☐ FS - Fuel Storage PW1C

☐ FP - Fire Suppression

☒ MH - Mechanical

6C ☐ OT/GC - General

Construction

☒ PL - Plumbing PW1B

☐ SD - Standpipe PW1B

☐ SP - Sprinkler PW1B

6D ☐ OT - Other, describe:

6E ☐ CC - Curb Cut 16

☐ OT/LAN - Landscape

6F ☐ OT/ANT - Antenna

☐ OT/BPP - Builders Pavement Plan 8D

☐ OT/FPP - Fire Protection Plan

☐ OT/MAR - Marquee 8E, 26B

PW1

PAGE 2

7 Plans/Construction Documents Submitted *Plans are required for most applications.*

 Are plans being submitted with this PW1? ☒ Yes ☐ No *If yes, do the plans include:* ☐ FO — Foundation ☐ EN — Energy Analysis

8 Additional Information

8A WT	Cost	WT	Cost	WT	Cost	8B Is a building enlargement proposed?	8C Estimated Job Cost \$119100
PL	15500					☒ No enlargement is proposed	8D Street Frontage: linear ft.
ME	103600					☐ Yes 12, PD1	8E Height: ft. Width: ft.
						☐ Horizontal ☐ Vertical	8F Total Construction Floor Area: sq. ft.
						Additional Construction Floor Area: sq. ft.	

9 Additional Considerations, Limitations or Restrictions

9A Review is requested under which building code? ☒ 2014 ☐ 2008 ☐ 1968 ☐ Prior to 1968

Yes No Yes No

9B ☐ ☒ Alteration required to meet New Building requirements (28-101.4.5) *If yes, 13A-B* ☐ ☒ Change in number of dwelling units

☐ ☒ Alteration is a major change to exits ☐ ☒ Change in occupancy / use

9C ☐ ☒ Façade Alteration ☐ ☒ Change is inconsistent with current certificate of occupancy

☐ ☒ Adult Establishment *If yes, plot diagram (except DM)* ☐ ☒ Change in number of stories

☐ ☒ Compensated Development (Inclusionary Housing) ☐ ☒ Infill Zoning

☐ ☒ Low Income Housing (Inclusionary Housing) ☐ ☒ Loft Board

☐ ☒ Single Room Occupancy (SRO) Multiple Dwelling ☐ ☒ Quality Housing

☐ ☒ Filing includes Lot Merger / Reapportionment *If yes, 17* ☐ ☒ Site Safety Job/Project

9D ☐ ☒ Landmark ☐ ☒ Filing to address violations (list #s—max. 5):

☐ ☒ Little "E" or RD Site ☐ ☒ Filing to comply with Local Laws (list #s—max. 2)

☐ ☒ Unmapped/CCO Street

☐ ☒ Requesting legalization of work where no work without a permit violations have been issued

☐ ☒ Other (please specify on line provided below):

☐ ☒ CRFN(s) Restrictive Declaration / Easement (max. 4):

☐ ☒ CRFN(s) Zoning Exhibit (I, II, III, etc. - max. 4):

9E ☐ ☒ BSA Calendar Numbers (max. 5):

9F ☐ ☒ CPC Calendar Numbers (max. 5):

9G ☐ ☒ Work includes lighting fixture and/or controls, installation or replacement. [ECC §404 and §505]

9H ☐ ☒ Work includes modular construction under New York State jurisdiction

☐ ☒ Work includes modular construction under New York City jurisdiction

9I High Rise Team tracking #:

9J ☐ ☒ Structural peer review required per BC 16. *If yes, provide NYS P.E. license number:*

9K ☐ ☒ Work includes permanent removal of standpipe, sprinkler or fire suppression related systems

9L ☐ ☒ Work includes partial demolition as defined in AC §28-101.5, or the raising/moving of a building *If yes, 21B*

☐ ☒ Structural stability affected by proposed work

10 NYCECC Compliance *New York City Energy Conservation Code*

☒ To the best of my knowledge, belief and professional judgment, all work under this application is in compliance with the NYCECC*

Code Compliance Path (choose one): ☒ NYCECC ☐ ASHRAE

Energy Analysis (choose one): ☒ Tabular Analysis ☐ REScheck ☐ COMcheck ☐ Energy Modeling (EN1)

☐ To the best of my knowledge, belief and professional judgment, all work under this application is exempt from the NYCECC* in accordance with one of the following (choose one):

☐ The work is an alteration of a State or National historic building.

☐ The scope of the work is entirely in a "low-energy building" and is limited to the building envelope.

☐ The entire scope of work involves a temporary structure and/or one or more of the following work types: FA, FP, SD, SP, FS, EQ, CC, OT/BPP, OT/FPP. Other work types are not exempt.

☐ This is a post-approval amendment and exempt under a prior edition of the energy code. See statement of exemption on attached drawings.

DOB Reference Number: T00001392863-000034

User Ref ID: 308MH 12/14

PW1

PAGE 3

11 Job Description	11A Related DOB Job Numbers
---------------------------	------------------------------------

FILING HERewith FOR MODIFICATIONS TO EXISTING HVAC SYSTEM AND
INSTALLATION OF PLUMBING FIXTURES AS PER PLANS FILED HERewith.
NO CHANGE IN USE EGRESS OR OCCUPANCY.

104229210

11B Primary application job no.

12 Zoning Characteristics

12A District(s) C1-9 Overlay(s) Special Dist.(s) Map Number 8D	12B Street legal width: _____ ft. Street Status: ☐ Public ☐ Private <i>If the zoning lot includes multiple tax lots, list all tax lots here ►</i>
---	---

12C Proposed: Use* _____ _____ _____ _____ _____ _____ Proposed Totals Existing Total	Zoning Floor Area sq. ft. _____ sq. ft. _____ sq. ft. _____ sq. ft. _____ sq. ft. _____ sq. ft. _____ sq. ft. _____ sq. ft. _____ sq. ft. _____	District _____ _____ _____ _____ _____ _____ _____ _____	FAR _____ _____ _____ _____ _____ _____ _____ _____	Proposed Lot Details: Lot Type: ☐ Corner ☐ Interior ☐ Through Lot Coverage _____ % Lot Area _____ sq. ft. Lot Width _____ ft. Proposed Other Details: Enclosed Parking? ☐ Yes ☐ No <i>If yes, no. of parking spaces:</i> _____ Perimeter Wall Height _____ ft.	Proposed Yard Details: Check here if no yards: ☐ or Front Yard _____ ft. Rear Yard _____ ft. Rear Yard Equivalent _____ ft. Side Yard 1 _____ ft. Side Yard 2 _____ ft.
--	---	---	--	---	---

*Use can be one of the following: residential, commercial, manufacturing, or community facility. List only one use per line.

13 Building Characteristics *Main use/dominant occupancy per AC §28-101.5. **Use 2014 Code equivalents only. ² Residential w/other use.

13A Primary structural system, choose one: ☐ Masonry ☐ Concrete (CIP) ☐ Concrete (Precast) ☐ Wood ☐ Steel (Structural) ☐ Steel (Cold-Formed) ☐ Steel (Encased in Concrete)			
---	--	--	--

13B Structural Occupancy/Risk Cat. Seismic Design Cat.	Existing _____ _____ _____ _____ _____ _____ _____ _____	Proposed _____ _____ _____ _____ _____ _____ _____ _____	13D Building Type: ☐ 1, 2, or 3 Family ☒ Other Mixed use building? ☐ Yes ☒ No
---	---	---	--

13C Occupancy Classification* J-2 Construction Classification 1-C Multiple Dwelling Classification HARA	2014 Code Designations? ☐ Yes ☒ No ☐ Yes ☒ No ☐ Yes ☒ No	2014 Code Designations? ☒ Yes** ☐ Yes ☐ No ☐ Yes ☐ No	13E Building Height 205 ft. Building Stories 20 Dwelling Units 97
--	---	---	--

13F Building was originally erected pursuant to which Building Code: ☐ 2014 ☐ 2008 ☐ 1968 ☐ Prior to 1968 The earliest Code with which this building or any part of it is required to comply: ☐ 2014 ☐ 2008 ☐ 1968 ☐ Prior to 1968			
--	--	--	--

14 Fill Choose one.

☒ Not Applicable ☐ On-Site ☐ Off-Site ☐ Under 300 cubic yards

15 Construction Equipment	16 Curb Cut Description
----------------------------------	--------------------------------

☐ Chute ☐ Sidewalk Shed **Construction Material:** _____
☐ Fence **Size:** _____ linear ft. **BSA/MEA Approval No.** _____
☐ Supported Scaffold ☐ Other: _____

Size of cut (with splays): _____ ft.
Distance to nearest corner: _____ ft.
to street: _____

17 Tax Lot Characteristics	18 Fire Protection Equipment
-----------------------------------	-------------------------------------

Original tax lots being merged or reapportioned (if applicable):

Tentative tax lot numbers (new tax lots only):

	Existing	Proposed
	Yes	No
Fire Alarm	☐	☐
Fire Suppression	☐	☐
Sprinkler	☐	☐
Standpipe	☐	☐

DOB Reference Number: T00001392863-000034

User Ref ID: 308ME 12/14

PW1

PAGE 4

19 Open Spaces

	Existing	Proposed		Existing	Proposed
Plaza Area	sq. ft.	sq. ft.	Arcade Area	sq. ft.	sq. ft.
Parking Area	sq. ft.	sq. ft.	Parking Spaces		
Loading Berths	sq. ft.	sq. ft.	Loading Berths		

20 Site Characteristics

- Yes No
- ☐ ☒ Tidal Wetlands
- ☐ ☒ Coastal Erosion Hazard Area
- ☒ ☐ Fire District
- Yes No
- ☐ ☒ Freshwater Wetlands
- ☐ ☒ Urban Renewal
- ☐ ☒ Flood Hazard Area If yes, 20A

20A Flood Hazard Area Information

- Yes No
- ☐ ☐ Substantial improvement?
- ☐ ☐ Substantially damaged?
- ☐ ☐ Floodshields part of proposed work?

21 Demolition Details *Mechanical equipment other than handheld devices to be used for demolition or removal of debris (BC §3306.4).

Yes No

- 21A ☐ ☐ Demo. filing is for a secondary structure? If yes, specify structure being demolished:
- ☐ ☐ Mechanical means* from out of building? If yes, mechanical means will demolish: ☐ entire structure or ☐ part of structure
- ☐ ☐ Mechanical means* from within building? If yes, describe equipment proposed:
- 21B ☐ ☐ Demolition work affects the exterior building envelope
- ☐ ☐ The scope of work involves raising/moving of a building

22 Asbestos Abatement Compliance Choose one.

- ☐ The scope of work requires related asbestos abatement as defined in the regulations of the NYC Department of Environmental Protection (DEP).
- ☐ The scope of the work is not an asbestos project as defined in the regulations of the NYC DEP. DEP Control # is required.
- DEP ACP-5 Control No. _____
- ☒ The scope of work is exempt from the asbestos requirement as defined in the regulations promulgated by the NYC DEP (15 RCNY 1-23(b)) or is an alteration to a building constructed pursuant to plans submitted for approval on or after April 1, 1987, in accordance with § 28-106.1.

23 Sign

- Purpose: ☐ Advertising ☐ Non-Advertising
- Type: ☐ Illuminated 23A ☐ Non-Illuminated
- Estimated Cost: \$ _____
- Total Square Feet: _____
- Height above Curb: _____ ft. in.
- Height above Roof: _____ ft. in.
- Location: ☐ Ground ☐ Roof 23B ☐ Wall
- Yes No
- ☐ ☐ Is sign inside building line? If no, sign projects by: _____ ft. in.
- ☐ ☐ Designed for changeable copy? If no, 23C
- ☐ ☐ Does an OAC have an interest in this sign or location? If yes, 23G
- ☐ ☐ Within 900' and within view of an arterial highway? If yes, 23D
- ☐ ☐ Within 200' and within view of a park 1/2 acre or more? If yes, 23E
-> If answer is "yes" to either of the above two questions and this is an advertising sign, OAC sign number is required in section 23F
- 23A Illuminated type: ☐ Direct ☐ Flashing ☐ Indirect
- Yes No
- ☐ ☐ If sign projects beyond building line, is owner billed for annual permit? If no, specify in 26B
- 23B ☐ ☐ Is roof sign tight, closed or solid?
- 23C Sign wording. If extensive, provide only key wording.
- 23D Distance from Arterial Highway: _____ ft.
- 23E Distance from Park 1/2 acre or more: _____ ft.
- 23F OAC Sign Number: _____
- 23G OAC Registration Number: _____

24 Comments Place additional comments on an AI-1 form. See Guide for proper incorporation of professional certification statements.

PW1

PAGE 5

25 Applicant's Statements and Signatures Required for all applications.

Falsification of any statement is a misdemeanor and is punishable by a fine or imprisonment, or both. It is unlawful to give to any 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. I understand that if I am found after hearing to have knowingly or negligently made a false statement or to have knowingly or negligently falsified or allowed to be falsified any certificate, form, signed statement, application, report or certification of the correction of a violation required under the provisions of this code or of a rule of any agency, I may be barred from filing further applications or documents with the Department. I prepared or supervised the preparation of the construction documents and work shown thereon comply with applicable laws and rules, ☐ (check here if) except as set forth in the accompanying documents. I acknowledge that I have read and understand all instructions pertaining to this application and supplementary schedules submitted. Cluster Development Statement (if applicable): I hereby state that all specifications relating to this application are identical to those previously filed under the group lead job number, except as specified herein.

For Initial New Building and Alteration 1 applications filed under the 2008 or 2014 NYC Building Code only: does this building qualify for high-rise designation? ☐ Yes ☐ No

Directive 14 Initial applications only: I certify that the construction documents submitted and all construction documents related to this application do not require a new or amended Certificate of Occupancy as there is no change in use, exits, or occupancy. ☒ Yes ☐ No

Name (print):

Sign and Date:

P.E. / R.A. Seal (apply seal, and date over seal)

26 Property Owner's Statements and Signatures

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. I understand that if I am found after hearing to have knowingly or negligently made a false statement or to have knowingly or negligently falsified or allowed to be falsified any certificate, form, signed statement, application, report or certification of the correction of a violation required under the provisions of this code or of a rule of any agency, I may be barred from filing further applications or documents with the Department. Furthermore, I understand that I am responsible for insuring that a final inspection be performed when the permitted work is complete, and that a satisfactory report of final inspection be submitted, along with all required submittal documents, so that the NYC Department of Buildings may issue a letter of completion or certificate of occupancy within the time prescribed by law.

I have authorized the applicant to file this application for the work specified herein and all future amendments. I will not knowingly authorize any work that is not in compliance with all applicable laws, rules, and regulations.

Yes No

☐ ☐ Fee Exemption Request (Non-Profit Owned and Operated) In accordance with Administrative Code §28-112.1, Exception 1, I certify that the deed holder is a corporation or association organized and operated exclusively for the purposes indicated in such section, and that the property is used exclusively by such entity for such purpose. ★

☐ ☐ Fee Exemption Request (NYCHA/HHC, NYC Agency, or Other Government Owned and Operated) The building or any part thereof to be constructed, renovated, altered or demolished is owned and operated exclusively for the purposes of the NYC Agency, NYC Authority, NYS Agency, Federal Government or any other government entity. ★

☐ ☒ Owner's Certifications Regarding Occupied Housing The site of the building to be altered or demolished, or the site of the new building to be constructed, contains one or more occupied dwelling units that will remain occupied during construction. These occupied dwelling units have been clearly identified on the submitted construction documents.

☐ ☒ The site of the building to be altered or demolished, or the site of the new building to be constructed, contains occupied housing accommodations subject to rent control or rent stabilization under Chapters 3 and 4 of Title 28 of the New York City Administrative Code. If yes, select one of the following:

☐ The owner is not required to notify the New York State Homes and Community Renewal (NYSHCR) of the owner's intention to file because the nature and scope of the work proposed, pursuant to NYSHCR regulations, does not require notification.

☐ The owner has notified the New York State Homes and Community Renewal (NYSHCR) of its intention to file such construction documents/application for such permit and has complied with all requirements imposed by the regulations of such agency as preconditions for such [filing/application].

Provide date NYSHCR notified: _____

☒ ☐ Owner's Certification for Directive 14 Applications (if applicable) I have read and am fully aware of the applicant's statement that the construction documents submitted and all construction documents related to this application will not require a new or amended Certificate of Occupancy as there is no change in use, exits, or occupancy and the work is not inconsistent with the current certificate of occupancy. Furthermore, I understand that I am responsible for retaining a qualified design professional to perform a final inspection when the permitted work is complete and this professional must submit a satisfactory final inspection report to the NYC Department of Buildings within the time following inspection prescribed by Department rule.

Notes for Section 26A: Section required if unit owner signed Section 26. Signature required for authorized representative of Condo or Co-Op board.

★ For fee waivers, please see the PW1 User Guide

Owner ☐ Individual ☐ Partnership ☐ NYCHA / HHCType: ☒ Corporation ☐ Other Government ☐ NYC Agency☐ Condo Unit Owner or Co-Op Tenant-shareholder 26AIs the deed holder a non-profit organization? ☐ Yes ☒ No

Name (please print): JOSEPH COLAPIETRO JR.

Relationship to Owner: VP OF CONST

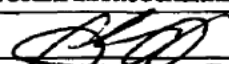
Business Name/Agency: GAIA REAL ESTATE

Street Address: 152 WEST 57TH STREET

City: NEW YORK State: NY Zip: 10019

Telephone Number: (212) 563-2726 Fax:

E-Mail Address: JCOLAPIETRO@GAIARE.COM

Signature and Date:  12.27.11**26A Condo/Co-Op Board** See note in bottom left corner of page.

Name (please print):

Title:

Street Address:

City:

State:

Zip:

Telephone Number:

Fax:

E-Mail Address:

Signature and Date: **26B Lessee Responsible for Annual Sign or Marquee Permit**

Name (please print):

Relationship to Owner:

Business Name/Agency:

Street Address:

City:

State:

Zip:

Telephone Number:

Fax:

E-Mail Address:

DOB Reference Number: T00001392863

User Ref ID: 308MX 12/14

Exhibit 26

Form Affidavit of Bona Fide Purchasers

Affidavit of Bona Fide Tenant Purchaser
For Purposes of Declaring Offering Plan Effective

[insert name of tenant purchaser(s)]
 [insert address of Condominium or Cooperative project name and property address]
 File No. [insert NYAG File Number] Unit
 No. [insert unit number(s)] Purchase Price:
 [insert purchase price] Down Payment:
 [insert down payment]

STATE OF NEW YORK)
 : SS.:
 COUNTY OF NEW YORK

I/We, a purchaser[s] under the offering plan for the above-referenced [condominium/cooperative] 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 down payment 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 _____, 201__

Notary Public

Affidavit of Bona Fide Non-Tenant Purchaser
For Purposes of Declaring Offering Plan Effective

[insert name of tenant purchaser(s)]
 [insert address of Condominium or Cooperative project name and property address]
 File No. [insert NYAG File Number]
 Unit No. [insert unit number(s)]
 Purchase Price: [insert purchase price]
 Down Payment: [insert down payment]

STATE OF NEW YORK)
 : SS.:
 COUNTY OF NEW YORK

I/We, a purchaser[s] under the offering plan for the above-referenced [condominium/cooperative] 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 down payment 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 _____, 201__

Notary Public