CONDOMINIUM OFFERING PLAN FOR

21 EAST 12TH STREET CONDOMINIUM

21 East 12th Street
New York, New York 10003

52 Condominium Residences*	$ 272,000,000.00
8 Storage Bin Licenses	$ 312,000.00
Total Offering	$ 272,312,000.00

*The Condominium also contains a Garage Unit, a Retail Unit, and a Community Facility Unit, which are not owned by Sponsor and will not be offered for sale under this Plan. One Residential Unit will be sold to the Condominium Board for the Resident Manager.

SPONSOR:
21E12 LLC
c/o William Macklowe Company
126 East 56th Street
New York, New York 10022

SELLING AGENT:
Corcoran Sunshine Marketing Group
888 Seventh Avenue
New York, New York 10106

Date of Acceptance for Filing: May 25, 2016

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

BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL UNITS AFTER PLAN CONSUMMATION, 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. (SEE SPECIAL RISK SECTION OF THE PLAN.) PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE BOARD OF MANAGERS UNDER THE TERMS OF THIS PLAN. THIS OFFERING PLAN IS THE SPONSOR'S ENTIRE OFFER TO SELL THESE CONDOMINIUM UNITS. NEW YORK LAW REQUIRES THE SPONSOR TO DISCLOSE ALL MATERIAL INFORMATION IN THIS PLAN AND TO FILE THIS PLAN WITH THE NEW YORK STATE DEPARTMENT OF LAW PRIOR TO SELLING OR OFFERING TO SELL ANY CONDOMINIUM UNIT. FILING WITH THE DEPARTMENT OF LAW DOES NOT MEAN THAT THE DEPARTMENT OR ANY OTHER GOVERNMENT AGENCY HAS APPROVED THIS OFFERING.

THIS PLAN CONTAINS SPECIAL RISKS TO PURCHASERS. SEE PAGE (7).

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PART I

A. SPECIAL RISKS TO BE CONSIDERED BY PURCHASERS

The purchase of a condominium unit has many significant legal and financial consequences and may be one of the most important financial transactions of your life. The Attorney General of the State of New York strongly urges you to read this Offering Plan carefully and to consult with an attorney before signing an agreement to purchase a condominium unit.

1. The Condominium. 21 East 12th Street Condominium (the "Condominium") contains 52 Residential Units and 8 Storage Bin Licenses that are being offered for sale under this Offering Plan. The Residential Units may generally be used only for residential purposes and, subject to compliance with the Declaration and the By-Laws, for lawful home occupation as defined in the New York City zoning resolution; and may be leased by the Residential Unit Owners thereof to tenants only for periods of not less than one year. There is also a Retail Unit, a Garage Unit, and a Community Facility Unit (the "Non-Residential Units") none of which are being offered for sale. The Non-Residential Units are owned by a third party which is not affiliated with Sponsor. Unsold Residential Units may be leased by Sponsor, its designee or by an Owner of Unsold Residential Units for any period of time, for any use and on any terms which are consistent with the then-existing Certificate of Occupancy for the Building.

The Non-Residential Units will be used for retail purposes, a parking garage, and a community facility. The Non-Residential Units may be used for any legal purpose; there are no further limitations on the use of the Non-Residential Units. The Condominium Board will have no right to restrict or limit any of the uses of the Non-Residential Units which are permitted by law and applicable zoning ordinances, and the Non-Residential Units may be subdivided, as set forth in the Declaration and By-Laws. No representation or warranty is made with respect to such initial or any subsequent uses of the Non-Residential Units or with respect to who the owner or tenant(s) of the Non-Residential Units may be at any time. As a result, in the future the Non-Residential Units may be used for non-retail purposes. Use of the Non-Residential Units as a café, restaurant or like use could result in additional noise and food-related smells. The Garage Unit is not owned by Sponsor and Sponsor makes no representation as to the use or management of the Garage Unit or the availability thereof for use by Unit Owners. For more information, see the Section "Non-Residential Units" in Part I of the Plan.

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

defined) or to change the permitted use of any unlicensed Storage Bins, subject, however, to the provisions of the Declaration. If at any time the licensee of a Storage Bin sells its Residential Unit, it shall simultaneously assign its license of the Storage Bin to another owner of a Residential Unit, and if it fails to do so, the Board shall have the right to terminate the license of the Storage Bin and take possession of the same, without compensation to the licensee.

2. **Sponsor's Right to Rent Residential Units.** Sponsor is reserving the unconditional right to rent rather than sell Residential Units and is not limiting the conditions under which it will rent rather than sell Residential Units. There is no commitment to sell more than the fifteen percent (15%) necessary to declare the Plan effective. Owner-occupants may never gain effective control and management of the Condominium. Other than Interim Leases executed by Purchaser, Sponsor will not enter into leases for Residential Units prior to the Plan being declared effective. Please refer to the Sections entitled "Control by Sponsor" and "Interim Leases" in Part I of the Plan.

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

The Sponsor anticipates that the First Closing of a Residential Unit will occur by December 1, 2018. Purchasers will be offered a right of rescission if: (i) the actual date of closing of title to the first Residential Unit; or (ii) the projected date of closing of title to the first Residential Unit occurs later than November 30, 2019, twelve months after the projected date for the First Closing, although the actual First Closing may occur prior to December 1, 2018. If the Plan is amended to provide for a later projected date for the First Closing, Purchaser will be

entitled to an offer of rescission if the First Closing occurs more than twelve (12) months beyond that amended, later date. However, if the first Residential Unit closing occurs before November 30, 2019, the Sponsor may schedule the closing of title to other Residential Units significantly later than such date. Unless your Agreement contains an outside closing date, the Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your Residential Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.

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

Sponsor's use of the Agreement does not have an adverse impact on the Purchasers and prevents the Sponsor from suing a defaulting Purchaser for specific performance. Notwithstanding the Payments being considered option payments, they will be held in escrow pursuant to the Attorney General's Regulations. See "Procedure to Purchase – Escrow and Trust Fund Requirements".

Notwithstanding the foregoing, foreign governments and persons with diplomatic immunity will be obligated to make an Initial Payment in an amount equal to at least fifty percent (50%) of the Purchase Price on the execution of an Agreement. In the event a Purchaser defaults under his or her Agreement and does not cure such default within thirty (30) days after Sponsor gives written notice to the Purchaser of such default, Sponsor may, at its option, cancel such Agreement and retain, as liquidated damages, the entire Payment made by the Purchaser, together with interest earned thereon, if any. TIME IS OF THE ESSENCE (described below) to a Purchaser as to a Purchaser's obligations pursuant to the Agreement, including, without limitation, for the payment of the balance of the Purchase Price. Funds drawn on out-of-state or foreign banks will not be accepted in payment of the Purchase Price for a Residential Unit unless otherwise agreed by Sponsor.

For purposes of this Plan and the Agreement, the term "TIME BEING OF THE ESSENCE" shall mean that a failure by Purchaser to do what is required at the time specified in the Agreement is a material breach of the Agreement and an Event of Default entitling Sponsor to the remedies set forth in this Plan and the Agreement. TIME IS OF THE ESSENCE with respect to the Purchaser's obligation to close title on the date set for closing and to pay, perform or observe all of his or her other obligations under the Agreement, and to cure a default within 30 days after Sponsor gives written notice to the Purchaser of such default. Therefore, a Purchaser who defaults under his or her Agreement and who does not cure such default within such 30-day period may not be permitted any additional time to cure such default.

Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan.

All funds received by the Sponsor for upgrades or extras will be initially be placed in an escrow account. However, Purchasers should note as a special risk that such funds may be released from the escrow account by the Escrow Agent as long as the Sponsor uses the funds for such upgrades or extras. As a result, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds used for upgrades or extras. Notwithstanding the foregoing, if Sponsor abandons the Plan, all funds received by Sponsor for upgrades or extras will be returned to Purchasers.

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

5. **Escrow Dispute Arbitration.** The Agreement contains a clause requiring that disputes regarding the disposition of Down Payments received by Sponsor and held by Escrow Agent be submitted to binding arbitration (the "Arbitration"). The Arbitration forum shall be the Judicial Arbitration and Mediation Service ("JAMS"). Any Arbitration arising out of or related to the Down Payments shall be determined by the arbitrator appointed in the Arbitration (the "Arbitrator"). After a hearing in accordance with the JAMS Streamlined Rules, the Arbitrator shall make his or her determination and shall award to the prevailing party if any, the costs and attorneys' fees reasonably incurred by the prevailing party in connection with the Arbitration. If the Arbitrator determines that Sponsor has prevailed in the Arbitration, then Purchaser may be required to pay Sponsor's attorney's fees and other costs reasonably incurred by Sponsor in connection with the Arbitration, including all fees assessed by JAMS and the Arbitrator's compensation fee. Please see the Section entitled "Procedure to Purchase" in Part I of the Plan and the form of Agreement set forth in Part II of the Plan for further details.

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

7. **Purchaser's Default Under Purchase Agreement.** In the event that a Purchaser fails to close title on the date set for Closing or otherwise fails to perform any other obligation under the Agreement, and such default is not cured within thirty (30) days after Sponsor gives written notice to such Purchaser of the default, Sponsor may, at its option, cancel such Agreement and retain as liquidated damages the Payment made by the Purchaser, together with all interest earned thereon. Additionally, if a Purchaser fails for any reason to close title to his or her Residential Unit on the originally scheduled closing date and Sponsor elects not to cancel the Agreement as a result of the same, (a) the closing apportionments to be made at the Closing will be made as of midnight of the day preceding the originally scheduled closing date, and (b) the Purchaser will be required to pay to Sponsor an amount equal to 0.04% of the Purchase Price of the Residential Unit in question for each day that the Closing is adjourned.

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

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

8. **No Financing Contingency.** The obligations of a purchaser under a Purchase Agreement are not conditioned on obtaining financing. Any prospective purchaser who executes a Purchase Agreement and does not obtain financing may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the purchase price. Prospective purchasers who require financing are advised to consult with a lending institution before execution of a Purchase Agreement. No representation is made by the Sponsor as to the availability or cost of such financing. Although a Purchaser may obtain financing from a lending institution or any other source, his or her obligation to purchase a Residential Unit pursuant to his or her Agreement shall not be contingent on obtaining financing for such purchase. Neither Sponsor nor the Selling Agent makes any representations as to the terms or availability of any mortgage financing. Prospective Purchasers are, therefore, advised to pre-qualify for financing with their lender before signing an Agreement. However, prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be fixed, and it could expire before the Closing Date. In addition, a lending institution could withdraw its commitment if, for

example, it believes a Purchaser's financial condition has worsened or that the Residential Unit's appraised value has decreased. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan for further details.

9. Financing. Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on loans. Some restrictions include requiring that a certain percentage (70% or more) of the Residential Units in a building be sold before the lender will consider making a loan. Even after the First Closing has occurred, lenders may still impose minimum sales requirements as a condition to making a loan for which commitments have been issued. It may be possible for a Purchaser to experience difficulty obtaining a loan in a building where the percentage of Residential Units purchased is lower than a lender's particular sales minimum. Moreover, in the current economic climate, lenders are imposing higher loan to value requirements, making it more difficult for purchasers to obtain a loan to finance the purchase of their Residential Unit. It may be difficult for a Purchaser to resell a Unit if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions. (See the Section entitled "Procedure to Purchase" for further details.)

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

10. Mortgage Tax Credit. If Purchaser obtains a mortgage loan for the purchase of the Residential Unit (the "Purchase Money Mortgage"), the Purchaser will pay to Sponsor a sum

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

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

12. Control of the Condominium. After the Initial Control Period, the Condominium Board, which will contain seven (7) members (of which five (5) members will be residential members and one (2) members will be Non-Residential members). The Residential Members of the Condominium Board will be designated as the Residential Board. The Residential Board will deal with issues relating to the Residential Units and the Residential Common Elements. The Non-Residential Unit Owners will deal with issues relating to the Non-Residential Units. The Condominium Board will be responsible for the General Common Elements.

Sponsor, as the owner of Unsold Units, will have voting control of the Condominium Board and the Residential Board during the period which continues until the earlier to occur of: (i) the Sponsor owning less than fifty percent (100%) of the aggregate Common Interests pertaining to all Residential Units or (ii) five (5) years after the First Closing (the "Initial Control Period"). Thereafter, Sponsor will continue to have the right to vote its interest in the Unsold Residential Units in all elections. Please refer to the Section entitled "Control by Sponsor" in Part I of the Plan for further details of the forgoing.

During the period that Sponsor controls the Condominium Board and Residential Board, Sponsor will have control of maintenance, facilities and services to be provided to Unit Owners and will determine the Common Charges to be paid by all Unit Owners. During this time, the level of services must remain consistent with the level set forth in Schedule B.

Sponsor may exercise veto power over some actions of the Condominium Board and Residential 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 over any matter relative to the health and safety of the occupants in the Building. Until the earlier of (a) the date Sponsor has conveyed title to all of the Residential Units or (b) five (5) years after the closing of the first Residential Unit (the "First Closing"), the Condominium Board and Residential 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 Residential Unit, or (b) assess any General Common Charges or Residential Common Charges for the creation of, addition to or replacement of all or part of a working capital, reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, or (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services, or (e) borrow money on behalf of the Condominium or the Residential Section, or (f) exercise a right of first refusal to lease or purchase a Residential Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary (and no other alternative is available) to enable the Condominium Board and Residential 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.

At meetings of the Unit Owners, Sponsor will have the right to vote all of the Common Interests appurtenant to the Units owned by Sponsor as Sponsor sees fit. In addition, at elections of members to the Condominium Board and Residential Board held during the Initial Control Period, Sponsor and/or its designee shall have the right to elect and/or designate all of the members of the Condominium Board and Residential Board to be elected by the Unit Owners. After the Initial Control Period, Sponsor, its designee and all other Unit Owners shall have the right to vote its Common Interests to elect the members of the Condominium Board and Residential Board although a majority shall not be related to or affiliated with Sponsor, such designee or other Unsold Unit Owners. Please refer to the Section entitled "Control by Sponsor" in Part I of the Plan for further details of the forgoing..

13. Right of First Refusal. The sale or lease of Residential Units is subject to a right of first refusal by the Board. Leases of Residential Units, other than Unsold Residential Units, may not be for terms shorter than one (1) year. The Board has the right to reject sales and leases to Purchasers and tenants who themselves (or residents of their Residential Units) have diplomatic immunity or have been convicted of violent crimes or child molestation without being required to exercise the right of first refusal. Please refer to the Section entitled "Control by Sponsor" in Part I of the Plan.

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

the Board does not have the right to approve or disapprove purchasers, and as a result, there is no limit on the number of owners who may purchase a Residential Unit for investment rather than for personal occupancy, and there may always be a substantial percentage of Residential Unit Owners who are non-residents. (See the sections of this Plan entitled "Introduction", "Control by Sponsor" and "Condominium Board" for further discussion.)

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

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

17. Certificate of Occupancy. Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a permanent certificate of occupancy covering the entire building but with only a temporary certificate of occupancy, and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both temporary and permanent certificates of occupancy are issued by the New York City Department of Buildings. A temporary certificate of occupancy is intended to indicate that the property is safe for occupancy, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the New York City Department of Buildings. All temporary certificates of occupancy have an expiration date. A temporary certificate of occupancy typically expires 90 days after the date of issuance. When a

temporary certificate of occupancy expires and is not renewed, it may be difficult or impossible to buy insurance or sell or refinance a Residential Unit. If a temporary certificate of occupancy expires before it is renewed or a permanent certificate of occupancy is obtained, residential occupancy of the premises will be in violation of the Multiple Dwelling Law. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a temporary certificate of occupancy rather than a permanent certificate of occupancy. Sponsor anticipates this scenario may occur. Sponsor will undertake the responsibility for extending each temporary certificate of occupancy received prior to expiration thereof, and Sponsor and its principals are ultimately responsible for obtaining a permanent certificate of occupancy covering the entire building within two (2) years from the date of the issuance of the first temporary certificate of occupancy. However, Sponsor makes no representation or guarantee that the New York City Department of Buildings will issue the permanent certificate of occupancy within such two year period. Notwithstanding the foregoing, Sponsor is obligated to procure the permanent certificate of occupancy for the entire building, and shall exercise best efforts to obtain the permanent certificate of occupancy within such two (2) year period while keeping the temporary certificate of occupancy current. Residential Unit Owners and the Board shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings. In order for the Sponsor to obtain a permanent certificate of occupancy for the Building, the Non-Residential Unit Owners must first build out the Non-Residential Units, as the Non-Residential Units are being delivered to the Non-Residential Unit Owners as raw space. Sponsor makes no representation or warranty that the Department of Buildings will issue a permanent certificate of occupancy or as to when after issuance of the first temporary certificate of occupancy the final certificate of occupancy will be issued.

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

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

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

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

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

18. Changes to Plans. In order to meet the possible varying demand for number and type of Residential Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Board, Residential Unit Owner or mortgagee, to (a) change the layout of, or number of rooms in any Unsold Residential Unit, (b) change the size and/or number of Unsold Residential Units by dividing one or more such Residential Units into two or more separate Unsold Residential Units, combining separate Unsold Residential Units (including those resulting from such subdivision or otherwise) into one or more Unsold Residential Units, altering the boundary walls between one or more Unsold Residential Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Residential Unit, (c) designate a Common Element as part of the Residential Unit or designate all or part of a Residential Unit as a newly created Common Element and (d) if appropriate, reapportion among the Unsold Residential Units affected by any such change, their aggregate Common Interests. Please see the Section of the Plan entitled "Changes in Prices and Residential Units" for further details.

Upon Closing a Residential Unit, the Purchaser will receive warranties for the appliances in the Residential Unit. Except as contained on Purchaser's inspection statement Sponsor shall not be obligated to correct, repair, or replace any defects relating to construction of the Residential Units, the Common Elements, or in the installation or operation of any appliances, fixtures, or equipment therein.

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

19. Tenant Protection Plan. As required under Section 28-104.8.4 of the New York City Building Code (the "New Code" as enacted 2008), in the event the Building is occupied by tenants and/or Residential Unit Owners prior to the time when a permanent Certificate of

Occupancy can be obtained, a tenant protection plan will be distributed to each occupant who will be occupying any dwelling units of the Building during construction.

20. Inapplicability of Housing Merchant Implied Warranty Law. As more fully set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor", Sponsor is obligated to renovate the Building in accordance with all applicable Laws and the Plans and Specifications as well as the provisions of this Offering Plan. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability of any Residential Unit or Common Element. Unless caused by a violation of the sound transmission code, noise code or other applicable code, there is no warranty as to sound transmission. Unless caused by a failure of Sponsor to comply with the Laws and the Plans and Specifications, Sponsor is not responsible for, nor can it make any guarantees regarding odors, levels of noise or vibrations resulting from the operation of the Building or the Residential Units or the degree of privacy which will be afforded to Residential Unit Owners in their Residential Units. Unless caused by a code violation or a violation of Law, there is no warranty with respect to mold, mildew, spores, fungi or other toxins. There is no warranty as to air, view or light quality. Sponsor's obligation, regardless of any limitations in the warranty, is to construct the premises in accordance with all applicable Laws, the Plans and Specifications, and any conflict between (a) the disclaimers and (b) Sponsor's obligation to construct the premises in accordance with all applicable Laws the Plans and Specifications, shall be resolved in favor of the latter. In no event will Sponsor be liable for incidental, special or consequential damages.

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

22. Contingency and Common Charges. The Contingency provided for in the projected budget for the first year of Condominium operation (Schedule B) is intended to provide a fund for unanticipated expenses not included in the budgets and for increases in operating expenses above the amounts projected. Additionally, a Reserve Contribution has been established to conform to Fannie Mae requirements of an amount to be set aside as a reserve for capital repairs and replacements. These budget line items may not be sufficient to meet the cost of any major capital repairs or replacements which may be required. If funds are required to meet such costs, it may be necessary to increase Common Charges or institute a special assessment. See the Section of the Plan entitled "Working Capital Fund" for further discussion.

23. Waiver Period. During the Condominium's initial two (2) fiscal years, the authority of the Board shall include the right to base the amount of Common Charges on actual costs and expenditures and/or to make retroactive adjustments to the amount of Common Charges payable by Residential Unit Owners for any period to reflect actual operating costs for

such period. Sponsor reserves the right, in its sole and absolute discretion, to cause its designees on the Board (the "Sponsor's Board Designees") to waive, in their sole discretion, the collection of Common Charges from the Residential Unit Owners for a period of time beginning from the date of the First Closing until the Sponsor's Board Designees, in their sole discretion, otherwise determine (such period the "Waiver Period"), provided, however, that Sponsor during the Waiver Period shall be solely responsible for the payment of all expenses to operate the Building (the "Operating Expenses"). The Operating Expenses will not include the funding of the Contingency for repairs. The Residential Unit Owners shall not be responsible for the payment of Common Charges until the expiration of the Waiver Period and the Residential Unit Owners will not be subject to any special assessments for Operating Expenses incurred during the Waiver Period.

Upon commencement of collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium. Sponsor shall remain obligated to update the budget for the Condominium as provided in governing regulations. In the event Sponsor elects to delay the collection of Common Charges, it will disclose such fact in the closing notice to Purchasers and will further disclose such fact in the Post-Closing Amendment to the Offering Plan. Such amendment will also disclose the anticipated period of delay. Sponsor will notify all Residential Unit Owners in writing of the expiration of the delay period at least thirty (30) days prior to the commencement of collection of Common Charges and will disclose such fact in the following amendment to the Offering Plan. See the Section of the Plan entitled "Control by Sponsor" for further discussion.

24. Sponsor Designee. Sponsor reserves the right to sell ten (10) or more Residential Units and to designate the purchaser of such blocks of Residential Units as "sponsor" under this Plan and the Declaration. The party so designated as a "sponsor" will have those additional rights and obligations of a "Sponsor" as more fully described in the Plan.

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

26. Common Interest and Floor Plans. The Common Interest of each of the Residential Units has been determined pursuant to Section 339-i(1)(iv) of the Condominium Act and accordingly based upon a comparison of the floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Residential Unit, the availability of common elements for exclusive or shared use and the overall dimensions of the particular Residential Unit. Based upon final specifications, construction conditions and/or "as-built" plans for the Building reflecting relative measurements, areas and uses of portions of the Building, application of such method of allocation of Common Interest may justify a minor increase or decrease in the aggregate Common Interest appurtenant to the Residential Units. In such event, the Common Interest appurtenant to each individual

Residential Unit would be adjusted (by a minimal amount) pro rata. Sponsor expressly reserves the right, to effect such a change in the Common Interests and to amend the Plan so as to reflect the same, provided that Sponsor obtains a new §339-i opinion letter providing that the Common Interests are in compliance with RPL §339-i. Sponsor will not change the Common Interest associated with a Residential Unit that has already closed without the new owner's consent.

The Floor Plans set forth in Part II depict the layouts of the Residential Units. The approximate floor area of each Residential Unit has been measured from the exterior side of the exterior Building walls, exterior side of the precast panels or metal panels or property line, or from the midpoint of the interior walls and partitions (including continuous structural elements) separating the Residential Unit from another Residential Unit, or from the midpoint of the interior walls and partitions separating the Residential Unit from public corridor, stairs, elevators, other mechanical equipment spaces or any other Common Elements, or from the Unit side of continuous structural elements or masonry walls separating the Residential Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any other Common Elements. Columns and mechanical pipes (whether along the perimeter or within the Unit) are not deducted from the square foot area of the Residential Unit. Outdoor floor areas adjacent to Residential Units were not included in the Residential Unit floor area. Measured vertically, each Residential Unit consists of the volume from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above. Terraces are measured horizontally from the outside face of the exterior wall to the outside face of the parapet. Where two Terraces abut, the measurement is taken to the centerline of the divider screen.

Purchasers should note that the square footage of each Residential Unit as reflected in Schedule A and the Floor Plans set forth in Part II of the Plan is approximate within reasonable tolerances and may change due to field conditions and construction variances and tolerances. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. Because dimensions listed are based on measurements from exterior walls, they do not accurately represent the interior space in the Residential Unit and significantly exceed the actual floor area. Floor area may include columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits which may be incorporated behind protruding walls or may be separately enclosed as freestanding columns thereby reducing the available floor area. Each Residential Unit will be measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling. Ceiling heights are estimates only. The clearance between the top of the floor slab on one floor and the top of the floor slab on the next floor will vary among the Residential Units and certain Residential Units may have less clearance and all or portions of the ceilings in certain rooms within other Residential Units may have a lesser clearance as the result of construction variances or the presence of beams, ducts and other and mechanical spaces in such Residential Units. Because dimensions listed are based on measurements from floor slabs, they do not accurately represent the heights of the Residential Units from the finished floor to the finished ceiling. Ceiling heights within any given room may also vary. Kitchens, bathrooms, closets, foyers, hallways and entryways typically have dropped ceilings. The Terraces may not be used for any type of occupancy, including but not limited to: sleeping, living room, recreation or an office. To do so may result in a violation against the

Building issued by the Department of Buildings. Please refer to the Notes to Schedule A in Part I of the Plan the "Description of Property" in Part II of the Plan for further details.

As is customary in New York, the square footage areas significantly exceed the usable floor area of each Residential Unit, and may include, among other things, shaftways, chases, walls and mechanical spaces. The method of measurement is applicable to all Residential Units. Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the Purchase Price for his or her Residential Unit or otherwise be relieved of any obligations under the Purchase Agreement, by virtue of a non-material inaccuracy or error in the Floor Plans. Square footage calculations are approximate, within reasonable tolerances, and may not be exact. Such square footage calculations shall not be relied upon for loan, valuation or other purposes. Purchasers waive and disclaim any rights to rescind their Purchase Agreement and any and all other claims against Sponsor resulting from non-material discrepancies in square footage calculations. Dimensions measured from exterior walls may not accurately represent the interior space in the Unit and may exaggerate such interior space significantly. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit by 5% or less is not a material. See the Sections entitled "Schedule A Prices of Units and Related Information" and "Rights and Obligations of Sponsor" for further discussion.

Purchasers waive and disclaim any rights to rescind their Purchase Agreement and any and all other claims against Sponsor resulting from non-material discrepancies in square footage calculations. Please refer to the Section "Changes in Prices and Units" and the Floor Plans set forth in Part II for further information.

27. Windows. The interior glass surfaces of all windows located in any Residential Unit shall be washed and cleaned at the sole discretion of the Residential Unit Owner or occupant thereof as such Residential Unit Owner's sole cost and expense. In addition, to promote a consistent aesthetic appearance of the Building, each Residential Unit Owner will be required to install window treatments having a white colored backing on the sides facing the windows in his or her Residential Unit, which window treatments and backings must conform to any specifications (including a new color) established from time to time by the Board. Please refer to the Section of the Plan entitled "Rights and Obligations of Residential Unit Owners and the Condominium Board" under the subsection entitled "Repairs to and Maintenance of Residential Units and Common Elements" in Part I of the Plan for further details.

The Residential Units will have large glass windows, which should be covered during the portions of the day when the sun is strongest in order to maintain the temperature of the Residential Units' rooms at comfortable levels and to conserve energy.

28. Real Property Transfer Tax. Purchasers shall be obligated to pay the NYC Real Property Transfer Tax and NYS Real Property Transfer Tax which by law are the primary obligation of the Seller. If the Purchase Price of the Residential Unit is $1,000,000 or more, Purchaser shall also be obligated to pay the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax", currently one percent (1%) of the Purchase Price, which by law is the primary obligation of the Purchaser. For purposes of calculating the taxes payable, the amounts of such taxes (other than the Mansion Tax) will be

included in the consideration subject to such tax. Regarding the Mansion Tax, Purchase Price and transfer taxes payable by Purchaser are added together by the NYS Department of Finance to arrive at total consideration. Therefore, for example, a Residential Unit priced at $985,000, where Purchaser pays transfer tax, would subject purchaser to liability for Mansion Tax as the aggregate of price plus tax would exceed $1,000,000. (See the Section entitled "Closing Costs and Adjustments" for further details).

29. Closing Costs. All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's attorneys, Holland & Knight LLP ("Sponsor's Counsel"), in connection with the closing of title to Purchaser's Residential Unit: (i) the sum of $3,950 plus $500 if Purchaser is acquiring a Storage Bin License to reimburse Sponsor for its legal fees in handling the sale; (ii) if the Purchaser requests the Closing to occur other than at the offices of Holland & Knight LLP or such other place as Sponsor may designate in its closing notice and Sponsor consents to such change, an attendance fee of $500 for each Closing held within Manhattan and $750 for each Closing held in any borough outside Manhattan; (iii) if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Agreement, or for the addition, deletion or substitution of names on the Agreement, Purchaser shall pay a fee of $1,000 to Sponsor's Counsel, payable in advance, for preparation of an assignment agreement (Purchaser may pay more than one fee pursuant to this paragraph with respect to a single Residential Unit if there are multiple assignments); (iv) if Purchaser obtains mortgage financing, then Purchaser shall pay the Sponsor's Counsel an additional fee of $750 to defray the additional costs associated therewith; (v) if the closing is adjourned through no fault of Sponsor, the Purchaser will be required to pay Sponsor's Counsel an additional fee of $1,000 for each adjournment to help defray the cost of preparing for and coordinating the new closing; (vi) if any custom work is to be done in the Residential Unit, then Purchaser shall pay Sponsor's Counsel an additional fee to defray the additional cost associated therewith for negotiating and preparing the requisite documents on an hourly basis at Holland & Knight LLP's customary rates; (vii) $250 for the preparation of ACRIS transfer documents required by the City of New York; (viii) Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single unit; and, (ix) Purchaser shall pay Sponsor's counsel the sum of $600 in connection with the consideration, review and processing of any agreement of exchange or the like which Sponsor is requested to execute in connection with any tax deferred exchange under section 1031 of the Internal Revenue Code. Other additional charges may apply. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's Counsel shall be paid by Purchaser prior to Closing upon notice to Purchaser.

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

preceding the Closing Date to the Residential Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any Interim Lease for any Residential Unit. Please refer to the Sections of the Plan entitled "Closing Costs and Adjustments" and "Interim Leases" for further details.

30. Window Guards. In the event a child of ten (10) years of age or less resides, or visits for an extended period of time, a Residential Unit, the Residential Unit Owner is required to have installed (at the Residential Unit Owner's expense) child safety window guards in all windows of the Residential Unit, as per New York City Code. The Residential Unit Owner must notify the Managing Agent in writing when a child or children under the age of ten (10) years lives or resides in the Residential Unit. Windows may contain limit stops, which may not be removed. The Residential Unit Owner shall maintain all window stops installed in the Residential Unit and shall not remove same until permitted by applicable law. Please see the Section of the Plan entitled "Rights and Obligations of Residential Unit Owners and the Condominium Board" for further details.

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

32. Easements. The Sponsor, for so long as Sponsor owns any Unsold Residential Units shall have, and the Residential Units and Common Elements shall be subject to, an easement to use the Common Elements of the Building for any lawful purpose including, but not limited to, the purposes of (a) installing, utilizing, operating, maintaining, repairing, altering, rebuilding restoring and replacing satellite dishes and other communication equipment on the roofs and Façade of the Building and elsewhere on the Common Elements and the conduit and other Facilities relating thereto provided, however, that no wires or cables shall be hanging on the side of the Building and (b) maintaining any encroachment on any Residential Unit, or any Common Elements or elsewhere on the Property resulting from the installation, operation, maintenance, repair, alteration, rebuilding, restoration or replacement thereof; provided that access to any unit or Common Element in furtherance of such easements shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of any assignee or licensee of Sponsor for the purpose of servicing the Condominium or any other building or area. The Condominium shall not be entitled to any portion of fees, compensation or other profits received by Sponsor for the use of the aforesaid

easements or equipment. Any satellite dishes or other facilities placed upon the Roof or Façade of the Building or elsewhere on the Common Elements by Sponsor or their assignees or licensees shall be the exclusive property of Sponsor or their assignees or licensees and neither the Condominium nor any Residential Unit Owner shall have any rights with respect thereto. Please see the section of the Plan entitled "Rights and Obligations of Residential Unit Owners and the Condominium Board" under the subsection entitled "Easements" for further details.

33. Mechanical Equipment. Mechanical equipment necessary for the maintenance and operation of the Building and the Residential Units will be located in the Cellar and on the Roof. The Board with respect to the Common Elements, will be responsible for ensuring that the mechanical equipment is operated in accordance with Law, including requirements governing acceptable levels of noise and odor emissions. Sponsor is not responsible for, nor can Sponsor make any guarantees regarding the level or noise or odors resulting from the operation of the Building or the Residential Units.

34. Resident Manager's Unit. On the earlier of one (1) year after the First Closing or 30 days after all of the Residential Units have been closed, Sponsor will sell one Residential Unit, presently intended to be Residential Unit 4C, to the Condominium, which will own such Residential Unit on behalf of all Residential Unit Owners and will use the same for the residence of the Resident Manager ("Resident Manager's Unit"). The purchase price for the Resident Manager's Unit, which is currently anticipated to be Residential Unit 4C, will be $2,225,000. In respect of such Resident Manager's Unit, at the closing of title to each Residential Unit, the Purchaser thereof, as a closing cost, will be required to pay on behalf of the Condominium Board such Purchaser's share of the cost of the Resident Manager's Unit determined in accordance with the Common Interest the Residential Unit purchased in proportion to the Common Interest appurtenant to all Residential Units (other than the Resident Manager's Unit) and in the amount more particularly set forth on Schedule A, "Purchase Prices and Related Information" in Part I of the Plan. See "Notes to Schedule A" for more information. Each Purchaser's allocable portion of the cost of the Resident Manager's Unit will be included in the total consideration deemed to have been paid by such Purchaser in which case additional transfer taxes may be payable by Purchaser. Simultaneously with the First Closing, Sponsor will place the deed for the Resident Manager's Unit in escrow with Sponsor's counsel and the Condominium Board shall, at any time after the First Closing, have the option to purchase the Resident Manager's Unit, prior to all of the Residential Units being sold.

ALTHOUGH THE CLOSING OF TITLE TO THE RESIDENT MANAGER'S UNIT MAY NOT OCCUR UNTIL AFTER A PURCHASER HAS CLOSED ON HIS OR HER UNIT, EACH PURCHASER OF A UNIT WILL PAY A PROPORTIONATE SHARE OF THE COST TO PURCHASE THE RESIDENT MANAGER'S UNIT AT SUCH PURCHASER'S CLOSING. The taxing authorities are likely to require that each Purchaser's allocable portion of the cost of the Resident Manager's Unit be included in the total consideration deemed to have been paid by such Purchaser to Sponsor; and, at Closing, Purchaser will pay the incremental additional transfer taxes attributable to such additional consideration. Please see the Section of the Plan entitled "Closing Costs and Adjustments" for further details.

Sponsor will convey the Resident Manager's Unit to the Condominium Board when the full purchase price therefor has been paid. However, Sponsor reserves the right, at any time following the First Closing, to convey the Resident Manager's Unit to the Condominium Board notwithstanding the fact that the full purchase price therefor may not have been paid at such time, in which case the portion of the purchase price not collected as of such time will be payable by a promissory note from the Condominium Board to Sponsor (the "RMU Note"). The RMU Note will be non-interest bearing. The principal balance of the RMU Note will be reduced each time Sponsor conveys a Residential Unit and collects from the Purchaser of such Residential Unit, such Purchaser's proportionate share of the cost to purchase the Resident Manager's Unit. The term of the RMU Note will expire when the full balance due under the RMU Note has been paid to Sponsor.

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

The Condominium Board shall pay all expenses of the Resident Manager's Unit from and after the First Closing regardless of when the closing of title to such Resident Manager's Unit occurs as aforesaid.

There is also no guarantee that the Resident Manager will be residing at the Property at the time of closing of any particular Residential Unit although all legal requirements with respect thereto will be complied with. All costs and expenses of the Resident Manager's Unit and repairs thereto, as well as all utilities serving same, shall be expenses of the Condominium Board at all times. In addition, until such time as title to the Resident Manager's Unit has been conveyed to the Condominium Board, Sponsor may charge the Condominium Board a reasonable rental in respect of the Condominium's use thereof.

Sponsor reserves the right, in its sole discretion, to choose a different Residential Unit other than Residential Unit 4C to sell to the Condominium Board as the Resident Manager's Unit; provided, however that the purchase price and all costs associated with such different Residential Unit will be the same as for the purchase of Residential Unit 4C, that such sale shall only be made pursuant to an amendment to the Plan and that such sale shall not result in the Condominium Board incurring Common Charges which exceed by more than ten percent (10%) the costs of owning Residential Unit 4C as set forth in Schedule B.

Prior to the sale of the Resident Manager's Unit to the Condominium, Sponsor will lease the Resident Manager's Unit to the Board for use as the Resident Manager's residence. The rent for the Resident Manager's Unit shall consist of the Common Charges and real estate taxes payable for the Resident Manager's Unit. Sponsor does not share in any of the acquisition costs for the Resident Manager's Unit, even though the Resident Manager will service the Unsold Residential Units. The Condominium will not be responsible for the expenses of the Resident Manager's Unit if the Resident Manager is not residing therein. See the Section of the Plan entitled "Description of Property and Improvements – Resident Manager's Unit" for more

information.

35. Real Estate Taxes. The real estate tax estimates for each Residential Unit were calculated on the assumption that the real estate taxes for the residential portion of the Building payable with respect to each Residential Unit for the first year of Condominium operation will be allocated in proportion to each Residential Unit's percentage Common Interest. Upon determination of individual tax lots and individual Residential Unit assessments, the New York City tax authorities may allocate taxes between the Residential Units in proportion to each Residential Unit's Purchase Price rather than its percentage interest in the Common Elements, and, if so, Residential Units having the same percentage interest may pay different amounts of real estate taxes. The real estate taxes payable the first year of the Condominium's operation is based on an assessment of the Building as complete for only a portion of the year. Once the Building is fully assessed, the real estate taxes will be higher.

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

Purchasers should note that the real estate taxes for the first taxable year of Condominium operation (2018/2019) will likely be less than the taxes will be for the second tax year of Condominium operation (2019/2020) since the first year's tax estimate assumes the property will not be assessed as a fully completed structure. Assuming the Property does not receive any abatement from real estate taxes, the taxes during the second year of operation, and subsequent years, will be higher than the taxes during the first year of operation. Please refer to the Section of the Plan entitled "Real Estate Taxes" in Part I of the Plan for further details.

36. Homeowners Association. Sponsor anticipates that the Condominium may not qualify as a homeowners association. Assuming the Condominium does not qualify as a homeowners association, or if it does but chooses not to make the election noted above, the present state of the law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. As discussed in the Attorney's Income Tax Opinion, the tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of such income (including the nonmembership, and possibly membership, income described above less expenses related to such income) is subject to federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. The budget for the first year of Condominium operation, Schedule B, does not contemplate any income which might be taxable and accordingly does not budget any amounts for taxes for nonmembership or membership income. Alternatively, it is possible that some or all of such income might be reportable directly by the Residential Unit Owners or otherwise treated. The tax treatment of the Condominium may be

affected by regulations relating to entity classification, which were adopted by the United States Treasury Department on December 17, 1996. Please refer to the Attorney's Income Tax Opinion and the Section entitled "Income Tax Deductions to Residential Unit Owners and Tax Status of the Condominium" in Part I of the Plan for further discussion.

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

38. No Action Letter. In accordance with the terms of a "No-Action Letter" dated July 21, 2015, on November 23, 2015, the Building became a two (2) unit condominium. Sponsor is a contract vendee for the fee interest in the Upper Unit of the two (2) unit condominium. Prior to or at the First Closing, the fee interest will be conveyed to Sponsor. Subsequent to declaring the Plan effective, Sponsor will record the amended and restated Declaration of Condominium, substantially in the form set forth in Part II of the Plan as Exhibit 6.

39. Views. Changes in zoning or construction of new buildings within the vicinity of the Property could affect existing views. No assurance can be given that the views currently existing (or existing when Purchaser first purchases or occupies a Residential Unit) will continue to exist unchanged.

40. Alterations by an Initial Purchaser of an Unsold Residential Unit. The Sponsor as well as the Board may refuse to permit a Residential Unit Owner to perform alterations in a Residential Unit until such time as the Building has been completed and a permanent certificate of occupancy has been obtained therefor. Following the Closing of a Residential Unit, an initial purchaser of a Residential Unit shall have the right, without the approval of the Board, to make any alterations, additions, improvements or repairs in or to such Residential Unit, provided that such purchaser obtains all necessary approvals required by law and that Sponsor has consented to the same in writing at or prior to the closing of title to such Residential Unit, which consent Sponsor may withhold or condition in its sole and absolute discretion. Because Sponsor and the By-Laws of the Condominium may permit Residential Unit Owners to undertake renovations to individual Residential Units prior to the procurement of a

permanent certificate of occupancy, such renovations may cause additional delays in the issuance thereof. As more particularly set forth in Special Risk 15 above, such work by an initial purchaser of a Residential Unit in or to such purchaser's Residential Unit, may create noisy and otherwise disruptive conditions in the Building during the period such work is being performed. (See the Section of the Plan "Rights and Obligations of the Residential Unit Owners and the Board" for further discussion.)

41. Risk of Loss. Purchasers are advised that the risk of loss to any Residential Unit by fire or other casualty until the Closing for such Residential Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Residential Unit pursuant to an Interim Lease or written Agreement with Sponsor, at which time such risk to the contents of the Residential Unit (but not to any portion of the Residential Unit or Common Elements otherwise insured by Sponsor or the Board) shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Residential Unit. In the event of damage or destruction of a Residential Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Residential Unit, the Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price for the subject Residential Unit. In the event of an occurrence of a fire or other casualty, Sponsor shall notify the Purchaser as to whether or not Sponsor will restore the Residential Unit no later than two (2) months after the date of the occurrence of the fire or other casualty. In addition, Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Board and other Residential Unit Owners, belong entirely to Sponsor. In the event that Sponsor elects to repair or restore a Residential Unit, Sponsor will restore the Residential Unit and Common Elements to substantially the same condition that the Residential Unit and Common Elements existed in immediately prior to the casualty, and essential services (such as utilities and heat) and a reasonable means of ingress and egress to the street, if affected, will be restored. In the event of damage or destruction to any Residential Unit by fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Residential Unit or if the Residential Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Residential Unit Owners and Condominium Board"), the Agreement shall be deemed canceled and of no further force or effect and Escrow Agent shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, whereupon the parties to the Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan; provided, however, notwithstanding anything to the contrary herein, Sponsor shall retain the custom work costs and/or restoration costs, if any, together with interest earned thereon, as and for liquidated damages. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan.

42. Limitations on Sale. In order to facilitate the Sponsor's sale of the Residential Units, prior to (a) one (1) year after a Purchaser's closing on its Residential Unit, a Purchaser

will not be permitted to sell his or her Residential Unit(s) without obtaining the Sponsor's written approval, and (b) a Purchaser's closing of a Residential Unit, the Purchaser may not (i) list the Residential Unit for resale with any broker or otherwise, or (ii) advertise, promote or publicize the availability of his or her Residential Unit for sale or lease. Please refer to the Section entitled "Procedure to Purchase" in Part 1 of the Plan.

43. Insurance. Prior to the first closing, the entire building will be insured by the Sponsor; after the first closing, the entire building will be insured by the Condominium. A person in possession who is not an owner cannot insure the unit since he or she has no ownership interest, and the unit cannot be doubly insured It would be acceptable to state that a person who takes possession prior to closing assumes the risk of losses not covered by insurance. The Board is not required to obtain or maintain any insurance with respect to any property contained in any Residential Unit or any liability with respect to occurrences in or about each Residential Unit or the Common Elements, that are exclusive and/or appurtenant to the Residential Unit. Consequently, all Residential Unit Owners are required to obtain and maintain a personal liability policy if the Residential Unit Owner is an individual against claims for personal injury death or property damage occurring in, on or about such Residential Unit Owner's Residential Unit and the Common Elements, if any, exclusive and/or appurtenant to his or her Residential Unit. Further requirements with respect to such insurance are more particularly set forth in the By-Laws. In addition, all Residential Unit Owners are urged to obtain personal property insurance with respect to the fixtures, furniture, furnishings and other personal property located within their respective Residential Units. Purchasers are also advised that the insurance policies to be maintained by or on behalf of the Board will be on a "replacement cost" basis and will not cover losses to the extent that "market value" of a Residential Unit may exceed its insured replacement cost. Further, as a result of current fluctuations in the insurance market, the Board will not be required to obtain or maintain terrorism coverage but may do so, and in such event, the cost thereof shall be a Common Expense as described in the Condominium By-Laws.

44. Development Rights. Sponsor has retained and expressly reserves all excess air or developmental rights otherwise appurtenant to the Property (the "Development Rights") and not used in connection with the original construction of the Building as described in this Plan, if the Building is ever upzoned, meaning that the floor area ratio ("FAR") associated with the zoning district designation applicable to the Property is increased from the FAR associated with the current zoning designation. As a result, if the Building is ever upzoned, unless Development Rights are separately acquired on behalf of the Condominium or a Residential Unit Owner, as the case may be, any future expansion of the Building by the Board or of a Residential Unit by any Residential Unit Owner as may otherwise be permitted pursuant to any applicable Legal Requirements, may not be possible or may be limited. Further, as a result of such reservation by Sponsor, if the Building is ever upzoned, Sponsor may transfer or sell such Development Rights to the owner(s) of adjoining properties or offsite and in such case such properties may be increased as a result of such transfer or sale. The Development Rights reserved by Sponsor will not be used to add additional floors to the top of the Building. In the event such excess Development Rights are transferred to the owner(s) of adjoining properties or offsite, a Residential Unit Owner's views and exposure to light may be affected. See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further detail.

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

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

47. Defense Costs. Purchaser shall be obligated to reimburse Sponsor (whether or not Sponsor prevails in defending or enforcing Sponsor's rights) for any legal fees and disbursements incurred by Sponsor in defending or enforcing Sponsor's rights under the Agreement or, if Purchaser defaults under the Agreement beyond any applicable grace period, in canceling the Agreement, or in otherwise enforcing Purchaser's obligations thereunder. The Agreement also provides, that, except as prohibited by law, the parties waive trial by jury in any litigation arising out of, or connected with, or relating to, the Plan, the Agreement or the relationship created thereby. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan for further details.

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

49. Sponsor Principals Disclaimer. In addition to Sponsor, the individual principals of Sponsor are required by the Department of Law to execute the Certification by Sponsor and Sponsor's Principals ("Certification") set forth in Part II of the Plan, solely in connection with enforcement by the Department of Law of Article 23-A of the General Business Law (the "Martin Act"). The principals of Sponsor who have executed the Certification expressly

disclaim the existence of any private right of action in connection with or arising from their execution of the Certification. Consistent with a recent First Department decision, the principals of Sponsor expressly disclaim the existence of any private right of action for contract claims by individual unit owners (or a board on their behalf in connection with or arising solely from their execution of the Certification of Sponsor and Principals, absent liability under another statute or under an alter-ego or other veil-piercing theory. Accordingly, individual principals of a sponsor are not personally liable for claims (as described in the case and pleadings) by individual unit owners or the Condominium Board to the extent such claims are premised solely on alleged violations of an offering plan and the certification of sponsor and principals contained in the offering plan, absent liability under another statute or under an alter-ego or other veil-piercing theory. (See the Section of the Plan entitled "Procedure to Purchase" and the Option Agreement set forth in Part II of the Plan for details.)

50. Floor Designations. All references in the Plan and in Marketing materials to floors are references to their "marketing" designations and will not correspond to the designation given the floors on the plans submitted to the New York City Department of Buildings. The marketing floors do not include a 2nd floor, and therefore, from the 3rd Floor until the 12th Floor, all floor designations refer a construction floor that is one floor number lower than the marketing floor designation. The marketing floors do not include the 13th Floor, and therefore, all floor designations above the 12th Floor refer to a construction floor that is two floors number lower than the marketing floor designation. Please refer to the Description of Property in Part II of the Plan.

51. Occupancy of Residential Units; Unlimited Right to Rent. Sponsor will endeavor in good faith to sell all of the Residential Units in a reasonably timely manner; however, there is no certainty as to the period of time required to sell all of the Residential Units. Sponsor may unconditionally elect to rent rather than sell Residential Units from time to time. Residents of the Condominium may be comprised of Residential Unit Owners and tenants leasing from Sponsor or other Residential Unit Owners. Accordingly, it is possible that a significant proportion of Residential Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Residential Unit Owners, and a Residential Unit Owner seeking to resell or refinance a Residential Unit may experience difficulty. Further, residents of the Condominium who are not Residential Unit Owners have no investment in their Residential Units and, therefore do not share the same economic interests as Residential Unit Owners in the maintenance and care of the Building's facilities and amenities, and owner-occupants and non-resident Residential Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e. purchase as a home as opposed to as an investment). Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may not gain control and management of the Condominium, until the expiration of the Initial Control Period (as such term is defined in the Condominium Declaration). See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further detail.

52. Sponsor's Use of the Building for Promotional Functions. Sponsor and its designee(s) shall have the right, until it no longer owns any Residential Units, to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events and/or promotional functions (e.g., with respect to any sales programs for Unsold Residential Units). Such activities will result in excess traffic and noise in the Building, and may interfere with owner-occupants' enjoyment of the Building. Please refer to the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan.

53. Appliances; Patent and Latent Defects. On closing of the acquisition of a Residential Unit, the Purchaser will receive warranties for the appliances in the Residential Unit. Except as contained on Purchaser's inspection statement Sponsor shall not be responsible for (a) patent defects within a Unit, or patent defects in the Common Elements affecting a Unit, following six (6) months from the date of Closing of the Unit; (b) latent defects within a Unit, or latent defects in the Common Elements affecting a Unit, following one (1) year from the date of Closing of the Unit, and/or (c) for defects in the General Common Elements, for one (1) year following the later of (i) the issuance of the temporary certificate of occupancy or (ii) completion of that portion of the Common Elements which is claimed to be defective, except as expressly provided in this Plan.

54. Services. All determinations with respect to the continuance of any of the services in the Building, if initially made available, will be made by the Condominium Board, which will be controlled by Sponsor during the Initial Control Period. (See the Section entitled "Control by Sponsor"). Please refer to the Description of the Property set forth in its entirety in Part II of the Plan for further details regarding services and facilities at the Property. Neither Sponsor, the Managing Agent nor the Board will in any event be liable for the availability, interruption, discontinuance or quality of any services in the Building, including, but not limited to, any services provided by any outside company or person, or for any injury to person or damage to property resulting from any act or omission of such company or persons or their employees or agents, except to the extent that any such injury to person or damage to property occurs as a result of the negligence of Sponsor, the Managing Agent or either of the Boards, as the case may be. Please refer to the Notes to Schedule B in Part I of the Plan.

55. Rule Against Perpetuities. In order to preclude any application of the Rule Against Perpetuities which might otherwise invalidate the Agreement, the Agreement shall expire, unless otherwise previously terminated, on the date that is the earlier to occur of (i) twenty-one years after the date of the Agreement, or (ii) the time period legally permitted by the Rule Against Perpetuities in the State of New York, in which case the Down Payment and all interest accrued thereon shall be returned to Purchaser. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan.

56. Non-Residential Units. The owner of the Non-Residential Units shall have the right to create additional Non-Residential Units consisting of portions of the Non-Residential Units which may have the rights and easements of the Non-Residential Unit. If such additional Non-Residential Units are created, the percentage interest in the Common Elements allocated to the Non-Residential Units, together with all such additional Non-Residential Units, and the

percentage interests of all other Residential Units, will remain unchanged. Any obligations and rights of the landlord under any such lease or any other similar lease hereafter entered into by such Non-Residential Unit Owner(s) shall be the obligations and rights, respectively, solely of such Non-Residential Unit Owner(s) and not of the Condominium or any other Residential Unit Owner. The Residential Unit Owners will not have any interest in the rents, profits or revenues from the rental, use or sale of any such space pursuant to the aforementioned easements and rights. The Plan will be amended to disclose any such changes in or to the Non-Residential Unit. Sponsor is not the owner of the Non-Residential Units. Please refer to the Section entitled "Non-Residential Units" in Part I of the Plan.

57. Treatment of Wood Floors. Certain rooms in the Residential Units will be delivered with wood floors, which need to be maintained according to the manufacturer's recommendations. Wood is also subject to changes as a result of humidity as well as chipping, scratching and cracking. Sponsor makes no representation or warranty that the wood floors will maintain their appearance after they are subject to wear and tear. Standing water will cause cupping, swelling, and subsequent gapping. Relative humidity should be between 35% and 65% to avoid excessive shrinkage, cracking, swelling or cupping.

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

59. Additional Residential Units. Sponsor reserves the right to change the number and size of the Unsold Residential Units by, among other things, subdividing and reconfiguring the Unsold Residential Units and, as the case may be, in connection with such subdivision and reconfiguration, re-designating in an amendment to the Declaration, among other things, a portion of a subdivided Residential Unit of one type (e.g., a Non-Residential Unit) as a Residential Unit of another type (e.g., Residential). In such event, the Common Interest appurtenant to any diminished Residential Unit will decrease and such reduced Common Interest will be allocated to and/or among the newly created and/or configured Residential Units. Sponsor expressly reserves the right, from time to time prior to the First Closing, to effect such changes among the Unsold Residential Units and to amend the Plan so as to reflect the same.

Notwithstanding the foregoing, where an Agreement for a Residential Unit has been countersigned by Sponsor and returned to Purchaser, no material change will be made in a Residential Unit's size, layout or proportionate share of aggregate common interest unless (i) the affected Purchaser consents; (ii) the Purchaser is in default beyond any applicable cure period or (iii) the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Law, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where, in the exercise of sound construction management practices, no practicable alternative exists), and in such event covered by this clause (iii), Sponsor will, in the amendment disclosing such material adverse change, offer the affected Purchaser(s) the right, for at least 15 days, to rescind their Agreement(s) and receive a refund of

their Deposit(s), together with all interest earned thereon. There is a rebuttable presumption that a Residential Unit size that is diminished by 5% or less is not material.

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

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

61. Special Allocation of Certain Common Expenses. Each Residential Unit Owner must pay Common Charges to cover the costs of operation and maintenance of the Condominium in accordance with Sections 339(i)(1)(iv) and 339(m) of the New York Condominium Act. The costs of operation and maintenance of the Condominium, including both those directly attributable to the Residential Units and an allocated share of expenses attributable to the Condominium as a whole (such as expenses for insurance, repairs and maintenance of the General Common Elements and various service contracts), will generally be borne by the Residential Unit Owners in proportion to their respective Common Interests. The Non-Residential Unit Owners, who will receive in certain instances greater or fewer services from the Condominium, will bear an allocated share of the expenses of the Condominium, all as described in Schedule A – "Purchase Prices and Related Information" and Schedule B – "Projected Budget for First Year of Condominium Operation" of the Plan and Article 6 of the Condominium By-Laws. Such allocated share of expenses will result in the Residential Unit Owners having to pay either higher (if fewer services are being provided to the Non-Residential Unit Owners) or lower (if greater services are being provided to the Non-Residential Unit Owners) shared expenses of the Condominium. The requirements for amending Article 6 of the Condominium By-Laws do not differ from those otherwise provided in the Condominium By-Laws.

62. Working Capital Fund. Every Purchaser of a Residential Unit will contribute an amount equal to two month's Common Charges to a Working Capital Fund, which will be under the control of the Condominium Board's Residential Committee.

63. Power of Attorney. Each Purchaser will be obligated to enter into a power of attorney at the closing of title to a Residential Unit. The form of power of attorney, set forth in Part II of the Plan, grants broad powers to the Board to enter into agreements affecting the Common Elements. The power of attorney also grants to Sponsor the right to amend the Condominium Declaration with respect to any Unsold Residential Unit. Please refer to the form of power of attorney set forth in its entirety in Part II of the Plan.

64. **Interim Service Period.** The full range of services and facilities described in this Plan may not be provided until move-ins are finished and Sponsor's construction work within and on the Building is completed. To the extent that any service or facility provided during such interim period benefits particular Residential Units, to the exclusion of other Residential Units, and the cost of the same is readily identifiable, the Common Charges necessary to provide such service or facility will be borne exclusively by the owners of the benefited Residential Units, in proportion to their respective Common Interests.

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

B. INTRODUCTION

21E12 LLC, a Delaware limited liability company ("Sponsor"), hereby presents this offering plan (the "Plan") for the establishment of condominium ownership of certain land consisting of approximately 19,085 square feet on the northerly side of East 12th Street and the westerly side of University Place (the "Land"), including a building under construction with twenty-two (22) construction floors and two (2) subgrade levels, exclusive of roof levels containing fifty-two (52) residential units located at 21 East 12th Street, which are collective referred to as the "Residential Units". The Residential Units and the Common Elements are referred to collectively as the "Building". The Land and the Building is collectively referred to herein as the "Property". The condominium will be known as "21 East 12th Street Condominium" and is called the "Condominium" in this Plan. There is also a Non-Residential Section containing 12,900 square feet of retail space and a 33,000 square feet garage, which is not being offered for sale at the present time.

As more specifically described herein, upon completion of Sponsor's construction work at the Building, the following will constitute the Condominium: (a) 52 residential apartments (the "Residential Units") located on the 3rd through 12th Floor and the 14th through 23rd (PH) Floors together with the residential entrance and Lobby on the 1st Floor and certain other Common Elements on the Cellar Floor and Roof; (b) one commercial unit containing retail; (c) one commercial unit containing a garage; (d) a Community Facility Unit; (e) common facilities and amenities for the benefit of the Residential Unit Owners will include a fitness center, lounge and terrace, all of which are located on the Third Floor; (f) various utility and service areas located throughout the Building; and (g) eight (8) Storage Bins.

Prior to the presentation of this Plan, pursuant to a no action letter granted on July 21, 2015 (the "No-Action Letter"), the prior owner of the Building established condominium ownership of the Property pursuant to the terms of the Condominium Act. A declaration of condominium, dated August 26, 2015, (the "Original Declaration"), together with the By-Laws for the Property, was recorded in the New York County Office of the Register of the City of New York, County of New York (the "Register's Office") on November 23, 2015, as CRFN No. 2015000414162, together with the original Floor Plans for the Property certified by Peter Farinella, licensed architect, on September 25, 2015, which Floor Plans were filed in the Real Property Assessment Department of The City of New York as Condominium Plan No. 2601 and recorded in the Register's Office on November 23, 2015 as CRFN No. 2015000414163.

Subsequent to this Plan being declared effective as provided herein, a Second Amended and Restated Condominium Declaration (the "Declaration") and the Amended and Restated Condominium By-laws (the "By-Laws") by Sponsor in the Register's Office. From and after the date of recording of the Declaration and By-Laws, Sponsor will be the owner of all of the Units until each is sold and conveyed. The Condominium will comply with all statutes and regulations applicable to condominiums in the State of New York.

Sponsor is the contract vendee for the Residential Section of the Building. Prior to or at the First Closing, the Residential Section will be conveyed to the Sponsor.

The purpose of the Plan is to set forth in detail all material facts relating to the offering by Sponsor of the 52 Residential Units. The Plan is presented in two parts (in one volume) which together constitute the entire Plan. Part I sets forth a general description of the Plan and Part II contains all of the material terms of the transaction and the basic documents necessary to create the Condominium and to otherwise effectuate the provisions of the Plan. Also included in Part II is a detailed physical description of the Property, certifications of Sponsor and Sponsor's architect, certifications of an expert selected by Sponsor concerning the adequacy of the budget for the first year of Condominium operation and certain agreements to which the Condominium will be bound. In addition, Sponsor has filed exhibits to the Plan with the Department of Law, which are presented as Parts A (Certifications), B (General), C (Engineering) and D (Other Information). The Plan, including all Schedules set forth herein in Parts A, B, C and D of the exhibits, constitutes the entire offer of Sponsor. Copies of the Plan and the exhibits will be available for inspection by prospective Purchasers without charge and for copying at reasonable fees at Sponsor's office and at the offices of the Department of Law, 120 Broadway, 23rd Floor, New York, New York. Copies of the Plan and the exhibits may also be borrowed from Sponsor upon payment of two hundred and fifty dollar ($250) deposit, which amount will be fully refunded after the earlier of (i) the prompt return of all borrowed materials in good condition within ten (10) days or (ii) the execution by the borrower of an Agreement subsequently accepted by Sponsor. All of these documents are important and should be carefully read by prospective Purchaser. Prospective Purchasers are also advised to consult with their own attorneys or other advisers before agreeing to purchase. All capitalized terms used in the Plan shall have the meanings ascribed thereto in the Section entitled "Certain Definitions", unless otherwise indicated.

1. The Condominium

The Sponsor is constructing the Building on the Land, which will be subject to a certificate of occupancy. The building located at 21 East 12th Street will contain twenty-two (22) floors above grade exclusive of roof levels and a sub-cellar and cellar.

The 1st Floor will contain the Residential Lobby and the service entrance to the building, both with access from East 12th Street. Also with access from 12th Street there will be an entrance to the garage via a ramp. The frontage on University Place will be occupied with retail stores.

The 3rd Floor will contain amenity rooms as well as the lower floors of two duplex apartments. Both the amenity rooms and the duplex apartments will have access to a landscaped terrace.

The 4th Floor will contain mechanical and electrical equipment as well as the upper level of the duplex apartments.

Floors 5 to 12 and 14 to 23 will be occupied by Residential Units.

Floor 24 and the bulkhead will contain Mechanical Equipment and the Elevator Machine Rooms.

Cellar and the Sub-Cellar will contain a parking garage. The parking garage is not owned by Sponsor, and Sponsor makes no representations as to the future use of the Garage Unit or whether the Residential Unit Owners will have rights to use it. A common laundry room, the Resident Manager's Office, the Employee's Locker Room and other storage and mechanical rooms will be located at Cellar.

2. Features of Condominium Ownership

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

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

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

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

With certain exceptions (for example, Sponsor and its designee are not required to give the Board a right of first refusal with respect to any Unsold Residential Units), any sale or lease of a Residential Unit will be subject to a right by the Board to acquire or lease such Residential Unit or to produce a third party to acquire or lease such Residential Unit on the same terms as were offered to the owner of such Residential Unit. The Board has the right to reject sales and leases to purchasers and tenants who themselves (or residents of their Residential Units) have diplomatic immunity or have been convicted of violent crimes or child molestation without being required to exercise the right of first refusal. For a more complete discussion of the foregoing, see the Section entitled "Rights and Obligations of Residential Unit Owners and the

Condominium Board – Sales and Leases of Residential Units". Currently, there is no limit on the number of owners who may purchase for investment (rather than for personal occupancy). Accordingly, there may always be a substantial percentage of owners who are non-residents.

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

Generally, the costs and expenses of operating and maintaining the Common Elements will be shared by all Residential Unit Owners in proportion to their respective Common Interest as projected "Budget for First Year of Condominium Operation, Schedule B" in Part I of the Plan or in accordance with the terms of the By-Laws. The Board may make allocations of Common Expenses and Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with law.

The Board will be responsible for deciding all matters solely concerning the Building. As more particularly set forth in the By-Laws, the Board will determine the amount of Common Expenses and the portion of the Common Expenses reasonably payable by the Residential Unit Owners and the Board will determine the amount of Common Expenses. On a monthly basis or at such other times as the Board determines, the Board will assess Common Charges to meet Common Expenses and the Board's pro rata share of Common Charges. Such charges will be assessed against Residential Unit Owners in proportion to their respective Common Interests except as otherwise determined by the Board in accordance with the Condominium Act, Sections 339-(i) and (m).

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

There are no limitations on who may purchase Residential Units. Under the New York Real Property Law, a condominium unit may be owned by an individual, a corporation, a partnership, an association, a trust or any other entity which is permitted to take title pursuant to New York law. Notwithstanding the foregoing, Sponsor is not obligated to offer or sell any Residential Units and may, if it chooses, withhold one or more Residential Units for future sale

for any reason whatsoever, without the consent of the Board, any Residential Unit Owner, or mortgagee, to refuse to approve and execute an Agreement for any Residential Unit or for more than one Residential Unit to any one person or entity; provided, however, that, in either event, Sponsor shall not discriminate against any person because of his or her race, creed, color, sex, disability, marital status, age, ancestry, national origin or other ground proscribed by law. No binding obligation will arise for the sale of a Residential Unit unless and until an Agreement executed by both Purchaser and Sponsor, has been exchanged and Sponsor has collected the funds constituting Purchaser's required Payment thereunder (see the Section entitled "Procedure to Purchase" for more details). Sponsor will not accept an offer of purchase from an individual younger than eighteen (18) years of age or an incompetent under law.

Current zoning permits the residential use of all Residential Units offered for sale.

There is no construction financing currently in place. In the event Sponsor takes a construction loan on the Property, then at or prior to the First Closing, each mortgagee will either: (i) consent to the formation of the Condominium and acknowledge that its lien will be limited to Unsold Residential Units; (ii) subordinate the lien of its mortgage to the Declaration; or (iii) release its lien on the Residential Unit being conveyed and its interest in the Common Elements.

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

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

3. Offering of Residential Units for Sale

Sponsor hereby offers 52 Residential Units. The prices for each of the Residential Units offered under the Plan are listed in Schedule A entitled "Offering Prices and Related Information, Schedule A" and the prices for the Storage Bin Licenses are listed in Schedule A. **THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY ANY GOVERNMENT AGENCY.**

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

Sponsor will endeavor in good faith to sell all of the Residential Units in a reasonably timely manner; however, there is no certainty as to the period of time required to sell all of the Residential Units. Sponsor retains an unconditional right to rent rather than sell Residential Units, as further described below. As a consequence of the foregoing, residents of the Condominium may be comprised of Residential Unit Owners and tenants leasing from Sponsor

or other Residential Unit Owners. Accordingly, it is possible that a significant proportion of Residential Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Residential Unit Owners and a Residential Unit Owner seeking to resell or refinance a Residential Unit may experience difficulty. Additionally, if Sponsor makes a bulk sale of all or some of its Unsold Residential Units, the transferee successor sponsor shall be bound by Sponsor's representations regarding its commitment to sell Residential Units. Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium. However, the Residential Unit Owners will obtain control of the Board at the expiration of the Initial Control Period (as such term is defined in the Condominium By-Laws). See Section of the Plan entitled "Rights and Obligations of Sponsor" for further detail.

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

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

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

The charges for electricity consumed by each Residential Unit Owner individually will be separately metered and billed to each Residential Unit Owner by Con Ed. Water charges and sewer rents, assessed by The City of New York, will be billed to the Residential Unit Owner as a Common Expense. The costs and expenses of central heat and gas with respect to the Building will be included in Common Charges; Residential Unit Owners will be required to pay charges for electricity consumed by the fan coil HVAC Residential Units for each Residential Unit which provides air conditioning and heating to each Residential Unit. Schedule A sets forth estimates

of the amounts of real estate taxes which will be payable with respect to each Residential Unit. See the Notes to Schedule A with respect to the bases of such estimates. See Schedule B-1 for the projected Budget for Individual Energy Costs for the First Year of Condominium Operation.

4. Non-Residential Units Not Offered For Sale Hereunder

The Non-Residential Units are not owned by the Sponsor and are not being offered for sale hereunder. The owner of the Non-Residential Units is not affiliated with Sponsor.

5. Resident Manager's Unit

On the earlier of one (1) year after the First Closing or 30 days after all of the Residential Units have been closed, Sponsor will sell one Residential Unit, presently intended to be Residential Unit 4C, to the Condominium, which will own such Residential Unit on behalf of all Residential Unit Owners and will use the same for the residence of the Resident Manager ("Resident Manager's Unit"). The purchase price for the Resident Manager's Unit, which is currently anticipated to be Residential Unit 4C, will be $2,225,000, which is approximately $2,500 per square foot. If the Sponsor sells a Residential Unit other than Residential Unit 4C as the Resident Manager's Unit, in no event will the purchase price be greater than $2,500 per square foot. In respect of such Resident Manager's Unit, at the closing of title to each Residential Unit, the Purchaser thereof, as a closing cost, will be required to pay on behalf of the Condominium Board such Purchaser's share of the cost of the Resident Manager's Unit determined in accordance with the Common Interest the Residential Unit purchased in proportion to the Common Interest appurtenant to all Residential Units (other than the Resident Manager's Unit) and in the amount more particularly set forth on Schedule A, "Purchase Prices and Related Information" in Part I of the Plan. See "Notes to Schedule A" for more information. Each Purchaser's allocable portion of the cost of the Resident Manager's Unit will be included in the total consideration deemed to have been paid by such Purchaser in which case additional transfer taxes may be payable by Purchaser. Simultaneously with the First Closing, Sponsor will place the deed for the Resident Manager's Unit in escrow with Sponsor's counsel and the Condominium Board shall, at any time after the First Closing, have the option to purchase the Resident Manager's Unit, prior to all of the Residential Units being sold.

ALTHOUGH THE CLOSING OF TITLE TO THE RESIDENT MANAGER'S UNIT MAY NOT OCCUR UNTIL AFTER A PURCHASER HAS CLOSED ON HIS OR HER UNIT, EACH PURCHASER OF A UNIT WILL PAY A PROPORTIONATE SHARE OF THE COST TO PURCHASE THE RESIDENT MANAGER'S UNIT AT SUCH PURCHASER'S CLOSING. The taxing authorities are likely to require that each Purchaser's allocable portion of the cost of the Resident Manager's Unit be included in the total consideration deemed to have been paid by such Purchaser to Sponsor; and, at Closing, Purchaser will pay the incremental additional transfer taxes attributable to such additional consideration. Please see the Section of the Plan entitled "Closing Costs and Adjustments" for further details.

Sponsor will convey the Resident Manager's Unit to the Condominium Board when the full purchase price therefor has been paid. However, Sponsor reserves the right, at any time following the First Closing, to convey the Resident Manager's Unit to the Condominium Board

notwithstanding the fact that the full purchase price therefor may not have been paid at such time, in which case the portion of the purchase price not collected as of such time will be payable by a promissory note from the Condominium Board to Sponsor (the "RMU Note"). The RMU Note will be non-interest bearing. The principal balance of the RMU Note will be reduced each time Sponsor conveys a Residential Unit and collects from the Purchaser of such Residential Unit, such Purchaser's proportionate share of the cost to purchase the Resident Manager's Unit. The term of the RMU Note will expire when the full balance due under the RMU Note has been paid to Sponsor.

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

The Condominium Board shall pay all expenses of the Resident Manager's Unit from and after the First Closing regardless of when the closing of title to such Resident Manager's Unit occurs as aforesaid.

There is also no guarantee that the Resident Manager will be residing at the Property at the time of closing of any particular Residential Unit although all legal requirements with respect thereto will be complied with. All costs and expenses of the Resident Manager's Unit and repairs thereto, as well as all utilities serving same, shall be expenses of the Condominium Board at all times. In addition, until such time as title to the Resident Manager's Unit has been conveyed to the Condominium Board, Sponsor may charge the Condominium Board a reasonable rental in respect of the Condominium's use thereof.

Sponsor reserves the right, in its sole discretion, to choose a different Residential Unit other than Residential Unit 4C to sell to the Condominium Board as the Resident Manager's Unit; provided, however that the purchase price and all costs associated with such different Residential Unit will be the same as for the purchase of Residential Unit 4C, that such sale shall only be made pursuant to an amendment to the Plan and that such sale shall not result in the Condominium Board incurring Common Charges which exceed by more than ten percent (10%) the costs of owning Residential Unit 4C as set forth in Schedule B.

Prior to the sale of the Resident Manager's Unit to the Condominium, Sponsor will lease the Resident Manager's Unit to the Board for use as the Resident Manager's residence. The rent for the Resident Manager's Unit shall consist of the Common Charges and real estate taxes payable for the Resident Manager's Unit. Sponsor does not share in any of the acquisition costs for the Resident Manager's Unit, even though the Resident Manager will service the Unsold Residential Units. The Condominium will not be responsible for the expenses of the Resident Manager's Unit if the Resident Manager is not residing therein. See the Section of the Plan entitled "Description of Property and Improvements – Resident Manager's Unit" for more information.

C. CERTAIN DEFINITIONS

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

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

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

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

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

"Arbitration" shall have the meaning ascribed thereto in Special Risk 5.

"Board" refers to the Condominium Board.

"Building" refers to the structures and improvements including above and below grade segments, known as the "21 East 12th Street Condominium" located at 21 East 12th Street , New York, New York in which the Residential Units of the Condominiums are located.

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

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

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

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

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

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

"Common Elements" refer to the Land and all parts of the Building, including its foundations, and supports, other than the Residential Units and the Limited Common Elements.

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

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

"Completion Date" shall be the date when the Building is substantially complete and the first Temporary Certificate of Occupancy for a Residential Unit is issued and is anticipated to be on or about December 1, 2018.

"Condominium" refers to 21 East 12th Street Condominium.

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

"Condominium Board" refers to the board of managers of the Condominium.

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

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

"Custom Work" means any custom work to be performed in a Unit at the request of a Purchaser.

"Custom Work Costs" means the cost incurred in the performance of Custom Work.

"Declarant" or "Developer" refers to 21E12 LLC, a Delaware limited liability company, which is developing the Property.

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

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

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

"Escrow Agent" refers to Holland & Knight LLP.

"Façade" refers to the exterior façade of the Building.

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

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

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

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

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

"Initial Control Period" refers to the period ending the earlier to occur of: (i) the Sponsor and its designees owning any of the Residential Units or (ii) five (5) years after the First Closing.

"Interim Lease" refers to a lease entered into between a Purchaser and Sponsor for a Unit covering a period prior to such Purchaser's purchase of said Unit.

"JAMS" refers to the Judicial Arbitration and Mediation Service.

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

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

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

"Managing Agent" refers to the managing agent or manager of the Condominium. It is anticipated that the managing agent of the Condominium will initially be First Service

Residential Property Management, having its principal office at 622 Third Avenue, New York, New York 10017, a management firm engaged in the management of luxury residential buildings in New York City, pursuant to a management agreement, as more fully discussed in "Management Agreement" in Part I of this Plan. Managing Agent is an affiliate of Sponsor.

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

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

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

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

"Permitted Mortgage" refers to a mortgage permitted to be placed upon a Residential Unit or Residential 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 a construction loan mortgage given by Sponsor to acquire and construct the Property.

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

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

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

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

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

"Residential Committee" are the Residential Members of the Condominium Board.

"Residential Unit" or "Condominium Residential Unit" refers to space designated as a Residential Unit in the Declaration, consisting, generally, of either a specific residence or a

portion of the space in the Building, together with an appurtenant proportionate undivided interest in the Common Elements. All of such Residential Units are collectively referred to as "Residential Units."

"Residential Member" refers to a member of the Board who is a Residential Unit Owner.

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

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

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

"Roof" refers to the main roof of the Building.

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

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

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

"Sponsor" refers to 21E12 LLC, a Delaware limited liability company, and its successors and assigns.

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

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

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

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

to be a cause similar to the causes stated above.

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

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

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

D. DESCRIPTION OF PROPERTY AND IMPROVEMENTS

1. Construction of the Building

The Building, including the individual Residential Units therein, is a new construction project which will be completed substantially in accordance with the Plan and Specifications and all applicable zoning and building laws, regulations, codes and other government requirements. No asbestos containing material will be present in insulating or fire-proofing material contained in the Building. Following completion of the Building, temporary certificates of occupancy for individual Residential Units and the Building and/or a permanent certificate of occupancy for the Residential Units and the Building will be issued by the Department of Buildings of the City of New York and copies of the Plans and Specifications for the Building will be filed with the Department of Buildings of the City of New York.

All references in the Plan and in Marketing materials to floors are references to their "marketing" designations and will not correspond to the designation given the floors on the plans submitted to the New York City Department of Buildings. The marketing floors do not include the 2nd Floor, therefore, up until the 12th Floor, all floor designations refer to a construction floor that is one floor number lower than the marketing floor designations. The marketing floors do not include the 13th Floor, and therefore, all floor designations above the 12th Floor refer to a construction floor that is two floor numbers lower than the marketing floor designation. For example, references herein to the 16th Floor refer to the 14th construction floor.

The Building will be located in C1-7(R8) and C6-1(R7) zones, which permit residential, community facility and commercial uses in the C districts. The proposed uses will comply with all zoning and use requirements. The Building is being constructed "as of right" and does not require any approvals to be built.

Neither Sponsor nor the principals of the Sponsor own or have an option or right to acquire any adjacent areas.

Under the present construction schedule it is anticipated that, except for finishing work to stairways, hallways, and other areas of the Building which are not intended for the exclusive use of any particular Residential Unit Owner, and work, if any, which Sponsor performs in individual Residential Units, certain Residential Units will be substantially completed by the Completion Date, which is anticipated to be on or about December 1, 2018, and a first Temporary Certificate of Occupancy with respect to portions of the Building will be obtained on or about the Completion Date both subject to Unavoidable Delays. Sponsor does not, however, warrant or guarantee the foregoing completion or occupancy dates for the Building. The first Temporary Certificate of Occupancy may be issued for some but not all of the Residential Units and Sponsor may complete construction of certain Residential Units before others.

Sponsor has engaged SLCE Architects, LLP ("Sponsor's Architect") as architects for the Building, Cosentini Associates as mechanical engineer for the Building, and DeSimone Consulting Engineers as the structural engineer for the Building. Sponsor will be the construction company responsible for the renovation of the Building.

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

The location in the Building, and the size, layout and approximate square footages of the Residential Units are shown on the floor plans duplicated in Exhibit 5 of Part II of the Plan. Such floor plans are subject to the rights of Sponsor or its designee to combine two or more Unsold Residential Units, to add additional Residential Units by subdividing Unsold Residential Units or to change the number of rooms in, as well as the size, layout and square foot area of, any Unsold Residential Units, as further described in Part I, the Section entitled "Changes in Prices and Residential Units". Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the Purchase Price for his or her Residential Unit or otherwise be relieved of any obligations under the Agreement, by virtue of an inaccuracy or error in the Floor Plans. Square footage calculations are only approximations for the purposes of Marketing the Residential Units and may not be exact. Such square footage calculations shall not be relied upon for loan, valuation or other purposes. Purchasers waive and disclaim any rights to rescind their Agreement and any and all other claims against Sponsor resulting from non-material discrepancies in square footage calculations.

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

2. Residential Units

Subject to the rights of Sponsor and its designee to change the number of Residential Units, there will be a total of 52 Residential Units situated on the Third Floor through Twenty-Third Floors of the Building. Detailed descriptions of the Residential Units including a finish schedule are set forth in the Declaration and in the "Description of Property" in Part II of the Plan. See also the Section entitled "Changes in Prices and Residential Units." Please refer to Schedule A for further details.

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

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

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

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

3. Non-Residential Units

The Non-Residential Units occupy a portion of the Ground Floor and Cellar. The Non-Residential Units may be utilized for any lawful purpose.

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

Residential Units.

The Non-Residential Unit Owners shall have the right, without the consent of the Board, and at its sole cost and expense, to alter, modify, restore or construct the street level Façade of the Building, provided that such alterations, modifications, restoration or construction are in compliance with applicable law and do not affect the structural integrity of the Building. Sponsor and the Residential Unit Owners also have an easement to use the sidewalks surrounding portions of the Building for purposes permitted by law. In addition to basing charges on Common Interests, the Condominium Board may also make allocations and assessments of General Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as allocations are reasonable under the circumstances and are in accordance with applicable provisions of the law.

No representation is made with respect to the continued ownership of all or any portion of the Non-Residential Units or as to who the tenants or occupants of any portion of the Non-Residential Units may be at any time.

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

4. Common Elements

Generally, the Common Elements include, among other things, the following: (a) the Land; (b) all foundations, footings, columns, girders, concrete floor slabs and ceilings (except to the extent included as part of a Residential Unit, or a Limited Common Element), beams, supports, and interior load bearing walls, together with those portions of the exterior walls of the Building, (c) corridors and all fire staircases, landings and stairs which part of any Residential Unit; (d) meter rooms, electrical rooms, gas meter room, pump room, domestic hot water room, and janitorial toilet and sink; (e) general illumination fixtures and security systems; (f) all passages, hallways, stairs, corridors, mechanical and other rooms, areas and spaces located in the Building which are not a Limited Common Elements or part of any Residential Unit; (g) the water tower; (h) the emergency generator room and a storage room; (i) elevators (including their shafts, pits, machinery and appurtenant facilities); (j) the exterior glass surfaces of all windows; (k) the entrance and lobby, vestibule, package room, toilette, elevator lobby, security system, concierge station, service vestibule and service corridor and the mailroom; (l) passages, hallways, stairs and corridors to the extent any of the same are for the exclusive use of the Residential Unit Owners; (m) electric panels, closets, feeders and risers serving the Building; (n) the service vestibule and trash chutes servicing each of the Floors; (o) all mechanical space and other rooms, areas and spaces located in the Building and which are not Limited Common Elements part of any Unit; (p) mechanical room; and (q) all other parts of the Building and the apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance or safety of the Building. A detailed description of the Common Elements is set forth in the Declaration.

5. Limited Common Elements

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

6. Fitness Center

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

7. Laundry Room

As indicated on the Floor Plans, a laundry room will be located in the Cellar of the Building, which will be a Residential Common Element. Residential Unit Owners shall have the right to access and use the Laundry Room, subject to the right of the Board to regulate its use in accordance with the By-Laws and the Rules and Regulations. The Board shall be responsible for the maintenance and repairs (whether structural or otherwise) of the Laundry Room, and the costs and expenses associated therewith shall be allocated to Residential Unit Owners as set forth in the Notes to Schedule B or as otherwise provided in the By-Laws. It is anticipated that the Laundry Room will contain two laundry sinks, two electric washing machines and two gas operated dryers. The washing machines and dryers will be pay-per-use. In addition, each Residential Unit will be provided with a washer and dryer.

8. Terraces

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

The Board shall have the right to require a Residential Unit Owner to remove plantings, roof surfaces and other installations which have been placed on the Terraces if the Board determines, in its sole discretion, that such plantings or other installations may adversely affect the integrity of the Building or is otherwise unsafe. In addition, the Board shall have the right, in

connection with any repair or maintenance work in the Building, to erect scaffolding temporarily on, upon or over any Terrace. In no event shall any Residential Unit Owner of a Residential Unit having a Terrace be permitted to enclose or erect any structure on such Terrace. The Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the Residential Units and to ensure the integrity of the Building and the health and safety of the occupants.

There will also be Common Terraces for the benefit of the Residential Unit Owners and occupants which constitute Residential Common Elements, the cost for operation, maintenance and repair of which shall be a Common Expense solely allocated to the Residential Units. The Common Terrace is located on the Third Floor of the Building.

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

9. Common Elements

As is set forth in more detail in the Declaration, the Common Elements consist of the Land, together with all easements, rights and privileges appurtenant thereto (except as otherwise expressly provided in the Declaration), and all parts of the Building, other than the Residential Units themselves, including, generally foundations, exterior walls, roofs and supports of the Building and all other parts of the Building and all apparatus, installations, systems, equipment and facilities therein for the common use of the Residential Units and Residential Unit Owners or which are necessary or convenient for the existence, maintenance or safety of the Property. The Common Elements are divided into the following separate categories: (i) the General Common Elements, which are, generally, those Common Elements which serve or benefit all the Residential Units or Residential Unit Owners; (ii) the Residential Common Elements, which are, generally, those Common Elements which serve or benefit exclusively all or a combination of the Residential Units or Residential Unit Owners; and (iii) the Residential Limited Common Elements, which are generally those Common Elements which serve or benefit exclusively one Residential Unit or Residential Unit Owner. The Common Elements cannot be divided or partitioned, except as provided in the New York Condominium Act. A Residential Unit Owner's interest in the Common Elements shall not be separated from the Residential Unit to which it appertains.

10. Available Services and Facilities

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

(a) **Building Standard Services and Facilities**:

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

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

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

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

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

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

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

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

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

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

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

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

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

(xiv) Resident's Lounge. There will be a resident's lounge on the Third Floor of the Building.

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

11. General Provisions Concerning Services and Facilities

No representation or warranty is made as to the initial or continued operation of any of the foregoing services or facilities and neither Sponsor nor the Board shall have any liability with respect to or arising from any Residential Unit Owner's, tenant's or occupant's use of any of the foregoing or the amount of the fees charged therefor. The full range of services and facilities described in this Plan may not be provided until move-ins are finished and Sponsor's construction work within and on the Building is completed.

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

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

Although Sponsor anticipates that many of the services described above will be available at the time of the First Closing, prospective Purchasers should note that some of these services (such as a full staff of personnel) may not be available until move-ins are finished and Sponsor's construction work within and on the Building is completed. To the extent that any service or facility provided during such interim period benefits particular Residential Units, to the exclusion of other Residential Units, and the cost of the same is readily identifiable, the Common Charges necessary to provide such service or facility will be borne exclusively by the owners of the benefited Residential Units, in proportion to their respective Common Interests. In addition, certain of the amenities described in the Plan may not be arranged or available until after an initial period. However, it is anticipated that at all times after the First Closing, the Building lobby will be attended 24 hours per day, seven days per week, and there will be at least one elevator servicing every floor on which there are occupied Residential Units. The interim level staffing will at all times during this period be commensurate with the levels of occupancy from time to time and adequate to properly maintain the Building. Purchasers are also advised that during such period and beyond, various systems, including, but not limited to, water supply, air conditioning, heating, cooling, ventilating and elevators, may be incomplete and may be disrupted temporarily and from time to time.

Purchasers are further advised to note that construction in general is a complicated process which requires the coordination of numerous concurrent tasks, contractors, and suppliers and the balancing of complex mechanical and architectural systems, all of which is subject to unanticipated delays and difficulties and necessarily involves noise, disruption, construction dust, debris and inconvenience. Thus, for a period of time following the First Closing through, including and beyond the closing of title to any particular purchaser's Residential Unit, work should be expected to be undertaken and continue by or on behalf of: (i) Sponsor to complete the balance of the Building; and (ii) individual Residential Unit Owners within their Residential Units (to perform custom renovations, etc.). During at least the first year of operation, construction workers and related personnel of Sponsor and others will be at the Property from time to time performing construction work, making adjustments and performing various other tasks related to the completion of renovation, fitting out of, and moving into, the Residential Units and other portions of the Building which may compromise the security of the Building from time to time. Elevators and personnel may be taken out of service and diverted to facilitate renovation and exterior hoists may be in place during at least the year following the First Closing and from time to time thereafter, as needed, in connection with construction being performed in Residential Units by the Residential Unit Owners thereof. Sponsor may not fully complete the decoration or finishing of the lobby, corridors, elevator finishes and other portions of the Building, including, but not limited to, installing light fixtures, painting, hanging wall coverings or laying carpeting, until that particular floor is fully occupied by Residential Unit Owners or, if additional construction within a Residential Unit is anticipated, for some period thereafter. All of the foregoing work and conditions may create a noisy and otherwise disruptive condition in the Building during the period such work is being performed. Certain portions of the Common Elements may be completed before or after completion of any particular Purchaser's Residential Unit. As a result, certain amenities and benefits anticipated to be available to Residential Unit Owners may not be available until such other portions of the Building are completed and fully operational. Sponsor shall have no liability whatsoever in the event these services are delayed,

not made available, or discontinued or disrupted. Further, the Board and/or Sponsor may impose conditions and deadlines upon the planning, performing and completion of such work. No assurance can be given with regard to the accuracy of any projected schedules or completion dates set forth herein or with respect to the duration of any interim service periods or periods of potential disruption of the Residential Unit Owners and their tenants or occupants, all such dates and timetables, to the extent provided, being only good faith estimates.

12. Security Procedures

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

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

E. LOCATION AND AREA INFORMATION

1. Location and Services

The Building is located in the Greenwich Village neighborhood in Lower Manhattan in the City of New York, on University Place between 12th Street and 13th Street.

New York City is 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. About 50 of the country's "Fortune 500" corporations have their principal corporate headquarters in Manhattan; almost a quarter of the nation's major law firms, and the "big four" accounting firms maintain offices in Manhattan. Manhattan is also recognized as the national center of the advertising, communications, broadcasting, publishing and garment industries.

(a) Surrounding Area

The Building is located in the Greenwich Village neighborhood, surrounded by residential apartments, government buildings, academic buildings, commercial offices, shopping and restaurants. The Building contains residential buildings on 12th Street west of the Building and residential buildings with retail establishments and restaurants north of the Building. Since the Building is on the corner of 12th Street and University Place, there are no buildings to the immediate east and south of the Building. Currently, there is a new growth of residential apartments in the area.

The Building is only a block away from Union Square Park and is also near Washington Square Park.

(b) Shopping, Commercial and Recreational Facilities

There is a wide variety of commercial establishments located near the premises located on University Place between 12th Street and 13th Street including pharmacies, groceries, banks, restaurants and other stores. The area is home to many New York University academic buildings. Some of the city's trendiest restaurants and shopping line 5th Avenue. Containing many cafes, boutiques and markets, Union Square is one of the most diverse areas of Manhattan.

(c) Schools

Numerous private schools, public schools and parochial schools are easily accessible from the Premises. The public schools in the area include P.S. 41 Greenwich Village School at 116 West 11th Street; P.S. 3: Gramercy Arts High School at 40 Irving Place; Harvey Milk High School at 2 Astor Place, and; International High School At Union Square at 40 Irving Place. Certain public school programs require that parents apply for admission for their children. Private schools in the area include The First Presbyterian Church Nursery School at 12 West 12th

Street; Little Red School House & Elizabeth Irwin High School at 272 Sixth Avenue; Grace Church School at 86 Fourth Avenue; New York University at 70 Washington Square; The New School at 66 West 12th Street, and; Benjamin N. Cardozo School of Law at 55 West Fifth Avenue. Private schools in the area for children with special needs include Cooke Center Academy at 60 MacDougal Street.

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

(d) Transportation

New York City is served by three major airports - LaGuardia Airport, Kennedy International Airport and Newark International Airport. Passenger railroad service is provided from Pennsylvania Station, located at Seventh Avenue and West 33rd Street and Grand Central Station, located at Lexington Avenue and 42nd Street. Transportation to and from the Building, and through, New York City is available by taxi, limousine, and private automobile. Public transportation via subways and buses is also readily available. Subway lines 4, 5, 6, N, Q, R are accessible at a stop located at University Place and East 14th Street. In addition, the area is serviced by the following bus lines: X27 and X28. The M1, M2, M3, and M5 also stop nearby.

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

These services are provided by The City of New York and all charges (except water) are financed through real estate taxes paid by Shareholders to The City of New York. The Premises is located in the Sixth Police Precinct with the station located at 233 West 10th Street. Fire protection is provided from Ladder Company 3, Battalion 6 fire station located at 108 East 13th Street. The zip code for the Building will be 10003 which, as of the date hereof, is serviced by the Cooper Station located at 93 Fourth Avenue.

(f) Medical Facilities

The area is served by numerous hospitals and medical facilities located within an approximate two-mile radius of the Premises, including Beth Israel Medical Center at 281 First Avenue; Philips Ambulatory Care Center at 10 Union Square East; Custom Health New York at 1 Union Square West; Memorial Sloan-Kettering Cancer Center at 55 Fifth Avenue; New York Doctors Urgent Care at 65 West 13th Street, and; Lenox Hill HealthPlex at 30 Seventh Avenue.

(g) Religious Facilities

Local houses of worship include, but are not limited to, the following: Church of the Ascension (Episcopal), First Presbyterian Church (Presbyterian), Grace Church (Episcopal), Trinity Christian Center (Nondenominational), Church of Saint Francis Xavier (Roman Catholic), Magen David Synagogue, and Conservative Synagogue of Fifth Avenue.

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

2. Zoning

The Building is located in C1-7 and C6-1 zones. The Building is constructed on Block 570, Lot 32.

F. OFFERING PRICES AND RELATED INFORMATION, SCHEDULE A

SCHEDULE A--OFFERING PRICES AND RELATED INFORMATION
21 EAST 12TH STREET CONDOMINIUM
21 EAST 12TH STREET
December 1, 2018 through November 30, 2019

(1) UNIT NUMBER	(1) FLOOR	(1) NUMBER OF BEDROOMS	(1) NUMBER OF BATHROOMS	(3) OFFERING PRICE	(2) APPROX. SQUARE FOOTAGE OF UNIT	(2) APPROX. OUTDOOR SQUARE FOOTAGE	Share of Resident Managers Unit Partial Purchase Price	(4) PERCENTAGE OF COMMON INTEREST	PERCENTAGE OF RESIDENTIAL COMMON INTEREST	(5) PROJECTED ANNUAL COMMON CHARGES	(5) PROJECTED MONTHLY COMMON CHARGES	(6) PROJECTED ANNUAL REAL ESTATE TAXES	(6) PROJECTED MONTHLY REAL ESTATE TAXES	(7) PROJECTED TOTAL ANNUAL CARRYING CHARGES	(7) PROJECTED TOTAL MONTHLY CARRYING CHARGES
TOWNHOME A (DUPLEX)	3&4	4	4	$ 11,500,000	3,310	3,203	$ 87,703.68	2.9234%	3.7196%	$ 56,888.85	$ 4,740.74	$ 86,788.97	$ 7,232.41	$ 143,677.82	$ 11,973.15
TOWNHOME B (DUPLEX)	3&4	4	4.5	$ 12,000,000	3,307	3,242	$ 87,725.43	2.9850%	3.7207%	$ 56,902.95	$ 4,741.91	$ 86,810.49	$ 7,234.21	$ 143,713.44	$ 11,976.12
4C*	4	2	1	$ 2,225,000	890		N/A	0.7768%	0.9119%	$ 13,946.80	$ 1,162.23	$ 21,277.08	$ 1,773.09	$ 35,223.88	$ 2,935.32
5A	5	2	2.5	$ 3,850,000	1,478		$ 35,706.70	1.2102%	1.5144%	$ 23,161.09	$ 1,930.09	$ 35,334.30	$ 2,944.52	$ 58,495.39	$ 4,874.62
5B	5	2	2.5	$ 4,250,000	1,629		$ 39,354.68	1.3329%	1.6692%	$ 25,527.35	$ 2,127.28	$ 38,944.23	$ 3,245.35	$ 64,471.58	$ 5,372.63
5C	5	1	1.5	$ 2,550,000	1,033		$ 24,956.04	0.8447%	1.0585%	$ 16,187.69	$ 1,348.97	$ 24,695.76	$ 2,057.98	$ 40,883.45	$ 3,406.95
5D	5	1	1.5	$ 2,400,000	1,006		$ 24,303.75	0.8202%	1.0308%	$ 15,764.59	$ 1,313.72	$ 24,050.27	$ 2,004.19	$ 39,814.86	$ 3,317.91
6A	6	2	2.5	$ 3,900,000	1,478		$ 35,706.70	1.2102%	1.5144%	$ 23,161.09	$ 1,930.09	$ 35,334.30	$ 2,944.52	$ 58,495.39	$ 4,874.62
6B	6	2	2.5	$ 4,300,000	1,629		$ 39,354.68	1.3329%	1.6692%	$ 25,527.35	$ 2,127.28	$ 38,944.23	$ 3,245.35	$ 64,471.58	$ 5,372.63
6C	6	1	1.5	$ 2,575,000	1,033		$ 24,956.04	0.8447%	1.0585%	$ 16,187.69	$ 1,348.97	$ 24,695.76	$ 2,057.98	$ 40,883.45	$ 3,406.95
6D	6	1	1.5	$ 2,425,000	1,006		$ 24,303.75	0.8202%	1.0308%	$ 15,764.59	$ 1,313.72	$ 24,050.27	$ 2,004.19	$ 39,814.86	$ 3,317.91
7A	7	2	2.5	$ 3,950,000	1,478		$ 35,706.70	1.2102%	1.5144%	$ 23,161.09	$ 1,930.09	$ 35,334.30	$ 2,944.52	$ 58,495.39	$ 4,874.62
7B	7	2	2.5	$ 4,350,000	1,629		$ 39,354.68	1.3329%	1.6692%	$ 25,527.35	$ 2,127.28	$ 38,944.23	$ 3,245.35	$ 64,471.58	$ 5,372.63
7C	7	1	1.5	$ 2,600,000	1,033		$ 24,956.04	0.8447%	1.0585%	$ 16,187.69	$ 1,348.97	$ 24,695.76	$ 2,057.98	$ 40,883.45	$ 3,406.95
7D	7	1	1.5	$ 2,450,000	1,006		$ 24,303.75	0.8202%	1.0308%	$ 15,764.59	$ 1,313.72	$ 24,050.27	$ 2,004.19	$ 39,814.86	$ 3,317.91
8A	8	2	2.5	$ 4,000,000	1,478		$ 35,706.70	1.2102%	1.5144%	$ 23,161.09	$ 1,930.09	$ 35,334.30	$ 2,944.52	$ 58,495.39	$ 4,874.62
8B	8	2	2.5	$ 4,400,000	1,629		$ 39,354.68	1.3329%	1.6692%	$ 25,527.35	$ 2,127.28	$ 38,944.23	$ 3,245.35	$ 64,471.58	$ 5,372.63
8C	8	1	1.5	$ 2,650,000	1,033		$ 24,956.04	0.8447%	1.0585%	$ 16,187.69	$ 1,348.97	$ 24,695.76	$ 2,057.98	$ 40,883.45	$ 3,406.95
8D	8	1	1.5	$ 2,475,000	1,006		$ 24,303.75	0.8202%	1.0308%	$ 15,764.59	$ 1,313.72	$ 24,050.27	$ 2,004.19	$ 39,814.86	$ 3,317.91
9A	9	2	2.5	$ 4,200,000	1,478		$ 35,706.70	1.2086%	1.5144%	$ 23,161.09	$ 1,930.09	$ 35,334.30	$ 2,944.52	$ 58,495.39	$ 4,874.62
9B	9	2	2.5	$ 4,600,000	1,629		$ 39,354.68	1.3362%	1.6692%	$ 25,527.35	$ 2,127.28	$ 38,944.23	$ 3,245.35	$ 64,471.58	$ 5,372.63
9C	9	3	3.5	$ 5,500,000	2,028		$ 48,994.04	1.6632%	2.0780%	$ 31,779.90	$ 2,648.33	$ 48,483.06	$ 4,040.25	$ 80,262.96	$ 6,688.58
10A	10	2	2.5	$ 4,250,000	1,478		$ 35,706.70	1.2086%	1.5144%	$ 23,161.09	$ 1,930.09	$ 35,334.30	$ 2,944.52	$ 58,495.39	$ 4,874.62
10B	10	2	2.5	$ 4,650,000	1,629		$ 39,354.68	1.3362%	1.6692%	$ 25,527.35	$ 2,127.28	$ 38,944.23	$ 3,245.35	$ 64,471.58	$ 5,372.63
10C	10	3	3.5	$ 5,575,000	2,028		$ 48,994.04	1.6632%	2.0780%	$ 31,779.90	$ 2,648.33	$ 48,483.06	$ 4,040.25	$ 80,262.96	$ 6,688.58
11A	11	2	2.5	$ 4,300,000	1,478		$ 35,706.70	1.2086%	1.5144%	$ 23,161.09	$ 1,930.09	$ 35,334.30	$ 2,944.52	$ 58,495.39	$ 4,874.62
11B	11	2	2.5	$ 4,700,000	1,629		$ 39,354.68	1.3362%	1.6692%	$ 25,527.35	$ 2,127.28	$ 38,944.23	$ 3,245.35	$ 64,471.58	$ 5,372.63
11C	11	3	3.5	$ 5,650,000	2,028		$ 48,994.04	1.6632%	2.0780%	$ 31,779.90	$ 2,648.33	$ 48,483.06	$ 4,040.25	$ 80,262.96	$ 6,688.58
12A	12	2	2.5	$ 4,350,000	1,478		$ 35,706.70	1.2086%	1.5144%	$ 23,161.09	$ 1,930.09	$ 35,334.30	$ 2,944.52	$ 58,495.39	$ 4,874.62
12B	12	2	2.5	$ 4,750,000	1,629		$ 39,354.68	1.3362%	1.6692%	$ 25,527.35	$ 2,127.28	$ 38,944.23	$ 3,245.35	$ 64,471.58	$ 5,372.63
12C	12	3	3.5	$ 5,850,000	2,028		$ 48,994.04	1.6632%	2.0780%	$ 31,779.90	$ 2,648.33	$ 48,483.06	$ 4,040.25	$ 80,262.96	$ 6,688.58
14A	14	2	2.5	$ 4,425,000	1,478		$ 35,706.70	1.2086%	1.5144%	$ 23,161.09	$ 1,930.09	$ 35,334.30	$ 2,944.52	$ 58,495.39	$ 4,874.62
14B	14	2	2.5	$ 4,825,000	1,629		$ 39,354.68	1.3362%	1.6692%	$ 25,527.35	$ 2,127.28	$ 38,944.23	$ 3,245.35	$ 64,471.58	$ 5,372.63
14C	14	3	3.5	$ 5,925,000	2,028		$ 48,994.04	1.6632%	2.0780%	$ 31,779.90	$ 2,648.33	$ 48,483.06	$ 4,040.25	$ 80,262.96	$ 6,688.58
15A	15	2	2.5	$ 4,500,000	1,478		$ 35,706.70	1.2086%	1.5144%	$ 23,161.09	$ 1,930.09	$ 35,334.30	$ 2,944.52	$ 58,495.39	$ 4,874.62
15B	15	2	2.5	$ 4,900,000	1,629		$ 39,354.68	1.3362%	1.6692%	$ 25,527.35	$ 2,127.28	$ 38,944.23	$ 3,245.35	$ 64,471.58	$ 5,372.63
15C	15	3	3.5	$ 6,075,000	2,028		$ 48,994.04	1.6632%	2.0780%	$ 31,779.90	$ 2,648.33	$ 48,483.06	$ 4,040.25	$ 80,262.96	$ 6,688.58
16A	16	2	2.5	$ 4,575,000	1,478		$ 35,706.70	1.2086%	1.5144%	$ 23,161.09	$ 1,930.09	$ 35,334.30	$ 2,944.52	$ 58,495.39	$ 4,874.62
16B	16	2	2.5	$ 4,975,000	1,629		$ 39,354.68	1.3362%	1.6692%	$ 25,527.35	$ 2,127.28	$ 38,944.23	$ 3,245.35	$ 64,471.58	$ 5,372.63
16C	16	3	3.5	$ 6,225,000	2,028		$ 48,994.04	1.6632%	2.0780%	$ 31,779.90	$ 2,648.33	$ 48,483.06	$ 4,040.25	$ 80,262.96	$ 6,688.58
17A	17	2	2.5	$ 4,675,000	1,478		$ 35,706.70	1.2086%	1.5144%	$ 23,161.09	$ 1,930.09	$ 35,334.30	$ 2,944.52	$ 58,495.39	$ 4,874.62
17B	17	2	2.5	$ 5,075,000	1,629		$ 39,354.68	1.3362%	1.6692%	$ 25,527.35	$ 2,127.28	$ 38,944.23	$ 3,245.35	$ 64,471.58	$ 5,372.63
17C	17	3	3.5	$ 6,375,000	2,028		$ 48,994.04	1.6632%	2.0780%	$ 31,779.90	$ 2,648.33	$ 48,483.06	$ 4,040.25	$ 80,262.96	$ 6,688.58
18A	18	4	4.5	$ 8,250,000	2,679		$ 64,721.42	2.1915%	2.7450%	$ 41,981.44	$ 3,498.45	$ 64,046.40	$ 5,337.20	$ 106,027.84	$ 8,835.65
18B	18	3	3.5	$ 7,750,000	2,496		$ 60,300.36	2.0435%	2.5575%	$ 39,113.73	$ 3,259.48	$ 59,671.45	$ 4,972.62	$ 98,785.18	$ 8,232.10
19A	19	4	4.5	$ 8,500,000	2,679		$ 64,721.42	2.1915%	2.7450%	$ 41,981.44	$ 3,498.45	$ 64,046.40	$ 5,337.20	$ 106,027.84	$ 8,835.65
19B	19	3	3.5	$ 7,950,000	2,496		$ 60,300.36	2.0435%	2.5575%	$ 39,113.73	$ 3,259.48	$ 59,671.45	$ 4,972.62	$ 98,785.18	$ 8,232.10
20A	20	4	4.5	$ 8,750,000	2,679		$ 64,721.42	2.1915%	2.7450%	$ 41,981.44	$ 3,498.45	$ 64,046.40	$ 5,337.20	$ 106,027.84	$ 8,835.65
20B	20	3	3.5	$ 8,150,000	2,496		$ 60,300.36	2.0435%	2.5575%	$ 39,113.73	$ 3,259.48	$ 59,671.45	$ 4,972.62	$ 98,785.18	$ 8,232.10
21A	21	4	4.5	$ 9,000,000	2,679		$ 64,721.42	2.1915%	2.7450%	$ 41,981.44	$ 3,498.45	$ 64,046.40	$ 5,337.20	$ 106,027.84	$ 8,835.65
21B	21	3	3.5	$ 8,350,000	2,496		$ 60,300.36	2.0435%	2.5575%	$ 39,113.73	$ 3,259.48	$ 59,671.45	$ 4,972.62	$ 98,785.18	$ 8,232.10
PH22A	22-23	3+	3.5	$ 14,750,000	3,249	969	$ 80,832.92	2.6650%	3.4284%	$ 52,432.14	$ 4,369.34	$ 79,989.67	$ 6,665.82	$ 132,422.01	$ 11,035.17
PH22B	22-23	4+	4.5	$ 16,500,000	3,664	685	$ 90,172.71	2.9708%	3.8245%	$ 58,490.38	$ 4,874.20	$ 89,232.25	$ 7,436.02	$ 147,722.63	$ 12,310.22
Residential Total					**96,784**	**8,099**	**$ 2,336,250.00**	**79.7567%**	**100.0000%**	**$ 1,529,351.42**	**$ 127,445.95**	**$ 2,333,161.00**	**$ 194,430.08**	**$ 3,862,512.42**	**$ 321,876.03**
Non-Residential Units															
Retail Unit					12,767			6.2565%		$ 16,517.25	$ 1,376.44	$ 165,885.00	$ 13,823.75	$ 182,402.25	$ 15,200.19
Garage Unit					32,091			13.1281%		$ 17,379.59	$ 1,448.30	$ 348,076.00	$ 29,006.33	$ 365,455.59	$ 30,454.63
Community Facility					1,030			0.6586%		$ 2,266.73	$ 188.89	$ 22,765.00	$ 1,897.08	$ 25,031.73	$ 2,085.98
Non-Residential Total					**45,911**		**$ -**	**20.2433%**		**$ 36,163.56**	**$ 3,013.63**	**$ 536,726.00**	**$ 44,727.17**	**$ 572,889.56**	**$ 47,740.80**
Building Totals				**272,000,000**	**142,695**	**8,099**	**$ 2,336,250.00**	**100.0000%**	**100.0000%**	**$ 1,565,514.98**	**$ 130,459.58**	**$ 2,869,887.00**	**$ 239,157.25**	**$ 4,435,401.98**	**$ 369,616.83**

*4C is the Resident Managers Unit

Schedule A-1

21 EAST 12TH STREET CONDOMINIUM

Schedule A-1: Purchase Prices for Storage Locker License Agreement and Related Information for the Projected First Year of Condominium Operation (12/1/18-11/30/19)

Storage Locker	Storage Locker Square Footage	Purchase Price	License Fee Per Month	License Fee Per Year
1	20	$ 40,000	$ 10.00	$ 120.00
2	23	$ 46,000	$ 11.50	$ 138.00
3	35	$ 70,000	$ 17.50	$ 210.00
4	15	$ 30,000	$ 7.50	$ 90.00
5	17	$ 34,000	$ 8.50	$ 102.00
6	13	$ 26,000	$ 6.50	$ 78.00
7	23	$ 46,000	$ 11.50	$ 138.00
8	10	$ 20,000	$ 5.00	$ 60.00
TOTAL	**156**	**$ 312,000**	**$ 78**	**$ 936**

Notes to Schedule A

1. Amounts are projected on the assumption that the first year of Condominium operation will be during the year from December 1, 2018 to November 30, 2019. The actual first year of Building operation may begin earlier or later than that year and is currently projected to commence on or before December 1, 2018. Plans depicting layouts of Residential Units in this Schedule A appear in Part II of the Plan. Purchasers should note that the square footage of each Residential Unit as reflected in Schedule A and the Floor Plans set forth in Part II of the Plan is approximate. The room count for each Residential Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York.

   The number of bedrooms and bathrooms for each Residential Unit was determined by Sponsor's architect in accordance with industry practice for condominiums and does not necessarily conform to the zoning room count or the method used by the Real Estate Board of New York. The approximate floor area of each Unit has been measured from the exterior side of the exterior Building walls, exterior side of the precast panels or metal panels or property line, or from the midpoint of the interior walls and partitions (including continuous structural elements) separating the Unit from another Unit, or from the midpoint of the interior walls and partitions separating the Unit from public corridor, stairs, elevators, other mechanical equipment spaces or any other Common Elements, or from the Unit side of continuous structural elements or masonry walls separating the Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any other Common Elements. Columns and mechanical pipes (whether along the perimeter or within the Unit) are not deducted from the square foot area of the Unit. Outdoor floor areas adjacent to Units were not included in the Unit floor area. Outdoor floor areas of a balcony and/or terrace and /or stoop appurtenant to a Residential Unit are not included in the Residential Unit's floor area. Dimensions measured from exterior walls may not accurately represent the interior space in the Residential Unit and may exaggerate such interior space by as much as five percent (5%).

2. Any material change in the square foot area or layout of a Residential Unit will be set forth in an amendment to the Plan, and no material change will be made in the size, configuration, or layout of a Residential Unit for which an Agreement has been executed without the consent of an affected purchaser, or unless the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices exists), and in such event, Sponsor will offer the materially adversely affected Purchaser(s) the right, for at least 15 days, to rescind their Agreements and receive a refund of their Payment(s), together with all interest earned thereon. An increase in the size of a room or Residential Unit will not on its own give rise to a right of rescission.

3. The approximate square foot area of each Residential Unit, within reasonable tolerances, has been measured horizontally, on each of one or more floors, from the exterior face of the exterior Building walls, the Building line or Property line to the midpoint of an interior partition or continuous structural element separating one Residential Unit from another Residential Unit, public corridor, stairs, elevators, mechanical equipment spaces or any other Common Element. Where the window wall is recessed between masonry piers, the area is measured horizontally from a Building line which is taken as a straight line from exterior face of pier to exterior face of pier, parallel to the Property line. Columns and mechanical pipes and shafts, (whether along the perimeter or within the Residential Unit) were not deducted from the square foot area of the Residential Unit. Outdoor floor areas of Terraces or other outdoor areas, if any, appurtenant to a Residential Unit were not included in the Residential Unit's approximate floor areas.

   Each Residential Unit is measured vertically from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above (above any suspended ceiling). Terraces are measured horizontally from the outside face of exterior wall to the outside face of parapet. Where two Terraces abut, the measurement is taken to the centerline of the divider screen. Storage Bins are measured from the outside of the wire mesh to outside of wire mesh, and where a Storage Bin abuts a wall, to the face of the demising wall.

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

4. Sponsor has reserved the right to change the Purchase Prices (as well as other terms of sale) of Residential Units not subject to executed Agreements, so Purchasers may pay different prices for similar Residential Units. The Purchase Prices and other terms of the Agreements may be subject to negotiation with Sponsor. No such change will be made other than pursuant to a duly filed amendment to the Plan filed in advance of any such change, except that Sponsor reserves the right to decrease Purchase Prices or modify other terms of sale without filing an amendment to the Plan at any time during the offering period if such a decrease in the Purchase Price or modification of such other terms of sale does not constitute a general offering or an advertised price but is rather the result of an individually negotiated transaction (see the section of the Plan entitled "Changes in Prices and Residential Units"). In addition to the Purchase Price, Purchaser will be responsible at Closing for certain closing costs as explained in the Section entitled "Closing Costs and Adjustments" in Part I of the Plan including, without limitation, the obligation to contribute two month's common charges to the Working Capital Fund of

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

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

6. The estimates contained in this schedule were computed by Sponsor's Condominium Budget Expert on the assumption that the first year of Condominium operation will be during the year from December 1, 2018 to November 30, 2019, and are based on such Condominium Budget Expert's estimate of the receipts and expenses of the Building for the projected year. The actual first year of Condominium operation may be earlier or later than such year and is currently anticipated to commence on December 1, 2018. If the actual or anticipated date of commencement of condominium operation is delayed by more than six (6) months from the commencement of the projected first year of condominium operation, Sponsor will amend the Plan to include a revised budget disclosing current projections. If such amended projections exceed original projections by twenty-five (25%) percent or more, Sponsor will offer all purchasers the right to rescind for a period of fifteen (15) days after the date of the presentation of the amendment setting forth the right to rescind.

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

with respect to liability and casualty to the contents of the Residential Unit and the cost of interior repairs and decorations to the Residential Unit. Until the Residential Units are separately assessed, real estate taxes shall be part of Common Expenses, as provided in the Condominium By-Laws. In addition, capital repairs, additions, improvements, alterations and restorations to Building are Common Expenses which will be borne solely by the Residential Unit Owners. The first year of operation may include a portion of the year in which the Buildings are not fully occupied or all services are not provided. Accordingly, the first year of operation may not be indicative of subsequent years.

8. As discussed in the Section entitled "Available Services and Facilities" above, the full range of services and facilities described in this Plan may not be provided until move-ins are finished and Sponsor's construction work within and on the Building is completed. To the extent that any service or facility provided during such interim period benefits particular Residential Units, to the exclusion of other Residential Units, and the cost of the same is readily identifiable, the Common Charges necessary to provide such service or facility will be borne exclusively by the owners of the benefited Residential Units, in proportion to their respective Common Interests.

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

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

(iv) upon the commencement of the collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium; and (v) Sponsor shall remain obligated to update the budget for the Condominium, as provided in the Condominium Documents. Sponsor, in its sole and absolute discretion, may upon 30 days prior written notice to Residential Unit Owners terminate the Waiver Period.

9. It is estimated that the aggregate real estate taxes attributable to all Residential Unit Owners for the first year of Condominium operation will total approximately $2,333,161 and $165,885 for all Retail Unit Owners, and $348,076 for all Garage Unit Owners and $22,765 for all Community Facility Unit Owners based on an opinion prepared by Marcus & Pollack LLP, dated May 3, 2016 which assumes (a) an estimated taxable assessed valuation upon completion attributable to the Residential Property of $15,901,801 in 2018/19 and $21,202,401 in 2019/20 and to the Retail Property of $1,234,713 in 2018/19 and $1,640,284 in 2019/20 and to the Garage Property of $2,590,796 in 2018/19 and $3,454,395 in 2019/20 and to the Community Facility Property of $169,441 in 2018/19 and $225,921 in 2019/20 (b) a projected residential tax rate of 12.883% for 2019/20 and a projected commercial tax rate of 10.656% for 2019/20 per $100 of assessed valuation. For tax year 2018/19 we estimate all real estate taxes using the residential tax rate of 12.883%. Purchasers should note that the real estate taxes for the first taxable year of Condominium operation will likely be less than the taxes will be for the second tax year of Condominium operation since the first year's tax estimate assumes the property will not be assessed as a fully completed structure. Assuming the Property does not receive any abatement from real estate taxes, the taxes during the second year of operation, and subsequent years, will be higher than the taxes during the first year of operation.

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

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

   Each Residential Unit will be taxed as a separate tax lot for real estate tax purposes, and no Residential Unit Owner will be responsible for payment of, nor will the Residential Unit be subjected to, any lien arising from the non-payment of real estate taxes on other Residential Units. Prior to the issuance of separate tax lots, the real estate tax estimates for each Residential Unit will be determined by multiplying the total taxes due with respect to the Residential Units by a percentage derived by dividing the Common Interest

of each Residential Unit by the total Common Interests of all Residential Units. Upon determination of individual tax lots and individual Residential Unit assessments, the New York City tax authorities may allocate taxes between the Residential Units in proportion to each Residential Unit's percentage interest in the Common Elements rather than Purchase Price, or some combination of the two, and if so, Residential Units having the same percentage interest may pay different real estate taxes.

PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT A GUARANTEE OR WARRANTY (i) that the New York City tax assessor will allocate individual Residential Unit assessments on the basis of each Residential Unit's percentage interest in the Common Elements; (ii) that the taxable assessed value of the incomplete Property during the fiscal tax year 2018/19 will be $15,901,801 for the Residential Portion and $1,234,713 for the Retail Portion and $2,590,796 for the Garage Portion and $169,441 for the Community Facility Portion; or (iii) that the residential tax rate will be 12.883% or the commercial tax rate will be 10.656% per $100 of assessed value. For tax year 2018/19 all real estate taxes are estimated using the residential tax rate of 12.883%.

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

No warranty, guarantee or assurance is given that:

(i) any projected or estimated amount set forth above (including, without limitation, the estimates of the Property's assessed valuations during the First Year of Condominium Operation, the estimates of the portions of such assessed valuations that will be allocable to the Residential Units and the projection of the average real estate tax rate that will be in effect during such First Year of Condominium Operation and the date of completion of construction of the Building) will approximate the actual amount;

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

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

Until the Residential Units are separately assessed, each Residential Unit Owner will pay to the Board his or her Residential Unit's pro rata share of the Property's real estate taxes for the period in question. This proration will be made by first allocating the Property's taxes among the Residential Units on basis of proportionate Common Interest. The Board will pay such real estate taxes to the Department of Finance of The City of New

York or directly to Sponsor if Sponsor has paid such real estate taxes. If any Residential Unit Owner fails to pay his or her pro rata share as set forth above, the Board will be entitled to assess late charges and/or place a lien on such Residential Unit as if such unpaid share were Common Charges. (See the Section entitled "Collection and Lien for Non-Payment of Common Charges" in Part I of the Plan for further discussion.)

Upon determination of individual tax lots and individual assessments for such Residential Unit, the New York City tax authorities may allocate taxes among the Residential Units on some other basis rather than its relative Common Interest, and, if so, Residential Units having the same or similar Common Interest may pay different real estate taxes and/or taxes may differ from those set forth on Schedule A. In addition, the New York City tax authorities may assess taxes against the Building in a different manner and in a different amount than that assumed by Sponsor's real estate tax expert and, if so, Residential Unit Owners may pay significantly different real estate taxes than those set forth on Schedule A.

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

In the opinion of Sponsor's Counsel, an individual Residential Unit Owner who is a resident of New York City for tax purposes and who itemizes his or her deductions generally will, under the income tax laws and regulations in effect as of the date of this Plan and subject to certain limitations and qualifications, be entitled to deduct from his or her Federal, New York State and New York City income, the state and local real property taxes assessed against his or her Residential Unit and paid by such Residential Unit Owner. However, the amount of such deductions may vary from year to year due to changes in the amount of the real estate taxes payable by the Residential Unit Owner (which might result from changes in the assessed valuation of the Residential Unit, in the tax rate and/or in the manner of assessing real property). Prospective Purchasers should refer to the Sections entitled "Income Tax Deductions to Residential Unit Owners and Tax Status of Condominium" and "Opinions of Counsel" herein for further discussion.

Projected tax deductions in the future may vary, due to changes in the Unit Owner's mortgage rate, real estate taxes or expiration of real estate tax benefits.

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

SCHEDULE B

21 EAST 12TH STREET CONDOMINIUM

21 East 12th Street
New York, NY
Projected Budget for the Projected First Year of Condominium Operation (See Note 1)
December 1, 2018 to November 30, 2019

ESTIMATED INCOME

Common Charges – Residential Units (Note 2)		$ 1,529,351
Common Charges – Commercial Unit (Note 2)		$ 16,517
Common Charges – Garage Unit (Note 2)		$ 17,380
Common Charges – Community Facility (Note 2)		$ 2,267
License Fee – Storage Units (Note 3)		$ 936
Total Estimated Common Charges		$ 1,566,451

ESTIMATED EXPENSES (Note 4)

Payroll and Related Expenses (Note 5)	$	591,317
Gas (Heat & Hot Water (Note 6)	$	78,392
Electricity (Note 7)	$	333,267
Gas (Cooking and Fireplaces) (Note 8)	$	5,643
Water Charges and Sewer Rent (Note 9)	$	94,058
Repairs and Maintenance (Note 10)	$	43,000
Service Contracts (Note 11)	$	165,450
Insurance (Note 12)	$	85,000
Management Fee (Note 13)	$	60,000
Resident Managers Expense (Note 14)	$	47,824
Administration (Note 15)	$	15,000
Other Expenses (Note 16)	$	17,500
Contingencies (Note 17)	$	30,000
Total (Note 18)	$	1,566,451

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

ALLOCATION OF COMMON EXPENSES BTWEEN RESIDENTIAL, RETAIL AND GARAGE UNIT

(see detailed notes which follow)

Common Expenses	Total Expenses	Method of Allocation	Residential Percentage of Expense Allocation	Residential Units Share	Retail Unit Percentage of Expense Allocation	Retail Unit	Garage Unit Percentage of Expense Allocation	Garage Unit	Community Facility Percentage of Expense Allocation	Community Facility
% Common Interest				79.7567%		6.2565%		13.1281%		0.8586%
Payroll & Benefits Other	$ 465,822.16	See Notes and Schedule Below	100.0000%	$ 465,822.16	0.0000%	N/A	0.0000%	N/A	0.0000%	N/A
Payroll and Benefits for RM	$ 125,494.38	See Notes and Schedule Below	97.9757%	$ 122,953.96	0.6257%	$ 785.16	1.3128%	$ 1,647.50	0.0859%	$ 107.75
Electricity	$ 333,267.21	See Notes	100.0000%	$ 333,267.21	Separately Metered	N/A	0.0000%	Separately Metered	Separately Metered	N/A
Gas (Heat and Hot Water)	$ 78,392.02	See Notes	100.0000%	$ 78,392.02	Separately Metered	N/A	0.0000%	Separately Metered	Separately Metered	N/A
Gas (Cooking)	$ 5,643.32	100% Residential	100.0000%	$ 5,643.32	0.0000%	Separately Metered	0.0000%	Separately Metered	0.0000%	Separately Metered
Water Charges and Sewer Rent	$ 94,058.04	See Notes	100.0000%	$ 94,058.04	Separately Metered	N/A	0.0000%	Separately Metered	Separately Metered	N/A
Repairs and Maintenance	$ 43,000.00	See Notes and Schedule Below		$ 41,662.83	See Notes and Schedule Below	$ 625.65		$ 625.65	See Notes and Schedule Below	$ 85.86
Service Contracts	$ 165,450.00	See Notes and Schedule Below		$ 160,910.31	See Notes and Schedule Below	$ 2,124.10		$ 2,124.10	See Notes and Schedule Below	$ 291.51
Insurance	$ 85,000.00	See Notes	86.6283%	$ 73,634.05	6.2565%	$ 5,318.06	6.2565%	$ 5,318.06	0.8586%	$ 729.82
Management Fee	$ 60,000.00	See Notes	86.6283%	$ 51,976.98	6.2565%	$ 3,753.93	6.2565%	$ 3,753.93	0.8586%	$ 515.16
Legal /Audit	$ 15,000.00	See Notes	86.6283%	$ 12,994.24	6.2565%	$ 938.48	6.2565%	$ 938.48	0.8586%	$ 128.79
Resident Managers Unit	$ 47,823.84	100% Residential	100.0000%	$ 47,823.84	0.0000%	N/A	0.0000%	N/A	0.0000%	N/A
Other Expenses	$ 17,500.00	See Notes	86.6283%	$ 15,159.95	6.2565%	$ 1,094.90	6.2565%	$ 1,094.90	0.8586%	$ 150.26
Contingency	$ 30,000.00	See Notes	86.6283%	$ 25,988.49	6.2565%	$ 1,876.96	6.2565%	$ 1,876.96	0.8586%	$ 257.58
Sub-Total	$ 1,566,450.98			$ 1,530,287.42		$ 16,517.25		$ 17,379.59		$ 2,266.73
Storage (Income)				$ (936.00)						
Total	$ 1,566,450.98			$ 1,529,351.42		$ 16,517.25		$ 17,379.59		$ 2,266.73

Payroll and Benefits	% of 10% of RM Expense
Resident Manager	Allocation of 10% of $125,126= $12,949 X % of CI

SERVICE CONTRACTS

Common Expenses	Total Expenses	Method of Allocation	Residential Percentage of Expense Allocation	Residential Units Share	Retail Unit Percentate of Expense Allcation	Retail Unit	Garage Unit Percentage of Expense Allocation	Garage Unit	Community Facility Percentage of Expense Allocation	Community Facility
% Common Interest				79.7567%		6.2565%		13.1281%		0.8586%
Elevator	$ 36,000.00	100% Residential	100.0000%	$ 36,000.00	0.0000%	N/A	0.0000%	N/A	0.0000%	N/A
Exterminating	$ 2,500.00	See Notes	86.6283%	$ 2,165.71	6.2565%	$ 156.41	6.2565%	$ 156.41	0.8586%	$ 21.47
Fire Extinguishers	$ 750.00	See Notes	86.6283%	$ 649.71	6.2565%	$ 46.92	6.2565%	$ 46.92	0.8586%	$ 6.44
Landscaping	$ 20,000.00	100% Residential	100.0000%	$ 20,000.00	0.0000%	N/A	0.0000%	N/A	0.0000%	N/A
Flowers	$ 12,000.00	100% Residential	100.0000%	$ 12,000.00	0.0000%	N/A	0.0000%	N/A	0.0000%	N/A
Fire Alarm (Protection)	$ 5,000.00	See Notes	86.6283%	$ 4,331.41	6.2565%	$ 312.83	6.2565%	$ 312.83	0.8586%	$ 42.93
Central Station Monitoring	$ 2,200.00	See Notes	86.6283%	$ 1,905.82	6.2565%	$ 137.64	6.2565%	$ 137.64	0.8586%	$ 18.89
Sprinkler	$ 1,500.00	See Notes	86.6283%	$ 1,299.42	6.2565%	$ 93.85	6.2565%	$ 93.85	0.8586%	$ 12.88
Generator	$ 12,000.00	See Notes	86.6283%	$ 10,395.40	6.2565%	$ 750.79	6.2565%	$ 750.79	0.8586%	$ 103.03
Boiler	$ 3,500.00	See Notes	100.0000%	$ 3,500.00	To Be Billed Based on Usage	N/A	0.0000%	N/A	To Be Billed Based on Usage	N/A
Water Treatment	$ 5,000.00	See Notes	100.0000%	$ 5,000.00	To Be Billed Based on Usage	N/A	0.0000%	N/A	To Be Billed Based on Usage	N/A
Chiller	$ 20,000.00	100% Residential	100.0000%	$ 20,000.00	0.0000%	N/A	0.0000%	N/A	0.0000%	N/A
HVAC	$ 25,000.00	See Notes	100.0000%	$ 25,000.00	To Be Billed Based on Usage	N/A	0.0000%	N/A	To Be Billed Based on Usage	N/A
Telephone/Cable/Internet	$ 10,000.00	See Notes	86.6283%	$ 8,662.83	6.2565%	$ 625.65	6.2565%	$ 625.65	0.8586%	$ 85.86
Uniforms	$ 10,000.00	100% Residential	100.0000%	$ 10,000.00	0.0000%	N/A	0.0000%	N/A	0.0000%	N/A
Total	$ 165,450.00			$ 160,910.31		$ 2,124.10		$ 2,124.10		$ 291.50

REPAIRS AND MAINTENANCE

Common Expenses	Total Expenses	Method of Allocation	Residential Percentage of Expense Allocation	Residential Units Share	Retail Unit Percentage of Expense Allocation	Retail Unit	Garage Unit Percentage of Expense Allocation	Garage Unit	Community Facility Percentage of Expense Allocation	Community Facility
% Common Interest				79.7567%		6.2565%		13.1281%		0.8586%
Supplies	$ 25,000.00	100% Residential	100.0000%	$ 25,000.00	0.0000%	N/A	0.0000%	N/A	0.0000%	N/A
Plumbing	$ 2,500.00	100% Residential	100.0000%	$ 2,500.00	0.0000%	N/A	0.0000%	N/A	0.0000%	N/A
Electrical	$ 2,500.00	100% Residential	100.0000%	$ 2,500.00	0.0000%	N/A	0.0000%	N/A	0.0000%	N/A
Elevators	$ 1,000.00	100% Residential	100.0000%	$ 1,000.00	0.0000%	N/A	0.0000%	N/A	0.0000%	N/A
Windows/Locks/Doors	$ 2,000.00	100% Residential	100.0000%	$ 2,000.00	0.0000%	N/A	0.0000%	N/A	0.0000%	N/A
General Repairs	$ 10,000.00	See Notes	86.6283%	$ 8,662.83	6.2565%	$ 625.65	6.2565%	$ 625.65	0.8586%	$ 85.86
Total	$ 43,000.00			$ 41,662.83		$ 625.65		$ 625.65		$ 85.86

FOOTNOTES TO SCHEDULE B

(1) **Projected First Year of Condominium Operation**

Amounts are projected on the assumption that the First Year of Condominium Operation will be the year from December 1, 2018 to November 30, 2019. The actual First Year of Condominium Operation may be earlier or later than projected.

If the actual or anticipated date of commencement of condominium operation is delayed by more than six (6) months from the commencement of the projected First Year of Condominium Operation, Sponsor will amend the Plan to include a revised budget disclosing current projections ("Revised Budget Amendment"). If such amended projections exceed original projections by twenty-five (25%) percent or more, Sponsor will offer all Purchasers that entered into Purchase Agreements prior to the Filing Date of the Revised Budget Amendment the right to rescind for a period of fifteen (15) days after the Presentation Date of the Revised Budget Amendment..

(2) **Common Charges**

These amounts represent the total Common Charges to be levied against, and collected from, the Residential Unit Owners and the Non-Residential Unit Owner(s) during the anticipated First Year of Condominium Operation. The Common Charges will be utilized by the Condominium Board to defray the operational expenses of the Condominium. Except as otherwise set forth herein, the Common Charges have been allocated between the Residential Unit Owners and the Non-Residential Unit Owner(s) based on anticipated usage and benefits derived by such Unit Owners, respectively, and between and among the Unit Owners on the basis of percentage of Common Interest allocated to each Unit. Where the allocation of Common Expenses is not based on percentage of Common Interest, or Common Expenses have been allocated only to certain categories of Units, such circumstances are set forth in the following notes. The Non-Residential Unit Owner(s) will only be obligated to pay its respective allocable share of those expenses that are incurred by the Condominium Board in furnishing services, operating and maintaining those Common Elements which are utilized by and serve the Non-Residential Units. Those Common Charges that have been allocated on the basis of Common Interest have been allocated on such a basis as follows: Those expenses to be borne by the Residential Unit Owners have been allocated on the basis of the combined percentage of Common Interest of such Residential Units, for a total of 79.7567%. Common Charges to be borne by the Retail Unit Owner has been allocated on the basis of such the Retail Unit's Common Interest for a total of 6.2565 %. Common Charges to be borne by the Garage Unit Owner has been allocated on the basis of such the Garage Unit's Common Interest for a total of 13.1281%. Common Charges to be borne by the Community Facility Unit Owner has been allocated on the basis of such the Community Facility Unit's Common Interest for a total of 0.8586%.

The Non-Residential Unit Owner(s) obligation to pay Common Charges is based upon its percentage of Common Interest in the Building times the projected expenses specific to the Non-Residential Units set forth in the budget. As set forth in Schedule B, the Retail Unit, the Garage Unit and the Community Facility Owners are obligated to pay as part of its monthly Common Charges a portion of the following expenses: payroll; repairs and maintenance; service contracts; insurance; management fees; legal and audit fee; other miscellaneous expenses and contingency. The Non-Residential Unit Owners are not obligated to pay any part of electricity, gas for cooking, water and sewer charges and Resident Managers Unit since such budget line items exclusively benefits the Residential Unit Owners, and are services which are not fairly attributable to the Non-Residential Unit's use of the Common Elements. In accordance with Article TWELFTH of the Declaration and Article VI, Section 8 of the By-laws, the Condominium Board is authorized, pursuant to Real Property Law § 339-m to specially allocate various expenses among the Residential and Commercial Unit Owners to the extent various services and budget items benefit the respective Units more.

(3) License Fees for Storage Lockers: $936

There are a total of 8 Storage Lockers. The Condominium will charge a license fee for the use of each Storage Locker. Each Storage Locker Licensee will be charged a monthly License Fee. The Monthly License Fee projected herein are based upon estimated expenses for the twelve (12) month period commencing July 1, 2017. The Common Charges will be offset by the income derived by the Storage Locker License Fees in the amount of $936.

The Storage Locker License fee will be subject to increases based on the percentage increase in subsequent budgets approved by the Condominium Board or as otherwise as the Condominium Board deems necessary in its discretion.

(4) Estimated Expenses

Common Charges include the costs and expenses in connection with the maintenance and operation of, and any alteration to, the Common Elements and the provision of services to all Unit Owners in general, such as service contracts applicable to the Building as a whole, employees who will provide services to the entire Condominium, the Condominium Managing Agent, and insurance coverage for the Common Elements.

(5) Payroll and Related Expenses: $591,317

The Building staff shall consist of:

Position and Number	Weekly Rate	Total
Full-Time Superintendent (1) (40 hour per week)	$1,730.77 X 52	$ 90,000
Doorman / Concierge (4.2) (24 hours per day 7 days per week.)	$840 X 52	$ 183,456
Porters (3) (40 hour per week)	$840 X 52	$ 131,040
Sub-Total:		**$ 404,496**

Overtime Vacation, Sick & Holiday	5% of Base Wages 11% of Base Wages	$ 20,225 $ 44,495
Gross Wages:		**$ 469,215**
Health Benefits	Annually -$6,500 X 8 full time employees	$ 53,300
Payroll Taxes	See Schedule Below	$ 68,801
Total Payroll and Related:		**$ 591,317**

There will be a combination of full-time and part-time employees and the Building is classified as Class "A" for the purpose of defining the wage scale. The Building's staff will be non-union and wages will meet state minimum wage laws. The projected expenses for wages, salaries and benefits as well as the assumptions described herein, are believed to be reasonable and reflect the experience of Sponsor's budget expert, First Service Residential, in managing comparable buildings. Such level of staffing complies with all applicable housing and labor laws.

The Non-Residential Unit will utilize the services of the Resident Manager only. 10% of the Resident Managers time will allocated towards the General Common Elements. Therefore, 10% of the cost of the Resident Manager has been allocated among the Retail, Garage and Community Facility Units in their respective proportions.

The following expenses are mandated by Law for each employee:

FICA Employer	7.65% of Wages	7.65%	$ 35,895
NY State Unemployment	(1st $10,300)	4.0%	$ 3,400
Federal Unemployment	(1st $7,000)	6.0%	$ 3,444
State Disability Insurance	(Yearly)	$31.20	$ 256
Workers Compensation	5.5% of Wages	5.5%	$ 25,807
		TOTAL	**$ 591,317**

(6) **Gas (Heat /Domestic Hot Water): $78,392**

Based on an estimate dated of June 19, 2015 by Cosentini, located at Two Penn Plaza, New York, New York, 10121, it is anticipated that gas for heat and hot water will be provided to the Residential Units only by natural gas and will cost $78,392. This estimate is based on a projected usage of 67,230 Therms of gas per year at an anticipated average cost of $1.10 X 106% per Therm to factor in inflation.

The Retail and Community Facility will utilize gas for space heating. Their allocation of this expense has been provided by Cosentini based on the calculation of the Retail and Community Facility Units usage of heat. The Retail Unit has been allocated 8.3704% and the Community Facility has been allocated 0.6892% of this expense.

(7) **Electricity: $333,267**

Based on an estimate dated of June 19, 2015 by Cosentini, located at Two Penn Plaza, New York, New York, 10121, it is anticipated that light and power for the Common Elements as well as the mechanical equipment will be approximately 518,482 KW/HR/YR at an annual cost of $.25 X 106% per KW/HR to factor in for inflation. The Non-Residential Unit will be separately metered.

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

The Retail and Community Facility will utilize common electric for pumps and motors for the boiler and cooling tower. Their allocation of this expense has been provided by Cosentini based on the calculation of the Retail and Community Facility Units usage of heat and cooling. The Retail Unit has been allocated 2.3304% and the Community Facility has been allocated 0.1919% of this expense.

(8) **Gas (Cooking): $5,643**

Based on an estimate dated of June 19, 2015 by Cosentini, located at Two Penn Plaza, New York, New York 10121, it is anticipated that gas for cooking and fireplaces will be provided to the Residential Units only by natural gas and will cost $5,643. This estimate is based on a projected usage of 4,840 Therms of gas per year at an anticipated average cost of $1.1 X 106% per Therm to factor in for inflation.

(9) **Water Charges and Sewer Rent: $94,058**

Based on an estimate dated of June 19, 2015 by Cosentini, located at Two Penn Plaza, New York, New York, New York, 10121, it is anticipated that water charges for the Residential Units and all Common Elements, will be approximately $94,058 based on a combined rate of $9.58 per cubic feet of water used.

The budgeted amount constitutes a projection of the water charges and sewer rents that will be payable with respect to the Building.

Water charges and sewer rents for the Non-Residential Unit will be separately sub-metered.

The Retail and Community Facility will utilize common water for the cooling tower make-up. Their allocation of this expense has been provided by Cosentini based on the calculation of the Retail and Community Facility Units usage of the cooling tower for cooling. The Retail Unit has been allocated 4.1545% and the Community Facility has been allocated 0.3421% of this expense.

(10) **Repairs and Maintenance: $43,000**

This estimate includes painting, maintenance and repair costs of Common Elements and Residential Common Elements only. Residential Unit Owners will be responsible for the

cost of repairs and painting in the interiors of their Residential Units. No provision has been made to cover the cost of any capital expenditure. This estimate also includes the estimated annual cost of services and supplies (excluding service contracts) provided to and for the benefit of the Residential Units.

Supplies and Hardware	$ 25,000
Plumbing	$ 2,500
Electrical	$ 2,500
Window, Lock and Doors	$ 2,000
Elevator Repairs (Not Covered by Contract)	$ 1,000
General Repairs	$ 10,000
Total	**$ 43,000**

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

The budgeted amount for Repairs and Maintenance has been allocated to the Retail Unit and Community Facility based on respective Common Interest for General Repairs only. They will not share in any of the other Repair and Maintenance expenses. The Garage Unit will share in this expense in the same proportion as the Retail Unit Owner.

(11) **Service Contracts and Supplies: $165,450**

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

Elevator Maintenance	$ 36,000
Exterminating	$ 2,500
Fire Extinguishers	$ 750
Landscaping	$ 20,000
Flowers	$ 12,000
Fire Alarm (Protection)	$ 5,000
Central Station Monitoring	$ 2,200
Sprinkler	$ 1,500
Generator	$ 12,000
Water Treatment	$ 5,000
Boiler	$ 3,500
Chiller	$ 20,000
HVAC Service	$ 25,000
Telephone/Internet	$ 10,000
Uniforms	$ 10,000
Total	**$ 165,450**

No maintenance or service contracts have been entered into as of the Filing Date of the Plan. The budgeted amounts are based on estimates received from contractors and the experience of Sponsor's budget expert, FirstService Residential New York Inc., in operating comparable buildings. While this Schedule B includes a reasonable allowance for possible increases in cost, which may occur prior to and during the First Year of Condominium

Operation, no warranty or guarantee is made that the actual cost for these services or other services will be in accordance with this projection.

The budgeted amount for Service Contracts has been allocated to the Retail Unit and Community Facility based on respective Common Interest for exterminating, fire extinguishers, fire alarm, central station monitoring, sprinkler, generator, boiler, water treatment, HVAC and telephone. They will not share in any of the other Service Contract expenses. The Garage Unit will share in this expense in the same proportion as the Retail Unit Owner.

(12) Insurance: $85,000

The insurance premiums are based on a letter dated August 14, 2015 from SA Genatt LLC located at 3333 New Hyde Park Rd., Suite 409, New Hyde Park, New York, 11042. The fire, casualty and general liability are on the terms set therein:

	COVERAGES	LIMITS OF LIABILITY
A.	Property (Building Limit)	$ 61,000,00
	Business Personal Property Limit	$ 125,000
	Loss of Maintenance Fee	Included
	Demolition and Increased Cost	$ 1,000,000
	Flood	$ 1,000,000
	Earthquake	$ 1,000,000
	Deductibles	
	Building, Underground Water & Sewer	$ 10,000
	Earthquake	$ 50,000
	Flood	$ 25,000
B.	General Liability	
	(General Aggregate)	$ 2,000,000
	Each Occurrence	$ 1,000,000
	Fire Damage Liability	$ 50,000
	Personal and Advertising Injury	$ 1,000,000
	Medical Expenses	$ 5,000
	Hired/Non Owner Auto Liability	$ 1,000,000
	Water Damage Legal Liability	$ 1,000,000
C.	Directors & Officers Liability	$ 1,000,000
	Deductible	$ 5,000
D.	Umbrella Liability	$ 100,000,000
	Self Insured Retention	$ 10,000
	Included Excess Director's & Officers	
E.	Crime	
	Employee Dishonesty Limit	$ 500,000

	Managing Agent's Rider	$	500,000
F.	Boiler and Machinery or Equipment Breakdown	$	61,125,00

The total premium for these various coverages is estimated at $85,000.

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

This coverage does not include claims for personal injury or property damage resulting from occurrences in individual Units or any Common Elements exclusive to such Units, nor does it include coverage of any Unit (as such term is more particularly described in the Plan and the Declaration).

Insurance coverage must meet the requirements of any mortgage lender procured by the Sponsor.

Fire, casualty and general liability insurance must be on terms that provide:

- Each unit owner is an additional insured party;
- There will be no cancellation without notice to the Board of Managers;
- A waiver of subrogation;
- A waiver of invalidity because of acts of insured and unit owners; and
- A waiver of pro-rata reduction if unit owners obtain additional coverage.

Unit owners are required to obtain additional insurance at their own cost to cover such risks as fire and casualty losses to unit owners, replacements, additions, fixtures and improvements, and liability coverage for occurrences within the unit or the limited common elements subject to the by-laws and declaration. The individual Unit Owners are required to obtain insurance coverage, pursuant to the Declaration.

The proposed insurance provides property coverage on an All Risk/Replacement Cost basis. The Building limits and Business Income limits are based on an Agreed Amount which is a waiver of co-insurance.

This quotation is an indication of insurance premiums at current rates. Because conditions in the insurance marketplace are volatile, it is not possible to predict what the premiums will be for the First Year of Condominium Operation. Purchasers should be aware of the possibility of rate increases. The insurance is adequate for the replacement of the building in the event of a total loss. The carrier will be selected at the time the coverage is bound. This will occur prior to the First Closing. The agent quoting the proposed insurance is SA Genatt LLC located at 3333 New Hyde Park Rd., Suite 409, New Hyde Park, New York, 11042.

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

The insurance expense for the Residential, Retail and Community Facility Units has been allocated upon their respective Percentage of Common Interest. The Garage Unit's share of the insurance expense has been allocated in proportion to the Retail Unit's share of this expense.

(13) Management Fee: $60,000

Based on the management agreement to be entered into with FirstService Residential New York Inc. at or before the First Closing, it is expected that the Condominium Managing Agent will receive an annual fee of $60,000 for the First Year of Condominium Operations. This fee is commercially reasonable and comparable to management fees for buildings of similar size and quality as the Property. Reference should be made to the Section of the Plan entitled "Management Agreement" in the Offering Plan for further details of the Management Agreement.

The management expense for the Residential, Retail and Community Facility Units has been allocated upon their respective Percentage of Common Interest. The Garage Unit's share of the management expense has been allocated in proportion to the Retail Unit's share of this expense. The Non-Residential Units will only share in their allocation of the base management fee. If there are other fees charged by the management company, the Non-Residential Units will only be responsible for these fees that are for services shared by all Units. Any management fees that are exclusively attributable to the Residential Units will be fully allocated as a Residential expense.

(14) Resident Manager's Unit Expense: $47,824

This item consists of real estate taxes and utility charges for Residential Unit 4C (including electricity, gas, basic telephone service and cable television which will be provided to the Resident Manager without charge) attributable to the Resident Manager's Unit which is anticipated to be acquired by the Residential Section upon or following the conveyance of the first Residential Unit and will thereafter be occupied by the Resident Manager rent free. The expenses attributable to the Resident Manager's Unit will be paid by all Residential Unit Owners as a Residential Common Expense and allocated on the basis of proportionate Common Interest. The estimated monthly expenses are detailed as follows:

Monthly Residential Common Charges	$1,162
Monthly Parking	$400
Monthly Real Estate Taxes	$1,773
Monthly Utility Charges	$450
Monthly Total	**$3,985**

Although Residential Common Charges are imputed to and assessed against the Resident Manager's Unit, no Common Charges will in fact be collected by the Residential Board in respect thereof while the Resident Manager's Units is dedicated or the use of the Resident Manager.

Until such time that the Resident Manager's unit is conveyed to the Residential Section, the Sponsor will retain the right to charge rent for use and occupancy of the Resident Manager's

Unit at a rent equal to or greater than the monthly real estate taxes, common charges and utility charges attributed to unit 4C.

The Common Charges, utility and telephone charges are based upon estimates from the budget expert opinion enclosed herein.

The costs associated with the Resident Managers Unit will be allocated solely to the Residential Unit Owners. See the Special Risk entitled "Resident Manager's Unit" for further details.

(15) Administration: $15,000

Based upon the estimate set forth in a letter dated August 24, 2015 from Keith Kramer, CPA's located at 462 Seventh Avenue, New York, New York, 10018, Sponsor has budgeted $5,250 for estimated auditing and accounting fees in connection with the preparation of the audited financial statements for the First Year of Condominium Operation and federal, state and city income tax returns. The balance of the budgeted amount ($9,750) has been estimated to provide for minor legal services to be rendered in connection with the operation of the Building such as attendance at Condominium Board meetings, preparation of Condominium Board minutes and negotiation of minor agreements.

The administration expense for the Residential, Retail and Community Facility Units has been allocated upon their respective Percentage of Common Interest. The Garage Unit's share of the administration expense has been allocated in proportion to the Retail Unit's share of this expense.

(16) Other Expenses: $17,500

Other Expenses covers telephone, office supplies, office equipment, postage, special communications and mailings to the Unit Owners, annual meetings, and general expenses.

Office Expense	$ 1,000
Payroll Processing	$ 5,000
Other professional	$ 2,500
License/Fees/Permits	$ 1,500
Postage/Messenger/ Copying	$ 2,500
Holiday Expense	$ 15,000
Total	**$ 17,500**

The other expense for the Residential, Retail and Community Facility Units has been allocated upon their respective Percentage of Common Interest. The Garage Unit's share of the other expense has been allocated in proportion to the Retail Unit's share of this expense.

(17) Contingency: $30,000

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

The contingency expense for the Residential, Retail and Community Facility Units has been allocated upon their respective Percentage of Common Interest. The Garage Unit's share of the contingency expense has been allocated in proportion to the Retail Unit's share of this expense.

****

The foregoing projected budget may be modified from time to time prior to commencement of and during the First Year of Condominium Operation, to add or delete or increase or decrease one or more items of operating expenses. If additional funds are required to pay expenses, it may be necessary to increase Common Charges or specially assess Unit Owners.

****

(18) **Total Expenses: $1,566,451**

IN THE OPINION OF FIRSTSERVICE RESIDENTIAL NEW YORK INC., THE PROJECTED INCOME IS ADEQUATE TO MEET THE PROJECTED COMMON EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE 12-MONTH PERIOD COMMENCING DECEMBER 1, 2018. THE FOREGOING BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY BY ANYONE THAT THE ANNUAL COMMON CHARGES OR OTHER INCOME AND EXPENSES FOR SUCH FISCAL YEAR OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY WILL BE AS SET FORTH IN THE BUDGET, SINCE THE ANNUAL COMMON CHARGES AND OTHER ITEMS OF INCOME AND EXPENSE MAY VARY FROM AMOUNTS SHOWN IN THE BUDGET BASED ON FACTORS SUCH AS INFLATION, CHANGES IN THE ECONOMY AND UNFORESEEN FACTORS.

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

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

Cosentini
A TETRA TECH COMPANY

Consulting Engineers
Two Pennsylvania Plaza
New York, NY 10121
T: 212.615.3600
F: 212.615.3700
www.cosentini.com

M. A. Mass, PE
D. C. Mass, PE
M. W. Maybaum, PE
E. Barbieri, PE
R. Leber, PE
E. J. Martinez, PE
S. R. Ceasar, PE
D. DeRobertis, PE

November 6, 2015

William Macklowe Company
Attn: Jim Migliore
126 East 56th Street
New York, NY 10022

RE: 110 University Place
New York, NY 10003

Dear Mr. Jim Migliore:

The following are estimates for the building's electric costs for the individual apartment units. Please note that rate escalation in not included in these estimates. Each apartment will be directly metered by Con Edison and will be billed directly. For the purpose of this analysis, we have estimated the monthly consumption for each type of apartment. Actual consumption, and therefore actual costs, will vary with usage of appliances, supplemental heat, laundry equipment and other appliances.

Electricity Rates and Energy Cost Assumptions

1. Individual Unit Energy Assumptions

    a. Lighting and receptacle loads are calculated based on average square footage – 3 w/sq. ft.; utilization of 50% of the total connected load for approximately 4 hours per day, 365 days per year.

    b. Appliance loads include refrigerator, cooktop, oven, dishwasher, garbage disposal, wine cooler and microwave with total load of 8.0 KW for one, two, three and four bedroom apartments. Larger apartments such as the maisonette and penthouse have been allocated 9.5 KW each for appliance loads. Each apartment includes an electric washer and dryer with total load of 5.0 KW per apartment unit. The appliance loads are calculated based on 60% demand factor, 4 hours per day and 365 days per year. Washer and dryer appliance usage is calculated based on an average of 10 hours of use per month (20 loads of laundry).

2. Utility Company Electricity Rates

    a. The estimated electrical cost is based on an average flat residential utility rate available from Con Edison Rates SC 9-1 as 22 cents per KWH.

Cosentini
A TETRA TECH COMPANY

The estimated annual electric cost per apartment is as follows:

Apartment Type	*Average Annual Electrical Cost*
One Bedroom Unit	$3,103.09
Two Bedroom Unit	$3,723.32
Three Bedroom Unit	$4,085.09
Four Bedroom Unit	$4,615.02
Maisonette Unit (Five Bedroom)	$5,537.50
Penthouse Unit (Three Bedroom)	$9,331.45

If any additional information is required, please do not hesitate to contact us.

Very truly yours,
Cosentini Associates

Claudia Vargas Arenas

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

FirstService
RESIDENTIAL

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

May 11, 2016

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

Re: Condominium Offering Plan
21 East 12th Street Condominium
21 East 12th Street
New York, New York 10003 ("Property")

Dear Sir/Madam:

21 E. 12 LLC ("Sponsor") of the Condominium Offering Plan ("Offering Plan") for the Property retained FirstService Residential New York, Inc. ("Firm") to review the percentage of Common Interest in the Common Elements allocated to each Unit in the Property set forth in Schedule A of the Offering Plan.

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

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

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

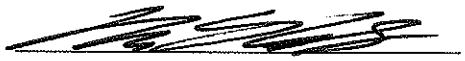
The Firm certifies that it is not owned or controlled by Sponsor and that it has no financial interest in the offering other than its fee for services rendered in connection with the preparation of this letter (and acting as Selling Agent under the Offering Plan). The Firm understands that a copy of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

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

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

Very truly yours,

FirstService Residential New York, Inc.

By: 

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

J. NON-RESIDENTIAL UNITS

The Non-Residential Units (not offered hereby) may be used for any lawful purpose, including, without limitation, for retail, restaurant, banking, commercial, office, storage, garage and utility purposes. The Condominium Board will have no right to restrict or limit any of the uses of, or alterations in or to, the Non-Residential Units (including the storefronts thereof) which are permitted by law and applicable zoning ordinances, except as otherwise set forth in the By-Laws and Declaration. It is currently anticipated that the Non-Residential Units will initially be used for retail purposes (and ancillary uses), although no representation or warranty is made with respect to such initial or any subsequent uses of such Non-Residential Units or with respect to who the owner or tenant(s) of the Non-Residential Units may be at any time.

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

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

The common charges payable by each of the Non-Residential Unit Owners are sufficient to cover the expenses fairly attributable to such unit.

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

To the extent permitted by law, and subject to certain restrictions set forth in the Declaration and By-Laws, the Non-Residential Unit Owners will have the right with regard to its Unit, without the vote or consent of the Condominium Board, or any other party, to mortgage or otherwise hypothecate its Unit, to decorate or make alterations, additions or improvements to its Unit (except that alterations, additions or improvements which would either in the course of performance or upon completion have a material adverse effect on the structural, mechanical,

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

Subject and subordinate to Sponsor's rights with respect to the roof of the Building, each Non-Residential Unit Owner and any tenant or tenants of such Non-Residential Unit pursuant to the terms of any lease pertaining thereto, shall have the right and an easement, without charge or limitation and without consent of the Condominium Board, any Unit Owner or mortgagee thereof, to install a satellite dish on the roof(s) of the Building and risers from such Non-Residential Unit to such satellite dish on the Common Elements of the Building, at the Non-Residential Unit Owner(s) sole cost and expense, so long as such installation does not materially adversely affect another Unit. Such Non-Residential Unit Owners and any tenant or tenants thereof, shall have an easement to use said satellite dish and/or riser for any lawful purpose and in conjunction with the use of such Non-Residential Unit.

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

All normal maintenance and repairs of the roof of the Building will be made by the Condominium Board and chargeable to all Residential Unit Owners as a Common Expense; except that if the holders of the aforementioned easement utilizes the roof of the Building pursuant to such easement, then such party/ies will be responsible for the normal maintenance and repair of the portion of the roof(s) it utilizes. Capital repairs and replacements to such roofs, other than normal maintenance and repairs, will be charged to all Residential Unit Owners as a Common Expense except to the extent such costs are attributable to the use of areas utilized pursuant to the above-described easements or are necessitated by the exercise of such easements, in which case the holders of such easement shall be responsible for such costs.

K. CHANGES IN PRICES AND UNITS

Purchase Prices for all Residential Units or Storage Bin Licenses are negotiable and Sponsor reserves the right, at any time and from time to time before and after the recording of the Declaration, without giving prior notice (except as otherwise provided herein) and without the consent of any Board, Residential Unit Owner or mortgagee, to change the price, including, without limitation, the manner of payment thereof and other terms of sale of any Residential Unit, except that no such change with respect to any Residential Unit for which an Agreement is then in effect may be made without the consent of the Purchaser. The offering prices set forth in Schedule A may be changed by a duly filed amendment to the Plan when the change in price is an across-the-board increase or decrease affecting one (1) or more lines of Residential Units, or is to be advertised, or is a price increase for an individual Purchaser. No such change will be made other than pursuant to a duly filed amendment to the Plan filed in advance of any such change, except that Sponsor reserves the right to decrease Purchase Prices or modify other terms of sale without filing an amendment to the Plan at any time during the offering period if such a decrease in the Purchase Price or modification of such other terms of sale does not constitute a general offering or an advertised price but is rather the result of an individually negotiated transaction. If any such change is made, a Purchaser of a Residential Unit affected thereby may pay a different amount than other Purchasers under the Plan for similar Residential Units, but this will not affect any prior or subsequent sale of Residential Units which are not the subject of such change.

Sponsor reserves the right to negotiate with each Purchaser, the terms and conditions of the Agreement, including but not limited to: Purchase Price; the amount of the Payment; financing and other contingencies; the availability of financing; the payment of Purchaser's financing fees and other closing costs; work to be performed in the Residential Unit or the revision of floor plans and the allocation and payment of costs therefor; the availability of Common Charge rebates, Purchase Price rebates and subsidies payable as a credit against the Purchase Price or on a periodic basis; and extensions of time periods within which to perform obligations under the Agreement. Sponsor reserves the right from time to time to add and/or delete negotiable terms from the list set forth above for all or some Purchasers without further amendment to this Offering Plan. No Purchaser will benefit from any terms and conditions negotiated with any other Purchaser, and a Purchaser's failure to so benefit will not give rise to any rights of rescission under an Agreement.

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

incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Residential Unit into such Unsold Residential Unit, (c) designate a Common Element as part of a newly created Residential Unit or Limited Common Element or designate all or part of a Residential Unit as a newly created Residential Unit, Common Element, Limited Common Element, and (d) if appropriate, reapportion among the Unsold Residential Units affected by any such change, their aggregate Common Interests. In the event of any change pursuant to any of (a) - (d) above, such change shall be disclosed in a duly filed amendment to the Plan. No such change, including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Residential Unit, will be made with respect to any Unsold Residential Unit for which an Agreement is then in effect and the Purchaser thereunder is not in default unless (i) the Purchaser consents to such change or (ii) such change is not a material change in the size, Common Interest, dimension, floor space or layout of such Unsold Residential Unit. The Common Interest of a Residential Unit may change if there is a change in the floor space or the additional factors of relative value to other space in the Condominium, the uniqueness of the Residential Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Residential Unit. No material change will be made in the size or number of Residential Units and/or their respective percentages of Common Interest, and no material change will be made in the size or quality of the Common Elements, except by amendment to the Plan and, when applicable, by amendment to the Declaration. Unless all Purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of the Common Elements. Sponsor will not perform any of the actions described in this paragraph with respect to an occupied Unit (except for a Unit occupied pursuant to an Interim Lease and to which the tenant under such Interim Lease has approved). Any such structural changes shall be subject to the rights of any tenancies then in effect.

Once the Declaration is recorded, no change may be made in the number of Residential Units or number of rooms within a Residential Unit, nor may the size of any Residential Unit be changed by subdivision or combination or alteration of boundary walls as aforesaid or otherwise, nor may the Common Interest of any Residential Unit be changed, unless, in each such event, the Declaration and Floor Plans and this Plan are amended with the consent of each Residential Unit Owner whose Residential Unit is so changed. Sponsor will have the right to amend or to cause the 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 Residential Unit are not insubstantially or materially different than the Residential Unit Plans, a Purchaser will not be excused from purchasing his Residential Unit and will not have any claim against Sponsor as a result of any insubstantial or immaterial change.

Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the Purchase Price for his or her Residential Unit or otherwise be relieved of any obligations under the Agreement, by virtue of a minor inaccuracy or error in the Floor Plans. With regard to size, such minor error would mean a decrease of 5% or less or any increase in the size of any Residential Unit or room contained in a Residential Unit. There is a

presumption that a Residential Unit size that is diminished by 5% or less is not material.

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

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

L. INTERIM LEASES

Sponsor will endeavor in good faith to sell, but nevertheless reserves the unconditional right, prior to the date of closing title to a Residential Unit, to rent or lease, rather than sell, such Residential Unit to Purchasers and others. As a result, a Purchaser of a Residential Unit may be acquiring a Residential Unit that has been previously occupied or used, but, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Residential Unit will be delivered at the closing vacant and free and clear of all leases, tenancies and rights of occupancy. In addition, because Sponsor reserves the unconditional right to rent or lease Residential Units, there is no commitment to sell more Residential Units than the fifteen percent (15%) of such Residential Units necessary to declare the Plan effective and, accordingly, Residential Unit Owners may never gain effective control and management of the Condominium and/or Building, and the First Annual Residential Meeting may never occur. (See the Sections entitled "Introduction", "Procedure to Purchase", and "Rights and Obligations of Sponsor" in Part I of the Plan for further discussion.) However, once an Agreement for a Residential Unit is fully executed and for so long as the Agreement is in effect, such Residential Unit may only be leased to its Purchaser. No Purchaser shall have the right to occupy or use any Residential Unit prior to the closing unless Sponsor agrees to permit such occupancy under an Interim Lease or other written rental agreement.

If Sponsor agrees to lease a vacant Residential Unit pursuant to an Interim Lease, the Interim Lease will be for a rent and upon such other terms and conditions as may be agreed upon by Sponsor and the tenant; provided, however, that in the case of an Interim Lease to a Purchaser, such lease will provide that an uncured default by the Purchaser under the Agreement (that is, a default not cured within 30 days after the sending of written notice thereof) will constitute a default under the lease entitling the landlord (i.e., Sponsor), at its sole option, to immediately terminate such lease whereupon the lessee must vacate the Residential Unit within ten (10) days thereafter. The Agreement will contain a similar provision entitling Sponsor to terminate the Agreement and retain the Payment (and any interest thereon) as liquidated damages, and not as a penalty, in the event the Purchaser fails to cure a default under such Purchaser's lease, if any, within the applicable grace period (if any) and either: (a) Sponsor has obtained an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser or (b) the Purchaser has vacated the Residential Unit. No portion of the rent paid under any lease will be credited towards the Purchase Price of a Residential Unit unless the lease and the Agreement therefor expressly so provide. A form of Interim Lease is contained in Exhibit 15 in Part II of this Plan.

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

In the event of any amendment to the Plan which discloses a material adverse change to the Plan and offers the Purchaser a right to rescind, if a Purchaser who is a tenant under an Interim Lease duly elects to rescind, the Purchaser's Payment will be returned subject to the

terms of the Plan and the Interim Lease made with such Purchaser's Payment will be returned subject to the terms of the Plan and the Interim Lease made with such Purchaser shall be cancelled and possession of the Residential Unit must be surrendered within sixty (60) days thereafter free of all occupants and in broom clean condition. A Purchaser shall be liable to Sponsor for any and all damages, costs and expenses incurred by Sponsor by reason of any failure to vacate within a 60-day period. If such failure to timely vacate occurs prior to the First Closing, the Purchaser shall be liable for use and occupancy in an amount equal to twice the rent under the Interim Lease. If such failure to vacate occurs after the First Closing, the Purchaser shall be liable for twice the costs of carrying the Residential Unit (such as Common Charges, real estate taxes and the allocable portion, based on such Residential Unit's Common Interest, of debt service on any loan covering the Unsold Residential Units) as calculated by Sponsor. In addition, irrespective of when failure to timely vacate occurs, such Purchaser shall be liable to Sponsor for loss of profit and all costs and expenses incurred by Sponsor to obtain possession of the Residential Unit, including the cost of litigation and reasonable attorneys' fees and expenses. In the event the Plan is abandoned, a Purchaser who has entered into an Interim Lease will have no right to remain in occupancy as a tenant after the abandonment of the Plan.

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

M. PROCEDURE TO PURCHASE

1. General Information

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

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

Purchaser's obligation to purchase a Residential Unit pursuant to the Agreement shall not be contingent on Purchaser obtaining financing for such purchase.

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

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

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

At the time of execution of an Agreement, a Purchaser is required to make an initial payment in an amount equal to at least the sum of fifteen percent (15%) of the Purchase Price (or 50% of the Purchase Price if the Purchaser has diplomatic immunity) and within six (6) months thereafter, or thirty (30) days after the Plan is declared effective, if it is earlier an additional five percent (5%) of the Purchase Price (the Initial Payment and the Additional Payment collectively, the "Payment"). In the event the Purchaser defaults, the Sponsor shall

have the right to retain the Payment. Agreements entered into after the construction of the building has been completed and the temporary certificate of occupancy issued, shall not require an Additional Payment. Alternatively, these Agreements will require an Initial Payment that is at least 20% of the Purchase Price and a Closing Date that is either (i) sixty (60) days after the execution of the Agreement or (ii) thirty (30) days after a written notice of the time and place of the Closing is sent to the Purchaser. All Payment checks must be made payable to the direct order of "Holland & Knight LLP, Escrow Agent". All checks delivered in payment of the Payment shall be accepted by Sponsor subject to collection, and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem such Agreement to be canceled and of no further force or effect.

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

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

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

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

If a Purchaser fails for any reason to close title to his or her Residential 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 Residential Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Agreement and this Plan, an amount equal to 0.04% of the Purchase Price of his Residential Unit for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date.

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

In order to facilitate the Sponsor's sale of the Residential Units, prior to (a) one (I) year after a Purchaser's closing on its Residential Unit, a Purchaser will not be permitted to sell his or her Residential Unit(s) without obtaining the Sponsor's written approval, and (b) a Purchaser's closing of a Residential Unit, the Purchaser may not (i) list the Residential Unit for

resale with any broker or otherwise, or (ii) advertise, promote or publicize the availability of his or her Residential Unit for sale or lease.

It is anticipated that the First Closing will occur on or before December 1, 2018. In the event the projected commencement date of Condominium operation is later than November 30, 2019 anticipated date of the First Closing, Sponsor will offer all Purchasers the right to rescind their Agreements and have their Payment refunded to them. In the event that the projected commencement date of Condominium operation is six (6) months later than the anticipated date of the First Closing, the Plan will be amended to include a revised budget disclosing the then current budget projections. If the Common Charges in the revised budget increase by twenty-five (25%) percent or more, Sponsor will offer all Purchasers the right to rescind their Agreements and have their Payment refunded to them. Any Purchaser electing rescission will have their Payment and any interest earned thereon returned; provided however, that Sponsor may retain any escrow funds expended for special work at the request of the Purchaser as well as the cost of any work necessary to restore the Residential Unit to its condition prior to such work having been performed. Rescission need not be offered to any Purchaser who is in default under such Purchaser's Agreement, beyond the expiration of any applicable grace period, provided that Sponsor shall only retain the Payment of a Purchaser in accordance with the escrow and trust fund requirements of General Business Law Sections 352-e(2b) and 352-h and the Attorney General's regulations promulgated pursuant thereto as described in the subsection of the Plan entitled "Escrow and Trust Fund Requirements" in this Section of the Plan.

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

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

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

The risk of loss to any Residential Unit by fire or other casualty until the Closing for such Residential Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Residential Unit prior to Closing, at which time any risk not covered by insurance shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore

any Residential Unit. In the event of damage or destruction of a Residential Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Residential Unit, the Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price for the subject Residential Unit. In such event Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Board and other Residential Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Residential Unit by fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Residential Unit, or, if the casualty occurs after the First Closing and the Residential Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Residential Unit Owners and Condominium Board"), the Agreement shall be deemed canceled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, whereupon the parties to the Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan; provided, however, notwithstanding anything to the contrary herein, if Purchaser is then in default under the Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

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

2. Escrow and Trust Fund Requirements

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

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

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

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

Escrow Agent

All Payments made by Purchasers prior to the closing of each individual transaction, will be placed, within five (5) business days after the Agreement has been signed by all necessary parties, in a segregated special escrow account of Holland & Knight LLP, the escrow agent for Sponsor and Purchaser (the "Escrow Agent"), whose address is 31 West 52nd Street, New York, New York 10022 and whose telephone number is (212) 513-3308. The attorneys who are signatories on this account authorized to withdraw funds are: Stuart M. Saft, Renee I. Covitt, Neil N. Beaton, Richard A. Crowley, William J. Honan, Martin P. Miner, Randal R. Craft Jr., Michael J. Frevola, Nancy L. Hengen, Christopher G. Kelly, Alan D. Reitzfeld, Sean C. Sheely, James M. Spitzer Jr., Barry Vasios, Arthur E. Rosenberg, Vincent J. Foley, R. Scott Johnson, Lance Myers and Christopher R. Nolan. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

Escrow Account

The Escrow Agent has established a master escrow account at M&T Bank (the "Bank") at its branch located at 350 Park Avenue, 6th Floor, New York, NY 10022, entitled "Holland & Knight LLP - 21 East 12th Street Condominium, Escrow Account" or similar name (the "Master Escrow Account"). All Payments will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. Each Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) in the form set forth in Part II of the Plan or a Form W-8 (Certificate of Foreign Status) in the form set forth in Part II of the Plan, as applicable, to Sponsor or Selling Agent at the time Purchaser tenders the Initial Payment and the Agreement. If an Initial Payment is accompanied by a completed and signed Form W-9 or Form W-8, the Initial Payment will thereafter be promptly transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser. The interest rate for all Payments transferred to an individual interest bearing sub-escrow savings account shall be the prevailing rate for such accounts, which as of May, 2016 is approximately .20%. Interest shall begin to accrue upon placing the Initial Payment into the individual interest bearing sub-escrow savings account. All interest earned thereon shall be paid to Purchaser at Closing. If a Purchaser does not deliver the Form W-9 or Form W-8, the Initial Payment along with any Additional Payment will remain in the non-interest bearing checking portion of the Master Escrow Account. No fees of any kind may be deducted from the Master Escrow Account or individual escrow accounts, and Sponsor shall bear all costs associated with the maintenance of the Master Escrow Account and individual escrow accounts. At such time as the Payment is released, the Payment will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the Master Escrow Account so that checks may be drawn thereon. The Bank is covered by federal bank deposit insurance to a maximum of $250,000 per individual Payment. The following are special risks of this offer: (i) if a Purchaser makes a Payment in excess of $250,000 for the purchase of a unit, such Payment will not be federally insured in excess of $250,000; and (ii) while the Payment is in the non-interest bearing checking portion of the Master Escrow Account, the Payment may not be fully federally insured

even if the Payment does not exceed $250,000. In addition, if Purchaser makes a Payment of less than $250,000 but maintains other accounts at the same bank, those accounts could be used to count toward the $250,000 limit.

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

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

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

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

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

In the event a check delivered by a Purchaser fails of collection, the Agreement will be deemed void ab initio (as if the Agreement had never been executed) at the option of Sponsor, who reserves the right to exercise this option in its discretion by written notice to Purchaser given within five (5) business days of Sponsor receiving notice from Escrow Agent of such failure of collection.

Notification to Purchaser

Within five (5) business days after the fully executed Agreement has been tendered to Escrow Agent along with the Initial Payment, the Escrow Agent shall sign the Agreement and place the Initial Payment into the Master Escrow Account. Within ten (10)

business days after Initial Payment of the first portion of the Initial Payment into the Master Escrow Account, Escrow Agent will notify Purchaser and Sponsor that such funds have been deposited into escrow and will provide the account number and the initial interest rate, if any. Any deposits made for upgrades, extras, or custom work shall be initially deposited into the Master Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.

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

Release of Funds

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

Under no circumstances shall Sponsor seek or accept release of the Initial Payment of a defaulting Purchaser until after consummation of the Plan, as evidenced by acceptance of a post-closing amendment by the New York State Department of Law. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-3(2-b) and 352-h.

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

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

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

(iii) in a final, binding Arbitration by JAMS.

If the Escrow Agent is not directed to release the Payment pursuant to paragraphs (i) through (iii) above, and the Escrow Agent receives a request by either party to release the Payment, then the Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Payment. If the Escrow Agent has not

received notice of objection to the release of the Payment prior to the expiration of the thirty (30) day period, the Payment shall be released and the Escrow Agent shall provide further written notice to both parties informing them of said release. If the Escrow Agent receives a written notice from either party objecting to the release of the Payment within said thirty (30) day period, the Escrow Agent shall continue to hold the Payment until otherwise directed pursuant to paragraphs (i) through (iii) above. Notwithstanding the foregoing, the Escrow Agent shall have the right at any time to Payment the Payment contained in the Escrow Account with the clerk of the county where the Building is located and shall give written notice to both parties of such Payment.

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

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

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

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

Escrow Agent shall be permitted to act as counsel to Sponsor in any dispute as to the disbursement of the Payment or any other dispute between Sponsor and a Purchaser whether or not Escrow Agent is in possession of the Payment and continues to act as Escrow Agent. Sponsor has agreed to indemnify Escrow Agent from all costs, claims, expenses and damages incurred in connection with or arising out of the performance or non-performance of Escrow Agent's duties under Article 12 of the Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of Article 12 of the Agreement or involving gross negligence of Escrow Agent.

Sponsor has agreed to compensate Escrow Agent for services rendered in connection with Escrow Agent's duties under Article 12 of the Agreement, if any. Escrow Agent's fees and disbursements will neither be paid by Sponsor from the Payment nor deducted from the Payment by any financial institution under any circumstance. Escrow Agent will maintain all records concerning the Master Escrow Account for seven years after the release of funds.

Sponsor may agree to modify the floor plans and finishes of certain Residential Units or to do special work or provide extras to the Residential Units as requested by individual Purchasers as negotiated by Sponsor and Purchaser. Purchaser shall bear the cost of such modification to floor plans and finishes in advance together with the cost of removing the special work if the Purchaser fails to close. All funds received by Sponsor from Purchasers for such modified or additional work in Residential Units, as aforesaid, shall be initially placed in escrow

and shall be paid to Sponsor by the escrow agent to be used by Sponsor to pay for such work. Accordingly, in the event a Purchaser becomes entitled to rescission after the release of such funds, the Purchaser shall not receive a refund of any funds used for special work or extras, unless Purchaser is entitled to rescission because of Sponsor's withdrawal or abandonment of the Plan or other acts of Sponsor.

Waiver Void

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

Transfer of Escrow

Before funds are transferred to a new escrow account, or if an escrow agent is replaced, the plan must be amended to provide the same full disclosure that was provided with the original account.

Retention of Records

Escrow Agent shall keep all records on file for 7 years after the release of funds in plan.

3. Date of the First Closing; Closing Notices

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

Purchasers should also note that even if the First Closing occurs on or before December 1, 2018 (or such other date projected as the date of commencement of operation at the time the Agreement was entered into) or within the twelve (12) month period thereafter, the closing of subsequent Residential Units may be substantially delayed beyond such dates if a temporary certificate of occupancy has not been issued for such Residential Units or for the floor on which such Residential Units are located. Accordingly, Purchasers may not be able to close title to their respective Residential Unit(s) for some period of time after signing their respective Agreement and after the First Closing. In such a case, provided that Sponsor is pursuing completion of construction and issuance of a certificate of occupancy and is otherwise in compliance with its obligations under the Plan, a Purchaser will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of substantial delays and will not be excused from paying the full Purchase Price for the Residential Unit.

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

4. Default

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

In the event Sponsor elects not to cancel the Agreement as a result of the failure of the Purchaser to close on the date specified by Sponsor, or if Sponsor approves a request from the Purchaser to adjourn the closing date, then Sponsor may require that: (a) the Purchaser pay Sponsor interest at a rate of 0.04% per day (or such lower daily rate which is the legal limit, if 0.04% per day exceeds the legal limit) on the total Purchase Price, computed from the original closing date until the transaction is actually closed; and (b) all apportionments between Sponsor and the Purchaser be made as of the original closing date; in addition, the Purchaser shall reimburse Sponsor for any additional costs incurred by Sponsor as a result of the Purchaser's delay.

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

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

5. Prohibition Against Advertising, Selling or Leasing

Purchasers shall not, prior to (a) one (1) year after a Purchaser's closing on its Residential Unit, be permitted to sell his or her Residential Unit(s) without obtaining the Sponsor's written approval, and (b) a Purchaser's closing of a Residential Unit, (i) list the Residential Unit for resale with any broker or otherwise, or (ii) advertise, promote or publicize the availability of his or her Residential Unit for sale or lease. Any such sale or lease, listing of the Residential Unit or form of advertising, promotion or publicizing of the Residential Unit by Purchaser or its agents or representatives shall constitute a default under the Agreement, entitling Sponsor to the remedies set forth therein and any lease or conveyance in violation of the foregoing will be voidable by Sponsor.

6. Risk of Loss

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

However, if Sponsor notifies the Purchaser in writing that it does not elect to repair or restore the Residential Unit, or if the Residential Unit Owners entitled to make such determination do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of the Residential Unit Owners and the Condominium Board" in Part I of the Plan), the Agreement shall be deemed terminated, Sponsor shall return to

the Purchaser the entire Payment, together with interest earned thereon, and the parties shall be released and discharged from all rights, obligations and liability under the Agreement and this Plan, except that if the Purchaser is then in default under the Agreement beyond any applicable grace period, Sponsor may retain such Purchaser's Payment, together with interest earned thereon.

7. Financing

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

8. Transfer (and Mansion) Taxes

Purchasers shall be responsible (as is customary in condominium offerings) to pay at the closing of title to their Residential Unit(s) the New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax notwithstanding the fact that these taxes are, by law the primary obligation of the seller. For purposes of calculating the transfer taxes payable, the amounts of such taxes will be included in the consideration subject to such tax. Currently, for the purchase of a single Residential Unit, the New York City Real Property Transfer Tax is one percent (1%) of the consideration paid for a Residential Unit if such consideration is $500,000 or less and 1.425% of the consideration if such consideration is more than $500,000; and the New York State Real Estate Transfer Tax is presently $2 for each $500 (or fractional part thereof) of the consideration paid for a Residential Unit. Purchasers shall also be obligated to pay the New York State Additional Tax pursuant to Article 31 of the New York State Tax Law, commonly referred to as the "Mansion Tax," currently (as of the date of filing of this Plan) one percent (1%) of the total consideration paid when such consideration is $1,000,000 or more, which tax by law is the primary obligation of the Purchaser. It is likely that the purchase price, a share of the Resident Manager's Unit cost and transfer taxes, payable by purchasers, together with any other amounts paid by the Purchaser which are the obligation of Sponsor, will be added together by the New York State Department of Taxation and Finance and the New York City Department of Finance or, collectively, the "taxing authorities" to arrive at total consideration for transfer tax and mansion tax purposes. However, Sponsor makes no representation regarding the calculation of such taxes or of the "consideration" upon which the taxing authorities may base such taxes and shall have no liability with respect thereto. Purchasers should consult with their own counsel and/or tax advisors.

9. Residential Unit Owner Power of Attorney

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

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

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

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

11. Escrow Dispute Arbitration

Any dispute regarding the disposition of the Payment received by Sponsor and held by Escrow Agent shall be resolved by binding Arbitration. The Arbitration shall be exclusively limited to disputes regarding the Payment. The Arbitration forum shall be JAMS. The Arbitration shall be conducted in accordance with JAMS Streamlined Arbitration Rules and

Procedures (the "JAMS Streamlined Rules"). The JAMS Streamlined Arbitration Rules and Procedures may be accessed at: http://www.jamsadr.com/rules-streamlined-arbitration.

Within five (5) days of filing a request for arbitration proceeding, JAMS shall send the parties a list of three (3) arbitrator candidates. Each such arbitrator candidate shall have at least ten (10) years New York real estate law experience. Within seven (7) days of service by the parties of the list of names, each party may strike one (1) name and shall rank the remaining arbitrator candidates in order of preference. The remaining arbitrator candidate with the highest composite ranking shall be appointed the Arbitrator. In the event that no arbitrator has the highest composite ranking, the Arbitrator shall be determined by JAMS. The Arbitrator shall be neutral and independent of Sponsor, all of its principals and the Purchaser.

The Arbitration will take place in the country in which the Unit is located. For Units located in New York County, the Arbitration shall take place at JAMS headquarters, currently located at 620 Eighth Avenue, New York, New York. If the Unit is located outside of New York County, the arbitration shall take place at a venue within the county in which the Unit is located selected by the Arbitrator.

Sponsor and Purchaser are relinquishing their right to bring suit in court, including the right to trial by jury, concerning disputes over the dispositions of the Payment, except as provided by the rules of arbitration under New York CPLR §7511. There are procedural differences between arbitration and litigation that Purchasers should consider. JAMS may impose a shorter time limits for filing and bringing claims under the JAMS Streamlined Rules than in standard litigation. For example, as of the date hereof, JAMS Streamlined Rules require a response to a notice of claims within seven (7) days, while in New York Supreme Court a respondent has either twenty or thirty days to file an answer, depending on the type of service of process. Discovery powers are less expansive in arbitration than in a traditional court proceeding. The ability of parties to obtain documents, witness statements and other tools of discovery may be limited by the Arbitrator and JAMS Streamlined Rules. New York Law does not authorize any party to an arbitration to file a notice of pendency based on an ongoing arbitration proceeding.

The parties shall bear the costs of their own expenses and witness preparation. The parties shall equally share the costs of the JAMS administrative fees, including the Arbitrator's compensation. At the conclusion of the hearing. the Arbitrator shall make his or her determination and shall award to the prevailing party, if any, the costs and attorneys' fees reasonably incurred by the prevailing party in connection with the Arbitration. The prevailing party shall be reimbursed for their share of the JAMS administrative expenses.

The decision of the Arbitrator shall be final and conclusively binding on the parties. An Arbitrator does not have explain their ruling when rendered. There is very limited ability to have a court reverse or modify an arbitration award. See New York CPLR § 7511. In no event shall Sponsor or Purchaser have the right to bring any action in law or equity to otherwise seek damages or any other relief with respect to this dispute.

In no event shall the Down Payment be released from escrow until at least 90 days has elapsed from the issuance of the final arbitration award. See CPLR §7511. While arbitration awards are generally final, there are limited possibilities for a party to vacate an award. In the event that a purchaser brings a proceeding pursuant to CPLR §7511 to vacate the award, the Down Payment must remain in escrow until that proceeding is finally adjudicated.

N. ASSIGNMENT OF AGREEMENTS

An Agreement may not be assigned by the Purchaser thereunder. If a Purchaser desires to assign its rights under an Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by, the Purchaser that differs from the name on the Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), the Purchaser will be required to deliver to Selling Agent or Sponsor's Counsel, four signed assignments of the Agreement (to be prepared by Sponsor's Counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), as well as two (2) completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification) or Form W-8BEN, as applicable, which must be delivered to the Selling Agent or Sponsor's Counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of $1,000 made payable to "Holland & Knight LLP" (for services rendered in connection with the assignment), not less than 20 days prior to the date scheduled for the Purchaser's closing. In the event such fee is not collected prior to the Closing, it is payable at the Closing. In no event will the Purchaser (or its assignee or any added or substituted party) have the right to adjourn or postpone the closing as a result of such change or assignment. Furthermore, if Purchaser is requesting to assign the Agreement to an entity, then the Purchaser shall furnish to Sponsor's Counsel, all organizational documents containing proof that the proposed assignee entity is authorized to assume the Agreement and close on the Residential Unit. Sponsor is not obligated to consent to any such change or assignment and, if Sponsor refuses to consent, the Purchaser will not be excused from his or her obligations under the Agreement; and the prohibition against advertising or listing any Residential Unit(s) for sale or resale with any broker or otherwise advertising, promotion or publicizing the availability of such Residential Unit(s) for sale shall remain if effect.

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

O. EFFECTIVE DATE

Sponsor's offer to sell the Residential Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR (i.e., Agreements signed by bona fide purchasers including investors for at least 15% of the Residential Units offered under the Plan). The Plan must be declared effective when Agreements have been executed by prospective purchasers and accepted by Sponsor with respect to 42 Residential Units or eighty (80%) percent of the Residential Units offered for sale. The Plan may be declared effective at an earlier date, at Sponsor's sole election, when bona fide Agreements (including those executed by investors) have been executed and accepted by Sponsor with respect to fifteen (15%) percent of the Residential Units being offered for sale under the Plan, which is 8 Residential Units.

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

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

The Plan may, at the option of Sponsor, be abandoned a) at any time before it is declared effective and b) after it is declared effective in the event of: (1) the existence of one or more title defects affecting any one or more Residential Units or the Property that cannot be removed, cured or complied without litigation or for less than one half of one percent of the total offering amount; (2) substantial damage to or destruction of the Building (or any portion thereof) by fire or other casualty that cannot be repaired prior to the date set for the First Closing for less than one half of one percent of the total offering amount; or (3) a taking of all or part of the Property in condemnation proceedings or by eminent domain.

In the event the Plan is withdrawn or abandoned, the Plan will be abandoned by a duly filed amendment and all Payment, together with interest earned thereon, if any, will be returned to Purchasers within five (5) days following such withdrawal or abandonment. Upon the return of the Payment, together with any interest earned thereon, the Agreements will be null and void and Sponsor will have no further obligation or liability to Purchasers under the Plan or the Agreements. Sponsor shall promptly submit an amendment to the Department of Law

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

In the event of that a taking is affected on any material portion of the property, Sponsor must provide that any stated dollar amount relied upon as basis for abandonment after effectiveness must exclude any attorney's fees or any such title defects or determinations of any authority or regulatory association which exist on the date of presentation of the plan and are either know to Sponsor or a matter of public record.

Notwithstanding the fact that not all purchasers used for purposes of declaring the plan effective may actually close, Sponsor will redeclare the plan effective if all purchase agreements are either rescinded or terminated prior to the date of first unit closing, regardless of whether the condominium declaration has been recorded.

P. TERMS OF SALE

1. Preconditions for Closing

The term "Closing" or "closing" as used herein refers to the conveyance of title to a Residential Unit from Sponsor to Purchaser by the delivery to Purchaser of a deed upon payment by Purchaser to Sponsor of the balance of the Purchase Price for such Residential Unit. 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 Residential Unit shall be held at the offices of Sponsor's Counsel, Holland & Knight LLP, 31 West 52nd Street, New York, New York 10022 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 Residential 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 Residential 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 Residential Unit, the assignment to the Purchaser's mortgagee of any existing mortgage(s) encumbering such Residential 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 Residential Unit at least thirty (30) days prior to the Closing Date specified therein, unless such notice is waived by Purchaser, including a reasonable opportunity, upon written request of Purchaser, for Purchaser to examine the Residential 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 Residential Unit and its appurtenant Common Interest, free and clear of all liens, encumbrances and other title exceptions other than the Permitted Encumbrances;

(f) the assignment by Sponsor to Purchaser of the right to proceed under any existing assignable warranties covering appliances, equipment or fixtures installed in his or her Residential Unit, and the assignment by Sponsor to the Board of the right to proceed under any existing assignable warranties covering appliances, equipment or fixtures installed in the Common Elements, or Limited Common Elements, as the case

may be. (Purchasers should be aware that warranties vary in length, depending partly on when the appliances, equipment and fixtures covered by such warranties are first installed. Sponsor makes no representation as to which, if any, of the warranties will continue to remain in force upon the Closing Date of any particular Residential Unit);

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

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

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

A Closing will take place only concurrently with the issuance of a temporary certificate of occupancy for a specific Residential Unit until the issuance of a temporary or permanent certificate of occupancy for the entire Building.

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

There is no construction financing currently in place. If there is a construction loan on the Building which is not satisfied at or prior to the First Closing, at the First Closing, the Mortgagee will release its lien on the Residential Unit being conveyed and the Common Elements.

2. Acceptance of Deed

The acceptance of a deed by a Purchaser shall be deemed an acknowledgment that Sponsor has performed and discharged every agreement and obligation on the part of Sponsor to be performed under the Plan except those (if any) which may be expressly stated in the Plan, in the Agreement, in 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of this Plan) and in General Business Law Section 352-e to survive delivery of the deed. The Purchaser of a Residential Unit shall inspect such Residential Unit prior to the Closing Date and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Residential Unit in good condition and in accordance with the terms of the Plan, provided that if Purchaser finds that Sponsor's improvements have not been completed as described in the Plan then Sponsor and the Purchaser in question will agree to include on the inspection statement a list of incomplete work of a material nature to be completed in the Residential Unit by Sponsor following the Closing Date, but all such obligations to complete work in the Residential Unit shall cease once the work has been completed. Notwithstanding the foregoing, Sponsor's obligations to perform work in any Residential Unit shall not survive beyond one (1) year after the Closing Date. Sponsor shall have no obligation to complete any work described herein which is not specifically designated by the Purchaser on the inspection statement. A Purchaser shall provide written notice that such Purchaser wishes to inspect the Residential Unit pursuant to this Paragraph at least ten (10) days prior to Closing and Sponsor shall respond prior to Closing. A Purchaser who fails to inspect such Residential Unit prior to the Closing shall be deemed to have accepted the Residential Unit in good condition and in accordance with the terms of the Plan.

3. Condition of Residential Unit

Notwithstanding anything to the contrary set forth above, in no event shall the Sponsor be responsible for any condition resulting from (i) normal wear and tear or natural deterioration or from the normal settling or shifting of the Building; (ii) for defects of an insubstantial nature, such as, without limitation, partial or total death of any trees, shrubs, bushes or other landscape improvements, nail pops, ridging on sheet rock walls, lumber shrinkage, door sticking or window sticking due to weather, door warpage, scratches in formica or porcelain surfaces, bath and kitchen title grouting, adjustment of any bi-fold doors, walls not square, electrical plates not straight, discoloration or shrinkage, slight separation between base and floor, (iii) normal settlement and deflection or any consequential damage resulting therefrom including, without limitation, cracks in any concrete roof pavers, or concrete cracks which do not impair the structural soundness of the Building, (iv) variations in any floor levels, (v) ceiling imperfections, (vi) minor painting defects, (vii) alignment of bathroom finishes, (viii) air infiltration from windows, (ix) normal plumbing system, heating system and air conditioning system noises, (x) normal floor noises and creaking, (xi) carpet or floor discoloring or stretching, (xii) variations in width, length or tone of wood floor strips, also, normal shrinkage or expansion of wood flooring due to changes in moisture content of wood, which also may result in the warping of the floors (xiii) repair of chips, scratches, mars, breaks or other defects in windows and window sashes, sliding glass doors, shower doors, electrical fixtures and globes, painted surfaces, sinks, tubs, basins, kitchen cabinets and countertops, vanity tops and cabinets, ceramic tile, marble floors,

saddles, appliances, woodwork and doors, mirrors, hardware, appliance cabinets and flooring, (xiv) subsequent to the Residential Unit Closing, paint touch-ups, repairs of dented appliances or replacement of fluorescent light ballasts, (xv) cracks or variations in tone, finish or color of any marble used in bathrooms or cracks, variations in tone, finish or color of vanity tops or other marble aggregate surfaces, (xvi) salting or color variation in exterior colored mortar and deep colored brick, (xvii) ponding and/or controlled drainage on the roof surface, or (xviii) cracks in any pressure treated wood or redwood used or intended for use outside the Building. Prior to Closing, but in no event thereafter, Sponsor shall be obligated to repair only abnormally chipped stone, formica and porcelain surfaces, which repair shall be made by filling the stone or formica or refinishing the porcelain, but Sponsor shall not be obligated to replace such stone, formica or porcelain surfaces. Sponsor's obligation for the condition of a Residential Unit is limited to the Original Purchase of a Residential Unit from the Sponsor. Sponsor shall have no responsibility for any condition in any Residential Unit that is resold by a Purchaser from the Sponsor.

4. Tax-Deferred Exchanges

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

5. Risk of Loss

If the Purchaser is or becomes the tenant or occupant of a Residential Unit before the

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

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

Q. CLOSING COSTS AND ADJUSTMENTS

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 the Purchaser's Residential 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:

1. Working Capital Fund

A contribution to the Working Capital Fund of the Residential Section in an amount equal to two (2) months' Residential Common Charges then applicable to each Residential Unit being purchased.

2. Title Insurance

If purchaser elects to obtain fee title insurance, Purchaser will pay a premium which will vary depending upon the amount of insurance requested. Recording charges, fees, title costs and taxes are based on rates in effect on the date of the Plan and are subject to change without notice. Sponsor has been insured by the Title Company, however Purchasers are free to use a title company of their choosing without incurring a penalty. Purchaser will pay the premium for title insurance, which will vary depending upon the purchase price of the Residential Unit. The premiums as of the date of this Plan will be at the reduced Bulk Rate (70% of the standard rate) because this will be the initial sale of the Residential Unit by Sponsor. As of May, 2016, the premium for owner's title insurance for purchase prices under $1,000,000 is the sum of the $239 for the first $35,000 of fee insurance plus from $3.97 for each $1,000 of additional fee insurance up to $50,000. For additional rates for purchase prices under $1,000,000, please refer to the schedule below

FEE SCHEDULE FOR PURCHASE PRICES UP TO $999,999.99 ONLY:

The premium for fee title insurance will be $342.00 for the first $63,000.00 of fee insurance plus $3.30 for each $1,000.00 of additional fee insurance up to $100,000.00. For additional rates please see chart below.

FEE AMOUNT	PREMIUM				
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

FEE SCHEDULE FOR PURCHASE PRICES UP TO $1,000,000.00 AND OVER ONLY:

The discounted premium for owner's title insurance is seventy percent of the sum of

$402.00 for the first $35,000 of fee insurance plus from $4.67 for each $1,000 of additional fee insurance up to $50,000. For additional rates, please refer to the schedule below.

FEE AMOUNT	PREMIUM				
50,001.00	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

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. For example:

LOAN AMOUNT	PREMIUM				
35,000.00	73	+	1.17	per thousand up to	$ 50,000.00
50,001.00	90	+	.95	per thousand up to	100,000.00
100,001.00	137	+	.77	per thousand up to	500,000.00
500,001.00	445	+	.70	per thousand up to	1,000,000.00
1,000,001.00	795	+	.64	per thousand up to	5,000,000.00

If a purchaser elects to simultaneously obtain both fee title insurance and mortgage title insurance, the premium for the mortgage title insurance (assuming the mortgage amount does not exceed the purchase price) will be at 70% of the simultaneous rate, which is 30% of the Basic Rate. The premium for simultaneous mortgage title insurance will be computed using the schedule as described below.

LOAN AMOUNT	PREMIUM				
35,000.00	72	+	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	443	+	.70	per thousand up to	1,000,000.00
1,000,000.00	791	+	.64	per thousand up to	5,000,000.00

3. Recording Charges

A fee for recording the Residential Unit Deed and Residential Unit Power of Attorney. Title Companies usually charge $37.00 as a base recording charge plus $5 per page plus $40.00 documents service charge and charges a mortgage recording fee (if any) at a rate of $37.00 per instrument plus $5 per page and a $40.00 document service charge. Each title company establishes its own additional service and surcharges in this regard. There is also a $125 charge for the filing of the RP-5217.

4. Mortgage Tax Credit

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

5. Transfer Taxes

The New York City Real Property Transfer Tax ("RPT Tax"), which currently, for the purchase of a single Residential Unit, is one (1%) percent of the purchase price of a Residential Unit $500,000 or less (1.425% of the Purchase Price if over $500,000), and the New York State Real Estate Transfer Tax ("NYS Tax"), presently $2.00 for each $500.00 (or part thereof) of the Purchase Price of a Residential 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.

(vi) Multiply the sum of (iv) and (v) by 1% to determine the Mansion Tax payable.

Example:

Purchase price = $3,450,000.00

(1)	$3,450,000.00 x 1.425%	=	$ 49,162.50
(2)	$3,450,000.00 x .4%	=	$ 13,800.00
(3)	$3,450,000.00 + $62,962.50	=	$ 3,512,962.50 ("Adjusted Purchase Price")
(4)	$3,512,962.50 x 1.425%	=	$ 50,059.72
(5)	$3,512,962.50 x .4%	=	$ 14,052.00 (rounded up to nearest $2.00)
(6)	$3,512,962.50 x 1%	=	$ 35,129.63

(the "Mansion Tax" – see (g) below)

Where a Purchaser purchases two or more Residential 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 Residential 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 Residential Units by the same purchaser.

6. Mansion Tax

If the Purchase Price of the Residential 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 of Finance to arrive at total consideration. Therefore, for example, a residential unit priced at $985,000, where Purchaser pays transfer tax, would subject Purchaser to liability for Mansion Tax as the aggregate of Purchase Price plus tax would exceed $1,000,000.

7. Closing Fees

Purchaser shall also be responsible for payment of the following fees to Sponsor's attorneys, Holland & Knight LLP, in connection with the closing of title to Purchaser's Residential Unit: (i) the sum of $3,950 plus $500 if the Purchaser also purchases a Storage Bin License to reimburse Sponsor for its legal fees in handling the closing, (ii) $250 for the preparation of ACRIS transfer documents required by the City of New York; (iii) if the Purchaser requests the Closing to occur other than at the offices of Holland & Knight LLP or such other place as Sponsor may designate in its closing notice and Sponsor consents to such change, an attendance fee of $500 for each Closing held within Manhattan and $750 for each Closing held in any borough outside Manhattan, (iv) 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 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 Residential Unit), (v) if Purchaser obtains mortgage financing, then Purchaser shall pay Sponsor's attorneys an additional fee of $750 to defray the additional costs associated therewith, (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 for each adjournment to help defray the cost of preparing for and coordinating the new closing, and (vii) if Purchaser purchases more than one Residential Unit to be combined prior to Closing or if Sponsor agrees to any custom work to be done in the Residential Unit, then Purchaser shall pay Sponsor's attorneys an additional fee of $1,000 to defray the additional costs associated therewith. Purchaser shall pay Sponsor's Counsel the sum of $800 in connection with the consideration, review and processing of any agreement of exchange under Section 1031 of the Internal Revenue Code. Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single

Residential Unit. Other additional charges may apply. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's Counsel shall be paid by Purchaser prior to closing upon notice to Purchaser.

Purchasers or any other persons entering into an Interim Lease for a Residential Unit shall be required to pay the legal fees of Sponsor's counsel in connection therewith upon the execution of the Interim Lease. Such legal fees are estimated to be approximately $2,500 assuming that the Purchaser's counsel does not negotiate the terms of the Interim Lease. Any fees above $2,500 will be billed on an hourly basis at Holland & Knight LLP's customary rates. The above-referenced closing costs shall apply per Residential Unit for each Purchaser.

8. Resident Manager's Unit.

At the Closing to each Residential Unit, the Purchaser thereof, as a closing cost of such Purchaser's Residential Unit, will be required to make the RMU Payment to the Residential Committee in an amount equal to such Purchaser's prorata share of the Purchase Price of the Resident Manager's Unit determined in proportion to their respective Common Interests, as set forth on Schedule A – "Purchase Prices and Related Information."

9. Mortgage and Related Fees

If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of all mortgage recording tax, origination, appraisal and closing costs and other expenses in connection therewith (including legal fees) in amounts determined by governmental authorities and such lender. Currently, the mortgage recording tax for mortgages under $500,000 is $2.05 for each $100 of principal and such tax for mortgages in the amount of $500,000 or greater is $2.175 for each $100 of principal. This tax is reduced for Residential Units in both instances by $30.00 if the mortgage principal exceeds $10,000. No representation or warranty is made with respect to the amounts of such closing costs and expenses or the availability or cost of mortgage loans from any sources. As previously stated in paragraph (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 Residential Unit may provide that the Residential 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 Residential Unit, together with one-twelfth (1/12) of the annual fire and casualty insurance policy premiums for the Residential Unit, or other amounts, and, at Closing, Purchaser may be required to deposit with the lender a multiple of the aggregate of such one month's real estate taxes, tax assessments and insurance premiums, or other amounts, in order that sufficient funds will be available for the lender to pay the same when due.

Example: Mandatory Closing Costs

Purchaser will pay the following mandatory Closing costs based on rates in effect in May, 2016 and assuming the Purchase Price is $3,450,000 and the form of documents in Part II of this Plan are used (all amounts are approximate and rounded to the nearest whole dollar).

(1)	Fee to record Residential Unit deed (assuming 5 pages + 1 cover page) and Residential Unit Owner's Power of Attorney (assuming 4 pages + 1 cover page).	$129.00
(2)	Title insurer's service charge to record the Residential Unit deed and Residential Unit Owner's Power of Attorney	$80.00 (estimated & approximate)
(3)	Fee to record Form EA 5217	$125.00
(4)	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 $2.00) plus a "Mansion Tax" of 1% of the Adjusted Purchase Price (if the Adjusted Purchase Price is $1,000,000 or more)	$49,181.63
(5)	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)	$50,059.72
(6)	Sponsor's attorneys' fees	$3,950.00
(7)	Working Capital Fund payment (amount depends upon Common Charges)	$4,426.00
Total projected mandatory Closing costs:		$107,951.35* (estimated & approximate)

* Note: 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 Residential Unit is financed with a mortgage loan for eighty percent (80%) of the Purchase Price (or $2,760,000) 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 May, 2016 (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 $30.00 and minus .25% payable by the mortgage lender before deducting the	$53,100.00

statutory credit against the mortgage tax credit payable to Sponsor.

(2) Mortgage recording fee (assuming 20 pages plus a cover page) at the rate of $32 per instrument, $5 per page.	$137.00
(3) Municipal charge to record the mortgage tax credit affidavit.	$8.00
(4) Title Insurer's service charge to record the mortgage and mortgage tax credit affidavit	$40.00
(5) Premium for simultaneous fee ($7,678.20) and mortgage title insurance ($1,921.40)	$9,599.60
(6) 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 $75 and $200 allowance for miscellaneous expenses)	$28,875.00
(7) Allowance for title closer gratuity and contingencies.	$250.00
(8) Sponsor's attorneys' fees for mortgage financing	$750.00*
Total projected elective closing costs:	$92,759.60 (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.

Example: Mandatory + Elective Closing Costs

Purchaser will pay the following mandatory and elective closing costs based on rates in effect in May, 2016 and assuming the Purchase Price is $3,450,000, the form of documents in Part II of this Plan are used, the purchase of the Residential Unit is financed with a mortgage loan for eighty percent (80%) of the Purchase Price (or $2,760,000), and both fee and mortgage title insurance are obtained simultaneously for Purchaser and Purchaser's mortgage lender.

Estimated Mandatory Closing Costs	$107,251.35
Estimated Elective Closing Costs	$92,759.6
Total projected mandatory and elective closing costs:	$200,010.95** (estimated and approximate)

** Note: This figure does not include the escrows for real estate taxes; Common Charges or other sums that might be required by Purchaser's mortgage lender; travel fees; adjournment penalties; Purchaser's attorney's fees or additional fees that may be required by Sponsor's attorneys as provided above. 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.

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

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

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

10. Closing Prorations

At Closing, prorations 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) Residential Common Charges for the month in which title closes and (c) accrued rent and any other charges pursuant to an Interim Lease or use and occupancy agreement, if any, covering Purchaser's Residential Unit. In the event the Residential Units have not been separately assessed for real estate tax purposes prior to the First Closing, each Residential Unit Owner will pay a pro rata share (in the proportion that such Residential Unit's Residential Common Interest bears to the aggregate Residential Common Interest of all Residential Units) to the Condominium Board as Common Charges of all real estate taxes with respect to the Property (please refer to Schedule A for an estimate of real estate taxes payable during the first year of Condominium operation). The Condominium Board will pay such taxes either to the Finance Administration of The City of New York or directly to Sponsor if Sponsor has already paid such real estate taxes. If any Residential Unit Owner fails to pay his pro rata share as set forth above, the Condominium Board will have a lien on such Residential Unit for non-payment of Common Charges. (See the Section entitled "Rights and Obligations of Residential Unit Owners and the Board of Managers--Common Charges: Collection and Lien for Non-Payment" for further discussion.) At such time as a Residential Unit is separately assessed and separately billed, its Residential 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 Residential 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 Residential 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 0.04% of the Purchase Price of his or her Residential 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 Residential Units, including, but not limited to, all selling expenses and commissions payable to Selling Agent for the initial sale of Residential Units pursuant to this Plan, advertising, printing and architects' fees, the fees of Sponsor's attorneys, engineering and appraisal costs and governmental filing fees, whether incurred prior or subsequent to the effective date of the Plan, in connection with the obligations of Sponsor (see the Section entitled "Rights and Obligations of Sponsor.")

R. RIGHTS AND OBLIGATIONS OF SPONSOR

1. Sponsor's Obligations with Respect to the Building

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

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

(i) Sponsor shall not substitute any materials, appliances, equipment and fixtures which are of a lesser quality or design; and

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

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

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

Sponsor or its representatives will correct, repair or replace all defects in the construction of the Building of the Building and its appurtenances and the Residential Units, or in the installation or operation of any appliances, fixtures or equipment in the same, or will cause the same to be corrected, repaired or replaced, only if such defects are due to improper workmanship or material substantially at variance with the Plans and Specifications, and Sponsor is notified by the Board or the affected Residential Unit Owner in writing of such defect: as to (a) patent defects within a Unit, or patent defects in the Common Elements affecting a Unit, following six (6) months from the date of Closing of the Unit; (b) latent defects within a Unit, or latent defects in the Common Elements affecting a Unit, following one (1) year from the date of Closing of the Unit, and/or (c) for defects in the General Common Elements, for one (1) year following the later of (i) the issuance of the temporary Certificate of Occupancy or (ii) completion of that portion of the Common Elements which is claimed to be defective, except as expressly provided in this Plan. However, notwithstanding the foregoing, Sponsor will not be responsible for correcting any defects in construction or installation or operation of any appliances, equipment or fixtures with respect to which assignable warranties or other undertakings (however denoted) from contractors, materialmen or others are assigned to the Board or any Residential Unit Owner(s); or for any condition resulting from normal wear and tear or natural deterioration or from normal settling or shifting of the Building, or for defects of an insubstantial nature, such as, without limitation, partial or total demise of any trees, shrubs, or other landscape improvements, nail pops, ridging on gypsum board/sheet rock walls, lumber shrinkage, doors or windows sticking due to weather, door warpage, scratches in formica or porcelain surfaces, bath and kitchen title grouting cracks, adjustment of any bi-fold doors, walls not square, electrical plates not straight, discolorations or shrinkages, normal settlement and deflection or any consequential damage resulting therefrom including, without limitation, cracks in any concrete roof pavers, or concrete cracks which do not impair the structural soundness of the Building, ceiling imperfections, separation in joints of kitchen tile or wood flooring, warping, cupping or creaking of wood flooring or any nicks, scratches, gouges, imperfections or discolorations thereof, floors out of level, variations in width, length or tone of wood floor strips or other flooring or floor finishes, also, normal shrinkage or expansion of wood flooring due to changes in moisture content of wood, ceiling imperfections, painting defects, alignment of bathroom finishes, air infiltration from windows, any consequential damage resulting from settling (including, without limitation, concrete or drywall cracks which do not impair the structural soundness of the

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

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

Each Residential Unit and the fixtures and personal property contained therein, are being sold and delivered as described in this Plan, at the time of transfer of title to such Residential Unit, unless Sponsor and the Purchaser of such Residential Unit otherwise agree in writing. The Purchaser of a Residential Unit shall inspect such Residential Unit prior to the closing date and shall execute at such time an inspection statement acknowledging the Purchaser's acceptance of the Residential Unit in good condition and in accordance with the terms of the Plan. However, if a Purchaser finds that Sponsor's improvements as described in the Plan or in the Agreement for such Residential Unit or other writing duly executed and delivered by Sponsor, have not been fully completed, although such improvements have been substantially completed, then Sponsor or its

designated representative and the Purchaser will at the time of such execution agree upon and set forth in the inspection statement a list of the incomplete work to be completed in the Residential Unit by Sponsor following the closing for such Residential Unit, but all such obligations to complete work in the Residential Unit shall cease once the work has been completed. Notwithstanding the foregoing, Sponsor's obligations to perform work in any Residential Unit shall not survive beyond one (1) year after the Closing Date. Sponsor shall have no obligation to complete any work described herein which is not specifically designated by the Purchaser on the inspection statement.

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

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

Purchasers should also note that even if the First Closing occurs on or before December 1, 2018 (or such other date projected as the date of commencement of operation at the time the Agreement was entered into) or within the twelve (12) month period thereafter, the closing of subsequent Residential Units may be substantially delayed beyond such dates if a temporary certificate of occupancy has not been issued for such Residential Units or for the floor on which such Residential Units are located. Accordingly, Purchasers may not be able to close title to their respective Residential Unit(s) for some period of time after signing their respective Agreement and after the First Closing. In such a case, provided that Sponsor is diligently pursuing completion of construction and issuance of a certificate of occupancy and is otherwise in compliance with its obligations under the Plan, a Purchaser will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of substantial delays and will not be excused from paying the full Purchase Price for the Residential Unit. **PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.**

(b) Sponsor will obtain a temporary and permanent certificate of occupancy for the Building. A permanent certificate of occupancy is required for permanent residential use of the Building and the Residential Units, which Sponsor will obtain prior to the expiration of the temporary certificates of occupancy. Temporary residential use of the Building is permitted upon the issuance of a temporary certificate of occupancy, but if a temporary certificate of occupancy expires prior to obtaining a permanent certificate of occupancy, residential occupancy of the condominium will be in violation of the Multiple Dwelling Law, subjecting the occupants of the Building, the Residential Unit Owners and the Board to penalties under the Multiple Dwelling Law, including, possibly, the eviction of residential occupants. It is important to note that the permanent certificate of occupancy cannot be obtained until the Residential Units and Non-Residential Units are completed, and the Non-Residential Units may not be completed until they are leased. Sponsor makes no representation or guarantee as to when after issuance of the first temporary certificate of occupancy the Department of Buildings will issue a permanent certificate of occupancy.

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

(c) In the event that a closing takes place prior to the issuance of a permanent certificate of occupancy for the Residential Unit, Sponsor shall maintain all Option Payments 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 Residential Unit, in which case the sum exceeding the amount so certified by the Sponsor's engineer or architect may be released from escrow. Alternatively, Sponsor may deposit with the Escrow Agent an unconditional, irrevocable letter of credit or post a surety bond in the amount so certified, which must be satisfactory to the New York Department of Law in which event same will be reflected by duly filed amendment to the Plan. Any amount held in escrow, in excess of the amount certified as reasonably necessary to complete the work needed to obtain the permanent certificate of occupancy, can be released from escrow from time to time upon the receipt by Escrow Agent of a request by Sponsor.

(d) Each Residential Unit and the fixtures and personal property contained therein are being sold and delivered as described in this Plan, at the time of transfer of title to such Residential Unit, unless Sponsor and Purchaser otherwise agree. Sponsor will maintain each Residential Unit, and the fixtures and personal property contained therein, up to the time of the transfer of title to the Residential Unit in question. The Purchaser of a Residential Unit shall inspect such Residential Unit prior to the Closing Date and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Residential Unit in good condition and in accordance with the terms of the Plan. However, if the Purchaser finds that Sponsor's improvements have not been completed, although such improvements have been substantially completed, then Sponsor and the Purchaser in question will immediately thereafter agree to include on the inspection statement a list of incomplete work of a nature to be completed in the Residential Unit by Sponsor following the Closing for the Residential Unit in question but all such obligations to complete work in the Residential Unit shall cease once the work has been completed. The failure of Sponsor to complete such work shall not be a ground for Purchaser delaying the Closing. Sponsor shall have no obligation to complete any work described herein which is not specifically designated on the inspection statement by the Purchaser, except for work necessary to cure violations and to obtain a temporary or permanent certificate of occupancy, or as stated in this Offering Plan. Notwithstanding the foregoing, Sponsor's obligations to perform work in any Residential Unit shall not survive beyond one (1) year after the Closing Date. Sponsor shall have no obligation to complete any work described herein which is not specifically designated by the Purchaser on the inspection statement, except for latent defects, which shall be treated as described in section (a) above.

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

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

(f) Sponsor shall not be obligated to correct, repair, or replace any and all defects relating to construction of the Residential Units, the Common Elements, the Residential Common Elements and the Limited Common Elements, or in the installation or operation of any appliances, fixtures, or equipment therein, except as expressly provided in this Plan. Sponsor will not warrant the materials or workmanship of any Residential Unit or any of the Common Elements. The Housing Merchant Implied Warranty Law (GBL Article 36-B) is not applicable to this offering because such law is applicable to units in buildings of five stories or less. However, Sponsor's obligations to construct the premises must be in accordance with all applicable codes and filed plans and specifications. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability of any Residential Unit or Common Element. Unless caused by a violation of the sound transmission code, noise code or other applicable code, there is no warranty as to sound transmission. Unless caused by a failure of Sponsor to comply with the Laws and the Plans and Specifications, Sponsor is not responsible for, nor can it make any guarantees regarding odors, levels of noise or vibrations resulting from the operation of the Building or the Residential Units or the degree of privacy which will be afforded to Residential Unit Owners in their Residential Units. Unless caused by a code violation or a violation of Law, there is no warranty with respect to mold, mildew, spores, fungi or other toxins. There is no warranty as to air, view or light quality. Sponsor's obligation, regardless of any limitations in the warranty of in this Offering Plan, is to construct the premises in accordance with all applicable Laws, the Plans and Specifications, and any conflict between (a) the disclaimers and (b) Sponsor's obligation to construct the premises in accordance with all applicable Laws the Plans and Specifications, shall be resolved in favor of the latter. In no event will Sponsor be liable for incidental, special or consequential damages.

(g) Prior to the Closing of title for each Residential Unit, Sponsor will cause such Residential 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 Residential Unit (other than any mortgage or security agreements obtained by the Purchaser).

(h) Sponsor will bear all costs and expenses incurred by it in connection with the creation of the Condominium and the preparation of the Plan and all selling expenses

and compensation payable to sales or other personnel of Sponsor.

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

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

(k) Following the issuance of a permanent certificate of occupancy for the Building, Sponsor will deliver to the Board a complete set of mechanical, electrical and plumbing drawings for the entire Building.

(l) In accordance with Section 339-p of the Condominium Act, a registered architect or licensed professional engineer shall certify within reasonable tolerances that the Floor Plans are an accurate copy of portions of the plans of the Building as filed with and approved by the municipal or other governmental authority having jurisdiction over the issuance of permits for the construction of the Building.

(m) Sponsor will pay all Common Charges (or as applicable, operating expenses), special assessments and real estate taxes allocated to any Unsold Residential Unit in accordance with the provisions of the By-Laws. Sponsor represents that it has the financial resources to meet such obligations with respect to Unsold Residential Units. Sponsor will fund its financial obligations from proceeds from the sales of Residential Units, rental income from Unsold Residential Units, and financing. No bond or other security will be posted by Sponsor with respect to this obligation.

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

(o) Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan and all exhibits or documents referred to herein shall be available for inspection, by prospective Purchasers and by any person who shall have purchased a Residential Unit offered by the Plan or shall have participated in the offering of such Residential Unit, at Sponsor's office and shall remain available for such inspection for a period of six years from the date of the recording of the Declaration. In addition, a set of Floor Plans showing the layout, location and approximate dimensions of each Residential 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 Residential Unit, will be filed in the City Register's office when the Declaration is recorded, and an additional set will be furnished to the Board.

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

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

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

(s) The risk of loss to any Residential Unit by fire or other casualty until the Closing for such Residential Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Residential Unit, at which time any such risk not covered by insurance shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Residential Unit. In the event of damage or destruction of a Residential Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Residential Unit, the Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price for the subject Residential Unit. In such event Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Board and other Residential Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Residential Unit by fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Residential Unit, or, if the casualty occurs after the First Closing and the Residential Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Residential Unit Owners and Condominium Board"), the Agreement shall be deemed canceled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, whereupon the parties to the Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan; provided, however, notwithstanding anything to the contrary herein, if

Purchaser is then in default under the Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

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

Sponsor reserves the right to delay the commencement of collection of Common Charges. During any such delay, Sponsor will timely pay all expenses of the Condominium, including but not limited to insurance premiums and any reserve fund payments required by lenders. Upon commencement of collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium. Sponsor shall remain obligated to update the budget for the Condominium as provided in governing regulations. In the event Sponsor elects to delay the collection of Common Charges, it will disclose such fact in the closing notice to Purchasers and will further disclose such fact in the Post-Closing Amendment to the Offering Plan. Such amendment will also disclose the anticipated period of delay. Sponsor will notify all Residential Unit Owners in writing of the expiration of the delay period at least thirty (30) days prior to the commencement of collection of Common Charges and will disclose such fact in the following amendment to the Offering Plan. See the Section of the Plan entitled "Control by Sponsor" for further discussion.

Sponsor will endeavor in good faith to sell all of the Residential Units in a timely manner however, there is no certainty as to the period of time required to sell all of the Residential Units. If Sponsor makes a bulk sale of all or some of its Unsold Residential Units, the transferee successor sponsor shall be bound by Sponsor's representations regarding its commitment to sell Residential Units. The Sponsor may retain ownership of the Residential Units and may, decide to rent certain Residential Units from time to time. Therefore, it is likely, but there is no guaranty, that the Residential Unit Owners will obtain control of the Board at the expiration of the Initial Control Period (as such term is defined in the Condominium By-Laws).

Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Residential Unit and to all of the Common Elements for the purpose of fulfilling Sponsor's obligations under the Plan and performing certain alterations and repairs in or about the Unsold Residential Units. Sponsor will use reasonable efforts in order to exercise such access in such a manner as will not unreasonably interfere with the use of any Residential Unit for its permitted purposes. If reasonable care under the circumstances is exercised to safeguard the Residential Unit Owner's property, such entry shall not render Sponsor or its authorized agents liable for any damage to the Residential Unit or to the personality or fixtures contained therein.

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

Obligations of Sponsor hereunder shall be enforceable by the Board on behalf of Residential Unit Owners. Sponsor shall have no obligation to any Purchaser of a Residential Unit other than the Purchasers to whom Sponsor sold Residential Units. By operation of law, Sponsor-appointed Board Members have a fiduciary duty to the Residential Unit Owners. In addition, obligations of Sponsor shall be enforceable by individual Residential Unit Owners if either: (i) the Condominium Board fails to take reasonable action to enforce such obligations within 90 days following the giving of notice of such claim by any Residential Unit Owner to the Condominium Board; or (ii) the applicable statute of limitations with respect to any claim by a Residential Unit Owner which would otherwise be enforceable by the Condominium Board will expire during the aforesaid 90 day period.

Except as set forth above or as required by law or governmental regulation, Sponsor has not furnished any bond or other security for the performance of the obligations of Sponsor under the Plan. Unless expressly provided to the contrary herein, the obligations of Sponsor under the Plan which are to be performed after closing, shall survive the delivery of the respective Residential Unit deeds. In the event Sponsor is not financially able to perform its obligations under the Plan, sales will cease and the Plan will be amended to offer rescission to purchasers, if any.

Sponsor anticipates obtaining a permanent certificate of occupancy for the Building within two (2) years after the First Closing provided, however, that the permanent certificate of occupancy cannot be obtained until all the Residential Units are completed. Sponsor will endeavor in good faith to sell all of the Residential Units unless otherwise specified in the Plan.

2. Alterations of Unsold Residential Units

In order to meet the possible varying demand for number and type of different Residential Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor and its designees reserve the right (except to the extent prohibited by applicable Legal Requirements and subject to the Declaration and By-Laws) at any time and from time to

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

Notwithstanding the foregoing, no material adverse change will be made in a Residential Unit's size, layout or percentage of Common Interest if an Agreement has been executed and delivered to Sponsor for such Residential Unit, provided that the Purchaser is not in default thereunder, unless (a) the affected Purchaser consents to such changes; or (b) such changes are dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists. In the event material adverse changes are made pursuant to (b) of the

immediately preceding sentence which materially and adversely affect the percentage of Common Interest allocable to a Residential Unit or the size or quality of Common Elements, Sponsor will, in the amendment disclosing such material adverse change, offer the affected Purchaser(s) who are not otherwise in default under their Agreements, the right, for at least fifteen (15) days after the Presentation Date, to rescind their Agreement(s) and receive a prompt refund of their Deposit(s), together with all interest earned thereon.

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

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

3. Insurance

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

4. Casualty

If the Purchaser is or becomes the tenant or occupant of a Residential Unit before the Closing and, before such Closing, the Residential 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 Residential Unit or did not result from the acts of such purchaser or other occupants of the Residential Unit or such Purchaser's guests, invitees or workmen. Otherwise, the risk of loss to any Residential Unit by fire or other casualty until the closing of title to such Residential Unit (or an earlier taking of possession by the Purchaser) is assumed by Sponsor, but Sponsor has no obligation or liability to repair or restore any Residential Unit. If a Residential Unit is damaged or destroyed by fire or other casualty prior to the closing of title, but after the signing of an Agreement, and Sponsor gives written notice to the Purchaser of Sponsor's election to repair or restore the Residential Unit, then the Agreement shall continue in full force and effect, and the Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of

time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights, if any, of the Condominium Board, and other Residential Unit Owners, belong entirely to Sponsor.

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

5. Dissolution

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

6. Successors to Sponsor

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

7. Reservation of Air and Development Rights

Following the completion of the Building, there will not be any Development Rights remaining appurtenant to the Property. Notwithstanding the foregoing, in the event any excess floor area development rights exist or become available to the Property (collectively, the "Development Rights") both (a) prior to the First Closing, in connection with any renovation work to be performed by Sponsor at the Building; and (b) subsequent to the First Closing, such Development Rights shall be owned by the Sponsor and the Declarant under the Declaration in proportion to the relative value of the Units that they each own. As a result, unless Development Rights are separately acquired therefor on behalf of the Condominium or a Residential Unit Owner, as the case may be, any future expansion of the Building by the Condominium Board or of a Residential Unit by any Residential Unit Owner as may otherwise be permitted pursuant to any applicable Legal Requirements and otherwise, may not be possible or may be limited. Further, Sponsor, as a result of such reservation, may transfer or sell such Development Rights to

the owner(s) of adjoining properties and in such case such properties may be increased as a result of such transfer or sale.

The Development Rights reserved by Sponsor will not be used subsequent to the First Closing to add additional floors to the Building. Except in the case of a sale or transfer for use in connection with other properties, the reserved Development Rights will be used in the Property after the First Closing solely for the purpose of reconfiguring certain areas (e.g., adding mezzanine space, converting mechanical space to space used for other purposes) which, pursuant to the applicable provision of the Zoning Resolution, will require the use of Development Rights in excess of those used in connection with any renovation of the Building in accordance with the Plan. In the event such Development Rights are transferred to the owner(s) of adjoining properties, a Residential Unit Owner's views and exposure to light may be affected. The Plan will be amended to disclose any such use or transfer of the Development Rights.

8. Right of Access

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

9. Miscellaneous

Sponsor and/or its designee (and their respective successors and assigns) shall have an easement for so long as the Condominium shall remain in existence: (i) to erect, use, lease, maintain, repair, replace and operate a platform and other facilities for the purpose of erecting, using, leasing, licensing, maintaining, repairing, replacing and operating any antennae, satellite dishes and other communications equipment on any part of any roof of the Building that is not occupied as of the date hereof for any other Building installations or as a common recreational area for the Residential Unit Owners; and (ii) to erect, use, lease, maintain, repair, replace and operate related electronic and other communications equipment in any portion of any mechanical equipment room that is not occupied as of the date hereof by any other Building installations, and the right to erect partitions separating such portion from the balance of such equipment room; in each case, without the consent of, or charge by, the Board or any other Residential Unit Owners; provided, however, that Sponsor (or its designee) shall give prior notice to the Board of the type and location of any such equipment before installation. Any obligations of Sponsor under any lease, license or other right of use granted by Sponsor with respect to any roof or the aforesaid mechanical equipment room shall be the obligation solely of Sponsor and not of the Condominium and any rights of Sponsor, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, shall be the right solely of Sponsor and not of the Condominium. In connection with such easements and related rights, Sponsor and its designee (and their respective successors and assigns) and the respective tenants and licensees shall each have, to the extent necessary or advisable for such erection, use, lease,

maintenance, repair, replacement and operation, an easement in common with all Residential Unit Owners for ingress, egress and the use of any Common Elements. The Residential Units shall be subject to such easement. The Residential Unit Owners will not have any interest in the rents, profits or revenues from the rental, use or sale of any such space pursuant to the aforementioned easements and rights.

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

10. General

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

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

The obligations of Sponsor hereunder shall be enforceable by the Condominium Board on behalf of all Residential Unit Owners. Obligations of Sponsor shall be enforceable by individual Residential Unit Owners if either: (i) the Condominium Board fails to take reasonable action to enforce such obligations within 90 days following the giving of notice of such claim by any Residential Unit Owner to the Condominium Board; or (ii) the applicable statute of limitations with respect to any claim by a Residential Unit Owner which would otherwise be enforceable by the Condominium Board will expire during the aforesaid 90 day period.

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

Until Sponsor no longer controls the Condominium Board, Sponsor will cause the Condominium Board to maintain the Building in substantially the same manner and condition as

on the Presentation Date of this Plan (subject to ordinary wear and tear) and in accordance with the Legal Requirements, subject in all respects to Sponsor's right to change the Residential Units and/or the Common Elements as set forth herein.

11. Sponsor's Sales Office.

Sponsor and its designee reserve the right, without prior notice or amendment to the Plan, to use Unsold Residential Units on any floor of the Building as sales and rental offices and model apartments for the Building. In the event Sponsor or its designee thereafter elects to sell any such Unsold Residential Units, Sponsor or its designee may require the purchaser thereof to purchase all or any of the furnishings, equipment or decorations therein and pay, in addition to the Purchase Price for such Residential Unit, such amounts as Sponsor may determine. In no event shall the presence of any furniture, furnishings, equipment or decorations in any model apartment imply or represent that any Residential Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Residential Unit to the Purchaser of the Residential Unit unless such Purchaser agrees to pay Sponsor an amount as determined by Sponsor in addition to the Purchase Price for such Residential Unit and such items to be included are specifically stated to be included in an addendum to the Agreement for such Residential Unit.

S. CONTROL BY SPONSOR

Sponsor as the owner of Unsold Residential Units will, at its option, have voting control of the Board during the period which continues until the earlier to occur of: (i) the Sponsor and its designees as Holders of Unsold Residential Units own none of the Residential Units or (ii) five (5) years after the First Closing (the "Initial Control Period"). During the Initial Control Period of the Board, Sponsor would be able to control maintenance, facilities and services to be provided to Residential Unit Owners and would determine the Common Charges to be paid by all Residential Unit Owners and the enforcement of Sponsor's obligations by said Board(s). Within thirty (30) days after the end of the Initial Control Period, the Board will call a special meeting of the Residential Unit Owners (the "First Annual Meeting"), to be held not less than ten (10) days nor more than forty (40) days after such date, at which time the Residential Unit Owners will elect members to the Board and the members of the Board on behalf of the Building.

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

Commencing with the First Annual Meeting, the Board shall consist of seven (7) persons, five (5) residential members who shall constitute the Residential Committee of the Condominium Board, and two (2) Non-Residential members. The number of Board members and the number or composition of Board members may not be changed except in accordance with the procedures described in the By-Laws.

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

After the Initial Control Period, a majority of the Condominium Board must be Residential Unit Owners who are unrelated to the Sponsor or its principals.

Until Sponsor or its designee has conveyed title to 75% of the Residential Units, but in no event later than five (5) years after the First Closing, whichever shall first occur, the Board may not take any of the following actions without Sponsor's prior written consent (notwithstanding the number of votes Sponsor controls): (a) make any addition, alteration or improvement to the Common Elements or to any Residential Unit, (b) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, Contingency for Repairs or surplus fund, (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services, (e) borrow money on behalf of the Condominium or on behalf of the Building, or (f) exercise a right of first

refusal to lease or purchase a Residential Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in items (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary, and no other alternative is available, to enable the Board to comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium.

During the Initial Control Period, Sponsor may not exercise veto power over expenses described in the Section entitled "Budget for First Year of Condominium Operation, Schedule B" (the "Budget") or over expenses required (i) to comply with applicable laws or regulations; or (ii) to remedy any notice of violation; or (iii) to remedy any work order by an insurer. Sponsor may exercise veto power over expenses other than those described in the foregoing sentence for a period ending not more than five (5) years after the closing of the first Residential Unit or whenever the Unsold Residential Units constitute less than twenty-five percent (25%) of the common interest, whichever is sooner.

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

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

Department of Law regulations as to the same.

Sponsor also reserves the right to delay the commencement of collection of Common Charges. During any such delay, Sponsor will timely pay all expenses of the Condominium, including but not limited to insurance premiums and any reserve fund payments required by lenders. Upon commencement of collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium. Sponsor shall remain obligated to update the budget for the Condominium as provided in governing regulations. In the event Sponsor elects to delay the collection of Common Charges, it will disclose such fact in the closing notice to Purchasers and will further disclose such fact in the Post-Closing Amendment to the Offering Plan. Such amendment will also disclose the anticipated period of delay. Sponsor will notify all Residential Unit Owners in writing of the expiration of the delay period at least thirty (30) days prior to the commencement of collection of Common Charges and will disclose such fact in the following amendment to the Offering Plan.

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

T. CONDOMINIUM BOARD

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

Within thirty (30) days after the end of the Initial Control Period, the Board will call for the First Annual Meeting of Residential Unit Owners, such meeting to be held not less than 10 days nor more than 40 days after such date. Unit Owners shall have a vote equal to their Common Interest for each member of the Board to be elected but Unit Owners cannot cumulate their vote. At the First Annual Meeting, the incumbent Board members shall resign and the new Board shall be elected, consisting of five (5) residential members elected by the Residential Unit Owners and two (2) members appointed by the Non-Residential Unit Owners (one (1) by the Garage Unit Owner and one (1) by the Retail Unit Owner). (See the Section entitled "Control by Sponsor.") Thereafter, at each annual meeting, members of the Board shall be elected and shall serve until the next annual meeting thereof and until a successor has been elected and qualified. Because Sponsor is not limiting the conditions under which it will rent rather than sell Residential Units, there is no commitment to sell more than the fifteen percent (15%) necessary to declare the Plan effective, and owner-occupants may never gain effective control and management of the Condominium.

Special meetings of the Residential Unit Owners can be called by the President of the Board, by a majority of the Board, or by a petition signed by 51% in Common Interests of Residential Unit Owners.

Except for Board members elected or designated by Sponsor or its designee, all residential members of the Condominium Board shall be: (i) individual Residential Unit Owners or Permitted Mortgagees of Residential Units; (ii) partners or employees of a partnership owning, or holding a mortgage encumbering, a Residential Unit; (iii) officers, directors, stockholders or employees of corporate owners or corporate Permitted Mortgagees of Residential Units; (iv) members or employees of a limited liability company owning, or holding a Permitted Mortgage encumbering, a Residential Unit; (v) fiduciaries or their beneficiaries who are owners or Permitted Mortgagees of Residential Units (or officers, directors, employees or stockholders of corporate fiduciaries or partners or employees of partnership fiduciaries); (vi) adult family members or spouses of any of the foregoing individuals; or (vii) individuals designated by a sovereign government, consulate or other similar entity that is a Residential Unit Owner or a mortgagee of a Residential Unit. Other than Board members elected or designated by Sponsor or its designee, no Board member shall continue to serve after he or she ceases to be qualified as set forth above. No member of the Board shall continue to serve on the Board if, during his term of office, said member shall cease to be a Residential Unit Owner or an interested party. All Board members shall serve without compensation.

The by-laws do not require that a majority of the Condominium Board must be owner-occupants who are unrelated to Sponsor after Sponsor relinquishes control, purchasers for their own occupancy may never gain control of the Condominium Board. Prospective Purchasers are advised that Residential Unit Owners, Residential Unit occupants and non-resident Residential

Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., for use as a home as opposed to as an investment.

Sponsor, for so long as Sponsor owns at least one (1) Residential Unit, shall have the right, at its option, to designate at least one (1) member of the Condominium Board as a representative from the Residential Section.

In no event shall any Residential Unit Owner (or its proxy) or another interested party be eligible for election to the Condominium Board, and any such Residential Unit Owner (or its proxy) or other party may be removed as a Board member by a majority vote of the other Board members, if such Residential Unit Owner is then in arrears, beyond any applicable grace period, in the payment of Common Charges or any other amounts required by the Condominium Board to be paid. In addition, no member of the Condominium Board (or his or her proxy) may continue to participate as a member thereof after the Condominium Board has perfected a lien against his or her Residential Unit, for so long as such lien remains unsatisfied.

Members of the Condominium Board shall serve without compensation. All officers, Board members and employees of the Building will be bonded at all times from and after the First Closing under fidelity bonds in favor of the Condominium. The cost of the bonds has been provided for in the estimate of the Common Charges contained in Schedule B in Part I of the Plan above.

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. Any issue that arises, which is exclusively a residential issue shall be decided upon by the Residential Committee, including but not limited to, issues involving the Board's Right of First Refusal of sales or leases, the residential hallways and amenities, and the use of the funds in the Working Capital account.

Any dispute within the Condominium Board with respect to any matter the determination of which is entitled to be made by the Condominium Board shall be settled by arbitration which shall be conducted before three arbitrators in New York City by the American Arbitration Association or any successor organization thereof, in accordance with its rules for the real estate industry and expedited procedures then in effect and the decision rendered in such Arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. The decision of two of the arbitrators so chosen shall be given within 10 days after such arbitrator's appointment. Any arbitrator appointed or selected in connection with any Arbitration under this Article 14 shall be (i) a lawyer or real estate owner, developer, or manager familiar with similar properties and having general legal or real estate experience, as the case may be, of not less than fifteen years and (ii) neutral, unaffiliated and independent of the Unit Owners. Please see the By-Laws for a more detailed discussion of arbitration.

Annual meetings of Residential Unit Owners shall be held within approximately thirty (30) days of each anniversary of the First Annual Meeting. At such meetings, the Residential

Unit Owners shall elect the five (5) member Board, subject to any rights of Sponsor to designate or elect Board members, and there shall also be transacted such other business as may properly come before such meetings. In addition, special meetings may be held from time to time pursuant to the By-Laws. The Secretary of the Board shall mail a notice of each annual or special meeting of the Building to all Residential Unit Owners of record. The notice, which will generally be given at least ten (10) days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the By-Laws or Declaration, at all meetings of Residential Unit Owners, the presence in person or by proxy of Residential Unit Owners owning more than fifty (50%) percent of the Units shall constitute a quorum and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Residential Unit Owners.

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

The initial members of the Board shall be William Macklowe, Jim Migliore and Jerome S. Karr. Mr. Macklowe shall serve as President, Mr. Migliore shall serve as Vice President, and Mr. Karr shall serve as Secretary of the Board. Each of these individuals is a principal of or is affiliated with the Sponsor or its principals. The Board may appoint additional officers. Except as otherwise provided by the Board, no officer shall receive any compensation for acting as such. The By-Laws provide that all instruments of the Board are to be executed by any officer thereof or by such other person or persons as may be designated by the applicable Board. However, any significant expenditure by the Board must be countersigned by two members of the Board.

The By-Laws provide that to the extent permitted by applicable law, no member of the Condominium Board shall have any personal liability with respect to any contract, act or omission of the Condominium Board or of any managing agent or manager in connection with the affairs or operation of the Condominium or any Limited Common Element (except in their capacities as Residential Unit Owners). Board members shall have no liability to Residential Unit Owners except that a Board member shall be liable for his own bad faith or willful misconduct. All Residential Unit Owners shall severally, to the extent of their respective interests in their Residential 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 term of office of the members of the Board shall be for one year or until their successors are elected. Members of the Board shall serve without compensation. Any member of any Board may resign at any time by written notice hand delivered or sent by certified mail, return receipt requested, to the President or Secretary of the Board. Notwithstanding the term of such member's office, such resignation shall take effect at the time specified therein.

A member of the Board designated or elected by the Residential Unit Owners may be removed with or without cause by an affirmative vote of a majority of Residential Unit Owners (as defined in the By-Laws) who are present at a meeting containing a quorum of Residential Unit Owners; provided, however, that Board members designated by Sponsor may only be

removed with cause and replaced by another Sponsor designee. No member of the Board shall continue to serve on the Board if, during his term of office, said member shall cease to be a Residential Unit Owner or an interested party; provided, however, that this provision respecting Residential Unit ownership and Board membership shall not apply to members of the Board designated by Sponsor or its designee.

Upon the affirmative vote of a majority of the members of the Board electing him or her, 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, and Unsold Residential Units, and provided that required consents of the Mortgage Representatives, as defined in the Declaration, if any, are obtained, any provision of the Declaration, By-Laws or Rules and Regulations affecting the Common Elements or all Residential Unit Owners may be amended, modified, added to or deleted by affirmative vote of at least 66 2/3% in number and in Common Interest of all Residential Unit Owners; provided, however, that the Common Interest appurtenant to each Residential Unit may not be altered without the written consent of all Residential Unit Owners directly affected thereby.

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

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

1. Sales and Leases of Residential Units

Each Residential Unit Owner may sell or lease his or her Residential Unit provided such Residential Unit Owner (the "Transferor") first gives the Residential Committee, on behalf of all Residential Unit Owners, notice of his or her intention to sell or lease such Residential Unit and an opportunity to purchase or lease such Residential Unit at the same price or rental and on the same terms as were offered in good faith by a prospective purchaser or lessee, as more specifically provided in Article 8 of the By-Laws. The Residential Committee shall have twenty (20) days after its receipt of the Transferor's request together with a copy of the Purchase and Sale Agreement, other transfer documents or lease together with the Condominium's Purchase or Lease Application and such other information requested by the Residential Committee (the "Transfer or Lease Notice"). If the Residential Committee does not elect to purchase or lease the Residential Unit within twenty days after receipt of the Transfer or Lease Notice, the Transferor can proceed to Sell or Lease the Unit pursuant to the Transferor of Lease Notice. The Residential Committee may not exercise its option to purchase or lease any Residential Unit without prior approval of a majority in interest of Residential Unit Owners present in person or by proxy and voting at a meeting at which a quorum is present unless the Residential Committee is conveying its option to a third party so none of the Condominium's funds will be at risk, in which event Unit Owner consent is not required. In any vote of all the Residential Unit Owners, the Transferor shall have the right to vote in any vote conducted by the Residential Committee for the purpose of determining whether the Residential Committee shall exercise its right of first refusal to purchase or lease the Transferor's Residential Unit. Notwithstanding the foregoing, the Residential Committee has the right to reject sales and leases to purchasers and tenants who themselves (or residents of their Residential Units) have diplomatic immunity or have been convicted of violent crimes or child molestation without being required to exercise the right of first refusal.

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

Any such deed given by a Transferor shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as the same may be amended from time to time. Any such lease shall be consistent with the By-Laws and shall provide that it may not be materially modified, amended, or extended without the prior consent in writing of the Residential Committee, that the tenant shall not assign the lease or sublet the demised premises or any part thereof without the prior consent in writing of the Residential Committee, and that the Residential Committee, if permitted by applicable law, shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease. The form of any such lease shall be a printed, reasonably applicable form of residential lease which is generally accepted in New York

City such as an appropriate Real Estate Residential Committee of New York, Inc. or Blumberg form, except for such changes therein as provided in the By-Laws. No lease of a Residential Unit shall have a term of less than one (1) year.

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

The purchase of any Residential Unit by the Residential Committee or its designee, on behalf of all Residential Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Residential Committee. If the funds in such accounts are insufficient to effectuate any such purchase, the Residential Committee may levy an assessment against each Residential Unit Owner in proportion to his respective Common Interest, as a Common Charge, and/or such Residential Committee may, in its discretion, finance the acquisition of such Residential Unit; provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Residential Unit to be purchased together with its appurtenant Common Interest. The lease or sublease covering any Residential Unit leased or subleased by the Residential Committee or its designee shall be held by the Residential Committee or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, in proportion to their respective interest in the Common Elements.

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

The restrictions upon the sale and lease of Residential Units shall not apply to Sponsor, the Sponsor's mortgagee or their designees with respect to any Unsold Residential Units, to the Residential Committee, or to Residential Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure, and they shall be free to sell or lease without first offering to sell or lease to the Residential Committee.

A Residential Unit Owner may only sell or lease such Residential Unit Owner's entire Residential Unit. In addition, each conveyance of a Residential Unit by a Residential Unit Owner shall include, as part of the property to be conveyed, such Residential Unit Owner's undivided interest in (a) the Common Elements and the Limited Common Elements, (b) any Residential Unit or Residential Units acquired by the Residential Committee on behalf of all Residential Unit Owners, or any proceeds of the sale or lease thereof and (c) any other assets of the Building and the Condominium.

No part of the Residential Unit Owner's interest in the Common Elements may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Residential Unit or as part of a sale, transfer or other disposition of the specific interest in the

Common Elements by all affected Residential Unit Owners.

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

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

2. Use of Residential Units

A Residential Unit may be used as a residence or for any lawful purpose, provided such use does not violate the then existing certificate of occupancy or the deed restrictions covering such Residential Unit and complies with all applicable governmental regulations.

Each Residential Unit Owner shall notify the Managing Agent in writing when a child or children ten (10) years old or younger lives or resides (even temporarily) in the Residential Unit. The Residential Unit Owner, or the Board at such Residential Unit Owner's expense, shall install the required window guards in all windows of the Residential Unit. The Residential Unit Owner shall maintain all window stops installed in the windows of each Residential Unit and shall not remove same until permitted by applicable law and in any event, without full knowledge of the Managing Agent. The portion of all curtains, drapes, blinds or other window treatments visible from the exterior of the Building must be white to give the Building a uniform exterior appearance and must be compliance with the Project Standards (as defined in the Declaration).

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

The current zoning law permits a person who resides in a Residential Unit to use up to 25% of the floor area of his Residential 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 Residential Unit, except in Unsold Residential 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 Residential 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 Residential Unit or that violate the Project Standards, except that these sign restrictions shall not apply with respect to Unsold Residential Units.

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

No more than two (2) domestic animals may be kept in a Residential Unit without the consent of the Board or the Managing Agent. No pet shall weigh more than 45 pounds or be of a breed or type generally considered dangerous to humans. Each Residential Unit Owner who keeps any type of pet in his or her Residential Unit will be required to: (a) indemnify and hold harmless the Condominium, the Board, all Residential Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all reasonable Rules and Regulations of the Board adopted with respect thereto; and, (c) clean up after their pet.

Each Residential Unit Owner shall keep his or her Residential Unit in a good state of preservation and cleanliness and each Residential Unit Owner shall be obligated to maintain and keep in good order and repair his or her own Residential Unit in accordance with the provisions of the By-Laws and the rules and regulations of municipal departments or agencies having jurisdiction thereof. The Rules and Regulations concerning the use of Residential Units may be amended from time to time by the Board provided that copies thereof are furnished to each Residential Unit Owner prior to the time that they become effective. Further restrictions on the use and leasing of Residential Units are set forth in the By-Laws and Rules and Regulations.

3. Mortgage of Residential Units by Residential Unit Owners

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

such mortgage; and (c) the Residential Unit Owner making such mortgage first satisfies all unpaid liens against his or her Residential Unit, other than Permitted Mortgagees.

As more particularly set forth in the By-laws, in certain instances the consent of the Mortgage Representative is necessary in order to amend the Declaration, By-Laws or Rules and Regulations.

4. Common Charges: Determination and Assessment

Common Expenses, which are payable only by Residential Unit Owners and are included in their Common Charges, are allocated among Residential Unit Owners in proportion to their respective Residential Common Interests. Common Expenses shall include, without limitation, such amounts as the Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Common Elements or the Limited Common Elements. In addition, the Common Charges include the Residential Unit Owner's allocable portion of the Common Expenses. The respective Common Interests of each Residential 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 Residential Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Residential Unit. Common Expenses include, among other things, all costs and expenses (including the payment of wages) in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements. Common Expenses may include amounts for certain other items as the Board may deem proper, such as amounts for reserves or in connection with the purchase or lease by the Board of any Residential Unit.

Common Expenses also include, among other things, the costs and expenses (including the payment of wages) in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements and certain other expenses common to all Residential Unit Owners, such as premiums for insurance covering the Building, managing agent fees and legal and accounting fees will be determined by the Board. Common Expenses shall also include such amounts as the Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Common Elements.

In the event that the annual receipts levied against Residential 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 Residential Unit Owners for that period accounted for on an accrual basis by an amount in excess of $100,000, the receipts from Residential Unit Owners over and above such amount may be rebated to the Residential Unit Owners by the Board in proportion to each Residential Unit's percentage of Common Interest. Rebates, if any, attributable to Residential Units purchased from Sponsor during the first year of condominium operation will be distributed by the Board to Sponsor and the Residential Unit Owner(s) in proportion to the amount of time Sponsor and each Residential Unit Owner owned such Residential Unit. Sponsor makes no representations that there will be any excess receipts for rebate to Residential Unit Owners or, if rebates are made, what the tax consequences of such

rebates would be to Residential Unit Owners. See the Attorney's Tax Opinion in Part I of the Plan for further discussion regarding the income tax consequences of the ownership of Residential Units by individual Residential Unit Owners.

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

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

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

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

Pursuant to Section 339-z of the Real Property Law and under the provisions of the By-Laws, the Board, on behalf of all Residential Unit Owners, will have a lien on each Residential Unit for unpaid Common Charges together with interest thereon, assessed against such Residential 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 Residential Unit. Any lien for unpaid Common Charges or Common Charges, against a Residential Unit will be effective from and after filing of a verified notice thereof in the City Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until six years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever shall occur sooner. The By-Laws provide that such liens may be foreclosed by a suit brought in the name of the (acting on behalf of all Residential Unit Owners or all Residential Unit Owners, as the case may be) in like manner as the foreclosure of a mortgage on real property or an action may be brought by the appropriate Board to recover unpaid Common Charges without foreclosing such lien.

The Board may make any lien against a Residential 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 Residential 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 Residential Unit Owner may exempt himself or herself from liability for his or her Common Charges by waiving use of any of the Common Elements or by abandonment of his or her Residential Unit. No Residential Unit Owner, however, will be liable for the payment of any part of the Common Charges assessed against his or her Residential Unit subsequent to a permissible sale, transfer or other conveyance by him or her of such Residential Unit. In

addition, as more specifically set forth in the By-Laws, (a) a Residential Unit Owner may, by conveying his or her Residential Unit without consideration to the Board and complying with certain conditions in connection therewith, exempt himself or herself from Common Charges and Common Charges thereafter accruing.

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

6. Repairs to and Maintenance of Residential Units and Common Elements

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

The interior and exterior glass surfaces of all windows located in any Residential Unit shall not be colored or painted. The interior of the windows are to be washed and cleaned by the Residential Unit Owner at such Residential Unit Owner's sole cost and expense. The exterior of the windows shall be washed by the Condominium. Any replacement of glass windows in any Residential Unit because of breakage or otherwise shall be made by the Board at the sole cost and expense of the owner of such Residential Unit (unless such breakage is caused by the Board or the negligence of any other Residential Unit Owner, in which event such replacement of glass

windows will be at the sole cost and expense of the Board or such Residential Unit Owner).

The By-Laws provide that each Residential Unit and all portions of the Common Elements shall be kept in first-class condition by the Residential Unit Owner or appropriate Board, whichever is responsible for the maintenance thereof. In the event any Residential Unit Owner fails to keep his or her Residential Unit in such condition, the appropriate Board may, at the expense of such Residential Unit Owner, enter such Residential 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 Residential Unit Owner or the Board, be kept in good appearance in conformity with the dignity and character of the Building by such Residential Unit Owner or Board.

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

7. Alterations and Improvements of Residential Units and Common Elements

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

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

Any contractor performing work shall not employ any personnel or means that may cause labor disturbances or stoppage in the work of Building employees or other contractors or subcontractors employed in the Building.

No application or other document shall be filed with any governmental authority for a permit covering an addition, alteration or improvement to be made in a Residential Unit, unless approved and executed, if necessary, by the Board or, if required, by the Board. The Board (or the Board) will not unreasonably refuse to approve and execute, if necessary, any application or other document required to be filed in connection with approved structural alterations, additions,

improvements or repairs, provided that the Board and the Residential Unit Owners shall not be subject to any expense or liability by reason of such approval and execution or, by reason of such addition, alteration or improvement, including, without limitation, liability to any contractor, subcontractor, materialman, architect or engineer, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this paragraph shall not apply to an Unsold Residential Unit, provided any alteration to such Unsold Residential 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 Residential Units, as Sponsor is entitled to perform in accordance with the terms of the Declaration and the By-Laws and to obtain such certificates of completion as may then be required by Law (collectively the "Required Documentation") and, the Board, if requested by Sponsor is obligated to execute the Required Documentation. In addition, the power of attorney to be executed by each Residential Unit Owner upon acquisition of a Residential Unit further grants to Sponsor a power of attorney to execute the Required Documentation.

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

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

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

To promote a consistent aesthetic appearance of the Building, each Residential Unit Owner will be required to install window treatments having a white colored backing on the sides facing the windows in his or her Residential Unit, which window treatments and backings must

conform to any specifications (including a new color) established from time to time by the Board.

8. Rights of Access

As more fully set forth in the By-Laws, the Board and any managing agents, managers, superintendents and other persons authorized by the Board, will have a right of access to any Residential Unit for the purposes of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in the Residential Unit or elsewhere in the Building, to remove violations, cure defaults by a Residential Unit Owner, correct any condition originating in any Residential Unit and threatening another Residential 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 Residential Unit Owner and the tenants of any Residential Unit. In case of an emergency, such right of entry shall be immediate, whether the Residential Unit Owner is present at the time or not. Provided reasonable care is exercised to safeguard the Residential Unit Owner's property, any entry described herein shall not render the Board or its authorized agents liable for damage incurred in connection with the exercise of such right of entry. Sponsor shall have a right of access to any Residential Unit for the purpose of performing work listed on the executed inspection statement or for the purpose of performing or completing construction in the Building.

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

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

10. Examination of Books and Records

Each Residential Unit Owner and each mortgagee of a Residential Unit shall be permitted, upon prior request, to examine the books of account of the Condominium and other records of the Condominium during normal business hours on business days at the office of the Condominium, but not more frequently than once each month.

11. Repair or Reconstruction after Fire or Other Casualty

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

If the Building is damaged or destroyed by fire or other casualty and the insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be shared entirely by all Residential Unit Owners in proportion to their respective Common Interests. If said damage or destruction, however, affects only the Common Elements, then any deficit or surplus in insurance proceeds shall be borne or shared by all Residential Unit Owners in proportion to their respective Allocable Percentage (as defined in the Declaration). Notwithstanding anything in this paragraph to the contrary, no payment of surplus insurance proceeds shall be made to a Residential Unit Owner until there has first been paid out of his or her share of such funds such amounts as may be necessary to reduce unpaid liens on his Residential Unit, other than mortgages which are not Permitted Mortgages, in the order of priority of such liens. The provisions of this paragraph are subject to the next paragraph.

If three-fourths or more of the Building is destroyed or substantially damaged and if 75% or more of the Residential Unit Owners and Non-Residential 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 Residential 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 Residential Unit Owners in proportion to their respective Allocable Percentage. In either event, no payment shall be made to a Residential 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 Residential Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

12. Insurance

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

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

payment provisions described in the By-Laws.

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

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

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

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

The Board is not required to obtain or maintain any insurance with respect to any personal property contained in a Residential Unit. A Residential Unit Owner shall, at the Residential 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 Residential Unit or any part thereof, with minimum coverage as established by the Board from time to time and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the apartment or any part thereof (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage). The limits of liability set forth in (a) and (b) above may be increased by the Board from time to time. The insurance required above shall be written in form reasonably satisfactory to the Board by good and solvent insurance companies of recognized standing, admitted to do business in the State of New York. Upon ten (10) days' written notice from the

Board or the Managing Agent, the Residential Unit Owner shall deliver to the Board a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Board. The Board and the Managing Agent shall not be responsible for ensuring that Residential Unit Owners as insured and shall have no liability for the failure of a Residential Unit Owner to have insurance. To the extent either party is insured for loss or damage to property, each party will look to their own insurance policies for recovery.

13. Liability of Condominium Board and Residential Unit Owners

Every contract made by the Board or by any managing agent or manager thereof shall state that (a) it is made only as agent for all Residential Unit Owners or Residential Unit Owners, and such Board members or managing agent or manager shall have no personal liability thereon (except in their capacities as Residential Unit Owners, if applicable) and (b) the liability of any Residential Unit Owner with respect to such contract shall be limited to (i) such proportionate share of the total liability as the Common Interest of such Residential Unit Owner bears to the aggregate Common Interests of all Residential Unit Owners or Residential 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 Residential Unit Owner's interest in his or her Residential Unit and its appurtenant Common Interest. To the extent permitted by applicable law, Board members shall have no liability to Residential Unit Owners except that a Board member shall be liable for his own bad faith or willful misconduct. All Residential Unit Owners shall severally, to the extent of their respective interests in their Residential Units and their appurtenant Common Interests, indemnify each Board member and each Board member, against any liability or claim except those arising out of such member's own bad faith or willful misconduct. Any Board may contract or effect any transaction with any Board member, any Residential Unit Owner, Sponsor or its designee, or any affiliate of any of them without incurring any liability for self-dealing except in cases of bad faith or willful misconduct.

14. Reports to Residential 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 Residential Unit Owners within four months after the end of each fiscal year.

15. Termination of Condominium

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain as provided in the By-Laws) until such time as the Property shall be withdrawn from the provisions of the Condominium Act as a result of the vote to do so of at least eighty (80%) percent in number and in Common Interest of all Residential Unit Owners. Such vote shall not be effective, however, unless written consents are obtained from (a) the Mortgage Representatives, if any, and (b) Sponsor, until such time as Sponsor and its designees have conveyed title to all Residential Units, provided that in no event shall Sponsor's consent be required more than five (5) years after the First Closing. In the event of withdrawal, the Property shall be subject to an action for partition by any Residential Unit Owner or any lienor as if owned in common, in which event the

net proceeds of the sale shall be divided among all Residential 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 Residential Unit Owner to the payment of any liens on his or her Residential Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

16. Residential Units Acquired by Board

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

The purchase of any Residential Unit by the Board or its designees, on behalf of the Residential Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Board. If the funds in such accounts are insufficient to effectuate any such purchase, the Board may levy an assessment against each Residential Unit Owner in proportion to his or her respective Common Interest, as a Common Charge, and/or the Board may, in its discretion, finance the acquisition of such Residential Unit; provided, however, that financing may only be obtained when permitted by the By-Laws and that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Residential Unit to be purchased together with its appurtenant interests in the Common Elements.

17. Procedure to Review Real Estate Tax Assessments

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

18. Mechanics' Liens

Under the provisions of the Condominium Act, no lien of any nature may arise or be created against the Common Elements except with the unanimous consent of all Residential Unit Owners affected thereby. Liens may arise or be created against only the individual Residential Units and their respective Common Interests. Labor performed on, or materials supplied to, a Residential Unit may not be the basis for a mechanic's lien against the Residential Unit of a Residential Unit Owner not expressly consenting to or requesting such work, except in the case

of emergency repairs. No labor performed on, or materials furnished to, the Common Elements shall be the basis for a lien thereon but all Common Charges received by the Board shall constitute trust funds for the purpose of paying the cost of labor performed or materials furnished at the request or with the consent of the Board or the Managing Agent for the Common Elements and the Limited Common Elements.

19. Litigation

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

20. Easements and Name of Condominium

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

As set forth in the Declaration, the Condominium and the Building shall be designated and known as "21 East 12th Street Condominium". Any and all rights and interests appurtenant to such name, if same exist, are owned and controlled by Sponsor. Similarly, any and all obligations and liabilities appurtenant to such name shall be the sole responsibility and obligation of Sponsor. For so long as Sponsor owns any Residential 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 any Board or Residential Unit Owner. Following the sale of all of the Residential Units, the Naming Rights (as defined in the By-Laws) shall belong to the Condominium Board.

21. The Declaration and By-Laws

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

V. REAL ESTATE TAXES

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

Assuming the Property does not receive any abatement from real estate taxes, it is estimated that the aggregate real estate taxes attributable to all Residential Unit Owners for the first year of Condominium operation will total approximately $2,333,161 for Residential Unit Owners and $165,885 for all Retail Unit Owners and $348,076 for the Garage Unit Owners and $22,765 for all Community Facility Unit Owners based on an opinion prepared by Marcus & Pollack LLP, dated May 3, 2016, which assumes (a) an estimated taxable assessed valuation upon completion attributable to the Residential Property of $15,901,801 in 2018/19 and $21,201,401 in 2019/20 and to the Retail Property of $1,234,713 in 2018/19 and $1,646,284 in 2019/20 and to the Garage Property of $2,590,796 in 2018/19 and $3,454,394 in 2019/20 and to the Community Facility Property of $169,441 in 2018/19 and $225,921 in 2019/20 (b) a projected residential tax rate of 12.883% for 2019/20 and a projected commercial tax rate of 10.656% for 2019/20 per $100 of assessed valuation. For tax year 2018119 all real estate taxes are calculated using the residential tax rate of 12.883%. Purchasers should note that the real estate taxes for the first taxable year of Condominium operation will likely be less than the taxes will be for the second tax year of Condominium operation since the first year's tax estimate assumes the property will not be assessed as a fully completed structure. Assuming the Property does not receive any abatement from real estate taxes, the taxes during the second year of operation, and subsequent years, will be higher than the taxes during the first year of operation.

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

The estimate of the taxes for each Residential Unit has been determined by multiplying the total taxes due with respect to the Residential Units by a percentage derived by dividing the projected sales price of each Residential Unit as set forth in the Plan by the total aggregate projected sales price of all Residential Units. Please refer to the opinions of Holland & Knight LLP and Marcus & Pollack LLP as set forth in Part I of the Plan for further discussion regarding real estate taxes for the residential portion of the Property.

Prior to the issuance of separate tax lots, the real estate tax estimates for each Residential Unit will be determined by multiplying the total taxes due with respect to the Residential Units by a percentage derived by dividing the Common Interest of each Residential Unit by the total

Common Interests of all Residential Units. Upon determination of individual tax lots and individual Residential Unit assessments, the New York City tax authorities may allocate taxes between the Residential Units in proportion to each Residential Unit's percentage interest in the Common Elements rather than Purchase Price, or some combination of the two, and if so, Residential Units having the same percentage interest may pay different real estate taxes.

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

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

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

Until the Residential Units are separately assessed, each Residential Unit Owner will pay to the Condominium Board a share of the Property's real estate taxes for the period in question calculated based upon each Residential Unit's proportionate share of the Common Interest. These allocation percentages reflect the relative approximate aggregate assessed values of each of these Residential Units as estimated by Sponsor's real estate appraiser and as set forth above in this Section V. The Condominium Board will pay such real estate taxes timely to the

Department of Finance of The City of New York, or directly to Sponsor if Sponsor has paid such taxes, so that no lien will be placed on the Property or any Residential Unit. If Sponsor fails to pay real estate taxes attributable to any Unsold Residential Unit in a timely manner and as a result of such failure a lien is placed on the Property and/or any other Residential Unit, Sponsor will immediately cause such lien to be removed at its sole cost and expense. If Residential Unit Owners fail to pay their pro rata share of Real Estate Taxes as set forth above, the Condominium Board will be entitled to assess late charges and/or place a lien on their Residential Units as if such unpaid share were Common Charges. (See "Collection and Lien for Non-Payment of Common Charges" in Part I above for further discussion.) After the Residential Units are separately assessed, each Residential Unit will be taxed as a separate tax lot for real estate tax purposes. A Residential Unit Owner will not be responsible for the payment of, and will not be subject to any lien arising from the non-payment of real estate taxes assessed against any other Residential Units. At such time as a Residential Unit is separately assessed and separate tax bills are issued, the Residential Unit Owner will pay such taxes directly to the taxing authority.

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

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

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

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

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

1. Deductibility of Mortgage Interest and Real Estate Taxes

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

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

2. Taxation of the Condominium

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

Sponsor anticipates that the Condominium will qualify as a homeowners association. Assuming the Condominium does not qualify as a homeowners association, or if it does but

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

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

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

X. TAX OPINION OF HOLLAND & KNIGHT LLP

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

21E12 LLC
c/o William Macklowe Company
126 East 56th Street
New York, New York 10022

Re: Condominium Offering Plan
21 East 12th Street Condominium (the "Condominium")

Ladies and Gentlemen:

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

In connection with rendering this opinion, we have reviewed the Plan and have examined the schedules, exhibits and documents accompanying the Plan, including the declaration establishing, and the By-Laws governing, the operations of the Condominium (the "Plan Documents"). We have also considered the relevant sections of the Code, the New York State Tax Law, the New York City Administrative Code, the regulations promulgated thereunder and such other materials as we deemed relevant. In rendering this opinion, we have assumed that the Plan is the document pursuant to which owners of the Residential Units will acquire their Residential Units and that the relevant facts are as set forth therein.

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

appurtenant Common Elements held in common with other Residential Unit Owners. Such purchaser will have the right to place an individual mortgage on his or her separate Residential Unit and will be liable to the local tax authority for the real estate tax assessment with respect to his or her interest in the Property. Under these circumstances, the Internal Revenue Service (the "IRS") has ruled that the owner of a residential condominium unit may deduct interest paid on his or her mortgage indebtedness and the real estate taxes assessed and paid on his or her interest in the property. Rev. Rul. 64-31, 1964-1 C.B. 300.

Accordingly, based on the foregoing, it is our opinion that an owner of a Residential 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 Residential Unit and paid to the local tax authority. However, no deduction for real estate taxes is permitted for purposes of the Federal alternative minimum tax. Owners of the Residential Units should consult their tax advisers regarding the applicability of the overall limitation on itemized deductions to the deductibility of real estate taxes.

A taxpayer generally is entitled to a deduction for Federal income tax purposes for interest paid with respect to a principal and one secondary residence (a "qualified residence") to the extent that the interest is attributable to indebtedness which is secured by the qualified residence and which (i) is incurred in acquiring, constructing or substantially improving the qualified residence (or which constitutes a refinancing thereof, to the extent that such indebtedness does not exceed the amount of the refinanced debt) ("acquisition indebtedness"), up to a maximum of $1,000,000 for any period ($500,000 in the case of a married individual filing a separate return), or (ii) is any indebtedness other than acquisition indebtedness, up to the excess of the fair market value of any one qualified residence over the amount of acquisition indebtedness with respect to such residence ("home equity indebtedness"), but not to exceed $100,000 ($50,000 in the case of a married individual filing a separate return) in the aggregate for all qualified residences of the taxpayer in any period. Accordingly, an owner of a Residential Unit who itemizes deductions and uses his or her Residential Unit as a qualified residence will be entitled, under current law, to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as set forth in Section 68 of the Code, interest paid or accrued by him or her on (i) acquisition indebtedness incurred with respect to his or her Residential 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 Residential 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 Residential 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 Residential Units should consult their tax advisers regarding

potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans and on the overall limitation on the allowance of itemized deductions.

Each owner of a Residential Unit who uses his or her Residential 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 Residential Unit for New York State and New York City income tax purposes as is allowed for Federal (regular) income tax purposes. However, under New York State and New York City income tax law, itemized deductions, such as interest and real estate tax deductions, are subject to reduction by as much as 50% in the case of individuals having income exceeding certain prescribed levels. Moreover, if an individual's New York State and New York City adjusted gross income exceeds $1,000,000, then no New York State or New York City itemized deductions are allowable for the mortgage interest and the real property tax payments. Furthermore, purchasers should consult their tax advisers to determine the application, if any, of the New York State and New York City minimum taxes to the deduction for mortgage interest and real estate taxes with respect to their Residential Units.

If the Condominium qualifies as a homeowners association within the meaning of Section 528 of the Code, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Residential Unit Owners. However, even if the election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources such as interest earned on any reserve funds (less expenses) directly connected with the production of such income).

To qualify as a homeowners association, the Condominium must meet all of the following conditions: (1) it must be organized and operated to provide for the acquisition, construction, management, maintenance and care of association property, (2) at least 60% of its gross income for each taxable year must consist solely of amounts received as membership dues, fees or assessments from Residential 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 Residential Units within the Condominium must be used by individuals for residential purposes. See Treasury Regulation § 1.528-4(b). The qualification of an organization under the provisions of Section 528 is to be determined annually at the close of each taxable year and it is possible, therefore, that if the Condominium does not qualify in one year, it may nevertheless qualify in one or more future years.

Based on the information contained in Schedule A to the Plan, which shows that 100% of the total square footage of all Residential Units of the Condominium will be contained in the Residential Units, and assuming that the Residential Units are used by individuals for residential purposes under Treasury Regulation § 1.528-4, at least 85% of the total square footage of all Residential Units of the Condominium will be used by individuals for residential purposes.

Based on the information contained in Schedule A to the Plan and assuming (i) the actual gross income and expenditures of the Condominium for its taxable year ending December 31, 2017 (the "2017 Taxable Year") are the same (or, are in the same proportions) as the estimated gross income and expenditures for the Condominium's first year of operations, as set forth in Schedule B to the Plan, (ii) the Condominium otherwise operates in accordance with the terms of the Plan and the Plan Documents, and (iii) there are no changes in the facts and/or the relevant provisions of current law, the Condominium should be eligible to elect to be treated as a homeowners association under Section 528 of the Code for the 2017 Taxable Year. In making that determination we also note that Schedule B to the Plan lists qualifying expenditures (the 90% test discussed in (3) above) for association property, essentially property attributable to Residential Units, at 91.9% of total expenditures in the 2017 Taxable Year. To the extent that actual expenses for association property decreases by a small amount in the 2017 Taxable Year, or the expenses for non association property increases by a small amount in the 2017 Taxable Year, or a combination of both occurs, such increases or decreases may cause total expenditures for association property to be less than 90% of total expenditures in the 2017 Taxable Year. If such increases or decreases result in association property expenditures that are less than 90% of total Condominium expenditures, the Condominium will not be eligible to elect to be treated as a homeowners association for the 2017 Taxable Year.

Absent the application of Code Section 528, the present state of federal law is unclear as to the precise tax status of the Condominium. An entity classification regime was adopted in regulations issued by the United States Treasury Department on December 17, 1996 and there is no authority addressing the application of those entity classification regulations to condominiums. Because the By-Laws of the Condominium provide that the Board (the "Board") will each act as the agent of the Residential Unit Owners represented by each such Board, the Board may take the position that the Condominium is not a separate entity and accordingly is not subject to the classification regime. In such case, the Residential 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 Residential Unit Owners), reduced by the expenses incurred in earning such income. For this purpose, the Common Charges should not be considered income earned by the Condominium through the Board collecting such charges. If, however, the Condominium is properly considered a separate entity and is not incorporated under New York State law, the Condominium may elect to classify itself as a corporation. If the Condominium is taxable as a corporation, it would be considered a separate taxpayer with respect to income and deductions and return filing requirements and would be subject to Federal corporate income tax. If the Condominium does not elect to be treated as a corporation and is treated as a partnership, the partnership would not be subject to an entity level tax, the items of income and deduction of the partnership would generally be passed through to the Residential Unit Owners in accordance with the provisions of Subchapter K of the Code, and the partnership would be required to file information returns.

The precise tax status of the Condominium for New York State and New York City tax purposes is also unclear. The relevant New York State and New York City laws incorporate by reference federal entity classification provisions which, as discussed above, do not specifically

address the treatment of condominiums. If the Condominium is properly treated as a separate entity that is an association taxable as a corporation for Federal income tax purposes, the Condominium would be subject to the New York State Corporation Franchise Tax and the New York City General Corporation Tax. If the Condominium does not constitute an association that is taxable as a corporation for Federal income tax purposes, it likely would be subject to the New York City Unincorporated Business Tax, unless the Condominium were eligible for and elected treatment under Code Section 528 as a homeowners association.

* *

We express no views as to any Federal, New York State or New York City tax consequences other than those explicitly discussed in this opinion, or as to the tax status or tax consequences of the Plan under the laws of any other U.S. or foreign jurisdiction. Moreover, this opinion, while based on existing rules of law applied to the facts and documents referred to above, is not binding on the IRS, any state or local tax authority, or any court. No assurances can be given that the tax laws upon which we base this opinion will not change. In no event will the Sponsor, Holland & Knight LLP, the Board, the Selling Agent or any other person be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or IRS rulings on which we have relied which cause the owners of Residential Units not to be entitled to the income tax deductions described herein, or which would affect the tax treatment of the Condominium as described herein.

Internal Revenue Service Circular 230 Disclosure

This opinion was written to support the promotion or Marketing of the sale of Residential Units. To ensure compliance with requirements imposed by the Internal Revenue Service, we are informing you that this opinion was not written by us to be used, and cannot be used, by any taxpayer, including purchasers of Residential Units, for the purpose of avoiding tax-related penalties that may be imposed on the taxpayer under the Code. Purchasers of Residential Units should seek advice based on their particular circumstances from an independent tax advisor.

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

Very truly yours,

Holland & Knight LLP

Y. 339-I OPINION OF HOLLAND & KNIGHT LLP

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21E12 LLC
c/o William Macklowe Company
126 East 56th Street
New York, New York 10022

Re: 21 East 12th Street Condominium
21 East 12th Street
New York, New York (the "Condominium")

Ladies and Gentlemen:

You have requested our opinion regarding the allocation of common interests to the Residential Units at the above referenced Condominium as required by NYCRR Section 20.3(y)(5). Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Offering Plan for the referenced project (the "Plan").

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

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 Residential Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Residential 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 Residential Units. This opinion, while based upon existing rules of law applied to the facts and documents referred to above, is not a guarantee to purchasers. In no event will the Sponsor, Holland & Knight LLP, the Selling Agent or the Board be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in RPL Section 339 or other applicable law.

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

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

Very truly yours,

Holland & Knight LLP

Z. REAL ESTATE TAX OPINION OF MARCUS & POLLACK LLP

MARCUS & POLLACK LLP

ATTORNEYS AT LAW

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May 3, 2016

21 East 12th Street LLC
c/o William Macklowe Company
126 East 56th Street
New York, New York 10022

Re: 21 East 12th Street
Manhattan Block 570 Lots 1101 and 1102

Dear Sir/Madam:

You have requested that we project the real estate tax liability for the residential condominium building to be constructed on 21 East 12th Street.

Since tax year 1982/1983, Real Property Tax Law §1805(3) has mandated that increases in assessed valuation must be phased in over a five year period, resulting in a Transitional Assessed Value. However, the statute requires the Finance Department to include all physical (new construction, renovation, rehabilitations, or additions of square footage to existing structures) changes directly into the taxable assessed valuation without the five-year phase-in. The Actual Assessed Value is the target value which will be reached at the end of the five year period, assuming the assessment is not increased in the interim. Taxes are payable based upon the lower of the Actual and Transitional assessed values.

The total Actual (target) and Transitional Assessed Valuations for the subject property for the most recent tax years are set forth as follows:

Tax Years	Total Actual Assessment	Total Transitional Assessment
2013/14	$6,056,100	$5,319,820
2014/15	$6,288,750	$5,551,950
2015/16	$5,668,200	$5,613,440
2016/17	$1,669,500	$1,669,500

You have advised us of the following facts regarding this project:

1. 21 East 12th Street will be new construction held in the condominium form of ownership. Upon completion there will be fifty-two (52) separately assessed residential condominium dwelling units, a retail unit, a community facility unit and a garage unit. The total gross square feet of the building is 176,860 square feet on 22 floors. The net square footage for the residential units is 96,866 net square feet, the retail unit net square feet is 12,752 square feet, the garage unit net square feet is 32,109 square feet and the community facility unit net square feet is 1,050 square feet.

2. The site which comprises the subject property currently consists of the tax lots identified on the New York City Department of Finance records as Block 570, Lots 1101 and 1102 in Manhattan.

3. The construction commenced in April 2016 and is projected to be completed by November 30, 2018. As the estimated completion date would occur prior to the tax status date for tax year 2019/20, i.e., January 5, 2019, we estimate the 2019/20 tax year should therefore be the first tax year in which the City's assessment roll fully reflects the value of the newly constructed building. You have advised us that the property will be approximately 50% complete as of January 5, 2017, and 75% complete as of January 5, 2018, and 100% complete as of January 5, 2019.

4. Once construction has been completed, the property will consist of a single condominium building with separately assessed condominium tax lots for each residential dwelling unit, retail unit, community facility unit, and garage unit.

5. The first year of condominium operation is scheduled to extend from December 1, 2018 through November 30, 2019. As this period corresponds with the City's 2018/19 and 2019/20 fiscal tax years, real estate taxes due for the first year of condominium operation will therefore be based on the assessed value of the tax lots for seven (7) months of tax year 2018/19 and five (5) months of tax year 2019/20.

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

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

The capitalization of income method is based upon the proposition that the annual net income generated by a property, when divided by the rate of return an investor at a given time would accept for his money in a competing investment, yields a close estimate of the market value of the property. In the past the Department of Finance has also utilized gross income multipliers value residential property. However, the Department of Finance has recently indicated that they will no longer utilize this approach to value this type of property.

The sales price comparison method is founded upon the belief that value can be ascertained by surveying market prices. Market value has been defined as that price which a property would bring in a competitive and open market, wherein both buyer and seller are acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. However, the addition of sale prices of individual units may not be the basis for arriving at the assessed valuation of a residential condominium or cooperative housing corporation. Real Property Tax Law Section 581 requires that the Department of Finance assess residential condominiums without regard to their form of ownership. This requirement has been interpreted to mean that cooperatives and condominiums are to be assessed as if they were rental properties, thus requiring a valuation based upon the capitalization of income utilizing rents imputed from comparable rental properties.

In arriving at the assessed valuation for each unit in the Condominium, the building is first assessed in its entirety. This overall assessment is then apportioned among the respective units, each of which will be assigned a tax lot designation once the condominium Declaration has been recorded with the City Register. In the past, the apportionment was based in part upon the proportion of the projected selling price presented in the Offering Plans for each residential unit bears to the gross sellout price for all residential units available for purchase in the project (hereinafter, "Proportionate Valuation"), and in part upon extrinsic indicia of value, including location, square footage, amenities, income producing potential and existing leases, if any, on particular units. However, more recently, the Department of Finance had enunciated a policy which has allocated assessed values for the residential unit within a condominium by utilizing each unit's respective percent interest in the common elements.

We make no representation that the Department of Finance will use any particular method to apportion assessed valuation among the units for the purpose of computing the portion of the condominium building's total assessed valuation that will be allocated to the units within the condominium building.

Reconciliation of the three approaches to valuation discussed above, including review of the tentative 2016/17 assessed values for recently constructed residential apartment building throughout Manhattan, justifies an estimated overall Actual Assessed Valuation for the entire condominium building (including "land" and "building") upon completion of construction of $26,529,000 or approximately $150 per gross square foot based upon 176,860 gross square feet. We estimate the billable Assessed Value to be $26,529,000. We project that the assessed value of the completed condominium building would first be reflected on the City's 2019/20 tax assessment roll.

For our projections, we have placed greatest weight on the Comparable Assessment Study. The Comparable Assessment studies generally indicate that the City's assessment of newly constructed condominiums is often lower than what would normally be indicated by the capitalization of income method.

The most recent and currently available tax rate for residential real property is 12.883% and for commercial property is 10.656%. For purposes of the following projections, we have assumed that these overall rates will remain in effect for the 2017/18, 2018/19, and 2019/20 tax years. The estimated taxes payable during tax years 2017/18, 2018/19, and 2019/20 for the residential condominium units as defined above are projected as follows:

Estimated Real Estate Taxes for Tax Year 2017/18 - During the Course of Construction:

Pursuant to Section 11-209 of the New York City Administrative Code, properties in the course of construction as of the January 5 taxable status date and not ready for occupancy by the following April 15, are entitled to a "Progress Assessment" wherein only the land is to be assessed for real estate taxes. Inasmuch as construction commenced in April 2016 prior to the January 5, 2017 taxable status date for the 2017/18 tax year, the condominium will not be ready for occupancy by April 15, 2017 and the 2017/18 assessed valuation will be a land only Progress Assessment.

The total land only estimated actual assessed valuation for the 2017/18 assessment roll is $6,101,440. We have projected a land only billable assessment of $2,570,000 for 2017/18. It is estimated that for tax year 2017/18 the property will be assessed as a single residential tax lot and will not be subdivided into condominium tax lots. The assessed valuation will be multiplied by the Tax Class 2 tax rate for residential properties. For purposes of this analysis, we have applied the estimated overall Tax Class 2 rate for 2017/18 of 12.883% for the residential property to arrive at the estimated 2017/18 tax liability of $331,093.

Estimated Real Estate Taxes for Tax Year 2018/19 - During the Course of Construction:

For purposes of this analysis, we have estimated that as of the January 5, 2018 taxable status date governing the 2018/19 assessment roll, the property is estimated to be assessed as if 75% completed and as a residential building with a Tax Class 2 classification.

We have estimated the total Actual Assessed Valuation for the 2018/19 assessment roll to be $20,000,000. We have estimated the billable assessment to be $20,000,000 for tax year 2018/19. It is estimated that for tax year 2018/19 the property will be assessed as a single residential tax lot and will not be subdivided into condominium tax lots. The assessed valuation will be multiplied by the estimated Tax Class 2 tax rate for 2018/19 of 12.883% for the residential property to arrive at the estimated 2018/19 tax liability.

Estimated Real Estate Taxes for Tax Year 2019/20 - Upon Completion of Construction:

For purposes of this analysis, we have estimated that as of the January 5, 2019 taxable status date governing the 2019/20 assessment roll, the building will be assessed as a complete building and the total Actual Assessed Value of 21 East 12th Street, inclusive of the 52 residential condominium units, the retail unit, the community facility unit, and the garage unit to be $26,529,000 and the estimated total billable Assessed Value to be $26,529,000. The assessed valuation will be multiplied by the estimated Tax Class 2 tax rate for of 12.883% for the residential units and 10.656% for the retail, garage, and community facility units.

Estimated Real Estate Taxes for Tax Year 2020/21:

For purposes of this analysis, we have estimated that as of the January 5, 2020 taxable status date governing the 2020/21 assessment roll, the building will be assessed as a complete building and the total Actual Assessed Value of 21 East 12th Street, inclusive of the 52 residential condominium units, the retail unit, the community facility unit, and the garage unit to be $27,324,870 and the estimated total billable Assessed Value to be $27,324,870. The assessed valuation will be multiplied by the estimated Tax Class 2 tax rate for of 12.883% for the residential units and 10.656% for the retail, garage, and community facility units.

	Tax Year	Share	Taxable Assessed Value	Tax Rate	Fiscal Year Taxes	First Year of Condo Taxes	Second Year of Condo Taxes
Residential	18/19	79.9216%	$15,901,801	12.883%	$2,048,629	$1,195,034	-
Residential	19/20	79.9216%	$21,202,401	12.883%	$2,731,505	$1,138,127	$1,593,378
Residential	20/21	79.9216%	$21,838,473	12.883%	$2,813,451	-	$1,172,271
Retail	18/19	6.2056%	$ 1,234,713	12.883%	$ 159,068	$ 92,790	-
Retail	19/20	6.2056%	$ 1,646,284	10.656%	$ 175,428	$ 73,095	$ 102,333
Retail	20/21	6.2056%	$ 1,695,672	10.656%	$ 180,691	-	$ 75,288
Garage	18/19	13.0212%	$ 2,590,796	12.883%	$ 333,772	$ 194,700	
Garage	19/20	13.0212%	$ 3,454,394	10.656%	$ 368,100	$ 153,375	$ 214,725
Garage	20/21	13.0212%	$ 3,558,026	10.656%	$ 379,143	-	$ 157,976
Community facility	18/19	.8516%	$ 169,441	12.883%	$ 21,829	$ 12,734	-
Community facility	19/20	.8516%	$ 225,921	10.656%	$ 24,074	$ 10,031	$ 14,043
Community facility	20/21	.8516%	$ 232,699	10.656%	$ 24,796	-	$ 10,332
Total						**$2,869,886**	**$3,340,347**

Estimated Real Estate Taxes for the First Year of Condominium Operation – December 1, 2018 through November 30, 2019:

For the first year of condominium operation covering the period of December 1, 2018 through November 30, 2019, we project that the real estate taxes will be based on seven (7) months of tax year 2018/19 when the property is still under construction and is estimated to be assessed as if only a 75% completed building and five (5) months of tax year 2019/20 when the property is estimated to be assessed as if 100% completed. Thus, for the first year of condominium operation, the estimated real estate tax liability for the condominium will be as follows:

Residential condominium component first year estimated real estate taxes	**=$2,333,161**
Retail condominium component first year estimated real estate taxes	**=$ 165,885**
Garage condominium component first year estimated real estate taxes	**=$ 348,076**
Community Facility component first year estimated real estate taxes	**=$ 22,765**

Estimated total real estate taxes for the whole condominium huilding in the first year of operation **=$2,869,886**

Estimated Real Estate Taxes for the Second Year of Condominium Operation – December 1, 2019 through November 30, 2020:

For the second year of condominium operation covering the period of December 1, 2019 through November 30, 2020 we project that the real estate taxes will be based on seven (7) months of tax year 2019/20 and five (5) months of tax year 2020/21 when the property will be assessed as a completed building. The estimated real estate tax liability for the condominium would be as follows:

Residential condominium component second year estimated real estate taxes	**=$2,765,649**
Retail condominium component second year estimated real estate taxes	**=$ 177,621**
Garage condominium component second year cstimated real estate taxes	**=$ 372,101**
Community Facility component second year estimated real estate taxes	**=$ 24,375**

Estimated total real estate taxes for the whole condominium building in the in the second year of operation **=$3,340,347**

This letter was prepared at the sponsor's request. Certain figures set forth herein are approximations derived from material submitted by the sponsor and area subject to variation. We have not passed upon the accuracy of any figures or estimates contained in the Plan, and offer no warranties of the amount of any tax liabilities for any period.

Prospective Purchasers are advised that while there is a formula which has been utilized by the Real Property Assessment Department in assessing such properties in the past, it has not be employed consistently, and it is therefore not possible to estimate or determine the post-construction assessed valuation of this property with any degree of certainty. However, the estimates presented below are based upon current policies and practices of that department. All prospective purchasers are further advised that although the estimate of assessed valuation upon completion of construction is a good-faith estimate, such assessed valuation, when actually made, may be significantly more or less than as estimated herein.

The projections expressed above are based on our interpretation of the Real Property Tax Law, Administrative Code of the City of New York, and the applicable rules and regulations, policies and practices of the Department of Finance in effect as of the date hereof. While we believe our projections are well founded, they are not intended, and should not be construed as representations or warranties. You should be aware that the laws, regulations and practices of the Department of Finance upon which this projection is predicated may in the future be revised in a manner adverse to your interests, or that there may be an adverse interpretation of the law or regulations by one or more agencies of the City of New York, or Courts of competent jurisdiction.

The foregoing analysis is based upon our experience with the Real Property Assessment Department and the Tax Commission of the City of New York, and their assessment policies regarding newly constructed properties held in the condominium form of ownership. Application of a particular approach to valuation by an individual assessor may yield a substantially different result.

We hereby consent to the inclusion of this letter in the Offering Plan.

Very truly yours,

Marcus & Pollack LLP

MP:md

AA. WORKING CAPITAL FUND; NO RESERVE FUND

The Purchaser of each Residential Unit shall be required to make a contribution at the Closing of his Residential Unit(s) to the working capital fund of the Building (the "Working Capital Fund"). Such contribution shall be in an amount equal to two (2) month's Common Charges in effect for such Residential Unit(s). No reserve fund is being established for the Condominium.

At the First Closing, Sponsor will apportion with the appropriate 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 Residential Units);

(7) cost of Building supplies on hand at Sponsor's cost (including sales tax);

(8) premiums for transferable insurance policies, if any;

(9) management fees; and

(10) other customary adjustments.

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

The Working Capital Fund will be held and used for the items described in 1-10 above, and to pay for repairs and replacements to the Residential Common Elements for the Building's share of the cost of repairs and replacements to the Common Elements and may be augmented by

allocations from the monthly Common Charges collected from each Residential Unit. While Sponsor controls the Board (see the Section entitled "Control By Sponsor"), the Working Capital Fund will not be used to reduce estimated Common Charges.

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

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

BB. MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

1. Management Agreement

It is presently contemplated that at or prior to the Commencement Date, the Board will enter into a management agreement with FirstService Residential Property Management (the "Managing Agent"), having its principal office at 622 Third Avenue, New York, New York 10017 to act as Managing Agent with respect to the Condominium. Managing Agent is not an affiliate of Sponsor.

This Agreement shall become effective as of the closing on the sale of the first Residential Unit (the "Commencement Date") and shall continue until the first anniversary of the last day of the month in which the Commencement Date falls unless the Commencement Date is the first day of a calendar month, in which case the Agreement shall continue until the first anniversary of the Commencement Date (the "Initial Term"). Thereafter, it shall automatically renew for one (1) year periods until terminated as hereinafter provided. The Managing Agent will receive an annual fee of $60,000 for such first year, payable in equal monthly installments, subject to automatic increases of four (4%) percent at each anniversary of the Commencement Date This rate is comparable to that paid by comparable buildings. If either the Managing Agent or the Board shall fail to perform or abide by any of its material obligations under the Management Agreement, the other party shall have the right to terminate the Management Agreement at the end of any calendar month on not less than thirty days' prior written notice, unless such default is cured within said 30 day period.

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

a. Supervise employees necessary for the proper maintenance and operation of the Building.

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

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

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

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

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

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

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

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

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

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

l. Maintaining accurate sets of books for the Board.

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

n. Assist Board in preparing an annual operating budget of the anticipated income and expenses for the ensuing year.

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

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

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

The management fee will be included in Common Expenses as discussed above in Schedule B – "Projected Budget for First Year of Condominium Operation." The Managing

Agent will be entitled to additional fees for certain special services performed by it, including, among others:

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

(b) Managing Agent shall also receive the following additional fees, which fees shall be payable to Managing Agent by each Residential Unit Owner and/or by each applicant submitting applications or requesting assistance of Managing Agent:

(1) For the processing of purchase or lease applications, Managing Agent may charge a processing fee in the sum of $650.00, which fee may be increased to cover the costs of consumer reports in the event they are required and photocopy and messenger costs, if any. Managing Agent recommends that a consumer report be obtained on each adult occupant. The processing fee for each standard consumer report generally procured by Managing Agent will be $75.00. A fee of $112.50 per application will be charged to defray the cost of online application and electronic record retention of applications allowing applicants to eliminate copying costs.

(2) For the coordination and assistance with financing or refinancing of residential mortgages, a fee in the sum of $300.00, which fee may be increased if the mortgagee requires extensive documentation regarding the Property and/or its finances.

(3) For the processing of lease renewals, a processing fee in the sum of $300.00.

(4) For other services related to the transfer of Residential Units, Managing Agent shall be entitled to charge Residential Unit Owners fees in accordance with Managing Agent's standard transfer fee schedule.

(5) In addition, Managing Agent shall send a representative to the closing on the sale of each Residential Unit to deliver the Owner's waiver of its right of first refusal and any other documents required to be delivered and to ensure prompt and proper documentation of the transfer and the payment of any outstanding charges. Managing Agent may charge the Residential Unit Owner an additional fee of $250.00 for this service.

(6) For providing the duties and services previously described above fees as follows:

(A)	Regular Alterations	$ 400.00
(B)	Major Alterations	$1,000.00

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

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

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

CC. IDENTITY OF PARTIES

1. Sponsor

Sponsor is 21E12 LLC, a Delaware limited liability company authorized to do business in the State of New York, with an office at c/o William Macklowe Company, 126 East 56th Street, 16th Floor, New York, New York 10022.

William Macklowe is the principal of Sponsor. Mr. Macklowe is a real estate developer, owner, operator and investor, involved in high-end development. Mr. Macklowe has not been a sponsor or principal for any cooperative or condominium offerings in the State of New York in the preceding five years.

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

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

2. Selling Agent

Corcoran Sunshine Marketing Group, with offices 888 Seventh Avenue, New York, New York, is the Selling Agent retained by the Sponsor in connection with the offering of Residential Units. The Selling Agent is engaged in the brokerage and sale of residential properties in the New York metropolitan area. The Selling Agent is not affiliated with Sponsor.

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

3. Attorneys for Sponsor

Sponsor has retained the law firm of Holland & Knight LLP, having an office at 31 West 52nd Street, New York, New York 10019 to represent it in connection with the Plan ("Sponsor's Counsel"). Holland & Knight LLP prepared the Plan, the Declaration, the By-Laws and the forms of Agreement, Residential Unit Deed and Residential Unit Power of Attorney and has also rendered an opinion with respect to the availability of income tax deductions to purchasers of Residential Units and compliance with Section 339-i of the Real Property Law. Stuart M. Saft, Esq. had principal responsibility for the preparation of the Plan. Holland & Knight LLP will serve as Escrow Agent and will represent Sponsor in connection with matters relating to Residential Unit Closings.

Marcus & Pollack LLP, having an office at 708 Third Avenue, New York, New York 10017 prepared the portion of the Plan related to real estate taxes and rendered an opinion on the real estate taxes for the Condominium.

4. Managing Agent

It is contemplated that at or prior to the First Closing, the Board will enter into a management agreement on behalf of the Residential Unit Owners with First Service Residential Property Management (the "Managing Agent"), having its principal office at 622 Third Avenue, New York, New York 10017, to act as Managing Agent with respect to the Condominium. The Managing Agent has been managing residential condominium buildings in New York for more than fifteen (15) years. The Managing Agent is not affiliated with Sponsor.

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

5. Budget Expert

First Service Residential Property Management, having an address at 622 Third Avenue, New York, New York 10017, reviewed all amounts of income and expenses in Schedule B – "Projected Budget for First Year of Condominium Operation," in consultation with Sponsor. Budget Expert is not affiliated with Sponsor or with Sponsor's principal, and has no financial interest in the Property, in Sponsor, in the Managing Agent, or in any other party interested in this transaction, except: (i) for its fees for services rendered in connection with the same; or (ii) to the extent it may in the future be designated as Managing Agent.

6. Construction Professionals

SLCE Architects, LLP, 1359 Broadway, New York, New York 10018 ("SLCE"), is the architect engaged by Sponsor to construct the Project.

Cosentini Associates, 2 Pennsylvania Plaza, New York, New York 10121, is the mechanical and electrical engineer for the Project.

Desimone Consulting Engineers, having an office located at 18 West 18th Street, New York, New York 10011, is the structural engineer for the Project.

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

DD. REPORTS TO UNIT OWNERS

It is the obligation of the Board to give all Residential Unit Owners annually:

(1) A certified financial statement of the Condominium prepared by a certified public accountant within four months after the end of the Condominium's fiscal year;

(2) Prior written notice of the Annual Meeting of Residential Unit Owners; and

(3) A copy of the proposed annual budget for the Condominium at least 20 days prior to the date set for adoption by the Board and while the Sponsor is in control of the Board, such budget shall be certified pursuant to 13 NYCRR §20.4(d).

EE. DOCUMENTS ON FILE

Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan and all exhibits or documents referred to herein shall be available for inspection by prospective Purchasers, and by any person who shall have purchased a Residential Unit offered by the Plan or shall have participated in the offering of such Residential Unit, at Sponsor's office and shall remain available for such inspection for a period of six years all without charge and for copying for a reasonable charge. In addition, a set of Floor Plans showing the layout, locations and approximate dimensions of each Residential 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 Residential Unit, will be filed in the City Register's Office following the recording of the Declaration, and an additional set will be furnished to the Board.

The Declaration and the By-Laws will be recorded in advance of or concurrently with the First Closing. The recording of all deeds conveying individual Residential Units will also be in the City Register's Office.

FF. GENERAL

The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact. Sponsor believes that the Plan contains a fair summary of the material provisions of the documents referred to in the Plan, including those documents contained in Part II of the Plan. Exact copies are contained in Part II of the Plan of the form of Declaration, form of By-Laws, form of Agreement, form of Residential Unit Deed, form of Residential Unit Power of Attorney and other documents and Purchasers are urged to read the documents set forth in Part II of the Plan in their entirety. Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to herein, copies of which are on file with Sponsor, are necessarily not complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such document executed by or with the written consent of a Purchaser pursuant to the Plan, any rider or separate agreement changing or adding provisions to such document.

Under applicable federal and local law, leaded paint can no longer be used in the construction of the Building.

There are no lawsuits or other legal proceedings now pending, or any judgments outstanding, which could materially and adversely affect this offering, the Purchasers of Residential Units, the Property, the Condominium or the operation thereof, which are not covered by insurance.

No party other than the respective Purchasers shall have any right or benefit herein or herefrom, including without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of Sponsor's obligations hereunder and no such third party shall be deemed to have received any benefit as a result of any of the provisions of the Plan.

Sponsor reserves the right, from time to time prior to the First Closing, upon amendment to the Plan, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Residential Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor, the Purchasers and/or prospective Purchasers under the Plan. However, Sponsor may not unilaterally cancel an Agreement which is in effect, except as therein provided, as in the case of an uncured default, nor unilaterally change the Purchase Price or payment terms contained in such Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a substantial amendment to the Plan that materially adversely affects Purchasers, except as otherwise provided herein, Purchasers will have a right of rescission which may only be exercised within 15 days from the date of presentation of said amendment. Sponsor shall promptly return any Payment, together with any interest thereon, to Purchasers who rescind, except that Sponsor shall retain the Payment (and any interest thereon) of any Purchaser who is in default under the Agreement beyond any applicable grace period.

In accordance with the provisions of the laws of the State of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person in the sale of Residential Units offered by the Plan or in the leasing of any such Residential Units because of

such person's sex, race, creed, color, national origin, marital status, age, disability or any other ground proscribed by law.

Unless the context otherwise requires, words used in the singular in Part I of the Plan include the plural and vice versa, and a reference herein to any one gender, masculine, feminine or neuter, includes the other two.

No person has been authorized to make any statement or representation or furnish any information not expressly contained herein. Any information, data, or representations not contained herein or in the documents and exhibits referred to herein must not be relied upon. The Plan may not be changed or modified orally.

The Property and the Buildings have not been the subject of any prior public offerings.

No cooperative interest in realty or condominium unit has been offered for sale and no reservations, binding or non-binding, will be made until this Plan has been accepted for filing by the Department of Law. No Payment will be accepted by Sponsor until this Plan has been accepted for filing by the Department of Law.

No Residential Units offered in the Building are occupied by residential or tenants as of the date of submission of the Plan to the Department of Law.

GG. SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor hereby adopts the Description of Property set forth as Exhibit 4 in Part II of the Plan and represents that it has no knowledge of any material defects or need for major repairs to the Property.

PART II

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21 EAST 12TH STREET CONDOMINIUM

21 EAST 12TH STREET

NEW YORK, NEW YORK 10003

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PART II

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EXHIBIT "1"

AGREEMENT

AGREEMENT

21E12 LLC

Sponsor-Seller

TO

_____

Purchaser

UNIT NUMBER _____

21 East 12th Street Condominium
21 East 12th Street
New York, New York 10003

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UNIT NUMBER(S)_____

21 East 12th Street Condominium
21 East 12th Street
New York, New York 10003

(TO BE EXECUTED IN QUADRUPLICATE)

AGREEMENT, made as of _____, 20__, between 21E12 LLC, a Delaware limited liability company, having an office at c/o William Macklowe Corp., 126 East 56th Street, New York, New York 10022 ("Sponsor"), and _____, having an address at _____ ("Purchaser").

W I T N E S S E T H:

1. THE PLAN. Purchaser acknowledges having received and read a copy of the Offering Plan for 21 East 12th Street Condominium and all amendments thereto, if any, filed with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") at least three (3) days prior to Purchaser's signing this Agreement. If Purchaser has not received the Plan and all amendments thereto at least three (3) full days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement within seven (7) days from the date of this Agreement. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof, as well as amendments to the Plan duly filed by Sponsor. Terms used herein which are also used in the Plan shall have the same meanings herein as therein unless the context otherwise requires.

2. THE UNIT. Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the unit(s) ("Unit"), together with the percentage of undivided interest in the Common Elements of the Condominium appurtenant thereto.

3. THE AGREEMENT.

3.1 This Agreement is a combination Option Agreement and Purchase Agreement. By executing this Agreement, Sponsor is hereby granting Purchaser an option to purchase the Unit for the Purchase Price described in paragraph 4.1 (the "Option"). The payment for the option is the Initial Payment and the Additional Payment described in 4.1(a) and (b) (referred to individually, as an "Option Payment" and collectively, as the "Option Payments"). The Option Payments are in payment of the Option and are nonrefundable regardless of whether or not the Purchaser exercises the Option unless Sponsor is unable to convey the Unit pursuant to the terms of the Plan. At least thirty (30) days prior to the Closing Date for the purchase of the Unit (the "Option Exercise Notice"), Sponsor shall give Purchaser written notice that Purchaser shall have the right to exercise or terminate the option within fifteen (15) calendar days after the

date of the Option Exercise Notice (the "Notice Period"). During the Notice Period, Purchaser shall either exercise or not exercise the option by sending Sponsor written notice that the option is either being exercised or being terminated. Purchaser's failure to respond within the Notice Period shall be deemed to mean that Purchaser is exercising the option and proceeding to purchase the Unit.

3.2 In the event that a) the Purchaser exercises the Option (or fails to respond during the Notice Period), the Closing of the Purchaser's acquisition of the Unit shall proceed and the Option Payments shall be applied toward the Purchase Price pursuant to the terms of this Agreement, or b) the Purchaser notifies the Sponsor during the Notice Period that Purchaser is not exercising the Option, i) the Option Payments shall be retained by the Sponsor as payment in full for the Option, ii) the Purchaser shall have no further obligation under this Agreement, and iii) Sponsor and Purchaser shall be deemed to have waived any claims against the other arising from this Agreement or the purchase of the Unit. Notwithstanding anything contained herein to the contrary, the Option Payment shall not be refundable unless Sponsor is unable to close pursuant to the terms of the Plan.

4. PURCHASE PRICE.

4.1 The purchase price for the Unit (the "Purchase Price") is $_____

The Purchase Price is payable as follows:

(a) An Option Payment of $_____ [an amount that is at least 15% of the Purchase Price unless the purchaser is a foreign government or a person with a diplomatic immunity in which event the down payment is 50%] (the "Initial Payment"), due upon Purchaser's signing and submitting this Agreement, by check (subject to collection), or, at Sponsor's sole option, wire transfer, receipt of which is hereby acknowledged and, applied to the Purchase Price, if Purchaser exercises the option to purchase the Unit or fails to provide notice of Purchaser's exercise of the option during the Notice Period;

(b) An Option Payment of $_____ [an amount that with the Initial Payment equals at least 5% of the Purchase Price (the "Additional Payment"; the term "Option Payment", as used herein, refers to both the Initial Payment and, if the same has been paid at the time in question, the Additional Payment)], due on the earlier of six (6) months after the execution of this Agreement or thirty (30) days after the Plan is declared effective, by check (subject to collection), or, at Sponsor's sole option, wire transfer. [This paragraph is inapplicable to foreign governments or persons with diplomatic immunity.] Agreements entered into after the construction of the building has been completed and the temporary certificate of occupancy issued, shall not require an Additional Payment deposit. If the Purchaser exercises the option to purchase the Unit or fails to provide notice of Purchaser's exercise of the option during the Notice Period, the Additional Payment shall be applied to the Purchase Price; and

(c) $_____, constituting the balance of the Purchase Price, by good certified check of Purchaser or official bank check or, at Sponsor's option, by wire transfer, payable on the delivery of the deed as hereinafter provided.

4.2 All checks shall represent United States currency and shall be drawn on or issued by a New York bank or trust company which is a member of The New York Clearing House Association, unless otherwise agreed to by Sponsor. Checks for the Initial Payment and the Additional Payment shall be made payable to "Holland & Knight LLP, Escrow Agent". Checks for the balance of the Purchase Price shall be made payable to the direct order of "21E12 LLC" or such other party as Sponsor may designate upon not less than two (2) days prior notice. If any check is returned for insufficient funds or any other reason, Sponsor at its option, may declare this Agreement void ab initio and of no further force and effect and may institute an action against Purchaser for the collection of the Option Payment as liquidated damages or may declare a default by Purchaser under this Agreement which shall entitle Sponsor to exercise any of the remedies set forth in Article 15 hereof.

5. AGREEMENT NOT CONTINGENT UPON FINANCING. The terms and provisions of this Agreement and Purchaser's obligations hereunder are not contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof) stated in Section 4 of this Agreement, and Purchaser understands and agrees that his or her failure to obtain such financing will not relieve him or her of his or her obligations hereunder. Purchaser further understands and agrees that if he or she chooses to finance his or her purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in his financial status or condition shall release or relieve him or her of his or her obligations pursuant to this Agreement.

6. CLOSING OF TITLE.

6.1 The closing of title shall be held at such place in the City and State of New York and on such date and hour as Sponsor may designate to Purchaser on not less than thirty (30) days' prior written notice. In the event the Agreement is executed prior to the Plan being declared effective, the Closing shall not occur until at least thirty (30) days' notice is provided after the Plan is declared effective. Notwithstanding the foregoing, Purchaser may waive such prior notice period. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Sponsor's attorneys at closing an extra fee as set forth in the Plan. Sponsor, from time to time, may adjourn the date and hour for closing on written notice to Purchaser, which notice shall fix a new date, hour and place for the closing of title and will be given not less than two (2) business days prior to the new scheduled date and time for closing.

6.2 The closing of title shall occur only after or concurrently with the compliance with the prerequisites as set forth under "Terms of Sale" in Part I of the Plan.

6.3 The term "Closing Date" or "closing of title" or words of similar import, whenever used herein, shall mean the date designated by Sponsor on which the deed to the Unit is delivered to Purchaser, or any adjourned date fixed by Sponsor pursuant to subsection 6.1 hereof.

6.4 Sponsor has projected that, based upon currently anticipated schedules, construction of the Building will be sufficiently completed to permit closings of Units to begin on or about December 1, 2018. The actual date for the First Closing is only an estimate and is

not guaranteed or warranted, and may be earlier or later depending on the progress of construction and compliance with other prerequisites described in the Plan. Purchaser acknowledges that construction may be delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery or inability to obtain on a timely basis or otherwise materials or equipment, governmental restrictions, or other events beyond Sponsor's reasonable control. Purchaser further acknowledges that the Units in the Building will be completed at varying times over a period that could extend well beyond the First Closing. The order in which these Units will be completed is in the discretion of the Sponsor. Purchaser acknowledges that except as otherwise expressly provided in the Plan, Purchaser shall not be excused from paying the full Purchase Price, without credit or set-off, and shall have no claim against Sponsor for damages or losses, in the event that the First Closing occurs substantially earlier or later than the projected date or the time to complete or to close title to the Unit is accelerated, delayed or is postponed by Sponsor, Purchaser's rights as set forth in the Plan in respect thereof being in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of hereby expressly waived by Purchaser.

7. DELIVERY OF THE DEED AND RESIDENTIAL UNIT POWER OF ATTORNEY.

7.1 At the closing of title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenants against grantor's acts conveying title to the Unit to Purchaser. The deed shall be prepared by Sponsor in substantially the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes, and Sponsor and Purchaser shall duly execute a New York City Real Property Transfer Tax return and any other forms then required by law, all of which shall be prepared by Sponsor.

7.2 At the closing of title and simultaneously with the delivery of the deed conveying the Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board and Sponsor substantially in the form set forth in Part II of the Plan.

7.3 The deed and power of attorney to the Condominium Board and Sponsor shall be delivered to the representative of the title company insuring Purchaser's title (or, if no such representative is present, then to Sponsor's attorney) for recording in the City Register's Office, which recording shall be at Purchaser's expense. After being recorded, the deed shall be returned to Purchaser and the power of attorney shall be sent to the Managing Agent.

7.4 Sponsor shall deliver to Purchaser a certification stating that Sponsor is not a foreign person in the form then required by the Code Withholding Section and each party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, as such other party may reasonably request in order to comply with IRS §6045(e), as amended, or any successor provision or any regulations promulgated pursuant thereto, insofar as the same requires reporting of information in respect of real estate transactions.

8. MARKETABLE TITLE.

8.1 Purchaser shall order a title report within ten (10) days of receiving a fully executed Agreement and Purchaser must deliver any title objections to Sponsor's attorney in writing at least twenty (20) days prior to the Closing or any such objections shall be deemed waived. At the closing of title, Sponsor shall convey to Purchaser fee simple title to the Unit, free and clear of all encumbrances other than those expressly agreed to or waived by Purchaser or set forth in Schedule A annexed hereto and made a part hereof. Any encumbrance to which title is not to be subject shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to Purchaser's title insurance company, together with the attendant recording or filing fee, if any, or (b) First American Title Insurance Company (the "Title Company"), having an address at 633 Third Avenue, New York, New York 10021 (Tel: (212) 850-0649 (or such other title insurance company as Purchaser may utilize), is or would be willing, in a fee policy issued by it to the Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien.

8.2 The title conveyed by Sponsor to Purchaser shall be subject only to the liens, encumbrances and title conditions set forth in Schedule A annexed hereto and made a part hereof. Any lien, encumbrance or condition to which title is not to be subject shall not be an objection to title if: (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to the Title Company (or such other title or abstract company designated by Sponsor; the "Title Company"), together with the recording or filing fee; or (b) Purchaser's title insurance company will insure Purchaser, at the company's regular rates and without additional premium, that it will not be collected out of, or enforced against, the Unit; or (c) Purchaser's title insurance company is unwilling to issue the affirmative insurance described in subsection (b) at its regular rates and without additional premium, and the Title Company would be willing to do so at its regular rates and without additional premium (as evidenced by the issuance of the same by the Title Company in connection with the closing of any other Units in the Condominium).

8.3 Sponsor shall be entitled to adjourn the closing to remove or correct and defect in title which is not set forth in Schedule A. However, if such defect existed at least 10 days prior to the closing and Purchaser, or Purchaser's attorney, failed to send Sponsor's attorney written notice of such defect in title at least 10 days prior to the closing, then, for purposes of Article 15 below, Purchaser shall be deemed at fault for not having sent timely notice, and the closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as having been requested by Purchaser.

8.4 The covenants in the deed will be solely for the personal benefit of Purchaser and will not inure to the benefit of Purchaser's successors or subrogees. In the event of a claimed breach of any covenant of the grantor contained in the deed, Purchaser must first seek recovery against Purchaser's title insurance company before proceeding against Sponsor, it being agreed that the liability of Sponsor will be limited to any loss or damage not covered by such title insurance. In the event Purchaser elects not to purchase title insurance, then the liability of Sponsor shall be limited to any loss or damage which would not have been covered by the title insurance that was available to Purchaser at the closing. The terms of any marked-up

title binder of any title insurance company authorized to do business in New York State issued in connection with any Unit shall be conclusive evidence of the title insurance coverage that was available to Purchaser. The provisions of this Section 8.4 shall survive the closing of title or the termination of this Agreement.

9. CLOSING ADJUSTMENTS.

9.1 The following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Unit:

(a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed;

(b) Residential Common Charges for the month in which title closes; and

(c) accrued rent and any other charges pursuant to an interim lease or use and occupancy agreement, if any, covering the Unit.

9.2 If a Unit has been separately assessed but the closing of title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title. If a Unit has not been separately assessed as of the Closing Date for the then current tax period, the adjustment under subsection 9.1(a) hereof shall be based upon the assessment for the Property and the percentage interest in the Common Elements appurtenant to the Unit.

9.3 Purchaser hereby agrees that, if Sponsor obtains a refund for real estate taxes paid (or a credit for such taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this subsection shall survive the closing of title.

9.4 The "Customs in Respect of Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned except as otherwise provided herein.

9.5 Any errors or omissions in computing adjustments shall be corrected and payment made to the proper party after discovery. The provisions of this subsection shall survive the Closing.

9.6 In the event that Purchaser fails to close title to the Unit on the date originally scheduled for the closing of title, postpones the closing for any reason, or is deemed at fault for not timely sending notice of a title defect as provided in Article 7 above, and title thereafter closes, then:

(a) the closing apportionments shall be made as of the originally scheduled closing date regardless of when the actual closing of title occurs; and

(b) Purchaser shall pay Sponsor interest at the rate of 0.04% per day (or such lower rate per day which is the legal limit, if 0.04% per day exceeds the legal limit) on the total purchase price, computed from the original Closing Date until this transaction is actually closed. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, the foregoing provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title on the rescheduled Closing Date.

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

11. CLOSING COSTS AND TRANSFER TAXES.

11.1 In addition to those costs and adjustments described in Articles 9 and 10 herein, Purchaser shall be required to pay the other closing costs which are Purchaser's responsibility as more particularly described in Part I of the Plan entitled "Closing Costs and Adjustments."

11.2 At the closing, Purchaser shall duly complete and sign before a notary public the real property transfer tax return required to be filed with The City of New York ("RPT Form") and Purchaser shall duly complete and sign the New York State Real Estate Transfer Tax Return ("NYS Tax Form"), or such other forms as may then be required by law. The RPT Form and NYS Tax Form shall be delivered at closing to the representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for filing with the proper governmental officer. Sponsor will similarly execute all of such forms and other documents required in connection with recording of the deed including, without limitation, smoke detector and multiple-dwelling affidavits.

11.3 Purchaser shall pay all New York City Real Property Transfer Taxes and New York State Real Estate Transfer Taxes (and, if applicable, the so-called "mansion tax"), and any other real property transfer tax due to the City or State of New York and the cost of any stock transfer stamps. Purchaser agrees to indemnify and hold Sponsor harmless from and against any and all liabilities and expenses (including, without limitation, reasonable legal fees and disbursements) incurred by Sponsor by reason of the non-payment by Purchaser of any of the taxes Purchaser is obligated to pay hereunder in connection with the purchase of the Unit. Purchaser's obligations to pay the taxes described in this Article and to indemnify Sponsor as herein provided shall survive the closing or the termination of this Agreement.

12. OPTION PAYMENT. The Option Payment made pursuant to this Agreement is subject to the requirements of Section 71-a(3) of the State of New York Lien Law and Sections 352-e(2)(b) and 352-h of the General Business Law of the State of New York. Any Option Payment received from Purchaser will be held in accordance with the provisions of the Subsection entitled "Escrow and Trust Fund Requirements" under the Section entitled

"Procedure to Purchase" set forth in Part I of the Plan and as set forth in this section below. By signing this Agreement, Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of the Option Payment to Sponsor in the event Sponsor and Purchaser close title under this Agreement. Sponsor is required by law to submit a Form 1099 to the Internal Revenue Service reporting interest earned on Purchaser's Option Payment, if any. Purchaser will be taxed accordingly on such interest, whether or not Purchaser ultimately receives the interest in accordance with the terms of this paragraph.

12.1 The law firm of Holland & Knight LLP, with an address at 31 W. 52nd Street, New York, New York, telephone number (212) 513-3200, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Neither Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

12.2 Escrow Agent and all authorized signatories hereby submit to the jurisdiction of the State of New York and its courts for any cause of action arising out of the Agreement or otherwise concerning the maintenance of release of the Deposit from escrow.

12.3 The Escrow Agent has established a master escrow account at M&T Bank (the "Bank") at its branch located at 350 Park Avenue, 6th Floor, New York, NY 10022, a bank authorized to do business in the State of New York. The master escrow account is entitled "Holland & Knight LLP - 21 East 12th Street Condominium, Escrow Account" or similar name (the "Master Escrow Account"). All Option Payments will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. Each Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) in the form set forth in Part II of the Plan or a Form W-8 (Certificate of Foreign Status) in the form set forth in Part II of the Plan, as applicable, to Sponsor or Selling Agent at the time Purchaser tenders the Option Payment and the Agreement. If an Option Payment is accompanied by a completed and signed Form W-9 or Form W-8, the Option Payment will thereafter be promptly transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser. The Master Escrow Account is federally insured by the FDIC at the maximum amount of $250,000.00 per deposit.

12.4 The Option Payment shall be paid by good certified check of Purchaser or official bank check or, at Sponsor's sole option, by wire transfer. All Option Payment checks must be made payable to the direct order of "Holland & Knight LLP, Escrow Agent". All checks delivered in payment of the Option Payment shall be accepted by Sponsor subject to collection, and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem this Agreement to be canceled and of no further force or effect.

12.5 If an Option Payment is accompanied by a completed and signed Form W-9 or Form W-8, the Option Payment will thereafter be promptly transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser. The interest rate for all Option Payments transferred to an individual interest bearing sub-escrow savings account shall be the prevailing rate for such accounts, which as of February, 2016 is approximately .20%. Interest shall begin to accrue upon placing the Option Payment into the individual interest

bearing sub-escrow savings account. All interest earned thereon shall be paid to Purchaser at Closing. If a Purchaser does not deliver the Form W-9 or Form W-8, the Option Payment will remain in the non-interest bearing checking portion of the Master Escrow Account. No fees of any kind may be deducted from the Master Escrow Account or individual escrow accounts, and Sponsor shall bear all costs associated with the maintenance of the Master Escrow Account and individual escrow accounts.

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

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

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

12.9 Under no circumstances shall Sponsor seek or accept release of the Option Payment of a defaulting Purchaser until after consummation of the Plan, as evidenced by acceptance of a post-closing amendment by the New York State Department of Law. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-3(2-b) and 352-h.

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

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

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

(c) a final, binding arbitration determined by JAMS, as provided in Section 12.20.

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

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

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

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

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

12.12 Escrow Agent shall maintain the Master Escrow Account under its direct supervision and control.

12.13 A fiduciary relationship shall exist between Escrow Agent and Purchaser, and Escrow Agent acknowledges its fiduciary and statutory obligations pursuant to GBL §§ 352(e)(2-b) and 352(h).

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

12.15 Sponsor agrees that Sponsor and its agents, including any selling agents, shall deliver the Option Payment received by them prior to closing of the Unit to a designated attorney who is a member of or employed by Escrow Agent, within two (2) business days of tender of the Option Payment by Purchaser.

12.16 Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary duties and statutory obligations as set forth in GBL §§ 352-(e)(2-b) and 352-(h) and the New York State Department of Law's regulations.

12.17 Sponsor shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, and deliver such form to Escrow Agent together with the Option Payment and this Agreement. Failure to receive a completed and signed Form W-9 or W-8, as applicable, at the time the Escrow Agent receives the Option Payment and this Agreement, shall not prevent the consummation of this Agreement. Within five (5) days following receipt of the Form W-9 or W-8, as applicable, the Option Payment will be transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser, and within ten (10) days following receipt of the Form W-9 or W-8, as applicable, Escrow Agent shall notify Purchaser of the deposit of the Option Payment into the individual interest bearing sub-escrow savings account.

12.18 Prior to the release of the Option Payment, Escrow Agent's fees and disbursements shall neither be paid by Sponsor from the Option Payment nor deducted from the Option Payment by any financial institution under any circumstance.

12.19 Sponsor agrees to defend, indemnify and hold Escrow Agent harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of Escrow Agent's responsibilities arising in connection with this Agreement or the performance or non-performance of Escrow Agent's duties under this Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the obligations set forth in this Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by Escrow Agent itself.

12.20 Any dispute, claim or controversy arising out of or relating to the Option Payment between Sponsor and Purchaser (Sponsor and Purchaser, individually, a "Party", collectively, the "Parties") shall be determined by arbitration in JAMS Headquarters, currently located at 620 Eighth Avenue, New York, New York, before one (1) arbitrator. Except as otherwise noted in this Agreement and/or the Plan, the arbitration shall be administered by JAMS pursuant to JAMS' Streamlined Arbitration Rules and Procedure. Judgment on any award issued by the Arbitrator may be entered in any court having jurisdiction.

(a) Within five (5) days of filing an arbitration proceeding, JAMS shall send the Parties a list of three (3) arbitrator candidates. Each such arbitrator candidate shall have at least ten (10) years New York real estate law experience. Within seven (7) days of service by the parties of the list of names, each Party may strike one (1) name and shall rank the remaining arbitrator candidates in order of preference. The remaining arbitrator candidate with

the highest composite ranking shall be appointed the arbitrator. In the event that no arbitrator has the highest composite ranking, the Arbitrator shall be determined by JAMS. The Arbitrator shall be neutral and independent of Sponsor, all of its principals and Purchaser.

(b) The Parties shall bear the costs of their own expenses and witness preparation. The Parties shall equally share the costs of the JAMS administrative fees, including the Arbitrator's compensation. The Arbitrator shall award to the prevailing Party, if any, the costs and attorneys' fees reasonably incurred by the prevailing party in connection with the Arbitration. The prevailing Party shall be reimbursed for their share of the JAMS administrative expenses.

(c) In no event shall the Option Payment be released from escrow until at least ninety (90) days has elapsed from the issuance of the final arbitration award. In the event that a purchaser brings a proceeding pursuant to CPLR §7511 to vacate the award, the Option Payment must remain in escrow until that proceeding is finally adjudicated in a court of competent jurisdiction.

(d) The Parties shall maintain the confidential nature of the Arbitration proceeding and the award, including the hearing, except as may be necessary to prepare for or conduct the arbitration hearing on the merits, or except as may be necessary in connection with a court application for a preliminary remedy, a judicial challenge to an award or its enforcement, or unless otherwise required by law or judicial decision.

13. BINDING EFFECT OF PLAN, DECLARATION, BY-LAWS AND RULES AND REGULATIONS. Purchaser hereby accepts and approves the Plan (including the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof

14. AGREEMENT SUBJECT TO MORTGAGE. No encumbrance shall arise against the Property as a result of this Agreement or any monies deposited hereunder. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage, including, but not limited to, any construction or building loan mortgage, heretofore or hereafter made any advances heretofore or hereafter made thereon and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of each Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date, unless Purchaser voluntarily assumes such mortgage or consents to the continuation of the lien thereof. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its (their) undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of its other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

15. DEFAULT BY PURCHASER.

15.1 The following shall constitute "Events of Default" hereunder:

(a) Purchaser's failure to pay the Initial Payment or Additional Payment, if required, when due, or the balance of the Purchase Price or any closing apportionments or closing costs on the Closing Date designated by Sponsor; or

(b) Purchaser's failure to duly complete and sign before a notary public and deliver on the Closing Date the New York State and City transfer tax returns; or

(c) If Purchaser is or becomes the tenant of record of the Unit, Purchaser's failure to pay rent or to otherwise comply with Purchaser's lease or tenancy obligations; or

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

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

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

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

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

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

(j) the occurrence of any Events of Default under any other Agreement between Sponsor and Purchaser, or between Sponsor and any member or members of Purchaser's immediate family or between Sponsor and any parent, affiliate or subsidiary of Purchaser.

15.2 TIME IS OF THE ESSENCE with regard to Purchaser's obligations to pay the balance of the Purchase Price and to perform Purchaser's other obligations under this Agreement. If Purchaser fails to make such payment when required as herein provided or fails to perform any of Purchaser's other obligations hereunder, Sponsor shall give written notice to Purchaser of such default. If such default shall not be cured within thirty (30) days thereafter, Sponsor may, at its option, cancel this Agreement by notice of cancellation to Purchaser. If Sponsor elects to cancel this Agreement, (a) Sponsor may retain all sums deposited by Purchaser hereunder (including any amounts paid by Purchaser for additional work in the Unit), together with interest earned thereon, as liquidated damages (Sponsor's actual damages being difficult or impossible to ascertain) and, upon retaining such sum, this Agreement shall be terminated and

neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan and (b) Sponsor may sell the Unit to any third party as though this Agreement had never been made (without any obligation to account to Purchaser for any part of the proceeds of such sale).

15.3 If Purchaser fails for any reason to close title to his or her Unit on the originally scheduled Closing Date (a) the closing adjustments described in Section 9.1 of this Agreement will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual closing of title occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under this Agreement and the Plan, an amount equal to 0.04% of the Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to his Unit on the rescheduled Closing Date.

15.4 Sponsor and Purchaser each hereby agree and acknowledge that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of a default by Purchaser hereunder, and that the Option Payment (including all interest) shall constitute and shall be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred, including, without limitation, attorneys' fees, and shall be paid by Purchaser to Sponsor as Sponsor's sole and exclusive remedy. The payment of the Option Payment (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor.

15.5 NEITHER SPONSOR NOR PURCHASER SHALL CHALLENGE THE VALIDITY OF THE PROVISIONS OF THE AGREEMENT OR THE PLAN WITH RESPECT TO LIQUIDATED DAMAGES OR ANY RIGHT OF SPONSOR SET FORTH HEREIN OR THEREIN TO RETAIN THE OPTION PAYMENT IN THE EVENT OF A PURCHASER DEFAULT. SUCH PROVISIONS HAVE BEEN AGREED TO VOLUNTARILY, AFTER NEGOTIATION, WITHOUT DURESS OR COERCION BY ANY PARTY UPON ANY OTHER PARTY, AND WITH EACH PARTY HAVING BEEN (OR HAVING HAD FULL AND ADEQUATE OPPORTUNITY TO BE) REPRESENTED AND ADVISED BY COUNSEL, ACCOUNTANTS, BROKERS, APPRAISERS AND OTHER EXPERTS AND ADVISORS OF ITS OWN CHOOSING.

16. CLOSING CONTINGENT UPON PLAN BEING DECLARED EFFECTIVE. The respective obligations of Purchaser and Sponsor hereunder are contingent upon the Plan being declared effective. The Plan shall not be declared effective except in accordance with the prerequisites set forth in the Plan, as same may be amended from time to time. Purchaser understands and agrees that Sponsor shall have the right to abandon the Plan at any time prior to its being declared effective or thereafter in certain limited cases set forth in the Plan (see the Section in the Plan entitled "Effective Date" for full details). Purchasers shall be required to cooperate with the NYS Department of Law, Real Estate Financing Bureau's procedures relating

to the Plan being declared effective. The Plan will be abandoned or deemed abandoned if it has not been declared effective within the time limits prescribed in the Plan. Sponsor shall notify Purchaser, in writing or by a duly filed amendment to the Plan, when the Plan becomes effective or is abandoned.

17. WITHDRAWAL OR ABANDONMENT OF PLAN. The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in Part I of the Plan. Provided Purchaser is not then in default under this Agreement beyond any applicable grace period, if the Plan is withdrawn or abandoned or Sponsor elects not to declare the Plan effective or if after being declared effective the Plan will not be consummated for any reason, this Agreement shall be deemed canceled and, not later than ten (10) days thereafter, Sponsor shall return to Purchaser the Option Payment paid by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, as more particularly described in the Section entitled "Effective Date" in Part I of the Plan. After the monies are so disbursed, Purchaser and Sponsor will have no claim against each other or the Selling Agent or Escrow Agent in connection with this Agreement or the Plan, and all of same will be released and discharged from all liabilities and obligations hereunder and under the Plan.

18. SPONSOR'S INABILITY TO CONVEY THE UNITS.

18.1 If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan, Sponsor shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability, and, in such case, if Sponsor notifies Purchaser of its refusal to cure such inability and if Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such inability (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within thirty (30) days after receipt of notice of termination from Purchaser, return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, and, upon making such payment, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan. The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within fifteen (15) days after the giving of Sponsor's notice of refusal to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the remedy described in clause (a) above (i.e., to acquire title subject to such inability).

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

of Sponsor. Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused.

19. FIXTURES, APPLIANCES AND PERSONAL PROPERTY. Only those fixtures, appliances and items of personal property which are described in the Description of the Property in Part II of the Plan as being part of the Unit are included in the sale of the Unit pursuant to the provisions of this Agreement. At the Closing, Sponsor shall transfer to Purchaser any assignable warranties and undertakings received by Sponsor in its possession which relate to appliances, equipment or fixtures located in the Unit.

20. ACCEPTANCE OF CONDITION OF PROPERTY. Purchaser shall accept title (without abatement in, or credit against, the Purchase Price or any provision for escrow deposits at the closing of title) notwithstanding the failure to complete construction of (a) minor details of the Unit or the Property, (b) other Units or (c) the Common Elements of the Property which do not prevent Purchaser's use of the Unit. Purchaser shall have a reasonable opportunity, upon written request of Purchaser, for Purchaser to examine the Unit and the Property, during normal business hours and in the company of Sponsor's agent prior to the Closing. Purchaser shall carefully inspect the Unit prior to the closing of title and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan. However, if Purchaser finds that Sponsor's improvements have not been completed, although such improvements have been substantially completed, then Sponsor and Purchaser will agree to include on the inspection statement a list of incomplete work of a material nature to be completed in the Unit by Sponsor following the closing of title, but all such obligations to complete work in the Unit shall cease once the work has been completed. Notwithstanding the foregoing, Sponsor's obligations to perform work in any Unit shall not survive beyond one (1) year after the Closing Date. Sponsor shall have no obligation to complete any work to the Unit which is not specifically designated on the inspection statement by Purchaser, except for work necessary to cure violations and to obtain a temporary or permanent certificate of occupancy covering the Unit. Purchaser shall provide written notice that he or she wishes to inspect the Unit pursuant to this Paragraph at least ten (10) days prior to Closing and Sponsor shall respond prior to Closing. If Purchaser fails to inspect such Unit prior to the Closing, Purchaser shall be deemed to have accepted the Unit in good condition and in accordance with the terms of the Plan. Except as expressly provided in this Agreement or the Plan, including but not limited to subparagraph (1) of the subsection entitled "Sponsor's Obligations with Respect to the Building" of the Section entitled "Rights and Obligations of Sponsor," Sponsor shall have no obligation to repair or improve the Unit, any portion of the Property, or the appliances, equipment or fixtures attached to or used in connection with the Unit or the Property.

Sponsor will not be obligated to correct, and will not be liable to any Board or Unit Owner as a result of any defects in construction, or in the installation or operation of any mechanical equipment, appliances, other equipment, finishes, materials or fixtures (including kitchen appliances and bathroom fixtures), as specifically set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor".

Notwithstanding the foregoing, prior to Closing, Sponsor will be obligated to repair abnormal scratches in plastic laminate, vitreous china, natural stone, wood, porcelain and

metallic surfaces by filling or refinishing the same, but Sponsor will not be obligated to replace any such surfaces.

21. DAMAGE TO THE UNIT. If between the date of this Agreement and the closing of title the Unit is damaged by fire or other casualty, the following shall apply:

21.1 The risk of loss to the Unit by fire or other casualty is assumed by Sponsor until the earlier of closing of title or possession of the Unit by Purchaser, but without any obligation or liability by Sponsor to repair or restore the Unit. If Sponsor elects to repair or restore the Unit, this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Boards and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and, if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing of title.

21.2 In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit, or, if the Declaration has been recorded prior thereto, the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, this Agreement shall be deemed canceled and of no further force and effect and Sponsor shall return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, and neither party hereto shall have any further rights, obligations or liability to or against the other hereunder or under the Plan, except that if Purchaser is then in default hereunder (beyond any applicable grace period), Sponsor shall retain all such sums deposited by Purchaser hereunder, together with any interest earned thereon, as and for liquidated damages.

22. NO REPRESENTATIONS. Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent, Sponsor's Counsel, Escrow Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the purchase of the Unit, or any other data, except as herein or in the Plan specifically represented, Purchaser having relied solely on his own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor except as herein or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements or any other part of the Property other than as set forth herein or in the Plan. Purchaser agrees (a) to purchase the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or

dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans on file in Sponsor's office and [to be] filed in the City Register's Office, is accurate or correct, and (b) that Purchaser shall not be relieved of any of Purchaser's obligations hereunder by reason of any immaterial or insubstantial inaccuracy or error. The provisions of this Article 22 shall survive the closing of title or the termination of this Agreement.

23. PROHIBITION AGAINST SALES OR ADVERTISING, SELLING OR LEASING. Purchaser hereby covenants and agrees that prior to (a) one (1) year after a Purchaser's closing on its Residential Unit, a Purchaser will not be permitted to sell his or her Residential Unit(s) without obtaining the Sponsor's written approval, and (b) a Purchaser's closing of a Residential Unit, the Purchaser may not (i) list the Residential Unit for resale with any broker or otherwise, or (ii) advertise, promote or publicize the availability of his or her Residential Unit for sale or lease. Any such sale or lease, listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives shall be an Event of Default hereunder, entitling Sponsor to the remedies set forth in Article 15 hereof and any lease or conveyance in violation of the foregoing will be voidable by Sponsor. The provisions of this Article 23 shall survive the closing of title or the termination of this Agreement.

24. BROKER. Purchaser represents to Sponsor that Sponsor, Sponsor's Selling Agent and _____ are the only brokers or sales agents with whom Purchaser has dealt in connection with this transaction, and Sponsor agrees to pay the commission earned by said broker pursuant to a separate agreement. Purchaser agrees that should any claim be made against Sponsor for commissions by any broker, other than the aforementioned brokers, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this Article 24 shall survive the closing of title.

25. AGREEMENT MAY NOT BE ASSIGNED.

25.1 Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor. Any purported assignment by Purchaser in violation of this Agreement will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement, then Purchaser shall be required to pay Sponsor's reasonable attorneys' fees in advance, for preparation of an assignment agreement and otherwise comply with the Section of the Plan entitled "Assignment of Agreements".

25.2 Notwithstanding the provisions of Section 25.I above, Sponsor will not unreasonably withhold its consent to the assignment by Purchaser, on one (1) occasion only, of all the Purchaser's rights under this Agreement to a Purchaser affiliate or to member(s) of Purchaser's immediate family. For purposes of this Section 25.2 only: (i) "Purchaser affiliate" means an entity, as of the date of the assignment and at all times thereafter through and including the Closing controlled by or under common control with Purchaser; (ii) "immediate family"

means Purchaser's spouse, domestic partner, children, parents, grandchildren, brothers or sisters, stepchildren and stepparents; and (iii) "control" means the ownership of fifty-one percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and distribution of its profits.

25.3 Notwithstanding any consent by Sponsor pursuant to the terms of this Article to any such change of name or assignment, in no event shall Purchaser, as assignor, be released or relieved from any obligations, promises, covenants and liabilities under or in respect of this Agreement.

25.4 If Purchaser is a corporation, any sale, assignment, transfer, pledge, encumbrance or other disposition of any of the stock of Purchaser, or if Purchaser is a partnership, limited liability company or other entity, any sale, assignment, transfer, pledge, encumbrance or other disposition of any interest in such partnership, limited liability company or other entity shall, for purposes of this Agreement, be considered an assignment and shall be subject to the provisions, prohibitions and terms of this Article concerning assignment of this Agreement, except that a sale of 49% or less of the stock, or in the case of a partnership, limited liability company, trust or other entity, 49% or less than of the ownership interests, of Purchaser which does not result in a change in control of Purchaser shall not be considered an assignment. For purposes of the preceding sentence only, "control" shall mean the ownership of fifty-one percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and the distribution of its profits.

25.5 If a Purchaser desires to assign its rights under this Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by Purchaser that differs from that reflected in this Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), Purchaser shall deliver to Selling Agent or Sponsor's counsel, four (4) signed forms of assignment of this Agreement (to be prepared by Sponsor's counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), four (4) Affidavits of Intention to Reside (the form of which is attached hereto as Schedule B) signed and notarized by the assignee, and three (3) completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification), Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), or other appropriate Form W-8, as applicable, in the form required by law. Upon each assignment or other change permitted by Sponsor (it its sole discretion), the assignments, affidavits and Form W-8 or Form W-9, as applicable, must be delivered to Selling Agent or Sponsor's counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of $1,500 made payable to Holland & Knight LLP (for services rendered in connection with the assignment), not less than twenty (20) days prior to the date scheduled for the Purchaser's closing. In no event shall Purchaser or its assignee (or any added or substituted party) have any right to adjourn or postpone the closing as a result of any such change or assignment. Sponsor is not obligated to consent to any such change or assignment and, Sponsor's refusal to consent to an assignment or change in name will not entitle Purchaser to cancel this Agreement or excuse Purchaser from any of its obligations hereunder or give rise to any claim for damages against Sponsor; and the prohibition against advertising or publicizing the availability of Purchaser's Unit as set forth in Article 23 above and in the Plan will remain in effect.

26. BINDING EFFECT. This Agreement shall not be binding on Sponsor until a fully executed counterpart hereof has been delivered to Purchaser. If this Agreement is not accepted within thirty (30) days from the date hereof by the delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed to have been rejected and canceled and the Option Payment paid on the execution hereof shall be promptly returned to Purchaser. If Purchaser has not received the Plan and all amendments thereto at least three full (3) days prior to Purchaser's signing this Agreement, the Purchaser shall have the right to rescind this Agreement within seven (7) days from the date of this Agreement.

27. NOTICES.

27.1 Any notice, request, letter, consent or other communication hereunder or under the Plan shall be in writing and hand delivered or sent, postage prepaid, by registered or certified mail, to Purchaser at the address given at the beginning of this Agreement, and to Sponsor at the address given at the beginning of this Agreement, with a copy to Holland & Knight LLP, 31 West 52nd Street, New York, New York 10019, Attn: _____, in the same manner as notice is given to Sponsor, or to such other address as either party may hereafter designate to the other in writing. Except as otherwise expressly provided herein, the date of hand delivery or mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself. A failure by Purchaser to acknowledge receipt of any notice, request, letter, consent or other communication hereunder shall not in any way invalidate such communication.

27.2 Sponsor hereby designates and empowers both Selling Agent and Sponsor's counsel (Holland & Knight LLP) as Sponsor's agents to give any notice to Purchaser under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself.

28. JOINT PURCHASERS. The term "Purchaser" shall be read as "Purchasers" if the Unit is being purchased by more than one person, in which case their obligations shall be joint and several.

29. PURCHASER'S REPRESENTATIONS.

29.1 Purchaser represents that Purchaser has full right and authority to execute this Agreement and perform Purchaser's obligations hereunder. If Purchaser is not a natural person, Purchaser agrees to deliver at Closing, such documents evidencing Purchaser's authority as may be required by Purchaser's title company. Purchaser further represents that the Option Payment represents Purchaser's own funds and that no other party (other than Purchaser or Seller, as provided herein) has any right or claim to all or any portion of the Option Payment.

29.2 Purchaser is not now, nor shall it be at any time prior to or at the Closing of title, an individual, corporation, partnership, joint venture, trust, trustee, limited liability company, unincorporated organization, real estate investment trust or any other form of entity (collectively, a "Person") with whom a United States citizen, entity organized under the laws of

the United States or its territories or entity having its principal place of business within the United States or any of its territories (collectively, a "U.S. Person"), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") including those executive orders and lists published by OFAC with respect to Persons that have been designated by executive order or by the sanction regulations of OFAC as Persons with whom U.S. Persons may not transact business or must limit their interactions to types approved by OFAC or otherwise. Neither Purchaser not any Person who owns an interest in Purchaser is now nor shall be at any time prior to or at the closing of title a Person with whom a U.S. Person, including a "financial institution" as defined in 31 U.S.C. 5312 (a)(z), as periodically amended, is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the OFAC or otherwise.

29.3 Purchaser has taken, and shall continue to take until the closing of title, such measures as are required by applicable law to assure that the funds used to pay to Sponsor the Purchase Price are derived: (i) from transactions that do not violate United States law nor, to the extent such funds originate outside the United States, do not violate the laws of the jurisdiction in which they originated; and (ii) from permissible sources under United States law and to the extent such funds originate outside the United States, under the laws of the jurisdiction in which they originated. Purchaser is, and will at Closing be, in compliance with any and all applicable provisions of the USA PATRIOT Act of 2001, Pub. L. No. 107-56, the Bank Secrecy Act of 1970, as amended, 31 U.S.C 5312 et. seq., the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C Sections 1956 and 1957.

29.4 The provisions of this Article shall survive the closing of the title to the Unit or termination of this Agreement.

30. WAIVER OF DIPLOMATIC OR SOVEREIGN IMMUNITY.

30.I Purchaser hereby waives any and all immunity from suit or other actions or proceedings and agrees that, should Sponsor or any of its successors or assigns bring any suit, action or proceeding in New York or any other jurisdiction to enforce any obligation or liability of Purchaser arising, directly or indirectly, out of or relating to this Agreement, no immunity from such suit, action or proceeding will be claimed by or on behalf of Purchaser.

30.2 As of the execution of this Agreement, Purchaser acknowledges and agrees that all disputes arising, directly or indirectly, out of or relating to this Agreement may be dealt with and adjudicated in the state courts of New York or the federal courts sitting in New York, and hereby expressly and irrevocably submits the person of Purchaser to the jurisdiction of such courts in any suit, action or proceeding arising, directly or indirectly, out of or relating to this Agreement. So far as is permitted under the applicable law, this consent to personal jurisdiction shall be self-operative and no further instrument or action shall be necessary in order to confer jurisdiction upon the person of Purchaser in any such court.

30.3 Purchaser irrevocably waives, to the fullest extent permitted by law, and agrees not to assert, by way of motion, as to a defense or otherwise in any suit, action or proceeding arising, directly or indirectly out of relating to this Agreement brought in the state courts in New York or the federal courts sitting in New York: (i) any objection which it may have or may hereafter have to the laying of the venue of any such suit, action or proceeding in any such court (ii) any claim that any such suit, action or proceeding has been brought in an inconvenient forum; or (iii) any claim that it is not personally subject to the jurisdiction of such courts. Purchaser agrees that final judgment from which Purchaser has not or may not appeal or further appeal in any such suit, action or proceeding brought in such a court shall be conclusive and binding upon Purchaser and, may so far as is permitted under the applicable law, be enforced in the courts of any state or any federal court and in any other courts to the jurisdiction of which Purchaser is subject, by a suit upon such judgment and that Purchaser will not assert any defense, counterclaim, or set off in any such suit upon such judgment.

30.4 Purchaser agrees to execute, deliver and file all such further instruments as may be necessary under the laws of the State of New York, in order to make effective the consent of Purchaser to jurisdiction of the state courts of New York and the federal courts sitting in New York and any other provisions of this Article 30.

30.5 Nothing in this Article 30 shall affect the ability of Sponsor to bring proceedings against Purchaser in the courts of any jurisdiction or jurisdictions.

30.6 The provisions of this Article 30 shall survive the closing of title or the termination of this Agreement for the purpose of any suit, action, or proceeding arising directly or indirectly, out of or relating to this Agreement.

30.7 In the event Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), such Purchaser shall hereby be deemed to have designated and hereby designates C.T. Corporation System, having its offices, at the date hereof, at 111 Eighth Avenue, New York, New York 10011 as its duly authorized and lawful agent to receive process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement.

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

31. SECTION 1031 EXCHANGE. Sponsor hereby acknowledges that the acquisition of the Unit hereunder may be in connection with a tax deferred exchange under §1031 of the Internal Revenue Code and that Purchaser may be assigning all of its rights and obligations hereunder to a qualified intermediary as part of, and in furtherance of, such tax deferred exchange. Sponsor hereby agrees to reasonably assist and cooperate in such tax deferred

exchange, provided, however, that: (i) any action taken in connection with such tax deferred exchange or requested of Sponsor shall not result in any cost, expense or liability on the part of Sponsor or increased risk to Sponsor relating to the transaction contemplated by this Agreement (and, among other things, Purchaser acknowledges that a fee shall be payable to Sponsor's Counsel in connection with the review of any documentation related to such tax-deferred exchange); (ii) no action or failure on the part of Sponsor in connection with or related to such tax deferred exchange or cooperation on the part of Sponsor in connection with or related to said tax deferred exchange will frustrate the purpose of this Agreement or otherwise result in a reduction of Sponsor's rights, remedies and privileges under this Agreement or increase any of Sponsor's obligations or duties under this Agreement or otherwise; and (iii) Sponsor shall not be obligated, as part of any tax deferred exchange, to convey any property (other than the Unit), acquire any property, or accept any form of payment in respect of the amounts due hereunder other than as set forth herein. Purchaser shall indemnify and shall hold Sponsor harmless from and against any and all costs, expenses, fees (including, without limitation, reasonable attorneys' fees) or liabilities incurred by Sponsor in connection with or resulting from the said tax deferred exchange, and such indemnity shall survive the closing of title or the termination of this Agreement. Notwithstanding the foregoing, Sponsor makes no representation and expresses no opinion with respect to the applicability of §1031 of the Internal Revenue Code to the purchase or acquisition of the Unit.

32. PERFORMANCE BY AND LIABILITY OF SPONSOR.

32.1 Other than those obligations on the part of Sponsor that have been expressly stated to survive the delivery of the deed in this Agreement, the Plan, 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan) and General Business Law §352-e, Purchaser's acceptance of the deed for the Unit shall be deemed to be a full performance and discharge of each and every agreement and obligation on the part of Sponsor to be performed pursuant to the provisions of this Agreement, the Plan, 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan) and General Business Law §352-e.

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

33. FURTHER ASSURANCES. Either party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

34. COSTS OF ENFORCING AND DEFENDING AGREEMENT. Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under this Agreement or, in the event Purchaser defaults under this Agreement beyond any applicable grace period, in canceling this Agreement or otherwise enforcing Purchaser's obligations hereunder.

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

36. STRICT COMPLIANCE. Any failure by Sponsor to insist upon the strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and Sponsor, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

37. GOVERNING LAW. The provisions of this Agreement shall be governed by and construed in accordance with the internal laws of the State of New York applicable to agreements made and to be performed wholly in the State of New York, without regard to principles of conflicts of law. Purchaser hereby grants jurisdiction to the Supreme Court of the State of New York in New York County and the United States District Court for the Southern District of New York for all disputes relating to the Condominium including this Agreement.

38. WAIVER OF JURY. Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, or connected with, or relating to, this Agreement or the relationship created hereby. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived. The provisions of this Article shall survive closing of title or the termination of this Agreement.

39. ENTIRE AGREEMENT. This Agreement supersedes any and all understandings and agreements between the parties with respect to the subject matter hereof.

40. CERTAIN REFERENCES. A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The terms "herein," "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used, unless the context otherwise requires. Unless otherwise stated, all references herein to Articles, Sections, subsections or other provisions are references to Articles, Sections, subsections or other provisions of this Agreement.

41. RECORDING. This Agreement may not be recorded.

42. CAPTIONS. The captions in this Agreement are for convenience of reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof

43. RULE OF CONSTRUCTION. There shall be no presumption against the draftsman of this Agreement.

44. SUCCESSORS AND ASSIGNS. The provisions of this Agreement shall bind and inure to the benefit of Purchaser and his heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

45. NO ORAL CHANGES. THIS AGREEMENT CANNOT BE CHANGED OR TERMINATED ORALLY. ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES HERETO OR BY AN AMENDMENT TO THE PLAN.

46. AMENDMENTS TO THE PLAN. Subject to any provision of the Plan to the contrary, if there is a substantial amendment to the Plan that materially and adversely affects Purchaser, Purchaser will have a period of fifteen (15) days from the date of presentation of said amendment within which to rescind this Agreement and, if Purchaser exercises such right of rescission, Sponsor shall return the Option Payment, together with any interest thereon, pursuant to this Agreement within thirty (30) days.

47. CONFIDENTIALITY. Sponsor and Purchaser hereby acknowledge and agree to keep all of the terms and conditions of this Agreement confidential, except that Sponsor shall be permitted to disclose that a Agreement has been executed for the Unit and the purchase price thereunder, but not the identity of Purchaser or its principals. Sponsor and Purchaser agree that any information which is required to be disclosed to the parties respective lawyers, brokers, architects/engineers, accountants, individuals who "need to know" or governmental agencies shall not be deemed to be a breach by Sponsor or Purchaser of the parties undertaking of confidentiality contained in this Agreement. Any failure by Purchaser to keep the terms and conditions of this Agreement confidential shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement.

48. COUNTERPARTS. This Agreement and any Rider(s) which may be annexed hereto may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same document. A facsimile signature on this Agreement (or any such Rider(s)) shall be acceptable and be deemed binding. The party tendering such facsimile signature shall provide the other party with original counterparts of the signature page promptly after delivery of the facsimile signature page, although the failure to do so shall not invalidate the effectiveness of the facsimile signature.

49. LIS PENDENS. Purchaser waives any right to place a Lis Pendens against the Unit or the Building. In the event of the Sponsor's failure to substantially complete the Unit in accordance with the terms of the Plan and this Agreement, Purchaser's sole remedy shall be the

return of Purchaser's Deposit. The Deposit shall only be returned if Purchaser has complied with the conditions contained in the Plan and this Agreement. Purchaser acknowledges that if Purchaser has not acted in compliance with the foregoing, Purchaser may not have the right to have the Purchaser's Deposit refunded.

50. MOLD. Purchasers are advised that the prevention of the growth of mold in a Unit is the responsibility of each Unit Owner. Construction is not, and cannot be, designed to exclude mold spores. Whether a Unit Owner experiences mold growth depends largely on how such Unit Owner manages and maintains his/her Unit. Unit Owners will need to take actions to prevent conditions which cause the mold or mildew, and it is the responsibility of each Unit Owner to ensure that he/she has taken the necessary precautions to prevent mold from becoming a problem in such Unit Owner's Unit. The provisions of this Article shall survive closing of title or the termination of this Agreement.

51. OPTION AGREEMENT. The parties acknowledge that, for federal income tax purposes only, this Agreement is sometimes referred to as an "option agreement." This characterization is consistent with Sponsor's intention to treat the Agreement for purposes of applicable provisions of the Internal Revenue Code as similar to an option and to obtain the same tax treatment that the Sponsor would be entitled to under certain proposed treasury regulations that were promulgated by the Internal Revenue Service on August 4, 2008 (the "Proposed Regulation). If this characterization is respected, Sponsor will be able to account for the sale of the Residential Unit for federal income tax purposes in the same manner as it would be able to account for such sale if the Residential Unit had constituted a separate townhouse or other separate dwelling. If the Purchaser does not close on the Agreement, Purchaser will forfeit the Payment as liquidated damages. Purchasers should note that Sponsor's characterization of this Agreement is not binding on the Internal Revenue Service ("IRS") which may challenge such characterization. However, even if the IRS were to successfully challenge Sponsor's tax characterization of this Agreement and the Deposit, as described above, there will be no adverse tax or other consequences to Purchaser.

52. CERTIFICATION OF SPONSOR AND PRINCIPAL. Consistent with a recent First Department decision, the principal of Sponsor expressly disclaims the existence of any private right of action for contract claims by individual unit owners (or a board on their behalf) in connection with or arising solely from such principal's execution of the Certification of Sponsor and Principal, absent liability under another statute or under an alter-ego or other veil-piercing theory. See Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC. et al, 2013 N.Y. Slip Op 03574 (1st Dept. May 16, 2013).

53. RULE AGAINST PERPETUITIES. This Agreement shall expire, unless otherwise previously terminated, on the date that is the earlier to occur of (i) twenty-one years after the date of the Agreement, or (ii) the time period legally permitted by the Rule Against Perpetuities in the State of New York, in which case the Payment(s) and all interest accrued thereon shall be returned to Purchaser.

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

SPONSOR:

21E12 LLC

By: _____
Name:
Title:

PURCHASER:

_____

_____

_____
(Social Security or Federal I.D. Number)

Telephone No. _____

ESCROW AGENT
Accepted and agreed as to the provisions of Article 12:

HOLLAND & KNIGHT LLP

By: _____
Name:
Title:

SCHEDULE A

PERMITTED ENCUMBRANCES

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

2. Any state of facts which an accurate survey of the Building and the Unit would show, or such other items as a personal inspection of the Property would show, provided such facts would not make title to the Unit unmarketable, except as otherwise permitted herein.

3. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the By-Laws and the Rules and Regulations, the Power of Attorney from the Grantee to the Residential Board and other parties, and the Floor Plans; as all of the same may be amended from time to time.

4. Consents by the Grantor or any former owner of the Land for the erection of any structure or structures on, under or above any street or streets on which the Property may abut.

5. Any easement or right of use in favor of any utility company for construction, use, maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

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

7. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings and similar projections, if any, on, over, or under the Property or the streets or sidewalks abutting the Property, and the rights of governmental authorities to require the removal of any such projections and variations between record lines of the Property and retaining walls and the like, if any.

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

9. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, or vault charge, provided the same are adjusted at the closing of title.

10. The lien of any unpaid assessment payable in installments (other than assessments levied by the Residential Board), except that the Grantor shall pay all such assessments due prior to the Closing Date (with the then current installment to be apportioned as of the Closing Date) and the Grantee shall pay all assessments due from and after the Closing Date.

11. Any declaration or other instrument affecting the Property which the Grantor deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board

of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building.

12. Any encumbrance as to which First American Title Insurance Company (or such other New York Board of Title Underwriters member title insurance company which insures the Grantee's title to the Unit) would be willing, in a fee policy issued by it to the Grantee, to insure the Grantee that such encumbrance (1) will not be collected out of the Unit if it is a lien or (2) will not be enforced against the Unit if it is not a lien.

13. Any other encumbrance, covenant, easement, agreement, or restriction against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of a Unit for residential purposes.

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

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

EXHIBIT "2"

POWER OF ATTORNEY

POWER OF ATTORNEY

_____

TO

THE CONDOMINIUM BOARD OF 21 EAST 12TH STREET CONDOMINIUM

21 EAST 12TH STREET CONDOMINIUM

21 EAST 12TH STREET, NEW YORK, NEW YORK 10003

UNIT _____

COUNTY: NEW YORK

BLOCK: 570

LOT:

RESIDENTIAL
POWER OF ATTORNEY

Terms used in this Power of Attorney which are used (a) in the declaration (the "Declaration") submitted by BIC University Place LLC and 21E12 LLC ("Declarant") establishing a plan for condominium ownership of the premises known as 21 East 12th Street Condominium and by the street number 21 East 12th Street, New York, New York 10003 under Article 9-B of the Real Property Law of the Stat of New York, dated _____ __, 20___, and recorded in the New York County Office of the Register of The City of New York on _____, 20__, in City File Register Number _____, or (b) in the By-Laws of the Condominium (the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned, the owner of the Condominium Unit (the "Unit") in 21 East 12th Street Condominium which is (are) designated and described as Unit No. _____ in the Declaration and also designated as Tax Lot ____, in Block 570 of Section __ of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint:

(A) the board of managers of the Condominium (hereinafter, 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 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) upon determination by the Board, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to the Units, including retaining counsel and taking any other actions which the Board deems necessary or appropriate, (2) to foreclose upon, take a deed in lieu of or otherwise acquire and lease, convey, mortgage or otherwise dispose, pledge and deal with any Unit pursuant to the exercise of the lien for Common Charges on behalf of the Board or as to any Unit that is conveyed to the Board pursuant to Real Property Law Section 339-x if and only to the extent permitted by the Declaration and By-Laws, (3) to execute, acknowledge and deliver (i) any declaration or other instrument affecting the General Common Elements which the Board deems necessary or appropriate with respect to the Common Elements, and 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 Units or the Building, or (ii) any consent, covenant, restriction, or easement, or any amendment thereto, affecting the Units or the Building which the Board deems necessary or appropriate, or (iii) any loan documents and grant security to a lender in connection with a loan that is otherwise permitted by the Declaration and By-Laws, (4) to amend the Declaration as might be permitted to be done by a Unit Owner or the Board in the effectuation of rights granted by the Declaration to do so, (5) to make ministerial corrections in the Declaration or such changes in the Declaration as might be required by the terms thereof, and (6) to perform any other task allocated to the Board in accordance with the Declaration and the By-Laws; and

(B) the persons who may from time to time constitute the Sponsor and its designees and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Sponsor and its designees (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) to execute, acknowledge and deliver any application, declaration, document or other instrument affecting the Condominium that Sponsor and/or its designees deems necessary or appropriate to comply with any law, zoning resolution, or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority or governmental authority applicable to the rehabilitation, Maintenance, demolition, alteration, restoration or repair of the Property or any part thereof, and (2) to amend the Declaration to effectuate the rights granted to the Sponsor and its designee under the Declaration, the By-Laws or the Offering Plan, and (3) to perform any other task allocated to the Sponsor and its designees in accordance with the Declaration and the By-Laws. To the extent any of the actions taken by the Sponsor or its designees pursuant to this Section (B) may have an effect the Non-Residential Unit Owners such action may not be taken without the consent of the Non-Residential Unit Owners.

(C) the Residential Committee of the Condominium Board (hereinafter collectively referred to as "Residential Committee"), true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Residential Committee or in the name of their designee (corporate or otherwise), on behalf of all Residential Unit Owners, in accordance with such Unit Owners respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a Majority of Residential Unit Owners, to acquire or lease any Residential Unit, together with its Appurtenant Interests, from any Residential Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Residential Unit, together with its Appurtenant Interests, from any Residential Unit Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a Majority of Residential Unit Owners, to acquire any Residential Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Residential Committee or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Residential Unit so acquired by them, or to sublease any Residential Unit so leased by them without the necessity of further authorization by the Residential Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present; (2) upon determination by the Residential Committee, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units, including retaining counsel and taking any other actions which the Residential Committee deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Residential Section and/or the Condominium, which the Residential Committee, deems necessary or appropriate to comply with any ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to

the maintenance, demolition, construction, alteration, repair or restoration of the Residential Section, (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Residential Section which the Residential Committee deems necessary or appropriate or (c) following due authorization by any affected Residential Unit Owner(s), to the extent required in the Declaration and By-Laws, any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium, the Residential Section or any of the Common Elements, in each case that the Residential Committee deems necessary or appropriate.

The acts of a majority of such persons constituting the Board shall constitute the acts of said attorneys-in-fact.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ___ day of _____, 20__.

_____

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"

FORM OF UNIT DEED

UNIT DEED

THIS INDENTURE, made the ____ day of _____, 20___, between 21E12 LLC, a Delaware limited liability company, having an office at c/o William Macklowe Corp., 126 East 56th Street, New York, New York 10003 (the "Grantor") and _____ (the "Grantee"), having an address at _____.

W I T N E S S E T H :

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The condominium unit (the "Unit") in the premises known as a 21 East 12th Street Condominium (the "Condominium") and by the street number 21 East 12th Street, Borough of Manhattan, City, County and State of New York, said Unit being designated and described as Unit No. _____ in the declaration ("Declaration") establishing a plan for condominium ownership of said premises under Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"), dated _____, 20__ and recorded in the New York County Office of the Register of The City of New York (the "City Register's Office") on _____, 20__ in City Register File Number _____, and also designated as Tax Lot(s) ____ in Block 570 of Section ____ of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans of said building, certified by _____, on _____, 20___, and filed in the Real Property Assessment Department of the City of New York on _____ _____ as Condominium Plan No. _____ also filed in the City Register's Office on _____, 20__, as Condominium Map No. _____. The premises within which the Unit is (are) located are more particularly described in Schedule A attached hereto and made a part hereof. All capitalized terms herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or in the By-Laws of the Condominium. (Said By-Laws, as the same may be amended from time to time, are hereinafter referred to as the "By-Laws".)

Together with an undivided _____ percentage interest in the Common Elements (as such term is defined in the Declaration):

Together with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

Together with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws, all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in (any of) the Unit, as though recited and stipulated at length herein.

Subject also to such other liens, agreements, covenants, easements, restrictions and other matters as pertain to the Unit and/or to the Property as more particularly described in Schedule B attached hereto and made a part hereof.

TO HAVE AND TO HOLD the same unto the Grantee and the heirs or successors and assigns of the Grantee forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration shall control.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has (have) been encumbered in any way whatever, except as aforesaid.

The Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof. The Unit is intended for residential use.

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:

21E12 LLC

By: _____
Name:
Title:

_____
Grantee

_____
Grantee

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____ the year 20_____ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____ the year 20_____ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____ the year 20_____ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

SCHEDULE B

REFER TO PERMITTED ENCUMBRANCES SET FORTH AS SCHEDULE A TO AGREEMENT

TO BE INSERTED PRIOR TO CLOSING

EXHIBIT "4"

DESCRIPTION OF PROPERTY

DESCRIPTION OF PROPERTY

For

21 EAST 12TH STREET

(AKA 110 UNIVERSITY PLACE)
NEW YORK, NY

May 11, 2016

DESCRIPTION OF PROPERTY AND SPECIFICATIONS

21 EAST 12TH STREET
New York, New York

A. LOCATION AND USE OF PROPERTY

1.	ADDRESS	21 East 12th Street New York, New York
2.	BLOCK No	570
	LOT No	32
3.	ZONING DISTRICT	The zoning lot is located in the C1-7 (R8) and C6-1 (R7) districts
4.	PERMISSIBLE USES	Use Groups 1-6 in district C1-7 as per New York Zoning Resolution, which permits Residential, Community Facility and Commercial uses in the C districts. The proposed uses will comply with all zoning and use requirements.

B. STATUS OF CONSTRUCTION

1. YEAR BUILT

The project is new construction. The construction will start in May of 2016 and based on current construction schedule, it is anticipated that the first residential Temporary Certificate of Occupancy will be in or about May 2018, unless delayed by weather, strikes, lockouts, acts of God, shortages of, or inability to obtain materials, equipment or labor, governmental restrictions or preemption, damage by fire or the elements or any other cause over which the Sponsor has no control.

2. CLASS OF CONSTRUCTION

The Building will be classified as Class I-B (Non-Combustible) and will conform to all applicable regulations of the 2008 Building Code of the City of New York ("Building Code"). Class I-B construction includes all buildings and spaces in which bearing walls and other major structural elements are two-hour fire resistance rating.

3. CERTIFICATE OF OCCUPANCY

After completion of construction of the building that will comply with all applicable laws, codes, rules and regulations, the Sponsor will apply for a Certificate of Occupancy for the Building from the Department of Buildings of the City of New York ("Department of Buildings"). The Sponsor will obtain a Temporary Certificate of Occupancy for each Unit prior to its closing.

4. NEW BUILDING PERMIT NUMBER

The plans were filed and approved under number NB # 121 187 241 with the Department of Buildings, in compliance with all applicable laws. The project was not self-certified.

5. INSPECTIONS

Once the building is in operation, it will need to have recurring inspections for:

- Elevators
- Façade
- Boilers
- Any other inspection required by the Department of Buildings or from the manufacturers of the different equipment.

C. SITE

1. SIZE

In accordance with the Survey prepared by Paul D. Fisher professional Land Surveyor from Langan at 21 Penn Plaza, New York, New York, the lot for the development site has a frontage of 176.25' along University Place and 107.71' on East Twelfth Street. The area of lot 32, where the building stands, is approximately 19,085 SF.

2. NUMBER AND BUILDING USES

The new building will consist of a single residential building, 22 construction floors high with 2 Cellars, containing 53 Residential Units.

All floor plans, Unit drawings and other references to floors in this report will utilize the marketing numbers of floors in lieu of the construction floor number.
See G.4. NUMBER OF FLOORS

The 1st Floor will contain the Residential Lobby and the Service Entrance to the building, both with access from East Twelfth

Street. Also with access from Twelfth Street there will be an entrance to the garage via a ramp. The frontage on University Place will be occupied with Retail Stores and a Community Facility Space.

The 3rd Floor will contain Amenity Rooms as well as the lower floors of two duplex apartments. Both the Amenity Rooms and the duplex apartments will have access to separate landscaped terraces.

The 4th Floor will contain mechanical and electrical equipment as well as the upper level of the duplex apartments, tenant storage and the Superintendent's apartment.

Floors 5 to 12 and 14 to 23 Floors will be occupied by Residential Units.

Floor 24 will contain Mechanical Equipment.

Cellar and Sub- Cellar 1 will contain a parking garage for the exclusive use of the building residents.
A common Laundry Room, the Building Manager's Office, the Employee Locker Room, Bike Storage Room and other Storage and Mechanical Rooms will be located at Cellar.
Retail Storage will be located at the Sub-Cellar.
Retail will be located in the Cellar.

3. STREETS OWNED OR MAINTAINED BY THE PROJECT

The property fronts on East Twelfth Street and University Place. The street are paved with asphalt and are owned and maintained by the City of New York. No Street is owned by the project.

4. DRIVES, SIDEWALK AND RAMPS

(i) Paving — The sidewalks adjacent to the building will be replaced with new concrete sidewalks running full width from the property line along to the street and will be pitched to drainage at the curb. Sidewalks will be free of tripping hazards and sloped towards the street to mitigate ponding. The Condominium will be responsible for the sidewalk maintenance.

(ii) Curbing — All curbs will be new, and shall be steel and concrete. There will be one curb cut on East Twelfth Street that will allow access to the parking.

(iii) Drainage — The streets are presently pitched to existing catch basins and drain into New York City storm drainage system. There is one existing catch basin to remain on Twelfth Street near the corner of University Place.

(iv) Street lighting — The street lighting shall be provided, operated and maintained by the City of New York.

(v) Conformity — The new sidewalk paving and new curbs will be in compliance with all applicable codes.

D. UTILITIES

1. ELECTRICITY

ELECTRICITY
Electricity will be provided by the Consolidated Edison (Con Ed), a regulated company. The electricity consumed by the building will be metered as follows:
Electricity consumed by each unit will be individually metered by Con Edison.
Retail tenants and the Community Facility tenants will each be individually metered by Con Edison. Owner's loads for the residential building portion of the project to be individually metered by Con Edison. These include the storage, back of the house and residential amenity spaces. The cost of the electricity consumed for the common building support elements and spaces will be borne by all Unit Owners as a Common Expense. Multiple empty conduits will be provided to the retail space; future tenants are responsible for installing required utility meters and all wiring and panels for distribution.

2. GAS

Gas will be provided by the Con Edison Company. Gas for the Units will be master metered. The cost of the gas consumed in the residential section (including all gas used for cooking and domestic water heaters utilizing a twin set meter) will be borne by all Unit Owners as a Common Expense. Gas for the emergency generator, boilers and roof top HVAC equipment will be metered separately and will be borne by all unit owners as a common expense. Plugged outlets will be provided for future retail connections.

3. WATER & SEWER

Water and Sewer service will be provided by the New York City Department of Environmental Protection. Water will be supplied by one (1) incoming domestic water service and two (2) incoming fire water services. The new domestic water service will be provided with a meter and backflow prevention device in accordance with requirements of the New York City Department of Environmental Protection. The cost of water and sewer will be borne by the Unit Owners as a Common Expense. Water makeup to the cooling towers will be

separately metered and subtracted from the overall building water usage for purposes of calculating the sewer charge (which is calculated based upon the overall building water usage). Multiple domestic water risers and sanitary lines have been provided to the retail space; future tenants are responsible for installing sub meters before extending this service.

4. TELEPHONE

Telephone and Internet services will be provided for all Units. The building will have back bone infrastructure for multiple service providers, but it will be the Unit Owner's obligation to arrange for the service for the Unit. All charges for telephone service and Internet services (including installation and subscription charges) will be paid by each Unit Owner, who subscribes directly to the telephone company.

The telephone and Internet services charges with respect to the public areas of the building (such as the concierge's desk, maintenance offices, etc.) will be borne by all Unit Owners as a Common Expense.

5. TELEVISION

Television service will be available for all Units. The building will have back bone infrastructure for this service but it will be the Unit Owner's obligation to arrange for the service for the Unit. All charges for television service (including installation and subscription charges) will be paid by each Unit Owner, who subscribes directly to the television company.

E. SUB-GRADE CONDITIONS

1. SOIL CONDITION

a. Load Bearing Capacity

Soil borings were taken in various areas around the property. The geotechnical analysis was prepared by Langan. The boring logs indicate that soil conditions are comprised of approximately 10 to 15 ft of uncontrolled fill underlain by about 5 to 10 ft of brown fine to coarse sand with gravel, trace silt, and gray silt with fine sand. This soil will all be removed during excavation of the Cellars. Bedrock, consisting of gray mica schist, generally New York City Building Code Class 1b is encountered below the soil layers described above.

The spread footings bearing on rock will be designed for an allowable bearing value of 40-t/sf.

		The slab on grade and the perimeter wall up to street level are poured concrete.
b.	Moisture or Seepage	Stabilized ground water was encountered at a depth of 16 ft. below existing grade.
c.	Flood Potential	The site is not in flood zone as per 2013 FEMA MAP.
		The geotechnical analysis indicates that sumps and pumps should be adequate for groundwater control during construction. Under slab drainage will be required to control ground water after construction. The under slab drainage will consist of a non-woven geotextile placed on the subgrade with at least 6" of crushed stone or equivalent.

F. LANDSCAPING AND ENCLOSURE

1.	GRASS COVER	There will be no grass cover.
2.	PLANTINGS	There will be a landscaped garden at the 3rd Floor on the South, East and North side of the property. The landscaped garden will be planted with a combination of trees, shrubs and ground cover.
3.	TREES	There will be trees planted at the landscaped garden such as Heritage River Birch or similar.
		Street trees will be planted in the sidewalk in front of the property to comply with NYC Zoning Resolutions. Where not possible the Sponsor will plant the required amount of street trees in alternate off-site locations or as recommended by the Parks Department
4.	FENCING	There will be no fence.
5.	GATES	A gate will be provided at the entrance to the parking garage.
6.	RETAINING WALLS	There will be no retaining walls other than the foundation walls.
7.	DISPLAY POOLS AND FOUNTAINS	There will be no display pools or fountains.

G. BUILDING SIZE

1. TOTAL HEIGHT

The approximate total height of the building is approximately 250 feet. This height is measured from the building lobby finished floor elevation of 37.83' over Manhattan Datum to the top of the main roof enclosure at 300.0' over the same datum.

2. CRAWL SPACE

No crawl space will be provided.

3. NUMBER OF SUB- CELLARS AND CELLARS

There will be one Cellar and one Sub-Cellar occupying the full development site. The height of the Cellar and Sub-Cellar varies according to location.

4. NUMBER OF FLOORS

There will be 22 construction floors above grade.
For the purposes of Marketing, the floor numbers 2 and 13 have been excluded while construction necessitates a realistic numbering of floors that include those floors. Therefore, two different methods of numbering floors exist, and are shown below:

Construction Floor	Marketing Floor
SC1	SC1
C	C
1	1
2	3
3	4
4	5
5	6
6	7
7	8
8	9
9	10
10	11
11	12
12	14
13	15
14	16

15	17
16	18
17	19
18	20
19	21
20	PH 22
21	23
22	24 MECHANICAL
ROOF	ROOF

Please note that all floor plans, Unit drawings, and other references to floors in this report will utilize the marketing numbering of floors.

5. EQUIPMENT ROOMS

There will be rooms occupied by Mechanical, Plumbing and/ or Electrical equipment at the Cellar, 4th floor, 24th floor and the roof levels. The roof will be a double height room to house the chiller system and the boiler system.

6. PARAPET

The top of the building will be enclosed with parapet-walls with a minimum height of 3'-6".
The terrace on the 3rd Floor will have a 3'-6" high parapet or guardrail above finished roof
The terrace at the PH 22nd Floor will have a 3'-6" high parapet above finished roof.

H. STRUCTURAL SYSTEM

The structural design of the foundations and superstructure will be in accordance with the New York City Building Code, including all regulations for wind and seismic loads.

The foundation walls and the floor slab will be receive PrePrufe waterproofing or equal for vertical and horizontal applications. Drainage panels will be provided between the waterproofing and the foundation walls.

The structure will consist of a reinforced cast in place concrete flat plate construction and will be supported by columns and shear walls. The 23rd and 24th floor slabs will be supported by steel columns and concrete shear walls.

The stability of the building will be considered for wind loads, seismic loads, code defined notional loads as well as occupancy loads.

Lateral wind acting on the building is transferred to the floor slabs from the façade system. The floor slabs act as stiff diaphragms connecting all structural and non-structural elements while transferring the in-plane lateral loads to the main stability system.

The concrete core walls will house the elevator shafts and stairs and act as the structure's center spine.

1. EXTERIOR OF BUILDING

(i) Exterior Walls

The street facades for the first floor will have an aluminum and glass storefront with a louver band and decorative wire glass panels.
All the façades of the buildings at floors 3rd to 21st are composed of architectural non-structural precast concrete panels supported on the slabs with anchor connections, and inswing casement aluminum and glass windows. The joints between precast concrete panels will be caulked. There will be semi rigid insulation and vapor barrier behind the concrete panels. There will be no lintels.
The facades at floors 22nd and 23rd will be a custom aluminum and glass window wall system with swing doors, windows and aluminum panels.

All exterior wall assemblies, roofs and terraces shall have insulation values in compliance with the New York State Energy Code and fire resistance ratings in compliance with the New York City Building Code. In the opaque walls, mineral wool insulation with vapor control layer will be used, with a minimum average value of R-12.3. In the terrace and roof areas, extruded polystyrene and/or polyisocyanurate insulation will be used with an average value of R-20.

Local Law 11/ 1998 is applicable. Following construction, the exterior building façade will have to be inspected by a licensed professional engineer or architect every 5 years during standard reporting periods established by the City of New York.

(ii) Windows

The window system will have thermally-broken aluminum frames and insulating glass with a low emissivity coating.

Natural ventilation to habitable spaces is provided by in-swinging casement windows with multi-point latching and single lever hardware. All operable windows will have a childproof stop limiting the opening of the windows to a maximum of 4 ½". At penthouse floors, natural ventilation is provided by in-swing and out-swing doors and windows.

All exterior fasteners will be corrosion resistant.

The windows will have either vision glass, vision glass in a shadow box configuration or spandrel glass. All glass will be heat treated or as required by Code.

Windows will be manufactured by EFCO, Wassau, Pioneer, Schuko or equivalent.

Doors to terraces at the penthouse and third floor will be aluminum and glass swing out double doors manufactured by same manufacturer as the windows

The window system will have a general warranty for labor and material for a period of five (5) years with separate product warranties for insulating glass (10 years), paint finishes (10 years), and perimeter sealants (20 years).

All windows will be washed from inside the building. No central window washing system will be provided.

Lot Line Windows:

There are no lot line windows.

(iii) Special Windows:

Windows on the West façades are located with limited distance to the property line and will not provide legal light and air to the surrounding rooms for the purpose of permissible habitation. The amount of opening area will be in compliance with all Code regulations. Louvers within a height of 60' above the highest point of the current building in the adjacent lot will have fire dampers.

(v) Landmark Status — Not a Landmark building or within the Historical District.

2. PARAPETS AND COPINGS

The terrace parapets will be part of the precast concrete panel system or cast in place concrete with waterproofing and metal coping and will have the same warranty as the rest of the opaque wall. The roof parapet / wall will have a decorative grille matching the bulkhead.

3. CHIMNEYS AND CAPS

The building has one refuse chute with rated doors opening into a trash room located off the common corridor.

Boiler flue and domestic water heater flue from the rooftop equipment will be natural draft and will be terminated to meet code requirements. The domestic water heaters in the cellar level will be provided with a fan assisted chimney system discharging exhaust as per code requirements.

4. BALCONIES AND TERRACES

There will be no balconies.

There will be residential terraces for the sole use of the two duplex Unit Owners at floor 3. They will have combination of precast cladded parapet and precast coping and painted aluminum railings with glass.
There will also be terraces at the PH 22 for the sole use of the two duplex Penthouse Unit Owners. The parapet will be faced with glass.
Both terraces will have stone pavers, manufactured by Hanover or equal over a roofing system. The doors to the terrace will have thermally-broken aluminum with insulating glass and will be manufactured by the window manufacturer

5. EXTERIOR ENTRANCES

(i) Exterior Doors and Frames

Residential Entrance:
The main residential entrance will have a vestibule with outer and inner doors. Both single automatic doors, as well as the glass sidelights and transoms will be made with decorative metal trim and tempered glass.

(ii) Vestibule Doors and Frames

See item 5(i)

(iii) Exterior Stairs

There will be no exterior stairs

(iv) Railings

There will be metal and glass railings at the terrace of the Duplex Penthouse Units.

The top of all required railings will be at least 3'-6"above the highest point of adjacent surface and will support the vertical and horizontal loads required by NYC Building Code.

(iv) Mailboxes

Individual residential mailboxes will be provided at the 1st Floor level. The mailboxes will be aluminum frontloaded of the horizontal type and in compliance with the United Postal Service regulations.

(v) Lighting

Main Entrance
Light fixtures will be provided at the canopy above the main entrance and above the main door.

(vi) Intercom

No intercom system will be provided from site entrance to individual Units. The concierge will have direct communication to all Units. There will be an intercom from the Main Entrance to the Concierge Desk and from the Concierge Desk to the individual Units.

6. SERVICE ENTRANCE

(i) Exterior Doors and Frames

The Service Entrance will have an insulated outer door manufactured in decorative metal to match the main entrance. Doors will open out and will be always open from the inside.

(ii) Gates

There will be a roll down gate at the entrance to the parking garage.

(iii) Exterior Stairs

There will be no exterior stairs at Service Entrance.

(iv) Railings

There will be no railings at Service Entrance.

(v.) Intercom

There will be an intercom from the Service Entrance to the Concierge Desk.

7. ROOF AND ROOF STRUCTURE

(i) Type of Roofs for All Areas

a. Roofing Material

Third Floor and PH 22 Terraces.
The roofing system at the terraces will be an inverted roof membrane assembly (IRMA) roof comprised of a 2-Ply SBS Modified Bitumen waterproofing membrane, as manufactured by Siplast, Soprema or equivalent, drainage mat, 5" of 60 PSI rigid polystyrene insulation, filter fabric, and precast concrete paver overburden. Concrete pavers shall be installed on adjustable pedestals.

Main Roof and Bulkhead
The roofing system at the Main Roof and bulkheads will be composed of a torch applied SBS modified bitumen vapor barrier over the concrete slab, 25 PSI polyisocyanurate rigid insulation, ½" rigid cover board, and an exposed 2-Ply SBS

Modified Bitumen waterproofing membrane, as manufactured by Siplast, Soprema or equivalent.

The guarantee will be issued by the manufacturer and the warranty by the installer.

b. Insulation
Third Floor and PH 22 Terraces.
There will be 5" of 60 PSI rigid polystyrene insulation or equivalent with an R value of 25 in compliance with New York State Energy Code.

Main Roof and Bulkhead
There will be 5" of polyisocyanurate insulation with an R value of 25 or in compliance with New York State Energy Code.

c. Flashing Material
All flashing membranes will be cold-applied reinforced resin.

d. Surface Finish
Third Floor and PH 22nd Terraces.
Precast Concrete pavers or Green Roofing
Main Roof and Bulkhead: Exposed membrane roofing and walkway pads

e. Warranty:
The roofing system shall have a 25 year NDL labor and materials warranty beginning after the date of final TCO.

(ii) Drains

a. Location, Material and Type
Cast iron drains will be provided at all roof areas, which will discharge through internal leaders into the building storm drain system.

b. Gutters and Leaders
There will be no gutters or leaders.

(iii) Skylights

There will be no skylights.
No skylights are proposed above the stairs. Windows and louvers, in compliance with the alternate requirements of the Multiple Dwelling Law are provided at top of each stair.

(iv) Bulkhead:

a. Stairs
The stair enclosure will be part of roof bulkhead which will enclosed by concrete shear walls finished with an elastomeric coating.

b. Elevators :

The Elevator Machine Room will be part of roof bulkhead; it will be enclosed by concrete shear walls finished with an elastomeric coating.

c. Others

Mechanical equipment rooms and equipment will be located at the 24th floor.

All rooftop equipment that so requires shall be mounted on vibration isolators comprised of neoprene or /and springs to control vibration and structural borne noise transmitted to the Units below.

(v) Metal Work at Roof Levels

a. Exterior Metal Stairs

There will be unenclosed metal stairs with railings connecting the different elevations of the roof.

b. Vertical Ladders

An interior vertical ladder will be provided between the bulkhead and the bulkhead roof.

c. Railings

Painted aluminum railings will be provided.
Railings will be 3'-6"high above high point of roof.

d. Hatches to Roof Level

A hatch and ladder will be provided to access the bulkhead roof.

All exterior metal including exposed fasteners will be corrosion resistant.
All metal dunnage will be provided with a primer and two coats of paint or galvanized.

8. FIRE ESCAPES

No fire escapes will be provided.

9. YARDS AND COURTS

A rear yard is provided in the North section of the development site at the 3rd Floor in compliance with zoning requirements.

(i) Paving

It will have pavers over a roofing system.

(ii) Drainage

Cast iron drains will be provided at the yard areas and in the planters, storm water will discharge through internal leaders into the building storm drain system.

(iii) Railings

There will be railing and parapet at the third floor.
The individual terraces will be separated from each other by fiber cement fences with an aluminum structure and prefabricated planters.
The fences will have gates into the perimeter area.

(iv) Stairs

There will be no stairs in the Garden.

(v) Fencing

See item F-4

10. INTERIOR STAIRS

(i) Number of Stairs of Each Type

There will be 2 (two) scissor exit stairs.
Stair A will extend from the Sub-Cellar up to the Mechanical Roof.
Stair B will extend from the mezzanine to the Bulkhead. Stair B will extend from the Mezzanine to the Cellar via Stair C.
There will be an independent stair, Stair D, that will extend from Sub-Cellar to First Floor.

The Duplex Units in floors 3 and PH 22nd will have one interior stair each joining the upper and lower levels of the Unit.

(ii) Enclosure

The scissor egress stairs will be enclosed with two hour rated enclosure consisting of painted concrete shear wall on the North, East and West side and painted gypsum board partitions meeting impact classification level 2 at all other sides.
A window with glass and fixed louvers in compliance with Multiple Dwelling Law will be provided for each stair at the bulkhead level.

The scissor stairs open into a public corridor at all residential floors.

(iii) Stair construction

Scissor stairs will be poured in place concrete, painted.

The Duplex Unit stairs will be of wood and metal construction. The wood for the stairs will be white oak or equal.

(iv) Guard rails

Exit Stairs: Painted steel rails will be provided.

Duplex Stairs: Decorative metal and glass railings will be provided.

11. INTERIOR DOORS AND FRAMES

(i) Unit Entrance and Interior Doors and Frames

All Unit entrance doors shall be solid core wood 1 1/2 hour fireproof self-closing doors with hollow metal frames and will meet all Building Code requirements including noise transmission requirements.

The Unit interior doors shall be solid core flush paint grade wood doors with wood frames. Doors and frames will be painted. Closet doors will be wood doors without frame.

All doors will be custom doors as manufactured by Supa, Long Island Fire Doors or equivalent.

(ii) Corridor Doors and Frames

Public corridor doors at all floors will be solid wood and the frames shall be hollow metal 1 1/2 hour fireproof self-closing and will meet the Building Code requirements.

Corridor doors at Mechanical, Cellars and Bulkhead floors will be fireproof self-closing hollow metal doors and frames.

Corridor doors at Amenity Rooms and accessory spaces will be wood doors in hollow metal frames, rated as required by Code.

(iii) Stair Doors and Frames

All stair doors shall be hollow metal and the frames shall be hollow metal, 1 1/2 hour fireproof self-closing and will meet the Building Code requirements, except that stair doors at Mechanical and Bulkhead floors will be fireproof self-closing hollow metal doors and frames.

(iv) Roof Doors and Frames

These doors and frames shall be hollow-metal and will meet the Building Code requirements.

12. ELEVATORS

(i) Number of Passenger and Service Elevators

There shall be:

A-1	One (1) overhead gearless traction passenger elevator serving SC, C, 1ST, 3rd to 12th and 14th to 24th floors.
A-2	One (1) overhead gearless traction service /passenger elevator serving SC, C, 1ST, 3rd to 12th and 14th to 24th floors.
B-1	One (1) hydraulic service elevator serving SC, C and 1ST floors.
C-1	One (1) hydraulic elevator serving SC, C and 1st floors.

(ii) Manufacturer

The elevator manufactured by Otis, Theissen Krupp, Schindler or equivalent.

(iii) Capacity

1. A-1	2,100 lbs	500 fpm
2. A-2	3,500 lbs	500 fpm
3. B-1	3,500 lbs	150fpm
4. C-1	2,100 lbs	150 fpm

(iv) Operation type:

A-1 & A-2	Duplex Selective Collective Automatic Operation with IR riser for A-1 when used as service elevator only.
B-1	Simplex Selective Collective
C-1	

(v) Type of controls

Variable voltage variable frequency AC.

(vi) Floors Served

See item 12(i)

(vii) Elevators type:

A-1 & A-2	Gearless Traction Overhead Type
B-1	Hydraulic
C-1	Hydraulic

(viii) Doors:

A-1	Double slide- type door.
A-2	Double slide-type door.
B-1	Double slide-type door.
C-1	Double slide-type door.

(ix) Location of Machine Rooms

A-1	Bulkhead
A-2	Bulkhead
B-1	Sub-Cellar
C-1	Sub-Cellar

(x) Elevator Safety

The elevators have been designed in accordance with the ASME A17.1 Safety Code for Elevators and Escalators as modified by Appendix K.

13. ELEVATOR CABS

(I) Kind:

Residential cabs to be manufactured by the elevator manufacturer or equivalent.

(ii) Floor material:

	A-1 & A-2	Wood
	B-1	Stainless Steel
	C-1	Stainless Steel
(iii)	Wall material:	
	A-1 & A-2	Combination of metal, bronze grilles and mirrors.
	B-1	Stainless Steel upper panels diamond plate wainscoting.
	C-1	Stainless Steel upper panels diamond plate wainscoting
(iv)	Ceiling:	
	A-1 & A-2	Light panel system
	B-1	Painted
	C-1	Painted
(iv)	Lighting	
	A-1 & A-2	LED lights
	B-1	LED lights
	C-1	LED lights
(iv)	Alarm and Safety System	
	A-1 & A-2 &B-1 & C-1	Cabs will have Emergency Lighting. Fire Recall will be integrated with the building Fire Alarm System.

I. AUXILIARY FACILITIES

1. LAUNDRY ROOM

(i) Location and Number of Rooms

There will be one Laundry Room located in the Cellar to be used by the building residents.

(ii) Clothes Washers , Number and Type

There will be two heavy duty washing machines and two heavy duty drying machines as manufactured by Whirlpool, Duet front loaded or equivalent.

(iii) Room Ventilation

Room conditioning and ventilation is provided by 150 CFM of supply air from FCU-C-1 located within the laundry room. This ventilation air to the room comes from a louvered penthouse located on the 3rd floor setback roof.

(iv) Dryer Ventilation

Dryers exhaust is ducted from the Cellar to the 3rd floor setback roof, terminating at a penthouse louver. Makeup air for this exhaust is also ducted from a separate penthouse louver also located on the 3rd floor setback roof.

2. REFUSE DISPOSAL

(i) Incinerators

There will be no incinerators.

(ii) Compactors.

There will be one Refuse Chute for the building.

The chutes will lead to the compactor room located at the Cellar.

There will be one hydraulically operated horizontal extruded type compactor machine as manufactured by MetroPak or equal. The capacity of the compactor machine will be 2500 lbs. per hour and it will have a one year warranty.

(iii) Approvals by Authorities having Jurisdiction

The compactor equipment and installation will be approved by all authorities having jurisdiction.

(iv) Initial Storage Location

Compacted bags will be stored at the refrigerated compactor room. The recyclable products will be stored in the same room.

(v) Pick-up Schedule

The bags from the compactor will be brought by building personnel to the curb at East Twelfth Street to be picked up by the New York City Department of Sanitation.

3. FITNESS CENTER

There will be a Gym/ Amenity Space located in the 3rd Floor for the use of the building residents. The Gym will be part of the Common Elements and the costs and expenses to operate and maintain the facility will be included in the Common Expenses. The Gym will be furnished with cardio vascular and resistance machines. There will also be a toilet.
There will be a Playroom and an Amenity Lounge next to the Gym.

4. STORAGE

There will be 8 Storage Lockers at the Fourth Floor. The Storage Lockers will be available to the Unit Owners pursuant to licensing arrangements as set forth in the offering plan.

J. PLUMBING AND DRAINAGE

1. WATER SUPPLY:

A 6-inch domestic water service with a Reduced Pressure Zone (RPZ) backflow preventer and water meter will be provided from the public water main to triplex booster pumps each rated at 75 GPM located on the Cellar level. One of the pumps will be provided with emergency power. The minimum

pressure delivered to the fixture will be 30PSI and maximum 85 PSI. The building will have three pressure zones: Street zone (not pumped) ground floor and below; low zone 3rd through 11th floor; high zone 12th thru 23rd floor. Duplex gas fired Water Storage type water heaters will be provided for each high and low zone. Material of water pipes will be Type "L" copper. Insulation will be provided on all domestic water piping. Makeup water for mechanical equipment shall be provided to all mechanical equipment as required. Capped outlets and irrigation equipment boxes will be provided for irrigation of 3rd floor terraces.

Equipment Schedule:
Water Booster pump Peerless Model THV32-2

2. FIRE PROTECTION SYSTEMS:

a. Fire Water Services: Two (2) 6-inch fire service will supply water to the fire protection system from the mains in University Place and East Twelfth Street. This service will supply a 750 GPM automatic fire pump located at Cellar level.

b. Combination system: The building will be protected by a combined automatic wet fire standpipe and sprinkler system. The combined risers will be 6 inch black steel (Schedule 10 or 40) and located in each fire stair. A hose connection will be provided in the stair at each floor. The Building will be fully sprinklered except for transformer vaults, switch gear rooms, elevator machine rooms, residential closets less than 12 square feet area and bathrooms less than 55 square feet area noted as exceptions in code. The trash chute will be provided with sprinkler at every other floor. Fire Department Siamese connections will be provided for the combined automatic wet standpipe and sprinkler system. A three way roof manifold will be provided.

c. Equipment Schedule:

- Fire Pump PEERLESS 4AEF12
- Jockey Pump GRUNDFOS CR(E)3-15

-Sprinkler Heads Viking:
Commercial: Concealed pendent – acoustical ceilings
Horizontal sidewall - electrical, telephone closets
Upright/Pendent – arias with exposed ceilings

Residential: Concealed pendent – apartments, corridors
Concealed sidewall – apartments

3. SANITARY SEWAGE SYSTEM:

a. Sewage Piping: Sanitary sewage will be conveyed by gravity via vented soil and waste branches, stacks and house drains to 12" combined house sewer.

Drainage and vent piping will be no-hub cast iron piping with heavy duty stainless steel couplings and rubber gaskets.

Fixtures above sewer level will discharge via 12 inch combined sewer to the New York City Combined Sewer in University Place Street by gravity. Fixtures below street sewer level will discharge to an ejector pit with a duplex pump system that will dispose of sanitary originating below street level to the same sewer.

c. Sewage Disposal: One (1) 12 inch combined sewer connected to street municipal sewer at University Place.

d. Equipment Schedule:

Sewage ejector pump 2 (two) FLYGHT Model CP3102IMP432

4. PERMITS REQUIRED: All permits will be obtained by the plumbing contractor.

5. STORM DRAINAGE SYSTEM: Storm drainage from all roofs and setbacks will be conducted down the building in cast iron piping and will be conveyed to approved DEP storm water detention tank. Rainwater will be captured in the storm water detention tank and will discharge to the city sewer in University Place by gravity.

a. Storm Detention Tank: There will be storm detention tank that will retain water per DEP requirements located in the cellar. This tank is located above the ramp leading from the cellar to sub-cellar garage space. Storm water will be discharge via gravity in a 2" minimum orifice pipe which will increase to a 12" connection to the sewer in University Place.

b. Roof and Terrace Roof and terrace drains will be located on the roof and terraces.

c. Storm Piping: Cast iron pumping with hub and spigot fittings and push-on joints.

d. Sump Pumps: Areas not able to be conveyed to the city sewers through gravity are provided with a duplex sump pump to collect and dispose of groundwater. All elevator pits are also provided with simplex sump pumps.

e. Equipment schedule: Sump pump: 2 (two) FLYGHT CP3045
Elevator pit sump pumps: Stancor SE100

K. HEATING

1. DOMESTIC HOT WATER HEATING: Domestic hot water will be provided by gas fired storage type hot water heaters. The heaters will be located at the cellar and 24th floor Mechanical Rooms to serve the low and high zones. Each domestic water zone will be provided with duplex domestic water heaters and a recirculating pump. An instantaneous water heater is also provided for the parking attendant restroom.

Equipment Schedule:
Street Zone Heater one (1) PVI Conquest Model 20 L 100A-GCL
Low Residential Zone two (2) PVI Model 60 L 130A-GCML
High Residential Zone two (2) PVI Model 50 L 130A-GCML
Instantaneous Water Heater: EEMAX 3842.

2. SPACE HEATING: Space heating will be provided by two 2000 MBH (input) gas fired hot water boilers. Gas shall be provided by Consolidated Edison (Con Ed) from East Twelfth Street. One dedicated gas meter will be provided to meter service to boilers. Boilers shall be controlled by the boiler manufacturer supplied master control panel. DDC controls shall be provided for complete stand-alone operation of the boiler hot water system. In turn the supplied main plant control panel shall control the hot water pump and control valves.

Equipment Schedule:

Equipment	Designation	Location	Service	Manufacturer	Model No.
Boilers	B-22-1,2	24th Floor	Heating	AERCO	BMK2000

Hot water will be provided to the Units through a 4-Pipe Fan Coil Unit System. The electric cost associated with operating fan coils for heating will be payable by each Unit Owner to the Utility Company and does not constitute part of the Common Expenses. Power shall be provided to this equipment via risers located in the core that connect to the panels located in each unit. The space heating system is designed to meet the New York City and State Energy Code.

Operation and Maintenance (O&M) manuals shall be provided by sponsor.

Original balancing report shall be provided by sponsor.

The fan-coil equipment will be provided in various sizes as indicated on the plans.
Air Handling Units located on the roof and 4th floor mechanical room will provide makeup air for kitchen hood exhaust. Another set of rooftop and 4th floor mechanical air handling units will provide outdoor air for pressurization of residential corridors.

Four pipe fan coil units will serve all amenity spaces including cellar back of house, public areas, lobby and 3rd floor amenity spaces.

Public stair bulkhead and other miscellaneous common areas requiring heat during the winter season are heated with hot water and electric unit heaters.

3. PIPING, INSULATION SCHEDULE — 40 steel and/or copper tubing with standard weight fittings will be used. Hot water and chilled water is insulated. Any water piping passing through unheated spaces and exterior spaces will be heat traced.

L. GAS SUPPLY

1. TYPE: — Two gas services will enter the building at East Twelfth Street: one for building loads, one for emergency generator. Gas meters will be located in the Cellar level. The gas will supply Unit cooking ranges and mechanical equipment.

2. METERS: — Gas meters will be provided by Con Edison. One twin set master meter will be provided to collectively meter resident cooking, and individual meters will each be provided for the generator, Mechanical rooftop units and Boilers. Plugged outlets will be provided for the retail gas connection.

3. PIPING MATERIAL: — Black steel Schedule 40 pipe with threaded malleable iron fittings for low pressure gas; welded fittings for high pressure gas.
No gas risers or distribution piping shall run in rated walls to meet code. Architect shall provide rated enclosures to achieve this requirement.

4. EQUIPMENT SCHEDULE: — Generator gas booster pump: Eclipse HB3314-1/2-VFD-N7 with UPS model APC RT 8000VA

M. AIR CONDITIONING

1. TYPE OF SYSTEM:

Four (4) Pipe Fan Coil. The Fan Coil Equipment shall be manufactured by International Environmental (or equal) 115 volts, 1 Ph, 60Hz, as follows:

a. Horizontal Hideaway Ceiling Units shall be either IEC Model HPY, HBC, VBA or CPY Series (or equal).
b. Vertical high performance units shall be IEC Model VEY (or equal)
c. Vertical Hideaway Series shall be LHA (or equal)

2. COOLING TOWER AND PUMPS:

There will be one (1) two (2) cell open cooling tower located on the 24th Mechanical level.
The Cooling Tower shall be manufactured by Marley Model MD500IMKF2L (or Equal) 208V, 3Ph, 60 Hz, 1,110 GPM. Cooling Tower is capable of handling complete building cooling loads under conditions of NYS Energy Code.

3. CHILLER AND CONDENSER WATER SYSTEM:

There will be a modular chiller with (9) 30 Ton modules for a total of 288 ton modules in chiller capacity located on the 24th Floor Mechanical level.

The chillers shall be manufactured by Multistack Model MS030XC2L2AAC (or Equal) 288 tons total, 208V, 3Ph, 60 Hz. The chillers are capable of handling complete building cooling loads under conditions of NYS Energy Code.

Two (2) primary condenser water pumps (one additional on standby), one (1) heat exchanger for free cooling, and two (2) chilled water pumps (one additional on standby) are provided for chilled water circulation and heat rejection.

A secondary condenser water system runs parallel to the chilled water system. Two (2) secondary condenser water pumps (one additional on standby), and two (2) heat exchangers are provided for secondary condenser water circulation and heat rejection. This system feeds the two mechanical rooftop units and continues down the building to the 1st floor as a capped outlet for use by future retail tenants. Hot water from the boiler system is also injected into this loop for heating as required.

The cooling tower plant and circulating pumps are based on peak "bulk" cooling load for the residential areas of the Building in accordance with ASHRAE Guide recommendations.

Cooling tower and rooftop equipment are provided with spring isolators and structural dunnage to mitigate vibration and noise from reverberating into the Units.

Condenser water exposed on the roof is provided with glass fiber insulation and covered with aluminum jacket for protection.

4. INDIVIDUAL HVAC EQUIPMENT

Individual Equipment is designed to meet all requirements of NY State Energy Code.

HVAC equipment will provide air conditioning for the main lobby, retail spaces, and back of house spaces.

Equipment for residential floors will be provided with four-pipe fan coil units of capacities shown on Plans and Specifications. Numbers of units of each type are shown on Construction Documents plans, EER ratings meet current requirements of State Energy Code. Fan Coil units are sized for the calculated individual peak cooling requirements. Each fan coil unit will be thermostatically controlled. Condensate generated by the cooling coil will be independently piped from each unit to dedicated condensate drain risers. The condensate drain risers will ultimately connect indirectly to the sanitary system at the lowest point in the riser system.

Cooling and heating of corridor ventilation air will be provided by air conditioning units located on the roof and in the 4th floor mechanical room. The roof top units will have a DX cooling coil and gas furnace for heating. The 4th floor units will have a chilled water cooling coil and hot water heating coil.

Cooling and heating of the makeup (for apartment exhaust) air unit will be provided by air conditioning units located on the roof and in the 4th floor mechanical. The roof top unit will have a DX cooling coil and gas furnace for heating. The 4th floor unit will have a chilled water cooling coil and hot water heating coil.

The building HVAC systems shall be capable of maintaining the following environmental standards:

1. Outdoor design conditions within the normal conditions as per ASHRAE standards (99% in winter, 1% summer). Cooling loads assume that residents will use internal blinds, shades or similar window treatment during the cooling season:

Summer	Winter
95°F DB	11°F DB
75°F WB	
(78°F WB cooling tower design)	

2. Units design conditions

Summer	Winter
72°F	72°F DB
50% RH	Not Controlled

N. VENTILATION

3.	UNIT BATHROOMS:	Unit bathrooms will be ventilated at an exhaust rate of 50 CFM per bathroom. Conditioned make-up air is supplied to each Unit ranging from 150 CFM to 500 CFM per Unit corresponding to the number of bathrooms installed in conjunction with the kitchen exhaust
4.	NON-RESIDENTIAL BATHROOMS:	Interior non-residential bathrooms located on the 3rd Floor and cellar will be ventilated with an exhaust ventilation system exhausting a minimum of 75 cubic feet of air per minute for each water closet.
5.	LOCKER ROOMS:	Locker rooms will be exhausted at a rate of 0.5 cubic feet of air per minute.
6.	PUBLIC CORRIDORS:	Interior corridors are provided with heating and air-conditioned supply air at a minimum of 0.5 cubic feet of air per square foot. This is in accordance with code requirements.
7.	RESIDENTIAL LAUNDRY ROOM:	Individual washer/dryers are provided in all units. All units will be provided with ducted dryer exhaust to a common riser at 100 CFM per dryer except apartment 4C, Superintendent's Apartment that will have a non- vented dryer.
8.	COMMON LAUNDRY ROOM:	Individual commercial washer/dryers for the building residents only, are provided in the building Cellar. The dryers will be exhausted at a rate of 400 CFM per dryer.
9.	TRASH ROOM:	The trash room will be exhausted at 75 CFM per floor on each floor. FCU-C-4 provides air conditioning to the cellar refuse collection room.
10.	GAS METER ROOM:	Gas meter room will be vented to the outside.
11.	EMERGENCY GENERATOR	The emergency generator room on the roof will intake and exhaust directly to outdoors via sidewall louvers in the room. A generator exhaust flue will run vertically to the roof of the generator room.

O. ELECTRICAL SYSTEM

1.	SERVICE FROM MAIN SWITCHGEAR:	Electrical service will be provided at 208/120V, 3 phase, 4 wires via one switchboard located in the Cellar level electrical switchboard room. The switchboard shall be sized to accommodate the loads for the referenced project. The electrical switchboard and distribution system shall be capable of accepting low tension power at 120/208V, 3 phase, and 4 wires from the facilities provided by Con Edison. Distribution to all electrical panel boards and

distribution panels will be provided. All feeders to be insulated copper and/or aluminum conductors in metal conduits. Retail tenants shall be individually metered by Con Edison. Electricity consumed by each unit shall be individually metered by Con Edison. Owner's house loads for the residential building portion of the project to be individually metered by Con Edison. The garage shall be metered separately by Con Edison.

2. SERVICE TO UNITS: Feeders are to run to each Unit from meter centers. Feeders vary in size as required by load and voltage drop requirements.

3. COMPARTMENT SWITCHGEAR: The meter centers will be provided in the electrical closets on floors 3 to 12 and 14 to 21.

4. UNIT SERVICE ADEQUACY: The equipment is rated to comply with the New York City Electrical Code and takes into account all equipment provided in Units such as washing machines, clothes dryers, dishwashers, and microwaves

a. Service: Capacity provided for each Unit will be in accordance with Code requirements in various sizes from 100 to 200A at 120/208V, single phase or three phase, 3 wire or 4 wire. Number of circuits per Unit panel board will be an average of 42 circuits. Service will be adequate to meet normal Unit appliance load and lighting.

b. Lighting and fixtures: Switched lighting fixtures will be provided in bathrooms, foyers, galleries, and kitchens. Fixtures will be incandescent, LED or fluorescent type. Junction boxes dedicated for light fixtures will be provided in ceilings in the living rooms.

c. Convenience outlets, appliance outlets: Receptacles will be provided in all rooms to meet the New York City Electrical Code. Ground fault receptacles will be provided in kitchens and bathrooms. Arc fault circuit interrupters will be provided for Unit branch circuits that supply 125-volt, single-phase, 20 ampere receptacles. All receptacles in Units will be provided with tamper-proof receptacles.

d. Lightning Prevention: A complete lightning prevention system is provided.

5. EMERGENCY GENERATOR: A 250 kW natural gas emergency generator will be provided on the 24th floor Mechanical level with a gas booster pump. The generator serves the following loads if the utility power

is not available.

1. All exit lights, egress lighting and stair lighting.
2. Smoke exhaust fans/Garage Vent System
3. Fire alarm system.
4. Elevators (all will be connected, but only one (1) will run at one time).
5. Security system including concierge.
6. Telecommunication systems.
7. Domestic water pump. Note that only one pump will run at a time.
8. Sump pump.
9. Sewage ejector pump.
10. Building Maintenance System (BMS).
11. Building manager's office.
12. Heat tracing of roof piping.
13. Gas Booster Pump.

P. TELEPHONE, INTERNET, TELEVISION, AND INTERCOM

Telephone, Internet and television services will enter the building from Twelfth Street and be fed to a telephone room located in the Cellar level. It will then be distributed throughout the Building through risers and sleeves. Each Unit will receive telephone, Internet and television services pre-wired to a riser closet located within their Unit on their floor. The cost to activate the Unit network to the service provider will be at the Owner's expense.

In each Unit, outlets for television, data and telephone will be provided in the living room, bedrooms and kitchen areas.

Each Unit will be provided with an intercom linked to concierge's desk through a telephone line by Trigon or equivalent.

There will be an intercom from the Main Entrance and from the Service Entrance to the Concierge Desk and from the Concierge Desk to the individual Units.

There will be a surveillance system with cameras monitored at the concierge desk and located at the mechanical floors, elevators and certain areas of the amenity spaces.
Security Systems: There will be an access control/alarm monitoring system that will be provided for cord/fob access to the selected areas such as amenities, building offices and back of house areas. The system will be monitored from concierge desk and administered from building management office.

Q. PUBLIC AREA LIGHTING

Lighting will be furnished to the public areas of the building. Fluorescent light fixtures will be provided at all Mechanical and Utility Rooms, back of the house areas and service corridors. Typical light fixtures for these areas will be manufactured by Lightolier, Bartco, Lucifer or equivalent.
The Corridors and Elevator Lobbies at amenities areas in the Cellars will be provided with recessed LED down lights as manufactured by Specialty Lighting or equivalent.
The Gym, the Amenities Rooms, the Lobby , the Vestibule will have a combination of LED down lights as manufactured by Specialty Lighting and custom decorative sconces or pendant lanterns as manufactured by Crenshaw or equivalent.

R. GARAGE

Garage for the use of the building residents with capacity for 13 cars will be provided at the Sub-Cellar and Cellar
It will be attended parking.
The parking spaces will be 17' x 8'. One of them will be larger in compliance with handicap accessibility requirements.
The surface of the parking and the ramp will be sealed concrete.
There will be surface mounted fluorescent light fixtures.
There will be no fences.

(2) Two 7,500 cfm garage exhaust fans (GRXF-C-1, GRXF-C-2) and (1) 7,500 cfm fan (OAF-c-1) will be provided to the cellar for garage ventilation at a rate of 1.5 cfm/sf. Additional makeup air to the cellar will be provided by the garage doors directly to outdoors. This system will be controlled by a C.O. monitoring system. Four capped outdoor air and exhaust ducts have also been provided to the sub cellar. Note that these ducts are also sized for exhaust and makeup at a rate of 1.5 cfm/sf.
Garage drainage will be via multiple drains connected to the duplex sewage ejector in the sub-cellar level. Garage drains have traps and vents and are part of sanitary drainage system in the building. Garage floors will be sloped to the drains.
Garage on Sub-Cellar, Cellar and 1st Floor will be protected by

Dry Sprinkler System and supplied by dry valves. Sub-Cellar will have two zones controlled by two Dry valves located on Sub-Cellar level and Cellar and 1st floor will be controlled by one Dry valve located on Cellar level.

S. SWIMMING POOL

There will be no swimming pool.

T. RECREATION FACILITIES

Indoor recreation space is provided in the Amenities Center located at the 3rd Floor, as described in I.3. The Center will have access to a portion of the landscaped terrace through glazed and aluminum doors.

U. UNIT INFORMATION

1. UNIT INFORMATION: There will be 53 Residential Units.

a. RESIDENTIAL UNITS, WITH TYPE AND NUMBER OF ROOMS

FLOOR	UNIT	TYPE	DESCRIPTION
3rd and 4th (duplex apartment)	TOWNHOME A	4 BEDROOMS	Living/ Dining Room, 4 Bedrooms, 4 Bathrooms, Kitchen, Laundry Closet, Foyer
3rd and 4th (duplex apartment)	TOWNHOME B	4 BEDROOMS	Living/ Dining Room, 4 Bedrooms, 4 Bathrooms, Powder Room Kitchen, Laundry Room, Kitchen, Foyer
4th	C	2 BEDROOMS	Living Room/ Dining Room, 2 Bedrooms, 1 Bathroom, Kitchen, Laundry Closet, Foyer.
5th to 12th and 14th to 17th	A	2 BEDROOMS	Living / Dining Room, 2 Bedrooms, 2 Bathrooms, Powder Room, Kitchen, Laundry Closet, Foyer.
5th to 12th and 14th to 17th	B	2 BEDROOMS	Living / Dining Room, 2 Bedrooms, 2 Bathrooms, Powder Room, Kitchen, Laundry Closet, Foyer.
5th to 8th	C	1 BEDROOM	Living / Dining Room, 1 Bedroom, 1 Bathroom, Powder Room, Kitchen, Laundry Closet, Foyer.

5th to 8th	D	1 BEDROOM	Living / Dining Room, 1 Bedroom, 1 Bathroom, Powder Room, Kitchen, Laundry Closet, Foyer.
9th to 12th and 14th to 17th	C	3 BEDROOMS	Living / Dining Room, 3 Bedrooms, 3 Bathrooms, Powder Room, Kitchen, Laundry Room, Foyer.
18th to 21st	A	4 BEDROOMS	Living / Dining Room, 4 Bedrooms, 4 Bathrooms, Powder Room, Kitchen, Laundry Room, Foyer.
18th to 21st	B	3 BEDROOMS	Living / Dining Room, 3 Bedrooms, 3 Bathrooms, Powder Room, Kitchen, Laundry Room, Foyer.
PH 22nd and 23rd (duplex apartment)	PH A	3 BEDROOMS	Living / Dining Room, 3 Bedrooms, 3 Bathrooms, Powder Room, itchen, Laundry Closet, Foyer, Family Room, Terrace
PH 22nd and 23rd (duplex apartment)	PH B	3 BEDROOMS + STAFF BEDROOM	Living / Dining Room, 3 Bedrooms, + Staff Bedroom, 4 Bathrooms, owder Room, Kitchen, Laundry Closet, Foyer, Family Room, Terrace

Except in areas with dropped ceilings and soffits, the heights of the residential levels from top of floor slab to underside of slab above, based on marketing floor numbers, are approximately as follows:

Floors 3,	11'-0"
Floors 4, 8, 17, 19, 20 and 23	11'-2"
Floors 5, 6, 7, 9, 10, 11, 12, 14, 15, 16, 18	10'-3"
Floor 21	varies from 9'-6" to 10'6"
Floor 23	10'-10"

Ceiling heights from finished floor to finished ceiling at bathrooms, kitchens, halls and public corridors in the Units may vary from 8'-0" to 9'-0

2. DIMENSION OF THE UNITS:

Each unit is measured horizontally from the exterior side of the exterior walls to the centerline of the partitions separating one Unit from another Unit, or separating one Unit from corridors, or to the apartment side of the face of the shear walls that separate the apartments from the stairs, elevators and other mechanical equipment spaces or any common elements not within a Unit or to the exterior side of the opposite exterior

walls; provided, however (i) columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits in all Units are not deducted from the measurement of each Unit.

Each Unit consists of the area measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the slab.

The Terraces will be measured from the exterior face of the curtain wall to the exterior face of the parapet.

Each Storage Locker will consist of the area measured horizontally from the innermost face of the foundation wall or exterior wall or centerline of partition to the centerline of the partitions or enclosure separating one locker from another locker or one locker from the common elements. Columns, mechanical pipes and shafts are not deducted for the purpose of floor area measurements.

Each Storage Locker will consist of a volume measured vertically from the top of the concrete floor to the underside of the locker enclosure except that any common elements located within any locker shall be considered as part of that locker.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall within a room or space, not subtracting cutouts.

3. FINISH SCHEDULE FOR TYPICAL UNITS

SPACE	FLOOR	BASE	WALL	CEILING
Foyer	Engineered Wood Floor*	WD	P GWB***	K/GWB
Living Room	Engineered Wood Floor*	WD	P GWB***	K/GWB
Dining Room	Engineered Wood Floor*	WD	P GWB***	K/GWB
Bedrooms	Engineered Wood Floor*	WD	P GWB***	K/GWB
Kitchen	Engineered Wood Floor*	WD	P GWB***	K/GWB
Master Bathroom	Marble **& CT	Marble**	Marble** and P GWB***	K /GWB
Secondary Bathroom	Marble ** & CT	Marble**	CT and P GWB***	K /GWB
Powder Room	Marble **	Marble**	Marble ** and P GWB***	K/ GWB
Closets	Engineered Wood Floor*	WD	P GWB***	K/GWB
Washer/dryer closet	CT	CT	P GWB***	K/GWB

*Standing water will cause cupping, swelling, and subsequent gapping.

** Maintenance and cleaning of all stone by Unit Owners should be done in accordance with the recommendations of the Marble Institute of America

*** 2 Coats of paint over a primer.

3a. SOUND INSULATION PROVISIONS

The demising partitions between apartments and the partitions between apartments and corridors will provide a NIC-55 rating (Noise Isolation Class)
The residential wood and stone floors will be installed over an underlayment manufactured by Genie Mat or equal providing a floor ceiling assembly with an IIC-50 rating (Impact Isolation Class) in compliance with NYC requirements.

4. FINISH SCHEDULE FOR 1st FLOOR

SPACE	FLOOR	BASE	WALL	CEILING
LOBBY SITTING AREA	WD	WD	P/ Stone / Wood/ Plaster/ fabric	GWB
SERVICE ENTRANCE	Ceramic Tiles	CT	CT / Steel Plate	ACT

5. FINISH SCHEDULE FOR COMMON SPACES

SPACE	FLOOR	BASE	WALL	CEILING
STAIRS	DP	P	P	P Concrete
PUBLIC CORRIDOR	CPT: Broadloom carpet on underlayment	WD	P	GWB
REFUSE ROOM	CT	CT	P	GWB

6. FINISH SCHEDULE FOR AUXILIARY SPACES

SPACE	FLOOR	BASE	WALL	CEILING
AMENITIES ROOM	WD	WD	WALL COVER/ P GWB***	P GWB ***
RESIDENT STORAGE LOCKERS	DP	VINYL	P CMU or P GWB / CONCRETE OPEN CHAIN LINK FENCE	P CONCRETE
BIKE STORAGE ROOM	DP	VINYL	P CMU / CONCRETE	P CONCRETE + ACT
LAUNDRY ROOM	CT	CT	CT	
EXERCISE ROOMS	RUBBER FLOOR// WD	WD	P GWB *** and Mirrors, Glass	P GWB***
EMPLOYEE'S LOCKER ROOMS	CT / VCT	CT / VB	P CMU / CONCRETE	ACT

7. BATHROOM FIXTURES & FITTINGS

Subject to Sponsor's right to make substitutions as set forth in the Offering Plan, the Units will be equipped with the following fixtures:

MASTER BATHROOMS (Bath 1)			
FIXTURE	**MANUFACTURER**	**DESCRIPTION**	**MODEL**
WC	TOTO	AQUIA Wall Mounted	CT 418 FG
LAVATORY	LACAVA Or KOHLER	PIAZZA LADENA	4252UN K 2214-0
LAVATORY TRIM	WATERWORKS		PTLS06
TUB	MTI	ELENA 1	140
TUB TRIM	WATERWORKS		PTXT90
SHOWER TRIM	WATERWORKS		UNSH29 FLHS01 OR FLSH10 FLTH10 UNDV2T GUDV14 FLVC50

SECONDARY BATHROOM w/ TUB, ALL RESIDENTIAL UNITS			
FIXTURE	**MANUFACTURER**	**DESCRIPTION**	**MODEL**
WC	TOTO	AQUIA	CT 418 FG
LAVATORY	LACAVA	PIAZZA	4252UN
LAVATORY TRIM	WATERWORKS		PTLS06
TUB	KALDEWEI		CANYONO 747
TUB TRIM	WATERWORKS		UNSH29 FLHS01 OR FLSH10 FLTH10 FLVC50 FLPB10 UNDV3T GUDV65 GUPB81

SECONDARY BATHROOM w/ SHOWER, ALL RESIDENTIAL UNITS			
FIXTURE	**MANUFACTURER**	**DESCRIPTION**	**MODEL**
WC	TOTO	AQUIA	CT 418 FG
LAVATORY	LACAVA	PIAZZA	4252UN
LAVATORY TRIM	WATERWORKS		PTLS06
SHOWER TRIM	WATERWORKS		UNSH29 FLSH01 FLH501 OR FLHS10 FLVC50 FLPB10 UNDV2P GUDV23 GUPB81

POWDER ROOM ALL UNITS			
FIXTURE	**MANUFACTURER**	**DESCRIPTION**	**MODEL**
WC	TOTO	AQUIA	CT 418 FG
LAVATORY	CUSTOM		
LAVATORY TRIM	WATERWORKS		PTLS06

8. KITCHEN APPLIANCES

Subject to Sponsor's right to make substitutions as set forth in the Offering Plan, the Units (except 4C the Superintendent's Apartment) will be equipped with the following appliances:

KITCHENS	APPLIANCE	MANUFACTURER	DESCRIPTION	UNIT @ FLOOR
	REFRIGERATOR/ FREEZER	SUB-ZERO	IT-30CIID	1BR APTS (FLOORS 5 TO 8)
	REFRIGERATOR/ FREEZER	SUB-ZERO	IT-36CI	2BR & 3BR APTS (FLOORS 5 TO 12 and 14 TO 17)
	REFRIGERATOR	SUB-ZERO	IC30R	3BR & 4BR APTS (FLOORS 3 & 18 TO PH 22)
	FREEZER	SUBZERO	IC18FI	3BR & 4BR APTS (FLOORS 3 & 18 TO PH 22)
	WINE STORAGE	SUBZERO	W-24	APTS 3A & PH 22A
	WINE STORAGE	SUBZERO	IW-18	APTS 18A to 21A & PH 22B
	WINE STORAGE	MARVEL	30WCM	1-3 BR APTS (FLOORS 5 TO 12 and 14 TO 17) APTS 3B, & 18B TO 21B
	DISHWASHER	GAGGENAU	DF 261 761	ALL UNITS
	GAS COOKTOP	GAGGENAU	CG280210CA	FLOORS 5 TO 12 and 14 TO 17
	GAS COOKTOP	GAGGENAU	VG2951214CA	FLOORS 3 & 18 TO PH 22
	ELECTRIC DOUBLE OVEN	GAGGENAU	BX 480/1 611	3BR & 4BR APTS (FLOORS 3 & 18 TO PH 22)
	ELECTRIC SINGLE OVEN	GAGGENAU	BO 480/1 611	FLOORS 5 TO 12 and 14 TO 17
	VENTILATION HOOD	BOSCH	HCB50651UC	1BR APTS (FLOORS 5 TO 8) 2BR APTS (FLOORS 5 TO and 14 TO 17)
	VENTILATION HOOD	BOSCH	HCB56651UC	3BR APTS (FLOORS 5 TO and 14 TO 17) 3BR & 4BR APTS (FLOORS 3 & 18 TO PH 22)

	MICROWAVE DRAWER	GAGGENAU	MW420620	
	GARBAGE DISPOSAL	INSINKERATOR	PRO 880	All Units
	WASHER	LG	WM3050CW	FLOOR 3 & 18 TO PH 22
	WASHER	ASKO	W6424	FLOORS 5 TO 12 and 14 TO 17
	DRYER	ASKO	T 754 W/T	FLOORS 5 TO 12 and 14 TO 17
	DRYER	LG	DLE3050W	FLOORS 3 & 18 TO PH 22
	SINK	JULIEN OR EQUAL		All Units
	TRIM	WATERWORKS	PTKM10	All Units

Kitchens will have stone countertops and upper and lower cabinets with an aluminum frame and stained wood veneered doors.

ABBREVIATIONS FOR FINISHES

AT	ACOUSTICAL TILE
CMU	CONCRETE MASONRY UNIT
CT	CERAMIC TILE
CPT	CARPET
CONC	CONCRETE
DP	DUSTPROOFING AND HARDENER
DE	DECK ENAMEL
GT	GRANITE TILE
GWB	GYPSUM WALLBOARD
HC	HUNG CEILING
K	KADEX
L	LIMESTONE
LWP	LIQUID WATERPROOFING
MT	MARBLE TILE
MP	METAL PAN
P	PAINT
POR	PORCELIN
QT	QUARRY TILE
SP	SPRAY PAINT
ST	STUCCO
T	TILE
TCP	TEXTURED CEILING PAINT
TER	TERRAZO
V	VINYL
VCT	VINYL COMPOSITION TILE
VWC	VINYL WALL COVERING
GWB	GYPSUM WALL BOARD

WRWB	WATER RESISTANT GYPSUM WALLBOARD
WD	WOOD

W. FIRE ALARM AND SMOKE DETECTING DEVICES

1. FIRE ALARM:	The building will be provided with a high rise residential fire alarm system. The system shall be manual and automatic type in accordance with the 2008 New York City Building Code. The system will include control panels, sprinkler tamper and waterflow switches, smoke detection, and audio/visual communication systems as required by the Code.
2. UNIT SMOKE AND CARBON MONOXIDE DETECTION SYSTEM:	Each Unit will be provided with a hard-wired local smoke and carbon monoxide detection device located in bedrooms and within 15 feet outside of bedrooms as per Code. The detector will be wired to a 120-volt local power supply and will be self-contained with its own sounding device. Combination smoke/carbon monoxide detectors will also be provided at fireplaces.
Emergency Voice Communication in Units :	Units and stairwells will be provided with speakers for emergency voice communication. The speakers will be connected to the building fire alarm control system.

Documents to be transferred from the Sponsor to the Condo Board:

(i) Final as-built drawings, i.e. mechanical, electrical, plumbing and sprinklers
(ii) Operation and Maintenance manuals, as applicable
(iii) Electronic system manuals
(iv) Equipment warranties
(v) Manufacturer's roof warranty
(vi) Major equipment commissioning start-up sheets
(vii) Original test and balance report for HVAC system

General Note: In accordance with the terms of the Offering Plan, the Sponsor reserves the right to make any substitutions of equipment, materials, finishes or fixtures as stated herein, provided that the changes are substantially equal or better quality as recognized by industry standards of performance, efficiency, longevity and other classifications as applicable.

GLORIA B. GLAS, AIA

PARTNER
SLCE ARCHITECTS LLP

REGISTERED ARCHITECT GLORIA B. GLAS 020204 STATE OF NEW YORK

Sign before me this 12th day

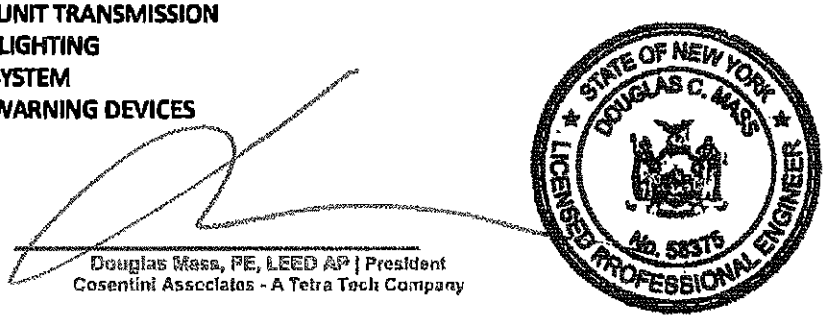
Of May 2016

PUBLIC NOTARY

SHERRY LYNN EID NOTARY PUBLIC 01EI6113413 COMMISSION EXPIRES New York County JULY 26, 2016 STATE OF NEW YORK

The information contained in the following sections was written by COSENTINI Associates:

D. UTILITIES
J. PLUMBING AND DRAINAGE
K. HEATING
L. GAS SUPPLY
M. AIR CONDITIONING
N. VENTILATION
O. ELECTRICAL SYSTEMS
P. TELEPHONE, INTERCOM, SECURITY AND DATA TRANSMISSION
Q. TELEVISION RECEPTION FACILITIES
R. RESIDENTIAL UNIT TRANSMISSION
S. PUBLIC AREA LIGHTING
T. FIRE ALARM SYSTEM
BB. SAFETY AND WARNING DEVICES



Douglas Mass, PE, LEED AP | President
Cosentini Associates - A Tetra Tech Company

Sign before me this 11th day

Of November 2016

NOTARY PUBLIC

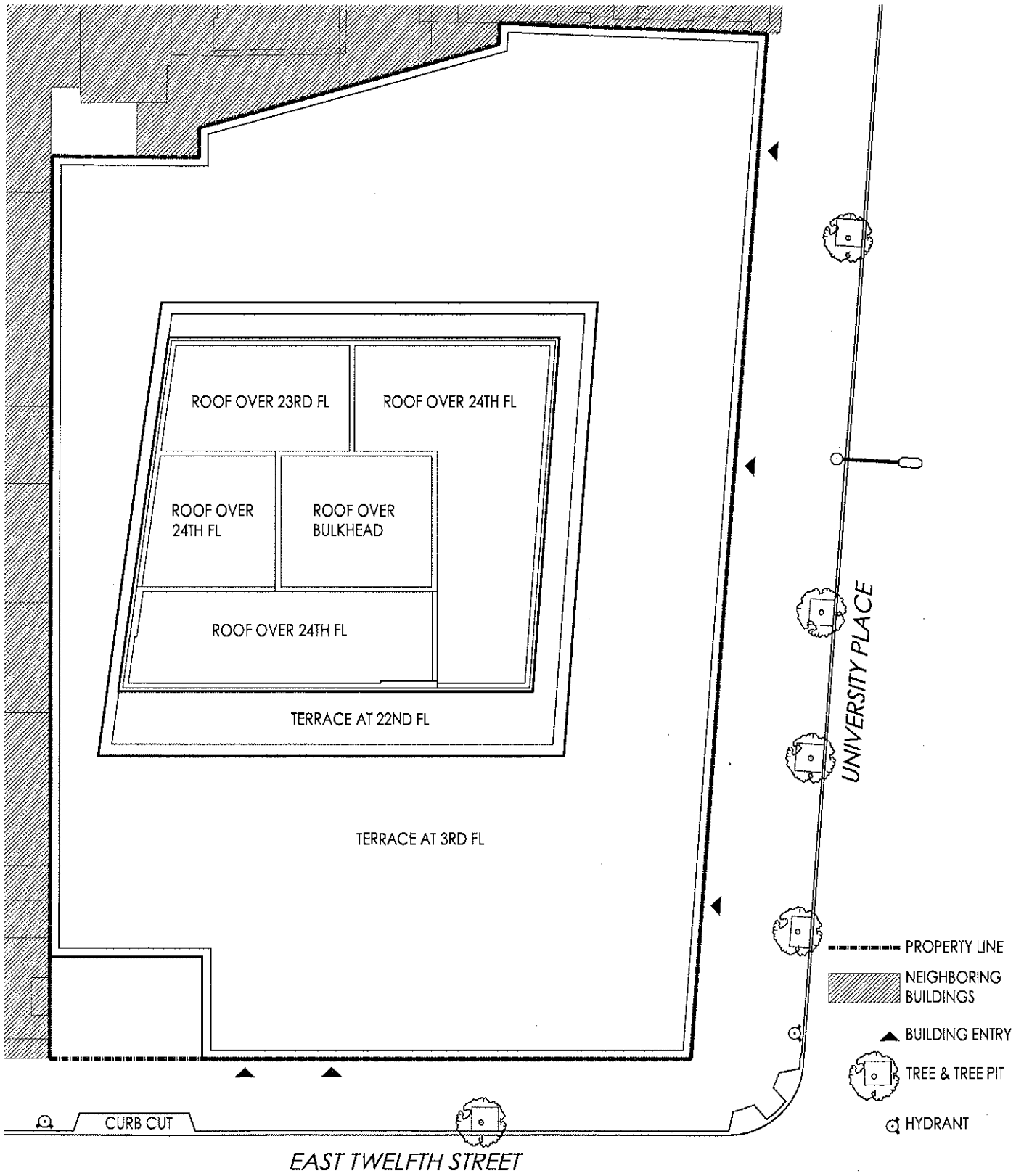
CATHERINE PHIN
NOTARY PUBLIC-STATE OF NEW YORK
No. 01PH6219420
Qualified in Suffolk County
My Commission Expires March 22, 2018

EXHIBIT "5"

FLOOR PLANS

SITE PLAN

21 East 12th Street
New York, NY



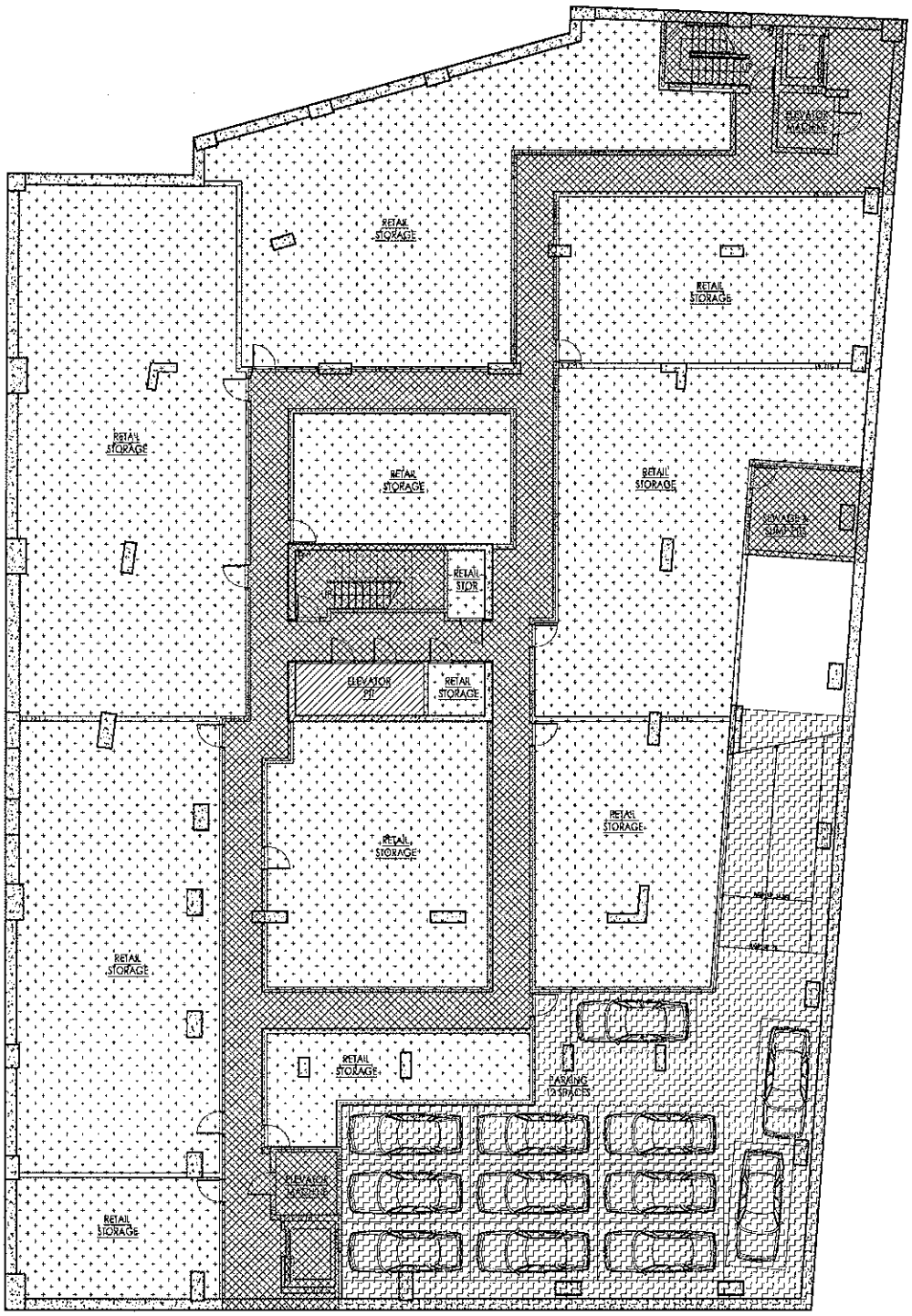
All dimensions and square footages are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall within a room or space, subtracting cutouts. Square footages exceed usable square footage. Sponsor reserves the right to make changes in accordance with the terms of the offering plan. The complete offering terms are in the offering plan available from Sponsor.The square footage, designation and location of each area of Common Element shown on these plans is approximate and may change due to field conditions, construction variances and tolerances, determinations by Sponsor, and/or request of the New York City Department of Finance.

05-11-16

N

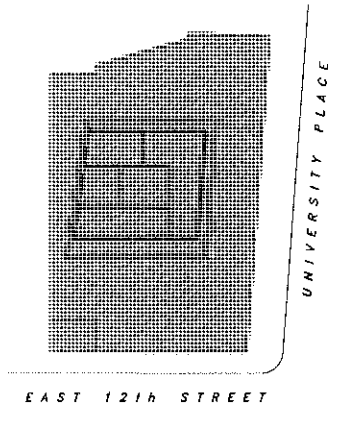
SUB-CELLAR

21 East 12th Street
New York, NY



RESIDENTIAL UNITS
GENERAL COMMON ELEMENTS
RESIDENTIAL COMMON ELEMENTS
RESIDENTIAL LIMITED COMMON ELEMENTS
RETAIL
PARKING ACCESSORY TO RESIDENTIAL

AREA CALCULATIONS	
RESIDENTIAL UNITS	0 SF
GENERAL COMMON ELEMENTS	3,347 SF
RESIDENTIAL COMMON ELEMENTS	147 SF
RESIDENTIAL LIMITED COMMON ELEMENTS	0 SF
RETAIL	12, 206 SF
PARKING ACCESSORY TO RESIDENTIAL	3,035 SF



KEY PLAN

N

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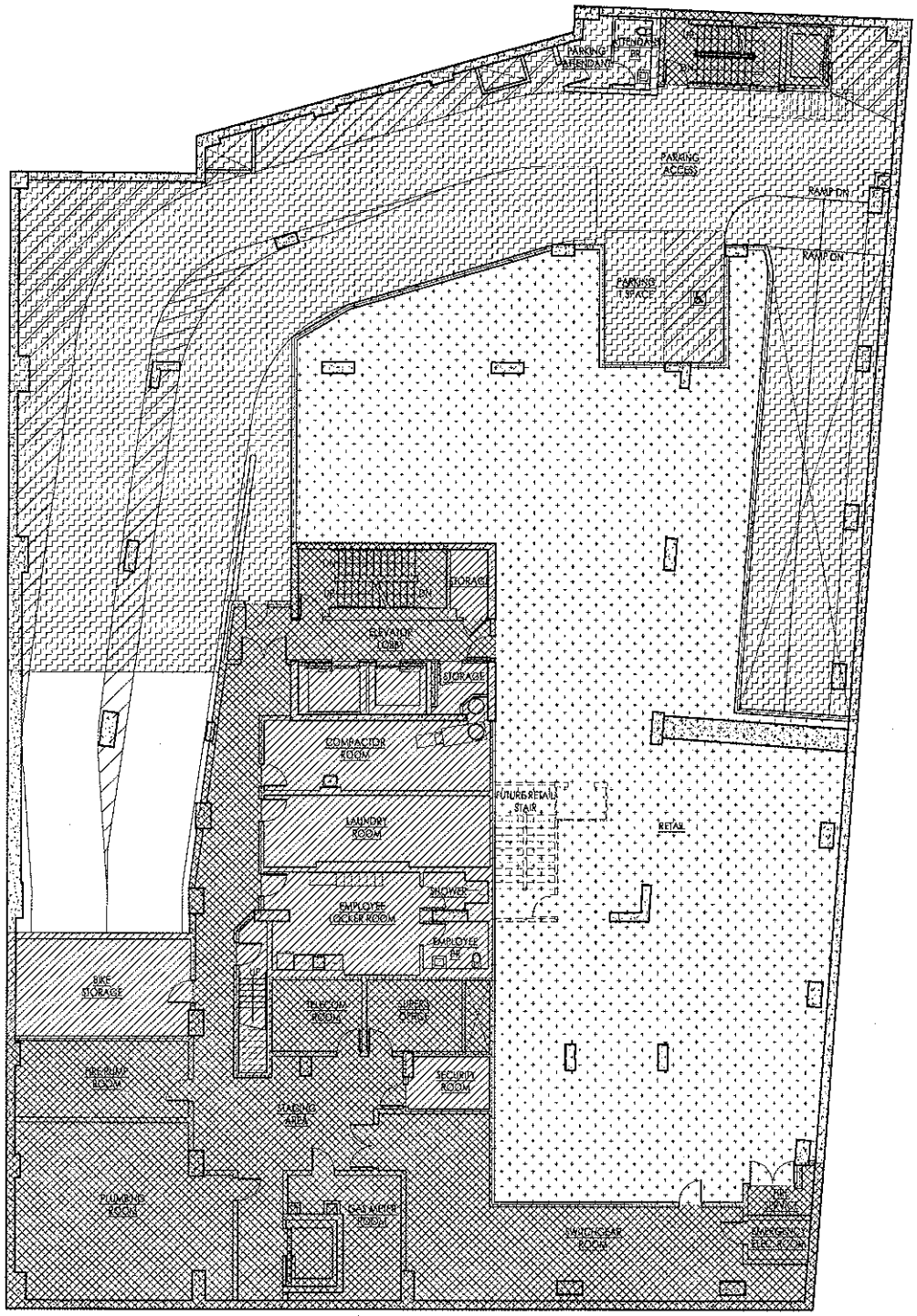
05-11-16

CELLAR

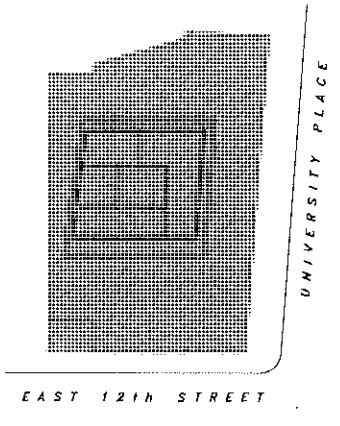
21 East 12th Street
New York, NY



SCALE
0 4 8 12

- RESIDENTIAL UNITS
- GENERAL COMMON ELEMENTS
- RESIDENTIAL COMMON ELEMENTS
- RESIDENTIAL LIMITED COMMON ELEMENTS
- RETAIL
- PARKING ACCESSORY TO RESIDENTIAL

AREA CALCULATIONS	
RESIDENTIAL UNITS	0 SF
GENERAL COMMON ELEMENTS	4,233 SF
RESIDENTIAL COMMON ELEMENTS	1,858 SF
RESIDENTIAL LIMITED COMMON ELEMENTS	0 SF
RETAIL	5,887 SF
PARKING ACCESSORY TO RESIDENTIAL	6,140 SF



KEY PLAN

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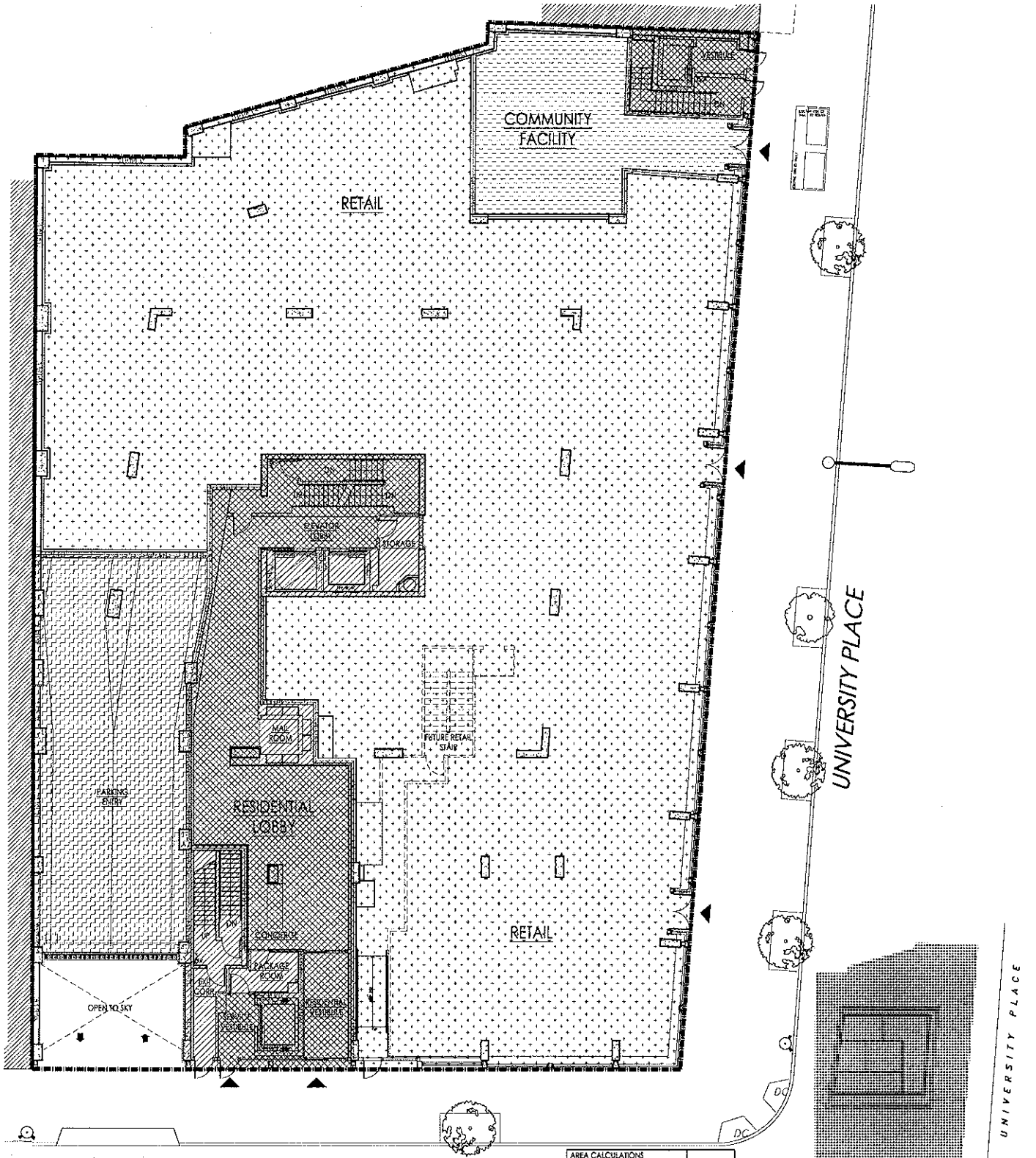
05-11-16

FLOOR 1

21 East 12th Street
New York, NY



SCALE 0 4' 8' 12'

- COMMUNITY FACILITY
- GENERAL COMMON ELEMENTS
- RESIDENTIAL COMMON ELEMENTS
- RESIDENTIAL LIMITED COMMON ELEMENTS
- RETAIL
- PARKING ACCESSORY TO RESIDENTIAL

AREA CALCULATIONS	
COMMUNITY FACILITY	1,035 SF
GENERAL COMMON ELEMENTS	2,231 SF
RESIDENTIAL COMMON ELEMENTS	731 SF
RESIDENTIAL LIMITED COMMON ELEMENTS	0 SF
RETAIL	12,798 SF
PARKING ACCESSORY TO RESIDENTIAL	1,791 SF

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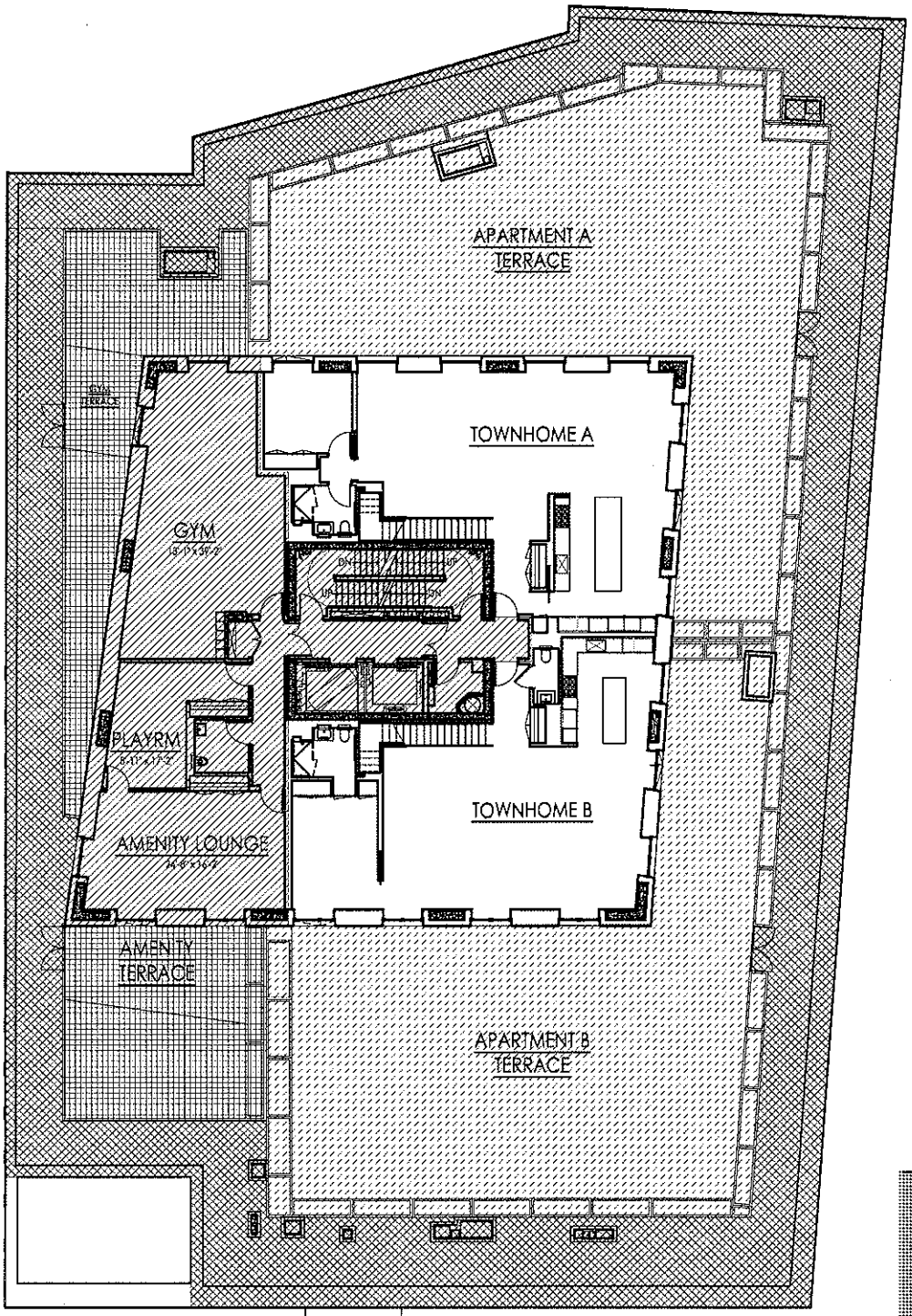
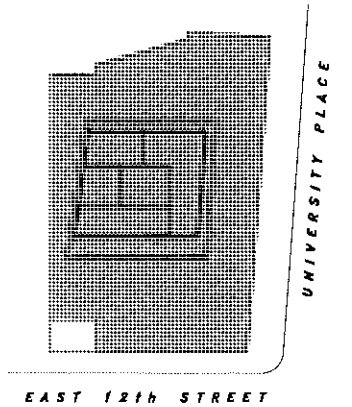
05-11-16

FLOOR 3

21 East 12th Street
New York, NY



AREA CALCULATIONS	
RESIDENTIAL UNITS	3,354 SF
GENERAL COMMON ELEMENTS	4,774 SF
RESIDENTIAL COMMON ELEMENTS	2,529 SF
RESIDENTIAL LIMITED COMMON ELEMENTS	1,520 SF
RETAIL	0 SF
PARKING ACCESSORY TO RESIDENTIAL	0 SF
RESTRICTED RESIDENTIAL LIMITED COMMON ELEMENT	6,444 SF



KEY PLAN

N

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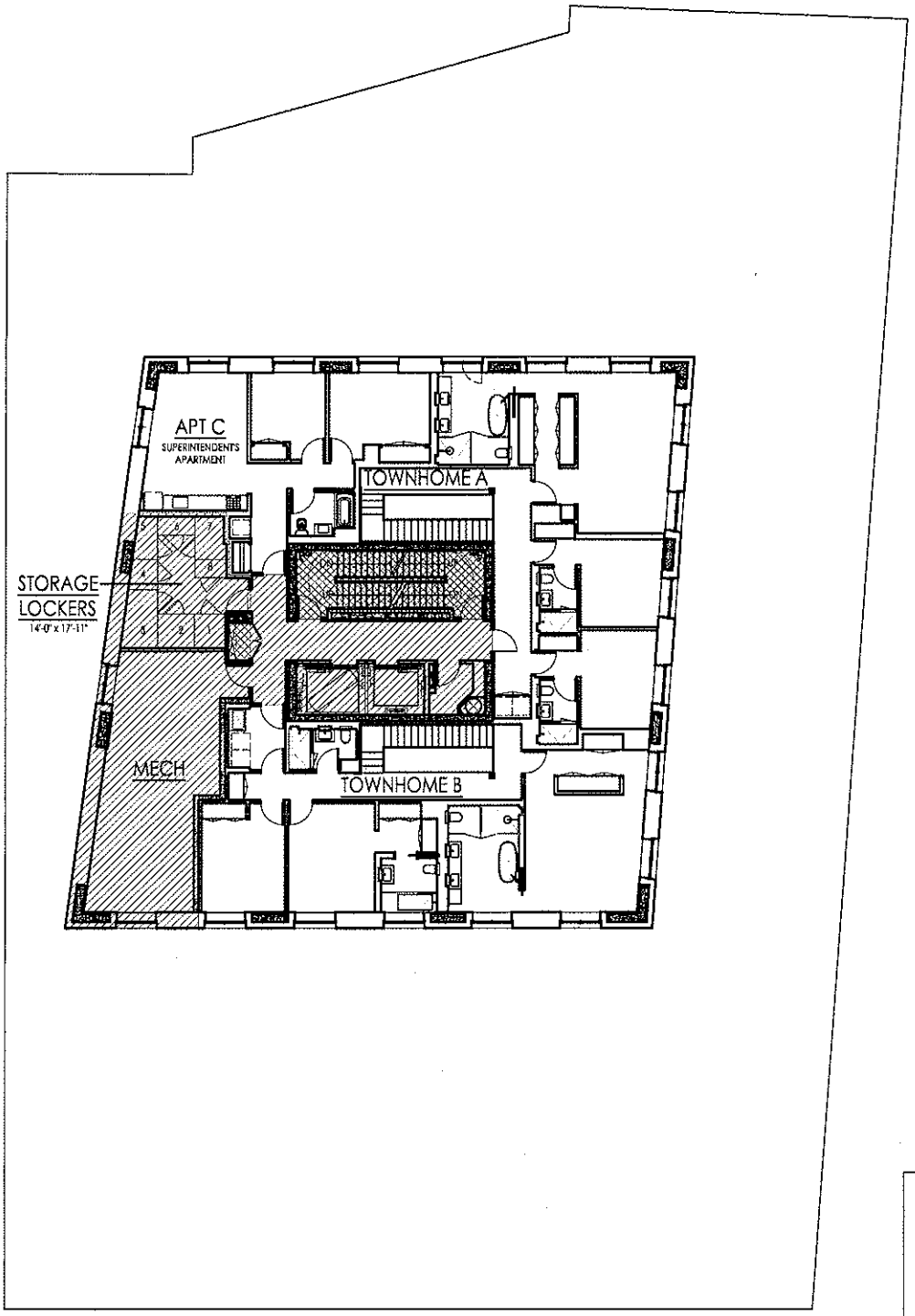
05-11-16

FLOOR 4

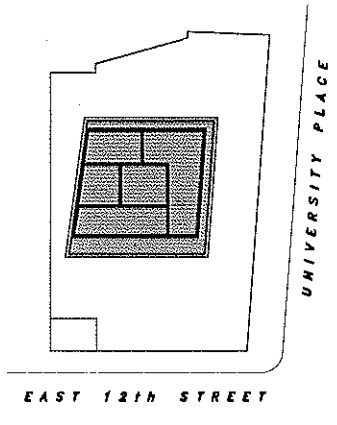
21 East 12th Street
New York, NY



SCALE
0 4' 8' 12'

- RESIDENTIAL UNITS
- GENERAL COMMON ELEMENTS
- RESIDENTIAL COMMON ELEMENTS
- RESIDENTIAL LIMITED COMMON ELEMENTS
- RETAIL
- PARKING ACCESSORY TO RESIDENTIAL

AREA CALCULATIONS	
RESIDENTIAL UNITS	4,153 SF
GENERAL COMMON ELEMENTS	309 SF
RESIDENTIAL COMMON ELEMENTS	1,430 SF
RESIDENTIAL LIMITED COMMON ELEMENTS	0 SF
RETAIL	0 SF
PARKING ACCESSORY TO RESIDENTIAL	0 SF



KEY PLAN

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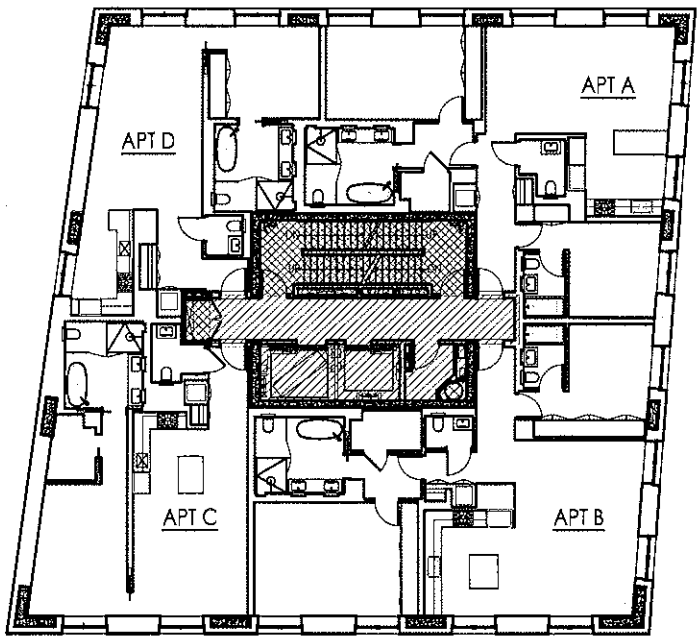
05-11-16

FLOORS 5 - 8

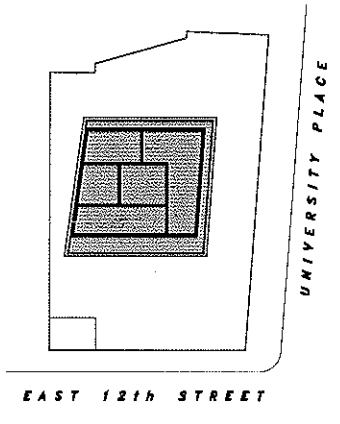
21 East 12th Street
New York, NY



SCALE
0 4 8 12

RESIDENTIAL UNITS
GENERAL COMMON ELEMENTS
RESIDENTIAL COMMON ELEMENTS
RESIDENTIAL LIMITED COMMON ELEMENTS
RETAIL
PARKING ACCESSORY TO RESIDENTIAL

AREA CALCULATIONS	
RESIDENTIAL UNITS	5,145 SF
GENERAL COMMON ELEMENTS	300 SF
RESIDENTIAL COMMON ELEMENTS	438 SF
RESIDENTIAL LIMITED COMMON ELEMENTS	0 SF
RETAIL	0 SF
PARKING ACCESSORY TO RESIDENTIAL	0 SF



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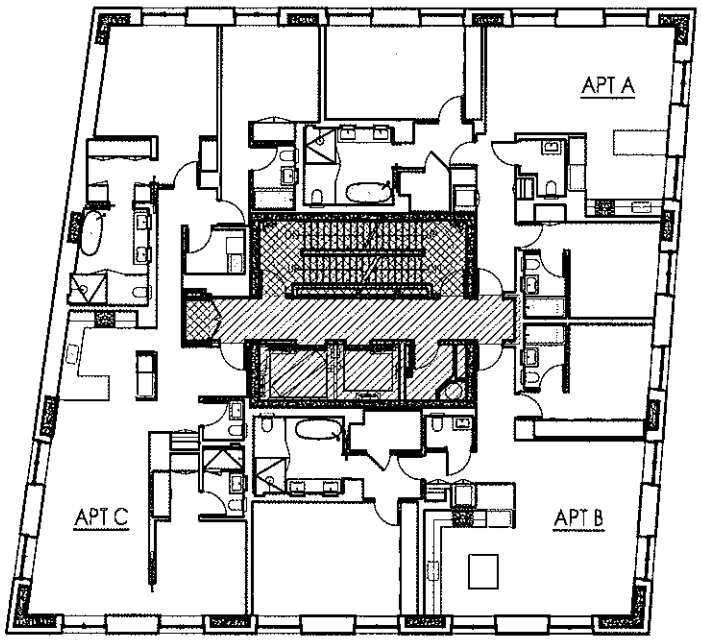
05-11-16

FLOORS 9 - 17

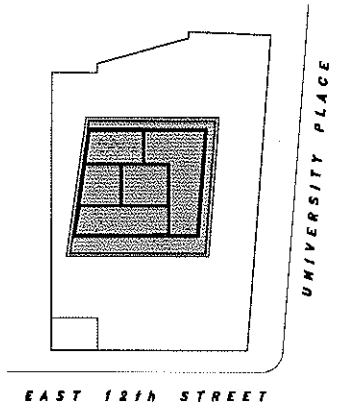
21 East 12th Street
New York, NY



SCALE
0 4' 8' 12'

- RESIDENTIAL UNITS
- GENERAL COMMON ELEMENTS
- RESIDENTIAL COMMON ELEMENTS
- RESIDENTIAL LIMITED COMMON ELEMENTS
- RETAIL
- PARKING ACCESSORY TO RESIDENTIAL

AREA CALCULATIONS	
RESIDENTIAL UNITS	5,146 SF
GENERAL COMMON ELEMENTS	300 SF
RESIDENTIAL COMMON ELEMENTS	437 SF
RESIDENTIAL LIMITED COMMON ELEMENTS	0 SF
RETAIL	0 SF
PARKING ACCESSORY TO RESIDENTIAL	0 SF



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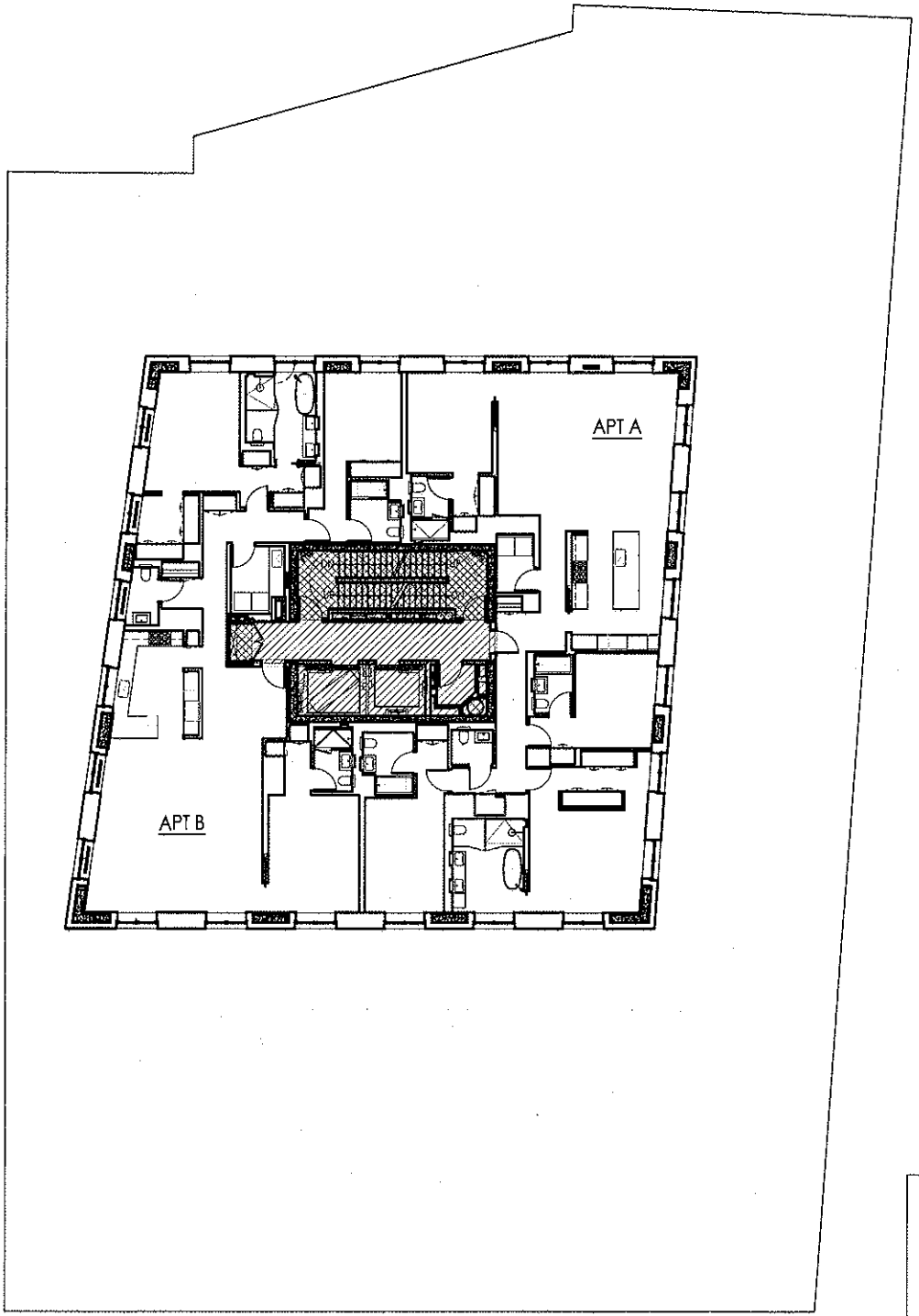
05-11-16

FLOORS 18 - 21

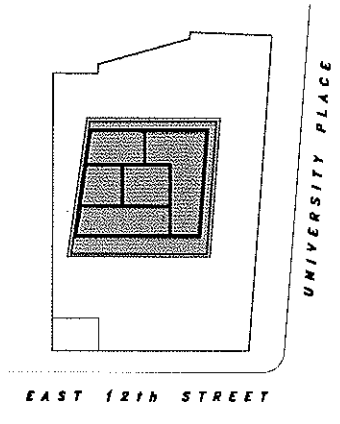
21 East 12th Street
New York, NY



SCALE
0 4 8 12

- RESIDENTIAL UNITS
- GENERAL COMMON ELEMENTS
- RESIDENTIAL COMMON ELEMENTS
- RESIDENTIAL LIMITED COMMON ELEMENTS
- RETAIL
- PARKING ACCESSORY TO RESIDENTIAL

AREA CALCULATIONS	
RESIDENTIAL UNITS	5,179 SF
GENERAL COMMON ELEMENTS	300 SF
RESIDENTIAL COMMON ELEMENTS	404 SF
RESIDENTIAL LIMITED COMMON ELEMENTS	0 SF
RETAIL	0 SF
PARKING ACCESSORY TO RESIDENTIAL	0 SF



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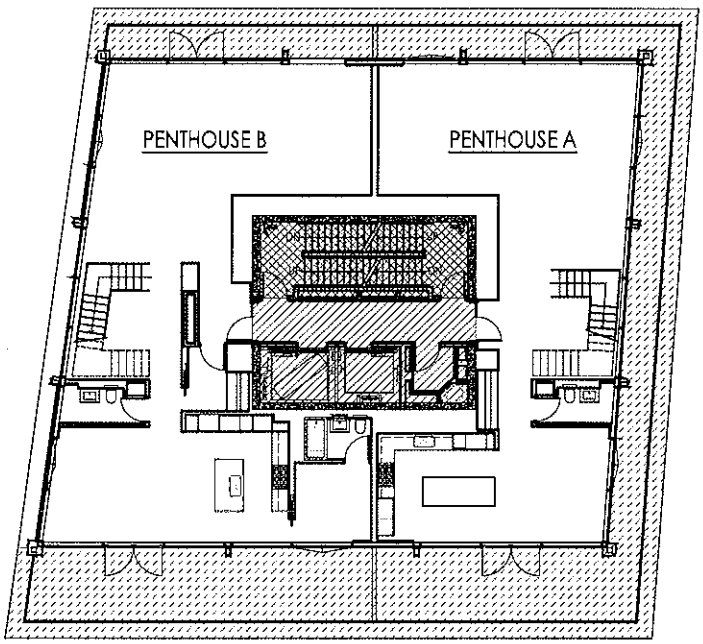
05-11-16

FLOOR 22

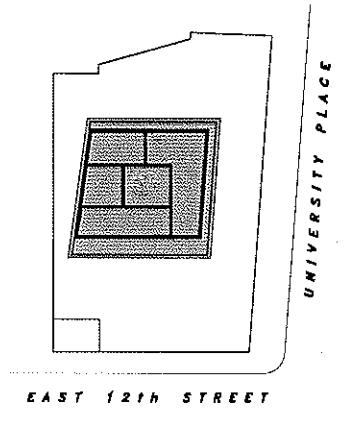
21 East 12th Street
New York, NY



SCALE
0 4 8 12

- RESIDENTIAL UNITS
- GENERAL COMMON ELEMENTS
- RESIDENTIAL COMMON ELEMENTS
- RESIDENTIAL LIMITED COMMON ELEMENTS
- RETAIL
- PARKING ACCESSORY TO RESIDENTIAL
- RESTRICTED RESIDENTIAL LIMITED COMMON ELEMENTS

AREA CALCULATIONS	
RESIDENTIAL UNITS	3,455 SF
GENERAL COMMON ELEMENTS	280 SF
RESIDENTIAL COMMON ELEMENTS	374 SF
RESIDENTIAL LIMITED COMMON ELEMENTS	0 SF
RETAIL	0 SF
PARKING ACCESSORY TO RESIDENTIAL	0 SF
RESTRICTED RESIDENTIAL LIMITED COMMON ELEMENT	1654 SF



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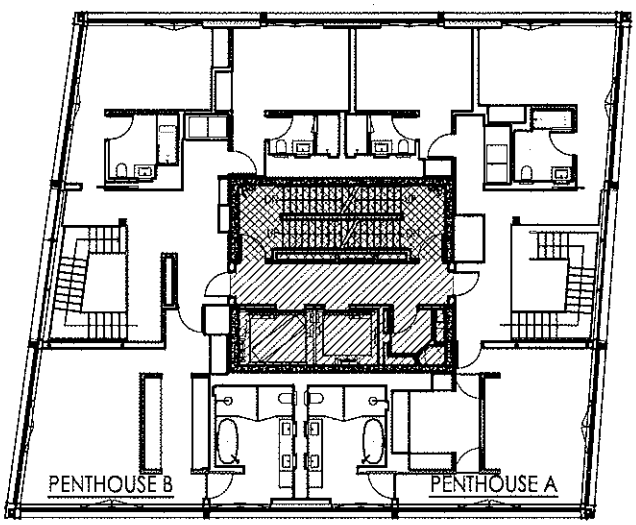
05-11-16

FLOOR 23

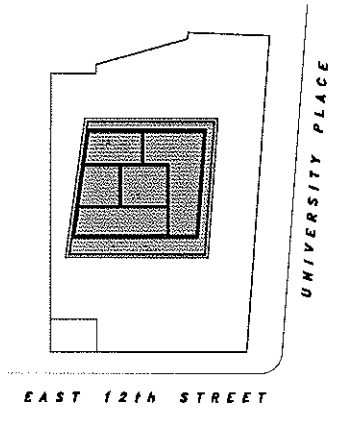
21 East 12th Street
New York, NY



SCALE
0 4 8 12

RESIDENTIAL UNITS
GENERAL COMMON ELEMENTS
RESIDENTIAL COMMON ELEMENTS
RESIDENTIAL LIMITED COMMON ELEMENTS
RETAIL
PARKING ACCESSORY TO RESIDENTIAL

AREA CALCULATIONS	
RESIDENTIAL UNITS	3,455 SF
GENERAL COMMON ELEMENTS	280 SF
RESIDENTIAL COMMON ELEMENTS	374 SF
RESIDENTIAL LIMITED COMMON ELEMENTS	0 SF
RETAIL	0 SF
PARKING ACCESSORY TO RESIDENTIAL	0 SF



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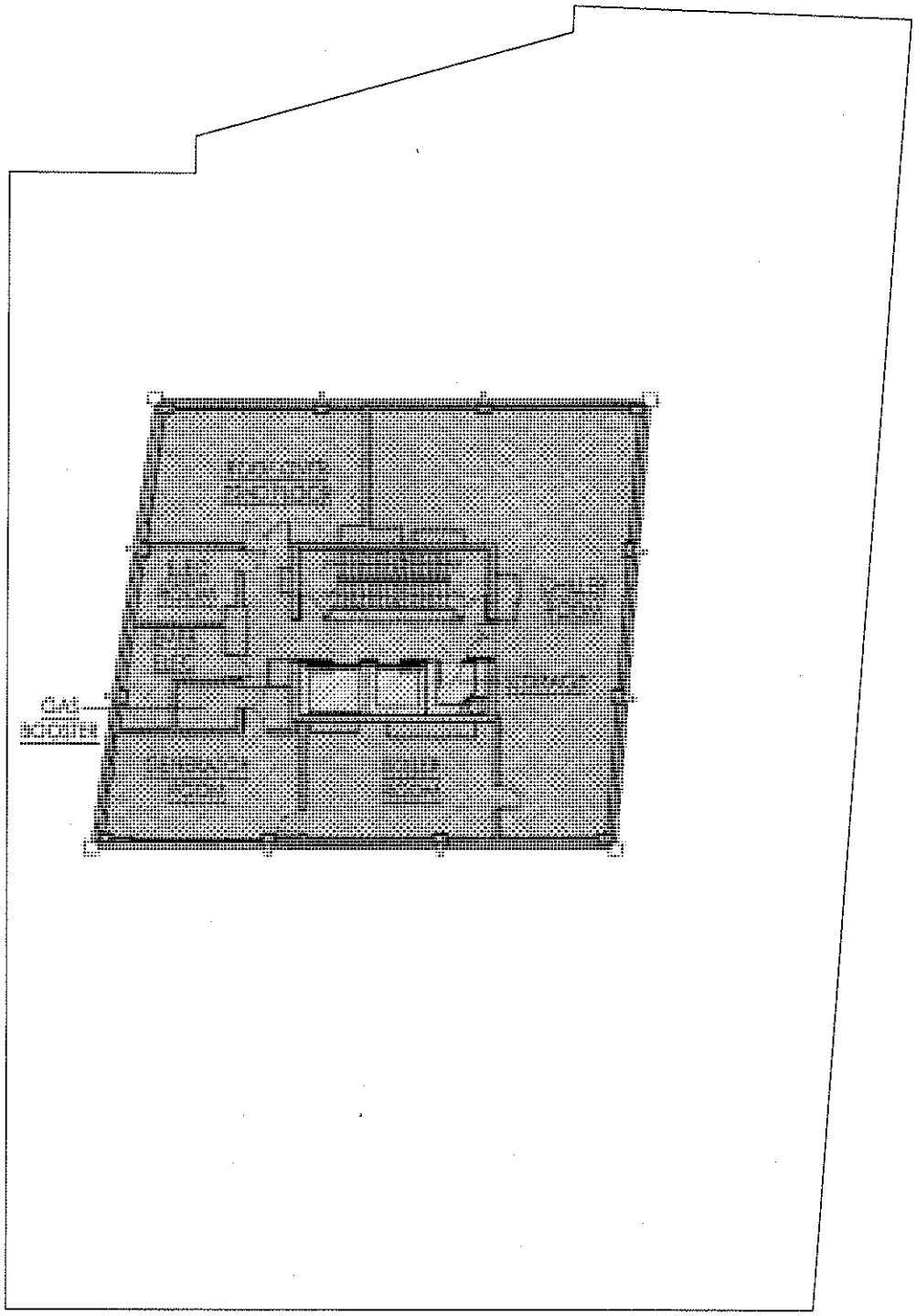
05-11-16

FLOOR 24
MECHANICAL

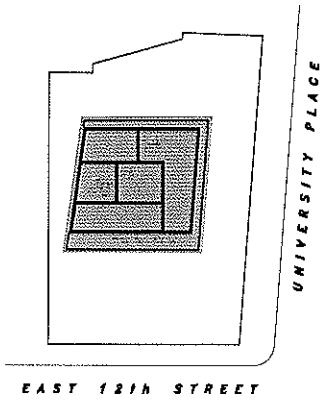
21 East 12th Street
New York, NY



SCALE
0 4 8 17

RESIDENTIAL UNITS
GENERAL COMMON ELEMENTS
RESIDENTIAL COMMON ELEMENTS
RESIDENTIAL LIMITED COMMON ELEMENTS
RETAIL
PARKING ACCESSORY TO RESIDENTIAL

AREA CALCULATIONS	
RESIDENTIAL UNITS	0 SF
GENERAL COMMON ELEMENTS	3,731 SF
RESIDENTIAL COMMON ELEMENTS	0 SF
RESIDENTIAL LIMITED COMMON ELEMENTS	218 SF
RETAIL	0 SF
PARKING ACCESSORY TO RESIDENTIAL	0 SF



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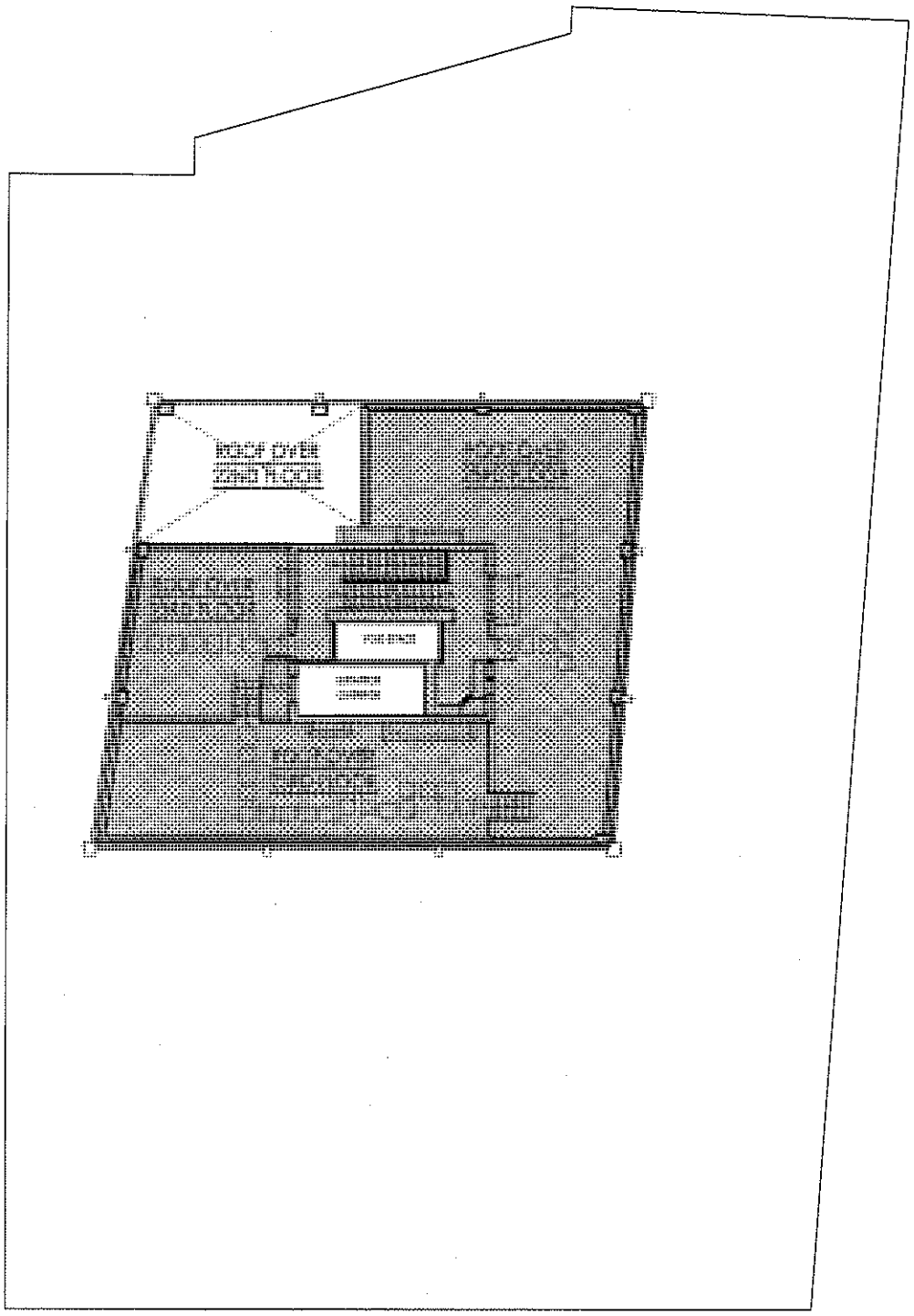
05-11-16

MAIN ROOF

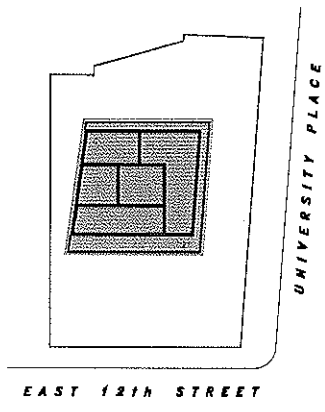
21 East 12th Street
New York, NY



SCALE
0 4 8 12

RESIDENTIAL UNITS
GENERAL COMMON ELEMENTS
RESIDENTIAL COMMON ELEMENTS
RESIDENTIAL LIMITED COMMON ELEMENTS
RETAIL
PARKING ACCESSORY TO RESIDENTIAL

AREA CALCULATIONS	
RESIDENTIAL UNITS	0 SF
GENERAL COMMON ELEMENTS	3,220 SF
RESIDENTIAL COMMON ELEMENTS	0 SF
RESIDENTIAL LIMITED COMMON ELEMENTS	0 SF
RETAIL	0 SF
PARKING ACCESSORY TO RESIDENTIAL	0 SF



KEY PLAN

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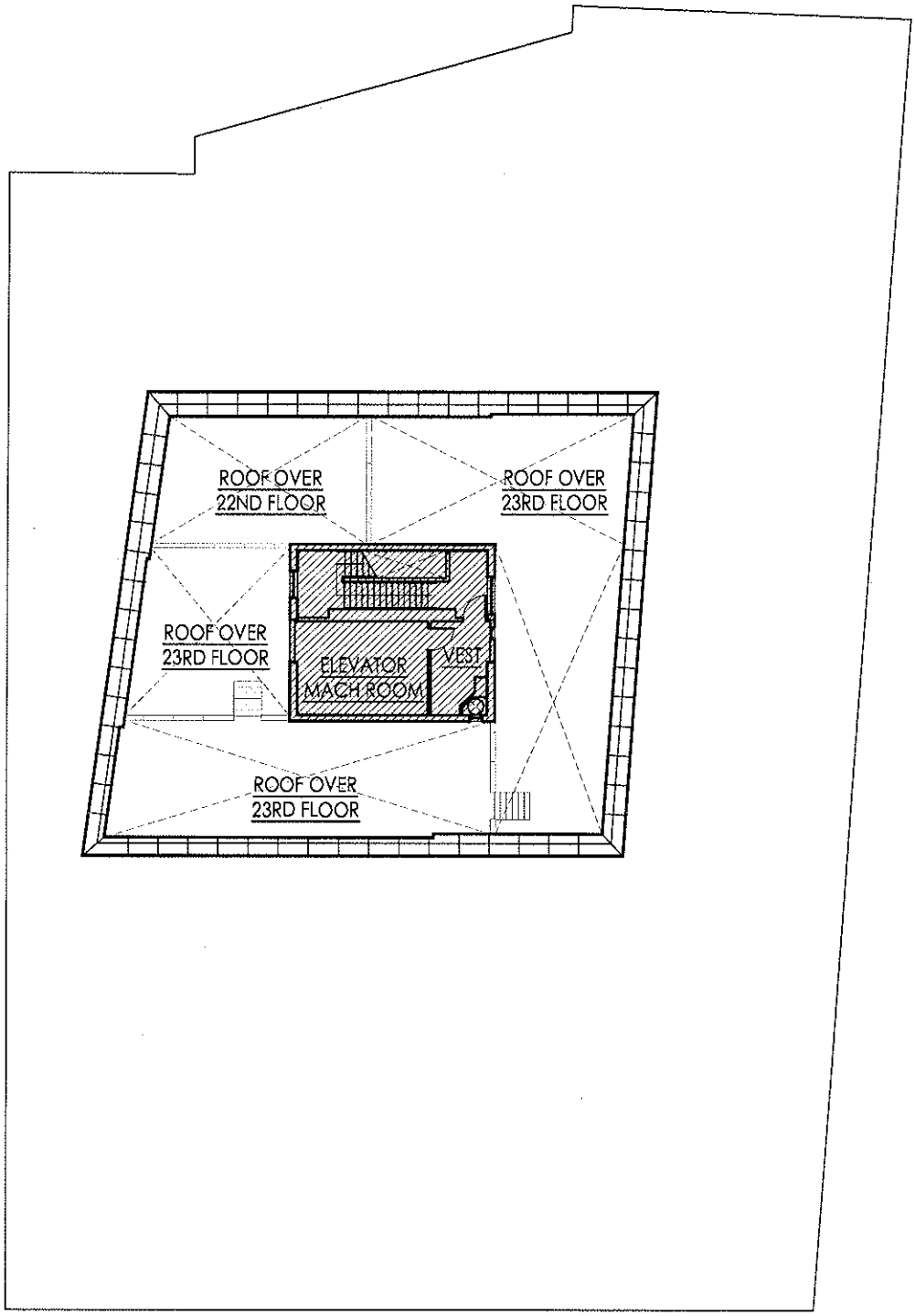
05-11-16

BULKHEAD

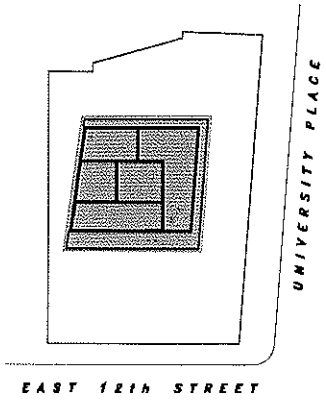
21 East 12th Street
New York, NY



SCALE
0 4 8 12

- RESIDENTIAL UNITS
- GENERAL COMMON ELEMENTS
- RESIDENTIAL COMMON ELEMENTS
- RESIDENTIAL LIMITED COMMON ELEMENTS
- RETAIL
- PARKING ACCESSORY TO RESIDENTIAL

AREA CALCULATIONS	
RESIDENTIAL UNITS	0 SF
GENERAL COMMON ELEMENTS	0 SF
RESIDENTIAL COMMON ELEMENTS	654 SF
RESIDENTIAL LIMITED COMMON ELEMENTS	0 SF
RETAIL	0 SF
PARKING ACCESSORY TO RESIDENTIAL	0 SF



KEY PLAN

N

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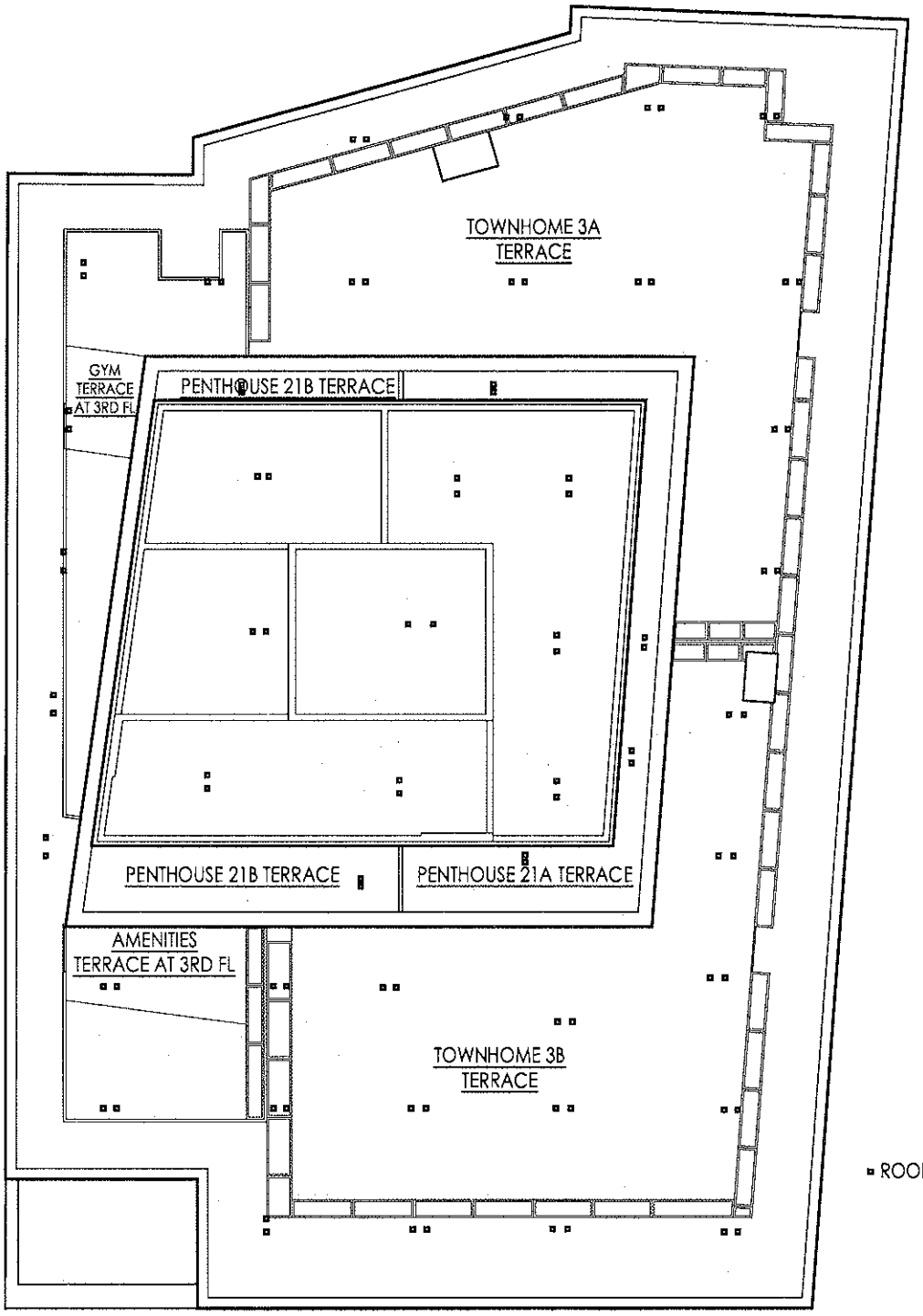
05-11-16

ROOF PLAN

21 East 12th Street
New York, NY



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05-11-16

N

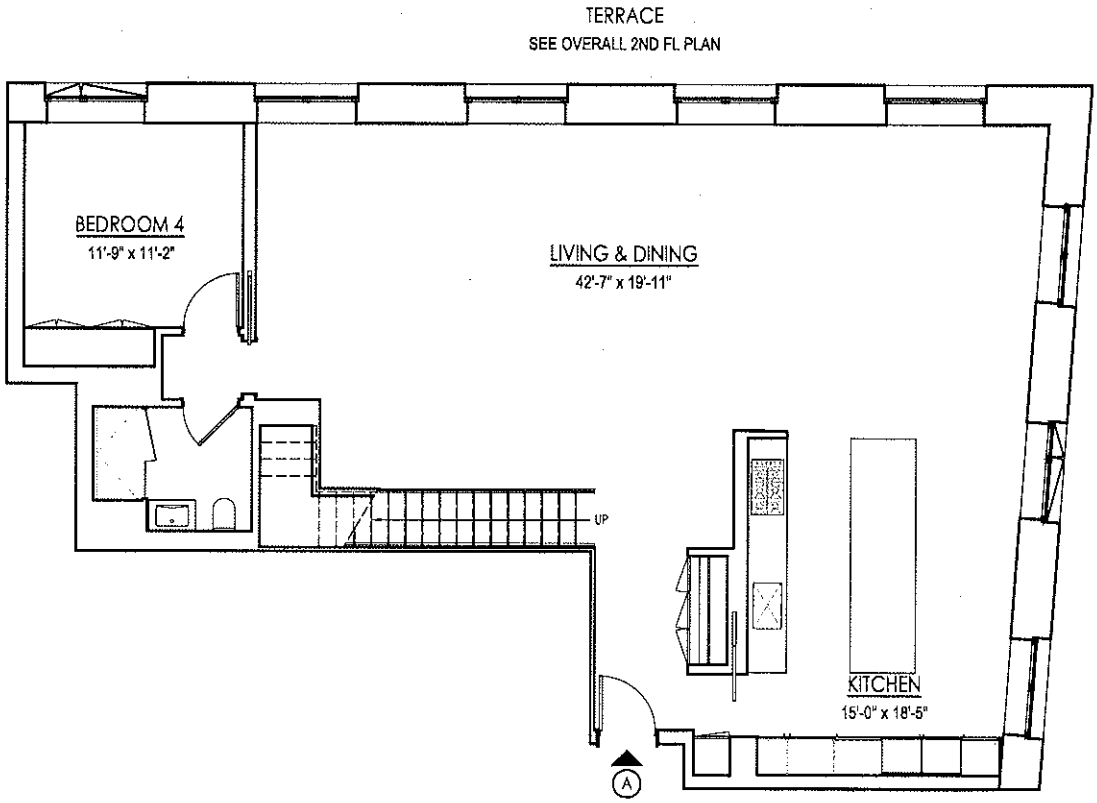
FLOORS 3 - 4
TOWNHOME A (LOWER LEVEL)

21 East 12th Street
New York, NY

4 Bedrooms
4 Baths

3,310 SF

3,203 SF
TERRACE



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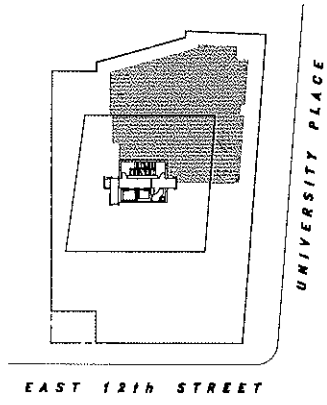

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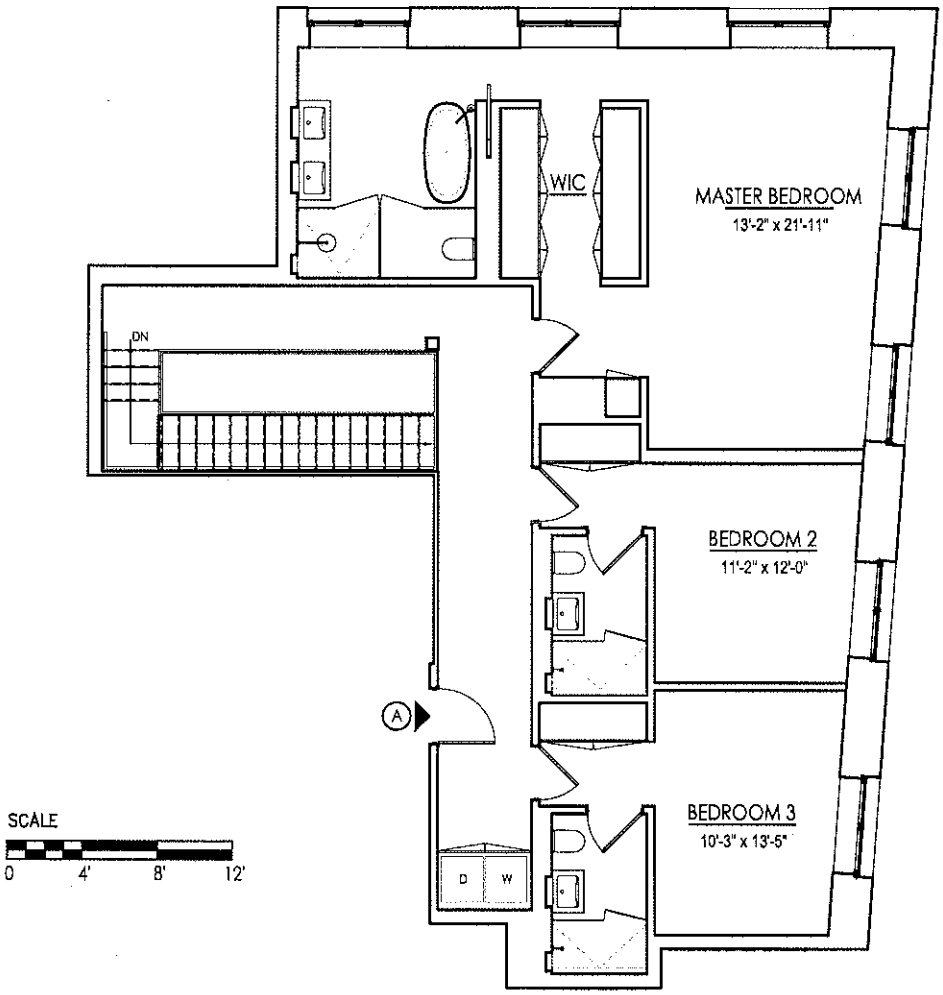
05-11-16

FLOORS 3 - 4
TOWNHOME A (UPPER LEVEL)

21 East 12th Street
New York, NY



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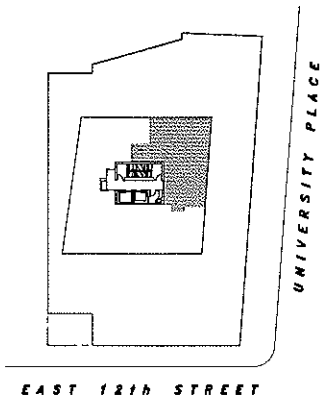

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05-11-16

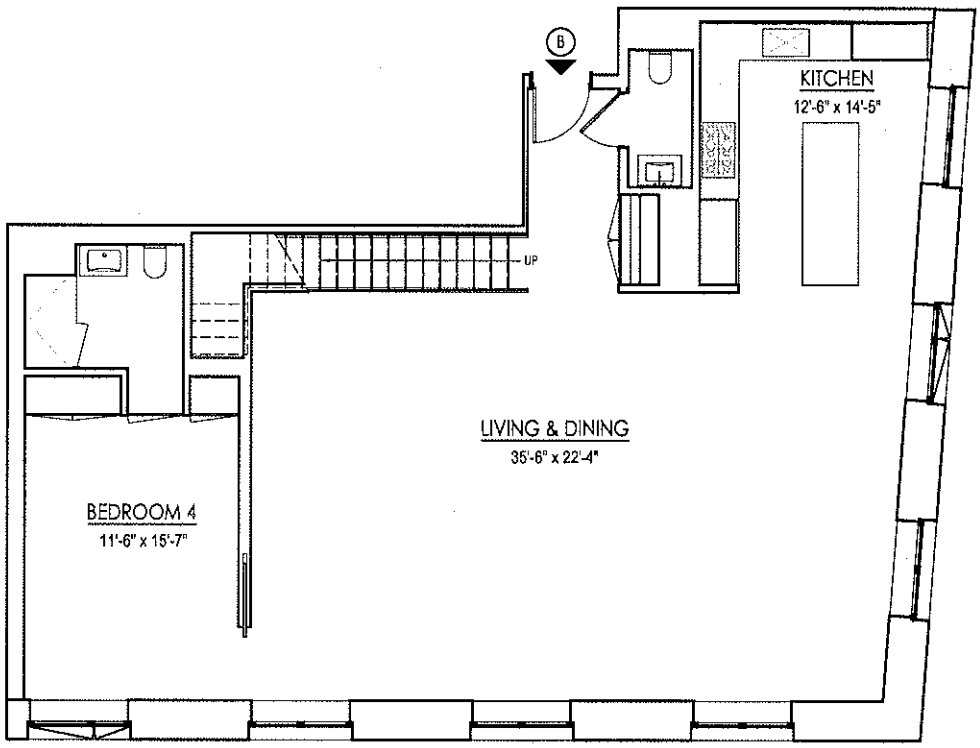
FLOORS 3 - 4
TOWNHOME B (LOWER LEVEL)

21 East 12th Street
New York, NY

4 Bedrooms
4 Baths
Powder Room

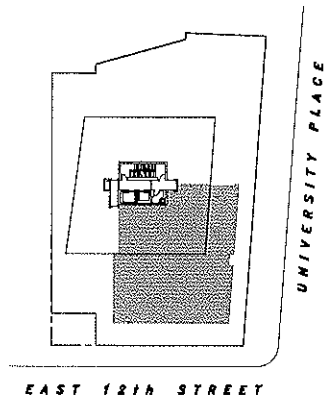
3,307 SF

3,242 SF
TERRACE



TERRACE
SEE OVERALL 2ND FL PLAN

SCALE
0 4' 8' 12'



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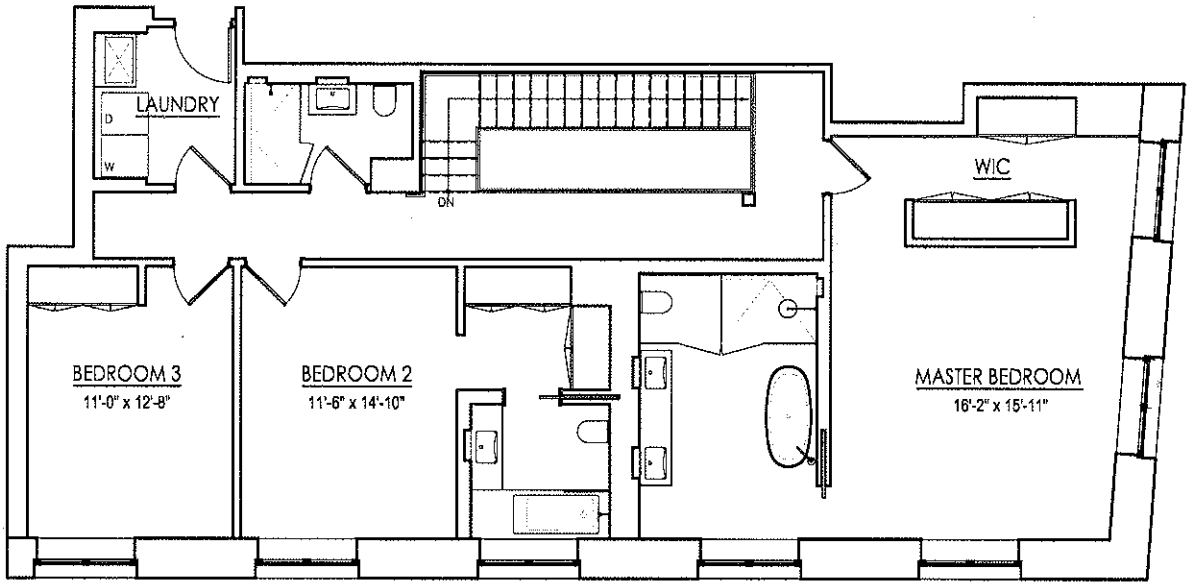
05-11-16

FLOORS 3 - 4
TOWNHOME B (UPPER LEVEL)

21 East 12th Street
New York, NY



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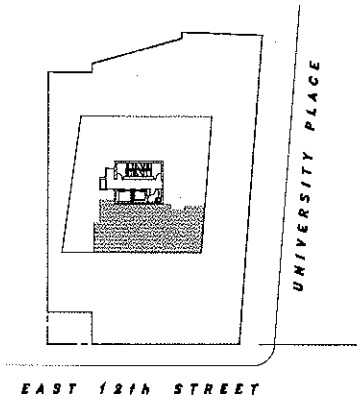

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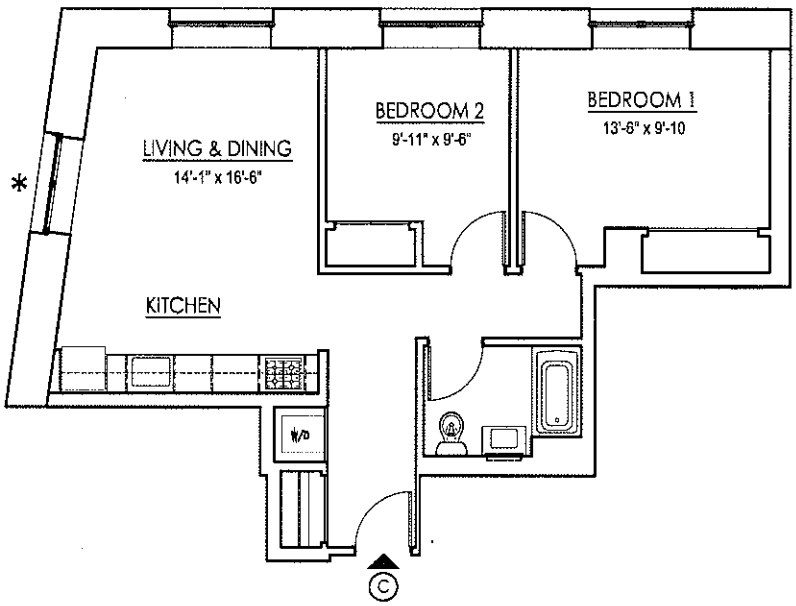
05-11-16

FLOOR 4
APARTMENT C
SUPERINTENDENT'S APARTMENT

21 East 12th Street
New York, NY

2 Bedrooms
1 Bath

890 SF



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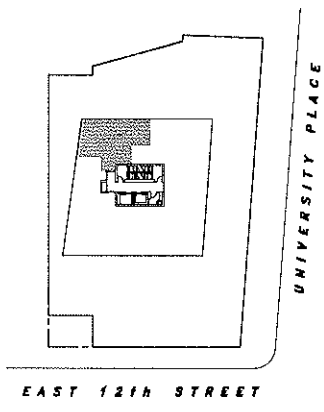

KEY PLAN

N

* SPECIAL WINDOWS
NOT USED FOR LIGHT & AIR

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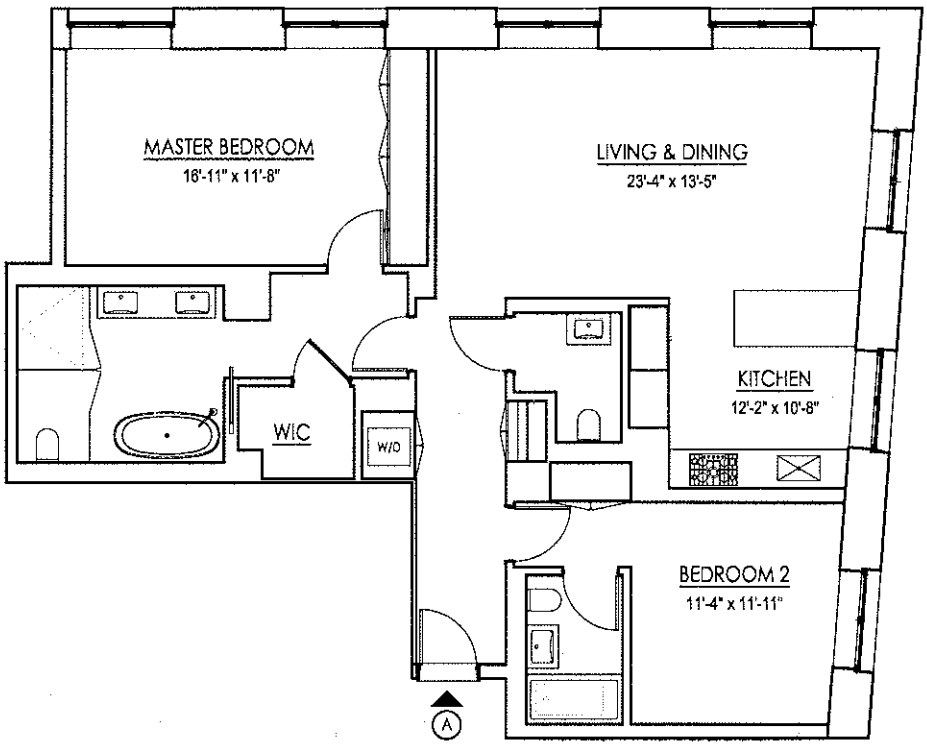
05-11-16

FLOORS 5 - 17
APARTMENT A

21 East 12th Street
New York, NY

2 Bedrooms
2 Baths
Powder Room

1,478 SF



SCALE
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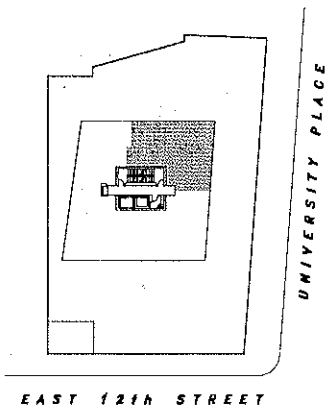

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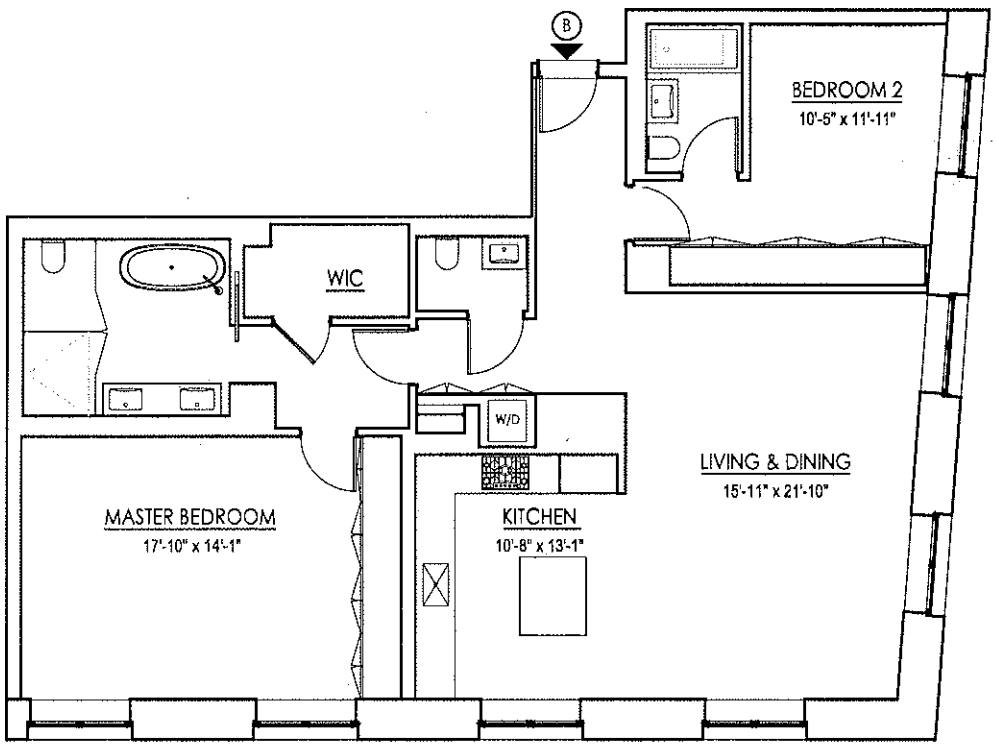
05-11-16

FLOORS 5 - 17
APARTMENT B

21 East 12th Street
New York, NY

2 Bedrooms
2 Baths
Powder Room

1,629 SF



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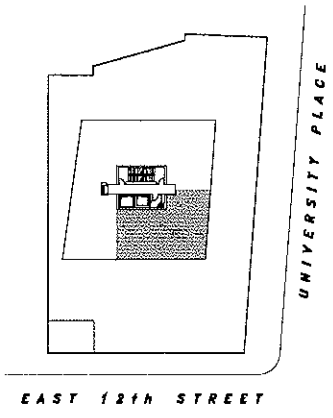

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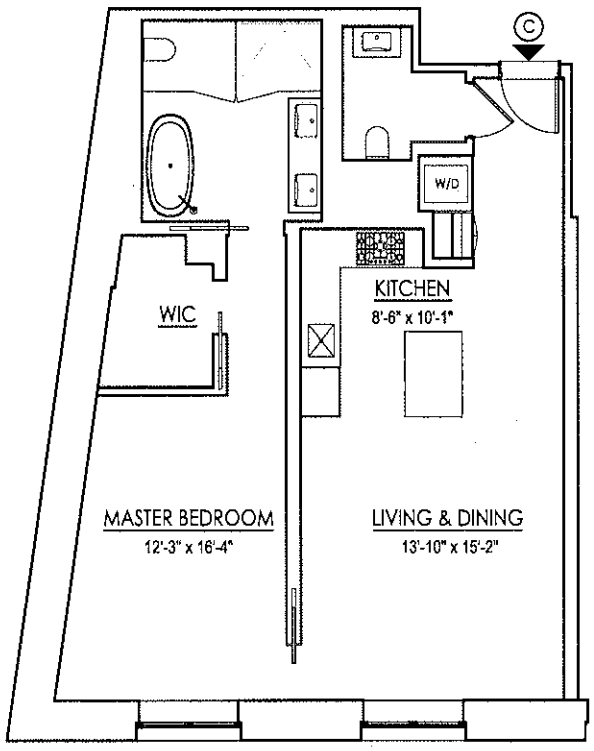
05-11-16

FLOORS 5 - 8
APARTMENT C

21 East 12th Street
New York, NY

1 Bedroom
1 Bath
Powder Room

1,033 SF



SCALE
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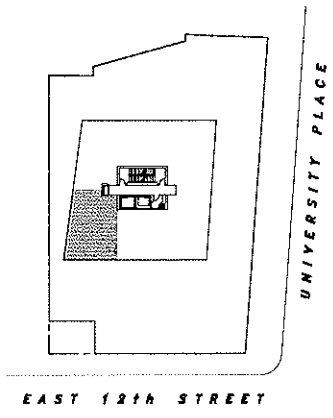

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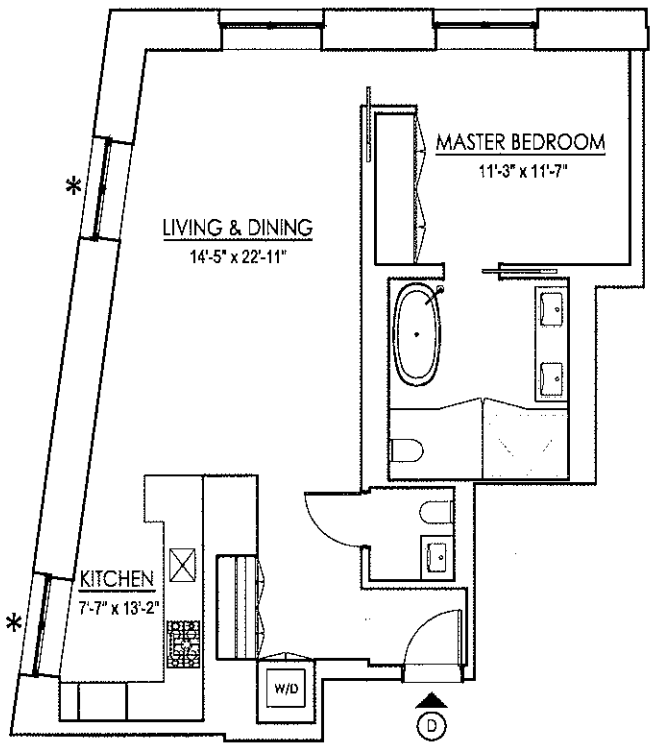
05-11-16

FLOORS 5 - 8
APARTMENT D

21 East 12th Street
New York, NY

1 Bedroom
1 Bath
Powder Room

1,006 SF



SCALE
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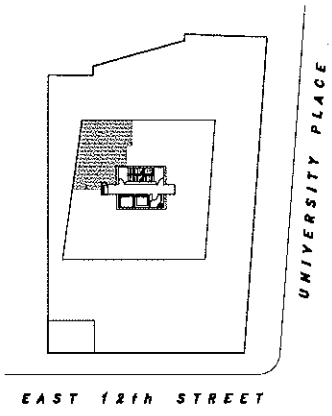

KEY PLAN

* SPECIAL WINDOWS
NOT USED FOR LIGHT & AIR

N

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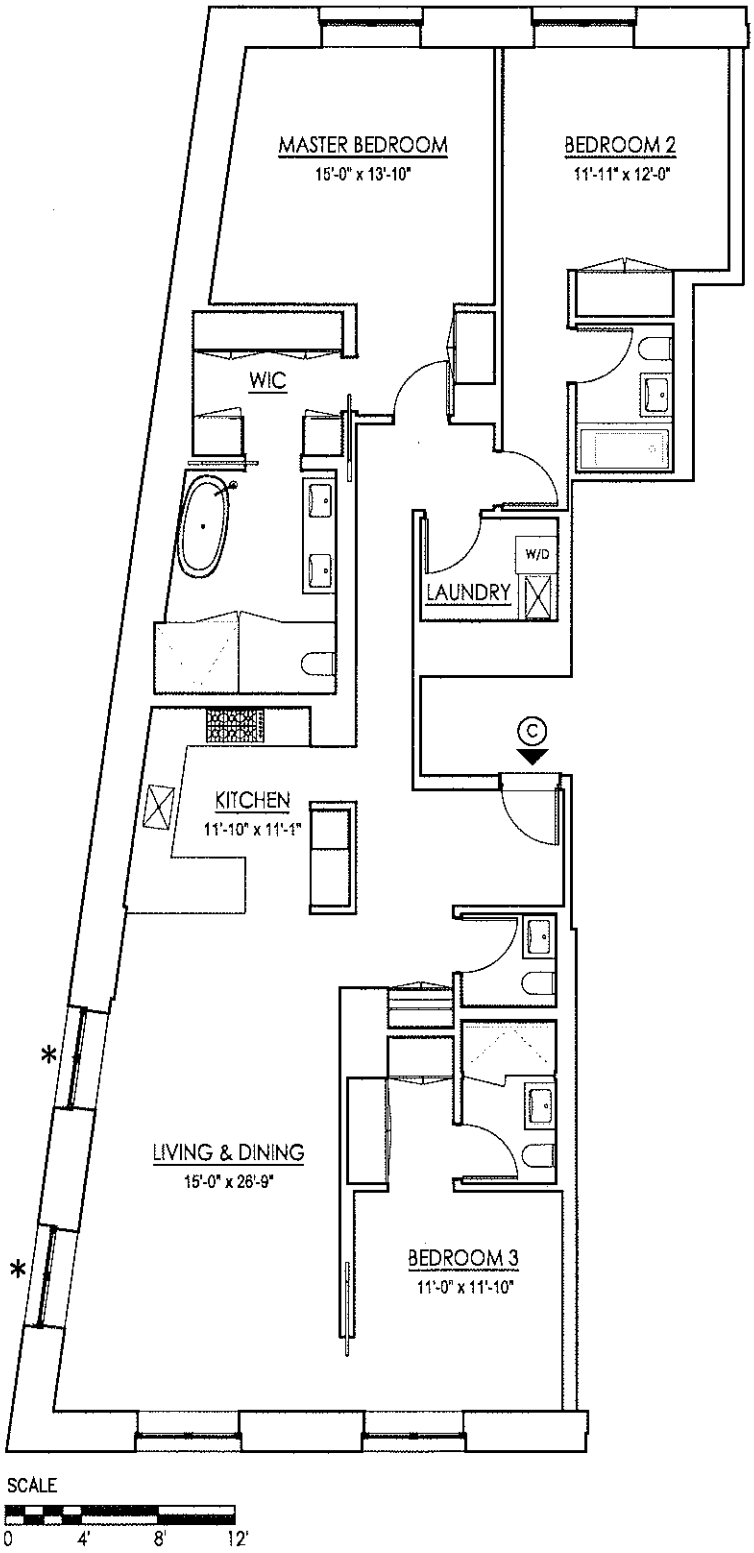
05-11-16

FLOORS 9 - 17
APARTMENT C

21 East 12th Street
New York, NY

3 Bedrooms
3 Baths
Powder Room

2,028 SF



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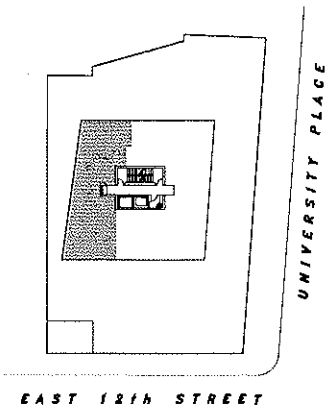

KEY PLAN

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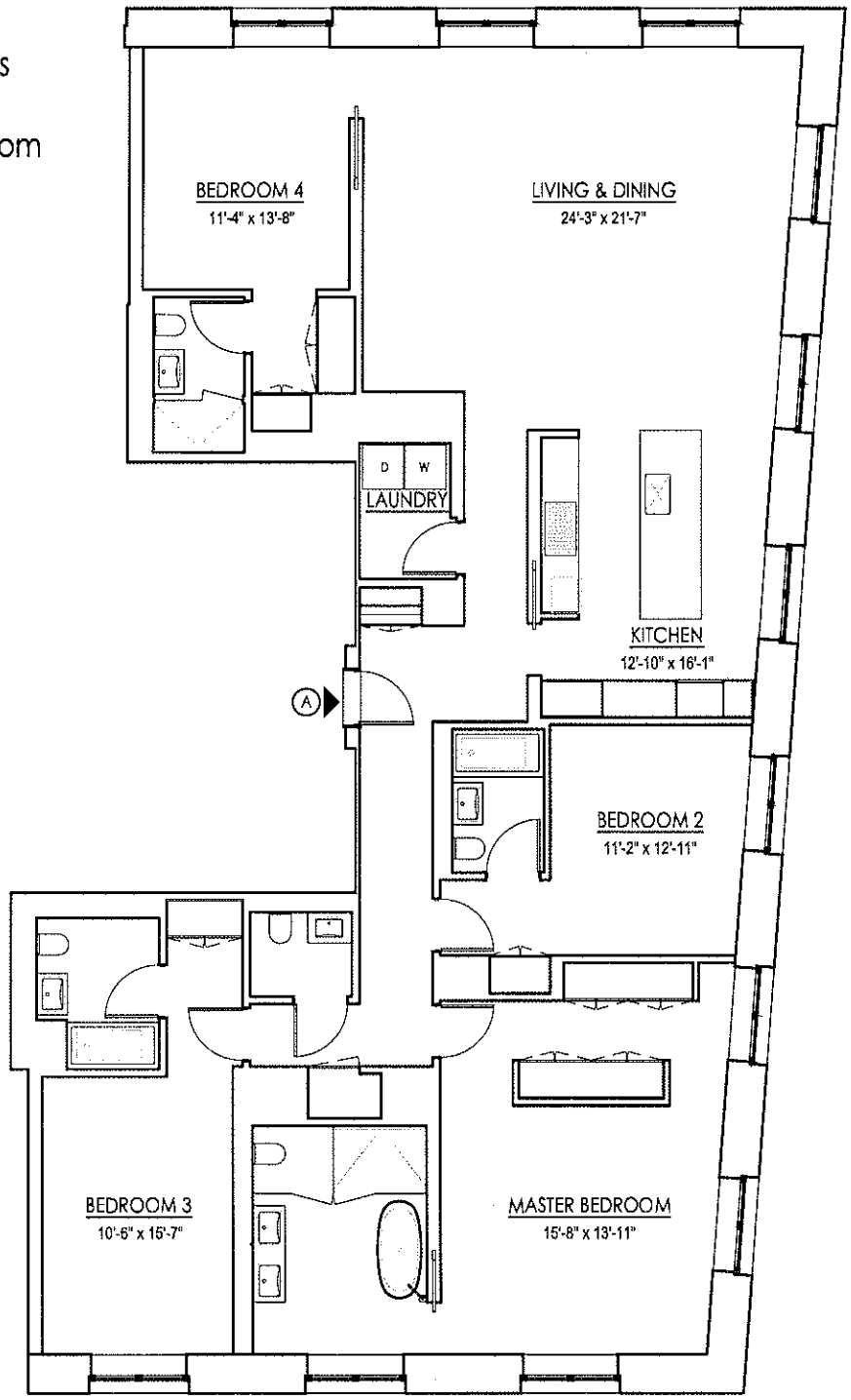
05-11-16

FLOORS 18 - 21
APARTMENT A

21 East 12th Street
New York, NY

4 Bedrooms
4 Baths
Powder Room

2,679 SF



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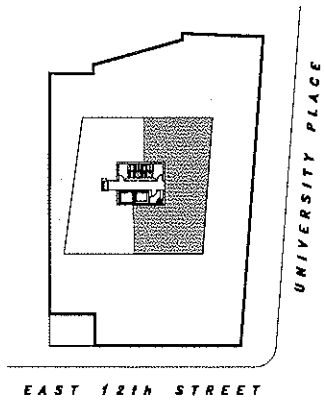

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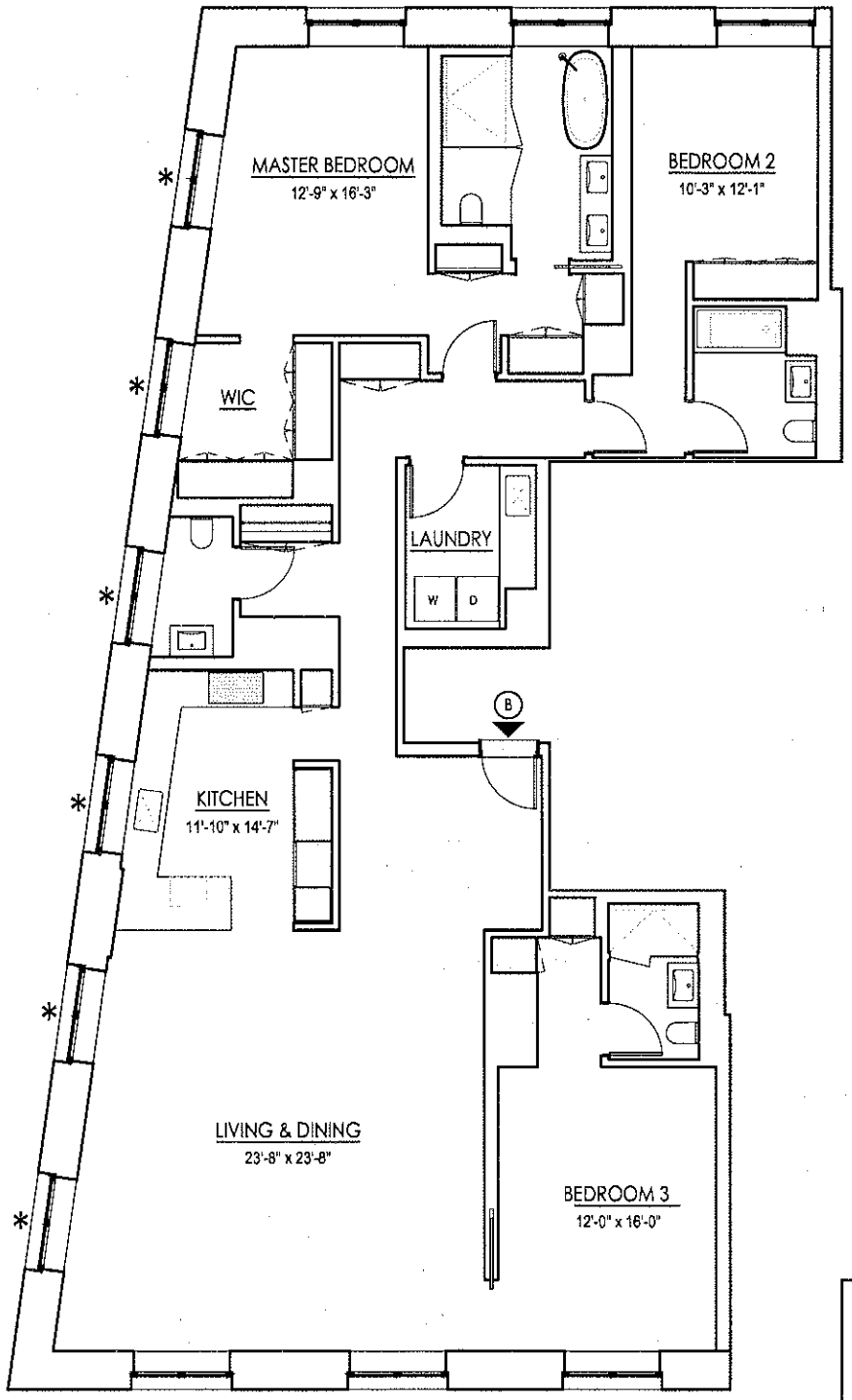
05-11-16

FLOORS 18 - 21
APARTMENT B

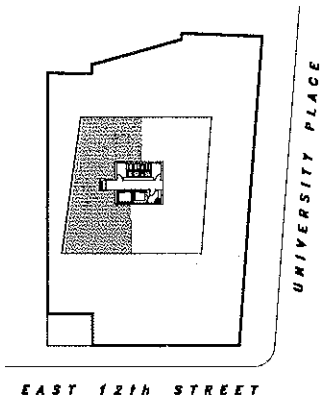
3 Bedrooms
3 Baths
Powder Room

2,496 SF

21 East 12th Street
New York, NY



* SPECIAL WINDOWS
NOT USED FOR LIGHT & AIR



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05-11-16

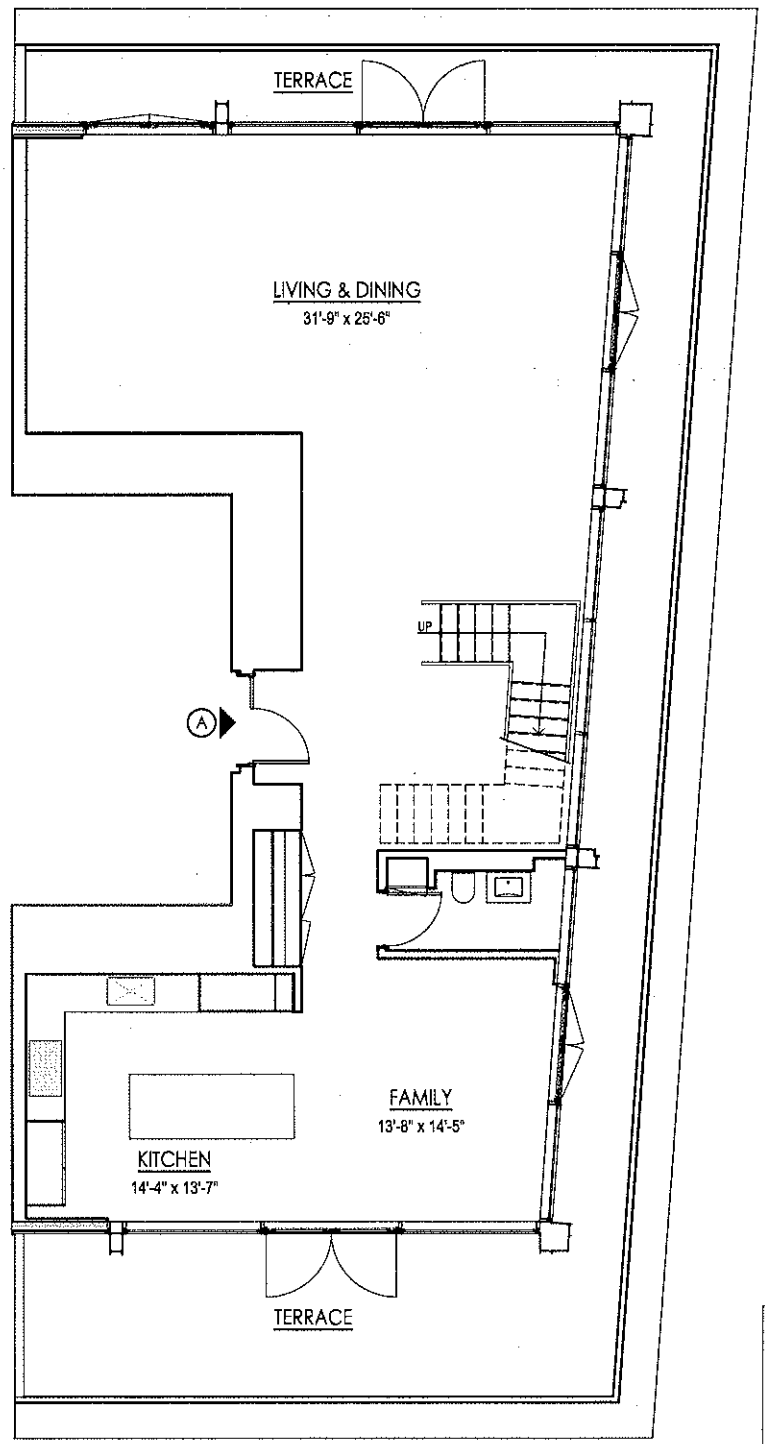
FLOORS 22 - 23
PENTHOUSE A (LOWER LEVEL)

21 East 12th Street
New York, NY

3 Bedrooms
3 Baths
Powder Room
Family Room

3,249 SF

969 SF
TERRACE



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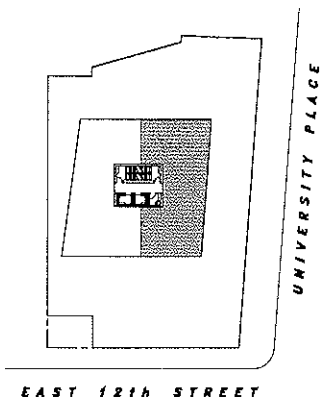

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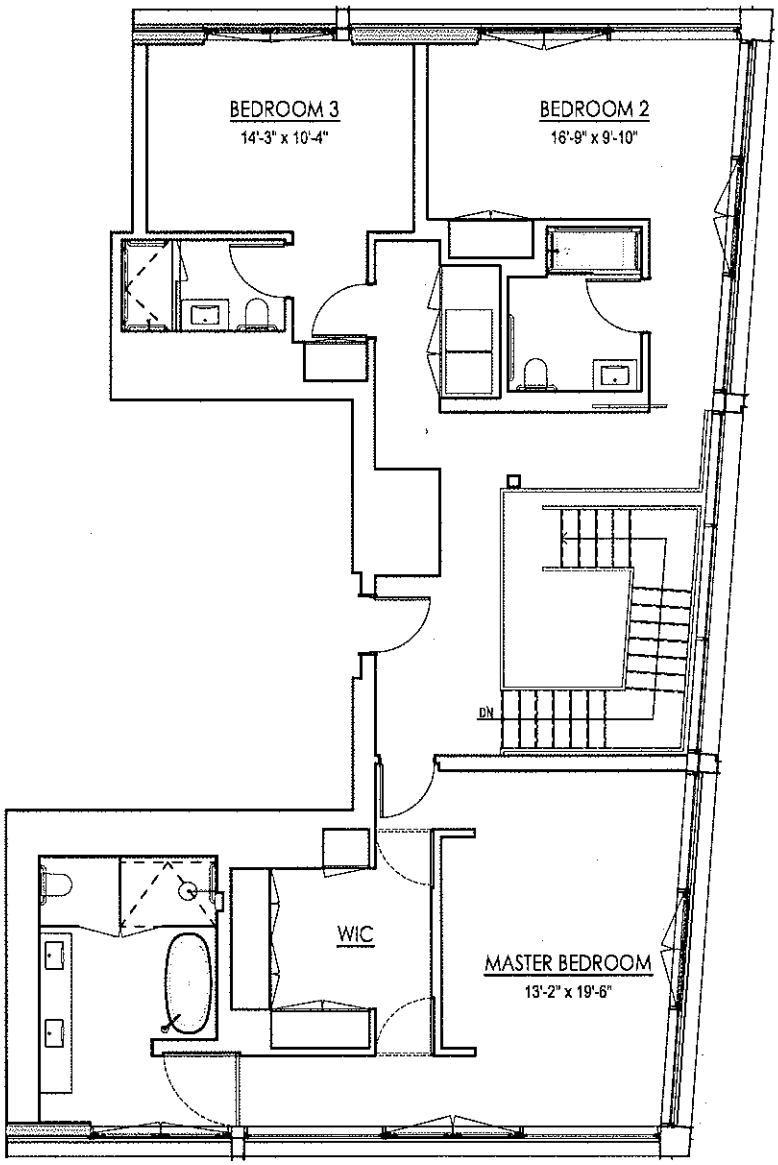
05-11-16

FLOORS 22 - 23
PENTHOUSE A (UPPER LEVEL)

21 East 12th Street
New York, NY



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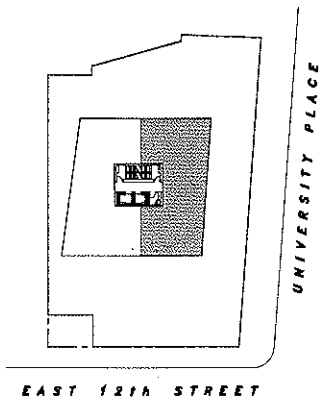

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05-11-16

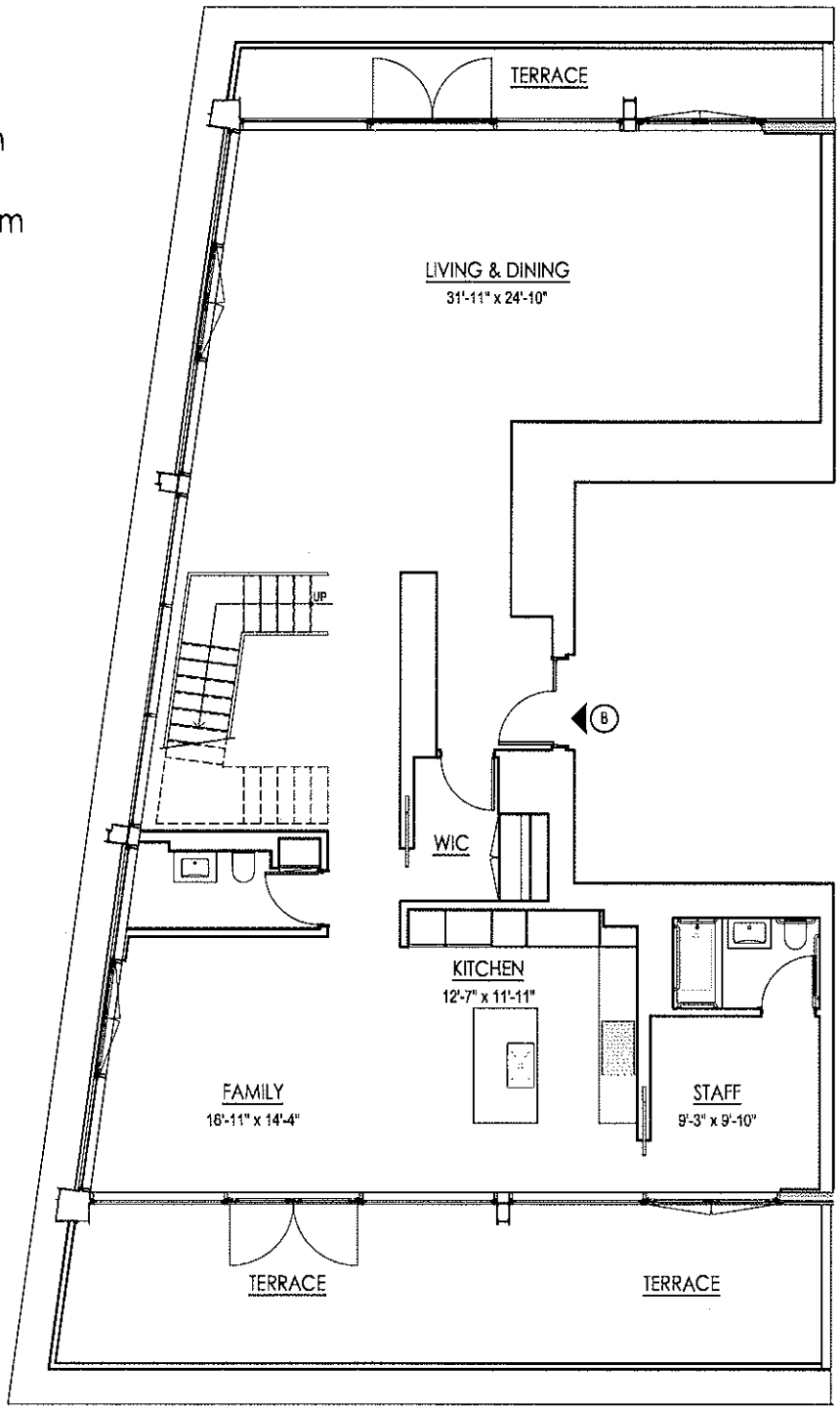
FLOORS 22 - 23
PENTHOUSE B (LOWER LEVEL)

21 East 12th Street
New York, NY

3 Bedrooms
Staff Room
Family Room
4 Baths
Powder Room

3,664 SF

685 SF
TERRACE



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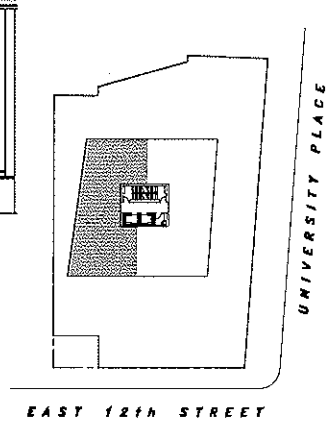

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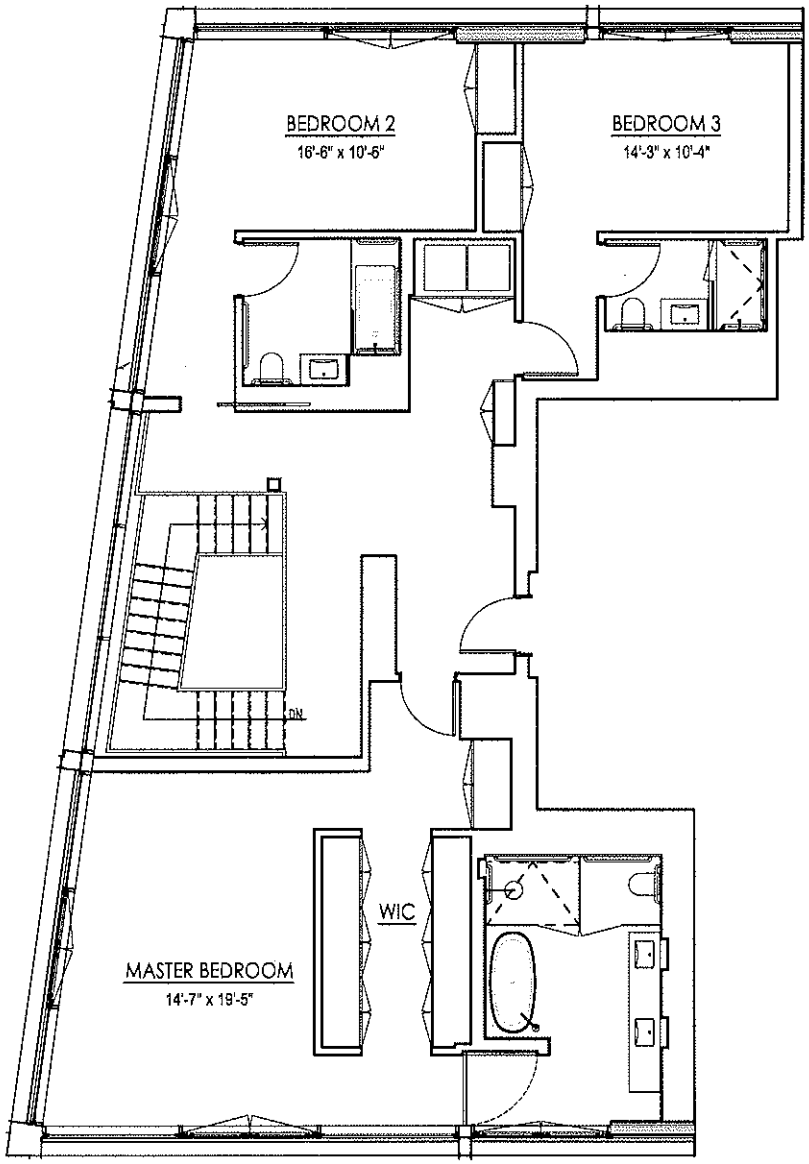
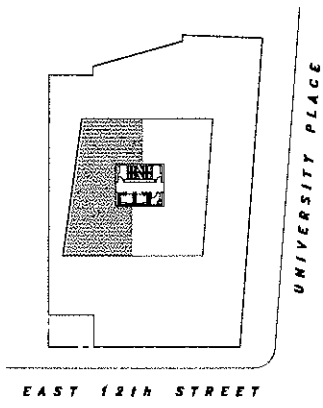
05-11-16

FLOORS 22 - 23
PENTHOUSE B (UPPER LEVEL)

21 East 12th Street
New York, NY





KEY PLAN

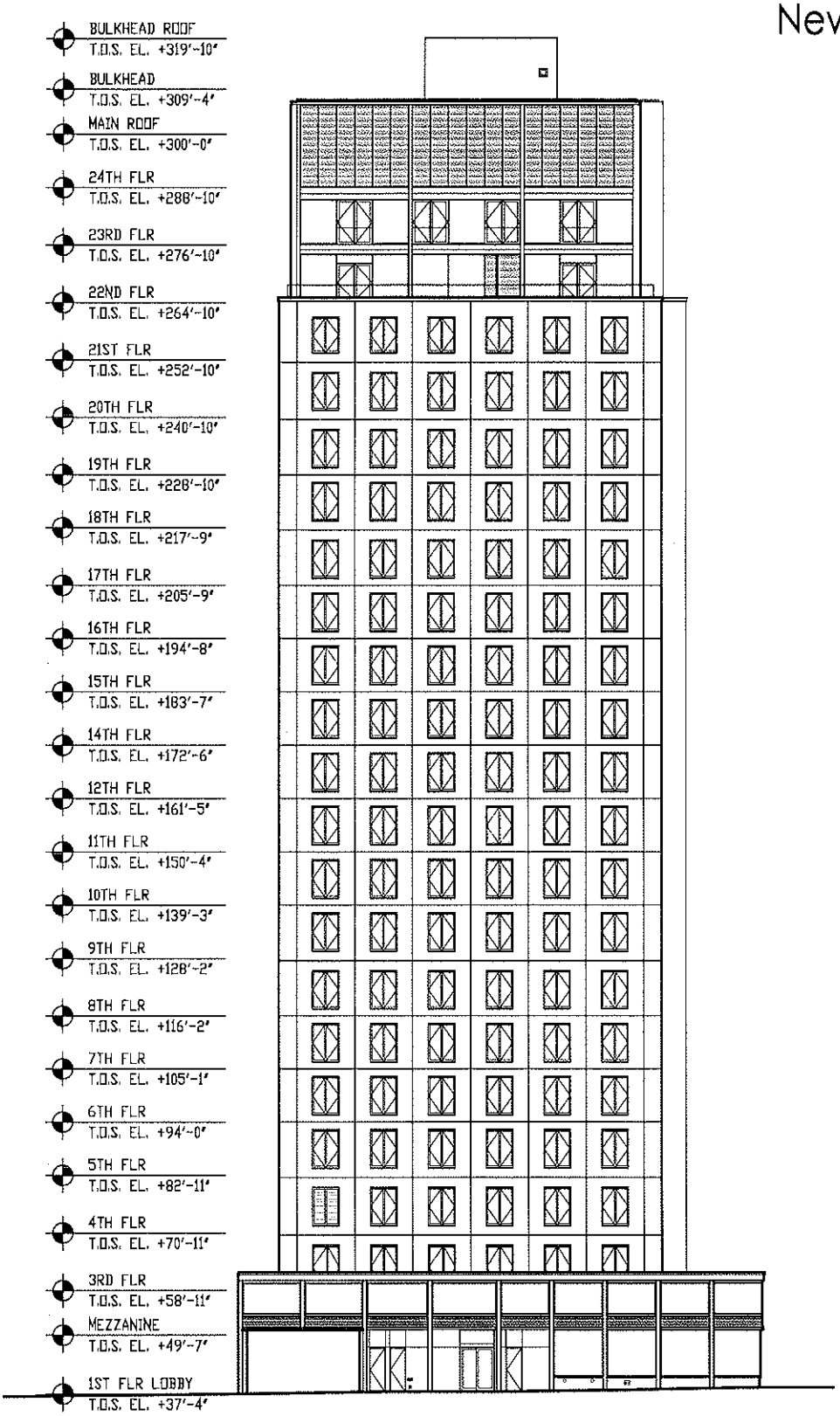
N

All dimensions and square footages are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall within a room or space, subtracting cutouts. Square footages exceed usable square footage. Sponsor reserves the right to make changes in accordance with the terms of the offering plan. The complete offering terms are in the offering plan available from Sponsor. The square footage, designation and location of each area of Common Element shown on these plans is approximate and may change due to field conditions, construction variances and tolerances, determinations by Sponsor, and/or request of the New York City Department of Finance.

05-11-16

SOUTH ELEVATION

21 East 12th Street
New York, NY



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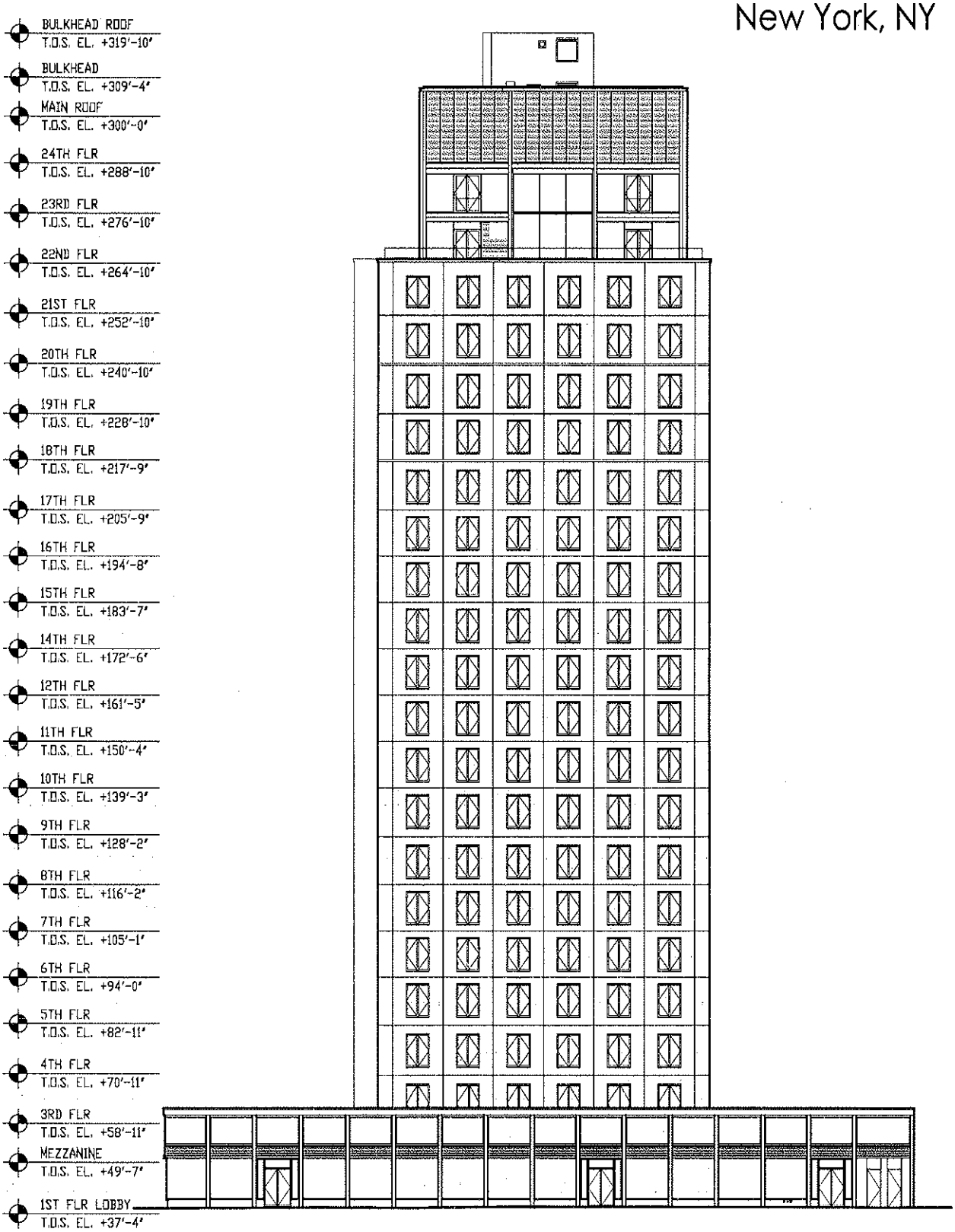
05-11-16

EAST ELEVATION

21 East 12th Street
New York, NY

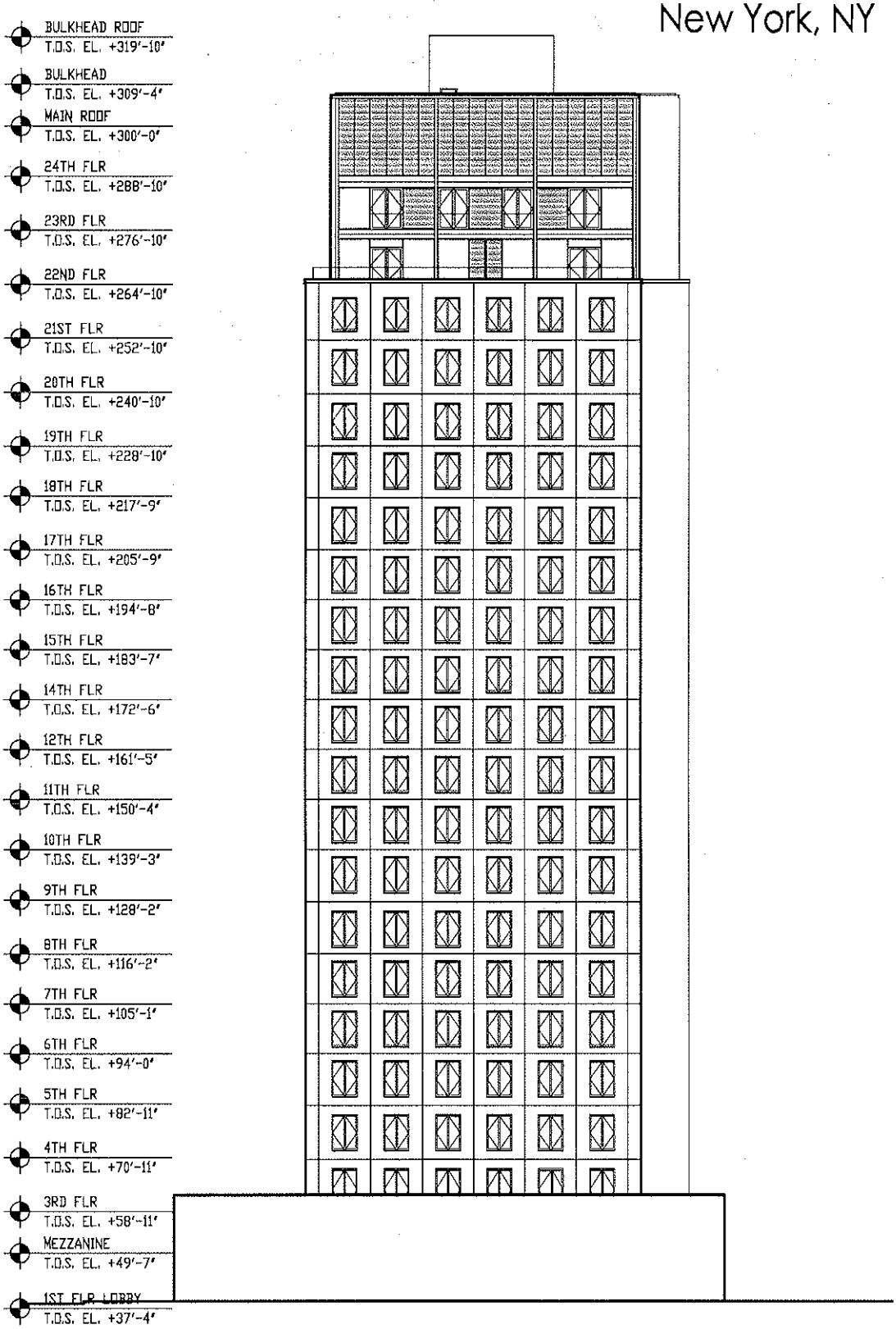


All dimensions and square footages are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall within a room or space, subtracting cutouts. Square footages exceed usable square footage. Sponsor reserves the right to make changes in accordance with the terms of the offering plan. The complete offering terms are in the offering plan available from Sponsor. The square footage, designation and location of each area of Common Element shown on these plans is approximate and may change due to field conditions, construction variances and tolerances, determinations by Sponsor, and/or request of the New York City Department of Finance.

05-11-16

NORTH ELEVATION

21 East 12th Street
New York, NY

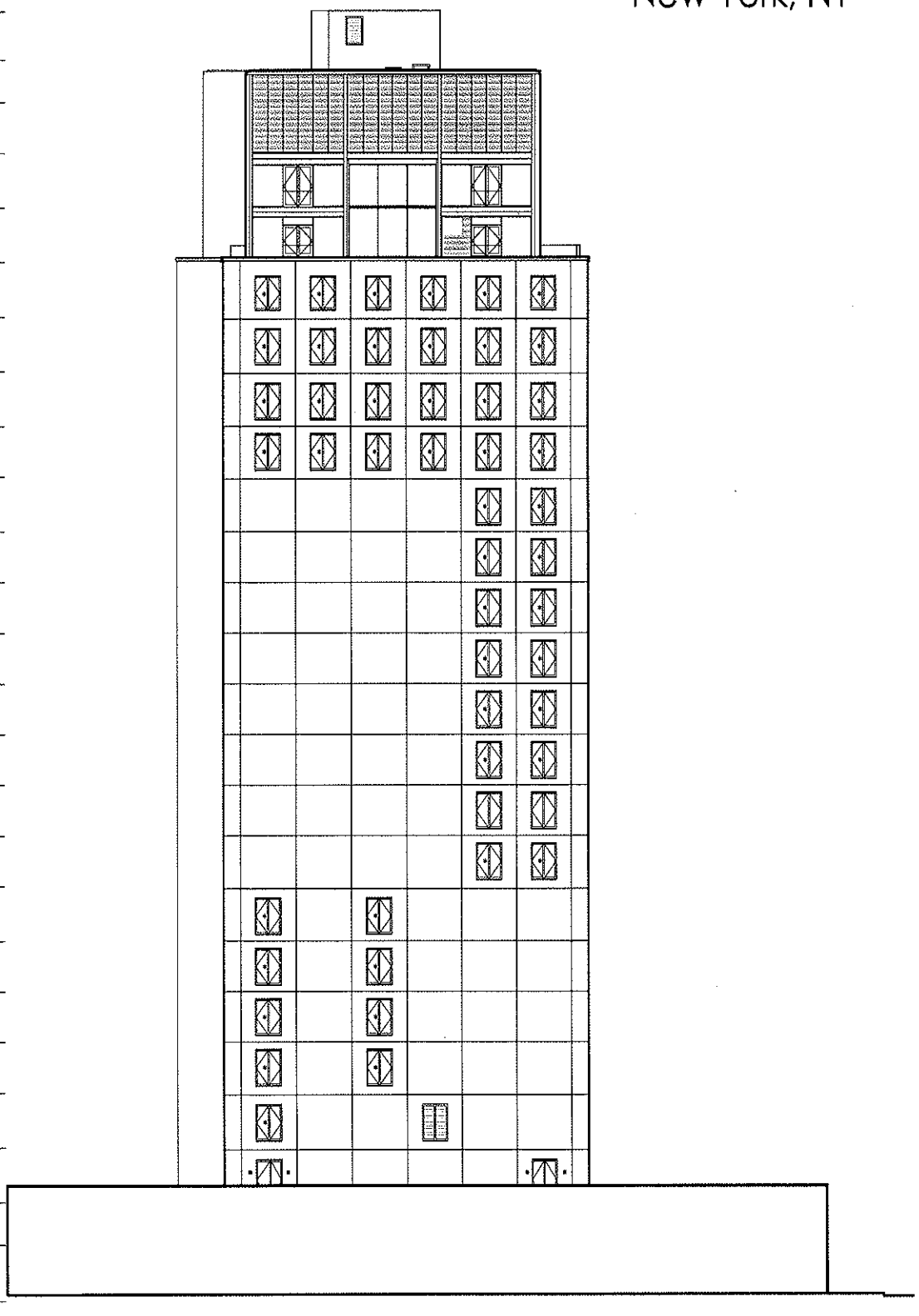


All dimensions and square footages are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall within a room or space, subtracting cutouts. Square footages exceed usable square footage. Sponsor reserves the right to make changes in accordance with the terms of the offering plan. The complete offering terms are in the offering plan available from Sponsor. The square footage, designation and location of each area of Common Element shown on these plans is approximate and may change due to field conditions, construction variances and tolerances, determinations by Sponsor, and/or request of the New York City Department of Finance.

05-11-16

WEST ELEVATION

21 East 12th Street
New York, NY



* SPECIAL WINDOWS
NOT USED FOR LIGHT & AIR

All dimensions and square footages are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall within a room or space, subtracting cutouts. Square footages exceed usable square footage. Sponsor reserves the right to make changes in accordance with the terms of the offering plan. The complete offering terms are in the offering plan available from Sponsor. The square footage, designation and location of each area of Common Element shown on these plans is approximate and may change due to field conditions, construction variances and tolerances, determinations by Sponsor, and/or request of the New York City Department of Finance.

05-11-16

EXHIBIT "6"

DECLARATION OF CONDOMINIUM

CONDOMINIUM NO. _____

SECOND AMENDED AND RESTATED DECLARATION

Establishing a Plan for Condominium Ownership
of the Premises located at
21 East 12th Street
New York, New York 10003

Pursuant to Article 9-B of the Real Property
Law of the State of New York

Name:
21 East 12th Street Condominium

Co-Declarant:

BIC University Place LLC
c/o Benenson Funding Corp.
20 West 55th Street, 6th Floor
New York, New York 10019

Co-Declarant:
21E12 LLC
c/o William Macklowe Company
126 East 56th Street
New York, New York 10022

Date of Declaration:
_____, 20__

Date of Amendment:
_____, 20__

The land affected by the within instrument lies in
Block 570, formerly known as Lot 32
now known as Lots _____
on the Tax Map of the Borough of Manhattan, City of New York

Holland & Knight LLP
Attorneys for Declarant
31 West 52nd Street
New York, New York 10019
Attn: Stuart M. Saft, Esq.
(212) 513-3308

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E. Power of Attorney
F. Floor Plans
G. Cooling Tower and Equipment Location Options
H. General Common Expense Allocations

SECOND AMENDED AND RESTATED
DECLARATION
OF
21 EAST 12TH STREET CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

BIC University Place LLC, a New York limited liability company, having an office c/o Benenson Funding Corp., 20 West 55th Street, New York, New York 10019 ("BIC") and 21E12 LLC, c/o William Macklowe Company, 126 East 56th Street New York, New York 10022 ("Sponsor") (BIC and Sponsor collectively "Co-Declarants" or "Declarant"), does hereby declare as follows:

ARTICLE 1
SUBMISSION OF THE PROPERTY

1.1 This Declaration amends and restates the Declaration of Condominium and By-Laws dated August 25, 2015 and recorded November 17, 2015 in the New York County Registers Office as CRFN 2015111001061001 (the "Initial Declaration"). Subsequent to the Initial Declaration, the existing building was demolished and a new Building, described below, constructed. Declarant hereby resubmits the Land and Building (each as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act") and pursuant thereto did establish a condominium to be known as "The 21 East 12th Street Condominium" (the "Condominium").

1.2 Included in the Property is a building (the "Building") consisting of two (2) floors below grade and twenty-two (22) floors at and above grade including 52 Residential Units and Residential Common Elements (collectively the "Residential Section") and a Non-Residential Section containing one (1) Retail Unit, one (1) Community Facility Unit, and one (1) Garage Unit and Non-Residential Common Elements (collectively the "Non-Residential Section"). The Building also contains eight (8) storage bins (the "Storage Bins"). The Residential Units and Non-Residential Units are sometimes hereinafter collectively referred to as the "Units" and individually as a "Unit." The owner of a Residential Unit is herein called a "Residential Unit Owner" and the owners of all the Residential Units are called the "Residential Unit Owners". The owner of a Non-Residential Unit is called a "Non-Residential Unit Owner and the owners of the Non-Residential Units are herein called the "Non-Residential Unit Owners". The Residential Unit Owners and the Non-Residential Unit Owners are collectively referred to herein as the "Unit Owners" and each individually as a "Unit Owner." The owner of a Storage Bin is called a Storage Bin Licensee.

1.3 Subsequent to the recording of this Amended and Restated Declaration, among other things, BIC will convey the Residential Section to Sponsor. Subsequent to the conveyance of the Residential Section to the Sponsor and upon the recording of this Second Amended and Restated Declaration, the Sponsor shall become the Declarant of the Residential Section and BIC

shall become the Declarant of the Non-Residential Section. The Sponsor shall have all the Declarant's rights and obligations hereunder as they may apply to the Residential Section and BIC shall have all the Declarant's rights and obligations hereunder as they may apply to the Non-Residential Section. The Sponsor has been offering the individual Residential Units for sale pursuant to an Offering Plan (the "Offering Plan"). Notwithstanding anything contained herein to the contrary, neither BIC University Place LLC, Benenson Funding Corp. nor their members, shareholders, officers, directors, agents, advisors, successors nor assigns shall have any involvement in, or liability arising from, the construction of the Building or the offering of the individual Residential Units for sale.

1.4 Prior to BIC conveying the Residential Section to the Sponsor, Sponsor has redeveloped the Building pursuant to agreements between the Sponsor and BIC. Notwithstanding the conveyance of the Residential Section to the Sponsor, (a) the Sponsor's obligation to complete the Building shall remain in full force and effect and (b) neither BIC nor the Owner or lessee of the Non-Residential Section shall interfere with the Sponsor and the Sponsor's engineers, contractors, agents or employees in completing the Building (provided that the foregiong clause (b) will not prohibit such parties from enforcing Sponsor's obligations hereunder or under the other agreements between such parties).

1.5 The Building shall be designated and known as "21 East 12th Street" and the condominium shall be known as "The 21 East 12th Street Condominium." Prior to the sale of all of the Residential Units, the Sponsor shall own and control all rights and interests in and to the name of the Condominium and the Building, including the right to apply for any state trademark and prosecute to registration any federal trademark applications, and shall be responsible for all obligations and liabilities, including those in furtherance of protecting, policing and maintaining any applicable trademark rights, which may include litigating against those whom the Sponsor believes may be infringing such rights (the "Naming Rights"). After the sale of all the Residential Units, the Naming Rights shall belong to the Condominium Board. Only the owner of the Naming Rights shall have the right to change or assign the name of the Condominium and/or the Building.

ARTICLE 2
DEFINITIONS

All capitalized terms used in this Declaration (hereinafter referred to as the "Declaration") that are not otherwise defined in the Articles hereof will have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used will otherwise require.

ARTICLE 3
BY-LAWS

3.1 Attached to this Declaration as Exhibit D and made a part hereof are the By-Laws of the Condominium which set forth detailed provisions governing the operation, use and occupancy of the Condominium (said By-Laws, as they may be amended from time to time, are hereinafter referred to as the "By-Laws"). All capitalized terms which are not separately defined herein shall have the meanings given to those terms in the By-Laws.

3.2 The affairs of the Condominium shall be governed and controlled by a Board of Managers of the Condominium (the "Condominium Board") and the affairs of the Residential Section shall be governed by a committee consisting of the Residential members of the Condominium Board (the "Residential Committee"), as described in the By-Laws. When in this Declaration or in the By-Laws an action is to be undertaken, or is authorized to be done by the Condominium or the Residential Section, it shall mean the Condominium acting through the Condominium Board or the Residential Section acting through the Residential Committee, as applicable, unless the text clearly requires another interpretation (i.e., through a vote of the Unit Owners). When the Condominium Board is authorized or obligated to act, it shall be acting on behalf of all Unit Owners in the Condominium. When the Residential Committee is authorized or obligated to act, it shall be acting on behalf of all the Residential Unit Owners.

3.3 Notwithstanding anything to the contrary in the Condominium Documents, and to the extent permitted under applicable law, it is the intention of the Condominium Documents that while one party owns all the Units in the Condominium (either beneficially or in fee), or owns some of the Units in the Condominium (either beneficially or in fee) but controls the owner of the remaining Unit(s) in the Condominium, such party shall operate the Property as if the Property were not subject to a condominium regime. During the period these circumstances apply, it is the intention of the Condominium Documents that such party shall be deemed to be the Condominium Board for purposes of operating the Condominium to the extent and whenever applicable law requires that there be a board of managers established to operate the Condominium, but that formal procedures for meetings and decision-making by and among Unit Owners and Board members set forth in the By-Laws shall not be required. Notwithstanding the foregoing, each Unit is and shall remain a separate Unit for its own operational purposes, and each Unit Owner shall have all the economic and other rights and burdens of real property with respect to each Unit it owns. As such, a Unit Owner may and shall maintain separate accounting records, including, without limitation, separate profit and loss statements, for each Unit it owns.

ARTICLE 4
THE LAND

Included in the Property described in Article 1 is all that certain tract, plot, piece and parcel of land (the "Land") situate, lying and being in the City, County and State of New York, and more particularly described in Exhibit A annexed hereto and made a part hereof. The Land is owned by Declarant in fee simple absolute. The Land has an area of approximately 19,067 square feet.

ARTICLE 5
THE BUILDING

The Building is a mixed use building containing the following floors: Subcellar, Cellar, First through Twelfth Floors, Fourteenth through Twenty-Second Floors, Roof and Bulkhead Roof. The Building is constructed of reinforced concrete and steel frame with concrete slab floor systems, including reinforced concrete columns, masonry cavity walls and concrete footings. The Building has entrances on East 12th Street (the Residential Section and the Garage Unit) and on University Place (the Retail Unit and Community Facility Unit).

ARTICLE 6
THE UNITS

6.1 Exhibit B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: Unit designation; floors on which the Unit is located; tax lot number; approximate square foot area; and the Common Interest in the General Common Elements appurtenant to such Unit. The location of each Unit is shown on the Floor Plans of the Building (the "Floor Plans"), attached hereto as Exhibit F, certified by Peter Farinella Architect, P.C., and intended to be approved by the Real Property Assessment Department of the City of New York and filed in the New York County office of the Register of the City of New York (the "City Register's Office") simultaneously with the recording of this Declaration.

6.2 As shown on the Floor Plans, the Condominium consists in part of: (a) one (1) Condominium Unit designated on the Floor Plans as the Retail Unit (sometimes hereinafter referred to as the "Retail Unit" or "RET", the owner of such Retail Unit, the "Retail Unit Owner") comprising portions of the First Floor; (b) one (1) Condominium Unit designated on the Floor Plans as the Garage Unit (sometimes hereinafter referred to as the "Garage Unit" or "GAR", the owner of such Garage Unit, the "Garage Unit Owner") comprising portions of the Subcellar, Cellar and First Floor; (c) one (1) Condominium Unit designated on the Floor Plans as the Community Facility Unit (sometimes hereinafter referred to as the "Community Facility Unit" or "CFU", the owner of such Community Facility Unit the "Community Facility Unit Owner") comprising portions of the First Floor; and (d) fifty two (52) Condominium Units designated on the Floor Plans as the Residential Units (sometimes hereinafter referred to as the "Residential Units" or "RES", each owner of a Residential Unit, a "Residential Unit Owner"), together with the Residential Common Elements comprising portions of the Subcellar, Cellar, First Floor and Floors Two through Twelve and Fourteen through Twenty-Two.

6.3 The Sponsor has subdivided the Residential Section into individual residential units (the "Residential Units") and may change the use of one or more Residential Units by executing an amendment to this Declaration without obtaining the consent of the other Unit Owners. The Retail Unit Owner and/or the Garage Unit Owner and/or the Community Facility Unit Owner may also change the use of the Non-Residential Units without obtaining the consent of the other Unit Owners.

6.4 Each Unit consists of the space designated on the Floor Plans as part of such Unit together with those Facilities located within the Unit which benefit such Unit or the Unit Owner thereof, including without limitation:

6.4.1 The front entrance door and any other entrance doors exclusively serving the Unit, including any terrace or balcony doors, to such Unit; windows and skylights if any; flooring; wallcoverings; molding; non-load bearing interior walls and partitions; sheet rock and plaster wall coverings; smoke detectors and carbon monoxide detectors; all plumbing, gas, heating fixtures and equipment such as (without being exhaustive and by way of example only) heating, ventilating and air conditioning ("HVAC") units (including their fans and coils), heating equipment, ranges, sinks, bathtubs, showers, shower pans, water closets and appliances and facilities, refrigerators, dishwashers, washers and dryers, as may be affixed, attached or

appurtenant to such Unit and which serve such Unit exclusively. Plumbing, gas, heating fixtures and equipment as used in the preceding sentence shall include gas and water pipes from branch or fixture shut off valves attached to fixtures, appliances and equipment which are part of the Unit and exclusively service a Unit. Plumbing, gas, heating fixtures and equipment shall not include gas, water or other pipes, conduits, wiring or ductwork from the point at which such pipes, wiring, ductwork or conduits service other Units, unless such installations were made by a Unit Owner, in which event the Unit Owner and its successors and assigns shall be responsible for Maintaining such installations which will become part of the Unit. Each Unit shall also include (i) all lighting and electrical fixtures, cabinets, including, without limitation, kitchen and bathroom cabinetry, countertops, and appliances within the Unit, and (ii) any special equipment, fixtures or Facilities affixed, attached or appurtenant to the Unit, to the extent located within a Unit and serving or benefiting only that Unit, including, without limitation, facilities for fire safety which are located within the Unit and which exclusively serve the Unit. Notwithstanding anything contained in this Article 6 to the contrary, each Unit Owner will have the right, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity and mechanical and electrical systems of such Unit, any Common Element or of the Building.

6.4.2 Central and appurtenant Facilities for services such as heating, cooling venting, air-conditioning, communications, security, lighting, plumbing, electrical work, fire safety which are located within the Unit and which exclusively serve the Unit.

6.4.3 Windows, passages, hallways and corridors and interior walls, including sheetrock, plaster and studs (other than the structural components thereof), to the extent any of the same are within the Unit or exclusively benefit the Unit Owner. The plate glass windows on the Retail Unit shall be part of the Retail Unit.

6.4.4 All elevators (and their respective shafts and pits to the extent not designated as a Common Element on the Floor Plans), stairs, if any, and all related Facilities located within the Unit and not specifically designated as a Common Element on the Floor Plans.

6.4.5 All Signage affixed to the Building in accordance with the provisions of this Declaration and the By-Laws and exclusively serving the Unit or Unit Owner.

6.5 As of the date of the filing of this Declaration with the City Register's Office, fee simple absolute title shall automatically vest in the applicable Declarant in each of the Units, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

6.6 The Residential Section includes portions of the Subcellar, Cellar, and First Floor (as shown on the Floor Plans) and the Second through Twelfth Floors and the Fourteenth Floor through the Roof and Bulkhead Roof.

6.7 The Residential Section includes all of the Residential Units and all of the related Facilities exclusively serving the Residential Units. The Residential Section shall also include all passages, lobbies, hallways, stairs, stairways and landings, corridors, mechanical space and other rooms, if any, which are used exclusively by the Residential Unit Owners and are not otherwise expressly designated on the Floor Plans as part of the Non-Residential Units or the Common Elements. Specifically, the Residential Section includes:

6.7.1 The pipe tunnels, boiler room, passageways, and egress corridors in the Cellar;

6.7.2 The electric rooms, corridors, ramps, shuttles, elevator machine rooms, passenger elevators and service elevators, trash room, pumps, storage rooms, pump rooms, gas service room, supply closets, telecommunications room, janitorial closets, electrical equipment room, employee lounge, locker rooms, plumber shop, workshops and vaults in the Cellar;

6.7.3 The building service lobby, shuttles, pantry, exercise room, bike storage room, concierge lobby, passenger elevator lobby, package room, restrooms, exercise room, residential hallways, residential stairwells, egress lobby, reception, concierge, and parlors on the First Floor;

6.7.4 The passenger elevators, passenger elevator lobbies, service elevators, and service elevator lobbies on the First Floor through the Roof; and

6.7.5 The skylights, elevator bulkheads, flue, HVAC equipment and the water tank in the Residential Section.

6.8 The Non-Residential Units include portions of the Sub Cellar, Cellar, and First Floor (as shown on the Floor Plans) and all related Facilities exclusively serving the Non-Residential Units. The Non-Residential Units shall also include all passages, lobbies, hallways, stairs, stairways and landings, corridors, mechanical space and other rooms, if any, which are used exclusively by the Non-Residential Unit Owners and are not otherwise expressly designated on the Floor Plans as part of the Residential Units or the Common Elements

6.9 Each Unit is subject to the encroachments and easements described in this Declaration to the extent and on the terms and conditions provided for herein.

6.10 Special Rights of the Non-Residential Unit Owners

6.10.1 The Non-Residential Unit Owners shall have the right, without the payment of any fees or charges to the Condominium, Condominium Board or the Managing Agent, to sell or lease all or part of a Non-Residential Unit, without the Condominium Board having any right of first refusal to purchase or lease such Unit, and all sale and/or rental proceeds shall belong solely to the Non-Residential Unit Owners.

6.10.2 The Condominium Board shall be obligated to permit a Non-Residential Unit Owner, at such Unit Owner's sole cost and expense, to install and use additional equipment in the risers and conduits serving the Building, provided such Non-Residential Unit Owner (a) reimburses the Condominium Board for the reasonable, documented costs actually incurred by

the Condominium Board, if any, attributable to such installation and use and (b) such installation and use does not materially and adversely affect any other Units.

6.10.3 The Condominium Board shall not have the right to (i) object to, or interfere with, the Non-Residential Unit Owner's right to change the use of a Non-Residential Unit or any part thereof as long as such use is in compliance with this Declaration and By-Laws and all other applicable laws, orders, rules and regulations of the governmental authorities and (ii) apply for or cause any amendment to the Building's certificate of occupancy to authorize a different use of a Non-Residential Unit except at the request of a Non-Residential Unit Owner.

6.10.4 The Non-Residential Unit Owners shall have the right, without obtaining the consent of the Condominium Board or the Residential Unit Owners or mortgagees of Units other than the affected Non-Residential Units, to subdivide a Non-Residential Unit into two or more Non-Residential Units and to reallocate the Common Interest of the Non-Residential Units among the newly established Non-Residential Units. Such subdivision must be reflected in a duly recorded amendment to the Declaration filed by the new Non-Residential Unit Owners. Under no circumstances will the Common Interest of any Residential Unit Owner be changed as a result of such subdivision or will the aggregate Common Interest for the new Units be greater than the Common Interest for the original Units. If a Non-Residential Unit is so subdivided, the Owner or Owners thereof shall have the right, without obtaining the consent of the Condominium Board, Residential Unit Owners, or mortgagees of Units other than the affected Non-Residential Unit, to thereafter change the size, layout, use, and/or number of the respective Non-Residential Unit under the same terms, conditions and restrictions as those imposed on the original Non-Residential Unit Owners as set forth in this Declaration.

6.10.5 At the request of a Non-Residential Unit Owner, the Condominium Board 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 Unit or operation or use of, or any other matter affecting, such Non-Residential Unit, and the requesting party shall indemnify and hold the Condominium Board 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. The exercise of a Non-Residential Unit Owner's rights under this Section 6.10.5 shall be at the sole cost and expense of such Non-Residential Unit Owner.

6.10.6 Each Non-Residential Unit Owner and any tenant or tenants of a Non-Residential Unit pursuant to the terms of any lease pertaining thereto, shall have the right, and an easement, without charge or limitation, to install, repair and maintain either within or in the immediate location of such Non-Residential Unit below the windows at the second floor of the Building, or on the sidewalk adjacent to such Non-Residential Unit's entrance or entrances, a sign or signs which may be illuminated, including flags, banners, lettering, fixtures or decorations of any size, material or content, for advertising or identification purposes (including advertising the availability of space within the Non-Residential Units for lease) and shall have an easement to use any adjacent sidewalk in conjunction with any use of the Unit to the extent permitted by law without requiring the consent of the Condominium Board. In all events, and notwithstanding anything to the contrary in this Declaration, the Garage Unit Owner will have the permanent right and easement to use the sidewalk in front of the Garage entrance on 12th

Street as a driveway or a loading dock to serve the Non-Residential Units. Any Non-Residential Unit Owner and any tenant of space in the Unit shall comply with all of the laws, orders, rules and regulations of the governmental authorities, including the Landmarks Preservation Commission, if applicable, having jurisdiction thereof, including zoning laws, building codes and as required by insurance underwriters. The Unit Owner or its tenants shall obtain and pay for all permits required for such signs and any necessary renewal fees related thereto.

6.10.7 Each Non-Residential Unit Owner, and any tenants or tenants of such Non-Residential Unit pursuant to the term of any lease pertaining thereto, shall have the right, and an easement, without charge or limitation and without the consent of the Condominium Board, any Unit Owner or mortgagee thereof, to install in the Non-Residential Unit additional elevators, escalators, staircases and/or other mechanical equipment including equipment relating to water, solar and geothermal or other systems, including venting one or more of the Non-Residential Units for use as a restaurant, and to increase the electrical load, gas service and/or water service to one or more of the Non-Residential Units, which is necessary in the sole discretion of such Non-Residential Unit Owner for the lawful use of such Non-Residential Unit, provided that such installation and equipment does not materially and adversely affect any other Units. All such installation will comply with all applicable law, ordinances or building codes.

6.10.8 Each Non-Residential Unit Owner and any tenant or tenants of such Non-Residential Unit pursuant to the terms of any lease pertaining thereto, shall have the right but not the obligation, without charge or limitation and without consent of the Condominium Board, any Unit Owner or mortgagee thereof, to replace all or any portion of the sidewalks on University Place and, with respect to the Garage Unit, 12th Street, which are directly in front of any portion of such Non-Residential Unit (the "Retail Sidewalks"). However, any replacement of the Retail Sidewalks must be an installation which is equal to the Retail Sidewalks as originally set forth in the approved building plans for the Building or in accordance with then current standards. Such Non-Residential Unit Owner and any tenant or tenants thereof, shall also have an easement, without charge or limitation, to use the Retail Sidewalks for any lawful purpose and in conjunction with the use of such Non-Residential Unit. Notwithstanding anything to the contrary within this Declaration, the Retail Sidewalks shall be maintained and cleaned by the Retail Unit Owner.

6.10.9 In the event that a Non-Residential Unit Owner purchases or leases an adjoining or neighboring property or properties which is/are adjacent to such Non-Residential Unit, then, in such event, such Non-Residential Unit Owner, and any tenants or tenants of such Non-Residential Unit pursuant to the term of any lease pertaining thereto, shall have an easement in, on and over the Common Elements and the right, without charge or limitation and without the consent of the Condominium Board, any Unit Owner or mortgagee thereof, to physically connect such Non-Residential Unit at any and all levels of such Non-Residential Unit to the adjoining or neighboring property or properties that have been purchased or leased. Such connection and all such installations related thereto (hereinafter collectively referred to as a "Physical Connection") will comply with all applicable laws, ordinances, building codes and the Declaration and By-Laws and shall not materially and adversely affect the structural integrity of the Building and/or the Residential Section. Additionally, any additional cost and/or expense to the Condominium which is associated with such Physical Connection shall be borne solely by the Non-Residential Unit Owner causing such Physical Connection. The Non-Residential Unit Owner shall

indemnify and hold the Condominium Board of the Condominium and the other Unit Owners harmless from any expense or liability arising from the Physical Connection.

6.10.10 In the event of a dispute between a Non-Residential Unit Owner and the Condominium as to any issue relating to its Non-Residential Unit, such Non-Residential Unit Owner or any tenant of such Non-Residential Unit Owner and the Condominium, at the option of either the Non-Residential Unit Owner or the Condominium Board of the Condominium, shall submit such dispute to Arbitration, on an expedited basis pursuant to the provisions of Article 14 of the By-Laws of the Condominium. The decision of the arbitrator shall be final and binding. In the event that the Non-Residential Unit Owner or the Condominium Board elect not to arbitrate, the Non-Residential Unit Owner or the Condominium Board of the Condominium on behalf of all of the other Unit Owners may exercise all remedies available to them in equity and at law.

6.10.11 The Non-Residential Unit Owners shall have the right to use any Cellar vault areas if possible, as well as the sidewalk hatches which may provide access to the Cellar level of the Non-Residential Units.

6.11 A Unit shall not include, as part of the Unit, any of the Common Elements located therein or any Facilities, plumbing, electrical, heating, venting and air conditioning work, machinery, or other materials and equipment used by and for other Units or the Unit Owners.

6.12 Each Non-Residential Unit also includes (and the Non-Residential Unit Owner shall have all rights in accordance with this Declaration to construct, install, Maintain, repair, replace or alter) all storefronts (including any spandrel glass above the louvers and areas 'outside the glass'), entranceways, windows and window framing, door assemblies and related and similar installations in the exterior façade exclusively opening into the Unit as more particularly delineated on the Floor Plans. In addition, the Retail Unit Owner shall be responsible for the maintenance of the storefronts from the louvers down to the sidewalk.

ARTICLE 7
DIMENSIONS OF UNITS

7.1 The approximate floor area of each Unit has been measured from the exterior side of the exterior Building walls, exterior side of the precast panels or metal panels or Property Line, or from the midpoint of the interior walls and partitions (including continuous structural elements) separating the Unit from another Unit, or from the midpoint of the interior walls and partitions separating the Unit from public corridor, stairs, elevators, other mechanical equipment spaces or any other Common Elements, or from the Unit side of continuous structural elements or masonry walls separating the Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any other Common Elements. Columns and mechanical pipes (whether along the perimeter or within the Unit) are not deducted from the square foot area of the Unit. Outdoor floor areas adjacent to Units were not included in the Unit floor area.

7.2 Measured vertically, each Unit consists of the volume from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above.

7.3 Terraces are measured horizontally from the outside face of exterior wall to the outside face of parapet. Where two Terraces abut, the measurement is taken to the centerline of the divider screen.

ARTICLE 8
COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

8.1 The common elements of the Condominium (the "Common Elements") consist of the entire Property, including the Land, the General Common Elements and all parts of the Building and improvements thereon other than the Units. The Common Elements include, but are not limited to, those rooms, areas, corridors, spaces and other parts of the Building and all Facilities (defined below) therein for the common use of the Units and the Unit Owners or which are necessary or convenient for the existence, Maintenance or safety of the Property. The general Common Elements (the "General Common Elements") are appurtenant to, serve and benefit each Unit to the extent of such Unit's percentage share of the General Common Elements. The General Common Elements are for the common use of all Unit Owners. The Limited Common Elements of the Condominium (the "Limited Common Elements") consist of those Common Elements that serve or benefit one or some but not all of the Units, and consist of the Non-Residential Common Elements, the Residential Common Elements, and the Residential Limited Common Elements. The "Non-Residential Common Elements" of the Condominium consist of those Common Elements that serve or benefit exclusively the Non-Residential Units or the Non-Residential Unit Owners. The "Residential Common Elements" of the Condominium consist of those Common Elements that serve or benefit exclusively the Residential Section or the Residential Unit Owners. The "Residential Limited Common Elements" consist of those Residential Common Elements that serve or benefit one or some but not all of the Residential Unit Owners.

8.2 The Common Elements will remain undivided and no Unit Owner or other person will bring or will have the right to bring any action for partition or division thereof except as may be specifically provided for herein and in the By-Laws.

8.3 Except as otherwise set forth on the Floor Plans, the General Common Elements consist of the following: the parts of the Property designated on the Floor Plans as General Common Elements and include (even if within the dimensions of a Unit):

8.3.1 The Land (as more particularly described in Exhibit A attached to this Declaration), together with all easements, rights and privileges appurtenant thereto.

8.3.2 Any land lying in the bed of any street, road or avenue open or proposed, public or private, in front of or adjoining the Land, (a) any award made or to be made in lieu thereof, (b) any unpaid award for damage to the Land or the Building by reason of change of grade of any street, and (c) any strips and gores bisecting, adjoining or adjacent to the Land.

8.3.3 All foundations, footings, columns, girders, and slabs not exclusively serving or supporting the Residential Section or the Non-Residential Section.

8.3.4 All easements, rights of way, privileges, appurtenances and other rights appurtenant to or pertaining to the Property and excepting those which by their terms or by the terms of this Declaration are appurtenant or pertain only to less than all Units.

8.3.5 Sump pump, sewage ejector pit and machine room in the Subcellar.

8.3.6 Staircases, stairs and landings from the Sub-Cellar to the Roof.

8.3.7 The 23rd Floor containing certain mechanical equipment, and including the mechanical equipment located thereon.

8.3.8 Storm water detention tank, fire service, emergency electric room, switch gear room, plumbing room, fire pump room, staging area, superintendent office, telecom room, and employee locker room in the Cellar.

8.3.9 The fenced area between the outer edge of the Second Floor Roof (portions of which Second Floor Roof are a Residential Common Element, and portions of which are Residential Limited Common Elements) and the fence surrounding the Second Floor Roof, to which the Unit Owners, their guests and invitees shall not have access.

8.3.10 The fire alarm system and sprinkler system or any other life safety system if and to the extent any of the foregoing serve both the Non-Residential Units and the Residential Section.

8.3.11 Except as otherwise set forth herein, any of the following: all foundations, footings, roof, columns, girders, floor slabs and ceilings, beams, and supports and interior load bearing walls, together with the exterior walls of the Building beyond the Unit-side of the glass, or concealed block work or concealed structural members of those walls and any other exterior feature of the Building, to the extent the same serve both the Non-Residential Units and the Residential Section, it being understood and agreed that all structural and exterior walls of the Building above the Ground Floor level of the Building are considered to serve only the Residential Section, provided, however, that the Non-Residential Unit Owner shall be responsible for all repairs, maintenance, or replacements to the roof or exterior walls caused by the Non-Residential cooling tower (if and when the same is ever installed).

8.3.12 Any riser control valves for common fire standpipe riser, to the extent the same serves both the Residential Units and the Non-Residential Units.

8.3.13 Any zone control valves for the fire standpipe riser rising from the First Floor to the fire reserve water tanks on the Roof of the Building and common fire alarm riser, to the extent the same serve both the Residential Section and the Non-Residential Units.

8.3.14 Any fire reserve water tanks located on Roof which supply the sprinkler and fire standpipe in the Building, to the extent the same serve both the Residential Section and the Non-Residential Units.

8.3.15 The mechanical equipment located in the Cellar and on the Roof of the Building, to the extent the same serve both the Residential Section and the Non-Residential Units.

8.3.16 Any other Facilities in the Building which serve or benefit or are necessary or convenient for the existence, Maintenance, operation or safety of all of the Units and are not a part of any Unit.

8.3.17 All Units which may hereafter be acquired and held by the Condominium Board on behalf of all Unit Owners, but only while so held.

8.3.18 All central and appurtenant installations for services such as power, light, telephone, television, cable, gas, sanitary and storm drainage, hot and cold water, condenser water, heat and air-conditioning (including all pipes, ducts, chutes, wires, vents, shafts, lines, cables and connections used in connection therewith), to the extent the same serve both the Residential Section and the Non-Residential Units.

8.3.19 All electrical risers, feeders, lines and equipment, including incoming service, main switchgear and distribution panelboards, conduits, wires, meters, transformers and panelboards, to the extent the same serve both the Residential Section and the Non-Residential Units.

8.3.20 To the extent not specifically made part of a Unit or a Limited Common Element, by the terms of this Declaration, all other parts of the Property including all apparatus and installations existing on the Land for common use which are necessary or convenient to the existence, Maintenance or safety of the Property.

8.3.21 In the event of any conflict between this Section and the Floor Plans, the Floor Plans shall control.

8.4 Limited Common Elements consist of any central and appurtenant installations and equipment for such services as power, heat, light, telephone, gas, hot and cold water, sewer and fire safety, including all pipes, ducts, wires, cables and conduits, maintenance, meter, elevators, elevator shafts and elevator pits, corridors and common spaces used in connection with or serving exclusively either the Residential Units or the Non-Residential Units or their Limited Common Elements including, but not limited to:

8.4.1 The Non-Residential Common Elements consist of the following:

8.4.1.1 All columns, girders, slabs and ceilings exclusively serving the Non-Residential Units and which do not abut another Unit or Common Element, and beams, supports and interior load bearing walls except as otherwise set forth in this Section 8.4 of this Declaration.

8.4.1.2 Portions of the exterior façade which are appurtenant to the Non-Residential Units, including those portions to be used for Signs and/or exhaust vents or ducts.

8.4.1.3 Electric meters and panels, electric closets, feeders, risers and Facilities, retail gas meter, and direct telephone cables serving the Non-Residential Units (located within the Residential Section or the General Common Elements) serving exclusively the Non-Residential Section, if any.

8.4.1.4 All passages, hallways, stairs and corridors, all mechanical space and all other rooms, areas, spaces and other parts of the Building exclusively serving the Non-Residential Units.

8.4.1.5 Facilities, if any, for services such as heating, cooling, venting, air-conditioning, communications, security, lighting, plumbing, electrical work, fire safety which exclusively serve the Non-Residential Section and which are not part of the Non-Residential Units, Residential Section or General Common Elements.

8.4.1.6 All easements, rights-of-way and privileges appurtenant to or pertaining solely to the Non-Residential Units or the Non-Residential Common Elements.

8.4.1.7 All other Common Elements exclusively serving the Non-Residential Units or the Non-Residential Unit Owners.

8.4.2 The Residential Common Elements consist of the following:

8.4.2.1 All columns, girders, slabs and ceilings exclusively serving the Residential Section and which do not abut the Non-Residential Units or Common Elements, beams, and supports and interior load bearing walls except to the extent included in this Section 8.4.

8.4.2.2 Elevator pit in the Subcellar.

8.4.2.3 Elevator lobby, storage, gas meter rooms, security room, bicycle storage, laundry room, corridor and compactor in the Cellar.

8.4.2.4 Residential vestibule, concierge area, residential lobby, mail room, elevator lobby, elevator overrun, exit corridor on the First Floor.

8.4.2.5 Amenity lounge, gym, trash room, decking, elevator lobby and elevators on the Second Floor, and the terraces on the roof area of the Second Floor.

8.4.2.6 Elevator lobby, elevators, trash rooms on Floors Three through Twelve and Fourteen and Twenty-Two.

8.4.2.7 Chiller room, boiler room, generator room, gas booster room, electrical closets, filtration room, cooling tower, emergency room on the Twenty-Second Floor.

8.4.2.8 Elevator override and elevator machine rooms on the Roof and Bulkhead Roof.

8.4.2.9 Electric meters and panels, electric closets, feeders, risers and Facilities, gas meter and direct telephone cables serving exclusively the Residential Section, if any.

8.4.2.10 All passages, hallways, stairs and corridors, all mechanical space and all other rooms, areas, spaces and other parts of the Building which are not part of the Residential Units or the Non-Residential Section or General Common Elements.

8.4.2.11 Facilities for services such as heating, cooling, venting, air-conditioning, communications, security, lighting, plumbing, electrical work, fire safety which exclusively serve the Residential Section and which are not part of the Residential Units or the Non-Residential Section or General Common Elements.

8.4.2.12 Portions of the exterior façade which are appurtenant to the Residential Section and do not affect the exterior façade referenced in 8.4.1.2.

8.4.2.13 All easements, rights-of-way and privileges appurtenant to or pertaining solely to the Residential Section or the Residential Common Elements

8.4.2.14 All other Common Elements exclusively serving the Residential Units or the Residential Unit Owners.

8.4.2.15 All residential storage areas, but not including Storage Bins to be licensed to Unit Owners.

8.4.3 The Residential Limited Common Elements consist of the terraces appurtenant to Units 2A, 2B, 21A and 21B.

ARTICLE 9
RIGHT TO COMBINE, SUBDIVIDE OR REALIGN UNITS

9.1 Rights of the Sponsor and the Non-Residential Unit Owners.

9.1.1 Notwithstanding any other provision of the Declaration or By-Laws, the Sponsor and its designees (to the extent applicable to any Residential Unit owned by them and the General and Residential Common Elements) shall have the right without the consent of any other Unit Owners, or the Condominium Board, or the Residential Committee but subject to the terms of any Permitted Mortgage, from time to time and so long as such action shall not impair the structural integrity of the Building or materially affect the operation of any Building Systems, (a) to make alterations, additions, improvements, replacements and/or repairs, structural or non-structural, ordinary or extraordinary, in, to and upon the applicable Residential Units and their appurtenant Residential Common Elements, including to the General Common Elements; (b) to change the layout, number of rooms, or size or number of the Unsold Units (or, as applicable, the General Common Elements or Residential Common Elements) or by subdividing the same into any desired number of Residential Units (or by combining any Residential Units resulting from any such subdivision); (c) to create and designate a Limited Common Element (including, without limitation, existing Limited Common Elements) for the exclusive use of the newly created Residential Units; (d) to convert space or constituents of its Unsold Units into newly

designated Limited Common Elements and/or convert and designate one or more of the Limited Common Elements as a part of the newly created Residential Units; (e) to combine Residential Units with the consent only of the owners of such Units to be combined; (f) if appropriate, to reapportion among any newly created Unit(s) resulting from any subdivision (or combination) as provided above the Common Interest appurtenant to the Residential Units; (g) to construct, install, Maintain, repair, replace or alter a façade or other exterior or structural system or portion of the Unsold Units or the General Common Elements); (h) to dedicate any or all utility, sewer, and drainage easements in any portion of the Property to any governmental body, public benefit corporation or utility company if the Sponsor or designee of Sponsor shall deem it necessary or desirable for the proper operation and Maintenance of such Unit, and (i) to amend the certificate of occupancy of the Building or obtain a new certificate of occupancy therefor in connection with the exercise of any of its rights under this Article 9.1.1. However, by reason of the foregoing, the Common Interest of the Non-Residential Units or any sold Residential Unit shall not be affected unless the affected Unit Owner consents thereto. Limited Common Elements may be created for the exclusive use of any or all of the aforesaid subdivided (or combined) Units as provided above, in which event the Common Expenses exclusively attributable to such Limited Common Elements shall be borne by the owners of such subdivided (or combined) Units. Any rights granted herein to the Sponsor over or relating to the General Common Elements may be exercised provided that the Non-Residential Units are not affected in any way by the change except in a de minimis manner.

9.1.2 Notwithstanding any other provision of the Declaration or By-Laws, the Non-Residential Unit Owners and their designees shall have the right without the consent of any other Unit Owners, or the Condominium Board or Residential Committee, but subject to the terms of any Permitted Mortgage, from time to time and so long as such action shall not impair the structural integrity of the Building or materially affect the operation of any Building Systems, (a) to make alterations, additions, improvements, replacements and/or repairs, structural or non-structural, ordinary or extraordinary, in, to and upon the Non-Residential Units and their appurtenant Common Elements; (b) to change the Non-Residential Units or Non-Residential Common Elements or any part thereof by changing the layout, number of rooms, or size or number of the Non-Residential Units or the Non-Residential Common Elements or by subdividing the same into any desired number of Units (or by combining any Units resulting from any such subdivision); (c) to create and designate a Retail Common Element or Garage Common Elements (including, without limitation, existing Non-Residential Common Elements) for the exclusive use of the newly created Units; (d) to convert space or constituents of the Non-Residential Units into newly designated Non-Residential Common Elements and/or convert or designate one or more of the Non-Residential Common Elements as a part of the newly created Units; (e) to combine Units with the consent only of the owners of such Units to be combined; (f) to reapportion among any newly created Unit(s) resulting from any subdivision (or combination) as provided above the Common Interest appurtenant to the Unit(s); (g) to construct, install, Maintain, repair, replace or alter a storefront (including any spandrel glass above the louvers and areas 'outside the glass'), façade or other exterior or structural system or portion of the Non-Residential Units or Non-Residential Common Elements; (h) to dedicate any or all utility, sewer and drainage easements in any portion of the Property to any governmental body, public benefit corporation or utility company if the Non-Residential Unit Owners or designee of the Non-Residential Unit Owners shall deem it necessary or desirable for the proper operation and Maintenance of the Non-Residential Units, provided Declarant or its designee consent in writing

prior thereto; and (i) to amend the certificate of occupancy of the Building or obtain a new certificate of occupancy therefor in connection with the exercise of any of its rights under this Article 9.1.2. However, by reason of the foregoing, the Common Interest of the other Units shall not be affected unless the affected Unit Owners consent thereto. Limited Common Elements may be created for the exclusive use of any or all of the aforesaid subdivided (or combined) Units as provided above, in which event the Common Expenses exclusively attributable to such Limited Common Elements shall be borne by the owners of such subdivided (or combined) Units. The provisions of this Section 9.1.2 may not be added to, amended, modified or deleted without the prior written consent of the Non-Residential Unit Owners.

9.2 Amendments to Declaration.

9.2.1 Sponsor and/or its designees, as the case may be, shall have the right (and the obligation to do so in case clause 9.1.1(a) above applies) to reflect any of the matters described above in Section 9.1.1 in a duly recorded amendment to the Declaration or the By-Laws or the Floor Plans, which amendment and the recording thereof shall not occur upon less than five (5) business days' prior written notice to, but shall not require the consent of, the Condominium Board, the Residential Committee, and/or other Unit Owners. In making any additions, alterations, or improvements pursuant to this Article 9, Sponsor or its designees shall (i) make all reasonable efforts to minimize any interference with the other Unit Owners' use and enjoyment and business conducted in their Units for permitted purposes; (ii) comply with all laws, ordinances and governmental authorities having jurisdiction and (iii) hold the Condominium Board and the Residential Committee and the other Unit Owners harmless from any liability arising therefrom.

9.2.2 The Non-Residential Unit Owners and/or their designees, as the case may be, shall have the right (and the obligation to do so in case clause 9.1.2(a) above applies) to reflect any of the matters described above in Section 9.1.2 in a duly recorded amendment to the Declaration or the By-Laws or the Floor Plans, and may further amend the Declaration and the By-Laws to provide for the conduct of the affairs of the Non-Residential Units as subdivided in any manner which does not increase the obligations or decrease the rights of any of the other Unit Owners under the Declaration or the By-Laws, which amendment and the recording thereof shall not occur upon less than five (5) days' prior written notice to, but shall not require the consent of, the Condominium Board, the Residential Committee, and/or other Unit Owners. In making any additions, alterations, or improvements pursuant to this Article 9, the Non-Residential Unit Owners shall (i) make all reasonable efforts to minimize any interference with the other Unit Owners' use and enjoyment and business conducted in their Units for permitted purposes; (ii) comply with all laws, ordinances and governmental authorities having jurisdiction, and (iii) hold the Condominium Board and other Unit Owners harmless from any liability arising therefrom. Notwithstanding anything to the contrary contained herein, the Non-Residential Unit Owners shall not take any action described in this Section 9.2.2 for so long as a Permitted Mortgage of a Non-Residential Unit has a lien on any Unit that would be affected by such action, without the prior written consent of the Permitted Mortgagee of the Non-Residential Unit, if such consent is required under the terms of the Non-Residential Unit Owner's loan.

9.3 The consent of the Condominium Board, the Residential Committee and/or other Unit Owners shall not be required for the exercise by the Sponsor or its designees, or the Non-

Residential Unit Owners, as the case may be, of the rights and powers set forth in this Article 9. Notwithstanding the forgoing, Sponsor, with respect to the Non-Residential Unit Owner or the Non-Residential Unit Owner, with respect to the Sponsor, shall provide five (5) business days prior written notice of any amendments which have an effect on either parties' Units. Neither the provisions of this Article 9 nor any of the other rights and powers of the Sponsor or its designees (as the case may be) or the Non-Residential Unit Owners, as applicable, under this Declaration or the By-Laws, including without limitation the authority of Sponsor or its designees or the Non-Residential Unit Owners to record an amendment of the Declaration or By-Laws or the Floor Plans pursuant to this Article 9, may be modified or deleted by amendment of the Declaration or By-Laws or otherwise, without the approval of the Sponsor or its designees or the Non-Residential Unit Owners, as applicable. The signatures of the other Unit Owners and/or Condominium Board and/or the Residential Committee shall not be required in connection with any amendment to the Declaration or By-Laws or the Floor Plans permitted above or to any application or other document necessary or convenient to the exercise by the Sponsor or its designees, or the Non-Residential Unit Owners, as the case may be, of any of their rights or powers under this Article 9, including but not limited to any application or document required by the Department of Buildings, the Real Property Assessment Bureau of the City of New York or any other governmental agency in connection with an amendment to the certificate of occupancy of the Building or the establishment of separate tax lots for any newly created Condominium Units and reapportionment of assessed valuation by reason thereof. Nevertheless, the Unit Owners, the Residential Committee and Condominium Board shall execute any such amendments, applications or other documents and they hereby grant to the Sponsor and/or its designees, an irrevocable power of attorney coupled with an interest and granted for a valuable consideration to execute, deliver and/or record any such amendments, applications or other documents on behalf of the Condominium Board, the Residential Committee and Unit Owners, and any such execution, delivery and/or recording shall not require the consent of the Condominium Board, the Residential Committee or the Unit Owners.

9.4 In the event the Sponsor or Non-Residential Unit Owners (the "Requesting Owner") seeks to change an existing use of a Unit, such Requesting Owner shall have the right, from time to time, to amend the certificate of occupancy of the Building, if required, to reflect such change in usage, provided that (i) such new use is not prohibited hereunder, under the By-Laws or under applicable Law and (ii) such use does not limit, under applicable Laws, the uses to which the other Units may be put. The Condominium Board and each Unit Owner shall cooperate with the Requesting Owner, at the Requesting Owner's expense, and execute all applications, authorizations and other instruments reasonably required to enable the Requesting Owner to amend the certificate of occupancy, provided that the Condominium Board and other Unit Owners, other than the Requesting Owner, shall not incur any liability, cost or expense in connection with such application or to any person having any claim of injury to persons or damage to property arising therefrom.

9.5 Except as specifically provided herein, nothing contained in this Article 9 shall allow (a) the Sponsor, the Residential Committee or any Residential Unit Owner to take any action that will have a materially adverse effect on the Non-Residential Section or Non-Residential Unit Owners, or (b) the Non-Residential Unit Owners to take any action that will have a materially adverse impact on the Sponsor or the Residential Section or Residential Unit Owners.

9.6 Changes in the Non-Residential Units. Except to the extent inconsistent with the By-Laws or prohibited by Law, the Non-Residential Unit Owners shall have the right to: (1) decorate or make alterations, additions or improvements, whether structural or non structural, interior or exterior, ordinary or extraordinary, in, to and upon its Non-Residential Unit and any Non-Residential Common Elements appurtenant to a Non-Residential Unit; (2) change the layout or number of rooms in a Non-Residential Unit from time to time; (3) change the Non-Residential Units, by subdividing the same, into any desired number of Non-Residential Unit, combining any of the Units or combining any Units resulting from a subdivision, altering the boundary walls between portions of a Non-Residential Unit, or otherwise; (4) designate all or part of a Unit as a newly created Unit or Limited Common Element; and (5) reapportion among the newly created Units resulting from any subdivision, combination or otherwise their percentage interests in the Common Elements which shall be based partially upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit, and provided that in no case may such reapportionment result in a greater percentage of Common Interest for the total of the new Units than existed for an original Non-Residential Unit; provided, however, that the percentage interest in the Common Elements of any portion of the Non-Residential Unit shall not be increased by reason thereof unless the owner of such Unit shall consent thereto, and the Non-Residential Unit Owner shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold each Board and all other Unit Owners harmless from any liability arising therefrom. The provisions of this Article 9.6 may not be added to, amended, modified or deleted without the prior written consent of the Non-Residential Unit Owners or their designee.

ARTICLE 10
USE OF BUILDING AND UNITS

10.1 The Units may be used for any lawful purpose permitted by the New York City Zoning Resolution or other applicable Law(s). Notwithstanding the foregoing, the Condominium Board will have no right to restrict or limit any of the uses of, or alterations in or to, the Units (including the storefronts thereof), which are permitted by Law and applicable zoning ordinances, except as otherwise set forth herein and except as specifically stated in the By-Laws annexed hereto. No income derived from any use of the Units will constitute income to the Condominium Board, or to any other Unit Owner. The Condominium Board shall fully cooperate with the Unit Owners with respect to filing any permit or application to change or amend the certificate of occupancy to allow any permitted use in the Units, and provide the Unit with another means of egress if required to obtain any such amendment to the certificate of occupancy to allow such use.

10.2 The Non-Residential Unit Owners shall be responsible to cause all waste products, garbage, refuse and trash to be removed from the Non-Residential Units, at their sole cost and expense or at the sole cost and expense of the Unit Owner's tenants. All refuse from the Non-Residential Units shall be packaged in a sanitary fashion, in compliance with applicable laws, and shall not be placed or stored in the common areas of the Building at any time. All refuse from the Units shall be removed from the Units, through the first floor street exit and placed at the curbside for collection in accordance with Law.

10.3 The Unit Owners shall take all commercially reasonable measures, including, without limitation, the installation of sound rated insulation, to ensure that no excessive noise emanates from any portion of the Building.

10.4 The Unit Owners shall pay all costs, expenses, fines, penalties, or damages which may be imposed on the Condominium, or any other Unit Owner, by reason of the failure of a Unit Owner, to comply with the provisions of this Declaration or the By-Laws, and, at the sole cost and expense of the Unit Owner, the Unit Owner shall indemnify, defend, and hold the Board and the Condominium harmless (including legal fees and expenses) from and against any actions, claims, and suits arising from the Unit Owner's non-compliance. In connection with any legal proceeding under this Section 10.4 (including any dispute by a Unit Owner as to its non-compliance and its liability and/or obligation to indemnify under this Section 10.4), notwithstanding anything to the contrary herein, the non-prevailing party in such dispute shall be responsible for any costs, expenses, or out-of-pocket expenses, including reasonable attorneys' fees, incurred by the prevailing party in connection with such legal proceeding and, in the case of an Arbitration, for costs of the Arbitration.

10.5 Except to the extent prohibited by Law, each Unit Owner shall have the right, without the vote or consent of the Board or the other Unit Owners to: (a) mortgage or otherwise hypothecate its Unit: (b) change the layout of, or number of rooms in the Unit Owner's Unit, from time to time; (c) change the size of the Unit, by subdividing the same into any desired number of condominium units (or by combining any units resulting from each subdivision); and (d) reapportion among the newly created condominium units resulting from any subdivisions (or combinations) their percentage interests in the Common Elements, provided such changes are in compliance with the Condominium Act; provided, however, that (i) the Common Interest of the Non-Residential Unit Owners shall not increase by reason thereof, unless the Non-Residential Unit Owners shall consent thereto, and (ii) the acting Unit Owner shall comply with all Laws, ordinances and regulations of all governmental authorities having jurisdiction. Each Unit Owner by accepting a deed or otherwise succeeding to title to their respective Units, shall be deemed to have irrevocably approved such changes.

10.6 A Unit Owner shall have the unilateral right with regard to its Unit, to amend the Declaration in order to reflect changes as set forth above in Section 10.5, or to cause the Board to do so and all of the Unit Owners by accepting a deed or otherwise succeeding to title to its Units, shall be deemed to have irrevocably consented to any such amendments. If the Unit is subdivided, the owner of the Unit resulting from a subdivision will generally have all of the rights (without the consent of the Board or other Unit Owners) set forth above in Section 10.5, described as pertaining to the Unit Owner of such original Unit.

10.7 The Common Charges assessed by the Condominium with respect to a Unit or subdivided Units shall not include charges for Maintenance or services to which the Unit(s) do not have use or access. Likewise, the Unit Owners shall be solely responsible for the cost of Maintenance or services that are provided only to their Unit, as the same may hereafter be subdivided.

ARTICLE 11
PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York, having an address at One Commerce Plaza, 99 Washington Avenue, Albany, NY 12231, is hereby designated to receive service of process in any action which may be brought against the Condominium. The Secretary of State shall be directed to mail a copy of any process served to the Condominium Board of the Condominium at 21 East 12th Street, New York, New York 10003.

ARTICLE 12
DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

The percentage of interest in the Common Elements applicable to each Unit, as shown on Exhibit B, was determined pursuant to Section 339-i(1)(iv) of the Condominium Act, and is based upon the approximate proportion that the floor area of each Unit at the date of the Declaration bears to the then-aggregate floor area subject to the location of such space and additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of a particular Unit, but such proportion shall reflect the substantially exclusive advantages enjoyed by one or more but not all Units in a part or parts of the Common Elements. The aggregate Common Interest for all Units is 100%.

ARTICLE 13
ENCROACHMENTS

If (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements or (c) any such encroachments shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any alteration, repair or restoration of the Common Elements made by or with the consent (when required by the By-Laws) of the Condominium Board, or made by Declarant or its designee, or the owner of a Unit in accordance with this Declaration or the By-Laws or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the Maintenance of the same as long as the Building shall stand.

ARTICLE 14
ACCESS TO COMMON ELEMENTS

14.1 Each Unit Owner shall have an easement in common with all other Unit Owners to use, Maintain, repair, alter and replace all Common Elements located in any of the other Units or elsewhere on the Property which serve his or her Unit including an easement to connect to existing utilities including, but not limited to, utilities for gas, electricity, steam and ventilation. In addition, the Condominium Board or their agents, to the extent the Board is permitted to act by the By-Laws for such purposes, shall have a right of access to each Unit to inspect the same,

to remove violations therefrom and to Maintain, repair or replace the Common Elements contained therein or elsewhere in the Property. Other than alterations, improvements, repairs, and reconstitution of the Building, all easements and rights of access described in this Article 14 shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Units for their permitted purposes. Such entries shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of an "Emergency" (i.e., a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building).

14.2 The Sponsor or any of its affiliates or designees and the Residential Unit Owners and their respective successors, assigns, invitees, licensees, contractors, employees and tenants, shall have an easement in, on, over and across all areas of the Property for ingress to and egress from all land areas of the Property and the use thereof (in common with Unit Owners) for construction, reconstruction, redevelopment or renovation of the Residential Section, or any part thereof, the inspection, Maintenance and performance of alterations, replacements, and repairs in or about Residential Units owned by the Sponsor or its designees or the Residential Unit Owners or the Limited Common Elements appurtenant to the Unit and in fulfilling the Residential Unit Owner's obligations under any Condominium offering plan as may be promulgated by the Residential Unit Owners for the Property or any portion thereof and the leasing and sale of all or any portion of the Building and for any other lawful purpose provided (i) Sponsor or such other party repairs any resulting damage to the Unit or Common Elements, as the case may be, and restores the damaged portion to substantially the condition it was in prior to such entry, (ii) Sponsor or such other party provides reasonable prior notice to the owners of the Residential Units to which access is required or the Board in the case of the Common Elements, and (iii) the work will not unreasonably interfere with the other Units or create a material and adverse impact to or upon the Non-Residential Units.

14.3 The Condominium Board shall, if any question arises, determine the purpose for which a General Common Element is intended to be used. The Board shall have the right to regulate access to General Common Elements and to promulgate rules and regulations scheduling the use of General Common Elements, and limiting the use of General Common Elements to Unit Owners, their tenants, licensees, invitees, clients, guests and employees, as well as providing for the exclusive use of a General Common Element by a Unit Owner and such Unit Owner's guests, for special occasions (for example and without limitation, licensing a portion of the amenity space to a Unit Owner or tenant of a Unit to host an event for several hours on a particular day). Such use may be conditioned upon, among other things, the payment by the Unit Owner (or other Person or entity) seeking such use, of such assessment or license fee as may be established by the Board for the purpose of defraying the costs of such use, provided, however, such assessment or license fee shall be consistent with policies and procedures adopted by the Board and shall be consistently applied to all Unit Owners and all tenants of all Residential Units, as set forth in Section 2.2 of the By-Laws, and provided further, as set forth in Section 2.2 of the By-Laws, the Board may not enact rules or regulations or perform any act that would discriminate against any Unit Owner or the tenants of that Owner's Unit in connection with the same or create a material and adverse impact to or upon the Non-Residential Section or Non-Residential Units or the Non-Residential Unit Owners.

ARTICLE 15
EASEMENTS AND NAME OF CONDOMINIUM

15.1 Except as set forth in this Declaration, each Unit Owner shall have, in common with all other Unit Owners, an easement for the use of the General Common Elements, and an easement for ingress and egress through the Units as the case may be, to the extent necessitated by an Emergency. Each Unit shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

15.2 The Sponsor and/or its designees and the Non-Residential Unit Owners and/or their designees shall have an easement, without the necessity of obtaining the consent of the Condominium Board and/or Unit Owners, over any part of the Property, including each Unit and the Common Elements, in order to inspect, Maintain, repair, replace or alter their respective Units or the Common Elements as provided in this Declaration and the By-Laws.

15.3 The Sponsor (to the extent applicable to the Residential Unit), shall have an easement without the necessity of obtaining consent of the Condominium Board and/or Non-Residential Unit Owners over the Residential Section and the Common Elements, for access to and to construct, install, erect, inspect, Maintain, repair, operate, use and replace from time to time one or more Signs on the Property (including, without limitation on any Common Element, exterior façade, lobby or any other public portion of the Property) but not on or adjacent to the exterior façade and/or storefronts on University Place, or on the portion of 12th Street above the Garage entrance, for the purposes of advertising the sale of Residential Units and the leasing of the Residential Units or of space in the Residential Section over any part of the Property, including each Unit and the Common Elements (including, without limitation, the stairways, walkways, elevators, vestibules, and other public spaces within the Property) for purposes of access to and for all purposes in connection with the installation (whether on Common Elements or within its Unit), inspection, Maintenance, repair, operation, improvement or use of any of the following serving the Residential Section: flues and/or ducts, security system (including, without limitation, any and all cables and electrical lines as may be desirable in connection with the installation, Maintenance, repair and/or replacement of telecommunications or similar equipment on any portion of the roof), alarms, gates, electric eyes or video cameras, smokestacks, heating, air-conditioning systems and devices and exhaust and ventilation fans, systems and devices, in each case, located anywhere on the Property. The Non-Residential Unit Owners shall have the right, consistent with Sections 6.4.5, 6.12 and 8.4.1.2 of this Declaration, to construct, erect, and maintain signs over the first floor façade, advertising the availability of spaces within the Non-Residential Units for lease and/or any of the services of the tenants of the Retail Unit Owner or over the Garage Unit with regard to the presence of the Garage.

15.4 The Sponsor and the Non-Residential Unit Owners and/or the Condominium Board each have the right to grant non-exclusive easements in favor of such telecommunications firm(s) over the General Common Elements as may be necessary to provide such telecommunications services and satellite dish services as may be described in such written agreements as may be entered into by Sponsor, Non-Residential Unit Owners and/or the Condominium Board in connection with the installation, Maintenance, repair, replacement and removal of any and all communications equipment (the "Telecommunications Services"). In

addition, such telecommunication firms, to the extent permitted by the Sponsor, Non-Residential Unit Owners or the Condominium Board, shall have an easement for access to each Unit in furtherance of performing the Telecommunications Services. Each Residential Unit Owner shall provide the Sponsor and its successors and assigns with access to his or her Unit upon reasonable notice, relating to the performance of the Telecommunications Services. The foregoing easements shall be exercised in such manner as not to unreasonably disrupt the use by Unit Owners of their respective Units and any Limited Common Elements appurtenant thereto.

15.5 Sponsor shall have the right to grant such additional electric, gas, steam, ventilation or other easements for utilities or otherwise or relocate any easements in any portion of the Residential Section or the General Common Elements, as the case may be, as Sponsor or its designee, or the Board, as the case may be, shall deem necessary or desirable for the proper operation and Maintenance of the Building or any portion thereof, or to complete the Building or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the normal conduct of business of the tenants and occupants of the Units for their permitted purposes, shall not result in the imposition of any mechanic's lien against any of the Units, and shall not have or create a material and adverse impact to or upon the Non-Residential Section or Non-Residential Unit Owners. Any utility company and its employees and agents shall have the right of access to any Unit or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Units for their permitted purposes.

15.6 All easements and rights of access described in this Article shall be exercised by the party or parties entitled to exercise such easements or rights of access (the "Exercising Party") in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Units or with the use of the Units for their permitted purposes, and each Unit Owner whose Unit is subject to the easements and rights of access described in this Article shall be reimbursed for reasonable actual out-of-pocket costs (i) to repair damage (but not consequential damages) to the affected Unit and any additional security measures reasonably required by the Owner of such Unit (the "Impacted Owner") as a result of the exercise of the easement and right of access hereunder (all such costs, collectively, the "Access Costs"). All entries made pursuant to the easements granted in this Article 15 shall be permitted on reasonable notice, but in no event less than five (5) business days' notice to the Impacted Owner (unless otherwise provided in this Declaration), except that no notice will be necessary in the case of an Emergency in which event, the Exercising Party shall give such notice (which may be verbal) as is practicable given the nature of the Emergency. The Exercising Party shall reimburse the Impacted Owner within thirty (30) days of demand therefor, for the Impacted Owner's Access Costs, which demand shall be accompanied by reasonable evidence of such Access Costs. In the event the Exercising Party fails to pay the Access Costs within said thirty (30) day period, the Impacted Owner shall be entitled to interest on the Access Costs at the Default Rate, together with all rights at equity and at Law. To the extent the Condominium Board is responsible for any costs and expenses, including, without limitation, under this Article 15, such costs shall be allocated to the Unit Owners as General Common Expenses. Notwithstanding the foregoing, if the exercise of the easements and rights of access described in this Section is required in order to remove or cure a violation or to cure a default hereunder or

under the By-Laws or any rules and regulations adopted by the Condominium Board caused by the Impacted Owner or its tenants or for the purpose of correcting any conditions originating in such Impacted Owner's Unit and threatening the other Units or all or any part of the Common Elements, such Impacted Owner shall be responsible for all said costs and expenses and any work performed in connection therewith, and the Impacted Owner shall not be entitled to reimbursement for Access Costs.

15.7 All Permitted Users shall have a right and easement to use the ramps, stairways, entrances and exits constituting General Common Elements and any replacements thereof for the sole purpose of providing all Permitted Users a means of ingress and egress to and from the Land and its respective Unit and an approach to and from the public street subject to compliance with the provisions of the By-Laws.

15.8 Any easements granted to Condominium Board, any Unit or any Unit Owner or any other party under this Declaration and the By-Laws may be exercised by such party's employees, agents, contractors, and tenants, as the case may be, to the extent necessary to effectuate the purpose for the easement or as otherwise authorized by the Unit Owner or Condominium Board, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the normal conduct of business of the tenants, occupants or Permitted Users of the Units.

15.9 The Condominium Board and each Unit Owner shall use commercially reasonable efforts to schedule access to the Units so as to minimize disruptions to the occupants thereof, but shall not be required to schedule their right of access at times when overtime or holiday wage rates shall be payable to employees or employees of contractors as a result of such scheduling.

15.10 Any dispute by and among any Unit Owners and/or the Condominium Board as to the nature, scope or interpretation of the easements and rights granted in Article 15 shall be resolved by Arbitration.

15.11 The Condominium Board shall have an easement to install, utilize, operate, Maintain, expand and relocate within the General Common Elements any utilities servicing the Units and/or the General Common Elements including, without limitation, all pipes, wires, ducts, cables, conduits, lines, service, connections and other apparatus and equipment for any electricity, gas, steam, heat, water, sewerage, telephone, cable, and other communications Facilities as are reasonably necessary or desirable to provide all utility services required by the Unit Owners or as may be required by Law or by the utility companies providing such services (the "Utility Facilities"), together with a non-exclusive or an exclusive right and easement, as the case may be, to utilize and receive services from the Utility Facilities. Notwithstanding anything to the contrary set forth herein, in no event shall any Unit Owner be permitted to utilize the risers in such amounts that would leave another Unit Owner with insufficient riser capacity for the normal operations of such Unit. Any rights granted in this Section 15.11 over or relating to the General Common Elements may be exercised only to the extent that such exercise will not have or create a material and adverse impact to or upon the Non-Residential Section or Non-Residential Unit Owners.

15.12 Each Non-Residential Unit Owner shall have, in common with any other Non-Residential Unit Owner, and each Unit shall be subject to, an easement (a) to install, utilize, operate, Maintain, repair, alter, rebuild, restore and replace any Non-Residential Common Elements located in, over, under, through or upon any Non-Residential Unit, any Non-Residential Common Elements or elsewhere on the Property and (b) to maintain any encroachment on any other Non-Residential Unit or Non-Residential Common Element resulting from the repair, alteration, rebuilding, restoration or replacement of any Non-Residential Unit or the Non-Residential Common Elements; provided that access to any Non-Residential Unit or the Non-Residential Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the use of any Non-Residential Unit for its permitted purposes. Such entry shall be permitted on not less than five (5) business days' notice, except that no notice will be necessary in the case of an Emergency. In addition, the Non-Residential Unit Owners shall have an easement and the right to install, connect, operate, Maintain and replace (as a Non-Residential Limited Common Element), a cooling tower of at least a 40 ton capacity and/or any other additional equipment as may be required or commercially desirable to service one or more of the Non-Residential Units in any one or more of the three (3) locations shown as Exhibit G attached hereto and (in connection with such installation, connection, operation, Maintenance and replacement of such tower and other equipment) shall have the further right to have access to the Building shaftways (also identified on the attached Exhibit G) and to the stacked electric closets on each floor of the Building to enable such Owners to install, connect, operate, Maintain and replace the electric and other utilities necessary for the installation, connection, operation, Maintenance and replacement of such tower or other equipment to the appropriate facilities within the Non-Residential Units; provided, however, that such tower or other equipment shall only be installed, connected, operated, Maintained and replaced in such a manner as to not materially adversely interfere with the peaceful use and enjoyment of the Residential Section by the Residential Unit Owners and otherwise in accordance with the applicable provisions of this Declaration and By-laws (including, but not limited to, Section 6.10.2 hereof).

15.13 Each Non-Residential Unit Owner and any tenant or tenants of such Non-Residential Unit pursuant to the terms of any lease pertaining thereto, shall have the right and an easement, without charge or limitation and without consent of the Condominium Board, any Unit Owner or mortgagee thereof, to install a satellite dish on the roof(s) of the Building and risers from such Non-Residential Unit to such satellite dish on the Common Elements of the Building, at the Non-Residential Unit Owner(s) sole cost and expense, so long as such installation does not materially adversely affect another Unit. Such Non-Residential Unit Owners and/or its tenants will cause any satellite dish and/or risers to be installed in accordance with the New York City Building Code and any other laws, orders, rules and regulations of the governmental authorities, having jurisdiction thereon. Such Non-Residential Unit Owners and any tenant or tenants thereof, shall have an easement to use said satellite dish and/or riser for any lawful purpose and in conjunction with the use of such Non-Residential Unit.

15.14 The Sponsor shall have the right, until it no longer owns any Units, to use, without charge, portions of the Building, including the Common Elements, but excluding the Non-Residential Section, for exhibitions, events and/or promotional functions (e.g., with respect to any sales programs for Residential Units).

15.15 The Non-Residential Unit Owners and the Sponsor shall have the right, in accordance with the provisions of the By-Laws, to make (or to allow its Permitted Users to make) reasonable quantities of penetrations in floor slabs that constitute a Common Element as part of an Alteration or Maintenance and repair and which separates two floors both of which are wholly owned by such Unit Owner, provided that such proposed penetration will not materially adversely effect the structural integrity of the Building. In addition, the Garage Unit Owner shall have the right, in accordance with the applicable provisions of the By-laws to remove the garage ramp and slabs to install a loading dock and/or additional floor area to the ground floor of the Retail Unit.

15.16 The Non-Residential Unit Owners and its designees shall have an easement (i) to access the Residential Common Elements to repair, Maintain, and reinstall, as needed, any Non-Residential Units machinery located therein; (ii) to access the meters serving the Non-Residential Units located in the Building's electrical rooms to repair, Maintain, and reinstall, as needed the meters serving the Non-Residential Units located therein in the Cellar; (iii) to access the sprinkler and standpipe connections serving the Non-Residential Units located in the corridor north of the Building's electrical rooms in the Cellar; and (iv) over the courtyard on the First Floor to access, repair, Maintain, and replace, as needed, the fresh air intake and louvers for the mechanicals in the Non-Residential Units.

15.17 The Residential Committee shall have the right to access, and an easement across, the Non-Residential Units and any Non-Residential Common Elements for the purpose of repairing, Maintaining, and replacing, as needed (in the sole discretion of the Residential Unit Owners), the hot and cold water pipes serving the Residential Section (and any other components of the Building which are designated as part of the Residential Section, herein or on the Floor Plans) which are located within the Non-Residential Units or any Non-Residential Common Elements.

15.18 The easements set forth in Sections 15.16 and 15.17 are subject to the following: (i) the party requesting access shall submit to the Residential Committee or the Non-Residential Unit Owners, as applicable, a work plan setting forth a reasonably detailed description of the work to be performed, the areas to be accessed, the date and time of commencement of such work, the intended duration of such work and the days and hours during which same shall be performed, and the Residential Committee or the Non-Residential Unit Owners, as applicable, shall approve such work plan (such approval not to be unreasonably withheld, conditioned or delayed); and (2) the use of commercially reasonable efforts by the applicable Unit Owner to minimize interference with the other Unit Owner's use and enjoyment of its Unit and business conducted in such Unit for permitted purposes. Such access shall be made at reasonable times, upon reasonable notice, as set forth in the applicable work plan, except in case of an Emergency.

ARTICLE 16
POWER OF ATTORNEY TO THE BOARD

16.1 Each Residential Unit Owner shall grant to the persons who shall from time to time constitute the Residential Committee an irrevocable power of attorney, coupled with an interest (in such form and content as the Condominium Board shall determine) following due authorization (if required) from the Residential Unit Owners (a) to commence, pursue, appeal,

settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units, including retaining counsel and taking any other actions which the Residential Committee deems necessary or appropriate (a "Required Action"), provided that each Residential Unit Owner shall have the right to file a grievance to appeal its own taxes independent of the Residential Committee provided, however, that no Residential Unit Owner shall take any action or fail to take a Required Action, the result of which is to jeopardize the property tax deduction, abatements, or other property tax benefits of any other Unit Owner; (b) to foreclose upon, take a deed in lieu of or otherwise acquire and lease, convey, mortgage or otherwise dispose, pledge and deal with any Unit pursuant to the exercise of the lien for Common Charges on behalf of the Board or as to any Unit that is conveyed to the Board pursuant to Real Property Law Section 339-x if and only to the extent permitted by the provisions of the Declaration and By-Laws; (c) to execute loan documents and grant security to a lender in connection with a loan that is otherwise permitted by the Declaration and By-Laws; (d) to amend the Declaration as might be permitted to be done by a Residential Unit Owner or the Board in the effectuation of rights granted by the Declaration to do so; (e) to make ministerial corrections in the Declaration or such changes in the Declaration as might be required by the terms hereof; and (f) to execute, acknowledge and deliver any declaration or other instrument affecting the entire Building which the Condominium Board deems necessary or appropriate to comply with any Law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the CPC, the BSA, or any other public authority, applicable to the Maintenance, demolition, construction, alteration, repair or restoration of the entire Building or any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the entire Building or the Common Elements which the Condominium Board deems necessary or appropriate. Following the Residential Unit Subdivision, the power of attorney shall run to the Residential Board with respect to actions relating to the Residential Units. Such form may, in the discretion of the Board, confirm or establish powers of attorney granted by Residential Unit Owners to each other to amend the Declaration as described herein.

16.2 Each Non-Residential Unit Owner shall grant to the persons who shall from time to time constitute the Condominium Board an irrevocable power of attorney, coupled with an interest (in such form and content as the Condominium Board shall determine) following due authorization (if required) from the Non-Residential Unit Owners and if and only to the extent permitted by the provisions of the Declaration and By-Laws (a) to foreclose upon, take a deed in lieu of or otherwise acquire and lease, convey, mortgage or otherwise dispose, pledge and deal with any Unit pursuant to the exercise of the lien for Common Charges on behalf of the Board or as to any Unit that is conveyed to the Board pursuant to Real Property Law Section 339-x and in accordance with this Declaration; and (b) to execute, acknowledge and deliver any declaration or other instrument affecting the entire Building, a copy of which has been provided to each Non-Residential Unit Owner at least ten (10) days prior to the execution, acknowledgement and/or delivery, which the Condominium Board deems necessary or appropriate to comply with any Law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the Maintenance, demolition, construction, alteration, repair or restoration of the entire Building or any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the entire Building or the Common Elements which the Condominium Board deems necessary or appropriate. Such form may, in the discretion of the Board, confirm or

establish powers of attorney granted by Unit Owners to each other to amend the Declaration as described herein.

16.3 In addition, each Residential Unit Owner shall grant to Sponsor and its designees an irrevocable power of attorney coupled within interest and granted for valuable consideration, to execute, acknowledge and deliver any application, declaration, document or other instrument affecting the Condominium that Sponsor and/or its designees deems necessary or appropriate to comply with any Law, zoning resolution, or requirement of the Department of Buildings, or any other governmental authority applicable to the Maintenance, alteration, restoration, or repair of the Property or any part thereof, provided the Non-Residential Units or Non-Residential Unit Owners are not affected in any way by the change except in a de minimis manner.

ARTICLE 17
COVENANTS RUNNING WITH THE LAND

17.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations which are annexed hereto and made a part hereof, including, without limitation, the provisions of this Article 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 the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and his or her heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public. All present and future owners, tenants, subtenants, licensees, and other occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

17.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the

provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

17.3 Subject to Section 17.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 18
AMENDMENTS OF DECLARATION

18.1 Except as otherwise provided in the By-Laws and this Declaration, this Declaration may be amended by vote of not less than 66 2/3% in number and in Common Interest of all Unit Owners cast in person or by proxy at a meeting duly held in accordance with the provisions of the By-Laws or by written certification, provided (i) neither BIC, Sponsor nor their designees nor the Non-Residential Unit Owners shall take any action described in this Section 18 so long as a Permitted Mortgage of any Unit has a lien on any Unit that would be affected by such action, without prior written consent of the Permitted Mortgagee of the Unit, (ii) any such amendment shall not be effective against (a) a Permitted Mortgagee of the Unit, for so long as such Permitted Mortgagee of the Unit holds a lien on any Unit, without its prior written consent and (b) a holder of a mortgage affecting a Unit, unless a majority of the Mortgage Representatives shall consent thereto in writing, which consent shall not be unreasonably withheld or delayed; (iii) if BIC or Sponsor or their designees shall not have voted in favor of such amendment, then same shall not be effective unless reasonably necessary or convenient to the conduct of the affairs of the Condominium and/or the operation of the Property and such amendment shall not decrease the rights of the BIC, Sponsor or their designees or increase the obligations of BIC or its designees. Notwithstanding the foregoing, no amendment to this Declaration shall be adopted or become effective without the approval of the Non-Residential Unit Owners unless such amendment will not affect the Non-Residential Section or Non-Residential Unit Owners except in a de minimis manner. Notwithstanding anything to the contrary contained herein, no provision of this Declaration relating to the use of the Units or appurtenant Common Interests may be amended without the consent of every Unit Owner affected by such amendment. Any amendment validly adopted in accordance with this Section 18.1 shall be executed by the Condominium Board as attorneys-in-fact for the Unit Owners, coupled with an interest and granted for a valuable consideration, and the Condominium Board is hereby authorized by the Unit Owners so as to act as their attorneys-in-fact.

18.2 Each amendment to this Declaration or By-Laws must be signed and acknowledged in accordance with the Legal Requirements for recording a unit deed, and shall not be effective, binding or enforceable until recorded in the New York City Register's Office

for New York County. In addition, a copy of this Declaration and the By-Laws and any amendments thereto shall be filed with the New York State Department of State.

18.3 The Sponsor and the Non-Residential Unit Owners shall have the right to amend this Declaration and the By-Laws, as appropriate, upon no less than thirty (30) days' notice to the other Unit Owners, but without the consent of any other Unit Owners, for the purpose of subdividing its applicable Unit and reallocating the Limited Common Elements, if any, of such Unit Owner's Unit (such amendment, a "Subdivision Amendment"). A Subdivision Amendment may provide (i) the Subdivision Amendment shall be in all respects, consistent with the terms of this Declaration and the By-Laws. In the event that there is any conflict between this Declaration, the By-Laws and the Subdivision Amendment, the Declaration and By-Laws shall control.

18.4 No Recognized Mortgagee shall unreasonably withhold or delay its consent for a Unit Owner or member of the Condominium Board or Residential Committee, as applicable, to vote on any modification, addition, amendment or deletion of or to the Declaration or the By-Laws unless expressly provided for otherwise under its Recognized Mortgage.

18.5 Notwithstanding anything to the contrary contained herein, BIC, Sponsor and the Non-Residential Unit Owners, acting unanimously, may amend this Declaration without the consent of any Unit Owner(s), but upon at least ten (10) days written notice to the other Unit Owners and the Boards, to correct or supplement any patent mistakes, inconsistencies or scrivener's errors herein.

ARTICLE 19
TERMINATION OF CONDOMINIUM

19.1 The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws) until such time as withdrawal of the Property from the provisions of the Condominium Act is authorized by a vote or consent of the Non-Residential Unit Owners and at least eighty percent (80%) in number and in Common Interest of the Residential Unit Owners. No such vote will be effective, however, without the written consent of all Permitted Mortgagees on the Units unless such a Permitted Mortgagee's mortgage shall be satisfied with the proceeds arising from the termination. In the event said withdrawal is authorized as aforesaid, the Property will 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 will be divided among all Unit Owners in proportion to the value of their Units with respect to the other Units as reflected in an appraisal obtained by the Condominium with the understanding that if any Unit Owner shall have the right to object to any such appraisal, and if any Unit Owner objects to the appraisal, then any such dispute shall be submitted to Arbitration, provided, however, that no payment will be made to a Unit Owner until there has first been paid from out of such Unit Owner's share of such net proceeds all liens on such Unit Owner's Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens. Notwithstanding anything to the contrary set forth above, in the event the Condominium terminates in accordance with the foregoing and a lease has not also terminated in accordance with its terms, then (a) such termination of the Condominium will not impair the effectiveness of such lease (which shall be

governed by the provisions of such lease), (b) each owner of the portions of the Property which are subject to the lease will recognize all of the rights of the tenant under a lease, and (c) the interests of such successors will be subject to such lease.

19.2 To the fullest extent permissible under the law, each Residential Unit Owner shall be deemed to have waived any right to seek partition of the Property. In the event said withdrawal is authorized as aforesaid, and only to the extent the waiver contained in the preceding sentence shall be inapplicable or unenforceable, 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, together with the net proceeds of any applicable insurance policies, shall be divided among all Unit Owners as described in Section 19.1 above.

ARTICLE 20
WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 21
CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

ARTICLE 22
CERTAIN REFERENCES

22.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural and vice versa, unless the context otherwise requires.

22.2 The terms "herein," "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used, unless the context otherwise requires.

22.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

22.4 When used in this Declaration or the By-Laws, the terms "now," the "date hereof" or the "date of this Declaration" shall mean the date on which this Declaration is filed in the Office of the New York City Register, New York County. The term "hereafter" when used in this Declaration or the By-Laws shall mean after the date on which this Declaration is filed in the Office of the New York City Register, New York County.

22.5 Whenever in the Declaration or the By-Laws the term "including" is used, it shall be deemed to mean "including, without limitation," whether or not so stated.

22.6 Wherever there is a requirement in the Declaration or the By-Laws that a consent or approval of a party hereto not be "unreasonably withheld" or words of similar import, such terms shall be construed as if followed by the phase "conditioned or delayed" whether or not so stated.

22.7 The term "laws" and/or "regulations of governmental authorities" and words of like import shall mean the laws, statutes, treaties, rules, codes, ordinances, regulations of any or all of the federal, state, city, county and local governments and rules, regulations, orders and/or directives of any or all departments, subdivisions, bureaus, agencies or offices thereof, or of any other governmental, public or quasi-public authorities having jurisdiction over the Condominium, the Property or any part thereof, including Common Elements and the Units, and/or the direction of any public officer pursuant to any such laws, and, to the extent a Unit Owner and/or the Condominium Board, the Property or any part thereof, including any Unit of any part of the Common Elements, as the case may be, is bound thereby or subject thereto, any judgments, decrees, injunctions, writs, orders, notices of violation or like action of any such governmental authorities.

22.8 The term "requirements of insurance bodies" and words of like import shall mean rules, regulations, orders and other requirements of the New York Board of Fire Underwriters and/or the New York Fire Insurance Rating organization and/or any other body performing the same or similar functions and having jurisdiction or cognizance of the Condominium and/or the Property or any part thereof, including any Unit or any part of the Common Elements.

22.9 All references to the "By-Laws" in this Declaration shall include the Rules and Regulations promulgated thereunder, unless the context otherwise requires.

ARTICLE 23
EXCESS FLOOR AREA DEVELOPMENT RIGHTS

23.1 Prior to the completion of the redevelopment of the Building, the Sponsor shall have the right to utilize some or all of the Excess Floor Area Development to construct an addition to the Building including in conjunction with the demolition and redevelopment of the Building.

23.2 Following the completion of the Building, the Excess Floor Area Development Rights shall be owned by the Sponsor and BIC in proportion to the relative value of the Units that they each own.

23.3 Without limiting the foregoing, the Unit Owners hereby irrevocably nominate, constitute and appoint Sponsor and BIC or their successors in interest as such Unit Owner's attorney-in-fact, coupled with an interest and with power of substitution, so long as the same is in each case consistent with the provisions of this Article 23, to (i) effectuate the transfer of the Excess Floor Area Development Rights; (ii) effectuate the use of the Excess Floor Area Development Rights for any purpose, including, without limitation, to effect an increase in the size of the Building and the Residential Section; (iii) effectuate a merger of the zoning lot on which the Condominium is located, with any other zoning lots to form a single zoning lot (the "Merger") for the purpose of transferring all or any portion of the Excess Floor Area

Development Rights (including, without limitation, the execution of a Zoning Lot Declaration ("Zoning Lot Declaration") and ZLDA in connection therewith), (v) permit such Development Rights Purchaser, once the Merger has occurred, to acquire and utilize development rights from other zoning lots, including, without limitation, development rights attributable to landmark parcels (as that term is used in the Zoning Resolution) located in blocks neighboring the block in which the Property is located, all in accordance with applicable provisions of the Zoning Resolution, or (vi) facilitate the approval of the use/bulk application and any permitted use of the Units or utilization of the Excess Floor Area Development Rights pursuant to such approval.

23.4 Notwithstanding anything to the contrary contained herein, neither of the Sponsor nor its successor in interest, nor any or any development rights purchaser (collectively, "Developer") or any other party shall be permitted to utilize the Excess Floor Area Development Rights in such a manner that would decrease the Floor Area Development Rights utilized in the redevelopment of the Building.

23.5 Any mortgagee or other party in interest holding a mortgage secured by a Unit, upon the making of said mortgage or obtaining its interest in the Unit, is deemed to have consented and subordinated to the foregoing rights of the Sponsor and BIC with respect to the Excess Floor Area Development Rights.

23.6 The Board shall cooperate with Sponsor, BIC and/or the Development Rights Purchaser of the Excess Floor Area Development Rights, at the Sponsor and BIC's sole cost and expense (including, without limitation, payment of the Board's reasonable attorneys' fees), in connection with the use of the Excess Floor Area Development Rights, including, without limitation the filing of any applications, statements, certifications, documents, or instruments for all required variances, authorizations, and other permits and certificates, including but not limited to the Tax Lot Subdivision Application and the processing thereof by the Department of Buildings of the City of New York (the "Department of Buildings"), the New York City Planning Commission ("CPC"), the New York City Department of City Planning (the "Department of City Planning"), the New York City Board of Standards and Appeals ("BSA"), or the Department of Housing, Preservation and Development (the "HPD"), or any other agency of the City of New York (each of the foregoing an "Agency"), provided that such documents are consistent with the terms of this Declaration and the ZLDA and the Board shall not be required to undertake any increased responsibility, incur any additional obligations or bear any additional costs in connection therewith.

23.7 Neither the Board nor any Residential Unit Owner shall at any time voluntarily appear in opposition to the Sponsor and BIC in connection with any of the applications relating to (i) the utilization of the Excess Floor Area Development Rights (ii) the Tax Lot Subdivision Application, or (iii) in any action or hearing brought, sought or defended by any party before any community board, the LPC, the CPC or Department of City Planning, the Department of Buildings, the City Council of the City of New York, the BSA, HPD, or any other agency of the City or any state or federal agency, arising out of or in connection with any zoning or variance applications which, qualifying all of the foregoing, may adversely affect Residential Unit Owners or Developer's ability to secure any necessary approval to utilize the Excess Floor Area Development Rights or of the use/bulk application in any manner permitted by this Declaration.

ARTICLE 24
SEVERABILITY

Subject to the provisions of 17.2, if any provision of this Declaration is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Declaration and the applicability of such provision to other persons or circumstances shall not be affected thereby, and any such invalid or unenforceable provision shall be replaced with the most similar provision that is valid and enforceable. Each provision of this Declaration shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law.

ARTICLE 25
COVENANT OF FURTHER ASSURANCES

25.1 Any party which is subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Condominium Board or otherwise (an "Executing Party"), shall, upon prior reasonable written request at the expense of any such other party requesting the same (the "Requesting Party"), execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action as such other party may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction, but at no cost, expense, liability or obligation to the Executing Party, who shall be indemnified and held harmless by the Requesting Party.

25.2 If any Residential Unit Owner, the Condominium Board or any other party (other than a Non-Residential Unit Owner), which is subject to the terms of this Declaration fails, within ten (10) Business Days after request therefore, to execute, acknowledge or deliver any instrument, or to take any action which the Condominium Board, Residential Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to this Declaration, then the Condominium Board is hereby authorized as attorney-in-fact for such Residential Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner or other party and such document or action shall be binding on such Residential Unit Owner or other party provided that it is not contrary to the terms and conditions of the Declaration, By Laws or other agreement of the Executing Party.

25.3 A Residential Unit Owner, or any other party, (other than a Non-Residential Unit Owner), who is subject to the terms of this Declaration must within ten (10) business days after its receipt of written request therefore, (a) take a Required Action or (b) object to taking a Required Action. In the event any Residential Unit Owner or any other party, (other than a Non-Residential Unit Owner), does not take the Required Action or does not object to same within the aforementioned ten (10) Business Days, the Condominium Board is hereby authorized as attorney in fact for such Residential Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Residential Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party. Any objection by a Residential Unit Owner as to whether or not a request pursuant to this Section 25.3 involves a Required Action shall be resolved by Arbitration. In the

event the arbitrator determines that the action in question is a Required Action, then, the Condominium Board is hereby authorized as attorney in fact for such Residential Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Residential Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party.

25.4 Each Unit Owner shall have the affirmative duty to Maintain its respective Unit and its appurtenant Limited Common Elements, if any, in accordance with the Project Standard and in such a manner so as to reasonably prevent and avoid inflicting an adverse effect (other than effects inherent in the operation of such Unit for the purposes contemplated under this Declaration or the By-Laws in accordance with the Project Standard) on another Unit, the Common Elements or the Building. In the event any Unit Owner fails to make any payments required under the terms of this Declaration and the By-Laws, or causes or permits any condition, or fails to take any action to prevent a condition, that has an adverse affect on another Unit, any Common Elements or the Building (the "Defaulting Unit Owner"), the Condominium Board shall give written notice to the Defaulting Unit Owner and to any Permitted Mortgagee in accordance with Article 7 of the By-Laws, including a request that the Defaulting Unit Owner take specific steps to remedy such a condition ("Remedy Notice"). If the Defaulting Unit Owner fails to remedy the condition within thirty (30) days after the receipt of the Remedy Notice, or, if the condition is such that it cannot be remedied within thirty (30) days, fails to commence and diligently pursue, within such thirty (30) day period, such appropriate remedies, including, without limitation, such remedies as are available thereto as landlord under any lease, to enforce landlord's obligations under a lease, if applicable, the Condominium Board may, upon ten (10) business days (or such shorter time that the Condominium Board reasonably determines is necessary to prevent irreparable damage in the event of an Emergency) additional notice to the Defaulting Unit Owner, enter into the Unit or applicable Common Element and affect a reasonable remedy, at the Defaulting Unit Owner's sole cost and expense. In the event a Unit Owner reasonably believes another Unit Owner has caused, permitted, or failed to prevent a condition that has an adverse effect on its Unit, the first Unit Owner may request that the Condominium Board send a Remedy Notice. If the Condominium Board fails or otherwise determines not to send the Remedy Notice, the Unit Owner shall have all rights to enjoin, abate or remedy by appropriate legal proceedings, either at Law or in equity, the continuance of any such condition or breach and to seek reimbursement from the Unit Owner for any costs or expenses incurred in connection therewith. Any such costs or expenses expended by the Condominium Board or a Unit Owner as aforesaid shall be the sole obligation of the Defaulting Unit Owner and deemed a Unit Owner Expense assessed against the Defaulting Unit Owner, as to which the Condominium Board will have the lien rights more particularly set forth herein.

25.5 Each Unit Owner and the Boards shall indemnify, defend and hold harmless the other Unit Owner(s), their Permitted Users and the Boards (collectively, the "Indemnitees") from all costs, damages and liabilities including, but not limited to, reasonable legal fees, incurred by the Indemnitees arising from or due to the gross negligence or willful misconduct of, or violations of the terms and conditions of, the Declaration or the By-Laws by such Unit Owner or Board(s), however applicable.

ARTICLE 26
SUCCESSORS AND ASSIGNS

Except as set forth herein or in the By-Laws to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee.

ARTICLE 27
CONSENTS

Whenever the consent, approval, satisfaction or permission of Declarant or its designee is required under this Declaration or the By-Laws, such consent, approval, satisfaction or permission will not be required when Declarant or such designee no longer owns any Unit.

ARTICLE 28
INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the Property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans, are each incorporated herein by this reference and made a part of this Declaration as if set forth at length in the text hereof.

ARTICLE 29
NON RECOURSE

Except as otherwise expressly provided in the Declaration, the By-Laws or the Rules and Regulations, in no event shall BIC, Sponsor nor a Non-Residential Unit Owner nor any member nor any partner, member, shareholder, employee, director, officer, beneficiary, trustee, manager, agent or affiliate of the BIC, Sponsor or any Non-Residential Unit Owner or any member or any officer of the Condominium Board, nor any partner, member, shareholder, employee, director, officer, manager, agent or affiliate, beneficiary, trustee or any heir, legal representative or successor or assign of the foregoing have any personal liability for the payment or performance of the duties or obligations contemplated by the Declaration, the By-Laws or the Rules and Regulations.

ARTICLE 30
COMMERCIAL LEASES

30.1 A tenant under a Non-Residential Lease will have the rights the Non-Residential Unit Owners have under this Declaration only to the extent such Non-Residential Unit Owner has granted to such tenant under its Non-Residential Lease, including, without limitation, (i) the rights to use the Non-Residential Unit, the Non-Residential Common Elements and the General Common Elements and rights to access such Common Elements, (ii) the rights to repair the Non-Residential Unit and Non-Residential Limited Common Elements, if any, whether or not such portions of the Building or systems are utilized by other Unit Owners or the Condominium Board, and (iii) the right to install Signage on or about the Building including the exterior façade

of the Building, to the extent that the Non-Residential Unit Owners have the right to install such Signage under the terms of this Declaration and the By-Laws and at all times in accordance with the tenant's rights under the Non-Residential Lease.

30.2 To the extent explicitly provided under the terms of a Non-Residential Lease, a tenant under a Non-Residential Lease may exercise any and all rights available to it at law and in equity if the Condominium Board or a Unit Owner interferes with or otherwise fails to permit such tenant to exercise any rights granted to it under the terms of this Declaration or the By-Laws.

30.3 Provided such rights are explicitly granted in a Non-Residential Lease, a tenant thereunder will have the right to arbitrate and seek other equitable remedies against the Condominium Board or other Unit Owner or Unit Owners if (w) the Condominium Board or such Unit Owner or Unit Owners fail to perform their respective obligations, (x) any such failure results in the applicable Unit Owner being in default in respect of such Unit Owner's obligations to the tenant, (y) the tenant gives the Unit Owner notice that the tenant intends to seek such injunctive relief, and (z) the Condominium Board or such other Unit Owner or Unit Owners fail to remedy their aforesaid failure within ten (10) days after the tenant gives the Unit Owner notice thereof, or, if such failure is of a nature that cannot with due diligence be remedied within such period of ten (10) days, the Condominium Board or such other Unit Owners fail to commence the remedy of such failure within such period or ten (10) days or thereafter fail to prosecute such remedy to completion with due diligence.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the _____ day of _____, 20__.

BIC UNIVERSITY PLACE LLC

By:_____
Name: Lisa Quattrocchi
Title: Manager

By:_____
Name: Albert Fleischman
Title: Manager

21E12 LLC

By: _____
Name:
Title:

The 21 East 12th Street Condominium
21 East 12th Street
New York, New York
Block 570

EXHIBIT A

LEGAL DESCRIPTION

ALL that certain lot, piece or parcel of land, in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the northerly side of East 12th Street, and the westerly side of University Place;

THENCE westerly along the northerly side of East 12th Street, 107 feet 7-3/4 inches;

THENCE northerly along a line which on the easterly side forms an angle of 89 degrees 55 minutes 20 seconds with the northerly side of East 12th Street, 154 feet 9 inches;

THENCE easterly along a line which on its southerly side forms an angle of 89 degrees 42 minutes 20 seconds with the last mentioned course, 24 feet 9-3/4 inches;

THENCE northerly along a line which on its westerly side forms an angle of 89 degrees 37 minutes 40 seconds with the last mentioned course, 5 feet 7/8 of an inch;

THENCE easterly along a line which on its southerly side forms an angle of 105 degrees 55 minutes 10 seconds with the last mentioned course, 52 feet 2-1/2 inches;

THENCE northerly along a line which on its westerly side forms an angle of 108 degrees 16 minutes 20 seconds with the last mentioned course, 3 feet 7 inches;

THENCE easterly along a line which on its southerly side forms an angle of 88 degrees 05 minutes 20 seconds with the westerly side of University Place, 45 feet 1 inch to the westerly side of University Place;

THENCE southerly along the westerly side of University Place, 176 feet 3 inches to the point or place of BEGINNING.

21 East 12th Street Condominium
21 East 12th Street
New York, New York
Block 570

EXHIBIT B

Unit	Approximate Size (square feet)	Tax Lot Number [to be filled in prior to recording]	Common Interest Percentage	Location in Building
Retail Unit (RET)	12,752		6.2565%	
Garage Unit (GAR)	32,109		13.1281%	
Community Facility Unit (CFU)	1,050		0.8586%	
TOTAL	**45,911**		**20.2432%**	
Residential Units				
2A (DUPLEX)	3,250		2.9234%	
2B (DUPLEX)	3,306		2.9850%	
3C*	950		0.7768%	
4A	1,480		1.2102%	
4B	1,630		1.3329%	
4C	1,033		0.8447%	
4D	1,003		0.8202%	
5A	1,480		1.2102%	
5B	1,630		1.3329%	

5C	1,033		0.8447%	
5D	1,003		0.8202%	
6A	1,480		1.2102%	
6B	1,630		1.3329%	
6C	1,033		0.8447%	
6D	1,003		0.8202%	
7A	1,480		1.2102%	
7B	1,630		1.3329%	
7C	1,033		0.8447%	
7D	1,003		0.8202%	
8A	1,478		1.2086%	
8B	1,634		1.3362%	
8C	2,034		1.6632%	
9A	1,478		1.2086%	
9B	1,634		1.3362%	
9C	2,034		1.6632%	
10A	1,478		1.2086%	
10B	1,634		1.3362%	
10C	2,034		1.6632%	
11A	1,478		1.2086%	
11B	1,634		1.3362%	
11C	2,034		1.6632%	
12A	1,478		1.2086%	
12B	1,634		1.3362%	

12C	2,034		1.6632%	
13A	1,478		1.2086%	
13B	1,634		1.3362%	
13C	2,034		1.6632%	
14A	1,478		1.2086%	
14B	1,634		1.3362%	
14C	2,034		1.6632%	
15A	1,478		1.2086%	
15B	1,634		1.3362%	
15C	2,034		1.6632%	
16A	2,680		2.1915%	
16B	2,499		2.0435%	
17A	2,680		2.1915%	
17B	2,499		2.0435%	
18A	2,680		2.1915%	
18B	2,499		2.0435%	
19A	2,680		2.1915%	
19B	2,499		2.0435%	
20A	3,259		2.6650%	
20B	3,633		2.9709%	
TOTAL	**96,866**		**79.7568%**	
GRAND TOTAL:	**142,777**		**100.0000%**	

EXHIBIT C

DEFINITIONS

"Access Costs" shall have the meaning ascribed thereto in Section 15.6 of the Declaration.

"Adversely affect", or "adverse effect", as used in the Declaration and By-Laws, shall mean, with respect to any action or proposed change and with respect to any Unit Owner or Owners, that such action or change could, if realized, (i) increase the Common Charges payable by such Unit Owner or Owners or materially increase such Unit Owner or Unit Owner's non-monetary obligations under the Declaration and By-Laws, (ii) materially interfere with such Unit Owner's access to its Unit or Units, (iii) obstruct or degrade the view from the windows of such Unit Owner's Unit or (iv) otherwise materially diminish such Unit Owner's use and enjoyment or the value of its Unit or Units or its rights as a Unit Owner under the Declaration and By-Laws.

"Agency" shall have the meaning ascribed thereto in Section 23.6 of the Declaration.

"Allocable Percentage" refers to each Unit Owner's allocable share of the distribution of certain proceeds, expressed as a numerical percentage, where expressly stated to be the method of allocation in the Declaration and/or the By-Laws.

"Annual Budget" shall have the meaning ascribed thereto in Section 6.1.2 of the By-Laws.

"Annual Meeting" shall have the meaning ascribed thereto in Section 3.1.1 of the By-Laws.

"Appraisal Event" shall have the meaning ascribed thereto in Section 6.23.1 of the By-Laws.

"Appraisal Party" shall have the meaning ascribed thereto in Section 6.23.1 of the By-Laws.

"Appraisal Procedures" shall have the meaning ascribed thereto in Section 6.23 of the By-Laws.

"Appraised Unit(s)" shall have the meaning ascribed thereto in Section 6.23.1 of the By-Laws.

"Appraised Value" refers to the value of a Unit determined at the time in question, which value shall be determined in accordance with the Appraisal Procedures.

"Appurtenant Interest" refers to the Common Interest appurtenant to a Unit.

"Arbitrable Dispute" shall have the meaning ascribed thereto in Section 14.1 of the By-Laws.

"Arbitration" shall have the meaning ascribed thereto in Section 14.1 of the By-Laws.

"Architect" means an architect or construction consulting firm that provides engineering and/or architectural services, which is experienced in the design and operation in the City of New York of a Comparable Building and has provided services comparable to those being requested hereunder within not less than three (3) of the immediately preceding ten (10) years and approved by a majority of the members of the Condominium Board, which majority shall include one member from the Non-Residential Section.

"Award" shall have the meaning ascribed thereto in Section 9.1 of the By-Laws.

"BIC" refers to BIC University Place LLC, a New York limited liability company.

"Board" or "Board of Managers" or "Condominium Board" refers to the board of managers of the Condominium..

"BSA" shall have the meaning ascribed thereto in Section 23.6 of the Declaration.

"Building" refers to the structures and improvements including above and below grade segments, known as 21 East 12th Street, New York, New York in which the Units of the Condominium are located.

"Building System" refers to any of the systems in the Building providing heat, sprinkler, water, electric, steam, gas, sewer and fire protection or similar services serving more than one Unit or the Common Elements.

"Business Day" means any day other than a Saturday, a Sunday or a day on which national banking institutions in New York City are authorized or required to close.

"By-Laws" refers to the By-Laws governing the operations of the Condominium.

"Capital Budget" refers to the annual budget for capital expenditures for the General Common Elements.

"Casualty Distributions" shall have the meaning ascribed thereto in Section 6.3.2 of the By-Laws.

"Casualty Excess Distributions" shall have the meaning ascribed thereto in Section 6.3.5 of the By-Laws.

"Certifying Professional" means an architect (other than the Architect) or a licensed professional engineer or engineering or construction consulting firm that provides engineering and/or architectural services, which is experienced in the design and operation in the City of New York of Comparable Buildings and has provided services comparable to those being requested hereunder within not less than three (3) of the immediately preceding ten (10) years, approved by one member of the Condominium Board appointed by the Non-Residential Unit Owners and one member of the Condominium Board appointed by the Residential Unit Owners.

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

"Common Charges" refers to the common charges established by the Condominium Board.

"Common Element" shall have the meaning ascribed thereto in Section 8.1 of the Declaration.

"Common Element Work" shall mean that whenever, in the judgment of the Condominium Board that the Common Elements require Maintenance.

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

"Common Interest" refers to the proportionate undivided interest, expressed as a numerical percentage, in the 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 (a) voting power, and (b) share of any distributions upon termination of the Condominium.

"Community Facility Unit" shall have the meaning ascribed thereto in Section 6.2 of the Declaration.

"Community Facility Unit Owner" shall have the meaning ascribed thereto in Section 6.2 of the Declaration.

"Comparable Buildings" shall have the meaning ascribed thereto in Section 6.1.2 of the By-Laws.

"Condominium" refers to 21 East 12th Street Condominium.

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

"Condominium Board" or "Board" refers to the board of managers of the Condominium.

"Condominium Documents" refers to the Declaration, the By-Laws, and the Floor Plans.

"Condominium Nondisturbance Agreement" shall have the meaning ascribed thereto in Section 6.8 of the By-Laws.

"Consenting Party" shall have the meaning ascribed thereto in Section 6.10.1 of the By-Laws.

"Consumer Price Index" shall have the meaning ascribed thereto in Section 11.5 of the By-Laws.

"Contractor" means a qualified licensed general contractor or construction manager with significant experience in the construction of structures comparable to that of a Comparable Building.

"Creditor Unit Owner" shall have the meaning ascribed thereto in Section 6.6 of the By-Laws.

"Debtor Unit Owner" shall have the meaning ascribed thereto in Section 6.6 of the By-Laws.

"Declarant" collectively refers to BIC University Place LLC, a New York limited liability company, and its successors and assigns and 21E12 LLC, a New York limited liability company, and its successors and assigns.

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

"Declaration" refers to this Second Amended and Restated Declaration of the 21 East 12th Street Condominium.

"Default Rate" shall have the meaning ascribed thereto in Section 6.6 of the By-Laws.

"Defaulting Unit Owner" shall have the meaning ascribed thereto in Section 25.4 of the Declaration.

"Department of Buildings" shall have the meaning ascribed thereto in Section 23.6 of the Declaration.

"Department of City Planning" shall have the meaning ascribed thereto in Section 23.6 of the Declaration.

"Depositary": The "Depositary" may be any insurance company, savings bank, savings and loan association, commercial bank or trust company having an office in the Borough of Manhattan with net assets or capital surplus and undivided profits of not less than $500,000,000 having a long term credit rating from Standard & Poor's Ratings Services of not less than "A", as selected by the Condominium Board, with the reasonable approval of Recognized Mortgagee(s), if any, to the extent such consent is required under the applicable Recognized Mortgage or other loan documentation related thereto, and that agrees to perform the obligations of "Depositary" hereunder and apply any funds received as Depositary in accordance with the By-Laws.

"Development Rights Purchaser" shall refer to any purchaser of the Excess Floor Area Development Rights.

"Emergency" refers to any situation where the applicable Person, in its reasonable judgment, concludes that a particular action (including, without limitation, the expenditure of funds) is immediately necessary (i) to avoid material damage to all or any portion of the Building or Property, (ii) to protect any person from harm, or (iii) to avoid the unforeseen and unforeseeable suspension of any necessary material service in or to the Building or the Property,

the failure of which service would have a material and adverse effect on the Building or Property.

"Excess Floor Area Development Rights" means the Floor Area Development Rights in excess of the Floor Area Development Rights incorporated in the Building.

"Executing Party" shall have the meaning ascribed thereto in Section 25.1 of the Declaration.

"Exercising Party" shall have the meaning ascribed thereto in Section 15.6 of the Declaration.

"Facility" or "Facilities" includes, but is not limited to, the following items (grouped more or less functionally) which are set forth only for purposes of illustrating the broad scope of that term: system, equipment, apparatus, convertor, radiator, heater, heat exchanger, mechanism, device, machinery, motor, pump, control, tank or tank assembly, insulation, induction unit, condenser, compressor, fan, damper, blower, thermostat, thermometer, coil, vent, sensor, shut-off valve or other valve, gong, panel, receptacle, outlet, relay, alarm, sprinkler head, electric distribution Facility, wiring, wireway, switch, switchboard, circuit breaker, transformer, fitting, siamese connection, hose, plumbing fixture, lighting fixture, other fixture, bulb, sign, telephone, meter, meter assembly, scaffolding, piping, line, duct, conduit, cable, riser, main shaft, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, canopy, incinerator, closet, cabinet, door, railing, coping, step, furniture, mirror, furnishing, appurtenance, urn, basket, mail box, carpeting, tile or other floor covering, drapery, shade or other window covering, wallpaper or other wall covering, tree, shrubbery, flower or other planting and horticulture tub or box.

"Final Date" shall have the meaning ascribed thereto in Section 6.23.1 of the By-Laws.

"First Closing" refers to the first closing of title to a Residential Unit.

"Floor Area Development Rights" means the rights, as determined in accordance with the Zoning Resolution, which are appurtenant to a zoning lot, to develop such zoning lot by erecting thereon a structure or structures with (i) a total floor area determined by multiplying the area of the zoning lot by the maximum allowable floor area ratio for structures in the zoning district or districts in which such zoning lot is located, and (ii) bulk, density and other development rights permitted pursuant to the Zoning Resolution, including without limitation, to the extent applicable, the permitted number of dwelling units, the maximum lot coverage, and the minimum amount of open space (each as defined in the Zoning Resolution), and (iii) any Bonus Floor Area Development Rights.

"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.

"Garage Unit" shall have the meaning ascribed thereto in Section 6.2 of the Declaration.

"Garage Unit Owner" shall have the meaning ascribed thereto in Section 6.2 of the Declaration.

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

"General Common Elements" refer to the Land and all parts of the Building, including its foundations, roofs and supports, other than the Units.

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

"Hazardous Materials" shall mean any pollutants, contaminants, toxic or hazardous substances, materials, wastes, constituents, compounds or chemicals (including, without limitation, petroleum or any by-products or fractions thereof, any form of natural gas, lead, asbestos and asbestos-containing materials, building construction materials and debris, polychlorinated biphenyls ("PCBs") and PCB-containing equipment, radon and other radioactive elements, ionizing radiation, electromagnetic field radiation and other non-ionizing radiation, infectious, carcinogenic, mutagenic, or etiologic agents, pesticides, defoliants, explosives, flammables, corrosives and urea formaldehyde foam insulation) that are regulated by, or may now or in the future form the basis of liability under, any Law. Hazardous Materials shall not include any customary and reasonable cleaning solutions as long as same are stored and used as required by Law.

"HPD" shall have the meaning ascribed thereto in Section 23.6 of the Declaration.

'HVAC' shall have the meaning ascribed thereto in Section 6.4.1 of the Declaration.

"Impacted Owner" shall have the meaning ascribed thereto in Section 15.6 of the Declaration.

"Indemnitees" shall have the meaning ascribed thereto in Section 25.5 of the Declaration.

"Initial Control Period" refers to the period during which members of the Condominium Board or Residential Committee designated by Sponsor constitute a majority of members of the Board.

"Initial Declaration" shall have the meaning ascribed thereto in Section 1.1 of the Declaration.

"Insurance Requirements" shall be defined as the requirements of the Condominium Board, a Unit Owner or a tenant to obtain insurance under the By-Laws, a lease or a Permitted Mortgage, as the case may be, provided in all events such requirements shall be the greater of the requirements imposed under any of the aforementioned as applicable to such Person.

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

"Law" or "Laws" refers to laws and ordinances of any or all of the federal, state, city, county and borough governments and rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies or offices thereof, or of any other governmental, public or quasi-public authorities, having jurisdiction over the Property, the Land, the Building, and Unit or any portion of any of the foregoing, any requirements or conditions of any licenses, permits, approvals or certificates issued by any of the foregoing, the direction of any public officer pursuant to Law, and the requirements and conditions of any easement, covenant, restriction, condition or other encumbrance that is binding upon the Property or the applicable portion thereof.

"Legal Requirements" shall mean all laws, statutes, codes, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements of all governments, departments, commissions, boards, courts, authorities, agencies, officials and officers, foreseen and unforeseen, ordinary or extraordinary, which now or at any time hereafter may be applicable to the Property, or any part thereof.

"Liening Unit Owner" shall have the meaning ascribed thereto in Section 6.22 of the By-Laws.

"Limited Common Element" refers to any Common Element now or hereafter established that adjacent to and used in conjunction with one or more but not all of the Units.

"LPC" refers to the Landmarks Preservation Commission of New York City.

"Maintenance or Maintain" or "Maintaining" refers to the Maintenance, repair, reconditioning, refurbishing, inspection, testing, cleaning, decorating and painting, as and when necessary or desirable of any portion of the Building.

"Majority of Residential Unit Owners" means Residential Unit Owners owning more than fifty percent (50%) of the Residential Units.

"Majority of Unit Owners" shall have the meaning ascribed thereto in Section 3.10 of the By-Laws.

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

"Material Adverse Effect" and "materially adversely effect" shall mean any matter, event or condition which would reasonably be expected to have a material adverse effect on a Unit, the use and operation thereof for its permitted use, and/or the operation of a Permitted User's business, or which would otherwise reasonably be reasonably expected to have a material adverse effect on a Unit Owner's or the Board's ability to perform its obligations hereunder, as appropriate. Any dispute as to whether a material adverse effect exists shall be submitted to Arbitration in accordance with the provisions of Article 14 of the By-Laws.

"Merger" shall have the meaning ascribed thereto in Section 23.3 of the Declaration.

"Mortgage Representatives" shall refer to the designees of holders of Permitted Mortgages, who shall be empowered to act on the Permitted Mortgagee's behalf.

"Naming Rights" shall have the meaning ascribed thereto in Section 1.5 of the Declaration.

"Net Award" shall have the meaning ascribed thereto in Section 9.1 of the By-Laws.

"Net Proceeds of Sale" shall mean the sales price less all reasonable fees and expenses incurred by the Unit Owners and the Condominium Board in connection with the sale of the Property.

"Non-Residential Common Charges" shall mean the assessments payable to the Condominium Board by Non-Residential Unit Owners for the purpose of meeting the cost of the Non-Residential Common Expenses.

"Non-Residential Common Elements" refers to those Common Elements which serve or benefit exclusively the Non-Residential Units and/or the Non-Residential Unit Owners.

"Non-Residential Common Expenses" refer to the costs and expenses incurred or projected in connection with repair, maintenance, replacement, restoration, improvement, alteration and addition of and to the Non-Residential Common Elements or in connection with any services or facilities exclusively benefiting the Non-Residential Section or the Non-Residential Unit Owners.

"Non-Residential Lease" refers to the lease(s) between the Non-Residential Unit Owners and tenants of all or part of the Non-Residential Units, and shall include any garage operating agreement or lease with respect to the Garage Unit.

"Non-Residential Limited Common Elements" refer to any Common Element now or hereafter established that are adjacent to and used in conjunction with one or more but not all of the Non-Residential Units and/or Non-Residential Unit Owners.

"Non-Residential Section" shall have the meaning ascribed thereto in Section 1.2 of the Declaration.

"Non-Residential Unit" or "Non-Residential Units" refer to the Garage Unit, the Retail Unit and/or the Community Facility Unit.

"Non-Residential Unit Owners" refers to the owner or owners of a Non-Residential Unit.

"Notice Work" shall have the meaning ascribed thereto in Section 6.9.3 of the By-Laws.

"Offeree Unit Owner" shall have the meaning ascribed thereto in Section 8.1.1 of the By-Laws.

"Offering Plan" shall have the meaning ascribed thereto in Section 1.3 of the Declaration.

"Outside Offer" shall have the meaning ascribed thereto in Section 8.1.1 of the By-Laws.

"Outside Offeror" shall have the meaning ascribed thereto in Section 8.1.1 of the By-Laws.

"Performing Unit Owner" shall have the meaning ascribed thereto in Section 6.9.3 of the By-Laws

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

"Permitted Mortgagee" refers to the holder of any Permitted Mortgage and shall include, without limitation, banks and financial institutions as constitute the holders of the mortgages given by Declarant to acquire and construct or further finance the Property.

"Permitted User(s)" refers to any officer, director, member, stockholder, principal, partner, employee, agent (including managing, sales and leasing agent) guest, tenant, occupant, customer, invitee, licensee, contractor, Mortgagee or any other Person related, affiliated or designated by the Condominium Board or a Unit Owner who has permission to use a Unit and/or the Common Elements, subject to the terms of the Declaration and the By-Laws, whether written or oral, granted by: (i) a Unit Owner in the case of such Unit Owner's Unit and its appurtenant Common Elements; or (ii) the Condominium Board; or (iii) the Declaration and the By-Laws.

"Persons" refers to an individual, corporation, partnership, joint venture, limited liability company, estate, trust, unincorporated association, any Federal, State, County or municipal government, or any bureau, department or agency thereof and any fiduciary acting in such capacity on behalf of any of the foregoing.

"Physical Connection" shall have the meaning ascribed thereto in Section 6.10.9 of the Declaration.

"Project Standard" means the highest of the following standards: (1) the standard required to Maintain and operate the Condominium (and all Units therein) in a condition and a quality level no less than that which existed at the time that the initial construction of the Building was completed (ordinary wear and tear expected) and (2) the standards Maintained in similar mixed-use buildings in Manhattan.

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

"Proponent" shall have the meaning ascribed thereto in Section 6.10.1 of the By-Laws.

"Qualified Appraiser" shall have the meaning ascribed thereto in Section 6.23.1 of the By-Laws.

"Reasonably Approved" or words of similar import shall mean approval of a Unit Owner or Board expressly required to be a "Reasonable Approval" in this Declaration and By-Laws, which approval shall not be unreasonably withheld, delayed or conditioned. For purposes of determining whether a failure to grant consent is unreasonable, it is expressly provided that it

shall not be unreasonable for a Unit Owner or Board to refuse consent if any of the following apply: (i) the action affects the structural integrity of the Building; (ii) the action is not consistent with the other express provisions set forth in this Declaration and By- Laws; (iii) such action materially adversely effects a Unit Owner's use or operation of its Unit; (iv) such action materially diminishes the benefits afforded a Unit Owner by any easement or unreasonably interrupts such Unit Owner's use and enjoyment of such easement; (v) such action degrades or diminishes services to such Unit Owner or (vi) such action materially increases costs or expenses to such Unit Owner.

"Recognized Mortgages" shall have the meaning ascribed thereto in Section 7.2 of the By-Laws.

"Recognized Mortgagee" shall have the meaning ascribed thereto in Section 7.2 of the By-Laws.

"Related Costs" shall have the meaning ascribed thereto in Section 6.9.3 of the By-Laws.

"Remedy Notice" has the meaning specified in Section 25.4 of the Declaration.

"Requesting Party" has the meaning specified in Section 25.1 of the Declaration.

"Required Action" shall have the meaning ascribed thereto in Section 16.1 of the Declaration.

"Required Repairs" shall have the meaning ascribed thereto in Section 15.2 of the By-Laws.

"Residential Committee" refers to the committee of the Condominium board governing the Residential Section of the Condominium.

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

"Residential Common Elements" refers to those Common Elements which serve or benefit the Residential Units and/or the Residential Unit Owners.

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

"Residential Section" shall have the meaning ascribed thereto in Section 1.2 of the Declaration.

"Residential Unit" shall have the meaning ascribed thereto in Section 6.3 of the Declaration.

"Residential Unit Common Elements" refers to those Common Elements which serve or benefit exclusively the Residential Units and/or the Residential Unit Owners.

"Residential Unit Common Expenses" shall have the meaning ascribed thereto in Section 6.1.1 of the By-Laws.

"Residential Unit Common Interests" shall have the meaning ascribed thereto in Section 6.1.1 of the By-Laws.

"Residential Unit Limited Common Elements" refers to those Common Elements which serve or benefit some, but not all, of the Residential Units and/or the Residential Unit Owners.

"Residential Unit Lease" or "Transfer Agreement" shall have the meaning ascribed thereto in Section 8.1.1 of the By-Laws.

"Residential Unit Owner" shall have the meaning ascribed thereto in Section 6.2 of the Declaration.

"Residential Unit Subdivision" shall refer to the process through which the Residential Units may be created as detailed in 18.3 of the Declaration.

"Retail Sidewalks" is defined in Section 6.10.8 of the Declaration.

"Retail Unit" is defined in Section 6.2 of the Declaration.

"Retail Unit Owners" is defined in Section 6.2 of the Declaration.

"Roofs" and "Roof Setbacks" means and includes the roof and all roof setbacks including, without limitation, underlayment, membranes, flashings, gutters, fasteners, pipes, vents, coating, bulkheads, parapets and the protective layers beneath any decking material and other roofing materials, as more particularly shown on the Floor Plans, together with any Roof Installations located thereon.

"Roof and Terrace Installations" refers to the amenities including without limitation any decking material or other surface coverings, fencing, lighting, landscaping, trees, shrubbery, planters and other plantings, furniture, equipment and installations on a terrace, Roof or Roof Setback.

"Rules and Regulations" shall have the meaning ascribed thereto in Section 6.15 of the By-Laws.

"Safety Work" shall have the meaning ascribed thereto in Section 6.3.2 of the By-Laws.

"Section" refers to either the Non-Residential Section or the Residential Section, as applicable.

"Sign" or "Signage" shall have the meaning ascribed thereto in Section 15.1 of the By-Laws.

"Significant Casualty" shall have the meaning ascribed thereto in Section 6.3.2 of the By-Laws

"Special Alteration" shall have the meaning ascribed thereto in Section 6.10.1 of the By-Laws.

"Special Assessments" means those assessments levied against all of the Unit Owners for the purpose of paying non-recurring, extraordinary expenses (including without limitation, capital expenses, Emergency expenditures and expenses required to comply with Legal requirements not accounted for in the Annual Budget or Capital Budget) with respect to the General Common Elements.

"Special Meeting" shall have the meaning ascribed thereto in Section 3.3 of the By-Laws.

"Sponsor" means 21E12 LLC, a Delaware limited liability company.

"Storage Bins" refers to the storage bins which will be used for storage by Unit Owners who purchase Storage Bin Licenses.

"Storage Bin Licensee" shall have the meaning ascribed thereto in Section 1.2 of the Declaration.

"Storage License" is defined in Section 6.24.1 of the By-Laws.

"Subdivision Amendment" shall have the meaning ascribed thereto in Section 18.3 of the Declaration.

"Substantially All of the Property" shall have the meaning ascribed thereto in Section 9.4 of the By-Laws.

"Taking" shall have the meaning ascribed thereto in Section 9.1 of the By-Laws.

"Tax Lot Subdivision Application" refers to the application the subdividing Unit Owner must submit in order to create tax lots for the Residential Units.

"Telecommunications Services" is defined in Section 15.4 of the Declaration.

"Tenant" or "tenant" shall refer to all tenants, such tenant's subtenants, successors, assigns or other occupants of the Building.

"Terrace" refers to any terrace appurtenant to a Residential Unit.

"Third Appraiser" shall have the meaning ascribed thereto in Section 6.23.2 of the By-Laws.

"Unit" or "Condominium Unit" refers to space designated as a Unit or a Unit in the Declaration, consisting, generally, of either a group of apartment units or a portion of the commercial space 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. 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".

"Unit Owner Expense" shall mean those expenses incurred by the Condominium Board in accordance with the provisions of the Declaration and the By-Laws on behalf of a specific Unit Owner and shall include such expenses expressly provided to be Unit Owner Expenses under the terms of the Declaration or the By-Laws, as well as expenses incurred by a Unit Owner on behalf of another Unit Owner but only to the extent and under the circumstances expressly permitted under the Declaration and the By-Laws.

"Unit Work" shall have the meaning ascribed in Section 6.9.1 of the By-Laws.

"Unsold Unit" refers any Residential Unit unsold or retained by Sponsor.

"Utility Facilities" shall have the meaning ascribed thereto in Section 15.11 of the Declaration.

"Violating Unit Owner" shall have the meaning ascribed in Section 6.21 of the By-Laws.

"Work Conditions" shall have the meaning ascribed in Section 6.9.3 of the By-Laws.

"Work Notice" shall have the meaning ascribed thereto in Section 6.9.3(a) of the By-Laws.

"Working Capital Fund" shall have the meaning ascribed thereto in Section 8.1.8 of the By-Laws.

"ZLDA" refers to a Zoning Lot and Declaration Agreement.

"Zoning Lot Declaration" shall have the meaning ascribed thereto in Section 23.3 of the Declaration.

"Zoning Resolution" refers to the Zoning Resolution of the City of New York, as amended.

EXHIBIT D

BY-LAWS

EXHIBIT E

POWER OF ATTORNEY

RESIDENTIAL
POWER OF ATTORNEY

Terms used in this Power of Attorney which are used (a) in the declaration (the "Declaration") submitted by BIC University Place LLC and 21E12 LLC ("Declarant") establishing a plan for condominium ownership of the premises known as 21 East 12th Street Condominium and by the street number 21 East 12th Street, New York, New York 10003 under Article 9-B of the Real Property Law of the Stat of New York, dated _____ __, 20___, and recorded in the New York County Office of the Register of The City of New York on _____, 20__, in City File Register Number _____, or (b) in the By-Laws of the Condominium (the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned, the owner of the Condominium Unit (the "Unit") in 21 East 12th Street Condominium which is (are) designated and described as Unit No. _____ in the Declaration and also designated as Tax Lot ____, in Block 570 of Section __ of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint:

(A) the board of managers of the Condominium (hereinafter, 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 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) upon determination by the Board, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to the Units, including retaining counsel and taking any other actions which the Board deems necessary or appropriate, (2) to foreclose upon, take a deed in lieu of or otherwise acquire and lease, convey, mortgage or otherwise dispose, pledge and deal with any Unit pursuant to the exercise of the lien for Common Charges on behalf of the Board or as to any Unit that is conveyed to the Board pursuant to Real Property Law Section 339-x if and only to the extent permitted by the Declaration and By-Laws, (3) to execute, acknowledge and deliver (i) any declaration or other instrument affecting the General Common Elements which the Board deems necessary or appropriate with respect to the Common Elements, and 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 Units or the Building, or (ii) any consent, covenant, restriction, or easement, or any amendment thereto, affecting the Units or the Building which the Board deems necessary or appropriate, or (iii) any loan documents and grant security to a lender in connection with a loan that is otherwise permitted by the Declaration and By-Laws, (4) to amend the Declaration as might be permitted to be done by a Unit Owner or the Board in the effectuation of rights granted by the Declaration to do so, (5) to make ministerial corrections in the Declaration or such changes in the Declaration as might be required by the terms thereof, and (6) to perform any other task allocated to the Board in accordance with the Declaration and the By-Laws; and

(B) the persons who may from time to time constitute the Sponsor and its designees and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Sponsor and its designees (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) to execute, acknowledge and deliver any application, declaration, document or other instrument affecting the Condominium that Sponsor and/or its designees deems necessary or appropriate to comply with any law, zoning resolution, or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority or governmental authority applicable to the rehabilitation, Maintenance, demolition, alteration, restoration or repair of the Property or any part thereof, and (2) to amend the Declaration to effectuate the rights granted to the Sponsor and its designee under the Declaration, the By-Laws or the Offering Plan, and (3) to perform any other task allocated to the Sponsor and its designees in accordance with the Declaration and the By-Laws. To the extent any of the actions taken by the Sponsor or its designees pursuant to this Section (B) may have an effect the Non-Residential Unit Owners such action may not be taken without the consent of the Non-Residential Unit Owners.

(C) the Residential Committee of the Condominium Board (hereinafter collectively referred to as "Residential Committee"), true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Residential Committee or in the name of their designee (corporate or otherwise), on behalf of all Residential Unit Owners, in accordance with such Unit Owners respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a Majority of Residential Unit Owners, to acquire or lease any Residential Unit, together with its Appurtenant Interests, from any Residential Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Residential Unit, together with its Appurtenant Interests, from any Residential Unit Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a Majority of Residential Unit Owners, to acquire any Residential Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Residential Committee or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Residential Unit so acquired by them, or to sublease any Residential Unit so leased by them without the necessity of further authorization by the Residential Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present; (2) upon determination by the Residential Committee, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units, including retaining counsel and taking any other actions which the Residential Committee deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Residential Section and/or the Condominium, which the Residential Committee, deems necessary or appropriate to comply with any ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to

the maintenance, demolition, construction, alteration, repair or restoration of the Residential Section, (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Residential Section which the Residential Committee deems necessary or appropriate or (c) following due authorization by any affected Residential Unit Owner(s), to the extent required in the Declaration and By-Laws, any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium, the Residential Section or any of the Common Elements, in each case that the Residential Committee deems necessary or appropriate.

The acts of a majority of such persons constituting the Board shall constitute the acts of said attorneys-in-fact.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ___ day of _____, 20__.

_____

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

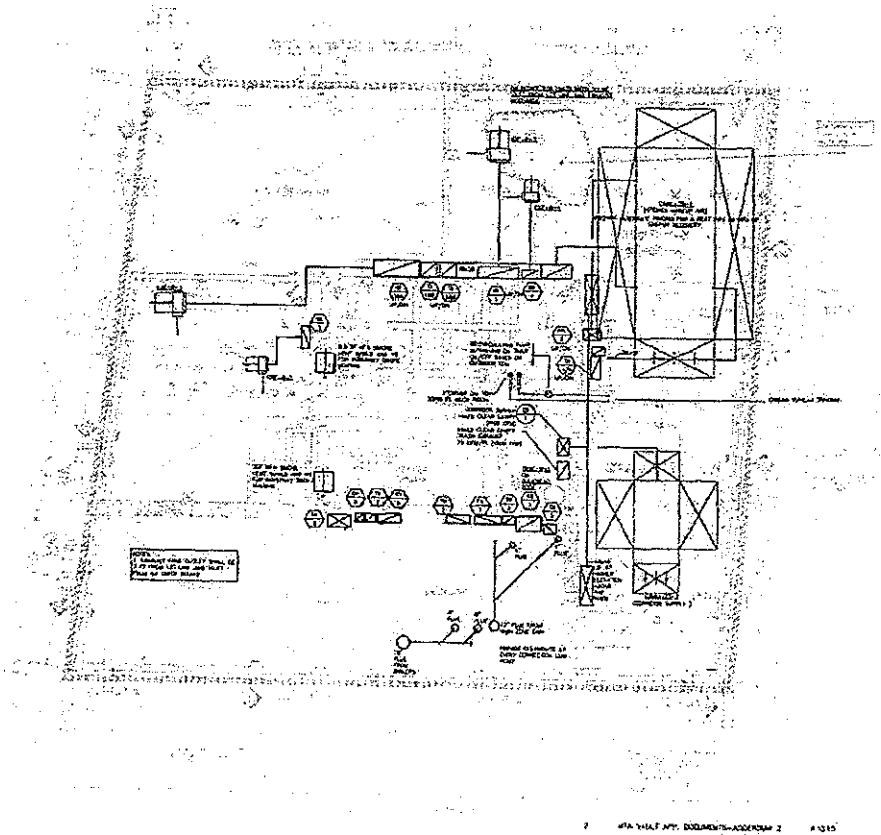
EXHIBIT F

FLOOR PLANS

(FLOOR PLANS ATTACHED PRIOR TO RECORDING SHALL BE SUBSTANTIALLY SIMILAR TO ACTUAL FLOOR PLANS TO BE RECORDED)

EXHIBIT G

COOLING TOWER AND EQUIPMENT LOCATION OPTIONS



2 NTA VHALF APP. DOCUMENTS-ADDENDUM 2 A1315

110 UNIVERSITY PLACE

SLCE ARCHITECTS, LLP

SELLDORF ARCHITECTS

DESIMONE CONSULTING ENGINEERS

COSENTINI ASSOCIATES

LANGAN ENGINEERS

VIDARI INC.

FUTURE GREEN STUDIO

HUY STUDIO LTD.

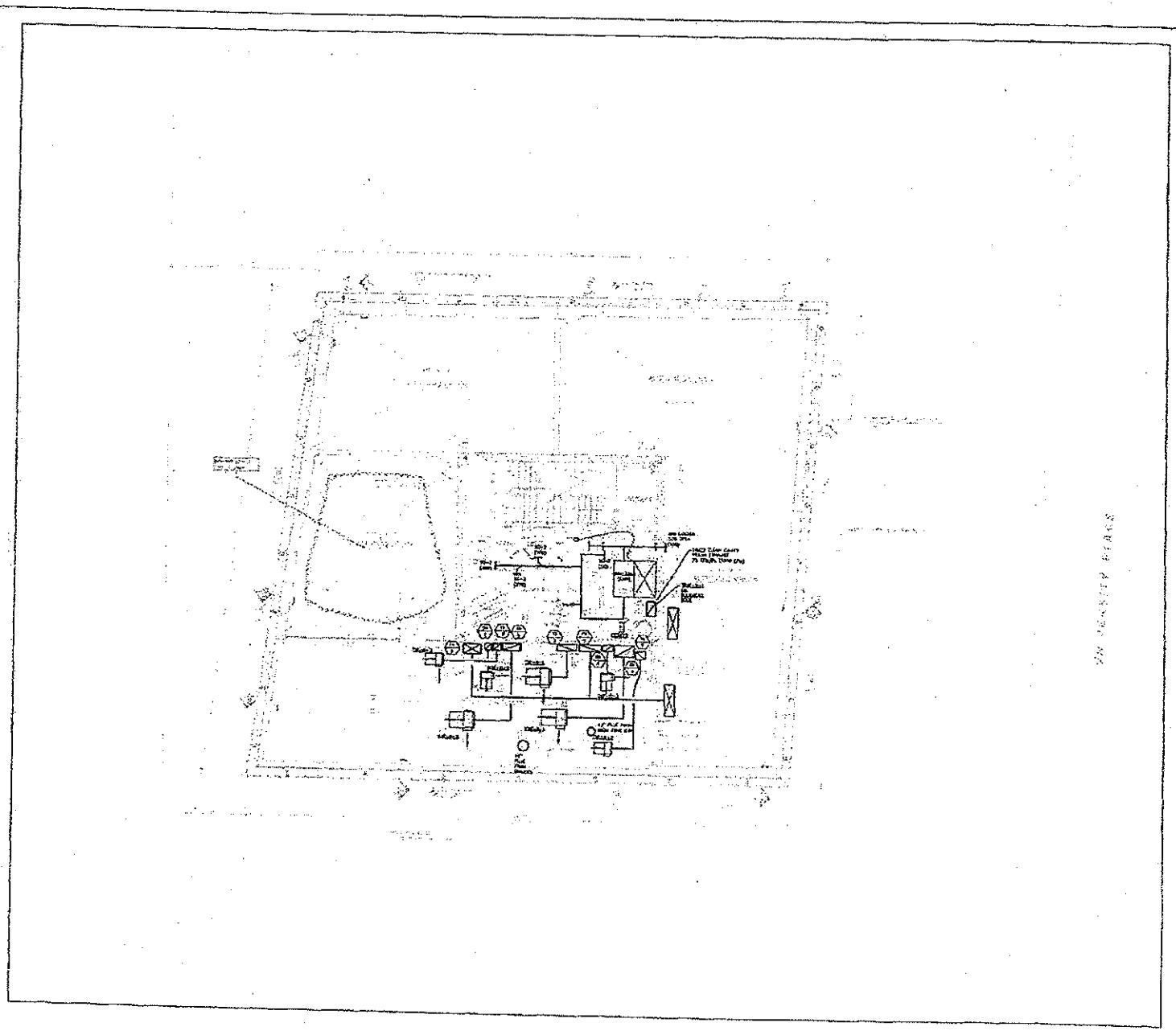
BOCA GROUP

GERAM & ASSOCIATES, INC.

121 187 241

MECHANICAL
MAIN ROOF PLAN

M-122.00



110 UNIVERSITY PLACE

SLIDE ARCHITECTS, LLP

SELLDOW ARCHITECTS

DESIMONE CONSULTING ENGINEERS

COSENTINI ASSOCIATES

LANGAN ENGINEERS

VIDARIS PLC

FUTURE GREEN STUDIO

FREE STUDIO LTD.

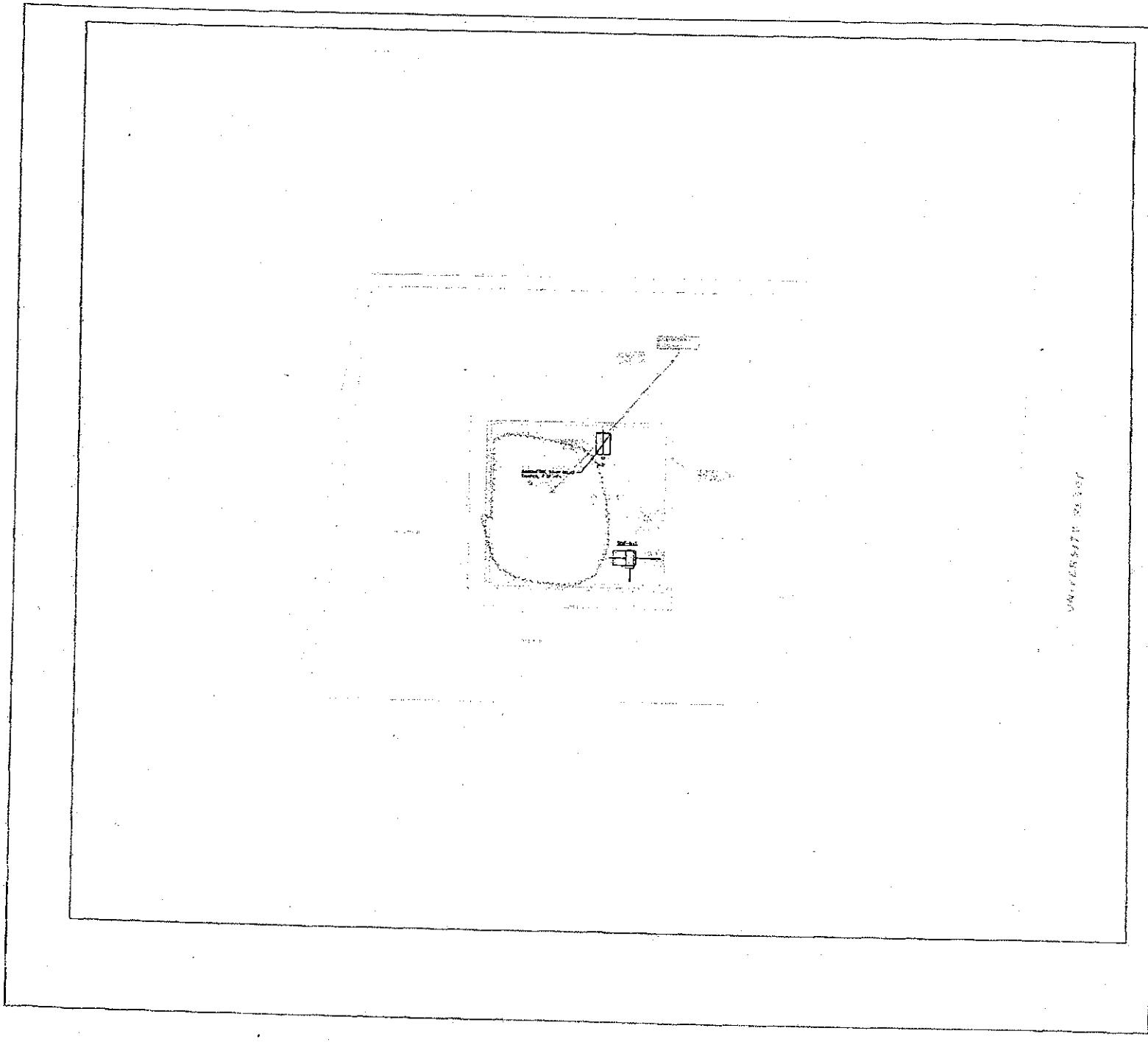
BOCA GROUP

CERAMI & ASSOCIATES, INC.

121 187 241

MECHANICAL
BULKHEAD PLAN

M-123.00



110 UNIVERSITY PLACE

SLCE ARCHITECTS, LLP

SELLDORF ARCHITECTS

DESIMONE CONSULTING ENGINEERS

COSENTINI ASSOCIATES

LANGAN ENGINEERS

VIGARS INC

FUTURE GREEN STUDIO

PLUS STUDIO LTD

KOCA GROUP

CERAMI & ASSOCIATES, INC.

121 187 261

MECHANICAL
BULKHEAD ROOF PLAN

M-124.00

EXHIBIT H

GENERAL COMMON EXPENSE ALLOCATIONS

ALLOCATION OF COMMON EXPENSES BTWEEN RESIDENTIAL, RETAIL, GARAGE AND COMMUNITY FACILITY UNITS

(see detailed notes which follow)

Common Expenses	Method of Allocation	Residential Percentage of Expense Allocation	Retail Unit Percentage of Expense Allocation	Garage Unit Percentage of Expense Allocation	Community Facility Percentage of Expense Allocation
% Common Interest		79.7567%	6.2565%	13.1281%	0.8585%
Payroll & Benefits Other	See Notes and Schedule Below	100.0000%	0.0000%	0.0000%	0.0000%
Payroll and Benefits for RM	See Notes and Schedule Below	97.9757%	0.6257%	1.3128%	0.0859%
Electricity	See Notes	97.4778%	2.3304%	0.0000%	0.1919%
Gas (Heat and Hot Water)	See Notes	90.9404%	8.3704%	0.0000%	0.6892%
Gas (Cooking)	100% Residential	100.0000%	0.0000%	0.0000%	0.0000%
Water Charges and Sewer Rent	See Notes	95.5034%	4.1545%	0.0000%	0.3421%
Repairs and Maintenance	See Notes and Schedule Below			0.0000%	
Service Contracts	See Notes and Schedule Below			0.0000%	
Insurance	See Notes	86.6283%	6.2565%	6.2565%	0.8586%
Management Fee	See Notes	86.6283%	6.2565%	6.2565%	0.8586%
Legal /Audit	See Notes	86.6283%	6.2565%	6.2565%	0.8586%
Resident Managers Unit	100% Residential	100.0000%	0.0000%	0.0000%	0.0000%
Other Expenses	See Notes	86.6283%	6.2565%	6.2565%	0.8586%
Contingency	See Notes	86.6283%	6.2565%	6.2565%	0.8586%
Sub-Total					
Total					

Payroll and Benefits Resident Manager See notes	% of 10% of RM Expense Allocation of 10%

SERVICE CONTRACTS

Common Expenses	Method of Allocation	Residential Percentage of Expense Allocation	Retail Unit Percentage of Expense Allocation	Garage Unit Percentage of Expense Allocation	Community Facility Percentage of Expense Allocation
% Common Interest					
Elevator	100% Residential	100.0000%	0.0000%	0.0000%	0.0000%
Exterminating	See Notes	86.6283%	6.2565%	6.2565%	0.8586%
Fire Extinguishers	See Notes	86.6283%	6.2565%	6.2565%	0.8586%
Landscaping	100% Residential	100.0000%	0.0000%	0.0000%	0.0000%
Flowers	100% Residential	100.0000%	0.0000%	0.0000%	0.0000%
Fire Alarm (Protection)	See Notes	86.6283%	6.2565%	6.2565%	0.8586%
Central Station Monitoring	See Notes	86.6283%	6.2565%	6.2565%	0.8586%
Sprinkler	See Notes	86.6283%	6.2565%	6.2565%	0.8586%
Generator	See Notes	86.6283%	6.2565%	6.2565%	0.8586%
Boiler	See Notes	92.8848%	6.2565%	0.0000%	0.8586%
Water Treatment	See Notes	92.8848%	6.2565%	0.0000%	0.8585%
Chiller	100% Residential	100.0000%	0.0000%	0.0000%	0.0000%
HVAC	See Notes	92.8848%	6.2565%	0.0000%	0.8586%
Telephone/Cable/Internet	See Notes	86.6283%	6.2565%	6.2565%	0.8586%
Uniforms	100% Residential	100.0000%	0.0000%	0.0000%	0.0000%
Total					

REPAIRS AND MAINTENANCE

Common Expenses	Method of Allocation	Residential Percentage of Expense Allocation	Retail Unit Percentage of Expense Allocation	Garage Unit Percentage of Expense Allocation	Community Facility Percentage of Expense Allocation
% Common Interest					
Supplies	100% Residential	100.0000%	0.0000%	0.0000%	0.0000%
Plumbing	100% Residential	100.0000%	0.0000%	0.0000%	0.0000%
Electrical	100% Residential	100.0000%	0.0000%	0.0000%	0.0000%
Elevators	100% Residential	100.0000%	0.0000%	0.0000%	0.0000%
Windows/Locks/Doors	100% Residential	100.0000%	0.0000%	0.0000%	0.0000%
General Repairs	See Notes	86.6283%	6.2565%	6.2565%	0.8586%
Total					

21 EAST 12TH STREET INCOME AND EXPENSE EXPLANATION

Common Charges

These amounts represent the total Common Charges to be levied against, and collected from, the Residential Unit Owner and the Non-Residential Unit Owners. The Common Charges will be utilized by the Condominium Board to defray the operational expenses of the Condominium. Except as otherwise set forth herein, the Common Charges have been allocated between the Residential Unit Owner and the Non-Residential Unit Owner(s) based on anticipated usage and benefits derived by such Unit Owners, respectively, and between and among the Unit Owners on the basis of percentage of Common Interest allocated to each Unit. Where the allocation of Common Expenses is not based on percentage of Common Interest, or Common Expenses have been allocated only to certain categories of Units, such circumstances are set forth in the following notes. The Non-Residential Unit Owners will only be obligated to pay their respective alloeable share of those expenses that are incurred by the Condominium Board in furnishing services, operating and maintaining those Common Elements which are utilized by and serve the Non-Residential Units. Those Common Charges that have been allocated strictly on the basis of Common Interest have been allocated on such a basis as follows: those expenses to be borne by the Residential Unit Owner have been allocated on the basis of the percentage of Common Interest of the Residential Unit, for a total of 79.7567%; those Common Charges to be borne by the Retail Unit Owner has been allocated on the basis of such the Retail Unit's Common Interest for a total of 6.2056 %; those Common Charges to be borne by the Garage Unit Owner has been allocated on the basis of such the Garage Unit's Common Interest for a total of 13.1281%; those Common Charges to be borne by the Community Facility Unit Owner has been allocated on the basis of such the Community Facility Unit's Common Interest for a total of 0.8586%.

Common Charges include the costs and expenses in connection with the maintenance and operation of, and any alteration to, the Common Elements and the provision of services to all Unit Owners in general, such as service contracts applicable to the Building as a whole, employees who will provide services to the entire Condominium, the Condominium Managing Agent, and insurance coverage for the Common Elements.

Payroll and Related Expenses:

The Non-Residential Units will utilize the services of the Resident Manager only. 10% of the Resident Manager's time will allocated towards the General Common Elements. Therefore, 10% of the cost of the Resident Manager has been allocated among the Retail, Garage and Community Facility Units in their respective proportions.

The following expenses are mandated by Law for each employee:

FICA Employer	7.65% of Wages	7.65%
NY State Unemployment	(1st $10,300)	4.0%
Federal Unemployment	(1st $7,000)	6.0%
State Disability Insurance	(Yearly)	$31.20

Workers Compensation	5.5% of Wages	5.5%

Gas (Heat /Domestic Hot Water):

As long as the Retail and Community Facility Units utilize the Condominium's gas, the Retail Unit has been allocated 8.3704% and the Community Facility has been allocated 0.6892% of this expense.

Electricity:

As long as the Retail and Community Facility Units utilize common electricity for pumps and motors for the boiler and cooling tower, their allocation of this expense will be based on the calculation of the Retail and Community Facility Units projected usage of heat and cooling. The Retail Unit has been allocated 2.3304% and the Community Facility has been allocated 0.1919% of this expense.

Water Charges and Sewer Rent:

Water charges and sewer rents for the Non-Residential Units will be separately sub-metered.

As long as the Retail and Community Facility Units utilize common water for the cooling tower make-up, their allocation of this expense will be based on the calculation of the Retail and Community Facility Units projected usage of the cooling tower for cooling. The Retail Unit has been allocated 4.1545% and the Community Facility has been allocated 0.3421% of this expense.

Repairs and Maintenance:

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

Supplies and Hardware
Plumbing
Electrical
Window, Lock and Doors
Elevator Repairs (Not Covered by Contract)
General Repairs of a Common Element

The budgeted amount for Repairs and Maintenance has been allocated to the Retail Unit and Community Facility Units based on respective Common Interest for General Repairs only to the Building's Common Elements except as otherwise provided in the Declaration and By-laws. They will not share in any of the other Repair and Maintenance expenses. The Garage Unit will share in this expense in the same proportion as the Retail Unit.

Service Contracts and Supplies:

This expense includes the cost of various services used in or for the Common Elements, including but not limited to elevator service exterminating and fire systems.

Elevator Maintenance
Exterminating
Fire Extinguishers
Landscaping
Flowers
Fire Alarm (Protection)
Central Station Monitoring
Sprinkler
Generator
Water Treatment
Boiler
Chiller
HVAC Service
Telephone/Internet
Uniforms

The budgeted amount for Service Contracts has been allocated to the Retail Unit and Community Facility Unit based on respective Common Interest but only for exterminating, fire extinguishers, fire alarm, central station monitoring, sprinkler, generator, boiler, water treatment, HVAC, and telephone. They will not share in any of the other Service Contract expenses. The Garage Unit will share in this expense in the same proportion as the Retail Unit.

Insurance:

The insurance expense for the Residential, Retail and Community Facility Units has been allocated based upon their respective Percentage of Common Interest and the Garage Unit's share of the insurance expense has been allocated in the same proportion as to the Retail Unit's share of this expense.

Management Fee:

The management expense for the Residential, Retail and Community Facility Units has been allocated upon their respective Percentage of Common Interest. The Garage Unit's share of the management expense has been allocated in the same proportion as the Retail Unit's share of this expense. The Non-Residential Units will only share in their allocation of the base management fee. If there are other fees charged by the management company, the Non-Residential Units will only be responsible for these fees that are for services shared by all Units and are allocable to the Building as a whole and/or to the Common Elements and not to any special or other services which are provided only to the Residential Unit. Any management fees that are exclusively attributable to the Residential Unit will be fully allocated as a Residential expense.

Resident Manager's Unit Expense:

The costs associated with the Resident Manager's Unit will be allocated solely to the Residential Unit.

Administration:

Administration expenses include auditing and accounting fees in connection with the preparation of the audited financial statements, federal, state and city income tax returns, minor legal services to be rendered in connection with the operation of the entire Building such as attendance at Condominium Board meetings, preparation of Condominium Board minutes and negotiation of minor agreements.

The administration expense for the Residential, Retail and Community Facility Units has been allocated upon their respective Percentage of Common Interest and the Garage Unit's share of the administration expense has been allocated the same proportion as the Retail Unit's share of this expense.

Other Expenses:

Other Common Expenses covers telephone, office supplies, office equipment, postage, special communications and mailings to the Unit Owners, annual meetings, and general expenses.

Office Expense
Payroll Processing
Other professional
License/Fees/Permits
Postage/Messenger/ Copying
Holiday Expense

These other expenses for the Residential, Retail and Community Facility Units have been allocated upon their respective Percentage of Common Interest and (a) the Garage Unit's share of the other expense has been allocated the same proportion as the Retail Unit's share of this expense and (b) the Retail, Community Facility and Garage Units will not share in any other expenses (such as holiday decorations) to the extent they involve or relate only to the Residential Unit.

Contingency:

The contingency expense for the Common Elements has been allocated for the Residential, Retail and Community Facility Units has been allocated based upon their respective Percentage of Common Interest and (a) the Garage Unit's share of the contingency expense has been allocated the same proportion as the Retail Unit's share of this expense and (b) those Retail, Community Facility and Garage Units will only share in any contingency expense to the extent the item of expense is one for which such Units are specifically obligated pursuant to this Exhibit.

EXHIBIT "7"

CONDOMINIUM BY-LAWS

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BY-LAWS

of

21 EAST 12TH STREET CONDOMINIUM

ARTICLE 1

GENERAL

1.1 **Purpose.** The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of 21 East 12th Street Condominium (the "Condominium"). The Condominium covers the property (the "Property") consisting of approximately 19,067 square feet of land (the "Land") which forms a part of Block 570 on the Tax Map of the Borough of Manhattan, City, County and State of New York, the building and other improvements now or hereafter to be constructed thereon or therein, as the case may be (hereinafter collectively called the "Building"), including, without limitation, the Units and the Common Elements, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, all of which have been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York by the recording of a Declaration (which, as the same may be amended from time to time, is herein called the "Declaration") in the New York County Office of the Register of The City of New York ("City Register's Office"), together with these By-Laws. All terms used herein including, but not limited to, "Declarant or its designee" and "Declarant or a designee of Declarant," which are not separately defined herein, shall have the meanings given to those terms in the Declaration.

1.2 **Applicability of By-Laws**. These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and other occupants of Units and employees and guests of Unit Owners, as well as all other persons who may use the Facilities of the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations. The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of these By-Laws, the Rules and Regulations and the Declaration are accepted, ratified, and will be complied with.

1.3 **Principal Office of Condominium.** The principal office of the Condominium shall be located within the Property or at such other place within the Borough of Manhattan reasonably convenient thereto, as may be designated from time to time by the Condominium Board.

ARTICLE 2

CONDOMINIUM BOARD OF MANAGERS

2.1 Number, Term and Qualification.

2.1.1 As more particularly set forth in 2.2, the affairs of the Condominium shall be governed by a board of managers (the "Condominium Board" or "Board" or "Board of Managers") consisting of representatives chosen by the Unit Owners. Initially, the Condominium Board shall consist of three (3) people, two of whom shall be designated by BIC prior to the conveyance of the Residential Section to the Sponsor and then by the Sponsor until the end of the Initial Control Period and one by the Non-Residential Unit Owners.

2.1.2 Subsequent to the end of the Initial Control Period, the Condominium Board shall consist of seven (7) people, five (5) of whom will be designated by the Residential Unit Owners and one (1) of whom will be elected or designated by the Garage Unit Owner and one (1) of whom will be elected or designated by the Retail Unit Owner. The five (5) Residential members of the Condominium Board shall be the members of the Residential Committee.

2.1.3 Each member of the Condominium Board shall serve until his or her successors have, subject to 2.4, been elected or designated, as the case may be and qualified. There shall be no limit on the number of successive terms a Condominium Board member may serve.

2.1.4 Sponsor, for so long as Sponsor owns at least one (1) Residential Unit, shall have the right, at its option, to designate at least one (1) member of the Condominium Board as a representative for the Residential Section.

2.1.5 Except for Board members elected or designated by the Co-Declarants or their designees, all residential members of the Condominium Board shall be: (i) individual Residential Unit Owners or Permitted Mortgagees of Residential Units; (ii) partners or employees of a partnership owning, or holding a mortgage encumbering, a Residential Unit; (iii) officers, directors, stockholders or employees of corporate owners or corporate Permitted Mortgagees of Residential Units; (iv) members or employees of a limited liability company owning, or holding a Permitted Mortgage encumbering, a Residential Unit; (v) fiduciaries or their beneficiaries who are owners or Permitted Mortgagees of Residential Units (or officers, directors, employees or stockholders of corporate fiduciaries or partners or employees of partnership fiduciaries); (vi) adult family members or spouses of any of the foregoing individuals; or (vii) individuals designated by a sovereign government, consulate or other similar entity that is a Residential Unit Owner or a mortgagee of a Residential Unit. Other than Board members elected or designated by the Co-Declarants or their designees, no Board member shall continue to serve after he or she ceases to be qualified as set forth above. No member of the Board shall continue to serve on the Board if, during his term of office, said member shall cease to be a Residential Unit Owner or an interested party. All Board members shall serve without compensation.

2.1.6 In no event shall any Residential Unit Owner (or its proxy) or another interested party be eligible for election to the Condominium Board, and any such Residential Unit Owner (or its proxy) or other party may be removed as a Board member by a majority vote of the other Board members, if such Residential Unit Owner is then in arrears, beyond any applicable grace period, in the payment of Common Charges or any other amounts required by the Condominium Board to be paid. In addition, no member of the Condominium Board (or his or her proxy) may continue to participate as a member thereof after the Condominium Board has perfected a lien against his or her Residential Unit, for so long as such lien remains unsatisfied.

2.2 **Powers and Duties.**

2.2.1 Subsequent to the conveyance of the Residential Units to the Sponsor, the Condominium Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (except such powers and duties which by Law, the Declaration or these By-Laws may not be delegated to the Condominium Board by the Unit Owners). Except as otherwise expressly provided in the Declaration or these By-Laws, all determinations to be made by or on behalf of the Condominium Board, which (a) affect only the Non-Residential Unit Owners or Non-Residential Units (or any portion thereof) and do not materially and adversely affect the Residential Units or the General Common Elements (or any portion thereof), shall only be made by the Non-Residential Unit Owners, and (b) affect only the Residential Unit Owners or Residential Units (or any portion thereof) and do not materially and adversely affect the Non-Residential Units (or any portion thereof) or the Non-Residential Unit Owners, shall only be made by the Residential Committee. Any dispute between the Unit Owners (or the members of the Condominium Board designated by such Unit Owners) with respect to whether a determination materially and adversely affects the Common Elements or respective Units or whether a member of the Condominium Board designated by a Unit Owner shall be entitled to, or required to, make any determination shall be settled by Arbitration; provided, however, that no such dispute with respect to whether the determination of whether one adversely effects the others shall be deemed to exist unless the objecting Unit Owner (or member of the Condominium Board) specifies the grounds for its objection in writing to the Condominium Board and the other Unit Owner within ten (10) business days of receipt by it of notice of such determination. In the event a Unit Owner (or member of the Condominium Board) gives an objection notice in compliance with this Section 2.2.1, such determination shall not become effective until the Arbitration is completed and the arbitrators make a final decision.

2.2.2 Subject to the provisions of 2.2.1 and without limiting the generality thereof, the Condominium Board shall be entitled to make determinations with respect to the following matters:

2.2.2.(a) Operation, care, upkeep, Maintenance, repair and replacement of the General Common Elements, including contracts for utilities, services and supplies;

2.2.2.(b) The establishment and collection of the General Common Charges.

2.2.2.(c) Employment and dismissal of the personnel necessary for the Maintenance and operation of the General Common Elements.

2.2.2.(d) Adoption of, and amendments and additions to, the Rules and Regulations.

2.2.2.(e) Making additions and improvements to, or alterations of, the General Common Elements.

2.2.2.(f) Making repairs and restorations of the General Common Elements or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings.

2.2.2.(g) Enforcing obligations of Unit Owners.

2.2.2.(h) Levying fines against Unit Owners for violations of the Rules and Regulations (any such fines shall constitute General Common Charges payable by the Unit Owner against which they are levied).

2.2.2.(i) Opening and maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating signatories therefor.

2.2.2.(j) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) if the loss involves the General Common Elements, as set forth in Section 6.2.

2.2.2.(k) Borrowing money on behalf of the Condominium, when required in connection with the operation, care, upkeep and Maintenance of, or the making of repairs, replacements, restorations or additions to or alterations of, the General Common Elements.

2.2.2.(l) Organizing corporations or limited liability companies to act as designees of the Condominium Board with respect to such matters as the Condominium Board may determine.

2.2.2.(m) Execution, acknowledgment and delivery of (i) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any Law, ordinance, regulation, zoning resolution or requirement of the Department of Building, the City Planning Commission, the BSA, or any other public authority, applicable to the Maintenance, demolition, construction, alteration, repair or restoration of the Building, or (ii) any consent, covenant, restriction, easement or declaration affecting the Property which the Condominium Board deems necessary or appropriate, provided that the Non-Residential Units and the Non-Residential Unit Owners are not affected in any way by the change except in a de minimis manner.

2.2.2.(n) Prepare, execute and record, on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, a restatement of the Declaration and/or these

By-Laws whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws.

2.2.2.(o) Obtaining and reviewing insurance for the Property, including the Units.

2.2.2.(p) Execution, acknowledgment and delivery of any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain reduced real estate tax assessments with respect to the Residential Units.

2.2.2.(q) To carry out any other duties imposed upon the Condominium Board pursuant to the Declaration and these By-Laws.

2.2.2.(r) Procuring such fidelity bonds as the Condominium Board deems advisable covering officers and employees of the Condominium handling and responsible for the Condominium's funds and personal property and to procure managers' and officers' liability insurance if the Condominium Board deems advisable. The premiums of such bonds and insurance shall be paid by the Condominium Board as a part of Common Expenses.

2.2.2.(s) Determining policies, adopting and amending the Rules and Regulations governing the details of operation of the Property and its use, including the General Common Elements, and amending such Rules and Regulations from time to time as the Condominium Board deems advisable, provided that the same (i) are consistent with the rights, powers and responsibilities of the Condominium Board under the Declaration and By-Laws, (ii) do not materially adversely affect the permitted use or operation of any Unit and (iii) do not materially adversely affect the marketability of any Unit or the ability of a Unit Owner to obtain financing thereon. The Condominium Board may not enact Rules and Regulations or perform any act that would discriminate against a specific Unit Owner or the tenants of said Owner's Unit, interfere with any rights of a Unit Owner set forth in the Condominium Documents, or interfere with the rights of a Unit Owner with respect to the use or leasing of all or any portion of a Unit, without the consent of said Unit Owner, which consent may be withheld in the sole discretion of such Unit Owner. In this regard, the Condominium Board may promulgate and adopt policies and rules regarding use of the Building's amenities, including, without limitation, imposition of membership or user fees on tenants wishing to use the Building's amenities.

2.2.3 The Residential Committee shall be entitled to make determinations with respect to the following matters:

2.2.3.(a) Operation, care, upkeep, maintenance, repair and replacement of the Residential Section, including contracts for utilities, services and supplies.

2.2.3.(b) The amount of Residential Common Charges (as hereinafter defined), subject to the determination of the Condominium Board with respect to General Common Charges.

2.2.3.(c) Collection of Residential Common Charges from Residential Unit Owners.

2.2.3.(d) Employment and dismissal of the personnel necessary for the maintenance and operation of the Residential Section.

2.2.3.(e) Adoption of, and amendments and additions to, the Rules and Regulations.

2.2.3.(f) Purchasing, leasing and otherwise acquiring in the name of the Residential Committee (or, if required, in the name of the Condominium Board) or its designee, on behalf of all Residential Unit Owners, Residential Units offered for sale or lease or surrendered by their owners to the Residential Committee.

2.2.3.(g) Purchasing Residential Units at foreclosure or other similar sales, in the name of the Residential Committee (or, if required, in the name of the Condominium Board) or its designee, on behalf of all Residential Unit Owners.

2.2.3.(h) Selling, leasing, subleasing, mortgaging and otherwise dealing with (but not voting the interests appurtenant to) Residential Units acquired by, and subleasing Residential Units leased by, the Residential Committee or its designee, on behalf of all Residential Unit Owners.

2.2.3.(i) Making additions and improvements to, or alterations of, the Residential Common Elements and the Residential Limited Common Elements.

2.2.3.(j) Making repairs to and restorations of the Residential Common Elements or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings.

2.2.3.(k) Enforcing obligations of Residential Unit Owners and seeking the enforcement of the Rules and Regulations by the Condominium Board.

2.2.3.(l) Levying fines against Residential Unit Owners for violations of the Rules and Regulations (any such fines shall constitute Residential Common Charges payable by the Residential Unit Owners against whom they are levied).

2.2.3.(m)Maintaining bank accounts on behalf of the Residential Unit Owners (with respect to matters within its jurisdiction as provided in these By-Laws) and designating signatories therefor.

2.2.3.(n) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) if the loss involves only the Residential Section as set forth in Section 6.2.

2.2.3.(o) Borrowing money on behalf of the Residential Section when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations or additions to or alterations of, the Residential Section or otherwise in connection with any permitted action or activity of the Residential Committee; *provided, however*, that (i) except as provided in Section 8.6, the consent of at least 51% in Common Interest of all Residential Unit Owners shall be required for any borrowings in excess

of the aggregate amount of $250,000 (including the pro rata share of the Residential Section with respect to any borrowing made by the Condominium Board pursuant to Section 2.2.2(k) in any one fiscal year (regardless of the balance of any loans outstanding from previous years) unless the funds are required for Emergency repairs or replacements, (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its Appurtenant Interest without the consent of the owner of such Unit, and (iii) the Non-Residential Unit Owners will not be liable for repayment of any portion of any such loan. If any sum borrowed by the Residential Committee pursuant to the authority contained in this subparagraph is not repaid by said Board, a Residential Unit Owner who pays to the creditor such proportion thereof as the Unit Owner's interest in the Common Elements bears to the interest of all Residential Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or any lien which said creditor has filed or has the right to file against such Residential Unit Owner's Unit.

2.2.3.(p) Organizing corporations to act as designees of the Residential Committee with respect to such matters as such Board may determine, including, without limitation, in connection with the acquisition of title to or the leasing or subleasing of Residential Units by the Residential Committee on behalf of Residential Unit Owners.

2.2.3.(q) Execution, acknowledgment and delivery of (i) any declaration or other instrument affecting only the Residential Units, Residential Common Elements and Residential Limited Common Elements, which the Residential Committee deems necessary or appropriate to comply with any law, ordinance, regulation. zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the BSA, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Residential Units, Residential Common Elements and Residential Limited Common Elements, or (ii) any consent, covenant, restriction, easement or declaration affecting only the Residential Units, Residential Common Elements and Residential Limited Common Elements which the Residential Committee deems necessary or appropriate.

2.2.3.(r) Execution, acknowledgment and delivery of any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units for the benefit and on behalf of (i) all Residential Unit Owners, or (ii) for individual Residential Unit Owners, provided that each such Residential Unit Owner indemnifies the Residential Committee from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

2.2.3.(s) Operation, maintenance and supervision of all Residential Common Elements and Residential Limited Common Elements.

2.2.3.(t) Purchasing or leasing, in the name of the Residential Committee, space for the storage of personal property of Residential Unit Owners, and in connection therewith, licensing such space to Residential Unit Owners and the promulgation of conditions, rules and regulations for the operation and supervision thereof.

2.2.3.(u) Imposition of (i) move-in fees and charges, (ii) transfer fees in connection with the sale or lease of a Residential Unit, and (iii) fines for violating the Rules and

Regulations, provided that no such fees or charges or any other conditions of transfer or lease may be imposed upon BIC.

2.2.3.(v) Executing, acknowledging and delivering: (a) any declaration (including a declaration of single zoning lot) or other instrument affecting the Residential Section that the Residential Committee 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 Residential Section that the Residential Committee deems necessary or appropriate;

2.2.3.(w) Preparing, executing, acknowledging and recording on behalf of all Residential Unit Owners, as their attorney in fact, coupled with an interest, a restatement of the Declaration or these By-Laws, whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modification, additions and deletions theretofore made to the same;

2.2.3.(x) Commencement of summary eviction proceedings in the name of or on behalf of the Residential Committee and/or Residential Unit Owners, as the case may be, against an authorized guest and/or a tenant of a Residential Unit Owner if such authorized guest and/or tenant does not conform to the Rules and Regulations, as said Rules and Regulations may at any time and from time to time, be modified, amended or added to in accordance with the terms of these By-Laws. All costs in connection with the removal of the authorized guest and/or tenant, including reasonable attorneys' fees, shall be borne by the Residential Unit Owners.

2.2.3.(y) Establishing rules and regulations for the use of the amenities, if any.

2.2.3.(z) Carrying out any other duties imposed upon the Residential Committee pursuant to the Declaration and these By-Laws.

2.2.4 Any act with respect to a matter determinable by the Condominium Board and deemed necessary or desirable by the Condominium Board in connection therewith shall be done or performed by the Condominium Board or shall be done on its behalf and at its direction by the agents, employees or designees of the Condominium Board.

2.2.5 For convenience of operation of the Condominium, the Condominium Board may designate an individual to act as its agent with respect to any matters the determination of which is entitled to be made by such designating party and in connection with such designation may execute, acknowledge and deliver any application, instrument or document, including, without limitation, any power of attorney or indemnification from liability that such designated party may require or request.

2.2.6 Neither the Condominium Board nor the Residential Committee shall commence any litigation other than to enforce the Declaration or By-Laws without the prior written consent of the owners of two-thirds of the Units and the Common Interests.

2.2.7 Notwithstanding anything to the contrary contained in these By-Laws, (a) no action which is taken or omitted to be taken by or on behalf of the Residential Committee

or Residential Unit Owners with respect to the Residential Section shall be deemed to adversely affect in any way the Non-Residential Units or the use of the Non-Residential Units for their permitted purposes and thus shall not require the consent or approval of the Non-Residential Unit Owners pursuant to Section 2.2.1 unless the use of any portion of the Residential Section would result in or involve a violation of the provisions of Section 6.21, (b) no action which is taken or omitted to be taken by or on behalf of the Non-Residential Unit Owners or Non-Residential Units shall be deemed to adversely affect in any way the Residential Section or the use of Residential Units for their permitted purposes and thus shall not require the consent or approval of the Residential Committee pursuant to Section 2.2.1 unless the use of any portion of the Non-Residential Units would result in or involve a violation of the provisions of Section 6.21, and (c) no penetration of the General Common Elements shall be deemed to adversely affect in any way the Residential Section or the use of Residential Units for their permitted purposes and thus shall not require the consent or approval of the Residential Committee or the Residential Unit Owners unless such penetration would materially weaken the structural soundness of the Building.

2.2.8 Notwithstanding anything to the contrary contained in these By-Laws, so long as Sponsor or its designee shall continue to own at least one Unsold Unit but in no event later than five years from the First Closing of a sale made under an Offering Plan, neither the Condominium Board nor the Residential Committee may, without Sponsor's prior written approval: (i) make any addition, alteration or improvement to the General Common Elements, the Residential Common Elements or to the Residential Limited Common Elements or to any Residential Unit; (ii) increase or decrease the number, or change the kind of employees initially hired for the Residential Section of the Condominium; (iii) enter into any service or maintenance contract for work not covered in the initial projected budget for the Condominium or Residential Section or otherwise provide services in excess of those contemplated by such projected budget, except as is required to reflect normal annual increases in operating services; (iv) borrow money on behalf of the Condominium or on behalf of the Residential Section; (v) assess any General Common Charges or Residential Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund; or (vi) exercise a right of first refusal to lease or purchase a Residential Unit; provided that Sponsor's written consent is not necessary to perform any function or take any action described in items (i) through (vi) above if and only if the performance of such function or the carrying out of such an action is necessary and no other alternative is available to enable the Condominium Board or Residential Committee to comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium.

2.2.9 Notwithstanding anything contained in the By-Laws to the contrary, neither the Residential Committee nor the Condominium Board shall have the right to (a) restrict or limit any of the uses of, or alterations in or to, the Non-Residential Units or (b) without obtaining the prior written approval of two thirds of the Unit Owners and the Owners of two thirds of the Common Interests, commence any litigation except to enforce the Declaration or By-Laws.

2.3 **Managing Agents and Managers.** With respect to determinations the Condominium Board is entitled to make, the Condominium Board may employ a Managing Agent and/or a manager at a compensation established by the Condominium Board to perform such duties and services as the Condominium Board shall authorize. The Board may delegate to

such Managing Agent or manager other powers granted to the Condominium Board by these By-Laws. Any determination by the Condominium Board to engage or terminate a Managing Agent requires the consent of all of the members of the Condominium Board. The Condominium Board may employ an affiliate of Sponsor to serve as the Condominium's Managing Agent.

2.4 **Resignation and Removal.** Any Board member may resign at any time by written notice delivered or sent by hand, by reputable overnight delivery service, or by certified mail, return receipt requested, to the Board. Such resignation will take effect at the time specified therein and, unless specifically requested, acceptance of such resignation will not be necessary to make it effective. Any Board member may be removed, with or without cause, only by (i) the Unit Owner(s) designating such Board member and the Unit Owner(s) making such removal will have the right to designate or elect the replacement for such member and (ii) by any Recognized Mortgagee of the Unit associated with such Condominium Board member pursuant to the terms and conditions of the Recognized Mortgage and the other loan documentation related thereto, and such Recognized Mortgagee making such removal shall have the right to designate the replacement for such member if its mortgage so permits.

2.5 **Vacancies and Designations.**

2.5.1 Any vacancy of a Residential member of the Condominium Board, for whatever reason, shall be filled by the remaining members of the Residential Committee then in office, at a special meeting of the Residential Committee held for that purpose promptly after the occurrence of any such vacancy even though the members present at such meeting may constitute less than a quorum, and any person so elected shall be a member of the Board until the next annual meeting of the Residential Unit Owners, when a successor shall be elected for the remainder of the term of the member creating such vacancy. Notwithstanding anything to the contrary contained in these By-Laws, in the case of a vacancy on the Board, created by the resignation, removal or any other cause which results in any Board member designated by Sponsor, its designee or Non-Residential Unit Owners, ceasing to be a member of the Board, Sponsor or its designee or Non-Residential Unit Owners, as the case may be, shall have the sole right to designate a replacement for such member.

2.5.2 If a Recognized Mortgagee has the right under its Recognized Mortgage (or other loan documentation related thereto) to remove members of the governing body of the Unit Owner of the Unit securing its loan, and if the Recognized Mortgagee exercises such right in accordance with the Recognized Mortgage (or other loan documentation related thereto), then in such event the Recognized Mortgagee also shall upon notice to the Condominium Board have the right to remove the member(s) of the Condominium Board appointed by that Unit Owner, if any, and to appoint its own representatives to serve on behalf of such Unit Owner.

2.6 **Organizational Meeting of Condominium Board.** The first meeting of the Condominium Board and the Residential Committee following the appointment or election of the Condominium Board members shall be held within ten (10) days after their appointment or election.

2.7 **Regular Meetings of Board.** Regular meetings of the Board or the Residential Committee may be held at such time and place in the City of New York as shall be determined

from time to time by a majority of the members thereof, provided that in the case of the Board, at least four such meetings shall be held during each fiscal year. Notice of regular meetings shall be given to each member thereof, by personal delivery, mail, or e-mail, at least five (5) Business Days prior to the day named for such meeting.

2.8 **Meetings of Board or the Residential Committee.** Special meetings of Board or the Residential Committee may be called by the President of the Board by giving five (5) Business Days' prior notice to each member of the Board or the Residential Committee by personal delivery, mail, or e-mail, which notice shall state the time, place (in the City of New York) and purpose of the meeting.

2.9 **Resolutions of Board**. The Board shall cause to be promptly delivered to the Unit Owners and the Residential Committee shall cause to be delivered to the Residential Unit Owners copies of all resolutions adopted by it except to the extent (a) of matters privileged under applicable law, (b) relating to the terms of the sale, leasing or subleasing of any Unit or portion of any Unit, other than the nature of the use thereof, and (c) relating to matters not related to the Property.

2.10 **Unit Owner Rights in the Event of Subdivision.** No subdivision of any Unit shall cause a change in the aggregate Common Interests appurtenant to the other Units or grant any individual Residential Unit Owners rights thereunder except as such rights of the other subdividing Unit Owner are exercised by the Residential Committee on behalf of such Residential Unit Owners. Notwithstanding anything to the contrary contained herein or in the Declaration, no Residential Unit Owner shall be entitled to designate a member of the Condominium Board or take any action with respect to its Residential Unit except through the Residential Committee.

2.11 **Waiver of Notice**. The Board members may at any time waive notice of the Board meeting in writing and such waiver shall be deemed equivalent to the giving of such notice of the meeting. Attendance by a member of a Board at any meeting thereof shall constitute a waiver of notice by him or her of the time and place thereof. If all the members are present at any meeting of a Board, no notice shall be required and any business to be transacted may be transacted at such meeting.

2.12 **Determinations by Condominium Board; Quorums.**

2.12.1 Each Board member shall have one vote.

2.12.2 All determinations by the Condominium Board or the Residential Committee shall be made at a meeting of the Condominium Board or the Residential Committee at which a quorum thereof is present. At any Condominium Board or the Residential Committee meeting, a majority of the members thereof shall constitute a quorum, and the votes of a majority of the members shall constitute the decision of the Condominium Board or the Residential Committee unless a higher percentage is required by these By-Laws, the Declaration or applicable Law. Condominium Board members may attend and participate in meetings by written proxy to another person.

2.12.3 Members of the Condominium Board or the Residential Committee may participate in a meeting thereof by means of a conference telephone or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting. Notwithstanding anything to the contrary contained herein, action permitted or required to be taken at a meeting of the Condominium Board or the Residential Committee may be taken without a meeting if all members of the Condominium Board or the Residential Committee consent in writing to the adoption of a Resolution authorizing such action and the writing or writings are filed with the minutes of the Condominium Board or the Residential Committee.

2.13 **Compensation.** No member of the Condominium Board or the Residential Committee shall receive any compensation for acting as such.

2.14 **Liability of the Condominium Board and Unit Owners.**

2.14.1 To the extent permitted by applicable Law, no member of the Condominium Board shall have any personal liability with respect to any contract, act or omission of the Condominium Board or of any Managing Agent or manager in connection with the affairs or operation of the Condominium, and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by the Condominium Board or by any Managing Agent or manager thereof shall state that it is made by the Condominium Board, Managing Agent or manager only as agent for all Unit Owners, that the Condominium Board members or Managing Agent or manager shall have no personal liability thereon and shall also state the applicable limitations of liability of Unit Owners provided for in the next sentence. The liability of any Unit Owner with respect to any contract, act or omission with respect to the Condominium or any General Common Element shall be limited to 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, and, unless expressly stated to the contrary in such contract (as determined by the Condominium Board in its sole and absolute discretion), to the extent permitted by applicable Law, shall be limited to such Unit Owner's interest in its Unit and its appurtenant Common Interest so that such Unit Owner shall have no personal liability for such contract, act or omission. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges. Any such contract or agreement may also provide that it covers the assets, if any, of the Condominium Board. Condominium Board members shall have no liability to Unit Owners except that a Condominium Board member shall be liable for his or her own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member against any liability or claim except those arising out of such member's own bad faith or willful misconduct. The Condominium Board may contract or effect any transaction with any Condominium Board member, any Unit Owner, Declarant, Declarant's designee or any affiliate of any of them without, except in cases of bad faith or willful misconduct, incurring any liability for self-dealing.

2.14.2 Neither the Condominium Board nor any member thereof shall be liable for either (i) any failure or interruption of any utility or other service to be obtained by, or on behalf of, the 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 about either a Unit or any General or Limited Common Element.

2.15 **Fidelity Bonds.**

2.15.1 The Condominium Board shall obtain or ensure maintenance of fidelity bonds, in amounts deemed appropriate by it, for all of its members, officers and employees and for the Managing Agent or manager, if any, employed by it and the premiums on such bonds shall constitute General Common Expenses.

2.15.2 To the full extent permitted by Law, the Condominium Board shall purchase and maintain directors and officers insurance (i) to indemnify the Condominium for any obligation which it incurs as a result of the indemnification of members and officers of the Condominium as required by Law or by a court order and, (ii) to indemnify members and officers of the Condominium Board in instances in which they may not otherwise be indemnified, to the extent provided by such instance.

2.16 **Committees.** The Condominium Board may, subject to such limitations and exceptions as the Condominium Board may prescribe, appoint an executive committee and such other committees as the Condominium Board may deem appropriate, each to consist of as many members as the Condominium Board shall deem appropriate for the purpose of making such reports and studies as the Condominium Board deems appropriate. For so long as Sponsor is entitled to designate members to the Condominium Board, any committee appointed by the Condominium Board shall have as at least one of its members a member appointed by Sponsor and at least one of its member appointed by the Non-Residential Unit Owners (other than the Residential Committee). Notwithstanding the foregoing, any committee appointed by the Condominium Board solely for the Residential Section shall have at least one of its members a member appointed by Sponsor and any committee appointed by the Condominium Board solely for the Non-Residential Units shall have at least one of its members a member appointed by the Non-Residential Unit Owners.

2.17 **Principal Offices of Condominium Board**. The principal offices of the Condominium Board shall be located within the Property or at such other place in the Borough of Manhattan reasonably convenient thereto as may be designated from time to time by the Condominium Board.

2.18 **Status of Condominium Board**. In addition to the status conferred upon the Condominium Board under or pursuant to the provisions of the Condominium Act, the Condominium Board shall, to the extent permitted by applicable Law, be deemed to constitute a separate unincorporated association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York. In the event of the incorporation of the Condominium Board pursuant to the provisions of 2.19, the provisions of this Section 2.18 shall no longer be applicable to the Condominium Board.

2.19 **Incorporation of Condominium Board**. To the extent and in the manner provided in the Condominium Act, the Condominium Board as provided in this Article 2, may by action of the Condominium Board be incorporated under the applicable statutes of the State of

New York. In the event that the Condominium Board so incorporates, it shall have, to the extent permitted by applicable Law, the status conferred upon it under such statutes in addition to the status conferred upon the Condominium Board under or pursuant to the provisions of the Condominium Act. The certificate of incorporation and By-Laws of any such resulting corporation shall conform as closely as practicable to the provisions of the Declaration and these By-Laws and the provisions of the Declaration and these By-Laws shall control in the event of any inconsistency or conflict between the provisions hereof and the provisions of such certificate of incorporation and By-Laws.

2.20 **Condominium Board as Agents of Unit Owners**. In exercising their respective powers and performing their respective duties under the Declaration and these By-Laws, the Condominium Board shall act in good faith as, and shall be, the agent of the Unit Owners, which the Condominium Board represents, subject to and in accordance with the provisions of the Declaration and these By-Laws.

2.21 **Provision of Services**. The Board shall be obligated to Maintain or cause the Managing Agent to Maintain the Property as a first class, mixed-use Building and perform services on behalf of Unit Owners in such a manner that shall be consistent with Comparable Buildings.

2.22 **Prohibited Transactions**. Each member of a Board shall perform his or her duties, and shall exercise his or her powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by applicable law, no contract or other transaction between a Board and either: (i) any of its members; or (ii) any corporation, partnership, fiduciary, firm, limited liability company, association or other entity in which any of the members of the Board are officers, directors, shareholders, employees, partners, fiduciaries, beneficiaries, members or principals, or are otherwise interested, pecuniary or otherwise, shall be deemed either void or voidable because either: (a) any such member of the Board was present at the meeting or meetings of the Board during which such contract or transaction was discussed, authorized, approved or ratified, or (b) the vote of any such member was counted for such purpose; *provided, however*, that either: (1) the fact thereof is disclosed to, or known by, the Board or a majority of the members thereof and noted in the minutes thereof, and the Board shall authorize, approve or ratify such contract or transaction in good faith by a vote of a majority of the entire Board, less the number of such members involved in such contract or transaction; or (2) the fact thereof is disclosed to, or known by, a majority of Unit Owners and a majority of Unit Owners, present at a duly constituted meeting, shall in good faith authorize, approve or ratify such contract or transaction less the number of such Unit Owners who are also such members involved in such contract or transaction; and (3) the contract or transaction is professionally reasonable to the Board at the time the same is authorized, approved, ratified, executed or otherwise consummated. Any such members of the Board may be counted in determining the presence of a quorum of any meeting of the Board or of the Unit Owners which authorizes, approves or ratifies any such contract or transaction, but no such member shall be entitled to vote thereat in order to authorize, approve or ratify such contract or transaction.

2.23 **Commercial Tenant**. Notwithstanding anything contained in the By-Laws to the contrary, in the event that a Non-Residential Unit Owner appoints a commercial Tenant to a Non-Residential seat on the Condominium Board, only the Non-Residential Unit Owners and not

the commercial tenant shall have the right to vote to amend the Declaration or By-Laws or waive any of the Non-Residential Unit Owners rights or remedies under the Declaration or By-Laws. The foregoing shall not prohibit any Non-Residential Unit Owner from contractually agreeing with a commercial Tenant of all or any portion of any Non-Residential Unit that such commercial Tenant will have the right to approve such votes or waivers by such Non-Residential Unit Owner.

ARTICLE 3

UNIT OWNERS

3.1 **Annual Meetings.**

3.1.1 Prior to and during the Initial Control Period, annual meetings of the Non-Residential and Residential Unit Owners (the "Annual Meeting") shall be held at the discretion of the members of the Condominium Board. At such meeting, there shall be transacted such other business as may properly come before such meeting.

3.1.2 On or no more than thirty (30) days after the end of the Initial Control Period, the Sponsor will call the first Annual Meeting of the Unit Owners. Such meeting shall be held not less than 10 days nor more than 40 days after such date. At such meeting, the Unit Owners shall elect (in accordance with the provisions of Section 2.1 and as otherwise provided in these By-Laws) five (5) persons elected by the Residential Unit Owners (including the Sponsor), subject to Sponsor's rights pursuant to Section 3.10.3 and one (1) person elected by the Garage Unit Owner and one (1) person elected by the Retail Unit Owner. Thereafter, annual meetings of Unit Owners shall be held within approximately thirty (30) days of each anniversary of the first Annual Meeting. At such meetings, the members of the Board shall be elected and there shall also be transacted such other business as may properly come before such meetings.

3.2 **Place of Meetings**. Meetings of all or any Unit Owners shall be held at the principal office of the Condominium or, at such other suitable and convenient place in the Borough of Manhattan, as may be designated by the Condominium Board.

3.3 **Special Meetings**. The President of the Condominium Board shall call a special meeting of Unit Owners ("Special Meeting"), if so directed by the resolution of the Condominium Board or upon a petition signed and presented to the Secretary by not less than 51% in Common Interest of Unit Owners.

3.4 **Notice of Meetings and Actions Taken**. Notice of each annual or special meeting shall be given by the Secretary to all Unit Owners of record entitled to vote thereat. Each such notice shall state the purposes of the meeting and the time and place where it is to be held and no business shall be transacted thereat except as stated in the notice. All notices hereunder shall be given by personal delivery, mail or email, at least ten (10) but no more than thirty (30) business days prior to the day named for the meeting and shall be given or sent to the Unit Owners entitled to receive same at their address at the Property or at such other address at the Property or elsewhere as any Unit Owner has designated by notice in writing to the Secretary at least ten (10) days prior to the giving of notice of the applicable meeting. However, if the

business to be conducted at any meeting of the Unit Owners shall include consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be given to all Unit Owners as provided above at least thirty (30) days prior to the day fixed for such meeting, and such notice shall be accompanied by a copy of the text of such proposed amendment.

3.5 **Adjournment of Meetings.** If any joint or separate meeting of Unit Owners cannot be held because a quorum is not present, a Majority of Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

3.6 **Order of Business.** The order of business at all joint or separate meetings of Unit Owners shall be as follows:

(A) Call to order;

(B) Roll call;

(C) Proof of notice of meeting;

(D) Reading of minutes of preceding meeting;

(E) Reports of officers;

(F) Reports of members of the Board;

(G) Reports of committees;

(H) Election of Condominium Board members;

(I) Unfinished business;

(J) New business; and

(K) Adjournment.

3.7 **Title to Units**. Title to Units may be taken by any individual, corporation, partnership, association, trust or other entity, or any two or more of such owners as joint tenants, tenants in common or tenants by the entirety, as may be appropriate, but not as owners in severalty.

3.8 **Voting.**

3.8.1 Each Unit Owner or a person designated by such Unit Owner to act as proxy on his or her behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit as set forth herein and in the Declaration at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary of the Board and shall be revocable at any time by written notice to such Secretary by the Unit Owner so designating; provided, however, that no designation to act as a proxy shall be effective for a

period in excess of eleven months except a designation of a Permitted Mortgagee to act as the proxy of its mortgagor. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. Neither the Board nor its designee shall be entitled to vote the interest appurtenant to any Unit owned by the Board and the Common Interest of such Unit shall be excluded from the total Common Interests when computing the interest of Unit Owners for voting purposes.

3.8.2 Except as otherwise set forth herein or in the Declaration, at all meetings of Unit Owners, each Unit Owner (or his or her proxy) entitled to vote thereat (including Sponsor with respect to Units owned by Sponsor or its designee) shall be entitled to cast a vote equal to his, her or their percentage interest in the Common Elements.

3.8.3 Whenever a particular percentage of Common Interest must be reached for voting purposes and such required percentage is in terms of the Residential Unit Owners, as a group, or the Non-Residential Unit Owners as a group (as opposed to all Unit Owners as a whole), such required percentage shall mean a percentage in terms of total Common Interests attributable to that particular group and not the percentage of Common Interests attributable to all Unit Owners.

3.8.4 When ownership is in the names of two or more persons in the absence of written directions from the Unit Owners to the contrary, at any meeting of Unit Owners, any one or more of such Unit Owners may cast, in person or by proxy, the vote to which such ownership is entitled. In the event an attempt is made to cast conflicting votes, in person or by proxy, by the persons in whose names the Unit is owned that Unit's one vote shall be split among the persons who own the Unit and are present in person or by proxy at such meeting.

3.8.5 In advance of or at any meeting of Unit Owners, the Residential Committee may appoint any person, other than nominees for election to the Board or their relatives or employees or existing Board members, as inspectors of election to act as such at the meeting or any adjournment. Any such appointments may be altered at the meeting. If Inspectors of Election are not so appointed, the President may, or on the request of not fewer than ten percent (10%) of the votes represented at the meeting, shall make such appointment at the meeting. In case any person appointed as an Inspector of Election fails to appear or fails or refuses to act, the vacancy may be filled by appointment by the Board in advance of the meeting or at the meeting by the President. Unless otherwise prescribed, the duties of such Inspectors of Election shall include: verifying the number of common interests, the Units represented at the meeting, the existence of a quorum, and the authenticity, validity and number of proxies, receiving votes, ballots, hearing and determining all challenges and questions in any way arising in connection with the rights to vote; counting and tabulating all votes or consents; determining the result; and such act as may be proper to conduct the election or vote with fairness to all Unit Owners.

3.9 **Designation of Board Members.** Prior to and during the Initial Control Period, the Sponsor shall designate its member or members to the Condominium Board. A Board member may represent more than one Unit Owner and such Board member shall have the right to vote the aggregate interests of all the Units owned by the Unit Owners appointing the Board member.

3.10 **Election of Board Members; Rights of Sponsor.**

3.10.1 All elections of Board members shall be determined by plurality vote only. Residential Unit Owners may only vote for the Residential members of the Board.

3.10.2 When voting for members of the Board, the voting shall be by ballot and each ballot shall state the name of the Unit Owner voting and the percentage of Common Interests owned by such Unit Owner, and in addition, the name of the proxy if such ballot is cast by a proxy. Each Unit Owner shall be entitled to cast the number of votes determined in accordance with Section 3.8.2 for each member to be elected by the Unit Owners. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

3.10.3 Notwithstanding any other provision of this Section 3.10 or any other provision of these By-Laws to the contrary, commencing with the first Annual Meeting of Unit Owners, Sponsor shall have the right to vote all of the Common Interests attributable to Unsold Units owned by it until Sponsor has closed title to all of the Unsold Units owned by it. In addition, for so long as Sponsor owns at least one (1) Unsold Unit (excluding Unsold Units purchased by Sponsor or its designee), (a) Sponsor shall have the right to either designate one member of the Board or vote the Common Interests attributable to Unsold Units owned by it and (b) the number of members of the Residential Committee may not be increased without the consent of Sponsor. Any vacancy created by removal of a Board member designated by Sponsor, or by any other cause which results in a Board member designated by Sponsor ceasing to be a member of the Board, shall be filled by a person designated by Sponsor.

3.11 **Majority of Unit Owners**. Except as may otherwise be provided by law, as used in these By-Laws, the term "Majority of Unit Owners" means Unit Owners having more than 50% of the total authorized votes of all Unit Owners determined in accordance with the provisions of Section 3.8.2, who are present in person or by proxy and voting at any meeting at which a quorum is present.

3.12 **Quorum**. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners owning more than 50% of the Units shall constitute a quorum at all joint meetings of Unit Owners.

3.13 **Majority Vote**. Except where otherwise provided by law, the Declaration or these By-Laws, at all meetings of Unit Owners, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes

ARTICLE 4

OFFICERS

4.1 **Designation**. The principal officers of the Condominium shall be a President, Vice President, Secretary and Treasurer thereof, all of whom shall be elected by the Condominium Board. The Condominium Board may appoint an Assistant Treasurer, Assistant Secretary and such other officers as in their judgment may be desirable or as may be required by Section 4.8.

4.2 **Election of Officers**. The officers of the Condominium shall be elected annually by the Condominium Board at the organizational meetings thereof.

4.3 **Resignation and Removal of Officers**. Any officer may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Condominium Board. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Upon the affirmative vote of a majority of the members of the Condominium Board electing him or her, any officer may be removed, either with or without cause. A successor officer may be elected at any regular Condominium Board meeting or at any special Condominium Board meeting called for such purpose.

4.4 **President**. The President of the Condominium shall be the chief executive officer of the Condominium and the Residential Committee and shall preside at all joint meetings of Unit Owners and at all meetings of the Condominium Board and the Residential Committee. The President shall have all of the general powers and duties which are incident to the office of president of a stock corporation or limited liability company organized under the Business Corporation Law of the State of New York, including, but not limited to, the power to appoint committees from among Unit Owners, from time to time as he or she may in his or her discretion decide are appropriate to assist in the conduct of the affairs of the entire Condominium.

4.5 **Vice President**. The Vice President shall take the place of the President and perform his or her duties whenever such President shall be absent or unable to act. If both the President and the Vice President of the Condominium are unable to act, the Condominium Board shall appoint some member of the Condominium Board to act in the place of the President and Vice President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him or her by the Condominium Board or by the President under whom he or she serves.

4.6 **Secretary**. The Secretary of the Condominium shall keep the minutes of all meetings of Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Condominium Board shall direct and shall in general perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

4.7 **Treasurer**. The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Condominium Board (or in the name of the Managing Agent appointed by the Condominium Board) in such depositories as may from time to time be designated by the Condominium Board and shall in general perform all of the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

4.8 **Assistant Secretary**. The Non-Residential Unit Owners shall have the right to appoint an Assistant Secretary with signatory authority.

4.9 **Execution of Documents**. Unless otherwise delegated by the Condominium Board, all agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any officer thereof or by such other person or persons as may be designated by the applicable Condominium Board.

4.10 **Compensation of Officers**. Except as otherwise provided by the Condominium Board for which he or she serves, no officer shall receive any compensation for acting as an officer of the Condominium.

4.11 **Liability of Officers**. To the extent permitted by applicable Law, no officer of the Condominium shall have any personal liability with respect to any contract, act or omission of the Condominium, the Condominium Board, the Residential Committee or its members or officers, or of any managing agent or manager, building engineer, superintendent or employee in connection with the affairs or operation of the Condominium (except to the extent arising from such officer's bad faith, gross negligence or willful misconduct) including, without limitation: (i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, any such officer or to be paid for as a General Common Expense; or (ii) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or any Common Element, which is either: (a) caused by the elements, by any Unit Owner or by any other individual; (b) resulting from electricity, water, snow or ice that may leak or flow from a Unit or any portion of any Common Element; or (c) arising out of theft or otherwise. The Condominium and the Residential Committee shall indemnify each officer of the Condominium against all costs arising out of such officer's service in such capacity, except those matters arising out of such officer's bad faith, gross negligence or willful misconduct.

ARTICLE 5

NOTICES

5.1 **Notices**. All notices required or desired to be given hereunder to the Condominium Board shall be personally delivered or sent by registered or certified mail to the office of the Condominium Board or to such other address as the Condominium Board may designate from time to time, by notice in writing to the Unit Owners, as the case may be, and if there is a Managing Agent of the Condominium Board, a duplicate shall be sent in like manner to such Managing Agent. All notices shall be deemed to have been given when personally delivered or mailed in a postage prepaid sealed wrapper, except notices of change of address which shall be deemed to have been given when received.

5.2 **Waiver of Service of Notice**. Whenever notice is required to be given by Law, the Declaration or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

5.3 **Record of Addresses**.

5.3.1 The Condominium Board shall keep and maintain correct, current and complete record containing the names and addresses of all Condominium Board Members (and

their proxies, if any), Recognized Mortgagees and Mortgagee Representatives. The foregoing records shall be in written form or in any other form capable of being converted into written form within a reasonable time. A Condominium Board member, a Unit Owner, a Residential Committee member, any Recognized Mortgagee or Mortgagee Representative shall have the right to examine in person or by agent or attorney, during usual business hours on Business Days, such records and, at such Person's expense, to make extracts or copies therefrom (including electronic copies to the extent such records are in electronic form) for any purpose reasonably related to such Person's interest in the Condominium.

5.3.2 The Residential Committee shall keep and maintain correct, current and complete records containing the names and addresses of all of its members, all of its Unit Owners, Recognized Mortgagees, as applicable, and Mortgagee Representatives, as applicable. The foregoing records shall be in written form or in any other form capable of being converted into written form within one Business Day. The Condominium Board shall have the right to examine in person or by agent or attorney, during usual business hours on Business Days, such records and, at the Condominium Board's expense, to make extracts or copies therefrom (including electronic copies to the extent such records are in electronic form) for any purpose reasonably related to the exercise and fulfillment of the Condominium Board's rights and obligations under the Condominium Documents.

ARTICLE 6

OPERATION OF THE PROPERTY

6.1 Determination of Common Expenses and Fixing of Common Charges.

6.1.1

6.1.1.(a) Except as otherwise provided herein, all costs and expenses attributable to the repair, Maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the General Common Elements ("General Common Expenses") shall be determined by the Condominium Board as set forth below, and, shall be borne by all Unit Owners. Common Expenses shall also include such amounts as the Condominium Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the General Common Elements. The Condominium Board shall, from time to time, and at least annually prepare a budget to meet (a) General Common Expenses and shall allocate and assess the same to all Unit Owners, *pro rata* in accordance with the aggregate respective Common Interests thereof. In addition to basing charges on Common Interests, the Condominium Board may also make allocations and assessments of Common Expenses in accordance with sub metering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable Law. Notwithstanding anything to the contrary set forth above, the Condominium Board may not modify its method of allocations and assessments or increase the number of building employees in such a manner as would increase the Common Charges otherwise payable by the Non-Residential Unit Owners, without the consent of the Non-Residential Unit Owners. The foregoing shall be subject to the right of the Non-Residential Unit Owners under Section 10.2.

6.1.1.(b) All costs and expenses attributable to the repair, Maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Residential Section ("Residential Unit Common Expenses") shall be determined by the Residential Committee, and shall be borne solely by the Residential Unit Owners in proportion to their respective Common Interests. All costs and expenses attributable to the repair, Maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Non-Residential Units ("Non-Residential Unit Common Expenses") shall be determined by the Non-Residential Unit Owners and shall be borne solely by the Non-Residential Unit Owners in proportion to their respective Common Interests.

6.1.1.(c) Notwithstanding anything to the contrary in this Section 6.1.1, if a Common Element or a Limited Common Element benefits only certain Unit Owners, then the costs of alteration, addition, repair, replacement and restoration thereto (except in connection with a casualty or condemnation) shall be borne solely by those Unit Owners who benefit from the Common Element or Limited Common Element in the proportion that the Common Interest of each benefiting Unit Owner bears to the Common Interest of all benefitting Unit Owners. In addition, except as otherwise provided in the By-Laws, such Unit Owners shall be responsible for the normal operation, maintenance and repair, including but not limited to the cost of staff necessary for such operation, maintenance and repair, of any such Common Element or Limited Common Element, at their sole cost and expense. Notwithstanding anything to the contrary in this Section 6 or elsewhere in the Declaration or these By-Laws, the By-Laws or any exhibits or schedules attached hereto, the Retail Unit, the Garage Unit Owner and the Community Facility Unit Owner shall pay as their respective shares of General Common Expenses (including, but not limited to, any reserves and/or any special or other assessments relating to the General Common Expenses) only the applicable percentages of those specific expenses listed in Exhibit H and no greater or other percentage of any other General Common Expenses.

6.1.1.(d) Residential Unit Common Expenses shall include, without limitation, such amounts as the Residential Committee may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Residential Unit Common Elements or Residential Unit Limited Common Elements. Residential Unit Common Expenses shall also include all such other items provided for in this Declaration or these By-Laws to be Residential Unit Common Expenses. The Residential Committee shall, from time to time and at least annually prepare a budget to meet Residential Unit Common Expenses and shall allocate and assess to the Residential Unit Owners, pro rata in accordance with their respective Common Interests (except as otherwise provided in the Declaration or these By-Laws), charges ("Residential Unit Common Charges") to meet (a) Residential Unit Common Expenses and (b) the Residential Unit Owners' pro rata share of the General Common Charges. Such budget(s) shall include such amounts for reserves as the Residential Committee deems appropriate. From time to time the Residential Committee may increase or decrease the amount of Residential Unit Common Charges payable for a fiscal year or any portion thereof to meet a revised estimate or determination of Residential Unit Common Expenses for such fiscal year or any portion thereof.

6.1.2 Each Board Member shall have a period of twenty (20) days following receipt of each proposed annual budget ("Annual Budget") and each proposed capital budget (the

"Capital Budget") to review and object to same. Failure to object within the twenty (20) days shall be deemed an approval of such proposed Annual Budget or proposed Capital Budget, as applicable. Notwithstanding the foregoing, the Board Members may only object to a proposed Annual Budget or proposed Capital Budget on the grounds that such proposed Annual Budget or proposed Capital Budget is not sufficient to provide the services required pursuant to these By-Laws and Maintain the Property consistent with other similar buildings in the immediate vicinity of the Building ("Comparable Buildings") and such objection shall set forth in reasonable detail the specific items as to which the Board Member believes the proposed Annual Budget or proposed Capital Budget to be inadequate and the basis therefor (provided that the foregoing shall not limit the rights of the Non-Residential Unit Owners to audit the books and records of the Condominium and the Common Charges pursuant to Section 10.2 below). If a member of the Condominium Board shall object to any proposed Annual Budget or proposed Capital Budget in accordance with the foregoing provisions of this Section, the Condominium Board members shall attempt to resolve such objection and in the event of such resolution, the Managing Agent shall revise the Annual Budget and/or Capital Budget accordingly. In the event that the dispute cannot be resolved by the Unit Owners as aforesaid, such dispute can be submitted to Arbitration, and in such event, the Annual Budget and/or Capital Budget which have been previously in effect, shall remain in effect until such time as the Condominium Board members shall have otherwise resolved such dispute or such Arbitration has been finally determined.

6.1.3 Notwithstanding anything contained herein to the contrary, any and all costs and expenses paid or incurred by the Condominium in connection with the repair, Maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to any Residential Common Element shall be allocated and assessed as a Residential Common Expense, as applicable, solely to the Residential Unit Owners.

6.1.4 The excess of all rents, profits and revenues derived from the rental or use of any space or facility forming part of or included in any General Common Element remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by the Condominium Board as agent for and on behalf of the Unit Owners. Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, in no event shall any rent, profit or revenue derived from the rental or use of any space in the Building 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.

6.1.5 Common Expenses shall include real estate taxes on the Property until the Units are separately assessed.

6.1.6 In the event that the annual receipts levied against Residential 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 Residential Unit Owners for that period accounted for on an accrual basis by an amount in excess of $100,000, the receipts from Residential Unit Owners over and above such amount may be rebated to the Residential Unit Owners by the Residential Committee of the Board in proportion to each Residential Unit's percentage of Common Interest. Rebates, if any, attributable to Residential Units purchased from

Sponsor during the first year of condominium operation will be distributed by the Board to Sponsor and the Residential Unit Owner(s) in proportion to the amount of time Sponsor and each Residential Unit Owner owned such Residential Unit.

6.2 **Insurance.**

6.2.1 The Condominium Board shall be required to obtain and maintain to the extent obtainable the following insurance: (a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements and increased cost of construction endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit), together with all service machinery contained therein and covering the interests of the Condominium, all Unit Owners and their Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the building (exclusive of foundation and footings), said policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject however, to the loss payment provisions hereinafter set forth; (b) rent insurance in an amount equal to Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) equipment breakdown insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any, determined by the Condominium Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering the Condominium Board and all officers, directors, Managing Agents and employees of the Condominium; (i) directors and officers liability insurance; and (j) such other insurance as the Condominium Board may determine. The premiums for all insurance referred to above and for the liability insurance referred to below shall be a General Common Expense and shall be borne by the Unit Owners in such proportions between them, with due consideration to their respective risks, liabilities and replacement values, as are equitable (as determined by the respective insurance carriers thereof or their agents, brokers or other such parties designated by the Condominium Board).

6.2.2 All such policies shall provide that adjustment of loss shall be made exclusively by the Condominium Board if the loss involves the General Common Elements subject to the requirement of any Permitted Mortgagees.

6.2.3 All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least thirty (30) days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees. Duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees at least thirty (30) days prior to expiration of the then current policies.

6.2.4 The Condominium Board shall also be required to obtain and maintain, comprehensive general liability insurance against claims for personal injury, death or property

damage occurring upon, in or about the Property, in such limits as the Condominium Board may from time to time determine, covering the Condominium Board, the Managing Agent or agents thereof, the Condominium Board members, and each officer and employee of the Condominium except that such policy will not cover liability of a Unit Owner arising from occurrences within his or her own Unit, if any, exclusive to his or her Unit. The Condominium Board shall review such limits once each year. The insurance required in accordance with this Subsection 6.2.4 shall also cover cross-liability claims of one insured against another.

6.2.5 Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Condominium Board determines.

6.2.6 The Condominium Board is not required to obtain or maintain any insurance with respect to any personal property contained in a Unit. Each Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum coverage as established by the Condominium Board 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), affording protection of at least $1,000,000 per occurrence, plus at least $3,000,000 umbrella liability coverage. 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 or permitted to do business in the State of New York. Upon ten (10) days' written notice from the Condominium Board or the Managing Agent, the Unit Owner shall deliver to the Condominium Board a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Condominium Board. The Condominium Board and the Managing Agent shall not be responsible for ensuring that Unit Owners are insured and shall have no liability for the failure of a Unit Owner to have insurance. To the extent either party is insured for loss or damage to property, each party will look to their own insurance policies for recovery.

6.2.7 The premiums for all insurance referred to above (except as otherwise stated in Section 6.2.6) shall be a General Common Expense which shall be apportioned based on the manner in which the insurance company (or if there is more than one insurance company, by reason of co-insurance or otherwise, then the lead insurance company) has allocated and underwritten the risks and in the absence of such an allocation in accordance with the respective Common Interests of the Unit Owners. The Condominium Board may direct the insurance company to determine such allocation based upon the respective replacement costs and the particular uses and operations of the Units and improvements being insured by the Unit Owners, as well as the number of additional insureds requested by each Unit Owner and other relevant factors and, subject to the approval of the Condominium Board, shall form the basis of future allocations of insurance premiums. Any such approved allocation by the insurance company shall be binding unless objected to by a Unit Owner within thirty (30) days after the issuance of the allocation statement to each of the Unit Owners. In the event the Unit Owners are unable to resolve any such objection, the matter shall be subject to Arbitration pursuant to Article 14 hereof; provided, however, that pending the results of any Arbitration with respect to the

apportionment of the premiums, the Unit Owners shall pay their indicated share of such insurance costs as initially determined by the insurance companies within thirty (30) days after receipt of an invoice therefor accompanied by a statement setting forth the basis of apportionment thereof (subject to adjustment of such payments upon final determination of any objection made as provided above). Proof of payment of premiums for such insurance shall be delivered to any Unit Owner, Unit occupant or Permitted Mortgagee within thirty (30) days of request therefor.

6.2.8 The following provisions shall apply with respect to Insurance Requirements of Unit Owners:

6.2.8.(a) No Unit Owner shall (1) do or permit any act or thing to be done in or to its Unit which will be in material conflict with any general liability, property or other policy of insurance at any time carried by the Condominium Board with respect to the Property, (2) keep anything in its Unit or in the Common Elements which is prohibited by the Fire Department, Board of Fire Underwriters, fire insurance rating organization or other authority having jurisdiction, (3) permit its Unit or the Common Elements to be used in any manner which will increase the insurance rate for the Property over that in effect as of the date of the Declaration, unless such Unit Owner pays the additional cost thereof as provided below, or (4) willfully or knowingly violate or suffer or permit the violation of the terms of any policy of insurance required hereunder, or do or permit or suffer anything to be done, or keep anything in any portion of the Building which could result in termination of any such policies, could adversely affect the right of recovery under any such policies, or would result in reputable and independent insurance companies refusing to insure the Building and improvements in the amounts required hereunder at regular rates.

6.2.8.(b) Any costs, expenses, fines, penalties or damages which shall be imposed upon the Condominium Board by reason of a default by a Unit Owner in performing its obligations under this Subsection 6.2.8 shall be assessed against such Unit and shall be payable by the Unit Owner thereof.

6.2.8.(c) The Condominium Board and Permitted Mortgagees shall be named as additional insureds on the general liability/Umbrella Liability coverage maintained by each Unit Owner. The Unit Owner's insurance shall be primary as to general liability exposures arising out of such Unit Owner's Unit, and to the extent of the Unit Owner's negligence, in which event any other insurance available to the Condominium Board, other Unit Owners or any other insured, shall be excess.

6.2.8.(d) Each Unit Owner shall, at its sole cost and expense, maintain or cause to be maintained at all times Worker's Compensation/Employers Liability and New York State disability benefits insurance with respect to such Unit Owner's employees, if any.

6.2.8.(e) Each Unit Owner shall, at its sole cost and expense, maintain or cause to be maintained at all times general liability insurance, personal property insurance and such additional insurance, in type and limit, as is customarily carried with respect

to comparable properties as the Condominium Board may reasonably require by a majority vote of all members of the Condominium Board.

6.2.8.(f) Unit Owners owning a majority of the Common Interest may determine to obtain any insurance that the Unit Owners are required hereunder to separately maintain as a single policy.

6.2.9 Notwithstanding anything to the contrary set forth above, in the event that any Unit is subject to more stringent Insurance Requirements as a result of any Permitted Mortgage or lease placed upon such Unit, or otherwise, the Condominium Board and the Insurance Trustee will be obligated to satisfy the more stringent requirements, if available, and the Condominium Board, if necessary, will obtain such additional insurance coverage as may be required. Any additional costs incurred as a result of the foregoing will be borne by the Unit Owner whose Unit was subject to the more stringent requirements.

6.3 **Repair or Reconstruction after Fire or Other Casualty.**

6.3.1 **Fire or Other Casualty.** If the Building is damaged by fire or other casualty, the Condominium Board shall, with due diligence and in as timely a manner as practicable under the circumstances, cause the damage to be repaired and the Building (exclusive of (i) the Units and (ii) tenant build outs and other similar interior improvements which shall be the responsibility of the affected Unit Owner) to be restored pursuant to the following provisions of this Section 6.3.1 and Sections 6.3.2 through 6.3.7 herein, unless such casualty is a Significant Casualty and all of the Unit Owners do not mutually agree to repair and restore the Building, in which event the provisions of Section 6.3.2 below shall apply. Notwithstanding anything to the contrary set forth in this Section 6.3.1, if a Unit is damaged by fire or other casualty, such affected Unit Owner, at its sole cost and expense (whether or not insurance proceeds are available therefor) shall promptly commence the removal of any rubble and debris resulting from such event and, within a reasonable time thereafter either: (i) repair and restore the space so damaged to a habitable and usable condition and in compliance and conformity with applicable Law and applicable Legal Requirements, the Declaration, these By-Laws, and the standards generally applicable to Comparable Buildings, or (ii) perform such work as may be necessary to make the Unit in a safe and secure condition in compliance with applicable Legal Requirements and with demising walls, doors and exterior visible surfaces separating such space from any other space which is visible from outside of the damaged space, which shall include, with respect to the Units, any appropriate aesthetic alterations to the exterior of such damaged space.

6.3.1.(a) Claims for insurance maintained by the Condominium Board shall be adjusted by the Condominium Board and claims for insurance maintained by a Unit Owner shall be adjusted by such Unit Owner. Any dispute regarding the adjustment and/or settlement of any claim with the relevant insurance company shall be submitted to Arbitration.

6.3.1.(b) The Unit Owners and the Condominium Board shall cause all necessary repair and restoration work with respect to the Building to be performed in accordance with the provisions of this Section 6.3.1 through 6.3.7. If proceeds with respect to a loss shall be payable to the Condominium Board, the Depositary (i) shall hold such proceeds in trust for the purpose of paying the costs of the repair or restoration as provided in Section 6.3.1

and (ii) shall apply such proceeds first to the payment in full of the cost of such repair and restoration before using any part of the same for any other purpose. The Condominium Board shall give notice of completion of any such repair or restoration to all of the Unit Owners if such repair or restoration is needed in all Units, in which case the excess proceeds shall be distributed in accordance with Section 6.3.5. In connection with the repair and restoration work to the Building in accordance with the provisions of this Section 6.3.1 and Sections 6.3.2 through 6.3.7, the Condominium Board shall engage an Architect, if required, to repair or restore the Common Elements of the Building. The repair and restoration shall be commenced and pursued to completion in as timely a manner as practicable and shall be performed on behalf of the Unit Owners and the Condominium Board by a Contractor (as hereinafter defined) Reasonably Approved by a majority of the members of the Condominium Board. Any dispute among the members of the Condominium Board under this Section 6.3 shall be submitted to Arbitration. If the applicable members of the Condominium Board fail to agree upon the selection of an Architect or Contractor within sixty (60) days after the occurrence of such fire or other casualty, then the selection of the Architect or Contractor, as applicable, may be submitted to Arbitration.

6.3.1.(c) The plans and specifications for such repair and restoration shall be prepared by the Architect in accordance with instructions given by the Unit Owners with respect to their respective Units and the Condominium Board with respect to the Common Elements, and shall provide for the restoration of the damaged portion of the Building as close as commercially practicable to the Building as it existed prior to the damage or destruction, except to the extent any changes in applicable Legal Requirements require otherwise or unless a majority of the Unit Owners agree otherwise. The Condominium Board shall cause the Architect to furnish to each of the Unit Owners and the Condominium Board a set of the plans and specifications (and shop drawings upon request), which it has prepared or caused to be prepared. If, in connection with any restoration or repair hereunder, a Residential Unit Owner desires to make any material change in or to its Unit or the Limited Common Elements appurtenant thereto, the consent of a majority of the other Residential Unit Owners shall be required, which consent shall not be unreasonably withheld or delayed provided that (i) such change is consistent with the standards generally applicable to that of a Comparable Building, (ii) such change will not result in a reduction of the rentable square footage of any of the other Residential Unit Owner's Units and (iii) such material change will be made at the sole cost and expense of the Residential Unit Owner desiring to make such material change. Any dispute concerning any such material change shall be submitted to Arbitration. Nothing contained herein shall be deemed to limit a Unit Owner from engaging its own architect to perform restoration work to its respective Unit (subject to the provisions of the Declaration and these By-Laws), provided that such architect shall coordinate the performance of its work with the Architect engaged by the Condominium Board. In no event shall the consent of any Residential Unit Owners be required in connection with any change (material or otherwise) to a Non-Residential Unit.

6.3.2 **Significant Casualty.** If a fire or other casualty occurs and 75% or more of the Building is destroyed (a "Significant Casualty") and 75% or more of the Unit Owners as well as the Non-Residential Unit Owners agree not to repair and restore the Building, (a) the Board shall secure and fence in the Property boundary, and shall raze the Building, if necessary, and put the Building and Property into compliance with Law, and otherwise make the Property and Building safe (all of the activities described in this clause (a) being defined as the "Safety Work") and (b) the Property shall be withdrawn from the provisions of the Condominium Act

and shall be subject to an action for partition at the election of any Unit Owner or lienor as if owned in common, in which event the Net Proceeds of Sale, together with any net insurance proceeds, shall be distributed into a trust fund for the benefit of the Unit Owners and allocated amongst the Unit Owners in proportion to their respective Common Interest (the "Casualty Distributions"). Notwithstanding anything to the contrary set forth herein, no payment shall be made to a Unit Owner until there has first been paid from out of such Unit Owner's share of such proceeds all liens on such Unit Owner's Unit, in the order of priority of such liens. In the event the Building is repaired and restored as aforesaid, each Unit Owner (including any Residential Unit Owner) hereby acknowledges and agrees that insurance proceeds will be first applied to such repair and restoration.

6.3.3 **Determination of Costs.**

6.3.3.(a) As soon as reasonably practical after any fire or other casualty (but in no event more than sixty (60) days after such fire or other casualty), a Certifying Professional shall be retained by the Condominium Board. The Condominium Board shall direct the Certifying Professional to prepare a reasonably detailed statement setting forth (i) a description of the damaged Common Elements and structural supports, and (ii) an estimate of the total costs of such repair or restoration of said Common Elements, which notice shall include a complete schedule of costs and a reasonably detailed breakdown thereof by area and type of damage and necessary repair and restoration. To the extent that the Condominium Board and the Unit Owners are required to restore in accordance with the provisions herein, each Unit Owner shall be solely responsible for the costs of restoration to such Unit Owner's Unit. If the cost and expense of any repair and restoration to the Common Elements pursuant to the provisions herein shall exceed the amount of insurance proceeds, the excess cost and expense (or the entire amount of such cost and expense, if there are no insurance proceeds) shall be borne by each of the Unit Owners in proportion to their respective Allocable Percentage.

6.3.3.(b) "Allocable Percentage" refers to each Unit Owner's allocable share of certain proceeds, expressed as a numerical percentage. The Allocable Percentage shall be based upon the ratio of the estimated values of each Unit (rather than Common Interest) as determined by an appraiser. The appraisal shall be conducted in accordance with the Appraisal Procedures except that the cost of the appraiser(s) shall be borne by the Unit Owners.

6.3.3.(c) Notwithstanding the foregoing, (1) to the extent the additional costs result from the acts or omissions of a Unit Owner, such Unit Owner shall be solely responsible for payment of the additional costs, and (2) if a Unit Owner fails to carry any insurance required under Section 6.2 (or otherwise cause its tenants or owners to maintain such coverage, as applicable), such Unit Owner shall be responsible for the payment of any restoration costs that would have been paid from the proceeds of such insurance. The Unit Owners shall share, subject to the terms of the immediately preceding sentence, any cost overruns resulting from "Unavoidable Delays" (that are not caused solely as a result of one or more Unit Owner's actions or inactions, in which case such Unit Owner(s) would bear the costs entirely) based upon the Unit Owners' Allocable Percentage. Each Unit Owner shall share in paying any insurance deductible with respect to the Common Elements only in accordance with the Unit Owner's Allocable Percentage and shall be fully responsible for any deductible with respect to insurance

covering damage to the Unit itself. "Certifying Professional" shall mean an architect (other than the Architect) or a licensed professional engineer or engineering or construction consulting firm that provides engineering and/or architectural services, which is experienced in the design and operation in the City of New York of structures similar to the Building and has provided services comparable to those being requested hereunder within not less than three (3) of the immediately preceding ten (10) years, approved by a Condominium Board member designated by the Residential Unit Owners and approved by the Non-Residential Unit Owners, which shall not be unreasonably withheld, delayed or conditioned.

6.3.4 **Insurance Proceeds to Depositary.** The Depositary shall hold all insurance proceeds and shall be the disbursement agent therefor, except if the damage due to fire or other casualty is confined solely to one (1) Unit, without affecting any Common Elements or the other Unit or Units.

6.3.5 **Excess Insurance Proceeds.** Upon completion of the repair and restoration in accordance with the provisions of these By-Laws and full payment therefor and for all costs in connection therewith, any excess insurance proceeds shall be distributed into a trust fund for the benefit of the Unit Owners and deemed allocated amongst the Unit Owners in proportion to their respective Allocable Percentage (the "Casualty Excess Distributions") and delivered to the Condominium Board, which in turn shall deposit the Casualty Excess Distributions in a separate trust fund for the benefit of the Unit Owners, which fund shall thereafter be distributed in accordance with the Unit Owner's Allocable Percentage, subject to the rights of any applicable Recognized Mortgagee to receive such proceeds. In the event of a deficiency, in connection with the repair and restoration work as herein provided, if one of the Unit Owners failed to contribute to the deficiency, the amount of such deficiency, together with interest thereon at the Default Rate, shall be paid to the other Unit Owner to the extent advanced by such other Unit Owner (pro rata based on the amounts advanced by each such Unit Owner for such deficiency).

6.3.6 **Costs Defined.** For purposes herein, architects' and engineers' fees, attorneys' fees (other than those arising from a dispute of the parties hereunder, including, without limitation, any dispute that is submitted to Arbitration), consultants' fees, the fees of the Certifying Professional, title insurance premiums and other similar costs and expenses (including costs incurred by the Condominium Board) relating to repair or restoration shall be included in the costs and expenses of any such repair or restoration.

6.3.7 **Reallocation of Common Interests.** If, as a result of a casualty, the total square footage of the Residential Units or the Non-Residential Units, as applicable, changes, the Unit Owners shall promptly (x) adjust, as of the date of completion of the repairs and restoration required in connection with such casualty, the Unit Owners' Common Interests in the Condominium in a manner consistent with the allocation thereof in existence immediately prior to such casualty, and (y) prepare and record in the City Register's Office an amendment to the Declaration and/or these By-Laws, as appropriate, confirming such reallocation. If the Unit Owners do not agree on any of the matters referred to in the foregoing clauses (x) and (y) within forty five (45) days following completion of the repairs and restoration, they shall submit such issue to Arbitration to the extent permitted by Law.

6.4 **Payment of Common Charges.**

6.4.1 Except as provided in Section 6.1, the Unit Owners shall be obligated to pay to the Condominium Board the General Common Charges assessed to them by the Condominium Board, the Residential Common Charges and the Non-Residential Common Charges. Unless otherwise determined by the Condominium Board to which they are payable, Common Charges shall be payable monthly, in advance, on the first day of each month.

6.4.2 No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against its Unit subsequent to a sale or other conveyance by it (made in accordance with these By-Laws) of such Unit together with its appurtenant Common Interests. Any Unit Owner may, subject to the terms and conditions of these By-Laws and provided that (a) such Unit is free and clear of liens and encumbrances other than Permitted Mortgages and the statutory lien for unpaid Common Charges, and (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations then existing with respect to such Unit, convey for no consideration such Unit together with its appurtenant Common Interests, to the Condominium Board or their designees, corporate or otherwise, and in such event (except as hereinafter set forth), be exempt from General Common Charges, as the case may be, thereafter accruing. A purchaser of a Unit shall not be liable for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by him or her of such Unit, except that, to the extent permitted by Law, a purchaser of a Unit at a foreclosure sale of a Permitted Mortgage shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by said purchaser of such Unit. However, in the event of a foreclosure sale of a Unit by a Permitted Mortgagee, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale. Except to the extent prohibited by Law, the Condominium Board, on behalf of all Unit Owners, shall have a lien for General Common Charges unpaid to it by the Unit Owners, together with interest thereon, on the Unit owned by a non-paying Unit Owner, in proportion to its respective Common Interests.

6.4.3 All liens provided for in 6.4.2, to the extent permitted by applicable Law, shall be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the Unit.

6.4.4 Notwithstanding 6.4.2, the purchaser of a Unit shall not be liable for, nor shall the Unit be conveyed subject to a lien for, any unpaid Common Charges against such Unit accrued prior to such conveyance in excess of the amount set forth in a written statement from the Board.

6.4.5 In the event that prior to the Units being separately assessed for real estate tax purposes, the Board pays real estate taxes on behalf of a Unit Owner, the amount of such real estate taxes shall be deemed to be Common Charges, and the Board shall have a lien (as provided in Section 6.4.2) for any such accrued and unpaid amounts. After assessment, Unit Owners will be reimbursed for any overpayment of real estate taxes or assessed for an underpayment of the same.

6.5 **Collection of Common Charges**. The Board shall take prompt action to collect any Common Charges which remain unpaid for more than thirty days after the due date for payment thereof.

6.6 **Default in Payment of Common Charges**. In the event any Unit Owner fails to make payment of Common Charges when due, such Unit Owner shall be obligated to pay (a) a "late charge" equal to the greater of $150.00 or one percent (1%) of such amounts which remain unpaid for more than ten days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid), and (b) interest at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by Law) (the "Default Rate") on such unpaid amounts computed from the due date thereof, together with all expenses, including, without limitation, attorneys' fees paid or incurred by the Board or by the Managing Agent in any proceeding brought to collect such unpaid Common Charges or in any action to foreclose the lien on such Unit arising from said unpaid Common Charges as provided in Section 339-z of the New York Condominium Act, in the manner provided in Section 339-aa thereof or in any other manner permitted by Law. All such "late charges", interest and expenses shall be added to and shall constitute Common Charges payable by such Unit Owner. Notwithstanding the foregoing, the Board may establish its own alternate fees for late payments, whether such fees are more or less than the charges set forth herein. All such "late charges," interest, fees and expenses shall be added to and shall constitute Common Charges or Special Assessments, as applicable, payable by such Unit Owner, and the Condominium Board's lien for unpaid Common Charges and/or Special Assessments, as applicable, shall also secure payment of such late charges, interest, fees and expenses. The Condominium Board shall diligently and in good faith enforce the obligations of each Unit Owner to pay Common Charges and Special Assessments. If a Unit Owner fails to make any payments required to be made under the terms of the Declaration and these By-Laws (such Unit Owner, a "Debtor Unit Owner"), any other Unit Owner(s) may, but shall have no obligation to, make such payment (the "Creditor Unit Owner"), provided such Creditor Unit Owner gives notice to the Debtor Unit Owner, the Debtor Unit Owner's Permitted Mortgagee(s), if any, in accordance with Section 7.3 of these By-Laws, and the Condominium Board of its intention to make such payment if such default is not cured within thirty (30) days following receipt of such notice. The Creditor Unit Owner shall be entitled to reimbursement for all such payments together with interest earned thereon from the date advanced until the date paid at the Default Rate and the Condominium Board shall have a lien on the Debtor Unit Owner's Unit as though such amounts were payable to the Condominium Board as Common Charges, but such lien shall be held and enforced by the Condominium Board for the benefit of the Creditor Unit Owner. Any disputes under this Section 6.6 as to the proper application of Default Rate, pending Default Rate or any other similar late fees or charges shall be resolved by Arbitration.

6.7 **Foreclosure of Liens for Unpaid Common Charges**. The Condominium Board may, at the election of the non-defaulting Unit Owner(s), bring an action for unpaid Common Charges, Special Assessments and/or Unit Owner Expenses by filing a lien against a Defaulting Unit Owner's Unit and foreclosing on such Unit. In addition, the Condominium Board may file a suit to recover a money judgment for unpaid Common Charges, Special Assessments and/or Unit Owner Expenses without foreclosing or waiving the lien securing such charges. Upon the Condominium Board's foreclosure of a lien on a Unit because of unpaid Common Charges, Special Assessments and/or Unit Owner Expenses, the Defaulting Unit Owner shall be required

to pay a reasonable rental for the use and occupancy of such Unit Owner's Unit from and after the period commencing from the date of the commencement of the foreclosure action, and the purchaser in such foreclosure action shall be entitled to collect the same. No action shall be brought to foreclose such lien unless thirty (30) days' notice of claim of lien is given to the Defaulting Unit Owner and any Permitted Mortgagee thereof. The Condominium Board, acting on behalf of the non-defaulting Unit Owners, shall have the power to bid in the amount of the lien at the foreclosure sale and to acquire and hold, lease, mortgage and convey same. Under no circumstances shall any Unit Owner remain liable for any deficit if the net proceeds received on such foreclosure sale (after deduction of all reasonable legal fees, advertising costs, brokerage commissions and other reasonable costs and expenses incurred in connection therewith) are insufficient to satisfy the Defaulting Unit Owner's obligations hereunder.

6.8 **Nondisburbance Agreement**. The Condominium Board, at the written request of any Unit Owner, will enter into a nondisturbance agreement (the "Condominium Nondisturbance Agreement") with a retail tenant occupying all or any portion of the Non-Residential Units on the terms set forth in this Section 6.8, provided such lease, is an "arms-length" lease and provided further that such Unit Owner has not received a notice of monetary default or material non-monetary default under the terms of the Declaration or these By-Laws at the time of such request that has not been cured within the applicable cure period. Under the terms of the Condominium Nondisturbance Agreement, (i) a tenant will acknowledge that the lease is subject and subordinate to the Declaration and the By Laws and (ii) the Condominium Board will agree that so long as no event of default exists under said lease as would entitle the Unit Owner or any successor landlord under the lease, (a) to terminate the lease or (b) dispossess the tenant thereunder, the tenant shall not be named or joined in any action or proceeding to foreclose the Condominium Board's lien for Common Charges and/or Special Assessments, as applicable on a Unit of which the demised premises under such lease forms a part or any other sums of any sort, (c) the Condominium Board will recognize all of tenant's rights under the lease and will not diminish, terminate or disturb tenant's possession or rights under the lease, expand any of tenant's obligations under the lease or under the Declaration or these By-Laws, or obligate tenant to comply with any of the provisions of the Declaration or these By-Laws, except as expressly provided herein and in the applicable lease, and will recognize tenant as the direct tenant of the Condominium Board or its successor on the same terms and conditions as are contained in the lease and the tenant's use, possession, or enjoyment of the Unit (or portion thereof) in question shall not be interfered with, nor shall the leasehold estate granted by the lease be affected in any manner, nor shall any of the rights of the tenant granted under the lease be affected in any manner, in any foreclosure or other action or proceeding instituted under or in connection with such lien or in the exercise of any rights of the Condominium Board, or, in case the Condominium Board takes possession of said Unit pursuant to any provision of the Declaration or By-Laws, or otherwise; provided however that if the Condominium Board or any other party succeeds to the interests of the Unit Owner under the lease, the tenant will agree to be bound to the Condominium Board or other party under all of the terms, covenants and conditions of the lease and the tenant will attorn to the Condominium Board or other such other party as its landlord. The Condominium Board, at the request of the Unit Owner entering into a lease with the tenant, shall execute and deliver promptly the Condominium Nondisturbance Agreement and any other agreement that any tenant may reasonably request in confirmation of the foregoing in form reasonably satisfactory to the Condominium Board. The Unit Owner requesting such Condominium Nondisturbance Agreement shall pay all reasonable out-of-pocket costs and

expenses including without limitation reasonable attorneys' fees actually incurred by the Condominium Board in connection therewith.

6.9 **Alterations, Additions, Improvements and Repairs of Units.** Each Unit shall be kept in good order and repair in a manner at least consistent with the Project Standard at its sole cost and expense. Each Unit Owner shall promptly make or perform, or cause to be made or performed, all Maintenance work, repairs and replacements necessary in connection with the foregoing Maintenance obligations. Each Unit Owner shall have the affirmative duty to Maintain its respective Unit in such a manner so as to prevent and avoid causing damage to or impairing the use of the other Units, Common Elements or the Building, including, without limitation, providing necessary services and utilities to its respective Unit (such as heat and water) to the extent the provision of such services and utilities is necessary to the proper functioning of another Unit, the Common Elements or the Building and not taking any actions which would adversely affect the water tightness of the Roof and exterior façade of the Building.

6.9.1 Each Unit Owner shall have the right, pursuant to the terms of the Declaration but subject to the provisions of this Section 6.9, to make any alterations, additions, improvements, or repairs in or to its Unit or the Limited Common Elements appurtenant thereto and wholly located within, whether structural or non-structural, ordinary or extraordinary (collectively the "Unit Work"). All Unit Work shall be in compliance with applicable laws and regulations. Upon subdivision of a Unit in accordance with the provisions of the Declaration and these By Laws, these By-Laws may be amended to permit the Residential Committee to establish rules and regulations governing work to its Residential Units and Residential Unit Common Elements and Limited Common Elements appurtenant thereto, provided, however, that only the Residential Committee shall, on behalf of any Residential Unit, deal with the other Unit Owner and/or the Condominium Board with respect thereto under the provision of this Section 6.9. Prior to, and as a condition of, the granting of its consent to the making of a structural alteration, addition, improvement or repair in or to a Residential Unit, the Board shall have the right to reasonably approve the Residential Unit Owner's contractors and suppliers and may, at its option, require the Residential 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.

6.9.2 Each Unit Owner, at its expense, shall (x) obtain and keep in effect during the course of the Unit Work, all necessary municipal and other governmental permits, authorizations, approvals and certificates for the commencement and prosecution of its Unit Work and shall obtain final approval thereof upon completion (including, without limitation, such revisions to the certificate of occupancy as may be required), and deliver copies of the same to the Condominium Board, (y) obtain such insurance coverage as required in Section 6.2.6 of these By-Laws and (z) if the Condominium Board determines (acting through the Unit Owner which is not performing such Unit Work) that any Unit Work so requires, cause the Declaration to be amended and new floor plans to be filed (by those Persons designated by the Condominium Board to prepare such amendment or file such amended floor plans) at the sole cost of the Unit Owner undertaking such Unit Work. To the extent such Unit Work requires plans or permits, the Unit Owner undertaking such work shall provide the Condominium Board with copies thereof. The Condominium Board shall cooperate with a Unit Owner and, at such Unit Owner's expense,

execute all applications, authorizations and other instruments reasonably required to enable such Unit Owner to obtain such permits, authorizations, approvals and certificates, provided the Condominium Board receives the indemnity referenced in Section 6.9.5 below. The Board may impose fees upon a Residential Unit Owner to reimburse the Condominium for costs incurred in connection with the review or supervision of such Residential Unit Owner's Unit Work. The Unit Owner undertaking the Unit Work shall reimburse the Condominium Board for all reasonable fees and expenses incurred by the Condominium Board, within thirty (30) days of receipt of an invoice, in connection with necessary and reasonable inspections of the Unit Work to determine whether the same are being or have been performed in accordance with the requirements of (i) applicable Legal Requirements; (ii) insurance carriers providing insurance coverage pursuant to Section 6.2; (iii) the Declaration; and (iv) these By-Laws (including, with respect to Unit Work which may affect the Building structure, systems or exterior, the fees and expenses of any architect or engineer employed for such purpose). Any costs of the Condominium Board associated with the Unit Work including, but not limited to, the costs set forth above, shall be deemed "Related Costs." Notwithstanding the foregoing provisions of this paragraph, with respect to Unit Work performed in the Non-Residential Section or Units, the Unit Owner performing such Unit Work shall only be required to deliver copies of permits, authorizations, approvals and certificates and/or plans or permits required in connection with Unit Work if requested in writing by the Condominium Board, and such deliveries shall be for information only and shall not be deemed to allow the Condominium Board any right to approve or delay such Unit Work. Any contractor performing work in a Residential Unit shall not employ any personnel or means that may cause labor disturbances or stoppage in the work of Building employees or other contractors or subcontractors employed in the Building.

6.9.3 No work (x) involving any structural alterations or improvements or (y) impacting any Building System, another Unit or any Common Element (such work hereinafter referred to as "Notice Work") shall be commenced by or on behalf of a Unit Owner (the "Performing Unit Owner"), including without limitation, any such work to be performed by a tenant or occupant of all or any portion of such Unit, until the Condominium Board shall have been furnished with (i) certificates of insurance indicating that the insurance coverage then required by the Condominium Board to be carried during the making of any Unit Work is in effect and otherwise in compliance with Section 6.2 of these By-Laws, (ii) in the case of Notice Work, a certification of the architect, engineer or construction manager for the Notice Work stating that such Notice Work will not adversely affect (A) the structural integrity of the Building or the other Unit, (B) the Building systems or such Common Elements, (iii) in the case of Notice Work in a Residential Unit involving noise, odor or vibrations, a certification of the architect, engineer or construction manager for the Notice Work stating that such Notice Work will be performed in a commercially reasonable manner so as to minimize such noise, odor or vibrations (taking into account the fact that portions of the Building will be occupied by tenants) (it being agreed that with respect to such Notice Work in the Non-Residential Section or Units, the Unit Owner shall use commercially reasonable efforts to minimize noise, odor or vibrations but shall not be required to deliver an architect's, engineer's or construction manager's certification), and (iv) all necessary permits, authorizations, approvals and certificates required for the commencement of the Notice Work (the provisions of subparagraphs (i) through (iv) are hereinafter referred to as the "Work Conditions"). Notwithstanding anything to the contrary herein, the provisions of this Section 6.9.3 do not apply to work other than Notice Work.

6.9.3.(a) Except in case of an Emergency (in which event the Performing Unit Owner shall use reasonable efforts to notify the Condominium Board and the other Unit Owners as soon as possible), a Performing Unit Owner shall not commence Notice Work unless (i) the Performing Unit Owner has given at least fifteen (15) days prior written notice to the other Unit Owners and to the Condominium Board of its intent to perform the Notice Work (the "Work Notice") which Work Notice shall include a set of plans for the Notice Work and (ii) the Performing Unit Owner has (x) not received written objection thereto from any adversely affected Unit Owner or the Condominium Board pursuant to Section 6.9.3.(b) of these By-Laws within the fifteen (15) day period set forth therein, (y) received consent from any adversely affected Unit Owner with respect to the Notice Work, or (z) received a written Arbitration determination in accordance with Section 6.9 of these By-Laws authorizing the Performing Unit Owner to perform the Notice Work. The foregoing obligation to notify Unit Owners, and objection rights held by Unit Owners and the Condominium Board, and the requirements of Section 6.9.3(b) below, shall not apply to the Non-Residential Units, although the Condominium Board shall receive a Work Notice of Notice Work in the Non-Residential Section and Units, provided that such Work Notice shall be for informational purposes only and shall not be deemed to allow any approval right to the Condominium Board, Sponsor or any Unit Owner with respect to Work performed in the Non-Residential Section or Units.

6.9.3.(b) In connection with the review of such Notice Work by the affected Unit Owners and/or the Condominium Board, the Performing Unit Owner shall be obligated to reimburse the Impacted Owner and/or the Condominium Board, as the case may be, for all reasonable costs and fees associated with the review of the Unit Work prior to the commencement of the Unit Work. The affected Unit Owners and/or the Condominium Board may, within fifteen (15) days of receipt of a Work Notice, submit a written objection to the proposed Notice Work to the Performing Unit Owner setting forth in detail, the basis for such objection. If such an objection is submitted and not resolved by the Unit Owner, the proposed Notice Work may only be performed if the matter is submitted to Arbitration for a determination of whether the Notice Work will satisfy the requirements of Section 6.9 including without limitation, the Work Conditions. The affected Unit Owners and/or the Condominium Board receiving the Work Notice shall only have the right to submit a written objection if the proposed work will materially and adversely affect its Unit, have a material adverse effect on the Common Elements, Building Systems or access to and from the Unit and/or any services provided to such affected Unit Owners or the Condominium Board. In the event the other Impacted Owners or the Condominium Board, receiving the Work Notice does not make a written objection to the Notice Work within the 15-day period set forth in this Section 6.9, such Impacted Owners or the Condominium Board will be deemed to have waived any objections and the Performing Unit Owner shall be authorized to perform the Notice Work, subject to compliance with these By-Laws.

6.9.3.(c) Once any Unit Work or Notice Work is commenced, such work shall be completed with reasonable diligence and designed and undertaken in such manner as not to unreasonably delay or impose any expense upon the Condominium Board or the other Unit Owners in the construction, Maintenance, cleaning, repair, safety, management, security of operation of the Building, or any part thereof, and so as not to unreasonably interfere with, or cause unreasonable interruption of, the operation and Maintenance of the Building, or any part thereof, or cause commercially unreasonable annoyance to, or unreasonable interference with,

the use and occupancy of the Building and the other Units by Permitted Users (including, without limitation, causing unusual noise or vibrations). No Unit Work or Notice Work may jeopardize the soundness or structural integrity of any Unit or the Common Elements or the safety of any Permitted Users or involve commercially unreasonable levels of noise, odors or vibrations (taking into account the fact that portions of the Building may be occupied by tenants). Any dispute hereunder shall be resolved by Arbitration.

6.9.4 Any application to any department of the City of New York or to any other governmental authority having jurisdiction thereof for a permit to perform any work (including, without limitation, structural alterations, additions, improvements or repairs) or to obtain any amendment to the existing certificate of occupancy to reflect such work or any reconfiguration of a Unit and/or a change in use in or to any Unit or to the Limited Common Elements, if any, exclusively appurtenant to a Unit may be submitted by a Unit Owner and, if required by Law or such department or authority, be executed by the Condominium, provided that the Condominium Board shall not incur any liability, cost or expense in connection with such application or to any Unit Owner, contractor, subcontractor, materialman, architect or engineer on account of such alteration, addition, improvement or repair or to any Person having any claim for injury to person or damage to property arising therefrom and the Unit Owner undertaking such structural alterations, additions, improvements or repairs (or an entity reasonably acceptable to the Condominium Board, including, without limitation, any tenants or occupants of such Unit Owner) shall, in addition to the indemnity provided in Section 6.9.5, indemnify and hold the Condominium Board, the members of the Condominium Board, the officers of the Condominium Board, the Managing Agent and the other Unit Owner(s) harmless from and against any liability, cost and expense (including, reasonable attorneys' fees) arising from or in connection with such application.

6.9.5 Each Unit Owner shall:

6.9.5.(a) Give prompt notice to the Condominium Board of any written notice of material violation received by said Unit Owner arising from or otherwise connected to the Unit Work or Notice Work performed by it or on such Unit Owner's behalf, which shall be issued by any public authority having or asserting jurisdiction over the Unit or Building, and, upon receipt of notice from the Condominium Board or otherwise acquiring knowledge thereof, promptly procure the cancellation or discharge of the same at its expense; provided, however, nothing herein shall prevent a Unit Owner from contesting in good faith and at its own expense any such notice of violation; provided that the foregoing obligation to deliver written notice shall not apply to Unit Work or Notice Work performed in the Non-Residential Section and Units.

6.9.5.(b) Within one hundred twenty (120) days after a Unit Owner receives notice from the Condominium Board or otherwise acquires knowledge of the filing of any lien or violation resulting from such Unit Owner's Unit Work performed by it or on its behalf, such Unit Owner shall discharge, by payment, bond or otherwise, such mechanics' liens or other liens or violations filed against the Building or its Unit for work, labor, services or materials claimed to have been performed at or furnished to such Unit Owner's Unit as aforesaid for or on behalf of such Unit Owner or otherwise. If a Unit Owner shall fail to so discharge any such lien within such one hundred twenty (120) day period, the Condominium Board or the other

Unit Owner shall have the right, but not the obligation, to do so at the expense of such Unit Owner and any such expenditure shall be a Unit Owner Expense, the collection of which shall subject to all of the remedies set forth in these By-Laws.

6.9.5.(c) Neither the Condominium Board nor the Unit Owners (other than the Performing Unit Owner) shall incur any liability, cost or expense (i) in connection with the preparation, execution, or submission of the applications referred to in this Section 6.9; (ii) to any contractor, subcontractor, materialman, architect or engineer on account of any alterations, improvements, additions, or repairs made or caused to be made by any other Unit Owner; or (iii) to any Person asserting any claim for personal injury or property damage arising therefrom. A Unit Owner making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to its Unit or the Limited Common Elements appurtenant thereto, shall, indemnify and hold the Condominium Board, the members of the Condominium Board, the officers of the Condominium Board, the Managing Agent and the other Unit Owner harmless from and against any liability, cost and expense (including, reasonable attorneys' fees) arising from or in connection with such work, except to the extent caused by the willful misconduct or gross negligence of any such indemnified party.

6.9.6 Notwithstanding any other provision of these By-Laws to the contrary:

6.9.6.(a) In the event that any Maintenance to the Property or any part thereof is necessitated by the negligence, misuse, neglect or willful acts or omissions of (a) any Unit Owner or any guest, agent, licensee, tenant or invitee of such Unit Owner, the entire cost thereof shall be borne by such Unit Owner or (b) the Condominium Board, the entire cost thereof shall be charged to the Unit Owners as a General Common Expense, except in all such cases to the extent such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof.

6.9.6.(b) In the performance of Unit Work, to the extent a Unit Owner needs to access General Common Elements, said General Common Elements must be restored to the condition they were in prior to the performance of such Unit Work at the Performing Unit Owner's sole cost and expense.

6.9.6.(c) The public areas of the Building and those areas exposed to public view shall be kept in good, clean and neat appearance, in conformity with the dignity and character of the Building, by (a) the Condominium Board with respect to the General Common Elements, and (b) the Unit Owners with respect to the Units.

6.9.6.(d) Except as otherwise expressly provided in the Declaration or these By-Laws, all Maintenance and repairs, whether structural or nonstructural, ordinary or extraordinary, (a) in or to any Unit or Limited Common Element appurtenant thereto (except as otherwise provided in these By-Laws) shall be made by the owner of such Unit at such Unit Owner's sole cost and expense, unless the same is performed in a Limited Common Element in which case it would be at the expense of the sharing Unit Owners in relation to their relative percentage interests in the Common Elements; provided that with respect to Maintenance and repairs of residential terraces, if the Maintenance or repair is to the surface of the terrace, such Maintenance or repair shall be performed by the Unit Owner who owns the Unit appurtenant to

such Limited Common Element, and if the Maintenance or repair is to the slab beneath the surface or the parapet, such Maintenance or repair shall be performed by the Residential Committee and charged to the Residential Unit Owners as a Residential Common Expense, provided that if the damage to the slab or parapet was due to the negligence or misuse of the terrace by the owner, invitee or guest of the Unit to which such Limited Common Element is appurtenant, then such Maintenance or repair shall be charged to the Unit Owner as a Unit Owner Expense and (b) in or to the General Common Elements shall be made by the Condominium Board and charged to the Unit Owners as a General Common Expense.

6.9.6.(e) Upon the written request of a Unit Owner, the Condominium Board shall, at the sole cost of such requesting Unit Owner, execute (i) any declaration or other instrument affecting such Unit Owner's Unit which the Unit Owner reasonably deems necessary or appropriate to comply with any Law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the BSA, or any other public authority, applicable to the Maintenance, demolition, construction, alteration, repair or restoration thereof and which would not adversely affect the other Units or the Common Elements, or otherwise violate the Declaration or these By-Laws, and (ii) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Unit which the Unit Owner reasonably deems necessary or appropriate and which would not adversely affect the other Units or the Common Elements or otherwise violate the Declaration or these By-Laws; provided, in each such case it shall have received an indemnity in form and substance acceptable to the Condominium Board and, in the case of the Residential Unit Owners only, from a creditworthy entity acceptable to the Condominium Board, in its reasonable discretion, indemnifying the Condominium Board and the other Unit Owner from any and all liability and claims in connection with such instrument, declaration, easement, amendment or other document. All reasonable costs and expenses of the Condominium Board in connection with the foregoing shall be paid by the Unit Owner making such request and shall be deemed a Unit Owner Expense.

6.9.7 In the event that any alterations, additions, improvements or repairs made by any Residential Unit Owner materially delay, prevent or adversely affect, or create a significant risk of materially delaying, preventing or adversely affecting, whether directly or indirectly, the issuance of a temporary or permanent certificate of occupancy for such Residential Unit, other Residential Units or the Building, then upon the written request of Sponsor, or the Board, the Residential Unit Owner shall restore the Residential Unit or complete the work, at such Residential Unit Owner's sole cost and expense, to its original condition. If such Residential Unit Owner fails to commence diligently and continuously restoring the Residential Unit within fifteen (15) days of receipt of the written request, then the party requesting such restoration shall be entitled to enter and restore the Residential Unit at the expense of the Residential Unit Owner and to exercise any remedies provided in these By-Laws.

6.10 **Performance of Work in Common Elements**. Except as otherwise provided in the Declaration or these By-Laws, all alterations, additions, improvements or repairs in or to any General Common Element or Limited Common Elements, if any, shall be made by the Board or Unit Owner(s) required to maintain such General or Limited Common Element and the cost and expense thereof shall be charged to all Unit Owners as a General Common Expense, or to the Unit Owner(s) as a Unit Common Expense, or to the Unit Owner(s) responsible therefor, as the

case may be. Whenever in the judgment of the Board, the cost of any such alteration, addition, or improvement would exceed $250,000 (subject to adjustment by the Consumer Price Index) in the aggregate in any calendar year (except if such alteration, addition, or improvement is provided for in a duly approved budget), then such proposed alteration, addition, or improvement shall not be made unless first approved by a majority of the Unit Owners who shall be required to bear the cost and expense thereof as aforesaid with respect to alterations, additions, or improvements made by the Board. Except as otherwise provided in the Declaration or these By-Laws, all such alterations, additions, or improvements costing in the aggregate less than $250,000 in any calendar year may be made as aforesaid without the approval of the Unit Owners. Required repairs to the Common Elements including replacement of existing elements of the Building shall be made by the Board in its own discretion regardless of the cost therefor. In the event that the Condominium Board fails to make necessary repairs to Common Elements for which it is responsible within a commercially reasonable time, to the extent that any such Common Elements are located within and/or serve a Unit, and the failure of Condominium Board to make such repairs has a material adverse impact on the use of the Unit for the permitted purposes of the same, the Unit Owner shall have the right, upon ten (10) Business Days' notice to the Condominium Board, to perform such repairs on behalf of the Condominium Board. In such event, the Unit Owner shall be entitled to be reimbursed for the reasonable cost of such repairs.

6.10.1 In the event that, pursuant to any of the provisions of these By-Laws, any consent by the Board or any Unit Owner is required as a condition precedent to any alteration, addition or improvement to any Common Element (collectively sometimes referred to in this Section 6.10 as a "Special Alteration") proposed to be made by any Unit Owner or the Board (collectively sometimes referred to herein as the "Proponent"), such consent shall not be unreasonably withheld or delayed by the Board or such Unit Owner (referred to in this Section 6.10 as the "Consenting Party"). The Proponent shall give the Consenting Party notice setting forth in reasonable detail the material aspects of such proposed Special Alteration. If the Consenting Party does not give notice of any objection to the Proponent within twenty (20) days after the Proponent gives its notice, then the Consenting Party shall be deemed to have consented to the making of the proposed Special Alteration. If the Consenting Party does give notice of objection (which notice of objection shall set forth in reasonable detail the specific objections of the Consenting Party) within such twenty (20) Business Day period and the Proponent considers such objection unreasonable, then the Proponent may submit to Arbitration the question of whether or not the Consenting Party unreasonably withheld its consent, such Arbitration to be pursuant to this Section 6.10. In such Arbitration, it shall be determined that the Consenting Party unreasonably withheld its consent to such proposal if (a) the Proponent makes or causes to be made reasonable provisions providing (i) for the costs and expenses of the Special Alteration to be paid by it and (ii) that all costs and expenses for maintaining and repairing such Special Alteration after its completion will not be charged to the Consenting Party, (b) the proposed Special Alteration would not unreasonably or unnecessarily interfere with the use and enjoyment of the owners, tenants and occupants of those Units affected by the Special Alteration and (c) the proposed Special Alteration would not materially threaten or weaken the structure of the Building.

6.10.2 Nothing contained in subsection 6.10.1 hereof shall in any way be deemed to limit (a) the Proponent's right to modify any proposal made by it thereunder in such a manner

as the Proponent believes will meet the objections of the Consenting Party or of any arbitrator or (b) any party's right, pursuant to the other applicable provisions of these By-Laws or the Declaration, to make any alteration to other Common Elements without the approval of the Consenting Party (unless otherwise expressly provided elsewhere herein or in the Declaration).

6.11 **Common Charge Statement**. The Board shall promptly provide any Unit Owner who so requests with a written statement of all unpaid Common Charges due to the Condominium from the requesting Unit Owner.

6.12 **Restrictions on Use of Units.**

6.12.1 In order to provide for congenial occupancy of the Building and for the protection of the value of the Units, the Units shall be used only for uses permitted by Law.

6.12.2 No Unit Owner shall use, store, generate, treat, transport, handle or dispose of within its Unit or elsewhere in the Building any Hazardous Materials, other than ordinary cleaning fluids or items typically used in parking garages or premises used in retail sales, restaurants, bars, food services, storage or services which are used, stored, generated, treated, transported, handled and disposed of by an occupant in strict compliance with applicable Law. No occupant or tenant of any portion of the Building shall use, store, generate, treat, transport, handle or dispose of within its Unit or elsewhere in the Building any Hazardous Substances, except in strict compliance with applicable Law. The Condominium Board shall have all remedies available at Law or equity, including, without limitation, injunctive relief, with respect to any violation of this Section 6.12.

6.13 **Use of Units and General Common Elements.**

6.13.1 General Common Elements may be used only for the furnishing of the services and Facilities and for the other uses for which they are reasonably suited.

6.13.2 All Legal Requirements, including without limitation, zoning ordinances, and all rules, regulations and requirements of any insurance rating bureau having jurisdiction over the Property or any portion thereof, shall be complied with at the full expense of the respective Unit Owners or the Condominium Board (in which event, such expense shall be paid by the Unit Owners as a Common Charge), whoever shall have the obligation to Maintain such part of the Property. Notwithstanding anything to the contrary set forth above, if the compliance required pursuant to this Section 6.13.2 is required solely because of the nature of the use, possession and management of or activities by one of the Unit Owners or its tenants, subtenants or invitees, then such Unit Owner shall be solely liable for the costs and expense of such compliance.

6.13.3 Nothing shall be done, suffered or permitted to be done in any Unit or in or to any Common Element which would (1) impair the soundness or safety of the Building or materially impair any easement or hereditament pertaining to the Property, (2) result in or materially threaten the cancellation of any insurance carried by the Condominium Board or any Owner hereunder, (3) be in violation of any applicable Legal Requirements or Insurance Requirements with respect to the insurance referred to in clause (2) above, (4) be in violation of any uses permitted by Law then in effect for such Unit or the Building, (5) be in violation of the

Declaration or these By-Laws or the rules and regulations of the Condominium Board promulgated thereunder, (6) materially interfere with the mechanical and utility systems of the Building or any Unit, or (7) materially impair the delivery of any service that the Condominium Board or any Unit Owner is permitted to receive or required or permitted to provide hereunder.

6.13.4 If any governmental license or permit (other than a certificate of occupancy or a license or permit applicable to the Building as a whole and required in order to render lawful the operation of the Building), shall be required for the proper and lawful conduct of any business in a Unit, it shall be the responsibility of the Unit Owner of such Unit to duly procure and thereafter maintain such license or permit and submit the same to inspection by the Condominium Board. The Unit Owner shall at all times comply with the terms and conditions of each such license, permit and Law. Notwithstanding the foregoing, the Non-Residential Unit Owners may delegate obligations with respect to such licenses and permits, where appropriate, to tenants leasing such Units.

6.13.5 No Unit Owner shall discharge or permit to be discharged any materials into waste lines, vents or flues of the Building which might reasonably be anticipated to cause damage thereto or any fumes, vapors, or odors into flues or vents or otherwise as may be reasonably objectionable to Permitted Users, or that is a Hazardous Material.

6.13.6 Each Unit Owner shall pay, before delinquency, any and all taxes, custom and import duties, assessments and public charges levied, assessed or imposed upon such Unit Owner's business and/or personal property and its Unit.

6.13.7 Without the consent of the Condominium Board, no Unit Owner shall use or permit to be used the sidewalks or other space outside the Building for any solicitation, display, sale or similar undertaking (except as to the extent required for the installation and Maintenance of Signage as permitted hereunder and/or under the Declaration or pursuant to the Non-Residential Unit Owner's tenants' businesses on University Place and, with respect to the Garage Unit, on 12th Street). Except as expressly set forth in the Declaration or these By-Laws, radio antennae, television aerials, satellite dishes, or similar devices shall not be permitted to be attached to or hung from the Building façade.

6.13.8 The sidewalks, entrances, passages, public halls, elevators, vestibules, corridors and stairways of the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Units, except as otherwise provided for in Section 6.13.7 or otherwise required by Law or in the operation of the Non-Residential Unit Owner's tenants businesses.

6.13.9 Each Unit Owner shall comply, and shall cause its Unit to be in compliance with all Legal Requirements and Insurance Requirements.

6.13.10 The Condominium Board shall be responsible for cleaning the exterior of the windows appurtenant to each Residential Unit and shall cause such windows to be cleaned in a manner consistent with acceptable practices for residential use, as the case may be. The Condominium Board shall not clean or permit to be cleaned any window or require, permit or allow any window to be cleaned, from the outside, in violation of Section 202 of the Labor

Law of the State of New York, or any future Legal Requirements of like import, or (if applicable) in violation of the rules of the Board of Standards and Appeals of the City of New York or any other governmental authority having jurisdiction over the Land or the Building. Any replacement of glass windows in any Residential Unit because of breakage or otherwise shall be made by the Board at the sole cost and expense of the Residential Unit Owner (unless such breakage is caused by the Board or the negligence of any other Residential Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Board or the responsible Residential Unit Owner).

6.13.11 The owner of any Unit containing lot line windows, shall comply with all requirements of Law applicable thereto and, to the extent such lot line windows are provided with sprinklers, no decoration, alteration or installation can be made which would block or otherwise interfere with the operation of the sprinkler heads or be in violation of Law.

6.13.12 Any disputes arising under this Section 6.13 shall be resolved by Arbitration.

6.13.13 In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, each Residential Unit shall be used as described below.

6.13.13.(a) A Residential Unit may be used only as a residence and, subject to compliance with the By-Laws, for a lawful home occupation. Each such Unit may only be occupied by: (i) any individual who is a Unit Owner or permitted lessee; (ii) any officer, director, shareholder or employee of any corporation which is a Unit Owner or permitted lessee; (iii) any partner or employee of any partnership which is a Unit Owner or permitted lessee; (iv) any member or employee of any limited liability company which is a Unit Owner or permitted lessee; (v) the fiduciary or beneficiary or employee of any fiduciary which is a Unit Owner or permitted lessee; (vi) any principal or employee of any other entity (including, but not limited to, embassies and consulates of foreign governments) which is a Unit Owner or permitted lessee; provided that in each instance in clauses (ii) through (vi) above; (A) the designated officer, director, shareholder, partner, member, fiduciary, principal or employee is designated as the primary occupant of the Unit and is not being designated to use the Unit on a transient basis or as other than the primary occupant; and (B) such use is not, in fact or in effect, part of or in furtherance of a program, plan, entity, agreement or other arrangement providing for short-term, fractional or shared use and/or ownership of such Unit; and (vii) family members, domestic partners, domestic employees and/or non-paying guests of any foregoing. All of the foregoing are "Permitted Users."

6.13.13.(b) A Residential Unit may be used for any purpose permitted by law including an incidental business use, provided such use (1) does not violate the then existing certificate of occupancy for such Residential Unit, (2) does not adversely affect the use and enjoyment of neighboring or adjacent Residential Units for residential purposes, and (3) complies with all applicable governmental regulations. Incidental business use is acceptable only so long as (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside of the residence; (b) the business activity does not involve visitation of the Residential Units by employees, clients, customers, suppliers or other business invitees in greater volume than would normally be expected for guest visitation to a residence

without business activity; (c) the business activity is legal and conforms to all zoning requirements for the Condominium; (d) the business activity does not increase traffic in the Condominium in excess of what would normally be expected for Residential Units in the Condominium without business activity; (e) the business activity is consistent with the residential character of the Condominium and does not constitute a nuisance or a hazardous or offensive or immoral use, or threaten the security or safety of other residents of the Condominium, as determined at the discretion of the Condominium Board; (f) the business activity does not result in a materially greater use of Common Elements or other facilities at the Condominium; (g) the business activity does not increase the insurance premium paid by the Condominium Board or otherwise negatively affect the ability of the Condominium Board to obtain insurance coverage; and (h) there are no signs, advertisements or plaques of any type visible from the exterior of the Residential Unit.

6.13.13.(c) No portion of a Residential Unit (other than the entire Unit) may be sold, conveyed, leased or subleased, and no transient occupant (other than a guest permitted under this Subsection 6.13) may be accommodated therein.

6.13.13.(d) Each Unit Owner shall notify the Managing Agent in writing when a child or children eleven (11) years old or younger lives or resides (even temporarily) in the Unit. Each Unit Owner shall install at such Unit Owner's expense, the required window guards in all windows of the Unit. The Unit Owner shall maintain all window guards installed in the Unit and shall not remove same until permitted by applicable law and in any event, without full knowledge of the Managing Agent. Unit Owners shall not remove the window limit stops from the windows in the Units.

6.13.13.(e) Residential Unit Owners shall not take any action in their Units that would violate any collective bargaining agreement in effect in the Condominium.

6.13.13.(f) No furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators or any other parts of the Common Elements or Limited Common Elements other than in (a) Limited Common Elements for the exclusive use of a particular Unit Owner or (b) in the areas designated as storage areas or storage bins, without the prior consent of the Condominium Board as to the Common Elements. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them.

6.13.13.(g) Unit Owners shall require their tradesmen to utilize exclusively the elevator and entrance designated by the Condominium Board for transporting packages, merchandise or other objects.

6.13.13.(h) The owner of any two or more Units, which Units are serviced or benefited by any Common Element adjacent or appurtenant to such Units (for example, that portion at the end of any residential hallway which is directly adjacent to any such Units located on opposite sides of such hallway) shall, to the extent permitted by law and with the consent of the Condominium Board (which consent shall not be unreasonably withheld or delayed), have the exclusive right of use of such Common Element as if it were a part of such Units (including the right, in the above example of a portion of a hallway, to enclose such

portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made, provided such owner agrees, at its sole cost and expense, to (a) be responsible for the operation, maintenance and repair of such Common Element for so long as such owner exercises such exclusive right of use, and (b) restore such Common Element to its original condition, reasonable wear and tear excepted, after such owner ceases to exercise such exclusive right of use. The owner of any such Units which are Unsold Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Board. Notwithstanding the above, if an owner transfers or conveys his or her Unit to a successor owner, the transferor need not comply with (b) above provided that the transferee agrees to abide by (a) and (b) above.

6.14 **Right of Access.**

6.14.1 In addition to the easements granted in the Declaration, each Unit Owner grants a right of access to its Unit to the Condominium Board, Managing Agent and/or any other Person authorized by any of the foregoing for the purpose of: i) making inspections of, or for the purpose of removing violations against such Unit and/or the Common Elements, or any other part of the Property or for the purpose of curing defaults (after the giving of notice and applicable grace period as set forth herein) hereunder or under the Declaration or any of the rules and regulations adopted by the Condominium Board, by such Unit Owner, or correcting any conditions originating in such Unit Owner's Unit and threatening another Unit or all or any part of the Common Elements, but in each such event, subject to and in accordance with the provisions of these By-Laws, or ii) for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other portions of the Common Elements within such Unit Owner's Unit or elsewhere in the Building, or iii) for the purpose of reading, Maintaining or replacing utility meters relating to the Common Elements or the Units in the Building, *provided* that requests for such entry are made not less than five (5) Business Day(s) in advance (except that in case of an Emergency, the Exercising Party shall give such notice, which may be verbal, as is practicable given the nature of the Emergency) and that any such right shall be exercised in such a manner as will not materially or unreasonably interfere with the normal conduct of business by the tenants and occupants of the Units or with the use of the Units for their permitted purposes, and otherwise in accordance with Section 15 of the Declaration, as applicable. Each Unit Owner whose Unit is subject to the easements and rights of access described in this Section 6.14.1 shall be reimbursed for Access Costs. In connection with such access or other work, the Exercising Party shall (i) minimize any interference with the normal conduct of business by the Unit Owner or by the tenants and other occupants of the Unit in connection therewith (including, without limitation, minimizing the extent and duration of any interruption, curtailment, stoppage or suspension of any Building services) as is reasonably possible under the circumstances (including, without limitation, performing any such work or obtaining such access on an overtime basis if failure to do so would cause unreasonable interference with any normal business operations conducted in the Impacted Owner's Unit, but subject to such reasonable requirements pertaining to any security issues) and (ii) promptly repair any damages from such work or such access, thus restoring the Building or such Unit, as the case may be, as nearly as possible to its condition prior thereto. Any additional costs and expenses incurred as a result of such work being done outside of normal business hours will be borne by the Unit Owner or the Condominium Board requiring such access.

6.14.2 If any excavation or other substructure work shall be undertaken or authorized upon land adjacent to the Building after the redevelopment is completed, then, provided that the Condominium Board shall have obtained evidence of insurance, indemnification and other legal protections, for the benefit of the Condominium Board and the Unit Owners and tenants and other occupants of the Units, reasonably satisfactory to the Unit Owners, each Unit Owner shall, to the extent necessary, afford to the Person causing or authorized to cause such excavation or other substructure work, license to enter upon the Unit owned by such Unit Owner for the purpose of doing such work as shall be reasonably necessary to preserve any of the walls or structures of the Building from injury or damage and to support the same by proper foundations; provided that all such work shall be performed on not less than five (5) Business Day(s) advance notice and in a manner that shall minimize interference with the use and enjoyment of the Unit by the Unit Owner or occupant thereof. The restrictions contained in Section 6.14.2 shall not be required prior to the completion of the redevelopment. After the completion of the Building and the issuance of any certificate of occupancy (including any temporary certificate of occupancy), any excavation that will adversely affect the use or operation of the Non-Residential Units, which is not required by Law, requires the approval of the Non-Residential Unit Owners.

6.14.3 Each Permitted Mortgagee, while it holds a Permitted Mortgage on a Unit, shall have the right, from time to time, upon reasonable advance notice to the Condominium Board and during reasonable business hours except in the event of an Emergency or as otherwise expressly set forth in the loan documents evidencing the loan made by the Permitted Mortgagee, to have access to and to inspect the Common Elements in the company of a member of the Condominium Board or in the company of the Managing Agent for such portion of the Property, in the same manner and to the same extent as provided for access to and inspection of the Unit and the Common Elements appurtenant thereto that is subject to the lien of the Permitted Mortgagee's Permitted Mortgage. Notwithstanding anything to the contrary set forth herein, access to any General Common Elements located within a Unit (other than the Unit subject to the lien of the Permitted Mortgagee), shall be permitted only on not less than five (5) Business Days' advance notice to the affected Unit Owner, except in the case of an Emergency (and shall be subject to reasonable security measures required by the affected Unit Owner) and shall not materially or unreasonably interfere with the use of the affected Unit for its permitted purposes or with the normal conduct and use of the affected Unit by its tenants and occupants.

6.15 **Rules and Regulations**. The Condominium Board may adopt and from time to time, modify, amend or add to reasonable rules and regulations (the "Rules and Regulations") concerning the use of the General Common Elements, which shall not have an adverse affect on the Non-Residential Units without the consent of the Non-Residential Unit Owners. The Rules and Regulations shall be uniformly and equitably enforced by the Condominium Board.

6.16 **Real Estate Taxes, Water Charges and Sewer Rents**. Water and sewer services shall be supplied to and for all of the Units and the Common Elements, through one or more Building Systems by the City of New York. Except to the extent Unit Owners are billed directly by the City of New York, the Condominium Board shall pay all such charges, together with all related sewer rents arising therefrom, promptly after the bills for the same shall have been rendered. Until the Units are separately assessed for real estate tax purposes, Unit Owners shall pay their respective pro rata share of all real estate taxes with respect to the Property (in

accordance with their respective Common Interests) to the Condominium Board as Common Charges, which will in turn pay such taxes to the proper authorities of the City of New York.

6.17 **Heat**. The costs incurred by the Condominium Board shall be allocated to the Unit Owners as a General Common Charge. If the heat is submetered, the Condominium Board will collect such charges from the Unit Owners based on their respective submetered usages.

6.18 **Gas**. Gas will be supplied from the Con Edison gas distribution system and charges therefor shall be paid by the Unit Owner as a Common Charge.

6.19 **Electricity.**

6.19.1 Electricity for the Units (including tenants occupying portions of the Units) shall be supplied through a separate electric meter for each Unit (or portion thereof). However, the Condominium Board, at its sole discretion, shall have the right to require that electricity be supplied to the Residential Units through one or more electrical meters and that the cost thereof be borne by each Residential Unit Owner based upon sub-metering or any other reasonable basis, as determined by the Condominium Board. Each Unit Owner shall be required to pay the bills for electricity consumed or used in his or her Unit (or portion thereof) directly to the utility company, except that in the event that the Condominium Board has elected to sub-meter electricity to each Residential Unit, then in such event each such Residential Unit Owner shall be required to pay bills for electricity consumed or used in his or her Residential Unit either to the Condominium Board or to the utility company as directed by the Condominium Board.

6.19.2 In the event the Property is sub-metered with respect to the Residential Units, no Residential Unit Owners will be charged an amount (including any charge for billing costs) which exceeds the rate contemporaneously paid by customers who are served directly by the utility company and who are in the service classification that would be applicable if the Unit Owners were served directly by the utility company.

6.20 **Utilities Serving the General Common Elements**. The cost and expense of water, sewer Facilities, electricity and gas serving or benefiting any General Common Element shall be (a) considered part of the expense of Maintaining such General Common Element, and (b) determined by the Condominium Board. Any dispute as to the amount of such cost or expense shall be determined by Arbitration.

6.21 **Violations**. If notice of a municipal or other violation of applicable Legal Requirements is given or filed in respect of any portion of the Property as a result of the alleged or actual act of or failure to act by one Unit Owner or its tenants, subtenants or invitees (the "Violating Unit Owner") and such violation (1) jeopardizes the full force or effect of any certificate of occupancy issued for the Property, (2) materially adversely affects any other Unit Owners' right to occupy, use, enjoy and improve its Unit or Unit Common Elements or Limited Common Elements, if applicable, or any part thereof, (3) results in the imposition of a lien against the Property as a whole or any other Unit Owner's Unit, (4) results in a notice of violation, premium increase or otherwise from any insurance provider for any insurance required hereunder or (5) would create criminal liability for the other Unit Owner(s) or the Condominium Board (in such other Unit Owner's and/or the Condominium Board's reasonable opinion, as the

case may be), the Violating Unit Owner shall remove such violation within sixty (60) days of receipt of notice from such other Unit Owner and/or the Condominium Board, provided, however, if the Violating Unit Owner has commenced and been diligently prosecuting the removal of the violation within the sixty (60) day period, the period shall be extended for such additional time as is reasonably necessary to remove the violation. Any time a Violating Unit Owner is otherwise required under this Section to remove a violation, such Violating Unit Owner shall nevertheless not be required to remove the violation if upon prior notice to the Condominium Board and the other Unit Owners, and at its own expense, it is contesting by appropriate legal or administrative proceedings or redress, promptly initiated and conducted in good faith and with due diligence, the validity or enforceability, in whole or in part, of the applicable Legal Requirement giving rise to the violation, provided the following conditions are met: (i) such proceeding shall suspend the obligation of the Violating Unit Owner to comply with any such Legal Requirement, (ii) failure to comply with any such Legal Requirement pending the contest will not invalidate or vitiate any insurance required hereunder to be maintained with respect to the Property, in whole or in part, and will not, in the reasonable opinion of the other Unit Owners and/or the Condominium Board, constitute a present danger to the Property, or any portion thereof, or to the persons using and entering upon the Property, (iii) neither the Property nor any part thereof or interest therein will in the reasonable opinion of the other Unit Owners and/or the Condominium Board be in danger of being sold, forfeited, confiscated, terminated, canceled or lost as a result of such contest by the Violating Unit Owner (whether by foreclosure of any mortgage thereon or otherwise), (iv) the Violating Unit Owner shall have furnished such security as may be required in the proceeding, or in the event that none is required, as may be reasonably required by the Condominium Board to insure the payment by the Violating Unit Owner of all costs of compliance, fines and penalties, together with interest thereon, as may be incurred by the Violating Unit Owner in the event of a determination in such proceeding adverse to the Violating Unit Owner, and (v) the other Unit Owners and the Condominium Board will not, in their reasonable opinion, be subject to any criminal liability as the result of such contest by the Violating Unit Owner. If any compliance with this Section shall require any repairs to, or which otherwise affect, the General Common Elements, such repairs shall be performed by the Condominium Board pursuant to Section 6.9 hereof and the cost thereof shall be deemed to be part a General Common Expenses charged to the Unit Owners, unless the reason for such repairs is solely the fault of one Unit Owner, in which event all such costs shall be charged to the applicable Unit Owner as a Unit Owner Expense.

6.22 **Liens**. Each Unit Owner (the "Liening Unit Owner") shall cause to be removed, by payment, bond or otherwise, within ninety (90) days after notice of the filing thereof, any mechanics', materialmen's or any other like lien arising by reason of its acts or acts of its agents and contractors or for any work or materials which it or its agents, contractors, tenants, subtenants or invitees has ordered and filed against the Property or any other Unit Owners' Unit. Except as may be otherwise expressly set forth in the loan documentation evidencing a Permitted Mortgagee's loan to the Liening Unit Owner, the Liening Unit Owner shall not be required to remove such lien if such lien does not expose the other Unit Owner(s) and/or the Condominium Board to civil and criminal penalties and, solely in the case of a Liening Unit Owner that is a Residential Unit Owner, does not cause the foreclosure of any Permitted Mortgage on any other Unit Owner's portion of the Property, and within said ninety (90) day period the Liening Unit Owner (i) shall in good faith diligently proceed to contest the same by appropriate proceedings and shall give notice to the other affected Unit Owner(s) and the Condominium Board of its

intention to contest the validity of such lien and (ii) shall deliver to the other affected Unit Owner(s) and the Condominium Board, at such Unit Owners' and/or Condominium Board's option, either: (a) cash or a surety bond from a responsible surety company reasonably acceptable to the Condominium Board, as the case may be, in an amount not less than one hundred ten percent (110%) of the lien claim and all interest and penalties then accrued thereon or such greater amount as may be required by Law or (b) such other security or indemnity reasonably acceptable to the Condominium Board and/or, in the case of a Liening Unit Owner that is a Residential Unit Owner, the other Unit Owner(s) and its/their Permitted Mortgagee(s), if any. The Liening Unit Owner must cause to be removed or released all liens prior to foreclosure thereof. In the event the Liening Unit Owner fails to comply with the foregoing provisions of this Section, the other Unit Owners and/or the Condominium Board may give notice to the Liening Unit Owner specifying the aspect or aspects of such noncompliance and if, upon the expiration of ten (10) days after the receipt of such notice, the cure of any such noncompliance is still not proceeding diligently, then the Condominium Board and/or the non-defaulting Unit Owner(s) may cause such compliance to occur by taking all appropriate steps necessary to defend against or remove such lien. The Condominium Board and the non-defaulting Unit shall be entitled to payment from the Liening Unit Owner for all costs and expenses (including reasonable attorneys' fees) paid or incurred by the Condominium Board and/or the non-defaulting Unit Owner(s), as the case may be, in defending against, removing or attempting to defend against or remove such lien and may use any security delivered to the Condominium Board and/or any non-defaulting Unit Owner(s) for such purposes and for any other damages from the Liening Unit Owner's breach under this Section and failure to pay any such amounts shall be subject to the same remedies set forth in Section 6.6 hereof. NOTHING CONTAINED IN THIS SECTION IS INTENDED TO GIVE OR CONFER ANY BENEFITS, RIGHTS, PRIVILEGES, CLAIMS, ACTIONS OR REMEDIES TO ANY PERSON AS A THIRD PARTY BENEFICIARY UNDER ANY LAWS OR OTHERWISE AND THE PERFORMANCE OF WORK ON ONLY ONE UNIT OWNER'S UNIT SHALL IN NO WAY BE DEEMED TO GIVE THE PARTY PERFORMING SUCH WORK THE RIGHT TO ATTACH A LIEN AGAINST THE OTHER UNIT OWNERS' UNITS OR THE CONDOMINIUM.

6.23 **Appraisal Procedures.** For purpose of the Declaration and these By-Laws, (i) "Appraisal Procedures" shall refer to the procedures described in Subsections 6.23.1 – 6.23.4 below and (ii) any valuations to be determined hereunder shall be made pursuant to the income method of real estate property appraisal and valuation.

6.23.1 In the event that it is necessary to determine the Appraised Value of a Unit, as expressly provided in these By-Laws (an "Appraisal Event"), the Non-Residential Unit Owners or their designees and the Residential Unit Owners (or Residential Committee, as applicable) (individually an "Appraisal Party" and collectively the "Appraisal Parties") shall have thirty (30) days to mutually agree on the value of the Unit being appraised (the "Appraised Unit(s)"). If the Appraisal Parties do not agree on the value of the Appraised Unit within such thirty (30) day period, then each Appraisal Party (or its respective Recognized Mortgagees to the extent required under a Recognized Mortgage) shall within ten (10) business days, appoint a Qualified Appraiser (hereinafter defined) to determine the value of the Appraised Unit(s). If either of the Appraisal Parties fails to appoint a Qualified Appraiser within such ten (10) business day period, then the Appraisal Party that has appointed a Qualified Appraiser shall deliver a notice to the other Appraisal Party notifying them that if they do not select a Qualified

Appraiser within five (5) business days, the Qualified Appraiser that has been selected shall determine the Appraised Value of the Appraised Units. The aforementioned notice shall state in bold letters THIS IS A FINAL REQUEST FOR YOU TO APPOINT A QUALIFIED APPRAISER (AS SUCH TERM IS DEFINED IN THE BY-LAWS), WITHIN FIVE (5) BUSINESS DAYS AFTER THE DATE HEREOF (THE "FINAL DATE"). IF YOU DO NOT APPOINT A QUALIFIED APPRAISER BY THE END OF THE CLOSE OF BUSINESS ON THE FINAL DATE [INSERT NAME OF APPRAISER] SHALL DETERMINE THE VALUE OF THE APPRAISED UNITS. The Qualified Appraiser appointed by the Non-Residential Unit Owners (or their designees) and the Residential Unit Owners (or Residential Committee, as applicable) shall each determine the value of the Appraised Unit within sixty (60) days after the engagement of both the Qualified Appraisers. If the value determinations of the Qualified Appraisers differ by an amount equal to or less than 10% of the higher of the two determinations of the value, then the value shall equal the arithmetic average of the two determinations (which shall be binding on all Unit Owners). A "Qualified Appraiser" shall refer to an independent appraiser holding an MAI designation that is experienced in appraising properties similar to the Condominium.

6.23.2 If the value determinations of the Qualified Appraisers differ by an amount that is more than 10% of the higher of the two determinations of the values, then the Qualified Appraisers shall promptly select a third Qualified Appraiser (the "Third Appraiser") to determine the value of the Appraised Unit. If the Qualified Appraisers fail to select a Third Appraiser, then each Unit Owner (or Residential Committee, as applicable) shall promptly submit a list of three other Qualified Appraisers to each other. If the name of one Qualified Appraiser appears on both the lists submitted by the Unit Owners, then such Qualified Appraiser shall be the Third Appraiser. If the name of more than one Qualified Appraiser appears on both lists, then the Qualified Appraiser who appears on both such lists and whose surname is first in numerical order of the Qualified Appraisers who appear on both such lists shall be the Third Appraiser. If the name of no Qualified Appraisers appears on both lists, then one Qualified Appraiser shall be drawn by lot from the six Qualified Appraisers by a representative of the Residential Unit Owners (or Residential Committee, as applicable) in the presence of a representative of Non-Residential Unit Owners, or its designee, and the Qualified Appraiser whose name is so drawn shall be the Third Appraiser. The Third Appraiser shall thereafter determine the value of the Appraised Unit within sixty (60) days after the engagement of such Third Appraiser.

6.23.3 If the Third Appraiser's valuation of the Appraised Unit is in between the valuations of the Appraised Unit as determined by the other Qualified Appraisers, then the Appraised Value shall be the value determined by the Third Appraiser (which shall be binding on all of the Unit Owners). If the Third Appraiser's valuation of the Appraised Unit is not in between the valuations of the Appraised Unit determined by the other Qualified Appraisers, then the Appraised Value of the Appraised Unit shall be the value determined by the Qualified Appraiser that is closest in value to the Third Appraiser's valuation of the Appraised Unit (which shall be binding on all of the Unit Owners). Each Appraisal Party shall be solely responsible for the costs of the Qualified Appraiser that it has engaged. The costs of the Third Appraiser shall be borne equally among all of the Appraisal Parties.

6.23.4 In the event that the Appraisers determine that a hearing is necessary to assist them in reaching a valuation, the parties hereto shall attend or have representatives attend the hearing.

6.24 **Licensing and Use of Storage Bins.**

6.25.1 Permitted Licensees; Transfer

6.25.1.(a) To help protect the security of the Building, the holder of a license to use a Storage Bin (a "Storage License") (other than Sponsor) must at all times be a Residential Unit Owner, provided, however, that the foregoing restriction shall not apply: (i) to Declarant or its designee; or (ii) to the Board or its designees. If the Board terminates a Storage License or a Residential Unit Owner surrenders a Storage License without assigning such license to another Residential Unit Owner, the Board shall have the right to issue a new Storage License for the corresponding Storage Bin upon terms and conditions determined in its sole discretion. If at any time the licensee of a Storage Bin sells its Residential Unit, it shall simultaneously assign its license of the Storage Bin to another owner of a Residential Unit (or the purchaser of such Unit), and if it fails to do so, the Board shall have the right to terminate the license of the Storage Bin and take possession of the same, without compensation to the licensee.

6.25.1.(b) Upon the issuance of a Storage License to a Residential Unit Owner, such Unit Owner may freely assign such license without the consent of the Board; provided such assignee is also a Residential Unit Owner; and provided further that the Board is provided written notice of such assignment. Neither the Co-Declarants nor the Board shall have any liability or obligation with respect to a private assignment of a Storage License.

6.25.1.(c) The Board has the authority to promulgate additional rules regarding the use of and access to the Storage Bins and the procedures for assigning such Storage Licenses. A Residential Unit Owner may not alter or modify any Storage Bin without the consent of the Condominium Board, which may be granted or withheld in its sole and absolute discretion.

6.25.2 Use. The Storage Bins may be used only by occupants of the Units and only for storage of the personal effects of the owners or tenants thereof, provided that no article or material that shall pose a threat to the health or safety of the Unit Owners or other occupants of the Building, or that shall cause the dissemination of noxious odors, dirt or other sanitary problems or otherwise create a nuisance, shall be permitted to be brought into or stored in any Storage Bin. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any unlicensed Storage Bins for any lawful purpose or to change the permitted use of any unlicensed Storage Bins, subject, however, to the provisions of the Declaration.

6.25.3 License Fee. Holders of Storage Licenses, excluding the Co-Declarant with respect to unsold Storage Licenses, will be required to pay a license fee to the Condominium in an amount equal to $2.00 per month per square foot of such Storage Bin, which amount shall, following the First Closing, be subject to biannual increases based upon the CPI Increase Factor in effect on the date of the First Closing. Further, the license fee is subject to change from time to time as the Board deems necessary.

6.25.4 Copy to Managing Agent. Upon the issuance of a Storage License to a Residential Unit Owner or the transfer of a Storage License to an assignee, such Unit Owner or assignee, as the case may be, shall provide the Managing Agent with a copy of the Storage License.

6.26 **Issuance**. Sponsor (or its designee), in its own name or in the name of the Board, shall have the exclusive right to initially issue Storage Bin licenses for Storage Bins and to retain the proceeds thereof. Thereafter, if the Board terminates a Storage Bin License or a Unit Owner surrenders a Storage Bin License without assigning such license to another Unit Owner, the Residential Board shall have the right to issue a new Storage Bin License for the corresponding Storage Bin upon terms and conditions determined in its sole discretion.

ARTICLE 7

MORTGAGES

7.1 **Unit Owners Rights**. Subject to any Permitted Mortgage and the terms thereof, each Unit Owner shall have the right to mortgage its Unit or otherwise pledge any direct or indirect ownership interest in such Unit Owner in connection with any financing without the consent of the Condominium Board or any other Unit Owner.

7.2 **Recognized Mortgagees**. A Unit Owner who mortgages its Unit or pledges any direct or indirect ownership interest in such Unit Owner or receives notice of the assignment of such mortgage or pledge by the applicable Recognized Mortgagee, shall notify the Condominium Board of the name and address of said mortgagee, pledgee or the assignee. A Unit Owner who satisfies a mortgage or pledge covering such Unit Owner's Unit or such ownership interests shall so notify the Condominium Board of such satisfaction. The Condominium Board shall maintain such information in a book entitled "Mortgages." A "Recognized Mortgagee" hereunder shall mean any mortgagee holding a mortgage encumbering one or more Units or any lender providing mezzanine financing or preferred equity financing or the administrative agent of such lender, to one or more of the direct or indirect owners of a Unit Owner, for which (a) the notice pursuant to the provisions of this Section 7.2 has been provided to the Condominium Board and (b)(i) as to which the lien of the applicable mortgage or pledge is subordinate to the Declaration or (ii) if applicable, any mortgagee or other lender for which a Permitted Mortgage has been funded with the proceeds from bonds issued by such mortgagee or lender, whether or not such mortgagee or lender holds the Permitted Mortgage at the time in question. The Recognized Mortgagee, upon notice to the Unit Owner and the Condominium Board, shall have the right to assign its rights as Recognized Mortgagee to a servicer. If any mortgagee or pledgee shall request in writing, at the time of execution of a Permitted Mortgage or thereafter, the Condominium Board shall confirm to the holder thereof in writing that such mortgage or pledge, as applicable, constitutes a "Permitted Mortgage" hereunder and is entitled to all of the rights and benefits of a Recognized Mortgagee hereunder and that such holder is a "Recognized Mortgagee" hereunder, provided the criteria set forth above for "Permitted Mortgagee" and "Recognized Mortgagee" are met. Notwithstanding the foregoing, the lien of any mortgage on a Unit or of any pledge on any direct or indirect ownership interest in a Unit Owner, as applicable, shall not be deemed to be impaired in any respect in the event such mortgage or pledge, as applicable, shall not constitute a Permitted Mortgage hereunder. It is hereby acknowledged that

the Permitted Mortgages are "Recognized Mortgages." Notwithstanding the foregoing, the administrative agent at the time of recording of this Declaration need not give the notice required pursuant to Section 7.2(a) in order to be deemed a Recognized Mortgagee, and is hereby deemed to be a Recognized Mortgagee.

7.3 **Notice of Default and Unpaid Common Charges**. The Condominium Board shall promptly notify any Recognized Mortgagee in writing of (i) any default in the payment of Common Charges and/or Special Assessments by an applicable Unit Owner, (ii) any other default by such Unit Owner under the provisions of the Declaration or these By-Laws which may, to the Condominium Board's knowledge, then exist and (iii) the commencement by the Condominium Board of any action or proceeding against such Unit Owner or its Unit pursuant to Section 6.7 of these By-Laws.

7.4 **Performance by Recognized Mortgagees**. The Condominium Board shall accept the payment and performance by any Recognized Mortgagee of any sum or of any act required to be paid or performed by an applicable Unit Owner pursuant to the provisions of the Declaration, these By-Laws and/or any rules and regulations adopted by the Condominium Board, with the same force and effect as though paid or performed by such Unit Owner. Any Recognized Mortgagee shall have a period of thirty (30) days more than the period of time given to its corresponding Unit Owner for remedying any default by a Unit Owner under the Declaration or these By-Laws or causing the same to be remedied and shall, within such period and otherwise as herein provided, have the right, but not the obligation, to remedy such default, or cause action to remedy such default to be taken; provided, however, that if such default is not reasonably susceptible of being cured by a Recognized Mortgagee either within such thirty (30) day period or without obtaining possession of the Unit or the other pledged collateral, the Recognized Mortgagee shall have such additional period of time as is reasonably necessary to obtain possession of the Unit or the other pledged collateral and thereafter cure such default, provided the Recognized Mortgagee has commenced such cure and is diligently prosecuting such cure within the initial thirty (30) day period. The Condominium Board will not commence a proceeding to foreclose its lien against any Unit as a result of any Unit Owner's default until the expiration of the time period described herein that is afforded to any Recognized Mortgagee to cure such default. Payment or performance of any obligation of a Unit Owner by a Recognized Mortgagee shall not give rise to any obligation on the part of the Recognized Mortgagee to so pay or perform in the future.

7.5 **Examination of Books**. Each Unit Owner and Recognized Mortgagee shall be permitted upon reasonable notice at reasonable time on Business Days to examine the books of account of the Condominium, but in no event more than once per month.

7.6 **Rights of Recognized Mortgagees**.

7.6.1 If a Recognized Mortgagee delivers notice to the Condominium Board pursuant to this Article 7 specifying the name and address of such Recognized Mortgagee, such Recognized Mortgagee shall be promptly provided with copies of all notices provided for in these By-Laws. Any Recognized Mortgagee as of the date of the recording of the Declaration shall be deemed to have properly delivered to the Unit Owners and the Condominium Board a notice specifying its name and address entitling it to such notices. After receipt of such notice

from a Recognized Mortgagee, no notice given under these By-Laws or the Declaration shall be deemed to have been given unless and until a copy thereof shall have been so given to the Recognized Mortgagee.

7.6.2 Any insurance proceeds or awards (that are not required to restore) otherwise payable to a Unit Owner (and not the Depositary) shall, upon notice to the Condominium Board from a Recognized Mortgagee of such Unit Owner, be delivered instead to such Unit Owner's Recognized Mortgagee.

7.6.3 If a Unit Owner shall fail to appoint an arbitrator or otherwise fail to take any action as may be required or permitted under the Condominium Documents with respect to Arbitration within the time periods applicable thereto, such appointment or action as otherwise would have been permitted by that Unit Owner may be taken by its Recognized Mortgagee, subject to these By-Laws, and such appointment and action shall be recognized in all respects by the other Unit Owners and the Condominium Board and any determination made in such Arbitration shall be binding on the applicable Unit Owner.

7.6.4 If more than one Recognized Mortgagee having a lien on a Unit exercises any of the rights afforded by these By-Laws, only that Recognized Mortgagee, to the exclusion of all other Recognized Mortgagees, whose Permitted Mortgage is most senior in lien with respect to such Unit shall be recognized by the other Unit Owner and the Condominium Board as having exercised such right, unless such Recognized Mortgagee has designated a Recognized Mortgagee whose Permitted Mortgage is junior in lien to exercise such right.

7.6.5 No amendment, modification, supplement, extension or assignment of a Permitted Mortgage shall affect the status of the holder thereof as a Recognized Mortgagee provided that in the case of an assignment, written notice of the name and address of the assignee is provided to the Condominium Board by the assigning holder.

7.6.6 Any amendment, modification or waiver to the Declaration or these By-Laws that (i) changes the Common Interest of any Unit, (ii) otherwise adversely impairs or changes the priority of the lien held by a Recognized Mortgagee with respect to a Unit, or (iii) terminates the Condominium or otherwise affects the termination of the Condominium as provided under the Declaration or these By-Laws, shall not be binding upon such Recognized Mortgagee without the prior written consent of the Recognized Mortgagee affected by such amendment, modification or waiver.

7.6.7 From time to time, within ten (10) Business Days after written request therefor from any Unit Owner or any Recognized Mortgagee, the Condominium Board and the other Unit Owners shall deliver to the requesting party a written statement executed and acknowledged by the Condominium Board (i) stating that the Declaration and these By-Laws are then in full force and effect and have not been modified (or if modified, setting forth all modifications), (ii) setting forth the then annual Common Charges allocable to the Unit in question and the date to which such Common Charges have been paid, (iii) setting forth the amount of any other expenses payable with respect to the Unit in question, (iv) stating, to the best knowledge of the Condominium Board, whether the Unit Owner in question is in default under the Declaration or these By-Laws and, if such Unit Owner is in default, setting forth the

specific nature of all such defaults, and (v) affirming other customary matters reasonably requested by any such Unit Owner or Recognized Mortgagee. The Condominium Board and such other Unit Owner acknowledges that any statement delivered pursuant to this Section 7.6.7 may be relied upon by any Unit Owner, any institutional lender or any prospective institutional lender, purchaser or tenant of any Unit Owner.

7.6.8 Upon notice to the Condominium Board in accordance with Section 7.6.1 of these By-Laws, the Condominium Board will give notice to, and accept commitments and the performance of obligations on behalf of, the Recognized Mortgagee from the Recognized Mortgagee's loan servicing agent. The Condominium Board understands and acknowledges that upon a securitization of any loan or other financing evidenced by a Permitted Mortgage, the trustee for the securitization will transfer the responsibility of the servicing and general administration of the loan or other financing evidenced by a Permitted Mortgage to a subservicer or master servicer, and that, upon compliance with the preceding sentence of this Section 7.6.8, such subservicer or master servicer may act on behalf of the trustee with regard to the loan or other financing evidenced by a Permitted Mortgage.

7.7 **Consent of Mortgagees**. Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Board, officer or Unit Owner; provided, however, that nothing contained herein or in the Declaration shall be deemed to limit or affect the rights of any mortgagee against its mortgagor.

ARTICLE 8

SELLING, LEASING AND MORTGAGING OF UNITS

8.1 **Selling and Leasing**. No Residential Unit Owner, other than Sponsor or its designee, may sell or lease his or her Residential Unit except by complying with the following provisions:

8.1.1 Any Residential Unit Owner who receives a bona fide offer to (a) purchase his or her Residential Unit together with its appurtenant Common Interest, or (b) lease his or her Residential Unit (such offer to purchase or lease a Residential Unit, as the case may be, is called an "Outside Offer", the party making any such Outside Offer is called an "Outside Offeror" and the Residential Unit Owner to whom the Outside Offer is made is called an "Offeree Unit Owner"), which he or she has accepted, shall give notice by certified or registered mail, return receipt requested, to the Residential Committee of the receipt of such Outside Offer. Said notice shall include the name and address of the Outside Offeror, the terms of the proposed transaction (including, but not limited to, the intended closing date in the event of a purchase or intended occupancy date in the event of a lease), a copy of the fully executed purchase and sale agreement or other transfer agreement or the lease or other occupancy agreement, as the case may be, (the "Residential Unit Lease" or "Transfer Agreement") the completed purchase or lease application in the Condominium's standard form and such other information as the Residential Committee may reasonably require. The giving of such notice to the Residential Committee, on behalf of all the Unit Owners represented by such Board, shall constitute an offer by such Unit Owner to sell or otherwise convey his or her Residential Unit

together with its appurtenant Common Interest or to lease his or her Residential Unit to the Residential Committee, or its designee, corporate or otherwise, upon the same terms and conditions as contained in such Outside Offer and shall also constitute a representation and warranty by the Offeree Unit Owner to the Residential Committee acting on behalf of all Residential Unit Owners that such Offeree Unit Owner believes the Outside Offer to be bona fide in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Residential Committee may reasonably request. Not later than twenty (20) days after receipt of such notice together with such information as may have been requested, the Residential Committee may elect, by sending written notice to such Offeree Unit Owner before the expiration of said twenty (20) day period, by hand delivery or by certified or registered mail, return receipt requested, to purchase such Residential Unit together with its appurtenant Common Interest or to lease such Residential Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise), on behalf of all Residential Unit Owners, upon the same terms and conditions as contained in the Outside Offer and as stated in the notice from the Offeree Unit Owner. Notwithstanding anything contained herein to the contrary, the Board shall not be obligated to exercise the option herein contained and the sale or lease shall not proceed in the event the Board determines that the purchaser, lessee or anyone anticipated to be residing in the Unit has diplomatic immunity or has been convicted of a violent crime or child molestation in which event the Board shall not be required to exercise the right of first refusal and the Residential Unit Lease or Transfer Agreement shall be void ab initio.

8.1.2 In the event the Residential Committee shall timely elect to purchase a Residential Unit together with its appurtenant Common Interest or to lease such Residential Unit or to cause the same to be purchased or leased by its designee, corporate or otherwise, then (a) with respect to a purchase, title shall close at the office of the attorneys for the Residential Committee, in accordance with the terms of the Outside Offer, within 45 days after the giving of notice by the Residential Committee of its election to accept such offer and (b) with respect to a lease, the lease, upon the terms set forth in the Outside Offer, shall be executed and deemed effective on the date the Residential Committee elects to accept such offer. Notwithstanding the foregoing, in the event that the closing date with respect to a purchase or the commencement date of the term of the lease, as the case may be, set forth in the Outside Offer, shall be later than 45 days after the giving of notice by the Residential Committee of its election to accept the aforesaid offer, the Residential Committee shall be required to perform or cause to be performed all of the terms of the Outside Offer (except as otherwise expressly set forth in this Article 8) including, but not limited to, payment of a downpayment or advance rentals and security deposits, as the case may be, and such closing of title or the commencement of the term of the lease shall be the date set forth in the notice to the Residential Committee referred to in 8.1.1 as the intended closing date or commencement date, as the case may be. If pursuant to such Outside Offer, the Outside Offeror was to assume or take title to the Residential Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, the Residential Committee may purchase the Residential Unit and assume or take title to the Residential Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such Residential Unit together with its appurtenant Common Interest is to be sold, shall convey the same to the Residential Committee, or to its designee, corporate or otherwise, on behalf of all Residential Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all tax and/or documentary stamps affixed at the expense of

such Offeree Unit Owner, who shall also pay all other taxes arising out of such sale. Real estate taxes (including water charges and sewer rents if separately assessed), mortgage interest, if any, and Common Charges shall be apportioned between the Offeree Unit Owner and the Residential Committee, or its designee, corporate or otherwise, as of the closing date. In the event such Residential Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Residential Committee, or to its designee, corporate or otherwise, a lease between the Offeree Unit Owner, as landlord, and the Residential Committee, or its designee, corporate or otherwise, as tenant, covering such Residential Unit, for the rental and term contained in such Outside Offer.

8.1.3 In the event the Residential Committee or its designee shall fail to accept such offer within 20 days after receipt of notice, as aforesaid, the Offeree Unit Owner shall have 60 days to consummate. In the event such sale or lease, as the case may be, shall not be consummated within such 60-day period, then, should such Offeree Unit Owner thereafter elect to sell such Residential Unit together with its appurtenant Common Interest or to lease such Residential Unit, as the case may be, the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section 8.1. Notwithstanding the foregoing, the Residential Committee, in its discretion, may waive the Offeree Unit Owner's obligation to comply with the 60 day periods described herein or may extend either or both such periods, provided that such waiver or extension shall only be effective if in writing.

8.1.4 Any deed to an Outside Offeror shall be deemed to provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, these By-Laws and the Rules and Regulations, as the same may be amended from time to time.

8.1.5 Any lease executed in connection with the acceptance of any Outside Offer to lease a Residential Unit shall be consistent with these By-Laws and shall provide for a term of not less than one (1) year and that the lease may not be materially modified, amended or extended without the prior consent in writing of the Residential Committee, that the tenant shall not assign his interest in such lease or sublet the demised premises or any part thereof without the prior consent in writing of such Board and that such Board, if permitted by applicable law, shall have power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of (i) a default by the tenant in the performance of its obligations under such lease or in violation of the use provisions of the By-Laws, or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York.

8.1.6 Except as hereinbefore set forth, the form of any such lease executed by the Residential Committee or an Outside Offeror shall be a printed, reasonably applicable form of residential lease which is generally approved by the Residential Committee which governs the Unit to be leased and is accepted in New York City, such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, and shall contain such modifications as shall be approved in writing by such Board. Any lease executed by the Residential Committee as tenant shall provide that such Board may enter into a sublease of the premises without the consent of the landlord.

8.1.7 The foregoing restrictions of this Section 8.1 shall not apply to Unsold Units (including the lease of a Residential or Non-Residential Unit to Sponsor or its designee) or to the Non-Residential Units (or any Residential Units into which the Non-Residential Units may hereafter be divided). BIC, Sponsor or its designee and the Non-Residential Unit Owners shall have the right to freely sell their respective Units, or to freely lease all or any part of the Unsold Units or the Non-Residential Units, as the case may be, without having to first offer the same for sale or lease to any Board.

8.1.8 On the closing of the sale of each Residential Unit: the purchaser of a Residential Unit shall make a non-refundable contribution to the working capital fund of the Residential Section (the "Working Capital Fund") equal to two (2) month's Common Charges. The Working Capital Fund shall be used by the Residential Committee to pay closing adjustments at the First Closing or to make repairs or replacements to the Residential Common Elements or the Residential share of the cost of repairs and replacements to the General Common Elements. Neither the Sponsor nor the Sponsor's designees shall be obligated to contribute to the funds described in this Section 8.1.8.

8.2 **Consent of Residential Unit Owners to Purchase or Lease Residential Units by Residential Committee**. The Residential Committee shall not exercise any option hereinabove set forth to purchase or lease any Residential Unit without the prior approval of a Majority of Residential Unit Owners, unless the Residential Committee is assigning its rights to a third party including another Unit Owner or a member of the Board and the Condominium will not incur any expense as a result, in which event Unit Owner approval is not required. However, the Residential Committee shall have the right to release or waive such option without the prior approval of a Majority of Residential Unit Owners.

8.3 **No Severance of Ownership**. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his Unit without including therein its appurtenant Common Interest, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the Common Interest appurtenant to any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interest is appurtenant or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests of all Units. Nothing in this Section 8.3 shall permit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

8.4 **Release by Residential Committee of Right of First Refusal**. The right of first refusal contained in Section 8.1 may be released or waived by the Residential Committee only in the manner provided in Section 8.5. In the event the Residential Committee shall release or waive its right of first refusal as to any Residential Unit, such Residential Unit together with its appurtenant Common Interest may be sold, conveyed or leased, free and clear of the provisions of Section 8.1.1 and Section 8.1.2, provided that such sale, conveyance or lease occurs within any applicable time periods required pursuant to Section 8.1.3.

8.5 **Certificate of Termination of Right of First Refusal**. A certificate executed by an officer of the Residential Committee stating that the provisions of 8.1.1 have been met by a Residential Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Residential Committee, and that as a result thereof the rights of the Residential Committee thereunder have terminated (provided that any sale, conveyance or lease occurs within any applicable time periods required pursuant to 8.1.3), shall be conclusive upon the Residential Committee and the Residential Unit Owners in favor of all persons who rely on such certificate in good faith. The Residential Committee shall furnish such certificate upon request to any Residential Unit Owner with respect to whom the provisions of 8.1.1 have, in fact, terminated.

8.6 **Financing of Purchase of Residential Units by Residential Committee**. The purchase of any Residential Unit by the Residential Committee or its designee, on behalf of all Residential Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Residential Committee. Notwithstanding Section 2.2.3.(o), if the funds in such accounts are insufficient to effectuate any such purchase, the Residential Committee may levy an assessment against each Residential Unit Owner in proportion to his respective Common Interest, as a Common Charge, and/or such Board may, in its discretion, finance the acquisition of such Unit; provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its appurtenant Common Interest.

8.7 **Exceptions**. The provisions of 8.1 shall not apply with respect to any lease, sale or conveyance of any Residential Unit together with its appurtenant Common Interest by (a) the Unit Owner thereof to his or her spouse, adult children or grandchildren, parents, grandparents, adult siblings or to any one or more of them or to any affiliate of the Unit Owner thereof, (b) Sponsor or its designee, or an owner of an Unsold Unit (c) the Residential Committee, (d) any proper officer conducting the sale of a Residential Unit in connection with the foreclosure of a mortgage or other lien covering such Residential Unit or delivering a deed in lieu of such foreclosure, (e) a Permitted Mortgagee or his nominee, who has acquired title to any Residential Unit at any foreclosure sale of his Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction, or (f) to a Permitted User; provided, however, that each succeeding Residential Unit Owner shall be bound by, and his Residential Unit subject to, the provisions of this Article 8. In addition, the provisions of 8.1 shall not apply to any lease, sale or conveyance, directly or indirectly, of the Non-Residential Units or any part thereof or interest therein. The term "affiliate" shall be deemed to be an individual or entity which owns more than 50% of the legal and beneficial interest of such Unit Owner, or an entity with respect to which such Unit Owner owns more than 50% of the legal and beneficial interest.

8.8 **Gifts and Devises, etc**. Any Residential Unit Owner shall be free to convey or transfer his or her Residential Unit by gift, or may devise his or her Residential Unit by will or have his or her Residential Unit pass by intestacy, without being subject to the restrictions of Section 8.1; provided, however, that each succeeding Residential Unit Owners shall be bound by, and his or her Residential Unit subject to, the provisions of this Article 8.

8.9 **Unauthorized Sales or Leases of Residential Units**. Any purported sale or lease of a Residential Unit consummated in violation of Section 8.1 or 8.3 shall be voidable at the

election of the Residential Committee and if such Board shall so elect, the Residential Unit Owners shall be deemed to have authorized and empowered such Board to institute legal proceedings to eject the purported purchaser (in case of an unauthorized sale) or to evict the purported tenant (in case of an unauthorized leasing), in the name of the said Residential Unit Owners as the owner or landlord, as the case may be. Said Residential Unit Owners shall reimburse such Board for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

8.10 **Charges Imposed on Sale or Lease of Residential Units**. The Residential Committee shall be entitled to fix by resolution and collect, before any sale or lease of a Residential Unit is consummated, a reasonable charge to cover its expenses, and any fees due the Managing Agent or any attorney retained by such Board, in connection with the sale or lease. If such charge is adopted, it shall be added to, and constitute a portion of, Common Charges payable by the selling or leasing Unit Owner. The aforementioned charge shall not apply to the lease of a Residential Unit to Sponsor or its designee, to the sale or lease of Unsold Units by Sponsor or its designee, or to the sale or lease of Unsold Units by a Permitted Mortgagee of Declarant that acquires title to Unsold Units. Upon the acquisition of a Residential Unit, Purchasers of Residential Units shall also pay to the Residential Committee two months common charges as a non-refundable contribution to the Working Capital Fund.

8.11 **Power of Attorney**. At the time of acquiring title to a Residential Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and make arrangements for recording in the New York City Register's Office, the Residential Unit Power of Attorney required by Article 16 of the Declaration, in the form set forth as Exhibit E to the Declaration.

8.12 **Notices Concerning Residential Unit Occupancy**. Within five (5) days following acquisition of a Residential Unit or the commencement of a lease relating thereto, the new Unit Owner or lessor, as the case may be, shall notify the Managing Agent of the Unit involved, the name of the purchaser or lessee and the names of the individuals, as permitted by the By-Laws, who will be using or occupying the Unit. The individuals so designated may be changed by the purchaser or lessor, from time to time, by further notice to the Managing Agent.

8.13 **Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common**. In the event that any Unit shall be acquired by the Residential Committee or the Condominium Board, or their respective designees, corporate or otherwise, on behalf of all Residential Unit Owners or all Unit Owners, as the case may be, as tenants-in-common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit as herein provided.

8.14 **Payment of Assessments**. No Residential Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or lease his Residential Unit unless and until he shall have paid in full to the Boards all unpaid Common Charges theretofore assessed by said Boards against such Residential Unit and until such Residential Unit Owner shall have satisfied all unpaid liens against his Residential Unit other than Permitted Mortgages.

8.15 **Mortgage of Units**. Subject to Article 7 and Section 8.14, each Unit Owner shall have the right to mortgage his Unit without restriction, provided that, with respect to any

mortgage covering a Residential Unit, (a) the mortgage be substantially in the form of the New York Board of Title Underwriters form of mortgage or other standard forms of mortgage, except for such changes or additions as may be required to permit a lender to make the loan (provided that this shall not apply to the mortgages of Sponsor, its designees or affiliates), (b) the Residential Unit Owner making such mortgage shall notify in writing the Residential Committee of the making of such mortgage; and (c) the Residential Unit Owner making such mortgage first satisfies all unpaid liens against his or her Residential Unit, other than Permitted Mortgagees.

8.16 **Lease or Purchase of Residential Unit or Other Apartment for Residential Manager**. The Condominium Board shall have the right to lease or purchase a Residential Unit or other apartment for the superintendent's use and shall have the right to amend, modify, extend, renew and otherwise deal in any way with respect to any such lease without the approval of a Majority of Unit Owners.

8.17 **Transfer of Units to Trusts and Other Entities**. No Residential Unit shall be transferred to a trust or any other entity unless the condominium receives, prior to or at the closing in a form determined by the Board (a) a written designation of the state and federal courts in New York City as a jurisdiction for any dispute between the owner and the Condominium, (b) a written designation by the purchaser of an agent for service of process in New York City, (c) a guaranty of the common charges and assessments signed by an individual on behalf of the entity purchasing the unit and (d) an occupancy agreement identifying who will be residing in the Unit.

8.18 **Transfer of Interests in Entities Owing Units**. In the event a Residential Unit is owned by an entity, a transfer of interest in the entity shall be considered a transfer of the Unit and the Board shall have the same right of first refusal to purchase the interests in the entity.

8.19 **No Discrimination**. In connection with sales and leases contemplated under this Article 8, the Residential Committee may not discriminate against any Person on the basis of race, creed, color, religion, national origin, sex, age, disability, marital status, sexual orientation or other grounds prohibited by Law.

ARTICLE 9

CONDEMNATION

9.1 **Taking in General.** If the Condominium Board or any Unit Owner receives notice that all or any part of the Property has been or is to be taken through the exercise of the power of eminent domain under applicable Law (a "Taking") or becomes aware of any actual or threatened commencement of any proceeding for the condemnation of all or any portion of the Property, the Condominium Board or Unit Owner, as applicable, shall so notify the other Unit Owners and the Condominium Board, as applicable. Subject to the rights of the Recognized Mortgagees, the Condominium Board shall on behalf of all Unit Owners have the right to participate in the prosecution of the claims for the Award but the Condominium Board or Unit Owner shall not compromise or settle the Award without the consent of at least (a) one (1) member of the Condominium Board designated by the Non-Residential Unit Owners and (b) one (1) member of the Condominium Board designated by the Residential Committee. If such

Taking is not of Substantially All the Property (as defined below in Section 9.4), then any restoration, reconstruction, or Alteration required in connection with such Taking shall be performed with due diligence and in as timely a manner as practicable under the circumstances in accordance with the provisions of this Article. Where consent rights are granted to the Non-Residential Unit Owners in this Section 9, such rights shall only apply to the extent that the Non-Residential Units are affected by the Taking. "Award" shall mean the award for damages or compensation payable on the basis of, or attributable to, a Taking, and, in the case of a Taking of less than Substantially All of the Property, shall include any Award (or portion thereof) payable on the basis of restoration or other work necessitated by the Taking, but not including any separate claim by any Unit Owner or their respective tenants for personal property, trade fixtures, moving or relocation costs. "Net Award" shall mean the Award less all reasonable fees and expenses incurred by the Unit Owners and the Condominium Board in collecting the Award.

9.2 **Immaterial or Temporary Taking.** In the event of an immaterial Taking (e.g., a Taking in connection with a street widening which does not affect the Building), subject to the rights of Recognized Mortgagees, the Net Award shall, following payment of any amounts required in connection with any restoration in connection with such Taking, be distributed into a trust fund for the benefit of the Unit Owners and deemed allocated amongst the Unit Owners in proportion to their respective Common Interest and delivered to the Condominium Board, which in turn shall deposit such amounts in a separate trust fund for the benefit of the Unit Owners, which fund shall thereafter be distributed to Unit Owners in accordance with each Unit's Appraised Value.

9.3 **Material Taking.** In the event of a material Taking that does not constitute a Taking of Substantially All of the Property, the Unit Owners shall cooperate to repair and restore the remainder of the Building in accordance with the applicable provisions of this Article.

9.4 **Taking of Substantially All of the Property.** In the event of a Taking of Substantially All of the Property, the remainder of the Property not taken shall be withdrawn from the provisions of the Condominium Act and shall be subject to an action for partition at the election of any Unit Owner or lienor as if owned in common, in which event the Net Proceeds of Sale, together with the Net Award, shall be distributed into a trust fund for the benefit of Unit Owners and deemed allocated amongst the Unit Owners in proportion to their respective Common Interest and delivered to the Depositary, which in turn shall deposit the Net Proceeds of Sale and the Net Award in a separate trust fund for the benefit of Unit Owners, which fund shall thereafter be distributed to the Unit Owners in accordance with each Unit's Appraised Value. Notwithstanding anything to the contrary set forth herein, no payment shall be made to a Unit Owner until there has first been paid from out of such Unit Owner's share of such proceeds all liens on such Unit Owner's Unit, in the order of priority of such liens. A Taking of "Substantially All of the Property" shall mean (i) such portion of the Property as, when so taken, would leave a balance of the Property that, due either to the area so taken or the location of the part or parts so taken in relation to the part or parts not so taken, would not, under economic conditions, zoning Laws and building regulations then existing, readily accommodate a new or reconstructed building or buildings of a type and size generally similar to that of a Comparable Building existing at the date of Taking or (ii) a Taking of more than fifty percent (50%) of the rentable square footage of the Building, as determined by the Certifying Professional in accordance with these By-Laws, unless the Condominium Board agrees to repair and restore the

Property as a result of such Taking in which event such Taking shall not be deemed to be a Taking of Substantially All of the Property.

9.5 **Obligation to Restore**. Except to the limited extent provided in Section 9.4 above, the Unit Owners shall be obligated to repair and restore their respective Units and the Condominium Board shall be obligated to repair and restore the Common Elements to the extent required in connection with a Taking regardless of whether or not the Net Award is sufficient. Furthermore, each Unit Owner shall cooperate with the other Unit Owner(s) and the Condominium Board in connection with any such repairs or restoration to the Common Elements and the other Unit Owner's Units.

9.6 **Supervision of Repair and Restoration**. The Condominium Board shall cause all necessary repair and restoration work with respect to the Common Elements of the Building to be performed in accordance with the provisions of this Article. In connection therewith, the Condominium Board shall engage an Architect. The repair and restoration shall be commenced and pursued to completion in as timely a manner as practicable and shall be performed on behalf of the Condominium Board by a Contractor selected by the Condominium Board. If the members of the Condominium Board fail to agree upon the selection of an Architect or the Contractor within sixty (60) days after the occurrence of such Taking, then the selection of the Architect and the Contractor, as applicable, shall be submitted to Arbitration by any of the Unit Owners.

9.7 **Plans and Specifications**. The plans and specifications for necessary repair and restoration in accordance with the provisions of this Article shall be prepared by the Architect in accordance with instructions given by the Condominium Board and shall provide for the restoration of the remaining portion of the Building as close as commercially practicable to the Building as it existed prior to the Taking, except to the extent any changes in applicable Legal Requirements require otherwise or unless all of the members of the Condominium Board designated by each Unit Owner agrees otherwise. The Condominium Board shall cause the Architect to furnish to the Condominium Board and each of the affected Unit Owners with a set of the plans and specifications (and shop drawings upon request), which it has prepared or caused to be prepared. If, in connection with any restoration or repair hereunder, a Unit Owner desires to make any material change in their Unit, the consent of a majority of the members of the Condominium Board shall be required, which consent shall not be unreasonably withheld or delayed provided that such change is consistent with the standards generally applicable to a Comparable Building, such change will not result in a reduction of the rentable square footage of the other Unit Owner's Unit(s) and additional costs associated with such changes over and above those which would be incurred in connection with an "as is" restoration (including without limitation, any increase in operating costs as a result of such change) shall be borne by the Unit Owner requesting such material change. Any dispute between the Unit Owners concerning any such material change shall be submitted to Arbitration.

9.8 **Determination and Allocation of Costs**. As soon as reasonably practical after a Taking (but in no event more than sixty (60) days after a Taking), a Certifying Professional shall be retained by the Condominium Board. The Condominium Board shall direct the Certifying Professional to prepare a reasonably detailed statement setting forth (a) a description of the condemned areas of the Building and structural supports, and (b) an estimate of the total costs of

required repairs and restoration (exclusive of tenant build outs and other similar interior improvements), which notice shall include a complete schedule of costs and a reasonably detailed breakdown thereof by area and type of damage and type of necessary repair and restoration.

9.8.1 To the extent a Unit Owner is required to repair and restore its Unit pursuant to this Article, such Unit Owner shall be solely responsible for the cost of restoration incurred in connection therewith, including without limitation, costs resulting from (i) the acts or omissions by such Unit Owner, (ii) any delays in connection with such repair and restoration by such Unit Owner or (iii) optional modifications performed in or to the Unit by such Unit Owner. If the cost and expense of any repair and restoration to the Common Elements pursuant to this Article shall exceed the amount of the Net Award, the excess cost and expense shall be borne by the Unit Owners based on the their respective Allocable Percentage.

9.8.2 The Unit Owners shall share, subject to the terms of the immediately preceding Section, any cost overruns resulting from Unavoidable Delays based on the their respective Allocable Percentage. Notwithstanding the foregoing, the cost of any restoration of the structural supports in connection with a covered Taking shall be shared by the Unit Owners based on their respective Allocable Percentage, to the extent that such cost is not satisfied out of the available Net Award.

9.8.3 If one of the Unit Owners failed to contribute to a deficiency in connection with the repair and restoration work as herein provided, the other Unit Owner shall have the right, but not the obligation, to pay such amount on behalf of the non-paying Unit Owner, provided that the amount of such deficiency, together with interest thereon at the Default Rate, shall be paid to the other (paying) Unit Owner(s) to the extent advanced by it and the amount of such deficiency shall be deemed a Unit Owner Expense.

9.8.4 Any Net Award remaining after the completion of repair and restoration shall be distributed into a trust fund for the benefit of the Unit Owners and deemed allocated amongst the Unit Owners in proportion to their respective Common Interest and delivered to the Depositary, which in turn shall deposit the funds into a separate trust fund for the benefit of the Unit Owners, which fund shall thereafter be distributed to Unit Owners in accordance with each Unit's Appraised Value, subject to the rights of any applicable Recognized Mortgagee to receive such proceeds.

9.8.5 For purposes of this Article, architects' and engineers' fees, attorneys' fees (other than those arising from a dispute of the parties hereunder, including, without limitation, any dispute that is submitted to Arbitration) consultants' fees, the fees of the Certifying Professional, title insurance premiums and other similar costs and expenses relating to repair or restoration shall be included in the costs and expenses of any such repair or restoration.

9.9 **Reallocation of Common Interest**. If, as a result of a Taking, the total square footage of one or more of the Units change, the parties shall promptly (x) adjust, as of the date of such taking, the Unit Owners' Common Interest in a manner consistent with the allocation of the Common Interest in existence immediately prior to such Taking and (y) prepare and record in the Register's Office an amendment to the Declaration confirming such reallocation. If the parties

shall not agree on any of the matters referred to in the foregoing clauses (x) and (y) within ninety (90) days following completion of the reconstruction, they shall submit such issue to Arbitration.

9.10 **Net Awards to Depositary**. In connection with any Taking, the Depositary shall hold all Net Awards and shall be the disbursement agent for all Net Awards, which pertain to such Taking.

9.11 **Unit Owners' Distributions**. Notwithstanding anything to the contrary set forth in Sections 9.2, 9.4 and 9.8 above:

9.11.1 A Unit Owner is entitled to separately negotiate and/or settle a Net Award with the applicable agency (with regard to a payment due to such Unit Owner resulting from a Taking of its Unit). In the event that it does so, only that portion of the payment received by the Condominium Board in connection with the restoration of the Common Elements (if any) shall be paid to the Condominium Board and distributed among the Unit Owners in accordance with the Unit's Appraised Value.

9.11.2 In the determination of a Unit's Appraised Value, all Unit valuations shall be based upon the value of the Unit at the point in time immediately preceding the occurrence of the Taking. To the extent that all or any portion of the Net Award and/or Net Proceeds of Sale that is received by the Condominium Board is to be distributed to Unit Owners in accordance with the Appraised Value of their respective Units (as set forth in Sections 9.2, 9.4 and 9.8 herein) and the aggregate of such Appraised Values exceeds the actual amount of the Net Award, and/or Net Proceeds of Sale following a Taking of Substantially All of the Property, such funds shall be distributed to each Unit Owner in the proportion that the Appraised Value of its Unit bears to the Appraised Value of all of the Units.

ARTICLE 10

RECORDS AND AUDITS

10.1 **Records**. The Condominium Board or the Managing Agent for the Condominium Board, if any, shall keep detailed records of the actions of the Condominium Board, minutes of the meetings of the Condominium Board, minutes of the meetings of the Unit Owners for whom the Condominium Board serves and financial records and books of account with respect to the activities of the Condominium Board, including a listing of all receipts and expenditures.

10.2 **Audits**. Within four months after the end of each fiscal year, an annual report of receipts and expenditures prepared and certified by an independent certified public accountant shall be submitted by the Condominium Board to the Unit Owners, and, if so requested, to any Permitted Mortgagee, as the case may be. The cost of such report shall be paid by the Unit Owners as General Common Expenses. If any such audit reveals an error in the assessment or allocation of Common Charges, the Common Charges will be re-allocated and/or reimbursed as necessary to correct such error. If there is disagreement as to such error, the matter shall be submitted to Arbitration, with the non-prevailing party paying both the costs of Arbitration and the reasonable expenses (including reasonable legal fees) incurred by the prevailing party in connection with the Arbitration. If the Condominium Board is the non-prevailing party, it may

not pass through to the Non-Residential Unit Owners as a Common Charge any costs incurred by it pursuant to the immediately preceding sentence.

10.3 **Availability of Documents**. Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents and any Permitted Mortgagee during reasonable business hours.

ARTICLE 11

MISCELLANEOUS

11.1 **Waiver**. No provision contained in these By-Laws or the Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

11.2 **Captions**. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws nor the intent of any provision hereof.

11.3 **Severability**. Subject to the provisions of the Declaration, if any provision of these By-Laws is invalid or unenforceable as against any person, party or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby, and such invalid or unenforceable provision shall be replaced with a similar provision that is valid and enforceable. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law. In the event any provision of these By-Laws or the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

11.4 **Covenant of Further Assurances.**

11.4.1 Any party which is subject to the terms of these By-Laws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Condominium Board, or otherwise, shall, upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of these By-Laws or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

11.4.2 If any Unit Owner, the Condominium Board or other party which is subject to the terms of these By-Laws fails, within ten (10) days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, Condominium Board or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, or (ii) to deliver a written notice to the party requesting such execution, acknowledgment or delivery, and to the Condominium Board, stating the reasons why such Unit

Owner, Condominium Board or other party refuses to execute, acknowledge or deliver such instrument or take such action, then the Condominium Board is hereby authorized, as attorney-in-fact for such Unit Owner, Condominium Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, Condominium Board or other party and such document or action shall be binding on such Unit Owner, Condominium Board or other party.

11.4.3 If any Unit Owner, Condominium Board or other party which is subject to the terms of these By-Laws fails, within ten (10) days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, Condominium Board or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Declarant or its designee, or (ii) to deliver a written notice to Declarant or its designee, as applicable, and to the Condominium Board representing such Unit Owners stating the reasons why such Unit Owner, Condominium Board or other party refuses to execute, acknowledge or deliver such instrument or take such action, then Declarant or its designee is hereby authorized, as attorney-in-fact for such Unit Owner, Condominium Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner, Condominium Board or other party and such document or action shall be binding on such Unit Owner, Condominium Board or other party, as the case may be.

11.5 **CPI Adjustments**. Unless otherwise expressly provided hereunder, any dollar amount described in this document as "adjusted for inflation" or "subject to adjustment for inflation" (or words of similar import) shall be adjusted by multiplying such amount by a fraction, the numerator of which shall be the Consumer Price Index for the full calendar month immediately preceding the date of such adjustment, and the denominator of which shall be the Consumer Price Index for the calendar month July, 2015. The "Consumer Price Index" shall mean the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the United States Department of Labor for New York, New York (or the smallest measured area including New York, New York), All Items (1982-84 = 100), or any successor index thereto, appropriately adjusted. If the Consumer Price Index ceases to be published, and there is no successor thereto, such other reasonably similar index as is designated by the Condominium Board shall be substituted for the Consumer Price Index. If the Consumer Price Index is not immediately available, payments to be calculated in accordance with such Index shall be made based on a reasonable estimate of such Index, and any deficiency shall be paid, and any overpayment credited, against the next installment of funds due, immediately after such Index is available.

11.6 **Consents; Requests for Actions**. Any time any Unit Owner, the Condominium Board, a Recognized Mortgagee or other party subject to the terms of these By-Laws, as applicable, gives any consent or approval requested to be given hereunder, the other Unit Owners or the Condominium Board, as applicable, shall have the right to rely on such consent or approval and to presume that the party giving such consent or approval is authorized to give it and has obtained any and all approvals it may be required to obtain in connection with such consent or approval. Notwithstanding anything contained herein to the contrary, any time the consent of or other action by a Recognized Mortgagee is required pursuant to the Condominium Documents, if there is more than one Recognized Mortgagee with respect to any Unit, then as to

such Unit, such consent or action shall only be required from the Recognized Mortgagee holding a first mortgage lien of record secured by the Unit, or any other Recognized Mortgagee with respect to such Unit designated from time to time (and until de-designated) by such first Recognized Mortgagee to give consent in place of the holder of the first Recognized Mortgagee. Any designation made pursuant to this Section 11.6 shall be effective within ten (10) days after notice thereof is given to the Condominium Board, the Unit Owner(s) and the Depositary. Notwithstanding the foregoing, all Recognized Mortgagees shall be entitled to receive all notices hereunder to be given to a Recognized Mortgagee (unless the Recognized Mortgagee stipulates that it does not require such notice). In all cases where the consent of a Recognized Mortgagee is required, such consent may not be unreasonably withheld or delayed except as may be otherwise expressly set forth in the loan documents evidencing any such Recognized Mortgagee's loan or other financing. Except as expressly set forth in this Section 11.6, any time a consent or approval is required from or any action is required to be taken by a Unit Owner or the Condominium Board, under the terms of the Declaration or these By-Laws, and such party fails to respond to a request for such consent within fifteen (15) days after receipt thereof together with all documentation reasonably requested by such party to make such determination of whether or not to provide such consent, such consent or approval shall be deemed given provided, that a second notice requesting such approval or consent is given which specifies in bold print: "THIS IS A SECOND AND FINAL REQUEST FOR YOU TO CONSENT OR APPROVE THE ACTIONS DESCRIBED IN THE ENCLOSED PRIOR REQUEST THEREFOR, WHICH IS REQUIRED UNDER THE TERMS OF THE CONDOMINIUM DECLARATION AND/OR BY-LAWS. IF YOU FAIL TO CONSENT OR OBJECT TO SUCH ACTION WITHIN FIVE (5) BUSINESS DAYS AFTER THE DATE HEREOF, YOUR CONSENT SHALL BE DEEMED GIVEN." and such party fails to respond to such second notice within five (5) business days following the date thereof. If any Unit Owner, the Condominium Board, a Recognized Mortgagee or any other party subject to the terms of these By-Laws fails or refuses to execute, acknowledge or deliver any instrument or to take any action that it is required to perform pursuant to the provisions of these By-Laws within the period specified herein and after such party has received all supporting documentation reasonably requested by such party in order to perform such action and a second request is given (which second request shall be accompanied by a copy of the original request and any supporting materials) which states in bold print: "THIS IS A SECOND AND FINAL REQUEST FOR YOU TO EXECUTE, ACKNOWLEDGE AND/OR DELIVER THE DOCUMENTS, OR TO TAKE THE ACTIONS, DESCRIBED IN THE ENCLOSED PRIOR REQUEST THEREFOR, WHICH IS REQUIRED UNDER THE TERMS OF THE CONDOMINIUM DECLARATION AND/OR BY-LAWS. YOUR FAILURE TO EXECUTE, ACKNOWLEDGE AND/OR DELIVER THE DOCUMENTS, OR TO TAKE THE ACTIONS, AS THE CASE MAY BE, WITHIN FIVE (5) BUSINESS DAYS AFTER THE DATE HEREOF SHALL ENTITLE THE CONDOMINIUM BOARD TO DO SO ON YOUR BEHALF." and such party fails to respond to such second request within five (5) business days following the date of such second request, then the Condominium Board is hereby authorized, as attorney-in-fact, coupled with an interest, for such Unit Owner or other party, to execute, acknowledge and deliver any such instrument or take such action in the name of such Unit Owner or other party, and such instrument or action shall be binding on such Unit Owner or other party, as the case may be. Any dispute with respect to the foregoing shall be subject to Arbitration, provided that the Person refusing to execute, acknowledge or deliver any such

instrument or refusing to take any such action, expressly renders such refusal in writing (together with its rationale for such refusal) within the time period(s) provided in this Section 11.6.

ARTICLE 12

AMENDMENT TO BY-LAWS

12.1 **Amendments by Unit Owners**. Except as specifically provided herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting the Residential Unit Owners or their successors, (a) any provision of these By-Laws may be added to, amended, modified or deleted by the vote of at least 66-2/3% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of these By-Laws, provided, however, that the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners directly affected, (b) any provision of these By-Laws benefiting, protecting or otherwise affecting only (i) the Residential Units or the Residential Unit Owners may be amended, modified, added to or deleted upon consent by the Residential Unit Owners in accordance with the provisions of these By-Laws, and (ii) the Non-Residential Units or the Non-Residential Unit Owners may be amended, modified, added to or deleted upon consent by the Non-Residential Unit Owners in accordance with the provisions of these By-Laws. Notwithstanding the foregoing, no amendment to these By-laws shall be adopted or become effective without the approval of the Non-Residential Unit Owners or Non-Residential Section unless such amendment will not affect the Non-Residential Units or the Residential Section except in a de minimis manner. Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting the Residential Unit Owners or their successors, Permitted Mortgagees, any Units or their respective Unit Owners, 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 all Unit Owners to act as their attorney-in-fact. Notwithstanding any provision contained herein to the contrary, (i) no amendment, modification, addition or deletion pursuant to the provisions of the clause (a) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any, and (ii) the provisions of this Section 12.1 may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, as the case may be), 80 percent in number and in Common Interest of all Unit Owners affected thereby approve such amendment, modification, deletion or addition in the manner set forth above.

12.2 **Amendments Affecting the Sponsor**. Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of or to these By-Laws, the Declaration or the Rules and Regulations shall be effective in any way (a) without the prior written consent of the affected Unit Owner with respect to any amendment, modification, addition or deletion of or to these By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of such Unit, or affecting their respective rights, privileges, easements, licenses or exemptions granted to the Unit Owners, (b) without the prior written consent of the Sponsor or its successor, as the case may be, with respect to any amendment, modification, addition or deletion of or to these By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the

rights, privileges, easements, licenses or exemptions granted herein to the Residential Unit Owners or their successors-in-interest, as the case may be, or otherwise adversely affecting the Sponsor or a successor owner of any unsold Unit, as the case may be, (c) without the prior written consent of the Non-Residential Unit Owners or their successors, as the case may be, with respect to any amendment, modification, addition or deletion of or to these By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted herein to the Non-Residential Unit Owners or its successor-in-interest, as the case may be, or otherwise adversely affecting the Non-Residential Unit Owners or a successor owner, or (d) without the prior written consent of the holder of any present or future mortgage pledge, or other lien or security interest covering any Unit, with respect to any amendment, modification, addition or deletion of or to these By-Laws, the Declaration, or the Rules and Regulations modifying the permitted uses of such Unit, or affecting the rights, privileges, easements, licenses or exemptions granted to the owner of such Unit.

12.3 **Amendments by the Sponsor**. The Sponsor shall have the right to amend or to require the Condominium Board to duly execute and record in the City Register's Office, an amendment to the Declaration, at any time, without the requirement of a vote and without the approval or consent of the Condominium Board, any Unit Owner or mortgagee for the purposes of (i) filing the revised or amended floor plans required by New York Real Property Law Section 339-p for the portion or portions of the Building and appurtenances following (i) changing the designation, the approximate square foot area, the layout and/or the number of rooms in an unsold Residential Units; (ii) re-allocating Common Interests of one or more Residential Units; (iii) making insubstantial changes to the Declaration; (iv) changing the number of Residential Units by subdivision of an existing Residential Unit and, to the extent required, filing Floor Plans and recording an amendment to the Declaration reflecting such subdivision; (vi) making such changes to the Declaration and to the By-Laws and the Floor Plans as may be required by the New York State Department of Law or by any governmental agency with jurisdiction over the property or over an offering of condominium units to the public in order to enable the Sponsor to make a public offering of the Residential Units, which includes the right to decrease the percentage of Common Interest of the Non-Residential Units and increase or reallocate the aggregate percentage of Common Interest of the Units owned by the Sponsor, notwithstanding any provision of the Declaration to the contrary; and (vii) making such changes to the Declaration as may be permitted by the provisions or the Declaration, the Offering Plan and/or applicable Laws, providing that none of the foregoing shall affect the Non-Residential Units or the Non-Residential Unit Owners except to a de minimis extent.

An amendment to the Declaration as described in this Section 12.3 shall be executed by the Condominium Board upon presentation and demand by the Sponsor (which execution shall be deemed a mere ministerial function and subject to injunctive relief and legal fees incurred in connection therewith in favor of the Sponsor), but the recording thereof and the filing of the revised floor plans and all costs of preparation and recording in connection therewith shall be the obligation of the Sponsor.

12.4 **Amendments to be made by the Sponsor**. Notwithstanding any provision contained herein to the contrary other than Section 12.5, Sponsor or its designee, or a transferee who has the written consent of the Sponsor, may, without the consent of the other Unit Owners

and to the extent such authority is reserved to the Sponsor, provided that the Non-Residential Units or Non-Residential Unit Owners are not affected in any way by the change except in a de minimis manner, amend the By-Laws to the extent such amendment is required in order to correct a manifest error or to make a conforming amendment or modification that is otherwise consistent with the rights, terms and restrictions contained herein and in the Declaration.

12.5 **Amendments Affecting Any Unit or the Unit Owner**. Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of or to these By-Laws, the Declaration or the Rules and Regulations shall be effective in any way against any Unit, or the Unit Owner thereof, unless such Unit Owner has given its prior written consent thereto.

ARTICLE 13

CERTAIN DAMAGES

13.1 **Self Help.** If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on its part to be observed or performed, including, without limitation, any breach of his or her obligation to paint, decorate, Maintain, repair, or replace its Unit and shall fail to cure such violation or breach within five (5) days after receipt of written notice of the same from the Condominium Board, the Managing Agent, or any manager (or, with respect to any violation or breach of the same not reasonably susceptible to cure within such period, to commence such cure within such five 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 or breach without thereby being deemed guilty or liable in any manner of trespass. In addition, in the event that the Condominium Board shall determine that the abatement, removal, or cure of any such violation or breach is immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals or is required to avoid the suspension of any necessary service in the Building, the Condominium Board may take such action immediately, without prior notice and without allowing the said Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

13.2 **Abatement and Enjoinment.**

(A) In the event that any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his or her part to be observed or performed, and shall fail to cure such breach within thirty (30) days after receipt of written notice from the Condominium Board, the Managing Agent, or any manager, except in the case of an Emergency, the Condominium Board shall have the right (i) to enter any Unit or Common Elements in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Condominium Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at Law or in equity, provided that the Condominium Board gives the Unit Owner notice (which may be by telephone or in writing) that such violation exists, that repairs or replacements are necessary and that the Condominium

Board will complete such repairs or replacements in the event the Unit Owner does not promptly act or complete the repairs or replacements, and/or (iii) to levy such fines and penalties as the Condominium Board may deem appropriate, and the Condominium Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

(B) The violation or breach of any of the terms of the By-Laws with respect to any rights, easements, privileges, or licenses granted to Declarant or the Unit Owner shall give to Declarant and the Unit Owner the right to enjoin, abate, or remedy the continuation or repetition of any such violation or breach by appropriate proceedings brought either at Law or in equity.

13.3 **Costs and Expenses.** Subject to Section 6.1.7, all sums of money expended, and all costs and expenses incurred, by (i) the Condominium Board in connection with the abatement, enjoinment, removal, or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of Sections 13.1 and/or 13.2 shall be immediately payable by such Unit Owner to the Condominium Board, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of two percent per month (but in no event in excess of the maximum rate chargeable to such Unit Owner pursuant to Law). All sums payable by a Unit Owner to the Condominium Board pursuant to the terms of this Section 13.3 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

ARTICLE 14

ARBITRATION

14.1 **General Procedure**. Any arbitration provided for in these By-Laws shall be conducted in accordance with the provisions of this Article 14 (an "Arbitration", and any dispute to be resolved by Arbitration, an "Arbitrable Dispute"). Any Arbitration provided for in these By-Laws shall be conducted before three arbitrators in New York City by the American Arbitration Association or any successor organization thereof, in accordance with its rules for the real estate industry and expedited procedures then in effect and the decision rendered in such Arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. In the event that the American Arbitration Association is not then in existence and has no successor, any Arbitration hereunder shall be conducted in New York City before three arbitrators appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the County of New York. The decision of two of the arbitrators so chosen shall be given within 10 days after such arbitrator's appointment. Any arbitrator appointed or selected in connection with any Arbitration under this Article 14 shall be (i) a lawyer or real estate owner, developer, or manager familiar with similar properties and having general legal or real estate experience, as the case may be, of not less than fifteen years and (ii) neutral, unaffiliated and independent of the Unit Owners.

14.2 **Costs and Expenses**. Except as otherwise provided herein or in the Declaration, (a) as determined by the arbitrators, the fees, costs and expenses will be borne equally by the disputants and (b) each disputing Unit Owner shall also bear the fees and expenses of its own counsel and expert witnesses.

14.3 **Agreement by Parties**. The parties to any dispute required or permitted to be submitted to Arbitration hereunder may, by mutual agreement between them, vary any of the provisions of Section 14.1 with respect to the Arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes."

ARTICLE 15

SIGNS AND SCAFFOLDING

15.1 **Exterior Signs**. The term "Sign" or "Signage" includes all signs, designs, monuments, logos, banners, projected images, awnings, canopies, pennants, decals, advertisements, pictures, notices, lettering, numerals, graphics, and decorations. Each Non-Residential Unit Owner or any occupant shall, at its own expense, obtain all required licenses and permits for any Signs installed by such Non-Residential Unit Owner or occupant and renew the same as required by applicable laws. All Signs shall be installed and removed in a good and workerlike manner, without damaging the Building, and in compliance with all applicable laws and requirements of any governmental agency (or similar body). All Signs must comply with all applicable laws, including requirements of the New York City Zoning and Buildings Department. In addition, any signs installed on 12th Street must be consistent with retail nd garage space in other luxury condominium buildings. Each Unit Owner shall maintain any permitted Signs in good, clean, neat and safe condition and in accordance with the terms and provisions of the Condominium Documents. Each Non-Residential Unit Owner shall be responsible for any violations arising as a result of the failure of any of its tenants to comply with applicable laws.

15.2 **Removal of Signs**. The Condominium Board may, from time to time, temporarily remove any Sign in connection with any repairs, improvements, alterations, additions or replacements being made to the Building. In addition, the Board shall have the right to remove any Signs, including any Signs which belong to a Non-Residential Unit Owner, or an occupant thereof, if the removal of such Sign is required to complete repairs required by applicable laws and code ("Required Repairs"). In the event that to facilitate any Required Repairs it becomes necessary to remove any Signs, the Board will send not less than thirty (30) days prior notice of such removal, except in the event of an Emergency, and the expected duration of the same, to the affected Non-Residential Unit Owner. If a Required Repair is needed, the Board will endeavor to coordinate the removal of a Sign with the affected Non-Residential Unit Owner to minimize interference with the use of the affected Unit for the permitted purposes thereof. In the event that a Sign which belongs to the affected Non-Residential Unit Owner (or its tenant) is to be removed for more than one (1) Business Day, provide a location to the affected Non-Residential Unit Owner to place a temporary Sign comparable in size to the then existing Signs belonging to the affected Non-Residential Unit Owner and in compliance with all applicable laws, with such "sight-line" visibility as is commercially practicable, (but subject to the rights of the other Unit Owners or the Condominium Board to have Signs on the Building), such temporary Sign to be removed upon the reinstallation of the prior existing Sign. Both the installation and removal of the temporary Sign shall be performed at the sole expense of the Condominium Board and the cost therefor

shall be included in Common Charges. In the event that any Unit Owner interferes with the ability of the Board to perform any Required Repairs, the Board may commence an action to obtain declaratory relief and, in the event that the Board prevails, any legal fees incurred by the Board in connection with such action shall be paid by such Unit Owner.

15.3 **Use of Scaffolding and Sidewalk Sheds**. The Board may install and maintain scaffolding or a sidewalk bridge outside the Property if required by applicable laws or needed for repair of the building structure or roof or a Building System. If scaffolding is not required pursuant to any applicable Law, order or regulation, or Insurance Requirements, the Board may not install scaffolding outside of the Non-Residential Units without prior written consent of the Non-Residential Unit Owners which may be withheld in the sole reasonable discretion of the Non-Residential Unit Owners.

15.4 **Scaffolding Requirements**. The scaffolding shall (a) be erected in a manner which shall not unreasonably interfere with access to any entrances to the Non-Residential Units, (b) shall be "double height" and shall clear and not obstruct windows and doors, (c) to the extent practicable, not minimize the visibility of any windows and signs of the Non-Residential Units except on a temporary basis, and such owners/tenants are given prior notice, (d) if reasonably possible, be of sufficient height so as to clear any then existing marquis, if any and any building sign band appurtenant to the Non-Residential Units, (e) have all exposed bolts protected to prevent pedestrian accidents, (f) have lighting below the scaffolding as required by applicable Law, and (g) if reasonably possible, not affect or interfere with exhaust ducts or vents. The Board shall use commercially reasonable efforts to have the scaffolding removed as soon as practicable, and the Board shall repair any damage to the sidewalk or Building caused by the installation or removal of the scaffolding. If the visibility of any of the exterior signs installed by the Non-Residential Unit Owners is impaired by the scaffolding, or such signage must be removed for more than one (1) Business Day, such Unit Owner (or its tenant) may install and maintain on the scaffolding, for so long as such scaffolding remains, a Sign identifying such Unit Owner or its tenant to provide the Non-Residential Unit Owners (or its tenant) with the same or better "sight-line" visibility but only if such signs are permitted by applicable laws (but subject to the rights of the other Unit Owners to have signage on scaffolding). Such Signs shall be installed at the expense of such Unit Owner (or its tenant), at the sole cost and expense of the Non-Residential Unit Owners, provided, however, if such scaffolding is erected in an Emergency, the Condominium Board shall endeavor to obtain and install such Signs for the Non-Residential Units as soon as reasonably practicable. Except in the event of Emergencies or Required Repairs, the Board shall deliver written notice to the Non-Residential Unit Owners no less than three (3) weeks advance notice before placing scaffolding outside the Building, the extent and location of the scaffolding and the expected duration of the scaffolding being located outside of the Building. The Non-Residential Unit Owners shall in all events have the right to approve, in advance, the placement and location of all scaffolding hoists, which consent shall not be unreasonably withheld, conditioned or delayed. Any temporary Signs shall be promptly removed upon dismantling of scaffolding.

SCHEDULE A

RULES AND REGULATIONS OF THE RESIDENTIAL SECTION

(1) The sidewalks, entrances, passages, public halls, elevators, vestibules, corridors and stairways of the Residential Section shall not be obstructed or used for any other purpose than ingress to and egress from the Residential Units.

(2) No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the passages, public halls, vestibules, corridors, stairways or fire tower landings of the Residential Section, nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from any doors, windows or roofs or placed upon the window sills of the Residential Section.

(3) Neither occupants nor their guests shall play in the entrances, passages, public hails, elevators, vestibules, corridors, stairways or fire towers of the Residential Section.

(4) No public hall or public elevator vestibule of the Residential Section shall be decorated or furnished by any Residential Unit Owner in any manner.

(5) Each Residential Unit Owner shall keep his or her Unit and any Limited Common Elements appurtenant thereto in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance.

(6) No window guards or window decorations shall be used in or about any Residential Unit, unless otherwise required by law, except such as shall have been approved in writing by the Residential Committee or the managing agent of the Residential Section, which approval shall not be unreasonably withheld or delayed. The interior and exterior glass surfaces of all windows located in any Residential Unit shall not be colored or painted. The portions of all curtains, drapes, blinds or other window treatments visible from the exterior of the Building must be white to give the Building a uniform exterior appearance (or such other color established from time to time by the Condominium Board).

(7) No radio, television aerial, satellite or similar device shall be attached to or hung from the exterior of the Residential Section and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any door or window or other part of the Residential Section except such as are permitted pursuant to the Declaration or the By-Laws or shall have been approved in writing by the Residential Committee or the managing agent of the Residential Section, nor shall anything be projected from any door or window of the Residential Section without similar approval. No "For Sale", "For Rent", "For Lease" sign, or any other sign evidencing a similar purpose, or other window display or advertising shall be maintained or permitted in any Residential Unit, except with respect to Unsold Units.

(8) No awnings, ventilators or air conditioning device shall be installed in any Residential Unit without the prior written approval of the Residential Committee, which approval may be granted or refused in the sole discretion of the Residential Committee.

(9) All radio, television or other electrical equipment of any kind or nature installed or used in each Residential Unit shall fully comply with all rules, regulations, requirements or recommendations of the New York Board of Fire Underwriters and the public authorities having

jurisdiction and the Residential Unit Owners alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such Residential Unit Owner's Unit.

(10) No bicycles, scooters or similar vehicles shall be allowed in any of the elevators other than the elevators designated by the Residential Committee or the managing agent of the Residential Section for that purpose, and no baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the passages, public halls, vestibules, corridors or other public areas of the Residential Section.

(11) No Residential Unit Owner shall make or permit any disturbing noises or activity in the Residential Section, or do or permit anything to be done therein, which will interfere with the rights, comfort or convenience of other Unit Owners or the tenants or occupants of the Commercial Units. No Residential Unit Owner shall play or suffer to be played any musical instrument, or practice or suffer to be practiced vocal music, or operate or permit to be operated a phonograph or radio or television set or other loud speaker in such Unit Owner's Unit between 11:00 P.M. and the following 9:00 A.M., if the same shall disturb or annoy other occupants of the Building, unless the same shall have the prior written consent of the Residential Committee. No construction or repair work or other installation involving noise shall be conducted in any Residential Unit except on weekdays (not including legal holidays) and only between the hours of 9:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency or unless such work is performed by Declarant.

(12) No more than (2) domestic animals shall be permitted, kept or harbored in a Residential Unit without the same in each instance having been expressly permitted in writing by the Residential Committee or the managing agent of the Residential Section and such consent, if given, shall be revocable by the Residential Committee or such managing agent in their sole discretion, at any time. Dogs may not be walked on the Property and all Residential Unit Owners must clean-up after their pets. In no event shall any bird, reptile, or animal be permitted in any public elevator in the Residential Section, other than the elevators designated by the Residential Committee or the managing agent of the Residential Section for that purpose, or in any of the public portions of the Residential Section, unless carried or on a leash. No pet shall weigh more than 45 pounds or be generally considered dangerous to humans. No pigeons or other birds or animals shall be fed from the window sills or other public portions of the Residential Section or on the sidewalk or street adjacent to the Building. Each Residential Unit Owner who keeps any type of pet in his Residential Unit shall be required to indemnify and hold harmless the Condominium, the Declarant and its designees, the Residential Committee all Unit Owners and the managing agent from all claims and expenses resulting from acts of such pet.

(13) Messengers and tradespeople visiting in the Residential Section shall use the elevators designated by the Residential Committee or the managing agent of the Residential Section for that purpose, for ingress and egress, and shall not use any of the other elevators for any purpose, except that nurses, caregivers, babysitters and cleaning personnel in the employ of Residential Unit Owners or their guests or tenants may use any of the other elevators when accompanying said Unit Owners, guests or tenants. However, a guest or visitor of a Residential Unit Owner may use any of the elevators freely, if authorized by such Unit Owner.

(14) All service and delivery persons will be required to use the service entrance. All packages, whenever feasible, will be required to be delivered by outside personnel to the package

room in the lobby where such packages will be held for pick-up by Residential Unit Owners. Deliveries, if made, will be made from the package room to individual Residential Units only by building personnel. Such deliveries will be made only at such times as a Unit is occupied by the resident thereof or an authorized person and said resident or authorized person is willing to accept delivery. If the Residential Units are not so occupied or delivery is declined, the package will be held in the package room until the resident or authorized person returns or requests delivery. In the case of packages containing perishable food items, service or delivery persons who are registered with building personnel will be permitted to make deliveries directly to individual Residential Units after such service or delivery persons have received approval for such delivery from the Residential Unit Owners.

(15) Trunks and heavy baggage shall be taken in or out of the Residential Section by the elevators designated by the Residential Committee or the managing agent of the Residential Section for that purpose, and through a designated entrance only.

(16) No refuse from the Residential Units shall be sent to the below grade levels of the Building except at such times and in such manner as the Residential Committee or the Managing Agent of the Residential Section may direct.

(17) Water-closets and other water apparatus in the Residential Section and in any Common Area shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Residential Unit shall be repaired and paid for by the Owner of such Unit.

(18) No occupant of the Residential Section shall send any employee of the Residential Section or of the managing agent thereof out of the Building on any private business.

(19) The agents of the Residential Committee or the managing agent, and any contractor or worker authorized by the Residential Committee or the managing agent of the Residential Section, may enter any room or Residential Unit at any reasonable hour of the day, on at least one day's prior written notice to the Residential Unit Owners, for the purpose of inspecting such Residential Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests; however, such entry, inspection and extermination shall be done in a manner so as not to unreasonably interfere with the use of such Residential Unit for its permitted purposes.

(20) Corridor doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

(21) The Residential Committee or the managing agent of the Residential Section may retain a passkey to each Residential Unit that has locks. If any lock is altered or a new lock is installed, the Residential Committee or the managing agent of the Residential Section shall be provided with a key thereto immediately upon such alteration or installation. If the Residential Unit Owners is not personally present to open and permit an entry to his Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws and has not furnished a key to such Board or such managing agent, then the Residential Committee or such managing agent or their agents (but, except in an emergency, only when specifically authorized by an officer of such Board or an officer of the managing agent) may

forcibly enter such Unit without liability for damages or trespass by reason thereof (if during such entry reasonable care under the circumstances is given to such Unit Owner's property).

(22) No vehicle belonging to a Residential Unit Owner or to a member of the family or guest, tenant or employee of a Residential Unit Owner shall be parked in such manner as to impede or prevent ready access to any entrance to or exit from the Building by another vehicle.

(23) Complaints regarding the services of the Residential Section shall be made in writing to the Residential Committee or to the managing agent of the Residential Section.

(24) Any consent or approval given under these Rules and Regulations may be granted, refused, added to, amended or repealed, in the sole discretion of the Residential Committee, at any time by resolution of the Residential Committee. Further, any such consent or approval may, in the discretion of the Residential Committee, be conditional in nature.

(25) Residential Unit Owners will faithfully observe the following procedures with respect to the use of the compactor: (a) wrap dust, floor and powdered waste in compact packages before depositing the same; (b) thoroughly drain and wrap in paper all garbage before depositing the same; (c) refrain from forcing large bundles into the chute; (d) crush into tight bundles all loose papers before placing the same in the hopper door; (e) deposit all bundles of waste into the hopper; and (f) refrain from depositing waste of an explosive nature therein.

(26) Except as permitted under the Declaration and By-Laws, Residential Unit Owners, their families, guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the Roof of the Building.

(27) Residential Unit Owners, their guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not cause or permit any unusual or objectionable noise or odors to be produced upon or to emanate from their Units.

(28) No Residential Unit Owner or any of his agents, servants, employees, licensees, tenants, sublessees or visitors shall at any time bring into or keep in his Unit any inflammable, combustible or explosive fluid, material, chemical or substance, except as shall be necessary and appropriate for the permitted uses of such Unit.

(29) If any key or keys are entrusted by a Residential Unit Owner or by any member of his family or by his agent, servant, employee, tenant, sublessee, licensee or visitor to an employee of the Residential Committee or the managing agent of the Residential Section, whether for such Unit Owner's Unit or an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Residential Committee nor the managing agent of the Residential Section shall (except as provided in paragraph 21 above) be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

(30) Nothing shall be done or kept in any Residential Unit or in the General or Limited Common Elements which will increase the rate of insurance of the Building or contents thereof without the prior written consent of the Condominium Board. No Residential Unit Owner shall permit anything to be done or kept in his Unit or in the General or Limited Common Elements which will result in the cancellation of insurance on the Building or which would be in violation of any law. No waste shall be committed in the General or Limited Common Elements.

(31) The Boards shall have the right from time to time to relocate any portion of the Common Elements devoted to storage or service purposes.

(32) No group tour or exhibition of any Residential Unit or its contents shall be conducted, nor shall any auction sale be held in any Residential Unit, without the prior consent of the Residential Committee or the managing agent of the Residential Section.

(33) In the event that any Residential Unit is used for home occupation purposes which are permitted by law and the By-Laws, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

(34) Unless expressly authorized by the Residential Committee in each case, at least 80% of the floor area of each Residential Unit (excepting only kitchens, pantries, bathrooms and closets) must be covered with rugs, carpeting or equally effective noise-reducing material.

(35) There will be no barbecuing in the Residential Units, in their Limited Common Elements, or in the General Common Elements, except for those areas (if any) specifically designated for barbecuing by the Residential Committee.

(36) The Residential Committee reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Residential Section when, in the reasonable judgment of the Residential Committee, the Residential Committee deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Residential Section, or the preservation of good order therein, or the operation or maintenance of the Residential Section, or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Residential Section. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Residential Unit Owner or other occupant shall operate as a rescission, alteration or waiver in respect of any other Residential Unit Owner or other occupant.

(37) No children may be left unattended in any Common Element of the Building, including but not limited to the hallways and lobby. Any children under the age of fourteen (14) must be accompanied by an adult in the gym and other residential amenities.

EXHIBIT "8"

CERTIFICATION OF SPONSOR AND PRINCIPALS

CERTIFICATION OF SPONSOR AND PRINCIPALS

November 6, 2015

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

Re: 21 East 12th Street Condominium, 21 East 12th Street, New York, New York

The undersigned certify as follows:

We are the sponsor and the principals of sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibilities for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal law.

21 E. 12 LLC

By: _____
Name: William Macklowe
Title: Principal

Sworn to before me this
16 day of November 2015

Notary Public

MARIA CHERCHIA
Notary Public, State of New York
No. 01CH6047996
Qualified in Westchester County
Commission Expires November 27, 2018

SPONSOR'S PRINCIPALS:

_____
William Macklowe

Sworn to before me this
16 day of November 2015

Notary Public

MARIA CHERCHIA
Notary Public, State of New York
No. 01CH6047996
Qualified in Westchester County
Commission Expires November 27, 2018

EXHIBIT "9"

CERTIFICATION OF SPONSOR'S ARCHITECT

PART 20: CERTIFICATION OF ENGINEER OR ARCHITECT
RE: NEWLY CONSTRUCTED OR VACANT UNITS

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

Re: Condominium Offering Plan
21 EAST 12TH STREET
(AKA 110 UNIVERSITY PLACE)
21 East 12th Street
New York, New York

The sponsor of the condominium offering plan to convert the captioned property to condominium ownership retained our firm to prepare a report describing the construction of the property (the "Report"). We examined the building plans and specifications that were prepared by us dated 04-10-15 and prepared the Report dated 01-19-16 and amended on 05-11-16 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 architects in the State of New York.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

We certify that the Report:

(i) sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that we examined;

(ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment

concerning the description and/or physical condition of the property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that we examined;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and

(vii) does not contain any representation or statement which is false, where we:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by and have no beneficial interest in the sponsor and that my/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.

SHERRY LYNN EID
COMMISSION EXPIRES
New York County
NOTARY
PUBLIC
01EI6113413
JULY 26, 2016
STATE OF NEW YORK

SLCE ARCHITECTS

By:_____
Name: Gloria B. Glas, AIA
Title: Partner

Sworn to before me this
12 day of May, 2016

(Architect's Seal)

REGISTERED ARCHITECT
GLORIA B. GLAS
020204
STATE OF NEW YORK

_____
Notary Public

EXHIBIT "10"

CERTIFICATION OF SPONSOR'S BUDGET EXPERT

FirstService
RESIDENTIAL

PART 23: CERTIFICATION BY EXPERT AS TO
ADEQUACY OF CONDOMINIUM BUDGET

May 11, 2016

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

Re: Condominium Offering Plan
21 East 12th Street Condominium
21 East 12th Street
New York, New York 10003

The sponsor of the condominium offering plan for the captioned property retained our firm to prepare Schedules B and review Schedule B-1 (collectively, "Schedules") containing projections of income and expenses for the first year of condominium operation. Our experience in this field includes: the management of over 250 cooperatives, condominiums and residential rental properties over the course of 25 years.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 23 insofar as they are applicable to the Schedules.

We have reviewed the Schedules and investigated the facts set forth in the Schedules and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in the Schedules appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedules:

(i) set forth in detail the projected income and expenses for the first year of condominium operation;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

(iii) do not omit any material fact;

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(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income or expenses for the first year of condominium operation. This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

FirstService Residential New York, Inc.

By: _____

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

Sworn to before me this
11th day of May 2016

_____
Notary Public

Brooke Rosenthal
Notary Public - State of New York
NO. 01RO6072178
Qualified in Nassau County
Commission Expires April 1, 2017

FirstService
RESIDENTIAL

EXHIBIT "11"

CERTIFICATION OF SPONSOR'S EXPERT

CONCERNING ADEQUACY OF NON-RESIDENTIAL COMMON CHARGES

FirstService
RESIDENTIAL

PART 23: CERTIFICATION BY EXPERT CONCERNING ADEQUACY OF COMMON CHARGES PAYABLE BY THE COMMERCIAL UNIT OWNERS

May 11, 2016

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

Re: Condominium Offering Plan
21 East 12th Street Condominium
21 East 12th Street
New York, New York 10003

The sponsor of the condominium offering plan for the captioned property retained our firm to prepare Schedule B which includes projections of common charges payable by the owners of the commercial units. Our experience in this field includes the management of over 250 cooperatives, condominiums and residential rental properties over the course of 25 years, many of which contain commercial properties.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 23 insofar as they are applicable to the commercial units listed in Schedule B.

We have reviewed Schedule B as it impacts upon the commercial units and investigated the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in Schedule B for the common charges payable by the owners of the commercial units appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such commercial units for the projected first year of condominium operation, and that the allocation of common charges attributable to the commercial units also reflects special or exclusive use or availability or exclusive control of particular common areas.

We certify that the estimates in Schedule B for the common charges payable by the owners of the commercial units:

(i) sets forth in detail the projected common charges for the commercial units for the first year of condominium operation;

(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owners of the commercial units;

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(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the commercial units for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

FirstService Residential New York, Inc.

By: _____

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

Sworn to before me this
11th day of May 2016

_____
Notary Public

Brooke Rosenthal
Notary Public - State of New York
NO. 01RO6072178
Qualified in Nassau County
Commission Expires April 1, 2017

FirstService
RESIDENTIAL

EXHIBIT "12"

FORM W-9

Form **W-9**
(Rev. December 2014)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Print or type
See Specific Instructions on page 2.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification; check only one of the following seven boxes:

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____

Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner.

☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.)

Requester's name and address (optional)

6 City, state, and ZIP code

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number

			–			–				

or

Employer identification number

		–						

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here Signature of U.S. person ▶ Date ▶

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at *www.irs.gov/fw9*.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding?* on page 2.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

EXHIBIT "13"

FORM W-8

Form **W-8BEN**

(Rev. February 2014)

Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)

► For use by individuals. Entities must use Form W-8BEN-E.
► Information about Form W-8BEN and its separate instructions is at *www.irs.gov/formw8ben*.
► Give this form to the withholding agent or payer. Do not send to the IRS.

OMB No. 1545-1621

Do NOT use this form if: — **Instead, use Form:**

- You are NOT an individual W-8BEN-E
- You are a U.S. citizen or other U.S. person, including a resident alien individual W-9
- You are a beneficial owner claiming that income is effectively connected with the conduct of trade or business within the U.S. (other than personal services) W-8ECI
- You are a beneficial owner who is receiving compensation for personal services performed in the United States . . . . . 8233 or W-4
- A person acting as an intermediary W-8IMY

Part I Identification of Beneficial Owner (see instructions)

1 Name of individual who is the beneficial owner

2 Country of citizenship

3 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address.**

City or town, state or province. Include postal code where appropriate.

Country

4 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate.

Country

5 U.S. taxpayer identification number (SSN or ITIN), if required (see instructions)

6 Foreign tax identifying number (see instructions)

7 Reference number(s) (see instructions)

8 Date of birth (MM-DD-YYYY) (see instructions)

Part II Claim of Tax Treaty Benefits (for chapter 3 purposes only) (see instructions)

9 I certify that the beneficial owner is a resident of _____ within the meaning of the income tax treaty between the United States and that country.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article _____ of the treaty identified on line 9 above to claim a _____ % rate of withholding on (specify type of income): _____

Explain the reasons the beneficial owner meets the terms of the treaty article: _____

Part III Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the individual that is the beneficial owner (or am authorized to sign for the individual that is the beneficial owner) of all the income to which this form relates or am using this form to document myself as an individual that is an owner or account holder of a foreign financial institution,
- The person named on line 1 of this form is not a U.S. person,
- The income to which this form relates is:
  (a) not effectively connected with the conduct of a trade or business in the United States,
  (b) effectively connected but is not subject to tax under an applicable income tax treaty, or
  (c) the partner's share of a partnership's effectively connected income,
- The person named on line 1 of this form is a resident of the treaty country listed on line 9 of the form (if any) within the meaning of the income tax treaty between the United States and that country, and
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner. **I agree that I will submit a new form within 30 days if any certification made on this form becomes incorrect.**

Sign Here ►

Signature of beneficial owner (or individual authorized to sign for beneficial owner) — Date (MM-DD-YYYY)

Print name of signer — Capacity in which acting (if form is not signed by beneficial owner)

EXHIBIT "14"

PROPERTY DEED

CONDOMINIUM UNIT DEED

THIS INDENTURE is made the ___ day of _____, 20__, by and between **BIC UNIVERSITY PLACE LLC**, a New York limited liability company, having an address at c/o Benenson Funding Corp., 20 West 55th Street, 6th Floor, New York, NY 10019 (hereinafter called "**Grantor**"), and **21E12 LLC**, a Delaware limited liability company having an address at c/o Broad Street Principal Investments, L.L.C., c/o Goldman Sachs & Co., 200 West Street, New York, NY 10282 (hereinafter called "**Grantee**").

WITNESSETH:

That Grantor, in consideration of Ten ($10.00) Dollars and other valuable consideration paid by Grantee, the receipt and sufficiency of which are hereby acknowledged, does hereby grant and release unto Grantee, and the heirs or successors and assigns of Grantee, forever:

The Condominium Unit (hereinafter called the "**Unit**") in the building (hereinafter called the "**Building**") known as THE 21 EAST 12TH STREET CONDOMINIUM and by the street address 21 East 12th Street, Borough of Manhattan, City, County and State of New York, said Unit being designated and described as the Upper Unit in that certain Amended and Restated Declaration, dated as of [_____] 2015 (the "**Declaration**"), made by Grantor, as Declarant ("**Declarant**"), pursuant to Article 9-B of the Real Property Law of the State of New York (hereinafter called the "**Condominium Act**") establishing condominium ownership of the Building and the land (hereinafter called the "**Land**") upon which the Building is situate (which Condominium Land is more particularly described in Schedule A attached hereto), which Declaration was recorded in the New York County Office of the Register of The City of New York (the "**City Register's Office**") on [_____], 2015, as CRFN [_____] (as the same may be further amended from time to time, the "**Declaration**"). The Unit is also designated as Tax Lot [_____] in Block [_____] of the Borough of Manhattan on the Tax Map of the Real Property Assessment Bureau of The City of New York and on the Floor Plans of the Building certified by Peter Farinella Architect, P.C. on [_____], and filed with the Real Property Assessment Bureau of The City of New York on [_____], as Condominium Plan No. [_____] and also filed in the City Register's Office on [_____] as CRFN [_____],as said Floor Plans have been amended and may be further amended from time to time;

together with an undivided [____]% interest in the Common Elements (as such term is defined in the Declaration) of THE 21 EAST 12TH STREET CONDOMINIUM;

together with the appurtenances and all the estate and rights of Grantor in and to the Unit;

together with, and subject to, all of the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and By-Laws of The East 12th Street Condominium, as each of the same may be amended from time to time (said By-Laws and any amendments thereto are hereinafter collectively called the "**By-Laws**"), including, without limitation, the restrictions and other provisions with respect to the permitted uses of the Unit; all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein; subject also to

such other liens, agreements, covenants, easements, restrictions, consents, other matters of record as pertain to the Unit, to the Land and/or to the Building (which Land and Building are hereinafter collectively called the "**Property**").

TO HAVE AND TO HOLD the same unto Grantee, and the heirs or successors and assigns of 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 that 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 Section 17.2 of the Declaration shall control.

Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that 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 improvements at said premises required to be made by Grantor and will apply the same first to the payment of the cost of such improvements before using any part of the same for any other purposes.

Grantee hereby 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, including, without limitation, all the terms and provisions with respect to the permitted uses of the Unit.

This deed may be executed in counterparts, it being understood that all such counterparts, taken together, shall constitute one and the same instrument.

(No further text on this page.)

IN WITNESS WHEREOF, Grantor and Grantee have duly executed this indenture as of the day and year first above written.

GRANTOR:

BIC UNIVERSITY PLACE LLC,
a New York limited liability company

By:

By: _____
Name:
Title:

GRANTEE:

21E12 LLC,
a Delaware limited liability company

By: _____
Name:
Title:

STATE OF NEW YORK)
) ss.:
COUNTY OF New York)

On the __ day of [_____] in the year 20__ before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF New York)

On the __ day of [_____] in the year 20__ before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

SCHEDULE A
TO CONDOMINIUM UNIT DEED

Description of the Land

EXHIBIT "15"

INTERIM LEASE

FORM OF INTERIM LEASE AGREEMENT

(THIS LEASE AND THE APARTMENT ARE NOT SUBJECT TO RENT STABALIZATION, RENT CONTROL OR ANY OTHER RENT REGULATION)

PREAMBLE: This Interim Lease Agreement ("Lease") contains the agreements between You and 21E12 LLC (the "Owner"), the fee simple owner of the building being converted to a Condominium which will be known as 21 East 12th Street Condominium (the "Condominium"), located at 21 East 12th Street, in the City and State of New York (the "Building"), concerning Your rights and obligations and the rights and obligations of Owner.

You should read this Lease and its attached parts carefully. If You have any questions, or if You do not understand any words or statements, You should obtain clarification. Once You and Owner sign this Lease You and Owner will be presumed to have read it and understood it.

This Lease has been entered into pursuant to the terms of that certain Purchase Agreement for Unit _____ dated _____ at the Condominium, entered into by Owner, as Sponsor/Seller and Tenant, as Purchaser (the "Purchase Agreement"). Tenant acknowledges that the terms of this Lease remain subject to the terms of the Purchase Agreement and the Offering Plan for the Condominium (the "Plan"). In the event there are any inconsistencies between the terms of this Lease and the Purchase Agreement or the Plan, the terms of the Purchase Agreement and/or the Plan shall control. Capitalized terms used herein not otherwise defined shall have the same meaning ascribed to them in the Plan.

THIS LEASE is made on _____ between Owner, whose address is c/o William Macklowe Company, 126 East 56th Street, New York, New York 10022 and You, the Tenant, _____ ("You" or "Tenant").

1. APARTMENT AND USE

Owner agrees to lease to Tenant Unit _____ (the "Apartment") in the Building.

The Apartment must be used only as a residential Apartment to live in and for no other reason. Only _____ may use the Apartment.

2. LENGTH OF LEASE

Tenant acknowledges that this is an interim lease agreement for a term (the "Term") to commence on _____ (the "Commencement Date") and expire upon the earliest of the following (the "Expiration Date"):

(i) the Closing (as such term is defined in the Plan), or
(ii) the date of Your default under the Purchase Agreement or this Lease.

Owner is under no obligation to renew or extend this Lease upon its expiration or termination.

You acknowledge that a default under this Lease shall be deemed a default under the Purchase Agreement for which Owner shall be entitled to exercise its remedies as contained therein. In the event You default under the Purchase Agreement, such uncured default under the Purchase Agreement (that is, a default not cured within thirty (30) days after the sending of written notice thereof) shall be deemed a substantial and material default hereunder. In the event that You default in your covenants and obligations under this Lease, including, but not limited to, Your rent obligations hereunder, such an event of default ("Event of Default") shall entitle Owner, at its sole option, and without prior notice to You, to immediately terminate this Lease, whereupon the Term of this lease shall be accelerated and the Expiration Date shall be the date such Event of Default occurred.

3. RENT, ADDED RENT

Your monthly rent for the Apartment for the Term of the Lease is $_____ per month.

You must pay the Owner the rent in advance, on the first day of each month, either at Owner's office or at another place that Owner may designate. You must pay the first month's rent to Owner when You sign this Lease. You will pay the rent in installments as they become due, without any deductions. If the Commencement Date occurs on a day other than the first day of a calendar month, the rent for the first month shall be prorated accordingly. You may be required to pay other charges to Owner under the terms of this Lease, including but not limited to attorney's fees payable by You hereunder, the cost of repairs under Section 14, fees for returned checks under Section 37, lock-out charges under Section 41 and late fees under Section 42. These charges are to be called "added rent". This added rent is payable as rent, together with the next monthly installment of rent due. If You fail to pay the added rent on time, Owner shall have the same rights against You as if You failed to pay rent and may obtain a possessory and money judgment for unpaid rent.

4. SECURITY DEPOSIT

You are required to give Owner the sum of $_____ when you sign this Lease as a security deposit (the "Security Deposit") for the payment of rent and other charges and the performance of your obligations under this Lease. Owner will deposit the Security Deposit in an account with _____ Bank. You will receive a credit for any security deposit presently held by the Owner on your behalf.

At the time of any rent increase, you are required to pay the difference between the Security Deposit you have on deposit and the new monthly rent amount. You will be billed for the additional Security Deposit on your rent bill. Your failure to pay the additional Security Deposit shall be deemed a breach of a substantial obligation of your tenancy.

Delivery of this Lease with Owner's signature is acknowledgment by Owner of receipt of your Security Deposit. If you carry out all of your agreements in this Lease, at the end of each calendar year, Owner or the bank will pay to Owner 1% interest on the deposit for administrative costs and will pay to you all other interest earned on the Security Deposit.

Any amounts owed by you under this Lease, including the cost to restore the Apartment to the same condition it was in when you first occupied it, except for ordinary wear and tear, and the cost to repair any damage to the Building caused by you, other than ordinary wear and tear, shall be deducted from the amount of the Security Deposit returned to you. If you carry out all your agreements in this Lease, your Security Deposit (less any deductions permitted under this Lease, if applicable) will be credited to the purchase price under the Purchase Agreement.

If Owner sells or leases the Building, Owner may deliver the Security Deposit to the person buying or leasing (the "Lessee") the Building, you will look only to the Buyer or Lessee for the return of the Security Deposit under the terms of this Lease.

5. REPRESENTATIONS, CHANGES IN LEASE, NO ORAL CHANGES

You have read this Lease. All promises made by the Owner are in this Lease. There are no others. This Lease may be changed only by an agreement in writing signed by and delivered to You and Owner.

It is expressly understood and agreed that this Lease cannot be changed orally.

Taking possession of this Apartment shall be conclusive evidence that the Apartment and the Building were in satisfactory condition at the time You took possession.

6. BILLS AND NOTICES

A. Notices to You. Any notice from Owner or Owner's Agent and/or attorneys will be considered properly given to You if 1) it is in writing, 2) signed by or in the name of Owner or Owner's Agent and 3) is addressed to You at the Apartment and delivered to You personally, placed under the door of Your Apartment, or sent by registered or certified mail to You at the Apartment. You agree that the Owner or Owner's Agent and/or attorneys may notify You in this manner.

B. Notices to Owner. If You wish to give a notice to Owner, You must write it and deliver it by hand or send it by registered or certified mail to Owner at the address noted on page one (1) of this Lease or at another address of which Owner or Owner's Agent has given You written notice.

7. PARAGRAPH HEADINGS

In any dispute arising under this Lease, in the event of a conflict between the text and a paragraph heading, the text controls.

8. APARTMENT NOT SUBJECT TO RENT REGULATION

The Owner and You acknowledge that, notwithstanding any other provisions of this Lease, the Apartment is not subject to or protected by any form of rent regulation. Accordingly,

the Rent Stabilization Code, the Rent Control Laws, and all other Federal, State and/or Local Rent Regulations, Laws and/or ordinances controlling rents do not apply to the instant tenancy.

9. LEASE NOT BINDING UNTIL SIGNED AND DELIVERED

It is agreed that this Lease is submitted to You for signature with the understanding that it shall not bind the Owner or You unless and until it has been executed by the Owner or the Owner's management agent (the "Owner's Agent") and delivered to You.

This Lease, once signed by Owner and You and delivered, is binding on Owner and its, and You and Your, heirs, distributees, executors, administrators, successors and lawful assignees.

10. NO HOLDNG OVER

There shall be no holding over by You after expiration or earlier termination of the Term and the failure by You after expiration or earlier termination of the Term and the failure by You to deliver possession of the Apartment to Owner shall be an unlawful holdover. During any period in which You hold over, at Owner's option, the rental value of the Apartment, calculated as monthly rental, payable from the date immediately following the date on which You were to deliver the Apartment through and including the last day of the calendar month in which You so deliver the Apartment, shall be deemed to be equal to three hundred percent (300%) of the rent under paragraph 3 of this Lease (the "Hold Over Rate"), payable immediately preceding the expiration or earlier termination of the Term. Acceptance by Owner of the Hold Over Rate and any additional rent during the period in which You so hold over shall not cure or waive Your default, nor prevent Owner from exercising, before or after such acceptance, any of the remedies provided by this Lease or at law or in equity. Payment of the Hold Over Rate and other sums during any period in which You hold over shall not excuse Your obligation to vacate and surrender the Apartment on the date, and in the manner and condition, required under this Lease. You shall not interpose any counterclaim in a summary proceeding or other action based on such holdover. You shall remain liable for all costs and expenses incurred by Your failure to voluntarily vacate the Apartment on or before the expiration or earlier termination of this Lease. You shall hold Owner harmless against any claims by prospective tenants or purchasers against Owner for Owner's failure to timely deliver possession of the Apartment to such prospective tenant(s) or purchaser(s) by reason of Your failure to voluntarily and timely vacate the subject Apartment prior to the expiration or earlier termination of this Lease.

11. WARRANTY OF HABITABILITY AND QUIET ENJOYMENT

A. Owner represents that the Apartment and the Building are fit for human habitation and that there will be no condition which will be detrimental to life, health or safety.

B. You will do nothing to interfere or make more difficult Owner's efforts to provide You and all other occupants of the Building with the required facilities and services. Any condition caused by Your misconduct or the misconduct of anyone under Your direction or control shall not be a breach of these warranties by Owner.

C. As long as You are not in default of any provisions of this Lease, You may peaceably and quietly have, hold and enjoy the Apartment for the Lease Term.

D. Tenant shall permit Owner and Owner's representative access to the Apartment to replace the windows.

12. CONDITION OF THE APARTMENT

When You signed this Lease, You did not rely on anything said by Owner, Owner's Agent and/or employees about the physical condition of the Apartment or the Building, or on any promises as to what would be done, unless what was said or promised has been agreed to in writing signed by both You and Owner.

You have inspected the Apartment, found that it is in good order and repair, and You accept it in its present condition "as is". Tenant shall execute an inspection statement (the "Inspection Statement") acknowledging acceptance of the Apartment in its as-is condition as of the date hereof prior to commencement of this Lease. Tenant hereby acknowledges that by executing the Inspection Statement, Tenant shall waive any rights to conduct an additional inspection prior to the Closing Date pursuant to paragraph 21 of the Purchase Agreement.

13. REPAIRS

A. You must take good care of the Apartment and all equipment and fixtures in it. You shall promptly notify the Owner's Agent of any defects in the plumbing, fixtures, appliances, heating and cooling equipment or any other parts of the Apartment or related facilities. You shall not undertake repairs Yourself or arrange Yourself to have repairs done.

B. You are responsible for the cost of repairing any damage to Your Apartment as a result of Your negligence or carelessness, including, but not limited to damage from penetration of rain through open windows, overflowing sinks, tubs and showers, and damages to any items listed in Section 13.A above. If the repair work is to be done by the Building maintenance staff, You will pay the Owner the staff member's hourly wage for the time spent in making the repair, plus the cost of materials; if the repair work is done by outside contractors, You will pay the Owner the cost incurred by the Owner to have the repairs done. You are liable for damage to other apartments as a result of Your negligent or careless action.

14. PROPERTY LOSS, DAMAGES OR INCONVENIENCE

Unless caused by the negligence or misconduct of Owner or Owner's Agent and/or employees, Owner, Owner's Agent and/or employees are not responsible to You for any of the following: 1) any loss of or damage to You or Your property in the Apartment or the Building due to any accidental or intentional cause, even a theft or another crime committed in the Apartment or elsewhere in the Building; 2) any loss of or damage to Your property delivered to any employee of the Building (i.e., superintendent, etc.); or 3) any damage or inconvenience caused to You by actions, negligence or violations of a lease by any other tenant or person in the building, except to the extent required by law.

15. WINDOW CLEANING

You shall not require, permit or allow any window in Your Apartment to be cleaned from the outside under any circumstances.

16. CARE OF YOUR APARTMENT - END OF LEASE - MOVING OUT

A. You will take good care of the Apartment and will not do or permit others to do any damage to it, except for damage which occurs through ordinary wear and tear. Unless You close on the purchase of the Apartment pursuant to the Purchase Agreement, You will move out on or before the Expiration Date of this Lease and leave the Apartment in good order and in the same condition as it was when You first occupied it, except for ordinary wear and tear.

B. When this Lease ends, You must remove all of Your movable property. You must also remove at Your own expense any wall covering, bookcases, cabinets, mirrors, painted murals or any other installation or attachment You may have installed in the Apartment, even if it was done with Owner's consent. You must restore and repair to their original condition those portions of the Apartment affected by those installations and removals. You have not moved out until all persons, furniture and other property of Yours is also out of the Apartment. If Your property remains in the Apartment after the Lease ends, Owner may either treat You as still in occupancy and charge You for use, or may consider that You have given up the Apartment and any property remaining in the Apartment. In this event, Owner may discard the property. You agree to pay Owner for all costs and expenses incurred in removing and disposing such property. The provisions of this paragraph will continue to be in effect after the date of this Lease.

C. In the event that this Lease is terminated by Owner upon a Tenant default hereunder or under the terms of the Purchase Agreement, any right to rescind the Purchase Agreement to which Tenant may become entitled will be conditioned upon the prior surrender of this Lease and the vacating and surrendering vacant possession of the Apartment within thirty (30) days of the exercise of that right.

D. "Apartment" as used in this paragraph shall include, but not be limited to the dishwasher, refrigerator, stove and any other appliances or fixtures located in Your Apartment provided by Owner.

17. MOVE OUT PROCEDURE

A. Prior to lease expiration You must contact the Owner's Agent to reserve an elevator for Your move out. Moves may be scheduled Monday through Friday, 9:00 a.m. to 5:00 p.m. No weekend moves are permitted. Requests for an elevator cannot be honored on the same day as the request is made. To insure the availability of an elevator, an appointment should be scheduled at least two (2) weeks prior to Your planned move out date. Moves are scheduled on a first come first served basis. Movers should be advised of the importance of arriving on time so that Your move does not interfere with others scheduled after You. If the movers will be required to pack for You, have them pack everything before Your scheduled elevator time.

B. You must schedule an appointment with Owner's Agent to return Apartment keys, mail box and other Building keys on or before the Expiration Date. You will be charged for each additional day after the Expiration Date that the keys remain in Your possession.

C. Owner's Agent will conduct an inspection of the Apartment following Your move-out. If You have given due notice of Your move-out, You may accompany Owner's Agent during the inspection. You will be responsible for any damage which is caused as a result of Your move, whether caused by You or those who assist in Your move.

18. CHANGES AND ALTERATIONS TO APARTMENT

A. You cannot build in, add to, change or alter the Apartment in any way, including wallpapering, painting, repainting or other decorating, or changing or removing any part of the appliances, fixtures or equipment in the Apartment, without getting Owner's prior written consent. Without Owner's prior written consent, You cannot install or use in the Apartment any of the following: signs, aerials, antenna, satellite dishes or other electrical connections, awnings, window guards, clothes washing or drying machines, electric stoves, garbage disposal apartments, fans, heaters, air conditioners, diathermy machines, pressing machines, electric broilers, dishwashers, freezers or any other wiring or electrical equipment which is not furnished by Owner and, in Owner's reasonable opinion, will overload the existing wiring installation in the Building or interfere with the use of such electrical wiring facilities by other tenants of the Building. Also, You cannot place in the Apartment water-filled furniture.

B. If consent is given, the alterations and installations shall become the property of the Owner and shall remain with and as part of the Apartment at the end of the Term. However, Owner has the right to demand that Tenant remove the alterations and installations before the end of the Term. The demand shall be by notice, given at least twenty (20) days before the end of the Term. Owner is not required to do or pay for any work unless stated in this Lease.

19. LIABILITY

A. Owner is not liable for loss, expense or damage to any person or property, unless due to Owner's negligence or intentional acts. Owner is not liable to You for properly permitting or refusing entry of anyone into the Building.

B. You must pay for damages suffered and reasonable expenses of Owner relating to any claim arising from any act or neglect by You, members of Your immediate family, other household members, servants, employees, assignees, sub-tenants or people visiting You. If an action is brought against Owner arising from Your act or neglect, You shall defend Owner at Your expense with an attorney of Owner's choice.

C. You are responsible for all acts or neglect of You, Your immediate family, other household members, servants, employees or people visiting You.

20. SERVICES AND FACILITIES.

A. **Required Services**. Owner will provide cold and hot water and heat as required by law, repairs to the Apartment as required by law, elevator service and any portion of utilities included in the rent, as set forth in sub-paragraph B. You are not entitled to any rent reduction because of a stoppage or reduction of any of the above services unless it is provided by law.

B. **Utilities**. Gas is included in the rent. Electricity is not included in the rent and shall be the responsibility of the Tenant.

C. **Appliances**. Appliances supplied by Owner in the Apartment are for Your use. They will be maintained, repaired and replaced as required, by Owner, but if repair or replacement is made necessary because of Your negligence or misuse, You will pay Owner for the cost of such repair or replacement as added rent.

21. INABILITY TO PROVIDE SERVICES

If, because of labor trouble, government order, lack of supply, Tenant's act or neglect, or any other cause not fully within Owner's reasonable control, Owner is delayed or unable to (a) carry out any of Owner's promises or agreements, (b) supply any service required to be supplied (c) make any required repair or change in the Apartment or Building or (d) supply any equipment or appliances Owner is required to supply, this Lease shall not be ended or Tenant's obligations affected, except as otherwise provided by law, rule, regulation or court order.

22. APARTMENT DOOR LOCKS

You shall not change the cylinder or lock, or install additional or different locks or gates, on any doors or windows of the Apartment, without written permission of the Owner or Owner's Agent. Unauthorized changing of the cylinder or lock is a default under this Lease. If Owner's permission is given, You must give a set of the new keys to the Owner's Agent. Failure to provide keys in a timely manner is a default of this Lease. If the Owner's Agent does not have a set of key(s), and an emergency arises requiring entry into Your Apartment, You will be responsible for any damage to Your Apartment door and lock resulting from Your failure to provide keys, plus any damage to other Apartments resulting from the delay in obtaining entry.

23. ENTRY INTO APARTMENT

During reasonable hours and with reasonable notice (except in emergencies in which case such notice is not required), Owner or Owner's Agent or employees may enter the Apartment for the following reasons:

A. To erect, use and maintain pipes and conduits in and through the walls and ceilings of the Apartment; to inspect the Apartment and to make any repairs or changes Owner decides are necessary. Your rent will not be reduced because of any of this work, unless such rent reduction is required by law.

B. To clean, maintain, repair or replace heating and ventilation apartments at regularly scheduled intervals as part of a preventive maintenance program upon general notice to all Apartments.

C. To repair, maintain or replace the Building intercom system, circuit breakers, smoke detectors and window guards.

D. To shut off gas to the stove in the event of a gas leak or repair.

E. In the event of a significant rainstorm, to close windows which may have been left open, to prevent damage to Apartment floors, walls and contents and damage to apartments below Yours.

F. To perform exterminator services and repairs or to complete the renovation of the Apartment and/or the Building, if necessary, in the sole discretion of Owner.

G. To conduct annual Apartment inspections when Tenants have failed to keep scheduled appointments.

H. To show the Apartment to persons who may be interested in providing financing to the Owner.

I. To conduct a preliminary inspection of the Apartment prior to move-out, for the purpose of determining the extent of damage for preparation of a cost breakdown of repair and replacement charges. Such cost breakdown will be given to You and You will have the option to make repairs satisfactory to the Owner or to pay for the Owner to make such repairs prior to move-out.

If at any time You are not personally present to permit Owner or Owner's Agent and/or employees to enter the Apartment and entry is required to respond to an emergency or is otherwise permitted by law, Owner or Owner's Agent and/or employees may, nevertheless, enter the Apartment. Owner may enter by force in an emergency.

Owner, Owner's Agent and/or employees may keep all equipment necessary to make repairs or alterations to the Apartment in the Apartment. Owner is not responsible for disturbance or damage to You because of work performed or keeping the equipment in the Apartment, but is required to use care to avoid damage to Your property in the Apartment. Owner's use of the Apartment for this purpose does not give You a claim of eviction, unless otherwise permitted by law.

24. YOUR DUTY TO OBEY AND COMPLY WITH LAWS, REGULATIONS AND LEASE RULES

A. **Government Laws and Orders.** At Your expense, You will obey and comply promptly with all present and future city, state and federal laws, orders, rules, requests and directions of all federal, state and local government agencies, Owner's insurers, Board of Fire Underwriters or similar regulatory entities. You agree, at your sole cost and expense, to comply with all present and future laws, orders and regulations of all state, federal, municipal and local governments, departments, commissions, and boards regarding the collection, sorting, separation, and recycling of waste products, garbage, refuse and trash into such categories as provided by law, and in accordance with the rules and regulations adopted by Owner for the sorting and separating of such designated recyclable materials. You shall comply with the requirement to rinse recyclable bottles and containers before placing them in the designated receptacles, in accordance with the law and local regulations. You shall pay all costs, expenses, fines, penalties, or damages which may be imposed on Owner relating to Your obligations as set forth in this Section 24. Notices received by You from any agency or other entity must be

promptly delivered to Owner. You may not do anything which may increase Owner's insurance premiums. If You do, You must pay the increase in premium as added rent.

B. **Rules and Regulations Affecting You**. You will obey all rules and regulations attached to this Lease (as they may be amended, the "Rules and Regulations") and all future reasonable rules of Owner or Owner's Agent and/or employees. Notice of all additional rules shall be delivered to You in writing or posted in the lobby or other public space in the Building. Owner shall not be responsible to You for not enforcing any rules, regulations or provisions of another tenant's lease except to the extent required by law.

C. **Your Responsibility**. You are responsible for the behavior of Yourself, Your immediate family, other household members, Your servants, employees, assignees and sub-tenants and people who visit You. You will reimburse Owner as additional rent upon demand for the cost of all losses, damages, fines incurred by Owner, because You, members of Your immediate family, other household members, servants, employees or people visiting You have not obeyed government laws, orders, rules, regulations or provisions of this Lease.

D. **WINDOW GUARD FORM**. You are required by law to complete a window guard form annually to be submitted to the Owner's Agent. You are required also to complete a window guard form with every new Lease.

25. OBJECTIONABLE CONDUCT; ILLEGAL OR DRUG-RELATED ACTIVITY

As a tenant in the Building, You will not engage in objectionable conduct. Objectionable conduct means behavior which makes or will make the Apartment or the Building less fit to live in for You and/or other occupants, including but not limited to using the Apartment, the Building or the common areas for drug-related purposes or conducting any illegal activity in the Apartment, the Building or the common areas, or causing any damage to the property or possessions of the Owner or Owner's Agent. It also means anything which interferes with the right of others to properly and peacefully enjoy their Apartments or causes conditions that are dangerous, unsanitary and detrimental to other tenants in the Building. Objectionable conduct by You, Your immediate family, other members of Your household, servants, employees or persons visiting You shall give Owner the right to end this Lease.

26. NO COMMERCIAL FOOD PREPARATION - NO PROPANE TANKS

You agree that Your Apartment may not be used for commercial food preparation for any purpose. You agree that You may not use Your stove for such purpose. Further, You understand and agree that the use or storing of propane tanks within the interior of Your Apartment is prohibited.

27. HALOGEN LAMPS

You understand that halogen lamps are dangerous unless used in a safe and careful manner. Halogen lamps must be kept away from curtains, wall coverings, bookcases and any other items which will burn readily under the intense heat of the halogen bulb. You will not keep

such lamp in a children's room and will make every effort to turn off the lamp when You leave the room in which it is located. If You are away for any extended period of time, the lamp should be unplugged.

28. NO ASSIGNMENT, SUBLETTING OR SUCCESSOR TENANTS

A. You may not assign this Lease with another party. You may not sublease Your apartment with another party without first obtaining the written consent of the Owner. Unless otherwise agreed to by Owner, You may not sublease the Apartment.

29. DEFAULT

A. Owner need not give You written notice of default. The following are a few examples of defaults.

1. You fail to carry out any agreement or provision of this Lease;

2. You or Your immediate family, other household members, Your servants, employees and people who are visiting You behave(s) in an objectionable manner,

3. You do not take possession or move into the Apartment within 15 days after the beginning of this Lease;

4. You improperly assign the Lease or improperly sublet all or part of the Apartment;

5. You and other occupants of the Apartment move out permanently before this Lease ends; and

6. You violate the Rules and Regulations.

B. You acknowledge that a default under this Lease shall be deemed a default under the Purchase Agreement for which Owner shall be entitled to exercise its remedies as contained therein. In the event You default under the Purchase Agreement, such uncured default under the Purchase Agreement (that is, a default not cured within thirty (30) days after the sending of written notice thereof) shall be deemed a substantial and material default hereunder. In the event that You default in Your covenants and obligations under this Lease, including, but not limited to, Your rent and additional rent obligations hereunder, Owner shall be entitled, at its sole option and without prior notice to You, to immediately terminate this Lease by giving You written notice of termination, which notice shall be effective on the date given, without any right to cure.

C. In the event that this Lease is terminated, You must immediately surrender the Apartment and give Owner the keys. You continue to be responsible for Your obligations as stated in this Lease.

D. At its sole option, Owner may correct a default at Your expense. The cost of correcting such default shall be added rent, and Owner may recover a judgment for money and possession for said added rent.

E. NONPAYMENT OF RENT. Your failure to pay rent (including added rent) when this Lease requires, constitutes a default under this Lease. If You fail to pay Your rent, the Owner may, at its option, and without waiver of its right to hold you in default and terminate the Lease pursuant to paragraph 29(B) above, make a personal demand for rent or may serve You with a written three (3) day notice of Your default for nonpayment pursuant to the Real Property Actions and Proceedings Law ("RPAPL"), and may commence a summary non-payment proceeding against You. In any such proceeding You may not file a counterclaim, and the Owner shall be entitled to recover attorneys fees as added rent. Further, Owner may recover attorney's fees if the services of an attorney are needed to commence or defend any case or cause of action, as a result of Your default under the Lease. Owner may obtain both a money and possessory judgment for the total attorney's fees expended.

30. REMEDIES OF OWNER AND YOUR LIABILITY

If this Lease is ended by Owner because of Your default, the following are the rights and obligations of You and Owner:

A. You must pay Your rent until this Lease has ended. Thereafter, You must pay triple the rent stated in Section 3 of this Lease for what the law calls "use and occupancy" until You actually move out.

B. Once You are out, Owner may re-rent the Apartment or any portion of it for a period of time which may end before or after the Expiration Date or earlier ending date of this Lease. Owner may re-rent to a new tenant at a lesser rent or may charge a higher rent than the rent in this Lease. Owner may do any work Owner reasonably feels needed to put the Apartment in good repair and prepare it for renting. You remain liable and are not released except as provided by law.

C. Whether the Apartment is re-rented or not, You must pay to Owner as damages:

1. The difference between the rent in this Lease and the amount, if any, of the rents collected in any later lease or leases of the Apartment for what would have been the remaining period of this Lease; and

2. Owner's cost and/or expenses including, but not limited to its attorney's fees, advertisements, brokers' fees and the cost of putting the Apartment in good condition for re-rental.

D. From time to time Owner may bring actions for damages. Delay or failure to bring an action shall not be a waiver of Owner's rights. You are not entitled to any excess of rents collected over the rent paid by You to Owner under this Lease.

31. FIRE OR CASUALTY

A. You must give Owner prompt notice of fire, accident, damage or dangerous or defective condition in Your Apartment. If the Apartment becomes unusable, in part or totally, because of fire, accident or other casualty, this Lease will continue unless ended by Owner under sub-paragraph B below or by You under sub-paragraph C below. You must pay rent for the Apartment, but the rent will be reduced based upon the part of the Apartment which is unusable. Owner shall have the right to decide which part of the Apartment is usable. Owner need only repair the damaged part of the Apartment. Owner is not required to repair or replace any fixtures, furnishings or decorations, but only equipment that is originally installed by Owner. Owner is not responsible for delays due to settling insurance claims, obtaining estimates, labor and supply problems or any other cause not fully under Owner's control.

B. Owner has the right to demolish, rebuild or renovate the Building if there is substantial damage to more than seventy five percent (75%) by fire or other casualty. Even if the Apartment is not damaged, Owner may terminate this Lease within thirty (30) days after the substantial fire or casualty by giving You notice of Owner's intention to demolish, rebuild or renovate. The Lease will end thirty (30) days after Owner's termination notice to You and You must deliver the Apartment to Owner on or before the termination date in the notice and pay all rent due to the date of the fire or casualty. If the Lease is terminated, Owner is not required to repair the Apartment or Building. The termination does not release You of liability in connection with the fire or casualty.

C. If the Apartment is completely unusable because of fire, accident or other casualty and it is not repaired in thirty (30) days, You may give Owner written notice that You end the Lease. If You give that notice, this Lease is considered ended on the day that the fire, accident or casualty occurred. Owner will refund the pro-rata portion of rents paid for the month in which the fire, accident or other casualty occurred.

32. PUBLIC TAKING

The entire Building or a part of it can be acquired (condemned) by any government agency for a public or quasi-public use or purpose. If this happens, the Lease shall end on the date the government agency takes title. You shall have no claim against Owner for any resulting damage. You also agree that by signing this Lease, You assign to Owner any claim against the government agency for the value of the unexpired portion of this Lease.

33. NO ABATEMENT

Subject to Your rights under the warranty of habitability and the Owner's covenant of quite enjoyment:

A. No reduction or abatement of rent, utility charges, added rent or other charges or fees shall be claimed or allowed for the inconvenience or discomfort arising from the making of any decorations, repairs, alterations, improvements, or additions in or to the Apartment or Building or to other common areas, including, but not limited to, demolition and restoration of roofs, facades and parapet walls.

B. No reduction or abatement of rent, utility charges, added rent or other charges or fees shall be claimed or allowed for the inconvenience or discomfort arising from the taking of

any space to comply with any law, ordinance or order of a government agency or for interruption or curtailment of any services.

34. CONSTRUCTION OR DEMOLITION

Subject to Your rights under the warranty of habitability and the Owner's covenant of quiet enjoyment, construction or demolition may be performed in, on or near Your Building. Even if it interferes with Your ventilation, view or enjoyment of the Apartment, it shall not affect Your obligations in this Lease.

35. MECHANIC'S LIENS

In case a notice of mechanic's lien against the Building shall be filed purporting to be for labor or material furnished or delivered at the Building or the Apartment for You, or anyone claiming under You, You shall immediately cause such lien to be discharged by payment, bonding or otherwise, and if You shall fail to do so within ten (10) days after notice from the Owner, then the Owner may cause such lien to be discharged by payment, bonding or otherwise, without investigation as to the validity of same or of any offsets or defenses thereto and Owner shall have the right to collect from You, as added rent, all amounts so paid and all costs and expenses paid in connection with same including reasonable attorneys' fees and disbursements, together with interest from the time or times of payment.

36. RETURNED CHECK POLICY

If, for any reason, Your rent payment check is returned to the Owner by the Bank, You will be subject to an administrative charge of $25.00 per check for each occurrence. Such charge will be considered added rent and will be billed on Your subsequent rent bill. If the bank charge increases following the commencement date of this Lease, the increased cost will be passed along in an increase to the administrative charge.

37. LIABILITY FOR PROPERTY LEFT WITH OWNER'S EMPLOYEES

A. Owner, Owner's Agent and/or employees are not responsible for loss, theft, spoilage or damage to property left in the care of Owner's employees and injury caused by the property or its use, unless caused by intentional acts or gross negligence. This paragraph applies, but is not limited to, the storage facilities and other common areas of the Building. Further, if Owner's Agent and/or employees determine, in their sole judgment, that such items are spoiling or rotting, such items may be disposed of without any responsibility or liability therefore.

B. If keys are left by You with Owner, Owner's Agent and/or employees, for Your guests, invitees or for any other purpose, Owner, Owner's Agent and/or employees are not responsible for loss of Your Apartment keys or entry into Your Apartment via said keys or a duplicate thereof, or any other consequences of said keys being left by You with Owner's Agent and/or employees, unless caused by intentional acts or gross negligence, and You accept sole responsibility for all such consequences.

38. BROKER

You and Owner each represent and warrant that You and Owner have not dealt with any real estate broker in connection with this Lease. Each of You and Owner agree to hold harmless and indemnify the other from and against any and all costs, expenses (including attorneys' fees and court costs), loss and liability for any compensation, commissions or charges claimed by any broker or agent with respect to this Lease or the negotiations thereof if such claim or claims by any such broker or agent are based in whole or in part on dealings with the party from whom indemnification is sought or its representatives. This provision shall survive the cancellation or expiration of this Lease.

39. GIVING UP RIGHT TO TRIAL BY JURY AND COUNTERCLAIM

A. Both You and Owner agree to give up the right to a trial by jury in a court action, proceeding or counterclaim brought by either You or the Owner against the other on any matters arising or in any way connected with this Lease, Your use or occupancy of the Apartment and or any claim of injury or damage.

B. If Owner begins any court action or proceeding against You which asks that You be compelled to move out, You cannot make a counterclaim.

40. LOCK OUT CHARGES

If You or any member of Your household are locked out of the Apartment, and You request that the Owner's maintenance department assist You in opening Your Apartment door, You will be charged a $25.00 service charge. The service charge will appear on Your next monthly rent bill. These rates may be subject to change in the future. You may choose to call Your own locksmith.

41. LATE FEES

Your rent payment is due on the first day of each month. Any rent received by the Owner, Owner's Agent or Owner's bank, after the 10th day of each month will be subject to a $100.00 late payment charge.

42. RENTER'S INSURANCE

Owner is not liable for injury or damage caused by Your negligence or carelessness. You are liable for injuries and damage caused to Owner and others by You, members of Your immediate family, other household members, servants, employees, assignees and sub-tenants and people who visit You. Causing any such injury or damage to Owner or others shall constitute a default under this Lease. Damage and injury from fire, flood, injuries caused by children's tricycles, skateboards, scooters, etc. can result in costly medical bills and other legal expenses. Your renter's insurance will protect You from losses resulting from other tenants' negligence and carelessness as well. The purchase of renter's insurance is strongly recommended.

43. OWNER CONSENT

If You require Owner's consent to any act and such consent is not given, You agree not to make any claim against Owner for money or subtract any sum from the rent because such consent was not given.

44. INDEMNITY

You shall indemnify Owner against any and all damages, expenses, fines or penalties, injury or liability to any person or persons or property, caused wholly or in part by any act or omission of You, Your immediate family, other household members, Your servants, employees, assignees, sub-tenants or people who visit You or due to non-performance of or non-compliance with or breach of or failure to observe any term or condition of this Lease upon Your part to be kept and complied with.

45. WAIVER OF REDEMPTION

You waive any and all rights of redemption granted by or under any present or future laws in the event You are evicted for any cause, or in the event of Owner's obtaining possession of the Apartment by reason of the violation of any provisions of this Lease by You or otherwise.

46. BANKRUPTCY, INSOLVENCY

If You file for relief under the Bankruptcy Code, the parties will proceed pursuant to statute. However, notwithstanding the foregoing, You agree that if a warrant of eviction has been issued, under New York law, the landlord-tenant relationship has been severed and the Lease terminated as a result. Furthermore, if You fail to assume the Lease within sixty (60) days from the filing of a bankruptcy petition, the Lease is deemed terminated. If You obtain a bankruptcy discharge, Owner shall have the right to seek a possessory judgment for the discharged rents. Furthermore, Owner shall have the right to terminate this Lease in the event of a bankruptcy discharge

47. NON-RECOURSE CLAUSE

With regard to any obligation or liability under this Lease on the part of Owner, neither You nor any guarantor, assignee, sub-tenant or occupant shall have any right, claim or cause of action whatever against any member of Owner, it being understood and agreed that any obligation or liability of Owner under this Lease is undertaken by Owner and accepted by You and any guarantor, assignee, sub-tenant or occupant, without personal recourse against any member of Owner and shall be enforceable solely against the membership assets of Owner, including its interest in the Building and not against the individual or corporate assets of any membership.

48. SUBORDINATION CERTIFICATE AND ACKNOWLEDGMENTS

A. All mortgages of the Building or of the land on which the Building is located, now in effect or made after this Lease is signed, come ahead of this Lease. In other words, this Lease is "subject and subordinate to" any existing or future mortgage on the Building or land, including any renewals, consolidations, modifications and replacements of these mortgages. If certain provisions of any of these mortgages come into effect, the holder of such mortgage can

end this Lease. If this happens, You agree that You have no claim against Owner or such mortgage holder. If Owner requests, You will sign promptly an acknowledgment of the "subordination" in the form that Owner requires.

B. You also agree to sign (if accurate) a written acknowledgment to any third party designated by Owner that this Lease is in effect, that Owner is performing Owner's obligations under this Lease and that You have no present claim against Owner.

49. NO WAIVER OF LEASE PROVISIONS

A. Even if Owner accepts Your rent or fails once or more often to take action against You when You have not done what You have agreed to do in this Lease, the failure of the Owner to take action or Owner's acceptance of rent does not prevent Owner from taking action at a later date if You again do not do what You have agreed to do.

B. Only a written agreement between You and Owner can waive any violation of this Lease.

C. If You pay and Owner accepts an amount less that all the rent due, the amount received shall be considered to be in payment of all or a part of the earliest rent due. It will not be considered an agreement by Owner to accept this lesser amount in full satisfaction of all of the rent due

D. Any agreement to end this Lease and also to end the rights and obligations of You and Owner must be in writing, signed by You and Owner or Owner's Agent. Even if You give keys to the Apartment and they are accepted by any Agent and/or Employee of the Owner, this Lease is not ended.

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IN WITNESS WHEREOF, You and Owner have executed this Lease.

OWNER:
21E12 LLC

Witness:_____

By:_____
Name:
Title:
Date:_____

TENANT:

_____

Witness:_____

By:_____
Name:
Date:

_____
Name:

Date:_____

RULES AND REGULATIONS

(TERMS NOT DEFINED HEREIN SHALL HAVE THE MEANING ASCRIBED TO THEM IN THE CONDOMINIUM BY-LAWS)

(1) The sidewalks, entrances, passages, public halls, elevators, vestibules, corridors and stairways of the Building shall not be obstructed or used for any other purpose than ingress to and egress from the Apartment.

(2) No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the passages, public halls, vestibules, corridors, stairways or fire tower landings of the Building, nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from any doors, windows or roofs or placed upon the window sills of the Building.

(3) Neither occupants nor their guests shall play in the entrances, passages, public hails, elevators, vestibules, corridors, stairways or fire towers of the Building.

(4) No public hall or public elevator vestibule of the Building shall be decorated or furnished by any tenant in any manner.

(5) Each tenant shall keep his or her Unit and any Limited Common Elements appurtenant thereto in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance.

(6) No window guards or window decorations shall be used in or about any Residential Unit, unless otherwise required by law, except such as shall have been approved in writing by the Owner or the Owner's agent, which approval shall not be unreasonably withheld or delayed.

(7) No radio, television aerial, satellite or similar device shall be attached to or hung from the exterior of the Building and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any door or window or other part of the Building except such as are permitted pursuant to the Declaration or the By-Laws or shall have been approved in writing by the Owner or Owner's Agent, nor shall anything be projected from any door or window of the Building without similar approval.

(8) No ventilator or air conditioning device shall be installed in any Residential Unit without the prior written approval of the Residential members of the Condominium, which approval may be granted or refused in the sole discretion of the Residential members of the Condominium Board.

(9) All radio, television or other electrical equipment of any kind or nature installed or used in each Residential Unit shall fully comply with all rules, regulations, requirements or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction and the Residential Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such Residential Unit Owner's Unit.

(10) No bicycles, scooters or similar vehicles shall be allowed in any of the elevators other than the elevators designated by the Owner or Owner's Agent for that purpose, and no

baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the passages, public halls, vestibules, corridors or other public areas of the Condominium.

(11) No tenant shall make or permit any disturbing noises or activity in the Condominium, or do or permit anything to be done therein, which will interfere with the rights, comfort or convenience of other tenants or occupants of the Condominium. No tenant shall play or suffer to be played any musical instrument, or practice or suffer to be practiced vocal music, or operate or permit to be operated a phonograph or radio or television set or other loud speaker in such tenant's Unit between 11:00 P.M. and the following 9:00 A.M., if the same shall disturb or annoy other occupants of the Building, unless the same shall have the prior written consent of the Owner. No construction or repair work or other installation involving noise shall be conducted in any Residential Unit except on weekdays (not including legal holidays) and only between the hours of 9:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency or unless such work is performed by Owner.

(12) No more than two (2) pets totaling seventy (70) pounds shall be permitted, kept or harbored in a Residential Unit without the same in each instance having been expressly permitted in writing by the Owner or Owner's Agent and such consent, if given, shall be revocable by the Condominium Board or such managing agent in their sole discretion, at any time. Dogs may not be walked on the Property and all tenants must clean-up after their pets. In no event shall any bird, reptile, or animal be permitted in any public elevator in the Condominium, other than the elevators designated by the Owner or Owner's Agent for that purpose, or in any of the public portions of the Condominium, unless carried or on a leash. No pigeons or other birds or animals shall be fed from the window sills or other public portions of the Condominium or on the sidewalk or street adjacent to the Building. Each tenant who keeps any type of pet in his Residential Unit shall be required to indemnify and hold harmless the Condominium, all tenants and Unit Owners and Owner's Agent from all claims and expenses resulting from acts of such pet.

(13) Messengers and tradespeople visiting in the Condominium shall use the elevators designated by Owner or Owner's Agent for that purpose, for ingress and egress, and shall not use any of the other elevators for any purpose, except that nurses, caregivers, babysitters and cleaning personnel in the employ of tenants or their guests or tenants may use any of the other elevators when accompanying said tenants or guests. However, a tenant or visitor of a tenant may use any of the elevators freely, if authorized by such tenant.

(14) All service and delivery persons will be required to use the service entrance. All packages, whenever feasible, will be required to be delivered by outside personnel to the package room in the lobby where such packages will be held for pick-up by tenants. Deliveries, if made, will be made from the package room to individual Residential Units only by Building personnel. Such deliveries will be made only at such times as a Unit is occupied by the resident thereof or an authorized person and said resident or authorized person is willing to accept delivery. If the Residential Unit is not so occupied or delivery is declined, the package will be held in the package room until the resident or authorized person returns or requests delivery. In the case of packages containing perishable food items, service or delivery persons who are registered with Building personnel will be permitted to make deliveries directly to individual Residential Units after such service or delivery persons have received approval for such delivery from the tenant.

(15) Trunks and heavy baggage shall be taken in or out of the Condominium by the elevators designated by the Owner or Owner's Agent for that purpose, and through a designated entrance only.

(16) No refuse from the Residential Units shall be sent to the below grade levels of the Building except at such times and in such manner as the Condominium Board or the managing agent of the Condominium may direct.

(17) Water-closets and other water apparatus in the Condominium and in any common area shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Residential Unit shall be repaired and paid for by the tenant of such Unit.

(18) No occupant of the Condominium shall send any employee of the Condominium or of the Owner's Agent thereof out of the Building on any private business.

(19) Owner and Owner's Agent, and any contractor or worker authorized by the Owner or Owner's Agent, may enter any room or Residential Unit at any reasonable hour of the day, on at least one (1) day's prior written notice to the tenant, for the purpose of inspecting such Residential Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests; however, such entry, inspection and extermination shall be done in a manner so as not to unreasonably interfere with the use of such Residential Unit for its permitted purposes.

(20) Corridor doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

(21) Owner or Owner's Agent may retain a passkey to each Residential Unit that has locks. If any lock is altered or a new lock is installed, the Owner or Owner's Agent shall be provided with a key thereto immediately upon such alteration or installation. If the tenant is not personally present to open and permit an entry to his Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws and has not furnished a key to the Owner or Owner's Agent, then the Owner or Owner's Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of Owner or an officer of Owner's Agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if during such entry reasonable care under the circumstances is given to such tenant's property).

(22) No vehicle belonging to a tenant or to a member of the family or guest, subtenant or employee of a tenant shall be parked in such manner as to impede or prevent ready access to any entrance to or exit from the Building by another vehicle.

(23) Complaints regarding the services of the Condominium shall be made in writing to the Owner or Owner's Agent.

(24) Any consent or approval given under these Residential Rules and Regulations may be granted, refused, added to, amended or repealed, in the sole discretion of the Owner, at any time by resolution of the Owner. Further, any such consent or approval may, in the discretion of the Owner, be conditional in nature.

(25) Except as permitted under the Declaration and By-Laws, tenants, their families, guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the roof of the Building.

(26) Tenants, their guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not cause or permit any unusual or objectionable noise or odors to be produced upon or to emanate from their Units.

(27) No tenant or any of his agents, servants, employees, licensees, tenants, sublessees or visitors shall at any time bring into or keep in his Unit any inflammable, combustible or explosive fluid, material, chemical or substance, except as shall be necessary and appropriate for the permitted uses of such Unit.

(28) If any key or keys are entrusted by a tenant or by any member of his family or by his agent, servant, employee, tenant, sublessee, licensee or visitor to an employee of the Owner or Owner's Agent, whether for such tenant'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 tenant, and neither the Owner or Owner's Agent shall (except as provided in paragraph 21 above) be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

(29) Nothing shall be done or kept in any Residential Unit or in the General or Limited Common Elements which will increase the rate of insurance of the Building or contents thereof without the prior written consent of the Owner. No Residential Unit Owner shall permit anything to be done or kept in his Unit or in the General or Limited Common Elements which will result in the cancellation of insurance on the Building or which would be in violation of any law. No waste shall be committed in the General or Limited Common Elements.

(30) The Condominium Board shall have the right from time to time to relocate any portion of the Common Elements devoted to storage or service purposes.

(31) No group tour or exhibition of any Residential Unit or its contents shall be conducted, nor shall any auction sale be held in any Residential Unit, without the prior consent of the Owner or Owner's Agent.

(32) In the event that any Residential Unit is used for home occupation purposes which are permitted by law and the By-Laws, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

(33) Unless expressly authorized by the Owner in each case, at least eighty percent (80%) of the floor area of each Residential Unit (excepting only kitchens, pantries, bathrooms and closets) must be covered with rugs, carpeting or equally effective noise-reducing material.

(34) The Owner reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Condominium when, in the reasonable judgment of the Owner, Owner deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Condominium, or the preservation of good order therein, or the operation or maintenance of the Condominium, or the equipment thereof, or the comfort of tenants, occupants or others in the Condominium. No rescission, alteration, waiver or addition of any rule or regulation in respect of one tenant or other occupant shall operate as a rescission, alteration or waiver in respect of any other tenant or other occupant.

(35) No children may be left unattended in any common area of the Building, including but not limited to the hallways and lobby.

EXHIBIT "16"

SAMPLE TITLE POLICY

FIRST AMERICAN TITLE INSURANCE COMPANY

AMERICAN LAND TITLE ASSOCIATION OWNERS POLICY (6-17-2006)
WITH NEW YORK COVERAGE ENDORSEMENT APPENDED (A.L.T.A.)

SCHEDULE A

Policy No PROFORMA

Title Number	**Policy Date**	**Amount of Insurance**
NLT-26361-NY-15		TBD

1. **Name of Insured:** TBD

2. **The estate or interest in the land which is covered by this policy is:** Fee Simple

3. **Title to the estate or interest in the land is vested by:**

   TBD who acquired title by deed from 21E12 LLC dated _____ and to be recorded.

4. **The land referred to in this Policy is described herein on Schedule A Description of Premises.**

   For Information: Premises known as: 110 University Place, New York, NY

_____
Authorized Signatory

SCHEDULE A
A.L.T.A 2006 OWNERS POLICY

FIRST AMERICAN TITLE INSURANCE COMPANY

SCHEDULE A
DESCRIPTION OF PREMISES

Title No. NLT-26361-NY-15
Policy No. PROFORMA

The Condominium Unit (hereinafter called the "Unit") in the building (hereinafter called the "**Building**") known as THE 21 EAST 12TH STREET CONDOMINIUM and by the street address 21 East 12th Street, Borough of Manhattan, City, County and State of New York, said Unit being designated and described as the Unit in that certain Amended and Restated Declaration, dated as of August 26, 2015 (the "**Declaration**"), made by Grantor, as Declarant ("**Declarant**"), pursuant to Article 9-B of the Real Property Law of the State of New York (hereinafter called the "**Condominium Act**") establishing condominium ownership of the Building and the land (hereinafter called the "**Land**") upon which the Building is situate (which Condominium Land is more particularly described in Schedule A attached hereto), which Declaration was recorded in the New York County Office of the Register of The City of New York (the "**City Register's Office**") on [_____], 2015, as CRFN [_____] (as the same may be further amended from time to time, the "**Declaration**"). The Unit is also designated as Tax Lot 1101 and 1102 in Block 570 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Bureau of The City of New York and on the Floor Plans of the Building certified by Peter Farinella Architect, P.C. on May 11, 2015, and filed with the Real Property Assessment Bureau of The City of New York on [_____], as Condominium Plan No. 2601 and also filed in the City Register's Office on [_____] as CRFN [_____],as said Floor Plans have been amended and may be further amended from time to time;

Together with an undivided interest in the Common Elements (as such term is defined in the Declaration) of THE 21 EAST 12TH STREET CONDOMINIUM;

Together with the appurtenances and all the estate and rights of Grantor in and to the Unit;

Together with, and subject to, all of the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and By-Laws of The East 12th Street Condominium, as each of the same may be amended from time to time (said By-Laws and any amendments thereto are hereinafter collectively called the "**By-Laws**"), including, without limitation, the restrictions and other provisions with respect to the permitted uses of the Unit; all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein; subject also to such other liens, agreements, covenants, easements, restrictions, consents, other matters of record as pertain to the Unit, to the Land and/or to the Building (which Land and Building are hereinafter collectively called the "**Property**").

The Land is hereby described, as follows:

ALL that certain lot, piece or parcel of land, in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the northerly side of East 12th Street, and the westerly side of University Place;

THENCE westerly along the northerly side of East 12th Street, 107 feet 7-3/4 inches;

THENCE northerly along a line which on the easterly side forms an angle of 89 degrees 55 minutes 20 seconds with the northerly side of East 12th Street, 154 feet 9 inches;

THENCE easterly along a line which on its southerly side forms an angle of 89 degrees 42 minutes 20 seconds with the last mentioned course, 24 feet 9-3/4 inches;

THENCE northerly along a line which on its westerly side forms an angle of 89 degrees 37 minutes 40 seconds (Deed: 80 degrees 37 minutes 40 seconds) with the last mentioned course, 5 feet 7/8 of an inch;

THENCE easterly along a line which on its southerly side forms an angle of 105 degrees 55 minutes 10 seconds with the last mentioned course, 52 feet 2-1/2 inches;

THENCE northerly along a line which on its westerly side forms an angle of 108 degrees 16 minutes 20 seconds with the last mentioned course, 3 feet 7 inches;

THENCE easterly along a line which on its southerly side forms an angle of 88 degrees 05 minutes 20 seconds with the westerly side of University Place, 45 feet 1 inch to the westerly side of University Place;

THENCE southerly along the westerly side of University Place, 176 feet 3 inches to the point or place of BEGINNING.

SCHEDULE A
A.L.T.A 2006 OWNERS POLICY

FIRST AMERICAN TITLE INSURANCE COMPANY

SCHEDULE B

Policy No PROFORMA
Title No NLT-26361-NY-15

Showing defects, liens, encumbrances and other matters against which the Company does not, by this Policy, insure:

1. Covenants and restrictions set forth in Liber 4649 Cp 17. However, policy affirmatively insures that said covenants have not been violated by the improvements as shown on the survey used herein. Policy further insures that any future violation thereof will not result in a forfeiture or reversion of title.

2. Any state of facts which an accurate survey of the unit would show, nevertheless, policy insures that any encroachments by the insured unit adjoining units or upon the common elements may remain undisturbed, so long as the building shall stand.

3. Terms, provisions, covenants, restrictions, conditions, and options contained in and rights and easements established by the Declaration of Condominium and By-Laws recorded ____. Policy insures against loss or damage occasioned by the premises not being a part of a condominium validly created pursuant to 9-B of the real Property Law as amended.

SCHEDULE B
A.L.T.A 2006 OWNERS POLICY

FIRST AMERICAN TITLE INSURANCE COMPANY

STANDARD NEW YORK ENDORSEMENT
(Owner's Policy)

Title No NLT-26361-NY-15

Attached to and made a part of Policy No. PROFORMA

1. The following is added as a Covered Risk:

   "11. Any statutory lien arising under Article 2 of the New York Lien Law for services, labor or materials furnished prior to the date hereof, and which has now gained or which may hereafter gain priority over the estate or interest of the insured as shown in Schedule A of this policy."

2. Exclusion Number 5 is deleted, and the following is substituted:

   5. Any lien on the Title for real estate taxes, assessments, water charges or sewer rents imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as Shown in Schedule A.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

IN WITNESS WHEREOF, the Company has caused its corporate name and seal to be hereunto affixed by its duly authorized officers

DATED: **FIRST AMERICAN TITLE INSURANCE COMPANY**

By_____
Authorized Signatory

Standard New York Endorsement (11/1/2008)
For Use With ALTA Owner's Policy (6/17/2006)
Amended (7/1/2012)

First American Title™

WAIVER OF ARBITRATION ENDORSEMENT
(OWNER'S OR LOAN POLICY)

Issued by

First American Title Insurance Company

Attached to and made part of Policy No.: PROFORMA

The policy is amended by deleting therefrom:

(A) If this endorsement is attached to an ALTA Loan Policy: Condition 13.

(B) If this endorsement is attached to an ALTA Owner's Policy: Condition 14.

(C) If this endorsement is attached to a TIRSA Owner's Extended Protection Policy: Condition 12.

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any other endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any other endorsements, nor does it extend the effective date of the Policy and any other endorsements, nor does it increase the face amount thereof.

Dated:

First American Title Insurance Company

Dennis J. Gilmore, President Jeffrey S. Robinson, Secretary

By: _____
Authorized Countersignature

First American Title™

CONDOMINIUM ENDORSEMENT
NEW YORK

Issued by

First American Title Insurance Company

Attached to and made part of Policy No.:

The Company insures the insured against loss or damage sustained by reason of:

1. The failure of the unit identified in Schedule A and its common elements to be part of a condominium within the meaning of the condominium statutes of the State of New York.
2. The failure of the documents required by the condominium statutes to comply with the requirements of the statutes to the extent that such failure affects the title to the unit and its common elements.
3. Present violations of any restrictive covenants which restrict the use of the unit and its common elements and which are created by the condominium documents, except violations relating to environmental protection unless a notice of a violation thereof has been recorded or filed in the Public Records and is not excepted in Schedule B. The restrictive covenants do not contain any provisions which will cause a forfeiture or reversion of title.
4. The priority of any lien for charges and assessments at Date of Policy provided for in the condominium statutes and condominium documents over the lien of any insured first mortgage identified in Schedule A.
5. The failure of the unit and its common elements to be entitled by law to be assessed for real property taxes as a separate parcel.
6. Any obligation to remove any improvements which exist at Date of Policy because of any present encroachments or because of any future unintentional encroachments of the common elements upon any unit or of any unit upon the common elements or another unit.
7. The failure of title by reason of a right of first refusal to purchase the unit and its common elements which was exercised or could have been exercised at Date of Policy.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the amount of insurance.

Dated:

First American Title Insurance Company

Dennis J. Gilmore, President Jeffrey S. Robinson, Secretary

By: _____
Authorized Countersignature

EXHIBIT "17"

STORAGE BIN LICENSE PURCHASE AGREEMENT

STORAGE BIN LICENSE
PURCHASE AGREEMENT

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

Re: Unit No. ___ ("Unit")
21 East 12th Street Condominium (the "Condominium")
21 East 12th Street
New York, NY 10003

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

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

(b) Upon execution of this Agreement, Purchaser has delivered a check to Sponsor (subject to collection) in an amount $_____ (an amount that equals at least 10% of the Purchase Price) representing the Deposit due in connection with the purchase of the Storage Bin License.

-or-

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

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

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

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

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

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

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

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

21E12 LLC

By: _____
Name:
Title:

EXHIBIT "18"

STORAGE BIN LICENSE AGREEMENT

STORAGE BIN LICENSE AGREEMENT

AGREEMENT made this ____ day of _____, 20___ (this "Agreement") by and between 21E12 LLC, having an address at c/o William Macklowe Company, 126 East 56th Street, New York, NY 10022 ((the "Sponsor"), the Condominium Board of the 21 East 12th Street Condominium (the "Board") and collectively with Sponsor, the "Licensor") and _____ having an address at _____ ("Licensee");

WHEREAS, the 21 East 12th Street Condominium, located at 21 East 12th Street, New York, New York ("Condominium"), is governed by a certain Declaration of Condominium dated _____, 20___, recorded in the New York County Office of the Register of the City of New York on _____, 20___ in Reel ___, as the same has been or may be amended from time to time (the "Declaration"), the by-laws of the Condominium, as the same has been or may be amended from time to time (the "By-Laws") and the rules and regulations of the Condominium, as the same has been or may be amended from time to time (the "Rules and Regulations") (the "Declaration", the "By-Laws" and the "Rules and Regulations" are collectively, referred to as the "Condominium Documents); and

WHEREAS, in the Condominium there are certain areas designated as the "storage bins", which have been installed in the Cellar for use by permitted Unit Owners; and

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

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

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

1. Licensor hereby grants to Licensee, its successors and assigns, a license for the exclusive use of the Storage Bin ("License") and Licensee hereby accepts such License from the Sponsor for a term commencing on the date hereof.

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

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

4. The License may be assigned by Licensee at any time provided that no outstanding money is owed to the Condominium Board and provided that the assignee: (i) is a Unit Owner at the

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

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

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

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

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

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

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

11. Licensee shall indemnify and hold the Condominium, the Sponsor of the Condominium, the Condominium Board, and their officers, agents and employees, harmless from and against any and all liabilities, claims, penalties, and judgments, together with any related costs and expenses, including reasonable legal fees, asserted against or sustained by any of them in connection with any act, omission, or negligence of Licensee or Licensee's family, servants, employees, agents, guests and invitees in connection with the License.

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

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

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

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

16. Either party shall execute, acknowledge and deliver to the other party such instruments and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to conform or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

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

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

LICENSOR:

21E12 LLC,
SPONSOR

By:_____
Name:
Title:

LICENSEE:

_____

21 EAST 12TH STREET CONDOMINIUM

BY: CONDOMINIUM BOARD

By:_____